

# City of Salinas

200 Lincoln Ave., Salinas, CA 93901

[www.cityofsalinas.org](http://www.cityofsalinas.org)



## Meeting Agenda - Final

Tuesday, September 24, 2024

4:00 PM

**SALINAS ROTUNDA**

### City Council

*Mayor Kimbley Craig*

*Councilmembers:*

*Carla Viviana González, District 1 - Tony Barrera, District 2*

*Jesus Valenzuela, District 3 - Orlando Osornio, District 4*

*Andrew Sandoval, District 5 - Anthony Rocha, District 6*

*Rene Mendez, City Manager*

*Christopher A. Callihan, City Attorney*

*City Clerk's Office: (831) 758-7381*

**ZOOM WEBINAR PARTICIPATION**

**JOIN THE ZOOM WEBINAR TO PARTICIPATE LIVE AT:**

**<https://us02web.zoom.us/j/81739162562>**

**To participate telephonically, call any number below:**

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248 7799 US (Houston) +1 719 359 4580 US +1 253 205 0468 US +1 689 278 1000 US +1  
301 715 8592 US (Washington DC) +1 305 224 1968 US +1 309 205 3325 US +1 312 626  
6799 US (Chicago) +1 360 209 5623 US +1 386 347 5053 US +1 507 473 4847 US +1 564  
217 2000 US +1 646 558 8656 US (New York) +1 646 931 3860 US**

**Webinar ID: 817 3916 2562**

**If prompted to enter a participant ID, press #.**

**PLEDGE OF ALLEGIANCE****ROLL CALL****PROCLAMATIONS**

National Stormwater Awareness Week, September 23-27, 2024

**COMMENDATIONS**

Mitchell Huerta, Former Measure E Committee Member

**PUBLIC COMMENT PROCEDURES**

*If you wish to make a general public comment or comment on a specific agenda item, you are encouraged to attend the City Council meeting in person. Public comment may also be submitted via email at [PublicComment@ci.salinas.ca.us](mailto:PublicComment@ci.salinas.ca.us) and will be entered into the record.*

**PUBLIC COMMENT TIME RESTRICTIONS**

*Public comments generally are limited to two minutes per speaker; the Mayor may further limit the time for public comments depending on the agenda schedule.*

**GENERAL PUBLIC COMMENTS**

*Receive public communications on items that are not on the agenda and that are in the City of Salinas' subject matter jurisdiction. Comments on Consent, Consideration, and Closed session items should be held until the items are reached. The public may request that the legislative body consider adding an item for consideration on a future agenda. The public may comment on scheduled agenda items, including closed session*

items, as they are considered.

## CALIFORNIA GOVERNMENT CODE §84308 - LEVINE ACT

*Government Code § 84308. Parties to any proceeding involving a license, permit or other entitlement for use pending before the City Council must disclose any campaign contributions over \$250 (aggregated) within the preceding 12 months made by the party, their agent, and those required to be aggregated with their contributions under Government Code § 82015.5. The disclosure must include the amount contributed and the name(s) of the contributor(s).*

## PUBLIC HEARINGS

[ID#24-521](#)

### Salinas United Business Association (SUBA) FY 2024-2025 Annual Assessment

**Recommendation:** Approve a Resolution to levy and collect the annual assessment in the Salinas United Business Association ("SUBA") Business Improvement Area ("BIA") for Fiscal Year (FY) 2024-2025.

[ID#24-509](#)

### Sanitary Sewer Development Impact Fee Update Amendment

**Recommendation:** Approve a Resolution amending the Sanitary Sewer Development Impact Fee previously approved through Resolution No. 22942.

## CONSIDERATION

[ID#24-539](#)

### 2024 Salinas Active Transportation Plan

**Recommendation:** Approve a Resolution adopting the 2024 Salinas Active Transportation Plan as a strategic planning document.

[ID#24-550](#)

### American Rescue Plan Act (ARPA) Projects Update

**Recommendation:** Approve a resolution delegating authority to the City Manager to authorize reallocations of ARPA funding between various projects in order to meet the December 31, 2024 deadline.

## CONSENT AGENDA

*All matters listed under Consent Agenda may be enacted by one motion unless a member of the Council or the public requests discussion or a separate vote.*

[ID#24-559](#)

### Minutes

**Recommendation:** Approve minutes of September 10, 2024.

[ID#24-552](#)

### Financial Claims

**Recommendation:** Approve financial claims report.

[ID#24-485](#)

### Citywide Sidewalk Repair Project, Phase II, CIP No. 9720 Contract Change Order No. 3

**Recommendation:** Approve a Resolution authorizing the City Manager to execute Contract Change Order No. 3 to JJR Construction for the Citywide Sidewalk Repair Project Phase II, CIP No. 9720 in the amount of \$372,246.60; and approving a 10% construction contingency not identified in Resolution 22889 and an additional 12% construction contingency for a total construction contingency of 22% in the amount of \$459,571.97 for a revised not to exceed contract amount of \$2,548,535.48 to JJR Construction Inc.

**ID#24-500**      **Amendment No. 4 to Agreement with Smith & Enright for the removal of unlawful campsites**

**Recommendation:** Approve a Resolution authorizing the City Manager to execute Amendment No. 4 to the Agreement for Services with Smith & Enright Landscaping, Inc. for the removal of unlawful campsites to increase the compensation by \$300,000 at an annual cost of \$100,000 for a revised not to exceed amount of \$1,050,000 and extend the term to November 30, 2027.

**ID#24-528**      **California Library Literacy Services Adult and Family Literacy Grant Award**

**Recommendation:** Approve a Resolution accepting the California Library Literacy Services (CLLS) block grant award in support of Adult Literacy and Family Literacy, for a total award of \$216,431 and the establishment of the grant appropriation for the grant award amount and corresponding revenue budget to support grant activities; and authorizing the City Manager to execute all grant acceptance documents with the California State Library.

**ID#24-534**      **Office of Traffic Safety (OTS) Grants and Agreement with Ecology Action**

**Recommendation:** Approve Resolutions authorizing: (1) the acceptance of the 2025 California Office of Traffic Safety (OTS) Selective Traffic Enforcement Program (STEP) grant in the amount of \$98,000, execution of all grant-related documents, and grant appropriation of up to \$98,000 and corresponding revenue and budget; (2) the acceptance of the 2025 California OTS Pedestrian and Bicycle Safety Program (PBSP) grant in the amount of \$170,831, execution of all grant-related documents, and grant appropriation of up to \$170,831 and corresponding revenue and budget; and (3) the execution of an Agreement with Ecology Action for \$170,831 to provide services funded by the 2025 California OTS-PBSP grant.

**ID#24-535**      **Direct Purchase of Vigilant Fixed License Plate Reader (LPR) Camera Systems**

**Recommendation:** Approve a Resolution authorizing the Purchasing Agent and City Manager to purchase L5F Fixed License Plate Reader (LPR) camera systems from Vigilant Solutions, LLC for a total cost not to exceed \$897,543.70.

**ID#24-536**      **Approval to Seek Funding for the Purchase of a Tactical Armored Vehicle**

**Recommendation:** Approve a Resolution authorizing the Police Department to seek funding to support the purchase of a tactical armored vehicle.

**ID#24-544**      **Agreement with Yosso Group Inc. for the Replacement of the Playground Structure at Northgate Neighborhood Park**

**Recommendation:** Approve a Resolution authorizing the City Manager to negotiate and execute an agreement with Yosso Group Inc. for the replacement of the playground structure at Northgate Neighborhood Park in an amount not to exceed \$974,090.54.

**ID#24-548**      **Agreement with Ross Recreation Equipment Company Inc. for the Replacement of the Playground Structure at Williams Ranch Neighborhood Park**



**Recommendation:** Approve a Resolution authorizing the City Manager to negotiate and execute an agreement with Ross Recreation Equipment Company Inc. for the replacement of the playground structure at Williams Ranch Neighborhood Park in an amount not to exceed \$290,225.89.

**ID#24-549**      **Agreement with Miracle Playsystems Inc. for the Purchase and Installation of Exercise Equipment at Cesar Chavez Park and Swing Set at Santa Rita Neighborhood Park**

**Recommendation:** Approve a Resolution authorizing the City Manager to enter into an Agreement with Miracle Playsystems Inc. for the purchase and installation of exercise equipment at Cesar Chavez Community Park and swing set at Santa Rita Neighborhood Park in an amount not to exceed \$64,120.

**ID#24-551**      **Proposed Land Acquisition for Boronda Road Improvement Project**

**Recommendation:** Approve a Resolution authorizing the Mayor to enter into an Agreement for Dedication of Boronda Road Right-of-Way.

**ID#24-557**      **City Manager Recommendation for Additional FY 24-25 Community Sponsorship Funding**

**Recommendation:** Approve the City Manager's recommendations for additional sponsorship allocations to the Science Workshop in the amount of \$12,000, the Veterans' Parade in the amount of \$8,000, and the California International Airshow Salinas in the amount of \$30,000.

**ID#24-558**      **Modification to Classification - Salary Schedule and Workforce Allocation Adjustment**

**Recommendation:** Approve a Resolution modifying the Classification - Salary Schedule to 1) add the classification of Assistant City Manager to the Department Director unit; 2) approve one over hire Office Technician in Community Development; and 3) add two grant-funded Investigative Specialists to the Police Department workforce.

**6:00 P.M. CLOSED SESSION**

*Receive public communications from the audience on Closed session items.  
The City Council will recess to closed session pursuant to:*

- ID#24-542**
- a. Real Property Negotiations** - California Government Code section 54956.8, conference with real property negotiators City Manager Rene Mendez, Assistant City Manager Jim Pia, City Attorney Christopher A. Callihan, and Community Development Director Lisa Brinton, to discuss the terms and sale of real properties located at 210 Salinas Street (APN 002244098000, Parking Lot 8); 122 Lincoln Avenue (APN 002245008000, Parking Lot 12), 128 Lincoln Avenue (APN 002245007000, Parking Lot 12), 118 Lincoln Avenue (APN 002245005000, Parking Lot 12), 120 Lincoln Avenue (APN 0022458006000, Parking Lot 12), 112 Lincoln Avenue (APN 002245004000, Parking Lot 12).
  - b. Real Property Negotiations** - California Government Code section 54956.8, conference with real property negotiators City Manager Rene Mendez, Assistant City Manager Jim Pia, City Attorney Christopher A. Callihan, and Community Development Director Lisa Brinton, to discuss the terms and sale of real properties located 1030 Fairview Salinas, CA 93905 (APN: 003-474-002)

Salinas, California 93901.

- c. **Public Employee Performance Evaluation** - California Government Code section 54957(b), City Attorney.

**THE CITY COUNCIL WILL RECONVENE IN THE ROTUNDA AT 7:00 P.M.**

**7:00 P.M. CONSIDERATION**

[ID#24-540](#)

**Rent Stabilization and Tenant Protection; Adoption of Ordinances**

**Recommendation:** Consider adopting a Rent Stabilization Ordinance, a Tenant Protection and Just Cause Eviction Ordinance, and a Tenant Anti-Harassment Ordinance.

**COUNCILMEMBERS' REPORTS, APPOINTMENTS AND FUTURE AGENDA ITEMS**

*Receive communication from Councilmembers on reports, appointments and future agenda items. Councilmember comments are generally limited to three minutes.*

**ADJOURNMENT**

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**Patricia M. Barajas, City Clerk**

**AGENDA MATERIAL / ADDENDUM**

*Any addendums will be posted within 72 hours of regular meetings or 24 hours of special meetings and in accordance with Californian Government Code Section 54954.2 and 54956. City Council agenda reports and other writings distributed to the legislative body may be viewed at the Salinas City Clerk's Office, 200 Lincoln Avenue, Salinas, and are posted on the City's website at [www.cityofsalinas.org](http://www.cityofsalinas.org) in accordance with California Government Code section 54597.5. The City Council may take action that is different than the proposed action reflected on the agenda.*

*Disability-related modification or accommodation, including auxiliary aids or services, may be requested by any person with a disability who requires a modification or accommodation in order to participate in the meeting. Language interpretation may be requested as soon as possible but by no later than 5 p.m. of the last business day prior to the meeting. Requests should be referred to the City Clerk's Office At 200 Lincoln Avenue, Salinas, 758-7381, as soon as possible but by no later than 5 p.m. of the last business day prior to the meeting. Hearing impaired or TTY/TDD text telephone users may contact the city by dialing 711 for the California Relay Service (CRS) or by telephoning any other service providers' CRS telephone number.*

**PUBLIC NOTIFICATION**

*This agenda was posted on September 19, 2024 in the Salinas Rotunda and City's website.*

*Meetings are streamed live at <https://salinas.legistar.com/Calendar.aspx>, televised live on Comcast Channel 25 and on <http://www.youtube.com/thesalinaschannel> at 4:00 p.m. on the date of the regularly scheduled meeting and will be broadcast throughout the day on Friday, Saturday, Monday and Wednesday following the meeting. For the most up-to-date Broadcast Schedule for The Salinas Channel on Comcast 25, please visit or*

*subscribe to our Google Calendar located at <http://tinyurl.com/SalinasChannel25>. All past City Council meetings may also be viewed on the Salinas Channel on YouTube at <http://www.youtube.com/thesalinaschannel>.*



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
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## Legislation Text

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**File #: ID#24-521, Version: 1**

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### **Salinas United Business Association (SUBA) FY 2024-2025 Annual Assessment**

Approve a Resolution to levy and collect the annual assessment in the Salinas United Business Association (“SUBA”) Business Improvement Area (“BIA”) for Fiscal Year (FY) 2024-2025.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 24, 2024

**DEPARTMENT:** COMMUNITY DEVELOPMENT

**FROM:** LISA BRINTON, DIRECTOR

**BY:** CRYSTAL CASILLAS, COMMUNITY DEVELOPMENT ANALYST (LIMITED-TERM)

**TITLE:** RESOLUTION TO LEVY SALINAS UNITED BUSINESS ASSOCIATION (SUBA) FY 2024-2025 ANNUAL ASSESSMENT

RECOMMENDED MOTION:

A motion to approve a Resolution to levy and collect the annual assessment in the Salinas United Business Association (“SUBA”) Business Improvement Area (“BIA”) for Fiscal Year (FY) 2024-2025.

RECOMMENDATION:

It is recommended that the City Council hold a public hearing to consider written testimony regarding the annual levy of assessment in the SUBA BIA for FY 2024-2025, tabulate and confirm any protests; and provided that protests received represent less than 50% of the assessments proposed to be levied, approve a resolution which denies such protests, and confirms the SUBA Annual Report for FY 2023-2024 (“Annual Report”) and its proposed budget for FY 2024-2025, which shall constitute the levy of assessment for this fiscal year.

EXECUTIVE SUMMARY:

As required by California Streets and Highways Code Section 36535, “Parking and Business Improvement Area Law of 1989”, prior to considering approval of a resolution to levy the annual assessment in the SUBA BIA, the City is to hold a public hearing to receive the testimony of all interested persons for or against the levy of an assessment for FY 2024-2025. Provided that protests received represent less than 50% of the assessments proposed to be levied, the Council can confirm the Annual Report for FY 2024-2025 and its proposed budget for FY 2024-2025, which shall constitute the levy of assessment for this fiscal year.

BACKGROUND:

The Salinas United Business Association (SUBA) is a 501(c)(6) nonprofit corporation appointed by the City Council to serve as the Advisory Board of the Business Improvement Area formed in

2004 under the Parking and Business Improvement Area Law of 1989. Through the levying of assessments, SUBA provides district members with benefit services - support and resources they need to be successful business owners including business training, marketing, and streetscape beautification and maintenance. The SUBA BIA is in East Salinas, its boundaries include the major commercial corridors of East Market and East Alisal Streets and North Sanborn Road. A boundary map is provided as an attachment to this report. No boundary changes are proposed.

On August 6, 2024, the City Council received SUBA's 2023-2024 Annual Report and approved a Resolution of Intention (R.O.I.) to hold a public hearing on September 24, 2024, to consider the levy and collection of assessment for 2024-2025. As required by the Streets and Highways Code, R.O. I. 646 was noticed in the Monterey County Weekly, a local newspaper, on August 22, 2024, not less than seven (7) days prior to the public hearing. SUBA distributed approximately 355 door to door flyers to SUBA business members along East Market Street, East Alisal Street, and North Sanborn Road. SUBA also sent 430 direct emails to member businesses and plans to post two social media updates before the public hearing on September 24<sup>th</sup>, 2024.

#### DISCUSSION:

##### **Consideration of Annual Levy of Assessment**

At the hearing, Council will hear the testimony of all interested persons for or against the levy. If protests of BIA members are less than 50% of the assessments proposed, the Council can duly overrule protests and deny all said protests and objections. Following the hearing, the Council may confirm the FY 2023-2024 Annual Report as filed by SUBA or the Council may modify the Annual Report and confirm it as modified. Adoption of the resolution confirming the FY 2023-2024 Annual Report shall constitute the levy of assessment for FY 2024-2025.

If written protests are received from the owners of businesses in the SUBA BIA which will pay 50% or more of the assessments proposed to be levied in FY 2024-2025 and protests are not withdrawn so as to reduce the protests to less than that 50%, no further proceeding to levy an assessment for FY 2024-2025 shall be taken for a period of one year from the date of the finding of a majority protest. If the majority protest is only against the furnishing of a specified type of improvement or activity in the Business Improvement Area, specific improvement(s) or activity(ies) will be eliminated.

#### CEQA CONSIDERATION:

The City of Salinas has determined that the proposed action confirming SUBA's annual report and considering SUBA's annual levy of assessment is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

This staff report and recommendations aligns closely with the City Council’s goals (2022-2025) of Economic Development and Public Safety. SUBA utilizes the BIA assessment to provide small businesses with access to the educational, technical assistance and financial resources they need to prosper, expand, and engage businesses in existing beautification efforts.

DEPARTMENTAL COORDINATION:

Community Development staff acts as SUBA’s City liaison. The Finance Department assisted Community Development with verifying the assessment projections for 2024-2025. As highlighted in the Annual Report, Community Development, Public Works, and Police Department staff have collaborated with SUBA to support its goals of improving the safety, cleanliness, and appearance of the BIA.

FISCAL AND SUSTAINABILITY IMPACT:

The levy of assessment for FY 2024-2025 will have no fiscal impact on the General Fund. Under the amended Ordinance (2019), SUBA is to remit and collect the assessment. Designated City liaison’s time for coordination with SUBA, participation in Board Meetings, and review of the annual report and processing of the annual levy of assessment is already allocated through staff time in the adopted 2024-2025 City budget.

The Salinas Municipal Code Section 21B-40. Collection of assessments; delinquencies. states that assessments will be due and payable in advance on November 1<sup>st</sup>.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)
N/A	N/A	N/A	N/A	N/A	N/A	N/A

ATTACHMENTS:

1. Resolution to Levy Assessment
2. 2023-2024 SUBA Annual Report
3. SUBA BIA 2024-2025 Assessment Calculations
4. SUBA Proposed Budget 2024-2025
5. Map – SUBA Boundaries

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**RESOLUTION LEVYING FISCAL YEAR 2024-2025 ASSESSMENTS FOR THE SALINAS UNITED BUSINESS ASSOCIATION BUSINESS IMPROVEMENT AREA**

**WHEREAS**, Division 18, Part 6, of the California Streets and Highway Code authorizes the establishment of a Parking and Business Improvement Area pursuant to the provisions of section 36500, et seq; and

**WHEREAS**, the former Sunset Avenue Redevelopment Area is occupied by businesses and retail stores which are underutilized and unable to attract customers due to inadequate facilities, services, and activities in the business district; and

**WHEREAS**, the Salinas City Council adopted Ordinance No. 2437 establishing the Salinas United Business Association Business Improvement Area (“SUBA BIA”) on August 23, 2004; and

**WHEREAS**, Ordinance No. 2455 adopted by Council on September 20, 2005, revised said BIA’s method of assessment; and

**WHEREAS**, at its August 6<sup>th</sup>, 2024, meeting, the City Council approved Resolution No. 646 (R.O.I.) entitled “Resolution of Intention to Levy an Annual Assessment in the SUBA Business Area for Fiscal Year 2024-2025,” R.O.I. No. 646 accepted the Advisory Board’s FY 2023-2024 Annual Report and set a public hearing date to consider the levy of assessment; and

**WHEREAS**, as required by the Streets and Highways Code, R.O. I. 646 was noticed in the Monterey County Weekly, a local newspaper, on August 22, 2024, not less than seven (7) days prior to the public hearing; and

**WHEREAS**, since the City Council meeting on August 6<sup>th</sup>, 2024, the City’s Finance Department has provided a calculation of assessments for 2024-2025 for a total of \$100,368; and

**WHEREAS**, as set forth in R.O.I. No. 646, a public hearing was held on September 24<sup>th</sup>, 2024, in the City Council Chambers of the City Council at 200 Lincoln Avenue, Salinas. At the hearing the City Council heard and duly considered protests and objections, both oral and written to the levy of an assessment for FY 2024-2025 within said BIA; and

**WHEREAS**, the protests and objections, both written and oral, to the levy that were received and duly considered during said hearing comprised less than 50% of the assessments proposed to be levied; and

**WHEREAS**, the City of Salinas has determined that the proposed action confirming SUBA’s annual report and considering SUBA’s annual levy of assessment is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.



**NOW, THEREFORE, BE IT RESOLVED BY THE SALINAS CITY COUNCIL** that the Council duly overrules protests of businesses, which will pay less than 50% of the assessments proposed to be levied and denies all said protests and objections.

**BE IT FURTHER RESOLVED** that the SUBA Business Improvement Area FY 2023-2024 Annual Assessment District Report and Budget for FY 2024-2025 is confirmed as originally filed, which shall constitute the levy of assessments for the SUBA Business Improvement Area for FY 2024-2025.

**PASSED AND APPROVED** this 24<sup>th</sup> day of September, 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

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Kimbley Craig, Mayor

**ATTEST:**

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Patricia M. Barajas, City Clerk

2023-2024



# ANNUAL REPORT



**Salinas United Business Association**

600 E. Market Street

Salinas, CA 93905

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**Ribbon Cutting and Grand Opening of BKM Healthy Foods on E. Alisal Street on June 11, 2024 .**



# About the Salinas United Business Association

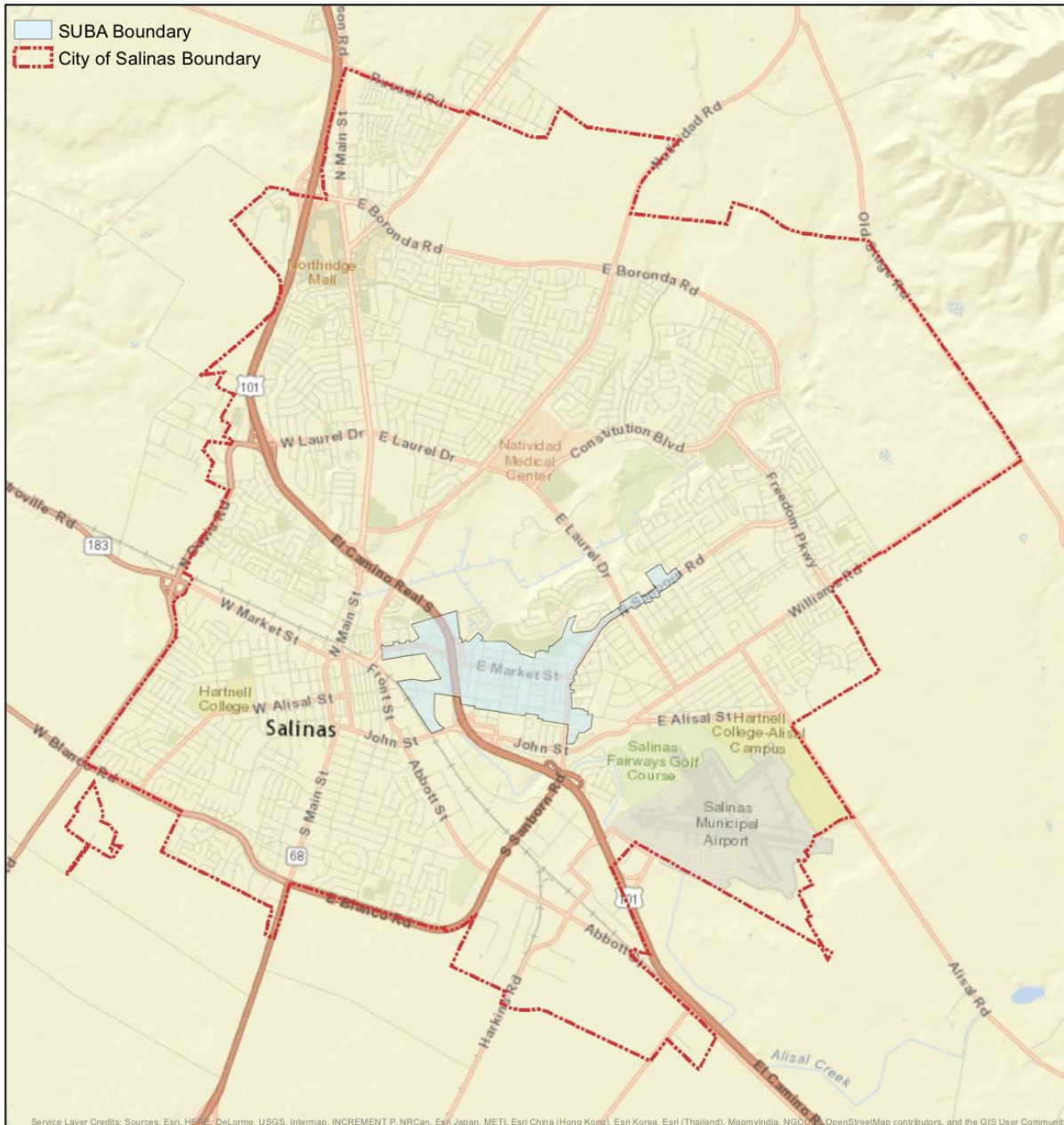
The Salinas United Business Association (SUBA). In 2003, East Salinas businesses began having a conversation about how to improve the Alisal area. The conversation led to the question of how to get more resources from the City of Salinas into the area. The idea was that East Salinas businesses were contributing a large portion of sales tax to the City of Salinas.

The small business owners felt that there was not enough investment from the City of Salinas in return. A group of 7 business owners came together and had a meeting with the Redevelopment Agency to brainstorm on how to create more opportunities for the small businesses. The Salinas United Business Association was formed in 2004 after these businesses along with City staff and volunteers gathered signatures to start a BIA (Business Improvement Area). SUBA serves as the Advisory Board of the Business Improvement Area (BIA) formed in 2004 under the Parking and Business Improvement Area Law of 1989. Through the levying of assessments, SUBA provides area members with benefit services, support, and resources they need to be successful business owners including business training, marketing and streetscape beautification and maintenance.

SUBA has been working closely with the City of Salinas and the Alisal Vibrancy Plan to try and create more opportunities for beautification, district identity and bringing more art to the Alisal. It is important to create opportunities for small businesses and to attract new customers by having a safe, vibrant, and clean community. SUBA embraces the rich land, the rich culture and the history of the people that make up the Alisal.

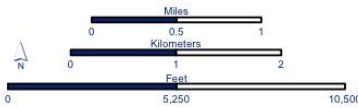


# Salinas United Business Association Map



**Salinas Unified  
 Business Association  
 (SUBA)  
 City of Salinas  
 County of Monterey  
 California**

Prepared by:  
 City of Salinas  
 Public Works  
 GIS Division  
 200 Lincoln Avenue  
 Salinas, California 93901  
 4/18/2017



Disclaimer: This map is revised periodically and may contain information different than the subject matter and conditions being represented. The City of Salinas has made every effort to assure the accuracy of this map but does not assume any responsibility, implied or otherwise, and makes no representation, warrant, guarantee or claim regarding map content or accuracy.

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## *Board of Directors 2023/2024\**

### **President**

Natalie Angulo-Galaxy Party Supply

382 E. Market Street, Salinas, CA 93905

### **Vice-President**

Angie Ramos-Salinas Pizza

988 Acosta Plaza, Salinas, CA 93905

### **Treasurer**

Sylvia Agamao-Leal Bakery

805 E. Alisal Street, Salinas, CA 93905

### **Secretary-Vacant**

### **Past President**

Jose Juan Mancera-Mercadito Alegria

727 E. Alisal Street, Salinas, CA 93905

### **Board of Directors**

Rodolfo Rodriguez-La Plaza Bakery

20 N. Sanborn Road, Salinas, CA 93905

Griselda Rodriguez-Electronics Plus

646 E. Alisal Street, Salinas, CA 93905

Lupe Covarrubias-Martinez- County of Monterey

632 E. Alisal Street, Salinas, CA 93905

Tony Valencia-Radio Lazer

600 E. Market Street, Salinas, CA 93905

### **City of Salinas Liaisons**

Orlando Osornio, District 4 City Council Member

Carla Gonzalez, District 1 City Council Member (Alternate)

Crystal Casillas-City of Salinas Small Business Navigator

## **STAFF**

### **Executive Director**

Alejandro Chavez

### **Outreach Coordinator-Part-Time**

Jose Barajas

*\*An election took place in June of 2023, every eligible business within the BIA was sent a form informing of the election and election process. A ballot was sent to every eligible business and the ballots were counted and the results were tallied, and this is the elected SUBA board of directors. An election of the board and of the officers takes place every two years.*

### **Salinas United Business Association**

600 East Market Street, Ste. 205, Salinas, CA 93905 [subasalinasinfo@gmail.com](mailto:subasalinasinfo@gmail.com)

[subasalinas.org](http://subasalinas.org)

(831) 796-0896

## **VISION**

*“The New Alisal is the jewel of the Salinas Valley, an economic powerhouse and a thriving community where everyone is welcomed”*



## **MISSION**

*“We are a community driven business association rising to improve East Salinas business district”*

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# Events

The Salinas United Business Association hosts a variety of large events yearly.

Thousands of people flock to the SUBA area each year to experience cultural, walkable and unique events.

## Events include:

- Día del Niño\*
- El Grito\*
- Ciclovía
- Mini Horse Parade on E. Alisal Street\*
- Canastas de Gracias
- Small Business Saturday
- Posada de Navidad
- Los Reyes Magos
- Día del Los Muertos



\*These events occurred in the SUBA area but were not organized by SUBA or sponsored by SUBA





## **Salinas United Business Association BUDGET**

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**BUDGET: 2023/2024****Salinas United Business Association  
Budget 2023-2024**

<b>Income</b>	<b>Approved</b>	<b>Actual</b>	<b>% of Budget</b>
SUBA BID Assessments & Associated Membership ( <i>*projected</i> )	\$ 105,521	42,448	40%
Contracts	\$ 85,000	85,000	100%
Grants	\$ 5,000	0	0%
Donations	\$ 5,000	3,840	77%
Events (Sponsorships)	\$ 10,000	3,500	35%
Fund Balance from FY 2022/23	\$ 8,527	14,253	
<b>Total Income</b>	<b>\$214,048</b>	<b>\$149,041</b>	<b>70%</b>
<b>Expense</b>	<b>Approved</b>	<b>Actual</b>	<b>% of Budget</b>
<b>Operations</b>	<b>\$ 208,900</b>	<b>\$147,206</b>	<b>71%</b>
Accounting	\$ 4,500	2,443	54%
Conferences/Staff Development	\$ 3,500	1,000	29%
Insurance	\$ 4,550	2,656	58%
Permits	\$ 1,000	0	0%
Dues and Subscriptions	\$ 300	278	93%
Office Furniture & Equipment	\$ 2,250	345	15%
Office Supplies	\$ 4,750	1,093	23%
Postage	\$ 2,250	1,235	55%
Telephone, Website & Internet	\$ 3,900	2,856	73%
Rent*	\$ 12,000	9,360	76%
Personnel Costs	\$ 145,500	110,737	82%
Miscellaneous/Special Events	\$ 2,000	3,655	182%
Beautification and Landscaping	\$ 4,000	960	24%
Marketing & Promotion	\$ 8,500	3,653	43%
Safety	\$ 2,400	843	35%
Business Resources	\$ 7,500	6,092	81%
<b>Total Expenses</b>	<b>\$ 208,900</b>	<b>\$ 147,206</b>	<b>71%</b>
<b>Fund Balance for 2023/2024</b>	<b>\$ 5,148</b>	<b>\$ 1,835</b>	

# Proposed Budget 2024/2025

## Salinas United Business Association Proposed Budget 2024/2025

Income	2024/2025 Budget
SUBA BID Assessments & Associated Membership <i>(projected)</i>	\$ 105,521*
Contracts	\$ 88,000
Grants	\$ 5,000
Donations	\$ 7,500
Events (Sponsorships)	\$ 5,000
<u>Current Balance from FY 2023/2024</u>	<u>\$ 1,242</u>
<b>Total Income</b>	<b>\$ 212,263</b>
Expense	
<b>Operations</b>	<b>\$ 208,500</b>
Accounting	\$ 4,500
Conferences/Staff Development	\$ 2,700
Insurance	\$ 4,750
Permits	\$ 1,000
Dues and Subscriptions	\$ 300
Office Furniture & Equipment	\$ 1,500
Office Supplies	\$ 4,800
Postage	\$ 2,150
Telephone & Internet	\$ 3,900
Rent	\$ 12,000
Staff	\$ 152,000
Miscellaneous	\$ 1,250
Beautification and Landscaping	\$ 2,850
Marketing & Promotion	\$ 5,500
Safety	\$ 1,800
Business Resources	\$ 7,500
<b>Total Expenses</b>	<b>\$ 208,500</b>
<i>Estimated Fund Balance</i>	<b>\$ 3,763</b>

\*Projected Estimated Figure from the City of Salinas Finance Department of 2024/2025-Have not received updated numbers they have been requested and are being adjusted.



# **Assessments for the Salinas United Business Association**

*(Assessment Documents must be inserted once we receive from City of Salinas or HDL)*

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# Annual Plan



## 2023-2024 Goals-Accomplishments:

**COLLABORATE** Collaborated throughout the year with the City of Salinas, in particular with the Community Development Department, Salinas Police Department events, public safety meetings, dispersing of information, working with other partners such as the Salinas Valley Chamber of Commerce on various mixers and committees focused on development review recommendations for the City of Salinas. We continued our partnership with Negozee, the Monterey County Workforce Development Council, El Pajaro CDC, Mission Services Corporation and the local SBDC. In addition, we built upon our partnerships with the Monterey County Business

Council (MCBC) and with the Monterey County Visitors and Convention Bureau (See Monterey). Lastly, we developed a partnership with UC Santa Cruz and their Get Virtual program to offer websites and social media use for their businesses.

Our partnerships with all of these organizations has helped SUBA continue to offer workshops, webinars, outreach and resources for our businesses. Without the work of our partners and in particular MCBC, SUBA believes that the ability to provide the necessary resources and connections to our businesses would diminish and therefore would cause for less businesses to possibly pay their SUBA assessments.

## **WORK**

Worked throughout the year with the County Health Department, the City's Code Enforcement, Salinas City Police Department, Monterey County Work Force Development Program, SUBA members and Cal Trans to improve monitoring of city and county health and safety and had 4 clean ups throughout the year. This year we combined to have 2 clean ups in conjunction with other partners including the City of Salinas, the Salinas Valley Chamber of Commerce, Blue Zones and the Downtown Streets Team and our Ambassadors. SUBA monitored and worked with the Police Department and Public Works to deal with issues affecting the SUBA area and small businesses with the unhoused and worked with our restaurants and mobile food vendors to deal with an increase in unpermitted food vendors in our area and throughout the city. We see a continued increase in crime, especially burglaries throughout the SUBA area. SUBA had three safety meetings throughout the area to try and address many of the issues. Along with many one-on-one meetings with businesses.

Our focus was on assisting SUBA small businesses in providing assistance to make payments on their EIDL loans, finding other grants and assisting in applying for these grants. These grants included the the City of Salinas Marketing and Technology Grants and PG&E Grants as well as others. Our partner MCBC assisted us with the Refrigeration Grants as well as helping with the Employee Retention Credit federal program. We were able to help 5 new businesses through that process through SUBA directly. All together with assistance of MCBC and others, SUBA directly brought to our businesses \$243,915.00 in funds from the ERC.

## **OFFER**

SUBA offered and promoted the events from El Pajaro CDC, Negozee, Mission Services Corporation, Cal Coastal, Monterey County Business Council, Monterey County Works and the City of Salinas business workshops and classes for small business growth and development. SUBA partnered with Mission Services Corporation, Negozee, Arraque Empresial, Mariposa con Proposito , Monterey County Business Council and other partners to offer business workshops and classes for small business growth and development. **We had a total of 443 businesses that participated in these workshops, webinars and classes.** SUBA continued its partnership with the partners above, but in particular with Negozee, Monterey County Business Council and Aranque Empresial to offer Business

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Classes/Talks for our an approximate number of SUBA members that totaled 222 businesses participated in these webinars and or workshops.

## **IMPLEMENT**

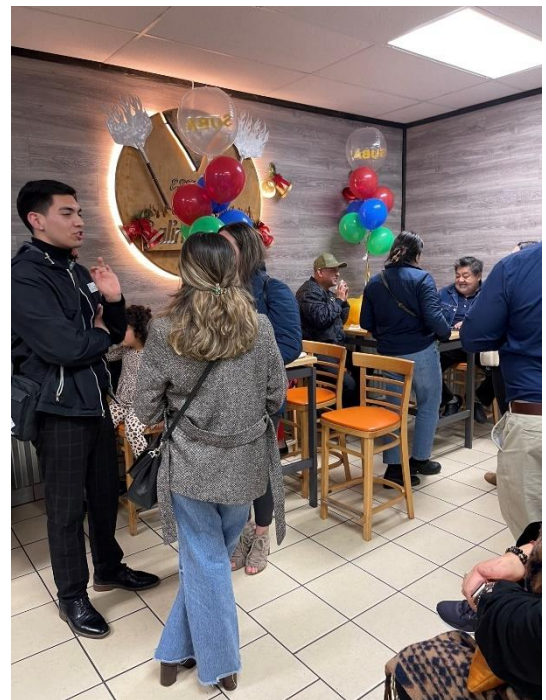
Our plan to implement projects aimed at the beautification of the business corridor within the SUBA area. We planned to have eight clean-ups, we did however have four clean ups in the SUBA area. In addition to these cleanups there was a collaboration between SUBA, the Salinas Chamber of Commerce, Blue Zones and Amor Salinas to do a cleanups.

Our main focus was on small cleanups that were done directly by business owners. Those were done individually by over 7 businesses on a biweekly basis.

## **2023/2024 Goals**

SUBA's goal this year was to continue to establish SUBA's Relationship with its members and assist and provide resources for those who would like to utilize them. It has been a significant improvement over the past five years in providing much needed resources to our businesses.

However, the change in the economy is very evident as we see vacancies throughout the area and the closing of many small businesses in the SUBA area. SUBA built more partnerships in order to better serve its members. None are so pronounced as the partnerships with the Salinas Valley Chamber of Commerce, the Monterey County Business Council, SEE Monterey and Get Virtual from UC Santa Cruz. SUBA was instrumental in assisting many businesses; however, SUBA will continue to strive to establish more profound relationships with all its businesses. SUBA held 3 business mixers throughout the year in addition to the ribbon cuttings we had. Two were in conjunction with the Salinas Valley Chamber of Commerce. SUBA will continue to collaborate with the City of Salinas Community Development Department and Public Works Department, Salinas Police Department to enhance and promote SUBA's business area. SUBA has developed partnerships with various non-profit and for-profit organizations and businesses to further develop our training/workshops. Our partnership with the City of Salinas has developed more strongly and are working closely to further develop our organization's capacity. SUBA is a member of the Alisal Vibrancy Plan Steering Committee, and its director is part of the Vision Salinas General Plan Steering Committee. It is important for SUBA to integrate into shaping a vision for our area. The Alisal is a great place to live, to shop, and it is essential for the City of Salinas.



## **Marketing and Promotions**

SUBA expanded communication with the membership by doing a few surveys and analyzed this data to better serve our members this past year. SUBA will work with other stakeholder groups, by expanding use of electronic communication and social media through webinars and workshops. These past four Fiscal Years we have marketed throughout the year most of our businesses and our industries on a continuous basis in various manners that included holiday promotions, event promotions and marketing through social media and radio. SUBA will continue to focus in these areas this upcoming Fiscal year. SUBA met door to door with many businesses-over 1,613 businesses were visited. (This means many businesses were visited various times throughout the year.) SUBA will continue to develop its relationship with other business organizations such as Negozee, El Pajaro CDC, Mission Community Services Corporation, Salinas Valley Chamber of Commerce and others to promote small businesses and cultural events in the SUBA area and beyond. SUBA will continue developing more advertising opportunities for our members in good standing to promote and market their businesses through social media marketing purchased by SUBA and other means. We will continue our partnership with Get Virtual from UC Santa Cruz to create websites and social media avenues for our businesses. There is an allocation of time utilized by staff in this program within the budget. Our goals for the upcoming Fiscal Year for Marketing and Promotions:

**Goal 1A- Provide Social Media Marketing for 200 SUBA businesses throughout the 23/24 Fiscal Year**

SUBA provided Social Media Marketing for 128 businesses throughout the fiscal year. SUBA will make a stronger effort to continue increasing this objective. However, we focused on adding many of our businesses to SEE Monterey Website and we also focused on getting businesses newly created websites.

**Goal 2A- Provide 36 Social Media Posts Marketing the SUBA area throughout the 22/23 Fiscal Year**

SUBA provided 24 Social Media Posts Marketing the SUBA area throughout the fiscal year. SUBA will continue to increase in this area and will continue to partner with other organizations to have a farther reach.

**Goal 3A- Provide 8 Interviews on the Television/Radio regarding promoting the SUBA area and/or services SUBA provides its members for 23/24 Fiscal Year**

Provided an additional 9 radio interviews and 4 television interviews promoting the SUBA area, services, grants, shopping experience and promoting events in the SUBA area.

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**Goal 4A- Provide 6 Ribbon Cutting Ceremonies for SUBA businesses for 23/24 Fiscal Year.**

SUBA provided 3 Ribbon Cutting Ceremonies for SUBA businesses in the fiscal year. SUBA reached out to 7 businesses and only 3 had ribbon cuttings. Two more are scheduled for the upcoming fiscal year.



**Business Resources**

SUBA will work directly with lenders, business organizations, non-profit groups, businesses, and governmental agencies to provide SUBA members with information and training on financing opportunities to improve their businesses. We partnered with organizations such as the El Pajaro CDC, Negozee, Mission Community Services Corporation, Salinas Valley Chamber of Commerce, Arranque Empresial, Monterey County Workforce Development Board, and Cal Coastal SBDC as well as others to make certain we offer members opportunities for training and gathering of information. In addition, we have begun conversations with TMC Community Capital to look at another partnership. We offered business workshops and webinars for small business growth and development through these partnerships. Over 222 of our SUBA businesses took advantage of these free workshops and webinars this past year. However, we had a total of 443 participants join us for the various webinars and workshops. Within the budget includes the allocation of time utilized by staff in this program. Our goals for the upcoming Fiscal Year for our members under Business Resources is as follows:



**Goal 1B- Provide 24 classes/webinars for SUBA members on Business Development for 2023/2024 Fiscal Year.**

We provided 22 workshops/classes/webinars for SUBA members on Business Development for Fiscal Year 2023/2024.



## Names of Workshops/Webinars- Nombres de Talleres

1. Bases para tu Plan de Negocio, el Manejo de Tu Credito
2. Plan de Mercadeo y Redes Sociales, Impuesto de Negocio
3. Transportation Workshop
4. Business Plans for Small Businesses
5. Business Builders: Resources available for businesses and entrepreneurs
6. Insurance Needs for small Businesses- Necesidades de Seguro para Negocios Pequeños
7. Planes de Retiro para Negocios-Retirement Plans for Small Businesses
8. Marketing and Technology (2 times)
9. ADA and how it affects businesses
10. Unlock your Mortgage Options and Grow your Net Worth
11. Ponga su Negocio en la Búsqueda de Google y Maps
12. Contracting Opportunities with the City of Salinas (*Oportunidades de Contratación con la Ciudad de Salinas*)
13. *Business Basics; Taxes & Bookkeeping (Fundamentales de Negocios: Impuestos y Contabilidad)*
14. *Business Basics: Cash Flow (Fundamentales de Negocios: Flujo de Efectivo)*
15. *Aprende los Conceptos Basicos de Google Ads*
16. *Launch Your Food Business from Home (Lance un Negocio de Comida desde su Casa)*
17. *Aumente sus Ventas con la Herramientas de Google*
18. *Licensed to Build: Workshop for Aspiring Contractors*
19. *Commercial Leases Basics for Small Businesses (Fundamentos de arrendamiento commercial para dueñ@ de pequeños negocios)*
20. *Business Basics: Employee v. Contractor, What's the difference? (Fundamentos de Negocios: Empleado vs. Contratista, Cual es la diferencia?)*
21. *Business Básica: Debt & Credit (Fundamentos de Negocios: Deudas y Credito)*

### Goal 2B-

**Provide 7 workshops/webinars regarding business related topics such as: Exit Strategy for Business Owners, Retirement Plans for Business Owners, How to Complete Your PPP Forgiveness Application, Social Media Marketing, How to Start an Online Store, Holiday Shopping in SUBA, Taxes for Businesses etc. for 22/23 Fiscal Year.**

We provided 8 workshops/classes/webinars for SUBA members on Business Development for Fiscal Year 2023/2024. Business Plans (2), Taxes for Businesses (1), Basic Accounting for Small Businesses (1), Marketing and Technology (2), Using Social Media (1) and Retirement Planning for Small Business Owners (1)



**Goal 3B- Provide 279 one-on-one meetings with SUBA members in 23/24 Fiscal Year.**

We provided 331 one-on-one meetings with businesses in their place of business. We provided 117 one-on-one meetings in our SUBA office. We provided 1,613 visits to businesses doing outreach.

The range of one-on-ones included grant opportunities, workshops, invitations to events and clean-ups and assistance with business licenses, planning issues, financial information and ADA issues, questions around permits, etc.



**Safety**

SUBA staff continued working with the City’s Code Enforcement and County Health Department along with many business members to address and improve monitoring of city and county health and safety codes throughout our business area. SUBA facilitated community meetings with business owners and Salinas Police Department. We coordinated 4 meetings this year. Additionally, we worked with Code Enforcement on safety concerns and code violations. Within the budget includes the allocation of time utilized by staff in this program. We also had three separate meetings

regarding unpermitted vendors and concerns from our small businesses. Our Safety goals for the upcoming Fiscal Year are as follows:

**Goal 1C- Provide 4 Public Safety Meetings throughout the SUBA BIA for 23/24 Fiscal Year.**

We provided 3 public safety meetings this past fiscal year. Addressed were issues of safety concern, burglary, theft, and homeless issues as well as garbage and other related issues.

**Goal 2C- Coordinate and Develop a Safety Strategies for our BIA in coordination with our businesses and the Salinas Police Department for 23/24 Fiscal Year.**

Suggestions and safety strategies were given to small businesses in our safety meetings. A comprehensive approach or strategy was not achieved. SUBA will work with its members to begin to create a strategy along with advice from the Salinas Police Department.

**Goal 3C- Monitor and Contact City, County and State agencies regarding Health, Safety and Sanitary Issues in the SUBA BIA for 23/24 Fiscal Year.**

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SUBA worked with New Republic Services on issues affecting garbage in the SUBA area, SUBA worked with environmental health to deal with issues of health concerns in restaurants, parking lots and unpermitted food sales. We held three meetings with small businesses pertaining to unpermitted vendors and concerns from our small businesses. SUBA worked with code enforcement to assist with health concerns and violations. SUBA worked with the police department to deal with noise complaints, trash complaints, abandoned vehicle complaints and public nuisance complaints. SUBA worked with the City of Salinas' Salinas Connect App to deal with parking issues, graffiti issues, trash issues.

## **Beautification & Cleaning**

SUBA worked to implement projects aimed at the beautification of the business corridor within the SUBA area. We continued to monitor and work on plans to provide more regular clean ups and work with the city staff to further opportunities to clean within our business area. The focus this upcoming year is to have more regular clean ups in conjunction with clean ups that the City of Salinas is doing through the Alisal Vibrancy Plan and Clean California Grant project. A new program was started this fiscal year. The new program is the Alisal Ambassador Program. Currently this includes 7 Ambassadors made up of businesses in the Alisal area. The budget includes the allocation of time utilized by staff in this program. The following goals are in our 23/24 Fiscal Year for Beautification and Clean Ups:



**Goal 1D- Create a SUBA Beautification and Art Project Plan for the SUBA BIA for 23/24 Fiscal Year. (This plan will be coordinated with the City of Salinas to complement the Clean California Grant that is focusing on art and clean ups in our area and will focus on coordinating with businesses.)**

*SUBA participated with the City of Salinas in the Alisal Vibrancy Plan throughout this fiscal year and was on the interview panel to choose the artists for the underpasses on E. Market/101 Freeway, E. Alisal/101 Freeway, and S. Sanborn/101 Freeway. Additionally, SUBA was part of the interview panel for the consultants to be chosen by the City of Salinas for the Streetscape program for the Alisal. Lastly, SUBA was part of the interview panel for the consultants chosen by the City of Salinas for the District Identity program for the Alisal.*

## **Goal 2D Schedule and Implement 6 Cleanups throughout the SUBA BIA for 23/24 Fiscal**

SUBA in partnership with the City of Salinas held 8 cleanups including 3 large ones that included many partners. Those partners included the City of Salinas, Amor Salinas, Blue Zones of Monterey County, Downtown Streets Team, the Salinas Valley Chamber of Commerce and many of our small businesses. In addition we held our first Ambassador Clean up. We had 6 Ambassadors participate and collected 24 bags of trash during the year from their self-reporting. We had three large clean ups took they took place in the Summer and Fall of 2023 and in the late Winter of 2024. Our large Spring Clean Up was cancelled due to weather issues.

## **ANNUAL SUMMARY**

SUBA assisted in promoting small business members' participation in training and educational opportunities made available through all the partners mentioned above. This past year there were 443 businesses that participated in various trainings from our classes and webinars that were offered to our members that included webinars and in-person workshops from SUBA, BBB, and Arranque Empresial. Additionally, many of our partners including Monterey County Works, El Pajaro CDC, SBDC and Mission Community Services Corporation and others that we did not track.

SUBA assisted directly with filling out applications, gathering needed financial information, preparing



financial information, scanning needed information, and aiding throughout the grant and loan application and loan forgiveness process, including the ERC program.

Many of our businesses received information from SUBA directly and indirectly regarding many of the grants and loans available and either they themselves applied and called SUBA regarding questions they had and/or had their Accountants fill out the applications for them.

SUBA is appreciative that the Federal Government, State Government, local government recognized the need in the last two last years and hope that further assistance comes forward as we see an ever-changing economy. As inflation and online competition continues, we need to continue assisting these businesses through these grants and



loans that will allow for many of our businesses to survive. However, having said that, it has been a very slow spring for many of our businesses and many of them have informed SUBA that they may have to shut down. We have vacancies in the SUBA area which is unprecedented and have had a lot more than usual businesses close this past fiscal year.

SUBA met with City Staff throughout the year to address code enforcement issues and policies regarding unpermitted vendors, trash, unhoused issues, catering trucks as well as crime issues. This is ongoing and we will continue assisting with this role.

SUBA worked in partnership with various agencies and non-profit groups such as Building Healthy Communities, Center for Community Advocacy, CCCIL, Blue Zones, CRLA, SVMH, Salinas Valley Chamber of Commerce, Negozee, Arranque Empresial, Mission Community Services Corporation, CalCoastal-SBDC, El Pajaro CDC, Monterey County Business Council, Monterey County Visitors and Convention Bureau (SEE Monterey) and other partners to address the barriers in the community that impact the quality of life for East Salinas residents but in particular our businesses. SUBA will continue working alongside these organizations for the betterment of quality of life for businesses and residents in East Salinas.

SUBA held three safety meetings with business members and with the Salinas Police Department and have continued to work in collaboration in addressing the ongoing concerns of members regarding crime and safety of the residents and businesses including homelessness and various code enforcement issues. Additionally, SUBA and many businesses utilized the Salinas Connect App to report graffiti, trash and parking issues.

SUBA and its Board assisted in promoting special events such as a Holiday Sales and Valentine's Day Sales along with Small Business Saturday. This past year we collaborated and partnered with the Salinas Valley Chamber of Commerce in order to create more synergy around small businesses. We held three combined mixers where many businesses participated in. We expect this partnership to continue in the year to come.

SUBA processed 28 Temporary Land Use Permits for participating business owners in good standing this year. This is an approximate value of \$4,600 to SUBA members. This was for Valentine's Day and Mother's Day, and we also processed a few for other occasions in the year.

SUBA promoted Small Shop Saturday and marketing for Holiday Sales in the SUBA area as mentioned before. SUBA had 27 businesses that participated in Small Shop Saturday directly and many others that did so indirectly. SUBA utilized radio, social media and live videos promoting the Small Shop Saturday event.

SUBA continued to expand the SUBA "branding" campaign to help increase SUBA's visibility and name recognition within and outside of the SUBA District through social media. SUBA will continue developing this branding effort.

SUBA sent out thirty-eight newsletter updates through emails for an approximate total of 10,500. In addition, there were direct emails sent to businesses related to information related to workshops,

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meetings and events and community updates. Lastly, there were 9 robocalls made throughout the year related to workshops, events, meetings or special promotions.

SUBA responded to members' request for information about the City's graffiti abatement program and information regarding services provided by the code enforcement department along with unpermitted vendor concerns and issues brought to SUBA. SUBA worked with the City of Salinas Finance Department and Community Development Department to keep the BID roster updated and helped maintain the City's assessment procedures. Although this has been a true challenge.

### **SUBA held several events promoting the SUBA area this year including the following:**

5th Annual Small Business Saturday, where over 27 businesses participated in. The event drew hundreds of people to the Alisal. The event was promoted through radio and through social media.

Thanksgiving Basket Giveaway to 100 families. The basket consisted of beans, rice, cooking oil, and other staples such as vegetables and canned goods, along with a large chicken. We did this in partnership with Radio Joya and a number of our businesses and sponsors.

We provided a few ribbon cuttings that included ribbon cuttings Kayros Multiservices, Sanborn Pharmacy, BKM Healthy Foods. SUBA also held several mixers throughout the year that included one at Leal's Bakery, Salinas Pizza and participated with the Salinas Valley Chamber of Commerce on promoting and putting these together.

## **Challenges**

SUBA's primary challenge continues to be accomplishing a work plan with few staff, trying to encompass all that is needed within the SUBA Area with declining financial resources. Although this year with the help of a partnership with the Monterey County Business Council-SUBA had assistance with workshops, and outreach with the hiring of Jose Barajas. However, the huge issue for SUBA is the manner in which the assessment is collected. The City of Salinas moved four years ago to have SUBA collect the assessments directly. This has diminished the collection amounts and percentages. In Fiscal Year 2018-2019 SUBA assessments collected \$70,819 and in Fiscal Year 2019/2020 SUBA assessments collected \$67,440. This past year in Fiscal Year 2023/2024 SUBA assessments collected was \$42,448. Quite a significant decrease in assessments collected. At this point SUBA is not asking for a change in the collection of assessments nor of a change in timeline to when assessments are collected.

Although SUBA has been able to build trust with many SUBA Members, the issue of payment continues.

### **Low collection rate of assessments is a large challenge.**

Approximately 60 percent of assessment amounts were uncollected for FY 23/24.

Of the 518 businesses billed for a total assessment value of \$105,521- \$63,073 was not collected.

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Of those businesses, none were sent to collections.

In total SUBA collected approximately 40% of the businesses total assessed value. SUBA received a total of \$42,448 in assessments for the year. In other words, \$5,081 less than last year received.

(We will continue sending out billing in the hopes we collect a bit more assessments.)

### **Grant and Fundraising opportunities for SUBA have not transpired.**

SUBA will continue to focus on looking for grant opportunities for SUBA and focus on creating donation and sponsorship opportunities for the organization.

We certainly had several challenges and none greater than making certain businesses stay in business. Inflation and an ever-changing economy with customers looking to purchase from Amazon and other online retailers the economy is truly changing for our small businesses. This past year we billed on three occasions all the SUBA businesses. Our plan for next year would be to bill four times and send out the billing in both electronic format and in paper format. All the years in the past it has only been done through the mail in paper format. Additionally, SUBA plans on applying to several grants in the hopes that we can attain a few. Lastly, SUBA plans to have at least 3 fundraisers this upcoming year to look at raising more funds.

## **2024/2025 Goals and Objectives**

### **Marketing and Promotions**

**Goal 1A**-Provide 40 Social Media Posts on business spotlights

**Goal 2A**-Provide 20 Social Media Posts for the SUBA area promoting shopping campaigns and/or events

**Goal 3A**-Provide 15 interviews on radio or television promoting or regarding the SUBA area and/or businesses pertaining to services provided by SUBA and/or partners and informing members of upcoming webinars/workshops and events

**Goal 4A**-Provide 4 ribbon cutting ceremonies for SUBA businesses

We will monitor the metrics of engagement and add those metrics to next years report in our updated goals and objectives for 2025/2026.

### **Business Resources**

**Goal 1B**-Provide 4 classes/workshops/webinars to SUBA Members on Business Basics  
Business Plan, Financial Plan, Marketing Plan, Taxes for Businesses

**Goal 2B**-Provide 20 workshops/webinars regarding business related topics  
Managing Credit\*, Social Media Marketing\*, Insurance Needs for Business\*, Retirement Plans for Owners\*, Growing your Net Worth, Utilizing Google for Marketing\*, Utilizing Google Ads, Fundamentals of Commercial Leases\*, Employee vs. Contractor\*, Using Radio and Television Ads\* and Exit Strategy for

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Business Owners\*. \*They will be repeated in Spanish.

**Goal 3B-Provide 300 one-on-one meetings/consultations with SUBA members**

We will monitor the metrics of outreach, engagement and attendance and add those metrics to next year's report in our updated goals and objectives for 2025/2026.

**Safety**

**Goal 1C-Provide 4 Public Safety Meetings throughout the SUBA area. To discuss issues and ongoing problems that arise due to burglaries, theft, unhoused issues, garbage, abandoned vehicles, and/or other similar issues.**

**Goal 2C-Coordinate and Develop business area safety plans with our businesses and the Salinas Police Department as necessary. These safety plans pertain to suggestions and or comments given to businesses from the police department regarding signage in windows, lighting in and out of the business, video surveillance suggestions and business layout in regard to visibility and safety.**

**Goal 3C-Monitor and Contact City, County and State agencies regarding Health, Safety and Sanitary Issues**

We will include a brief report of the public safety meetings and outline the safety plans put together for businesses in next years report of Fiscal Year 2025/2026.

**Beautification and Cleaning**

**Goal 1D-Further develop an Ambassador Cleanup program and a Beautification Program in coordination with the City of Salinas that aligns with the Alisal Vibrancy Plan. This plan will include meeting with the Ambassadors 4 times per year and having monthly small cleanups in the immediate area where the ambassadors have their business. Training all the ambassadors to utilize the Salinas Connect App for them to utilize the app to inform the city of graffiti, excess garbage and abandoned vehicles.**

Work with the city community development department to do outreach and implement phases of the Alisal Vibrancy Plan including grants, public art and beautification projects.

**Goal 2D-Schedule and Implement 4 cleanups throughout the SUBA Area**

We will include number of garbage bags collected from the Ambassador program, from the cleanups and details in regards to how many volunteers participated in the cleanups to demonstrate metrics and be able to measure them in the future.

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DBA	Address Line 1	Address Line 2	SUBA Fee
\$10 STORE	545 E ALISAL ST C	SALINAS, CA 93905	\$ 174.00
1 2 3 LAUNDROMAT	914 N SANBORN RD	SALINAS, CA 93905-1309	\$ 261.00
127 MARKET	1000 N SANBORN RD	SALINAS, CA 93905-1408	\$ 435.00
7-ELEVEN STORE 2233-17327E	605 N SANBORN RD	SALINAS, CA 93905-1303	\$ 750.00
A M D RECYCLING	324 KINGS ST	SALINAS, CA 93905-2512	\$ 750.00
A. CORDOVA INSURANCE SERVICES, INC.	604 E ALISAL ST	SALINAS, CA 93905-2602	\$ 182.70
A-1 SWEEPING SERVICE	281 COMMISSION ST A	SALINAS, CA 93901	\$ 174.00
ABARROTE'S CHALLO	607 E ALISAL ST A	SALINAS, CA 93905	\$ 21.75
ADRIANA S. GARCIA	734 E MARKET ST	SALINAS, CA 93905-2111	\$ 52.20
ALAN'S AUTO SALES, INC	365 E MARKET ST	SALINAS, CA 93901-3728	\$ 435.00
ALEXIS FLORE'S & REGALO'S	629 E ALISAL ST	SALINAS, CA 93905-2601	\$ 21.75
ALICIA'S BOUTIQUE	649 E ALISAL ST	SALINAS, CA 93905-2667	\$ 261.00
ALISAL 99 CENT BARGAIN	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 43.50
ALISAL PIZZERIA RESTAURANT	706 E ALISAL ST	SALINAS, CA 93905-2604	\$ 130.50
ALL PURPOSE MINI STORAGE	477 E MARKET ST B	SALINAS, CA 93905	\$ 87.00
ALLISAL COMMERCIAL PARTNERS LL	515 E ALISAL ST	SALINAS, CA 93905-2503	\$ 130.50
ALOHA INN	235 KERN ST	SALINAS, CA 93905-2507	\$ 87.00
ALTA TAX & IMMIGRATION SERVICES	911 E ALISAL ST	SALINAS, CA 93905-2607	\$ 174.00
ALTERACIONES MARY	860 E ALISAL ST B	SALINAS, CA 93905	\$ 87.00
ALVAREZ AUTOMOTIVE	10 MURPHY ST	SALINAS, CA 93901-4307	\$ 95.70
AMERICA TAX SERVICE	635 E ALISAL ST	SALINAS, CA 93905-2601	\$ 200.10
AMERICA TRAVEL	635 E ALISAL ST	SALINAS, CA 93905-2601	\$ 182.70
AMERICAN MEDICAL RESPONSE	34 SIMAS ST G-DEL	SALINAS, CA 93901	\$ 348.00
ANAYA PRODUCE	401 TOWT ST	SALINAS, CA 93905-2436	\$ 21.75
ANDREWS BLUEPRINT	269 GRIFFIN ST	SALINAS, CA 93901-3790	\$ 278.40
ANDREWS BLUEPRINT, INC	269 GRIFFIN ST	SALINAS, CA 93901-3790	\$ 21.75
ANDY'S STORE	727 E ALISAL ST	SALINAS, CA 93905-2603	\$ 21.75
ANGEL DE LA SALUD	111 IVY ST	SALINAS, CA 93901-3705	\$ 87.00
AQUALIGHT COMPANY	454 E ALISAL ST A	SALINAS, CA 93905	\$ 113.10
AQUALIGHT COMPANY	454 E ALISAL ST A	SALINAS, CA 93905	\$ 21.75
AQUALIGHT WATER STORES INC	454 E ALISAL ST B	SALINAS, CA 93905	\$ 21.75
ARCO IRIS DEL SABOR	515 E ALISAL ST B	SALINAS, CA 93905	\$ 43.50
ARMANDO'S MACHINE SHOP, INC.	55 TARP CIR	SALINAS, CA 93901-3717	\$ 478.50
AUDIO EXPRESS - RETAIL	278 E ALISAL ST	SALINAS, CA 93901-3618	\$ 174.00
AUTOZONE #5512	1011 E ALISAL ST	SALINAS, CA 93905-2713	\$ 750.00
AZTECA COSMOS INSURANCE INCOME TAX SVC	1184 MONROE ST STE 1	SALINAS, CA 93906-3548	\$ 174.00
BAR RIO	862 E ALISAL ST	SALINAS, CA 93905-2606	\$ 87.00
BERENICE ICE CREAM	735 SANBORN PL	SALINAS, CA 93901-4569	\$ 87.00
BEST WATER	20 N SANBORN RD # G	SALINAS, CA 93905-2752	\$ 21.75
BEST WESTERN SALINAS VALLEY INN & SUIT	187 KERN ST C/A	SALINAS, CA 93905	\$ 217.50
BETTY BEAUTY STYLE	515 E ALISAL ST	SALINAS, CA 93905-2503	\$ 87.00
BILL AND WANDA MARTIN	231 GRIFFIN ST	SALINAS, CA 93901-3736	\$ 21.75
BILL WINCHESTER	229 N SANBORN RD	SALINAS, CA 93905-2218	\$ 87.00
BKM HEALTHY FOODS	611 E ALISAL ST	SALINAS, CA 93905	\$ 69.60
BOOST MOBILE	826 E ALISAL ST	SALINAS, CA 93905-2691	\$ 87.00
BOTANICA MISXTECA	606 E ALISAL ST STE C	SALINAS, CA 93905-2602	\$ 87.00
BURGER KING # 6813	41 S SANBORN RD	SALINAS, CA 93905-3235	\$ 750.00
BURKE'S UPHOLSTERY	266 E MARKET ST	SALINAS, CA 93901-3775	\$ 87.00
C&L FAMILY SHOES	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 130.50
CABANAS LAWN SERVICE	37 CENTER ST	SALINAS, CA 93905-2618	\$ 87.00
CALDERON BROTHERS TIRES LLC	115 IVY ST	SALINAS, CA 93901-3705	\$ 696.00
CALIDAD MARKET Y CARNECERIA	949 N SANBORN RD	SALINAS, CA 93905-1308	\$ 348.00
CALIFORNIA CHECK CASHING STORES, LLC	45 S SANBORN RD E	SALINAS, CA 93905	\$ 435.00
CALIFORNIA DEL SUR COMMISSARY	467 E MARKET ST 4	SALINAS, CA 93905	\$ 43.50

CARDENAS #205	950 E ALISAL ST	SALINAS, CA 93905-2608	\$ 750.00
CARLOS AUTO REPAIR	482 E MARKET ST	SALINAS, CA 93905-2530	\$ 95.70
CARL'S JR. RESTAURANT	400 E MARKET ST	SALINAS, CA 93901-3749	\$ 750.00
CARMELITAS KID'S	880 E ALISAL ST	SALINAS, CA 93905-2606	\$ 130.50
CASA DE LAVANDERIA	730 E ALISAL ST A	SALINAS, CA 93905	\$ 750.00
CASA DE NOVIAS LIZ	631 E ALISAL ST	SALINAS, CA 93905-2601	\$ 87.00
CASABLANCA TRAVEL	915 E ALISAL ST	SALINAS, CA 93905-2607	\$ 174.00
CAVA BROTHERS	695 E ALISAL ST	SALINAS, CA 93905-2644	\$ 87.00
CAVA BROTHERS PROPERTIES	7 N HEBBRON AVE	SALINAS, CA 93905	\$ 43.50
CELLULAR CONNECTIONS	924 N SANBORN RD	SALINAS, CA 93905-1309	\$ 130.50
CENTRAL COAST SYSTEM	312 KINGS ST	SALINAS, CA 93905-2512	\$ 165.30
CENTRO DE LA GENTE	10 SHERWOOD DR # 2	SALINAS, CA 93901-2873	\$ 87.00
CHA CHA REAL ESTATE HOLDINGS, LLC	950 E ALISAL ST	SALINAS, CA 93905-2608	\$ 261.00
CHAMPION SPORTS	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 174.00
CHICALI HOT DOGS	382 E MARKET ST A	SALINAS, CA 93901	\$ 87.00
CHINA HOUSE	848 E ALISAL ST	SALINAS, CA 93905-2606	\$ 696.00
CLASICO SHOES	876 E ALISAL ST	SALINAS, CA 93905-2606	\$ 130.50
CLASSIC WEDDINGS	650 E ALISAL ST	SALINAS, CA 93905-2643	\$ 130.50
CLAUDIA HEVIA	701 E ALISAL ST	SALINAS, CA 93905-2603	\$ 87.00
CLINICA DE SALUD DEL VALLE DE SALINAS	219 N SANBORN RD	SALINAS, CA 93905-2218	\$ 50.00
CLINICA DE SALUD DEL VALLE DE SALINAS	950 CIRCLE DR	SALINAS, CA 93905-2150	\$ 50.00
CLOTHING & THINGS THRIFT SHOP	470 E MARKET ST C	SALINAS, CA 93905	\$ 130.50
CM TAX & SERVICE	930 N SANBORN RD	SALINAS, CA 93905-1309	\$ 87.00
COMFORT CONTROL	263 E MARKET ST	SALINAS, CA 93901-3719	\$ 130.50
COMIDA ECONOMICA	1415 N MAIN ST	SALINAS, CA 93906-2403	\$ 87.00
CONECTATE MEDIA	915 E ALISAL ST	SALINAS, CA 93905-2607	\$ 87.00
CORONA MARKET	695 E ALISAL ST	SALINAS, CA 93905-2644	\$ 522.00
COSTA CENTRAL MEDICAL GROUP	323 N SANBORN RD E	SALINAS, CA 93905	\$ 191.40
COUNTRY MOTORS, INC.	435 E ALISAL ST	SALINAS, CA 93905-2501	\$ 87.00
COUNTRY MOTORS, INC.	431 E ALISAL ST	SALINAS, CA 93905-2501	\$ 750.00
CUEVAS TIRE I I, INC.	601 E ALISAL ST	SALINAS, CA 93905-2601	\$ 156.60
CUEVAS TIRES INC	619 N SANBORN RD A	SALINAS, CA 93905	\$ 147.90
CULTURAS HIDALGO & OAXACA	473 E MARKET ST	SALINAS, CA 93905-2527	\$ 609.00
CURIOSIDADES SAGA	623 E ALISAL ST	SALINAS, CA 93905-2601	\$ 43.50
CURIOSIDADES SAGA	928 N SANBORN RD	SALINAS, CA 93905-1309	\$ 87.00
CVS PHARMACY #9349	347 E ALISAL ST	SALINAS, CA 93901-4398	\$ 750.00
CYNTHIA HAIR SALON	1116 E ALISAL ST	SALINAS, CA 93905-2716	\$ 43.50
DAISY'S HAIR SALON	625 E ALISAL ST	SALINAS, CA 93905-2601	\$ 52.20
DALE'S GLASS SHOP	275 GRIFFIN ST	SALINAS, CA 93901-3791	\$ 522.00
DAMIAN'S JEWELRY	60 N SANBORN RD A	SALINAS, CA 93905	\$ 87.00
DELI-CAFE 3 HERMANOS, INC.	545 E ALISAL ST E	SALINAS, CA 93905	\$ 750.00
DEM ENTERPRISES LLC	548 E ALISAL ST C/A	SALINAS, CA 93905	\$ 87.00
DEM ENTERPRISES, LLC	548 E ALISAL ST C/A	SALINAS, CA 93905	\$ 43.50
DIANA BEAUTY SALON	908 E MARKET ST	SALINAS, CA 93905-2114	\$ 43.50
DISCOTECA LA MEXICANA PLUS	880 E ALISAL ST	SALINAS, CA 93905-2606	\$ 87.00
DISCOTECA RINCON DE LOS EXITOS	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 21.75
DOMINO'S PIZZA	1033 E ALISAL ST D	SALINAS, CA 93905	\$ 750.00
DON ROBERTO JEWELERS #46	1033 E ALISAL ST A	SALINAS, CA 93905	\$ 750.00
DULCERIA VARGAS, LLC	60 N SANBORN RD A	SALINAS, CA 93905	\$ 750.00
E & R INVESTMENTS, LLC	1114 E ALISAL ST	SALINAS, CA 93905-2716	\$ 43.50
E.Z. AUTOSALES	739 E ALISAL ST	SALINAS, CA 93905-2603	\$ 43.50
EAST MARKET SHELL	458 E MARKET ST	SALINAS, CA 93905-2526	\$ 750.00
EAST MARKET STORE	701 E MARKET ST	SALINAS, CA 93905-2110	\$ 174.00
EAST SALINAS FAMILY CENTER	995 N MADEIRA AVE	SALINAS, CA 93905-2214	\$ 50.00
EDUARDOS DEPARTMENT STORE	1033 E ALISAL ST C	SALINAS, CA 93905	\$ 130.50

EL CAPORAL FAMILY WESTERN WEAR	905 E ALISAL ST	SALINAS, CA 93905-2607	\$ 87.00
EL COMPITA MARISCOS	548 E ALISAL ST C/A	SALINAS, CA 93905	\$ 87.00
EL FARO TAX SERVICE Y ENVIOS INC	607 E ALISAL ST B	SALINAS, CA 93905	\$ 182.70
EL KIOSKO #2	730 E ALISAL ST C/A	SALINAS, CA 93905	\$ 87.00
EL KORA RESTAURANT	153 GRIFFIN ST	SALINAS, CA 93901-3779	\$ 261.00
EL NUEVO RANCHO GRANDE	720 E ALISAL ST	SALINAS, CA 93905-2604	\$ 522.00
EL POLLO DORADO	701 E ALISAL ST	SALINAS, CA 93905-2603	\$ 261.00
EL POLLO LOCO #3592	336 E MARKET ST	SALINAS, CA 93901-3732	\$ 750.00
EL POCOCINO WESTERN WEAR	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 130.50
EL PRIMO	727 E ALISAL ST	SALINAS, CA 93905-2603	\$ 21.75
EL PRIMO EXPRESS	10 S FILICE ST # 5	SALINAS, CA 93905-3136	\$ 104.40
EL PRIMO EXPRESS	975 N SANBORN RD A	SALINAS, CA 93905	\$ 95.70
EL PRIMO WESTERN WEAR	645 E ALISAL ST	SALINAS, CA 93905-2644	\$ 750.00
EL PRIMO WESTERN WEAR	880 E ALISAL ST	SALINAS, CA 93905-2606	\$ 750.00
EL PRIMO WESTERN WEAR	828 E ALISAL ST	SALINAS, CA 93905-2606	\$ 750.00
EL SOL MOTORS INC	724 E MARKET ST	SALINAS, CA 93905-2111	\$ 348.00
EL TACO RICO DE SALINAS	480 E MARKET ST	SALINAS, CA 93905-2530	\$ 87.00
EL TAPATIO SNACK BAR	880 E ALISAL ST	SALINAS, CA 93905-2606	\$ 87.00
EL VOLCAN	723 E ALISAL ST	SALINAS, CA 93905-2603	\$ 87.00
EL VOLCAN	2047 N MAIN ST	SALINAS, CA 93906-1731	\$ 87.00
EL ZACATECANO RESTAURANT, INC.	655 E ALISAL ST	SALINAS, CA 93905-2644	\$ 750.00
ELECTRONICS PLUS	646 E ALISAL ST	SALINAS, CA 93905-2643	\$ 522.00
ELENAS DAY CARE	770 ELTON PL	SALINAS, CA 93905-2134	\$ 174.00
EMILIO & ROSA ROSSI	248 MERCED ST	SALINAS, CA 93901-3733	\$ 43.50
ENCANTO BEAUTY SALON	622 E MARKET ST	SALINAS, CA 93905-2136	\$ 43.50
ES CAR WASH #1	282 E ALISAL ST	SALINAS, CA 93901-3618	\$ 261.00
ES CAR WASH #2	1120 E ALISAL ST	SALINAS, CA 93905-2716	\$ 174.00
ES CAR WASH #3	443 N SANBORN RD	SALINAS, CA 93905-2222	\$ 130.50
ESTETICA UNISEX LETY'S	7 S WOOD ST	SALINAS, CA 93905	\$ 43.50
EUROPEAN AUTO	276 E MARKET ST	SALINAS, CA 93901-3776	\$ 287.10
EVA'S ICE CREAM	467 E MARKET ST	SALINAS, CA 93905-2527	\$ 87.00
EVERYONES HARVEST	632 E ALISAL ST	SALINAS, CA 93905-2602	\$ 50.00
EXITOS LATINOS	1110 E ALISAL ST	SALINAS, CA 93905-2716	\$ 522.00
FACTORY 2 U	1022 E ALISAL ST	SALINAS, CA 93905-2714	\$ 750.00
FAMILY AWARENESS CONSULTING	10 SHERWOOD DR # 28	SALINAS, CA 93901-2874	\$ 174.00
FAMILY OUTLET	832 E ALISAL ST	SALINAS, CA 93905-2606	\$ 87.00
FANS' SOCCER SHOP	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 43.50
FERNANDO AUTO REPAIR	268 E ALISAL ST	SALINAS, CA 93901-3618	\$ 87.00
FERNANDO LUQUE D.C.	622 E ALISAL ST 1	SALINAS, CA 93905	\$ 208.80
FIESTA AUTO INSURANCE	554 E ALISAL ST	SALINAS, CA 93905-2545	\$ 182.70
FOODS, CO. #769	1030 E ALISAL ST	SALINAS, CA 93905-2714	\$ 750.00
FOUNTAIN OF BEAUTY/FUENTE DE B	607 E ALISAL ST B	SALINAS, CA 93905	\$ 43.50
FRANCI & MIKE WEAVER	285 GRIFFIN ST	SALINAS, CA 93901-3721	\$ 43.50
FRANCISCA C LEAL	811 E ALISAL ST	SALINAS, CA 93905-2605	\$ 21.75
G L LIQUOR	606 E ALISAL ST B	SALINAS, CA 93905	\$ 348.00
GABILAN TV SALES	470 E MARKET ST A	SALINAS, CA 93905	\$ 87.00
GALARZA JEWELRY & OMEGA VIDEO	984 ACOSTA PLZ	SALINAS, CA 93905-1302	\$ 43.50
GALAXY PARTY SUPPLY	382 E MARKET ST	SALINAS, CA 93901-3732	\$ 87.00
GALVEZ TIRES & WHEELS	678 E MARKET ST	SALINAS, CA 93905-2126	\$ 87.00
GARCIA CHIROPRACTIC CLINIC	909 E ALISAL ST	SALINAS, CA 93905-2607	\$ 191.40
GARY R & SHARON K WALLER	275 GRIFFIN ST	SALINAS, CA 93901-3791	\$ 87.00
GEMINI T-SHIRT	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 43.50
GENERAL AUTO REPAIR	315 COMMISSION ST	SALINAS, CA 93901-3701	\$ 191.40
GIFTS & ETC OUTLET	43 S SANBORN RD B	SALINAS, CA 93905	\$ 130.50
GIS PLUMBING INC	326 E ALISAL ST E	SALINAS, CA 93901	\$ 435.00

GOMEZ ADAN & MARIA LUCRECIA	710 E MARKET ST	SALINAS, CA 93905-2111	\$ 87.00
GOMEZ AUTO REPAIR	710 E MARKET ST	SALINAS, CA 93905-2111	\$ 165.30
GOODWILL CENTRAL COAST	708 E ALISAL ST	SALINAS, CA 93905-2604	\$ 50.00
GORDITAS MARIA DULCERIA	732 E MARKET ST	SALINAS, CA 93905-2111	\$ 522.00
GOYITOS AUTO REPAIR	770 N SANBORN RD	SALINAS, CA 93905-1315	\$ 87.00
GRANITEROCK	400 WORK ST	SALINAS, CA 93901-4379	\$ 750.00
GRANITEROCK COMPANY	400 WORK ST	SALINAS, CA 93901-4379	\$ 21.75
GREEN CELLULAR INC/DIGICOM WIRELESS	801 E MARKET ST	SALINAS, CA 93905-2112	\$ 348.00
GREEN LITE AUTO GLASS	246 E MARKET ST	SALINAS, CA 93901-3775	\$ 87.00
GRIFFIN WASH HOUSE	261 GRIFFIN ST	SALINAS, CA 93901-3721	\$ 435.00
GROENIGER & COMPANY	66 TARP CIR	SALINAS, CA 93901-3717	\$ 382.80
GTO PRINTING	526 E ALISAL ST	SALINAS, CA 93905-2504	\$ 174.00
GUADALAJARA BAKERY	699 E MARKET ST	SALINAS, CA 93905-2108	\$ 174.00
GUIZAR AUTO SERVICE INC	435 E ALISAL ST	SALINAS, CA 93905-2501	\$ 87.00
HAIR 2000	20 N SANBORN RD F	SALINAS, CA 93905	\$ 43.50
HAIRCUTS IN SHAPE	326 E ALISAL ST F	SALINAS, CA 93901	\$ 43.50
HAYDEE BEAUTY SALON	819 E ALISAL ST	SALINAS, CA 93905-2605	\$ 43.50
HEALEY MORTUARY & CREMATORY	405 N SANBORN RD	SALINAS, CA 93905-2293	\$ 750.00
HECTOR'S MEAT	549 E MARKET ST	SALINAS, CA 93905-2528	\$ 261.00
HERNANDEZ PRODUCE	923 E MARKET ST	SALINAS, CA 93905-2113	\$ 87.00
HERNANDEZ TOY STORE AND CAR ACCESS	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 43.50
HOJAS PARA MEDICINA #2 AQUARICH	811 E ALISAL ST	SALINAS, CA 93905-2605	\$ 435.00
HOLIDAY INN EXPRESS & SUITES	195 KERN ST C/A	SALINAS, CA 93905	\$ 261.00
HORACIOS AUTO REPAIR	311 KINGS ST	SALINAS, CA 93905-2511	\$ 43.50
IN-N-OUT BURGERS #99	151 KERN ST	SALINAS, CA 93905-2016	\$ 750.00
INTERACTIVE SOUND & WIRELESS	728 E ALISAL ST	SALINAS, CA 93905-2604	\$ 261.00
ISABELA FASHION	515 E ALISAL ST A	SALINAS, CA 93905	\$ 43.50
ISABELLA'S FLOWERS AND GIFTS	480 E MARKET ST	SALINAS, CA 93905-2530	\$ 21.75
ISLAS LAWN SERVICE	61 N PEARL ST B	SALINAS, CA 93905	\$ 87.00
IVONNE BEAUTY SALON	880 E ALISAL ST	SALINAS, CA 93905-2606	\$ 43.50
J & M APPLIANCE REPAIR	663 E MARKET ST	SALINAS, CA 93905-2108	\$ 87.00
J&N COLLISION	327 COMMISSION ST	SALINAS, CA 93901-3701	\$ 87.00
J.J.R. GARDENING SERVICES	54 N MADEIRA AVE A	SALINAS, CA 93905	\$ 87.00
JAQUEZ FAST FOOD SERVICE	923 E MARKET ST	SALINAS, CA 93905-2113	\$ 191.40
JAX PACIFIC WEST INSURANCE	817 E ALISAL ST	SALINAS, CA 93905-2605	\$ 182.70
JIM RUSSO STATE FARM	921 E ALISAL ST	SALINAS, CA 93905-2607	\$ 121.80
JOEMARY AM/PM	385 E ALISAL ST	SALINAS, CA 93901-4302	\$ 750.00
JORGE HARO	655 E ALISAL ST	SALINAS, CA 93905-2644	\$ 43.50
JORGE'S AUTO DETAIL'S	63 KINGS ST B	SALINAS, CA 93905	\$ 104.40
JOSE'S AUTO REPAIR	382 E MARKET ST B	SALINAS, CA 93901	\$ 191.40
JOYERIA Y BOTANICA	904 E MARKET ST	SALINAS, CA 93905-2114	\$ 261.00
JUGERIA LA TROPICAL	822 E ALISAL ST	SALINAS, CA 93905-2606	\$ 130.50
JULY'S UNDERWEAR	880 E ALISAL ST	SALINAS, CA 93905-2606	\$ 43.50
K & K LAUNDROMAT	503 E MARKET ST	SALINAS, CA 93905-2528	\$ 130.50
KENTUCKY FRIED CHICKEN #152	700 E ALISAL ST	SALINAS, CA 93905-2604	\$ 750.00
KIDS R	545 E ALISAL ST G	SALINAS, CA 93905	\$ 130.50
KIMMIES CORK N BOTTLE	210 N SANBORN RD	SALINAS, CA 93905-2219	\$ 750.00
KING THRIFT STORE	330 KINGS ST	SALINAS, CA 93905-2593	\$ 21.75
KOL ELECTRIC INC	639 E MARKET ST	SALINAS, CA 93905-2108	\$ 669.90
LA BARATA TIENDA	836 E ALISAL ST	SALINAS, CA 93905-2606	\$ 609.00
LA CHILINDRINA ICE CREAM TRUCK	148 GRIFFIN ST	SALINAS, CA 93901-3755	\$ 87.00
LA ESPERANZA MARKET	490 E MARKET ST	SALINAS, CA 93905-2530	\$ 522.00
LA MALUCADA	801 E ALISAL ST	SALINAS, CA 93905-2605	\$ 87.00
LA MICHOACANA #1	237 E MARKET ST	SALINAS, CA 93901-3719	\$ 750.00
LA MICHOACANA LOVE INC	712 E ALISAL ST	SALINAS, CA 93905-2604	\$ 435.00

LA MOVIDA	816 E ALISAL ST	SALINAS, CA 93905-2606	\$ 261.00
LA OAXAQUENA	727 E ALISAL ST	SALINAS, CA 93905-2603	\$ 21.75
LA PAZ DENTAL CARE	559 E ALISAL ST	SALINAS, CA 93905-2516	\$ 217.50
LA PERLA MEXICAN FOOD #2	305 KERN ST	SALINAS, CA 93905-2508	\$ 87.00
LA PLAZA BAKERY	20 N SANBORN RD A	SALINAS, CA 93905	\$ 750.00
LA PLAZITA MARKET	617 N SANBORN RD	SALINAS, CA 93905-1303	\$ 696.00
LA POPULAR C/O ROGELIO MONROY VARGAS	902 E MARKET ST	SALINAS, CA 93905-2114	\$ 21.75
LA PRINCESA #1	516 E ALISAL ST	SALINAS, CA 93905-2504	\$ 750.00
LABORATORY CORPORATION OF AMERICA	559 E ALISAL ST	SALINAS, CA 93905-2516	\$ 95.70
L'AMOUR SHOPPE	323 E ALISAL ST	SALINAS, CA 93901-4302	\$ 750.00
LARRY MAK	200 ESTATE DR	SALINAS, CA 93901	\$ 87.00
LAS PALMAS FURNITURE INC	335 E ALISAL ST	SALINAS, CA 93901	\$ 750.00
LATINO BEAUTY SALON	548 E ALISAL ST D	SALINAS, CA 93905	\$ 43.50
LAUREL HEIGHTS SHELL	705 N SANBORN RD	SALINAS, CA 93905-1305	\$ 750.00
LEAL BAKERY	805 E ALISAL ST	SALINAS, CA 93905-2605	\$ 261.00
LEMUS INSURANCE	454 E ALISAL ST C	SALINAS, CA 93905	\$ 95.70
LEON AUTO SALES	615 E MARKET ST	SALINAS, CA 93905-2108	\$ 750.00
LIANNA AVILA, MARRIAGE & FAMILY	251 REATA ST	SALINAS, CA 93906-2815	\$ 174.00
LIBRERIA ALICIAS	880 E ALISAL ST	SALINAS, CA 93905-2606	\$ 130.50
LIM FAMILY ENTERPRISES LLC	568 E ALISAL ST	SALINAS, CA 93905-2545	\$ 43.50
LOPEZ PHOTOGRAPHY PRODUCTIONS	823 E ALISAL ST	SALINAS, CA 93905-2605	\$ 87.00
LOS ALTOS RESTAURANT #2	107 KERN ST	SALINAS, CA 93905-2006	\$ 750.00
LOS ARCOS DEL ALISAL	504 E ALISAL ST	SALINAS, CA 93905-2504	\$ 261.00
LOS DOS POTRILLOS RESTAURANT	301 E ALISAL ST	SALINAS, CA 93901-4302	\$ 750.00
LUCY'S AUTO REGISTRATION	210 MERCED ST #B	SALINAS, CA 93901-3762	\$ 174.00
LYDIA'S ONE DAY TAX	545 E ALISAL ST F	SALINAS, CA 93905	\$ 182.70
M & M CARS	10 SHERWOOD DR # 21	SALINAS, CA 93901-2873	\$ 95.70
M & R AUTO REPAIR	424 E ALISAL ST	SALINAS, CA 93905-2502	\$ 95.70
MAAS ACCESSORIES	922 N SANBORN RD	SALINAS, CA 93905-1309	\$ 174.00
MAGDA'S FLOWERS	626 E MARKET ST	SALINAS, CA 93905-2136	\$ 130.50
MARGARITA TAX & VALLEY AUTO INS BROKER	546 E MARKET ST	SALINAS, CA 93905-2529	\$ 174.00
MARIA A SILVA	515 E ALISAL ST	SALINAS, CA 93905-2503	\$ 52.20
MARIA'S USED STUFF	822 N SANBORN RD	SALINAS, CA 93905-1307	\$ 43.50
MARIBEL HAIR STUDIO	600 E ALISAL ST	SALINAS, CA 93905-2602	\$ 43.50
MARION'S PLACE, INC.	487 E MARKET ST	SALINAS, CA 93905-2527	\$ 348.00
MARITZA MARKET	549 E MARKET ST	SALINAS, CA 93905-2528	\$ 609.00
MARQUEZ HANDYMAN SERVICES	841 MEADOW DR	SALINAS, CA 93905-3124	\$ 43.50
MARY'S EL RINCONSITO MEX ART	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 87.00
MAYA PRODUCTIONS	470 E MARKET ST B	SALINAS, CA 93905	\$ 87.00
MAYRA'S BRIDAL SHOP	621 E ALISAL ST	SALINAS, CA 93905-2601	\$ 174.00
MCDONALD'S #36262	155 KERN ST	SALINAS, CA 93905-2016	\$ 750.00
MCDONALDS #690	840 E ALISAL ST	SALINAS, CA 93905-2606	\$ 750.00
MEDINA'S BRIDAL SHOP	639 E ALISAL ST	SALINAS, CA 93905-2644	\$ 43.50
MERCADITO ALEGRIA	727 E ALISAL ST	SALINAS, CA 93905-2603	\$ 95.70
MERCADO MI RANCHO	495 E MARKET ST	SALINAS, CA 93905-2527	\$ 750.00
MESINA KEY	876 E ALISAL ST	SALINAS, CA 93905-2606	\$ 87.00
MEXICO LINDO DELI	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 87.00
MI FIESTA SMOKE SHOP	1033 E ALISAL ST G	SALINAS, CA 93905	\$ 348.00
MIGUEL GUTIERREZ	328 E ALISAL ST	SALINAS, CA 93901-4303	\$ 130.50
MINA'S CLEANING SERVICES	516 ROOSEVELT ST A	SALINAS, CA 93905	\$ 87.00
MIRANDA ENVIOS INC	920 N SANBORN RD	SALINAS, CA 93905-1309	\$ 104.40
MIRANDA ENVIOS INC	648 E ALISAL ST	SALINAS, CA 93905-2643	\$ 95.70
MIRANDA ENVIOS INC	913 E ALISAL ST	SALINAS, CA 93905-2607	\$ 104.40
MIRANDA ENVIOS INC	528 E ALISAL ST	SALINAS, CA 93905-2504	\$ 104.40
MIREYA'S VANITY BEAUTY SALON	824 E ALISAL ST	SALINAS, CA 93905-2606	\$ 43.50

MIRSA'S	288 E MARKET ST	SALINAS, CA 93901-3776	\$ 87.00
MISSION LINEN SUPPLY, INC.	315 KERN ST	SALINAS, CA 93905-2595	\$ 750.00
MJ COLLECTION	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 130.50
MON'S AUTO REPAIR	227 COMMISSION ST	SALINAS, CA 93901-3724	\$ 95.70
MONTEREY COUNTY SOCCER LEAGUE	443 E ALISAL ST	SALINAS, CA 93905-4514	\$ 50.00
MORALES GARDENING	65 N FILICE ST	SALINAS, CA 93905-2634	\$ 95.70
MORELIA'S .99 STORE AND UP	669 E MARKET ST	SALINAS, CA 93905-2108	\$ 21.75
MOUNTAIN MIKE'S PIZZA	315 E ALISAL ST	SALINAS, CA 93901-4302	\$ 750.00
MUNDO SALUDABLE	443 E ALISAL ST	SALINAS, CA 93905-4514	\$ 87.00
NANCY MORENO INSURANCE SERVICES	7 N HEBBRON AVE	SALINAS, CA 93905	\$ 750.00
NANCY'S SHOEWEAR	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 21.75
NAVARRO INCOME TAX AND SERVICE	14 S WOOD ST	SALINAS, CA 93905	\$ 200.10
NAVARROS FURNITURE	440 E ALISAL ST	SALINAS, CA 93905-2502	\$ 130.50
NAVARRO'S WEDDING DECORATIONS	440 E ALISAL ST	SALINAS, CA 93905-2502	\$ 87.00
NEIGHBORHOOD MARKET & TAQUERIA	505 E MARKET ST	SALINAS, CA 93905-2528	\$ 750.00
NELIDA M TORRES	716 E ALISAL ST	SALINAS, CA 93905-2604	\$ 43.50
NELLY'S BEAUTY SALON	716 E ALISAL ST	SALINAS, CA 93905-2604	\$ 43.50
NEW IMAGE HAIR SALON	972 ACOSTA PLZ	SALINAS, CA 93905-1302	\$ 78.30
NG REPAIR AUTO BODY	308 KINGS ST	SALINAS, CA 93905-2512	\$ 574.20
NIKYS	545 E ALISAL ST G	SALINAS, CA 93905	\$ 130.50
NOVEDADES RUBI	727 E ALISAL ST	SALINAS, CA 93905-2603	\$ 21.75
NOVIA'S ROSSY'S	645 E ALISAL ST	SALINAS, CA 93905-2644	\$ 87.00
NUMBER 1 SOX	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 174.00
NUMBER 1 SOX	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 87.00
NUTRICION Y VITALIDAD	975 N SANBORN RD C	SALINAS, CA 93905	\$ 21.75
OBHET AUTO REPAIR SHOP	482 E MARKET ST	SALINAS, CA 93905-2530	\$ 182.70
OLIVER KIMMIE	519 E MARKET ST	SALINAS, CA 93905-2528	\$ 87.00
ONE STOP MARKET	980 ACOSTA PLZ	SALINAS, CA 93905-1302	\$ 696.00
O'REILLY AUTO PARTS #2702	43 S SANBORN RD A	SALINAS, CA 93905	\$ 750.00
ORTIZ ASUNTOS MIGRATORIOS, INC	10 SHERWOOD DR # 27	SALINAS, CA 93901-2874	\$ 95.70
PABLO ESPINOZA	440 E ALISAL ST	SALINAS, CA 93905-2502	\$ 43.50
PABLO ESPINOZA	607 E MARKET ST	SALINAS, CA 93905-2108	\$ 87.00
PALETA PAYASO	735 SANBORN PL	SALINAS, CA 93901-4569	\$ 87.00
PALETERIA ROSI	467 E MARKET ST # 1	SALINAS, CA 93905-2527	\$ 87.00
PALETERIA WENDY #1	467 E MARKET ST 1	SALINAS, CA 93905	\$ 87.00
PANADERIA ORTEGA	916 N SANBORN RD	SALINAS, CA 93905-1309	\$ 174.00
PANADERIA PASTERIA DELI LA ESTRELLA	613 N SANBORN RD	SALINAS, CA 93905-1303	\$ 130.50
PANADERIA TRES HERMANOS	545 E ALISAL ST D	SALINAS, CA 93905	\$ 750.00
PATANIA MASONRY INC	285 COMMISSION ST	SALINAS, CA 93901-3744	\$ 174.00
PATEL DAHYABHAI & SUMATIBEN	305 KERN ST	SALINAS, CA 93905-2508	\$ 87.00
PATRICIA MAGALLON	45 S SANBORN RD C	SALINAS, CA 93905	\$ 43.50
PATRICIA MENDEZ	600 E ALISAL ST	SALINAS, CA 93905-2602	\$ 43.50
PAUL FARO AUTOMOTIVE	264 E MARKET ST	SALINAS, CA 93901-3775	\$ 348.00
PENIEL MEN'S WEAR	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 87.00
PENINSULA PETROLEUM LLC	458 E MARKET ST	SALINAS, CA 93905-2526	\$ 130.50
PETER C MILLER	1000 E MARKET ST	SALINAS, CA 93905-2217	\$ 43.50
PINA'S CRAFTS	613 E ALISAL ST	SALINAS, CA 93905-2601	\$ 21.75
PLATT ELECTRIC SUPPLY	34 SIMAS ST C	SALINAS, CA 93901-3703	\$ 750.00
POLO'S INCOME TAX SERVICE, LLC	515 E ALISAL ST	SALINAS, CA 93905-2503	\$ 174.00
PRESTIGE ROOFING LLC	10830 MERRITT ST STE 5	CASTROVILLE, CA 95012-3419	\$ 139.20
PRIME TIME NUTRITION	17 S PEARL ST	SALINAS, CA 93905-3148	\$ 750.00
PRIME TIME NUTRITION	611 N SANBORN RD	SALINAS, CA 93905-1303	\$ 750.00
PRIMO WIRELESS	10 S FILICE ST # 4	SALINAS, CA 93905-3136	\$ 130.50
PRIMUS MARKET INC. 2	825 E ALISAL ST	SALINAS, CA 93905-2605	\$ 130.50
PRODUCTOS MEXICANOS	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 130.50

PRONTO DOLLARS	559 E ALISAL ST 108	SALINAS, CA 93905-2516	\$ 191.40
PRONTO INCOME TAX SERVICES	600 E MARKET ST 100	SALINAS, CA 93905-2178	\$ 182.70
R D H ENTERPRISES	145 KERN ST	SALINAS, CA 93905-2006	\$ 750.00
RADIO LAZER	600 E MARKET ST	SALINAS, CA 93905-2178	\$ 182.70
RAMIREZ AUTO SERVICE	222 IVY ST	SALINAS, CA 93901-3705	\$ 87.00
RAMIREZ ICE CREAM TRUCK	467 E MARKET ST 1	SALINAS, CA 93905	\$ 87.00
REALTY INCOME PROPERTIES 16, LLC	319 E MARKET ST	SALINAS, CA 93901-3706	\$ 261.00
REDBOX AUTOMATED RETAIL LLC	575 N SANBORN RD	SALINAS, CA 93905-2246	\$ 21.75
REDBOX AUTOMATED RETAIL LLC	1030 E ALISAL ST	SALINAS, CA 93905-2714	\$ 21.75
REDBOX AUTOMATED RETAIL, LLC	347 E ALISAL ST	SALINAS, CA 93901-4398	\$ 21.75
REX MOTEL	305 KERN ST	SALINAS, CA 93905-2508	\$ 130.50
RIA FINANCIAL SERVICES	858 E ALISAL ST	SALINAS, CA 93905-2606	\$ 548.10
RIGHT WAY AUTO	212 MERCED ST 6	SALINAS, CA 93901	\$ 382.80
ROCK BOXING GYM	285 E ALISAL ST	SALINAS, CA 93901-3615	\$ 130.50
ROSSI BROS TIRE AND AUTO SERVICE	81 N SANBORN RD	SALINAS, CA 93905-2710	\$ 750.00
RUBIO'S AUTO CARE	241 E MARKET ST	SALINAS, CA 93901-3719	\$ 191.40
RUTH RUIZ TAX & SERVICES	24 N SANBORN RD	SALINAS, CA 93905-2711	\$ 174.00
SABA'S CAR UPHOLSTERY MOBILE	526 FREMONT ST C	SALINAS, CA 93905	\$ 87.00
SALINAS AUTO TRANSMISSION	249 GRIFFIN ST	SALINAS, CA 93901-3736	\$ 95.70
SALINAS CELLULAR	549 E MARKET ST	SALINAS, CA 93905-2528	\$ 87.00
SALINAS COLLISION CENTER	382 E MARKET ST A	SALINAS, CA 93901	\$ 87.00
SALINAS DISCOUNT PLUS	648 E ALISAL ST	SALINAS, CA 93905-2643	\$ 174.00
SALINAS FURNITURE GALLERY	656 E ALISAL ST	SALINAS, CA 93905-2643	\$ 750.00
SALINAS FURNITURE GALLERY	801 E ALISAL ST	SALINAS, CA 93905-2605	\$ 750.00
SALINAS INSURANCE AGENCY LLC	443 E ALISAL ST B	SALINAS, CA 93905	\$ 174.00
SALINAS MARKET INC	45 S SANBORN RD # F	SALINAS, CA 93905-3282	\$ 750.00
SALINAS MEAT	229 N SANBORN RD	SALINAS, CA 93905-2218	\$ 121.80
SALINAS PAWN	431 E MARKET ST VEN	SALINAS, CA 93905	\$ 435.00
SALINAS PIZZA	988 ACOSTA PLZ	SALINAS, CA 93905-1302	\$ 87.00
SALINAS PREMIUM PURE WATER	335 KINGS ST	SALINAS, CA 93905-2511	\$ 87.00
SALINAS SMOG, INC	297 E MARKET ST	SALINAS, CA 93901-3777	\$ 113.10
SALINAS VALLEY PRO SQUAD	11345 MAIN ST	SALINAS, CA 93901	\$ 522.00
SANBORN & MARKET GAS	1000 E MARKET ST	SALINAS, CA 93905-2217	\$ 348.00
SANBORN LAUNDERLAND	45 S SANBORN RD B	SALINAS, CA 93905	\$ 348.00
SANBORN MEDICAL CENTER	323 N SANBORN RD	SALINAS, CA 93905-2243	\$ 130.50
SANBORN PHARMACY	323 N SANBORN RD STE A	SALINAS, CA 93905-2243	\$ 130.50
SEON ESTHER	626 E ALISAL ST	SALINAS, CA 93905-2602	\$ 87.00
SERGIO STUDIO'S BEAUTY SALON	45 S SANBORN RD C	SALINAS, CA 93905	\$ 43.50
SIERRA'S CLEANING	42 N PEARL ST 8	SALINAS, CA 93905	\$ 87.00
SMART & FINAL #431	319 E MARKET ST	SALINAS, CA 93901-3706	\$ 750.00
SMART COMPUTER REPAIR	880 E ALISAL ST	SALINAS, CA 93905-2606	\$ 130.50
SOBADORA JANETH	530 ROOSEVELT ST E	SALINAS, CA 93905	\$ 95.70
STAGE 1 AUTO CARE AND TIRE	231 COMMISSION ST	SALINAS, CA 93901-3724	\$ 87.00
STARBUCKS COFFEE #66772	PO BOX 34442 STAX2	SEATTLE, WA 98124	\$ 750.00
SUBWAY #5062	1114 E ALISAL ST	SALINAS, CA 93905-2716	\$ 174.00
TACO BELL #25510	664 E ALISAL ST	SALINAS, CA 93905-2643	\$ 750.00
TACOS PACHECO #2	607 E MARKET ST	SALINAS, CA 93905-2108	\$ 87.00
TACOS PACHECO #3	3 ROSSI CIR C/A	SALINAS, CA 93907	\$ 87.00
TAPIAS SPORT WEAR FASHION	607 N SANBORN RD	SALINAS, CA 93905-1303	\$ 43.50
TAQUERIA DELICIAS	545 E ALISAL ST A	SALINAS, CA 93905	\$ 750.00
TAQUERIA EL GRULLENSE	976 ACOSTA PLZ	SALINAS, CA 93905-1302	\$ 348.00
TAQUERIA EL TARASCO	910 N SANBORN RD	SALINAS, CA 93905-1309	\$ 261.00
TAQUERIA MI RANCHITO	45 S SANBORN RD D	SALINAS, CA 93905	\$ 435.00
TARGET PEST CONTROL	235 GRIFFIN ST	SALINAS, CA 93901-3787	\$ 522.00
TAX REFUNDS & SERVICES	10 S FILICE ST # 3	SALINAS, CA 93905-3136	\$ 348.00



TEAMSTERS LOCAL UNION NO.890	207 N SANBORN RD	SALINAS, CA 93905-2299	\$ 50.00
THIEL E FRITZ	276 E MARKET ST	SALINAS, CA 93901-3776	\$ 87.00
THOMASSIN USED CARS	275 E MARKET ST	SALINAS, CA 93901-3777	\$ 174.00
TIFFANY'S BODY SHOP	248 MERCED ST	SALINAS, CA 93901-3733	\$ 261.00
TIRE & WHEEL WORLD	328 E ALISAL ST	SALINAS, CA 93901-4303	\$ 130.50
TOMMY'S GLASS SERVICE, INC.	21 S PEARL ST	SALINAS, CA 93905-3148	\$ 261.00
TOP BLUEJEAN	654 E ALISAL ST	SALINAS, CA 93905-2643	\$ 348.00
TOP FASHION	964 ACOSTA PLZ	SALINAS, CA 93905-1302	\$ 43.50
TORRES AUTO SERVICE	369 E MARKET ST G	SALINAS, CA 93901	\$ 87.00
TOYS AND COSMETICS	880 E ALISAL ST	SALINAS, CA 93905-2606	\$ 261.00
T-PEINO BEAUTY SALON & NAILS	906 N SANBORN RD	SALINAS, CA 93905-1309	\$ 43.50
TRANSMISSION CENTER	251 E MARKET ST	SALINAS, CA 93901-3719	\$ 95.70
TRES MARIAS #2	575 N SANBORN RD	SALINAS, CA 93905-2246	\$ 87.00
TRI COUNTY FIRE PROTECTION INC.	260 RIANDA CIR A	SALINAS, CA 93901	\$ 130.50
TRINI'S HAIR SHOP	811 E MARKET ST C/A	SALINAS, CA 93905	\$ 95.70
TRUJILLO TAX SERVICE & BOOKKEEPING	901 E ALISAL ST	SALINAS, CA 93905-2607	\$ 234.90
UNITED RENTALS (NORTH AMERICA), INC	37 TARP CIR	SALINAS, CA 93901-3717	\$ 750.00
VALLEY AUTO INSURANCE BROKERS	546 E MARKET ST	SALINAS, CA 93905-2529	\$ 182.70
VARIEDADES MARINA'S	695 E ALISAL ST	SALINAS, CA 93905-2644	\$ 21.75
VARIEDADES Y REGALOS ANAI	10 S FILICE ST 1	SALINAS, CA 93905	\$ 174.00
VILLALTAS FURNITURE	668 E MARKET ST	SALINAS, CA 93905-2126	\$ 87.00
VIZZA INVESTMENTS, LLC	605 N SANBORN RD	SALINAS, CA 93905-1303	\$ 87.00
WALGREENS #03446	575 N SANBORN RD	SALINAS, CA 93905-2246	\$ 750.00
WATERMILL EXPRESS	1010 CONNELLY ST	SALINAS, CA 93905-2704	\$ 121.80
WEST COAST COMMERCIAL INC	260 RIANDA CIR D	SALINAS, CA 93901	\$ 191.40
WESTERN EXTERMINATOR COMPANY	8840 MURAOKA DR #140	GILROY, CA 95020-3687	\$ 95.70
WESTERN MOTEL	6 S WOOD ST	SALINAS, CA 93905	\$ 130.50
WIENERSCHNITZEL	711 E ALISAL ST	SALINAS, CA 93905-2603	\$ 750.00
WINCHELL'S DONUT HOUSE FRANCHISE9866-A	969 E ALISAL ST	SALINAS, CA 93905-2607	\$ 609.00
WIRELESS TECH SHOP	454 E ALISAL ST C	SALINAS, CA 93905	\$ 87.00
WORKS AUTO BODY	10 MURPHY ST	SALINAS, CA 93901-4307	\$ 174.00
YORK F. GIN FAMILY PARTNERSHIP	10 SHERWOOD DR C\A	SALINAS, CA 93906	\$ 43.50
ZIG AUTO PARTS DISTRIBUTING, INC	276 E MARKET ST	SALINAS, CA 93901-3776	\$ 113.10

\$ 100,368.80

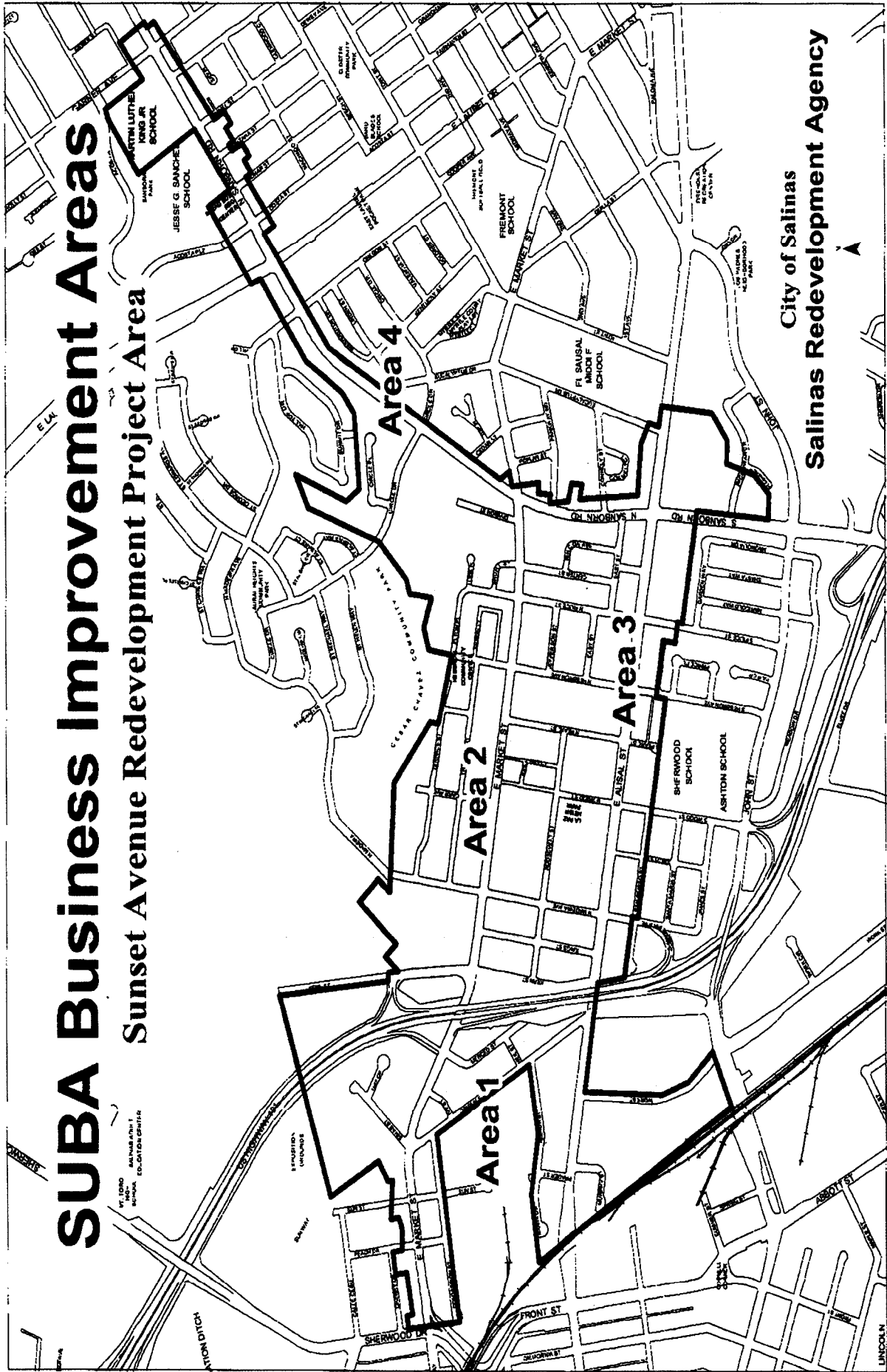
## Proposed Budget 2024/2025

### Salinas United Business Association Proposed Budget 2024/2025

Income	2024/2025 Budget
SUBA BID Assessments & Associated Membership ( <i>projected</i> )	\$ 100,369
Contracts	\$ 90,000
Grants	\$ 5,000
Donations	\$ 7,500
Events (Sponsorships)	\$ 5,000
Current Balance from FY 2023/2024	\$ 1,242
<b>Total Income</b>	<b>\$ 209,111</b>
<b>Expense</b>	
<b>Operations</b>	<b>\$ 198,620</b>
Accounting	\$ 4,500
Conferences/Staff Development	\$ 2,700
Insurance	\$ 4,750
Permits	\$ 1,000
Dues and Subscriptions	\$ 300
Office Furniture & Equipment	\$ 1,500
Office Supplies	\$ 4,800
Postage	\$ 2,150
Telephone & Internet	\$ 3,900
Rent	\$ 12,000
Staff	\$ 142,120
Miscellaneous	\$ 1,250
Beautification and Landscaping	\$ 2,850
Marketing & Promotion	\$ 5,500
Safety	\$ 1,800
Business Resources	\$ 7,500
<b>Total Expenses</b>	<b>\$ 198,620</b>
<i>Estimated Fund Balance</i>	<b>\$ 10,491</b>

# SUBA Business Improvement Areas

## Sunset Avenue Redevelopment Project Area





# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-509, **Version:** 1

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### **Sanitary Sewer Development Impact Fee Update Amendment**

Approve a Resolution amending the Sanitary Sewer Development Impact Fee previously approved through Resolution No. 22942.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

---

**DATE:** SEPTEMBER 24, 2024  
**DEPARTMENT:** PUBLIC WORKS DEPARTMENT  
**FROM:** DAVID JACOBS, PUBLIC WORKS DIRECTOR  
**BY:** ADRIANA ROBLES, CITY ENGINEER  
**TITLE:** SANITARY SEWER DEVELOPMENT IMPACT FEE UPDATE AMENDMENT

RECOMMENDED MOTION:

A motion to approve a Resolution amending the Sanitary Sewer Development Impact Fee previously approved through Resolution No. 22942.

EXECUTIVE SUMMARY:

Requesting approval of a resolution amending the Sanitary Sewer Development Impact Fee approved by City Council through Resolution No. 22942. The Sanitary Sewer Development Impact Fee schedule erroneously included the term “per 1000 square foot” instead of “per square foot” for the commercial and industrial fees. The updated fee shall be effective December 1, 2024.

BACKGROUND:

On April 23, 2024, pursuant to California Government Code Sections 66000-66008 and Article V of Chapter 9 of the Salinas Municipal Code, the Salinas City Council approved Resolution No. 22942 updating the fee schedule for the sanitary sewer development impact fees. The updated fee schedule became effective on July 1, 2024.

A clerical error in nexus study erroneously identified the proposed fee schedule for the commercial and industrial fee units as “per 1000 square foot of building area” instead of “per square foot of building area”.

The corrected Sanitary Sewer Development Impact Fee Schedule shall be amended to read as follows:

Residential: \$ 1.2847 per square foot of building area  
Commercial: \$ 1.1215 per square foot of building area  
Industrial: \$ 0.5608 per square foot of building area

Public Notice

A sixty (60) day public hearing notice for the amendment of the Sanitary Sewer Development Impact Fee Update was published in a local newspaper on September 5<sup>th</sup> and 12<sup>th</sup>, 2024.

Outreach

Notification of the proposed amendment to the Sanitary Sewer Development Impact Fee and public hearing was emailed to Salinas Chamber of Commerce, the Salinas United Business Association, the Central Coast Builders Association, the Future Growth Area developers and other local developers on September 9, 2024. No comments have been to date.

CEQA CONSIDERATION:

**Not a Project.** City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) pursuant to Sections 15378 and 15061(b)(3).

STRATEGIC PLAN INITIATIVE:

Updating Development Impact Fees to mitigate impacts from development on existing sewer systems is consistent with the Council values of Fiscal Responsibility, Service and Responsiveness and Council Goals and Strategies of Economic Development, Housing, Infrastructure, and Public Safety by investing in existing facilities and infrastructure, reducing City expenditures to address impacts due to growth, and by providing adequate funding for improvement needed to allow for growth.

DEPARTMENTAL COORDINATION:

Public Works staff has consulted with other City Departments to develop the recommendation herein, including Administration, Finance, and Legal. Should the City Council approve the recommendation, Public Works will continue to collaborate with these departments, along with Community Development.

FISCAL AND SUSTAINABILITY IMPACT:

There is no fiscal impact related to this item at this time. Imposing and updating development impact fees allows the City to be more fiscally responsible and sustainable.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)
n/a	n/a	n/a	n/a	n/a	n/a	n/a

ATTACHMENTS:

Resolution  
Development Impact Fee Justification Study, August 28, 2024 (Revised)

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**RESOLUTION AMENDING THE SANITARY SEWER IMPACT FEE  
APPROVED THROUGH RESOLUTION NO. 22942**

**WHEREAS**, California Government Code Sections 66000-66008 (Mitigation Fee Act) provide local jurisdictions with the authority to impose fees on development projects to cover all or a portion of the cost of public facilities affected by the project; and

**WHEREAS**, the Salinas Municipal Code allows the City to impose development impact fees on development to fund improvements to capital infrastructure and facilities required to accommodate and service development; and

**WHEREAS**, the Mitigation Fee Act requires a nexus study to periodically re-evaluate development impact fees; and

**WHEREAS**, on May 2, 2023, the Salinas City Council adopted the Sanitary Sewer Master Plan Update via Resolution 22648; and

**WHEREAS**, on April 23, 2024 the Salinas City Council approved an update to the Sanitary Sewer Development Impact Fee schedule through Resolution No. 22942; and

**WHEREAS**, a cleric error was discovered in the nexus study which identified the commercial and industrial fee units as “per 1000 square foot of building area” instead of “per square foot of building area”; and

**WHEREAS**, a Public Hearing was properly noticed and held on September 24, 2024 pursuant to Government Code 66017 and public comment received; and

**WHEREAS**, if approved, the amended fee schedule shall be effective on December 1, 2024.

**NOW, THEREFORE, BE IT RESOLVED** that the Salinas City Council hereby approves amending the Sanitary Sewer Development Impact Fee approved through Resolution No. 22942 as follows:

Residential: \$ 1.2847 per square foot of building area  
Commercial: \$ 1.1215 per square foot of building area  
Industrial: \$ 0.5608 per square foot of building area

**BE IT FURTHER RESOLVED** that the City Council, pursuant to the Salinas Municipal Code, allows annual adjustments to the Sanitary Sewer Development Impact Fee.

**PASSED AND APPROVED** this 24<sup>th</sup> day, of September 2024 by the following vote:

AYES:

NOES:



ABSENT:

APPROVED:

ATTEST:

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Kimbley Craig, Mayor

---

Patricia M. Barajas, City Clerk



[www.FinanceDTA.com](http://www.FinanceDTA.com)

# DEVELOPMENT IMPACT FEE JUSTIFICATION STUDY

CITY OF SALINAS

August 28, 2024

Public Finance  
Public-Private Partnerships  
Development Economics  
Clean Energy Bonds

*Irvine | San Jose | San Francisco | Riverside  
Dallas | Houston | Raleigh | Tampa*



[www.FinanceDTA.com](http://www.FinanceDTA.com)

18201 Von Karman Avenue, Suite 220  
Irvine, CA 92612

## CITY OF SALINAS



## DEVELOPMENT IMPACT FEE JUSTIFICATION STUDY

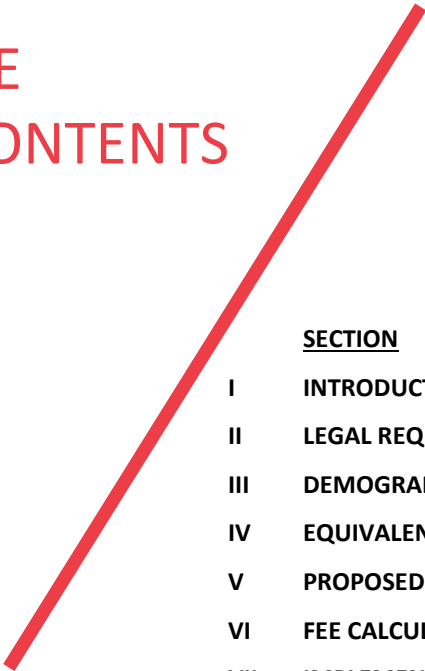
Prepared for:

City of Salinas

200 Lincoln Avenue

Salinas, CA 93901

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APPENDICES

APPENDIX A CAPITAL IMPROVEMENT COSTS

## I INTRODUCTION

The City of Salinas ("City"), a political subdivision of the State of California, authorized DTA to prepare a nexus study (the "Fee Study") to justify the proposed Development Impact Fee ("DIF") to be imposed on new development. The fee to be collected will provide a source of revenue to fund public improvements that will mitigate the impacts of such new development. This Fee Study will meet the requirements of California Government Code Section 66001 known as the "Mitigation Fee Act" and will achieve the following goals related to said section:

- Ensure the DIF does not exceed the estimated reasonable cost of providing the service for which the fee is imposed; and
- Provide a clear and concise document that will serve as the basis for the proposed fee levels.

A DIF is a one-time charge imposed by a local agency on new development to recover, or partially recover, the estimated reasonable cost of providing public facilities needed to mitigate the impacts of such new development. Further discussion on the legal limitations related to imposing the DIF is discussed in Section II, "Legal Requirements."

This Fee Study and the resulting fee structure will focus on the justification for imposing the impact fee to fund, or partially fund, sewer facilities necessary to mitigate the impacts of new development. The fee will be charged to new development within the City limits and development within the City's Sphere of Influence that desire to tie into the City sanitary sewer system.

This Fee Study uses a planning horizon of 2035 for all projections of demographic growth and the future facilities needed. To ensure the proposed fee structure meets the nexus requirements of Section 66001 and ensure the fees are proportionate to the impacts generated by the various land uses, this Fee Study uses an Equivalent Dwelling Square Foot ("ESF") method to fairly allocate costs to new development and determine the appropriate fee levels that will provide a source of funds to pay for the proposed facilities. A more detailed discussion regarding the ESF methodology can be found in Section IV herein.

In addition, the fee for residential property is then calculated on a per square foot basis pursuant to AB 602 which was approved by the California State Legislature and signed by Governor Newsom in 2021. A more detailed discussion regarding AB 602 can be found in Section II(B) herein.

Section VI of this Fee Study provides fee calculations based on demographics provided by the City and a detailed analysis of facility needs (the "Needs List") as shown in the City's Sanitary Sewer Master Plan dated May 2023 (the "Master Plan") prepared by Wallace Group, ("Wallace") and adopted by the Salinas City Council on May 2, 2023 (Resolution No. 22648). For purposes of complying with AB 602, the Master Plan is considered to be the Capital Improvement Plan ("CIP").

An administrative component equal to 2.0% of the total fee amount has been added to pay for the City's overhead costs incurred in the administration of the fee program. Table I-1 summarizes the proposed Fee structure, including the administrative component.

**Table I-1: Sewer Fee Summary**

Land Use	Fee Amount	Administration (2%)	Grand Total Fee Amount
Residential Property (Fee per Bldg. Sq. Ft.)	\$1.2595	\$0.0252	\$1.2847
Commercial Property (Fee per Bldg. Sq. Ft.)	\$1.0995	\$0.0220	\$1.1215
Industrial Property (Fee per Bldg. Sq. Ft.)	\$0.5498	\$0.0110	\$0.5608

## II LEGAL REQUIREMENTS

The City has identified the need to levy an impact fee to pay for future sewer facilities. This fee will finance facilities on the Needs Lists at levels identified by the City as appropriate for new development. Upon the adoption of the Fee Study and required legal documents by the City Council, all new development will be required to pay its “fair share” of the cost of facilities on the Needs List through the fee. The fee is established pursuant to AB 1600 as described below.

Prior to World War II, development in California was held responsible for very little of the cost of public infrastructure. Public improvements were financed primarily through jurisdictional general funds and utility charges. It was not uncommon during this period for speculators to subdivide tracts of land without providing any public improvements, expecting the closest city to eventually annex a project and provide public improvements and services.

However, starting in the late 1940s, the use of impact fees grew with the increased planning and regulation of new development. During the 1960s and 1970s, the California Courts broadened the right of local government to impose fees on developers for public improvements that were not located on project sites. More recently, with the passage of Proposition 13, the limits on general revenues for new infrastructure have resulted in new development being held responsible for a greater share of public improvements, and both the use and levels of impact fees have grown substantially. Higher fee levels were undoubtedly driven in part by a need to offset the decline in funds for infrastructure development from other sources.

The levy of impact fees is one authorized method of financing the public facilities necessary to mitigate the impacts of new development, as the levy of such fees provides funding to maintain an agency's existing level of service for an increased service population. A fee is “a monetary exaction, other than a tax or special assessment, which is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project...” (California Government Code, Section 66000). A fee may be levied for each type of capital improvement required for new development, with the payment of the fee occurring prior to the beginning of construction of a dwelling unit or non-residential building (or prior to the expansion of existing buildings of these types). Fees are often levied at final map recordation, issuance of a certificate of occupancy, or more commonly, at building permit issuance. Actual fees will be collected as prescribed in the Salinas Municipal Code.

Assembly Bill (“AB”) 1600, which created Section 66000 *et. seq.* of the Government Code, was enacted by the State of California in 1987. This Fee Study is intended to meet the nexus or benefit requirements of AB 1600, which mandates that there is a nexus between fees imposed, the use of the fees, and the development projects on which the fees are imposed.

### A Government Code Section 66001

In 2006, Government Code Section 66001 was amended to clarify that a fee cannot include costs attributable to existing deficiencies, but can fund costs used to maintain the existing level of service or meet an adopted level of service that is consistent with the general plan.

Section 66000 *et seq.* of the Government Code requires all public agencies to satisfy the following



requirements when establishing, increasing or imposing a fee as a condition of new development:

1. Identify the purpose of the fee. [Government Code Section 66001(a)(1)]
2. Identify the use to which the fee will be put. [Government Code Section 66001(a)(2)]
3. Determine that there is a reasonable relationship between the fee's use and the type of development on which the fee is to be imposed. [Government Code Section 66001(a)(3)]
4. Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is to be imposed. [Government Code Section 66001(a)(4)]
5. Discuss how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

The sections below present each of the five requirements listed above as they relate to the imposition of the proposed fees.

**1. PURPOSE OF THE FEE [GOVERNMENT CODE SECTION 66001(A)(1)]**

New residential and non-residential development within the City will generate additional residents and employees who will require additional public facilities. Land for these facilities will have to be acquired and public facilities and equipment will have to be expanded, constructed or purchased to meet this increased demand.

This Fee Study has been prepared in response to the projected direct and cumulated effect of future development. Each new development will contribute to the need for new public facilities. Without future development many of the new public facilities on the Needs Lists would not be necessary as the existing facilities are adequate for the City's present population. In instances where facilities would be built regardless of new development, the costs of such facilities have been allocated to new and existing development based on their respective level of benefit.

The proposed impact fee will be charged to all future development, irrespective of location, in the City. Even future "infill" development projects contribute to impacts on public facilities because they are an interactive component of a much greater universe of development located throughout the City. First, the property owners and/or the tenants associated with any new development in the City can be expected to place additional demands on City facilities funded by the fee. Second, these property owners and tenants are dependent on and, in fact, may not have chosen to utilize their development, except for residential, retail, employment and recreational opportunities located nearby on other existing and future development. Third, the availability of residents, employees, and customers throughout the City has a growth-inducing impact without which some of the "infill" development would not occur. As a result, all development projects in the City contribute to the cumulative impacts of development.

The impact fees will be used for the acquisition, installation, and construction of public facilities identified on the Needs Lists and appropriate administrative costs to mitigate the direct and

cumulative impacts of new development in the City.

**2. THE USE TO WHICH THE FEE IS TO BE PUT [GOVERNMENT CODE SECTION 66001(A)(2)]**

The fee will be used for the acquisition, installation, and construction of the public facilities identified on the Needs Lists, included in Section V of the Fee Study and other appropriate costs to mitigate the direct and cumulative impacts of new development in the City. The fee will provide a source of revenue to the City to allow for the acquisition, installation, and construction of public facilities, which in turn will maintain the current standard of service, preserve the quality of life in the City and protect the health, safety, and welfare of the existing and future residents, visitors, and employees.

**3. DETERMINE THAT THERE IS A REASONABLE RELATIONSHIP BETWEEN THE FEE'S USE AND THE TYPE OF DEVELOPMENT PROJECT UPON WHICH THE FEE IS IMPOSED (BENEFIT RELATIONSHIP) [GOVERNMENT CODE SECTION 66001(A)(3)]**

It is the projected direct and cumulative effect of future development that has prompted the preparation of the Fee Study. Each development will contribute to the need for new public facilities. Without future development, the City would have no need to construct many of the public facilities on the Needs Lists. For all other facilities, the costs have been allocated to both existing and new development based on their level of benefit. Even future “infill” development projects, which may be adjacent to existing facilities, further burden existing public facilities. Consequently, all new development within the City, irrespective of location, contributes to the direct and cumulative impacts of development on public facilities and creates the need for new facilities to accommodate growth.

The fees will be expended for the acquisition, installation, and construction of the public facilities identified on the Needs Lists and other authorized uses, as that is the purpose for which the Fee is collected. As previously stated, all new development creates either a direct impact on public facilities or contributes to the cumulative impact on public facilities. Moreover, this impact is generally equalized among all types of development because it is the increased demands for public facilities created by the future residents and employees that create the impact upon existing facilities.

For the foregoing reasons, new development benefits from the acquisition, construction, and installation of the facilities on the Needs Lists.

**4. DETERMINE HOW THERE IS A REASONABLE RELATIONSHIP BETWEEN THE NEED FOR THE PUBLIC FACILITY AND THE TYPE OF DEVELOPMENT PROJECT UPON WHICH THE FEE IS IMPOSED (IMPACT RELATIONSHIP) [GOVERNMENT CODE SECTION 66001(A)(4)]**

As previously stated, all new development within the City, irrespective of location, contributes to the direct and cumulative impacts of development on public facilities and creates the need for new facilities to accommodate growth. Without future development, many of the facilities on the Needs Lists would not be necessary. For certain other facilities, the costs have been allocated to

both existing and new development based on their level of benefit.

For the reasons presented herein, there is a reasonable relationship between the need for the public facilities included on the Needs List and all new development within the City.

**5. THE RELATIONSHIP BETWEEN THE AMOUNT OF THE FEE AND THE COST OF THE PUBLIC FACILITIES ATTRIBUTABLE TO THE DEVELOPMENT UPON WHICH THE FEE IS IMPOSED (“ROUGH PROPORTIONALITY” RELATIONSHIP) [GOVERNMENT CODE 66001(A)]**

As set forth above, all new development in the City impacts public facilities. Moreover, each individual development project and its related increase in population and/or employment, along with the cumulative impacts of all development in the City, will adversely impact existing facilities. Thus, imposition of the Fee to finance the facilities on the Needs Lists is an efficient, practical, and equitable method of permitting development to proceed in a responsible manner.

New development impacts facilities directly and cumulatively. In fact, without any future development, the acquisition, construction, and/or installation of many of the facilities on the Needs Lists would not be necessary as existing City facilities are adequate. Even new development located adjacent to existing facilities will utilize and benefit from facilities on the Needs List.

The proposed fee amounts are roughly proportional to the impacts resulting from new development based on the analysis in Section IV. Thus, there is a reasonable relationship between the amount of the Fee and the cost of the facilities.

Identifying these items will enable an impact fee to meet the nexus and rough proportionality requirements established by previous court cases. These findings are discussed in the nexus test for each proposed fee element as presented in Section VI. Current State financing and fee assessment requirements only allow new development to pay for its fair share of new facilities’ costs. Any current deficiencies resulting from the needs of existing development must be funded through other sources. Therefore, a key element to establish legal impact fees is to determine what share of the benefit or cost of a particular improvement can be equitably assigned to existing development, even if that improvement has not yet been constructed. By removing this factor, the true impact of new development can be assessed and equitable fees assigned.

**B Assembly Bill (“AB”) 602**

The impact fees included herein were circumscribed by the requirements of AB 602, which was approved by the California State Legislature and signed by Governor Newsom in 2021. Among the significant impacts of AB 602 are the following:

- On or after January 1, 2022, fee justification studies must identify the existing Level of Service (“LOS”) for each public facility, identify the proposed new LOS, and (if proposed new LOS is greater than existing LOS) include an explanation of why the new LOS is necessary.
- For housing development projects, nexus studies adopted after July 1, 2022, must calculate the amount of fees based on square footage of proposed units of the development, unless the local agency demonstrates that another metric is more appropriate. The bill would require

that a “local agency that calculated fees proportionally to the square footage of the proposed units be deemed to have used a valid method to establish a reasonable relationship between the fee charged and the burden posed by development.” This would also apply to multi-family residences.

- The bill also requires the Department of Housing and Community Development (“HCD”), on or before January 1, 2024, to create an impact fee nexus study template that may be used by local jurisdictions to calculate their fees. The bill requires that the template include a method of calculating the feasibility of housing being built with a given fee level. The template must be completed by 2024, and local jurisdictions will have the option (it will not be required) to use the HCD template.
- The bill authorizes any member of the public, including an applicant for a development project, to submit evidence that the city, county, or other local agency had failed to comply with the Mitigation Fee Act. The bill requires the legislative body of the city, county, or other local agency to consider any timely submitted evidence and authorize the legislative body to change or adjust the proposed fee or fee increase, as specified.
- If a nexus study supports the increase of an existing fee, the local agency shall review the assumption of the nexus study supporting the original fee and evaluate the amount of the fees collected under the original fee.
- Large jurisdictions (county population greater than 250,000) and cities within those counties must adopt a capital improvement plan (“CIP”) as part of the nexus study.
- Nexus studies shall be updated at least every 8 years from the period beginning January 1, 2023.

**III DEMOGRAPHICS**

In order to determine the public facilities needed to serve new development as well as establish fee amounts to fund such facilities, the City provided DTA with projections of future residential unit growth and future non-residential building square footage within the City. For purposes of projecting future residential and non-residential growth, the City categorizes developable land uses as residential property and non-residential property. Residential and non-residential property is further categorized into subclasses as shown in Table III-1. Based on these designations, DTA established fees for these land use categories to acknowledge the difference in impacts resulting from various land uses and to make the resulting fee program implementable. A summary of the land use classes utilized in this Fee Study are included in Table III-1. Information shown in the table below is based on the City’s 2002 General Plan (the “General Plan”).

**Table III-1: Summary of Land Use Categories**

Land Use Classification for Fee Study	Definition
Residential Property	Includes but is not limited to buildings used as the following: <ul style="list-style-type: none"> <li>▪ Single-family detached homes;</li> <li>▪ Single-family attached homes, town homes, row houses, duplexes, mobile home parks, and condominiums</li> <li>▪ Multi-family homes, including apartments and senior housing;</li> <li>▪ A 2<sup>nd</sup> residential unit on property zoned and entitled for single-family residential use (an Accessory Dwelling Unit, or “ADU”) unless collection of DIF is prohibited by California law;</li> <li>▪ Attached or detached single-family residential units which provides complete independent living facilities for one or more persons. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family dwelling is situated.</li> </ul>
Commercial	Includes but is not limited to buildings used as the following: <ul style="list-style-type: none"> <li>▪ Retail stores, lodging, commercial recreation, personal services, business services, and financial services</li> <li>▪ Businesses and offices</li> </ul>
Industrial	Includes but is not limited to buildings used as the following: <ul style="list-style-type: none"> <li>▪ Single use or mixed-use business parks for offices, manufacturing, or warehousing</li> <li>▪ Auto-dealers, repair shops, building material sales, light manufacturing, distribution, warehousing, and wholesaling.</li> <li>▪ Food processing, packing, trucking, container manufacturing and similar uses</li> </ul>

The time horizon used for the fee is through the year 2035. The City was able to utilize available data from the General Plan to generate future development projections through 2035.

Please note that for purposes of this Fee Study, any future ADU, as described in Table III-1 above, is assumed to be included in the buildout projections, but some of these units may not be required to pay an impact fee. As described in Section VIII herein, pursuant to Government Code Section 65852.2(f), ADUs are exempt from incurring impact fees from local agencies, special districts, and water corporations if such unit is less than 750 square feet. If an ADU is 750 square feet or larger, impact fees shall be charged proportionately in relation to the square footage of the ADU to the square footage of the primary dwelling unit. In addition, the DIF shall not be applicable to any ADU created within the existing space of a single-family residence or accessory structure, including, but not limited to, a studio, pool house, or other similar structure.

The following summarizes the future development figures used in calculating the impact fee.

**A Future Development Within the City (2024-2035)**

As discussed in the introduction above, the time horizon used for the fee is through the year 2035. These fee calculations rely on the development information provided by the City related to residential and non-residential building square feet through 2035 as described below.

**A.1 Residential Development**

The City estimates there will be 17,569 future residential units built within the City from the year 2024 through 2035.

In order to project future residential square footage, DTA utilized existing average square feet per residential unit data as provided by the City, using building permit data provided by City staff from 2018 to 2023, DTA calculated the average residential square footage for residential units constructed in the City within the past five years, as shown in Table III-2 below.

**Table III-2: Existing Residential Development Average Sq. Ft. Calculation  
(2018-2023)**

Land Use Type	Total Square Footage	Total Units	Average Sq. Ft. per Unit
Single Family Dwelling Units	357,402	177	2,019
Multi-Family Units	115,622	111	1,042

Table III-3 below shows the calculation for the total estimated future residential building square feet. The total residential square footage calculation for future development shown in Table III-3 below is based on the average square foot per dwelling unit shown in Table III-2 above.

**Table III-3: Future Residential Development Total Sq. Ft. Calculation  
(2024-2035)**

Land Use Type	Avg. Square Footage per Unit	Total Future Units	Total Sq. Ft.
Single Family Dwelling Units	2,019	13,387	27,028,353

Multi-Family Units	1,042	4,182	4,357,644
All Residential Property	1,786	17,569	31,385,997

**A.2 Non-Residential Development**

In terms of non-residential development, the Master Plan, consistent with the General Plan, estimates that there will be approximately 20.3 million new building square feet of commercial property and 14.8 million building square feet of industrial property within the City from 2024 to 2035. Table III-4 below summarizes the non-residential square footage as identified in the Master Plan.

**Table III-4: Future Non-Residential Development Total Sq. Ft. Calculation  
(2024-2035)**

Land Use Type	Total Sq. Ft.
Commercial	20,266,478
Industrial	14,796,158
All Non-Residential Property	35,062,636



**IV EQUIVALENT SQUARE FOOT PROJECTIONS**

California Government Code §66001(4)(b) requires there to be a "...reasonable relationship between the amount of the fee and the cost of the public facility, or portion of the public facility, attributable to the development on which the fee is imposed." Additional sewage volume generated by new development requires expansion of existing sewer systems. Therefore, sewage volumes generated by growth in the various land uses would be a reasonable variable to measure sewer demand. To ensure a reasonable relationship is maintained within the proposed fee structure, this Fee Study uses an equivalent square foot ("ESF") methodology. This approach establishes, for given land uses, a method of comparison of that land use to a baseline land use, utilizing a common demand variable. A demand variable is a measurable factor directly related to the size and cost of the public facility to be financed ("Demand Variable"). The Demand Variable in this study is the sewage generation rate for the various land uses (i.e., gallons per day ("GPD")) per dwelling unit for residential property and per 1,000 building square feet for non-residential property. To conform to the requirements of AB 602, the Demand Variable for residential property is converted to GPD per square foot.

For the residential land use, the sewage generated per household, in GPD, is divided by the average square feet per household from Table III-3 to determine the residential sewage generation per day per square foot. The ESF Factor for each land use is determined by dividing the GPD per square foot values by the baseline GPD per square foot for the residential category.

Table IV-1 below shows the calculations of the ESF Factor for each land use category.

**Table IV-1: Future ESFs (From 2024 to 2035)**

Land use	Per Capita Usage <sup>1</sup>	Units	Person per Household <sup>2</sup>	Usage Factor (GPD/DU or KSF)	Average Square Feet per DU	GPD per Square Foot	ESF Factor
Residential	48.67	GPD/Person	3.62	163.7	1,786.44	0.09	1.00
Commercial	0.08	GPD/Square Foot	NA	80.0	NA	0.08	0.87
Industrial	0.04	GPD/Square Foot	NA	40.0	NA	0.04	0.44
Notes:							
1. Based on data from Table 4-4, Existing Flow Factors, <u>Sanitary Sewer Master Plan Update</u> by Wallace Group							
2. Based on data from Table 4-6, Existing Flow Factors, <u>Sanitary Sewer Master Plan Update</u> by Wallace Group							

Table IV-2 below shows the total number of future ESFs calculated for each land use for the time period from 2024 to 2035 based on the ESF factors shown in Table IV-1 above.

**Table IV-2: Future ESFs (From 2024 to 2035)**

Land use	Square Feet	ESF Factor	ESFs
Residential	31,385,997	1.00	31,385,997
Commercial	20,266,478	0.87	17,691,732
Industrial	14,796,158	0.44	6,458,193
		Total ESFs =	<b>55,535,922</b>

**V PROPOSED FACILITIES**

Expected future development within the City will generate impacts to the City’s sewer system in terms of sewage conveyance capacity and pump station capacity. The improvements that are necessary to mitigate the impacts of new development throughout the City will include new sewer pipelines and pump station improvements. These improvements will benefit both existing and future development. Facility costs and descriptions were provided in the City of Salinas, Sanitary Sewer Master Plan Update, May 2023, prepared by Wallace Group. Furthermore, Wallace Group provided a summary of project cost allocations to existing and new development, as shown in Tables 1, 2 and 3 of Appendix A herein, “Summary of Capital Improvement Costs.” For purposes of complying with AB 602, the Master Plan is considered to be the CIP.

The need for projects listed in Appendix A, Table 1 (City of Salinas Future Sewer CIP Incremental Cost Summary Based on Future Flow Diameter) are driven solely by the demand by future development for additional capacity. If there were no future development the current pipe capacity would be adequate to handle existing flows. In order to provide additional capacity for future development, the existing pipelines will need to be abandoned and replaced by larger diameter pipes that can provide the capacity to handle flows from both existing and future development. The total project cost for each future CIP project is based on the larger replacement pipe size. The fair share cost allocation to future development is the cost to provide a pipeline that would have the capacity to handle flows from future development only. For instance, the first project listed in the table, “San Juan Grade,” indicates an 8-inch pipeline would be required to convey flows from future development only, while the project calls for a 12-inch pipeline that provides capacity for both existing and future development. Therefore, the cost allocated to future development for 8-inch diameter San Juan Grade project from Table 1 is equal to \$2,394,000. The total project cost for the 12-inch diameter project is \$2,982,000, leaving \$588,000 allocated to existing development. The total cost allocated to new development is shown as \$35,306,000.

Appendix A, Table 2 (City of Salinas Existing Sewer Capital Improvement Program) lists 31 conveyance projects that will provide capacity for both existing and future development. The project costs are allocated between existing and new development by percentage of total average daily flow for each project. The total project cost allocated to future development is \$23,518,747.

Appendix A, Table 3 (City of Salinas Existing Lift Stations Capital Improvement Program) lists 11 lift station projects that will provide capacity for both existing and future development. The project costs are allocated between existing and future development by percentage of total average daily flow for each project. The total project cost allocated to future development is \$11,124,994.

The costs from Tables 1 through 3 in Appendix A are summarized in Table V-1 below:

**Table V-1: Proposed Capital Improvement Costs**

Category	Existing	Future	Total
Future Development CIP <sup>1</sup>	\$ 10,497,400	\$ 35,306,000	\$ 45,803,400
Existing Development CIP <sup>2</sup>	\$ 66,435,823	\$ 23,518,747	\$ 89,954,570
Existing Development Lift Stations <sup>3</sup>	\$ 27,585,005	\$ 11,124,995	\$ 38,710,000
<b>Total=</b>	<b>\$ 104,518,228</b>	<b>\$ 69,949,742</b>	<b>\$ 174,467,970</b>
References:			
1. Wallace Group, City of Salinas Future Sewer Incremental Cost Summary, Table 1			
2. Wallace Group, Existing Sewer Capital Improvement Program (CIP)			
3. Wallace Group, Salinas SSMPU CIP Summary, Existing C.I.P. Lift Station, 6/11/2023			

AB 602 requires “that the Nexus Study identify the existing level of service for each public facility, identify the proposed new level of service, and include an explanation of why the new level of service is necessary.” For purposes of this Fee Study, the level of service is defined as the capacity to collect and treat sewage generated from both existing and new development. This Fee Study determines sewage flows based on the same sewage generation factors used for both existing and new development. Therefore, the level of service is the same for both existing and new development.

**VI FEE CALCULATION**

The section below presents the calculations used to determine the proposed sewer impact fee based upon the demographic data presented in Section III “Demographics” and the proposed capital improvement costs presented in Section V “Proposed Facilities,” herein.

Table VI-1 below illustrates how the sewer facilities fee will meet the requirements of AB1600 with regard to the use of the fee, the type of development funded, or partially funded by the fee revenue, the reasonable relationship to the need for the facilities and the proportionality requirements.

**Table VI-1: Sewer Facilities**

AB 1600 Code Section	Description	Justification
66001(a)(1)	Identify the purpose of the Fee.	To provide a revenue source that will pay for the construction of sewer projects that will be used to mitigate the impacts of new development in the City.
66001(a)(2)	Identify the use to which the fee is to be put.	Revenue from this fee will be used to construct new sewer facilities that will be used to provide general sewer collection and treatment services.
66001(a)(3)	Demonstrate how there is a reasonable relationship between the fee’s use and the type of development project on which the fee is imposed.	New residential and non-residential development will generate additional residents and employees that will increase the demand for sewer facilities. Sewer fees collected from new development will be used exclusively for construction-related costs associated with these projects.
66001(a)(4)	Demonstrate how there is a reasonable relationship between the need for the public facilities and the type of development project on which the fee is imposed.	New residential and non-residential development within the City will generate additional residents and employees that will increase the need to collect and treat sewage generated by such new development. New sewer pipelines and treatment facilities are needed to collect and treat sewer generated from new development in the City.
66001(b)	Demonstrate how there is a reasonable relationship between the amount of the fee and the cost of the public facility.	The cost of the proposed facilities are based on projected sewer generation from the various land uses. The amount of the fee for each land use is calculated based on the relative contribution of City-wide sewer flow from each land use.

The residential and non-residential demographic data, including residential dwelling units and square feet and non-residential square feet are discussed in Section III herein. The total costs listed in the City’s Needs List and costs allocated to future development of \$69,949,742 are shown in Table V-1 above.

As described in Section IV above, an ESF methodology is used to calculate the fee for each of the various land uses. The cost per ESF allocated to future development is determined by dividing the total cost allocated to new development shown below in Table VI-2 by the total future ESFs as shown in Table IV-2 above.

**Table VI-2: Cost per ESF**

Total Cost Allocated to Future Development	Total Future ESFs (equivalent square feet)	Cost per ESF
\$69,949,742	55,535,922	\$1.2595

**Proposed Sewer Impact Fees**

The maximum fee charged to new development to mitigate the impacts on the sewer system is determined for each land use by multiplying the cost per ESF by the ESF factor for each land use, as shown in Table VI-3 below:

**Table VI-3: Fee Schedule**

Land Use	ESF Factor	Cost per ESF	Development Impact Fee per Sq. Ft.
Residential	1.00	\$1.2595	\$1.2595
Commercial	0.87	\$1.2595	\$1.0995
Industrial	0.44	\$1.2595	\$0.5498

The proposed sewer fee schedule shown above is intended to fund the costs required to mitigate the impacts of new development to the sewer system. See the table below for the expected costs financed by fees for each land use.

**Table VI-4: Proposed Sewer Fees**

Land Use	Square Feet	Development Impact Fee per Sq. Ft.	Cost Financed by Fees
Residential	31,385,997	\$1.2595	\$39,531,934
Commercial	20,266,478	\$1.0995	\$22,283,452
Industrial	14,796,158	\$0.5498	\$8,134,356
Cost Allocated to Future Development			\$69,949,742
Cost Allocated to Existing Development			\$104,518,228
<b>Total Cost of Facilities</b>			<b>\$174,467,970</b>



## **VII IMPLEMENTATION OF FEE SCHEDULE**

In addition to the legal requirements covered in Section II, there are a number of recommendations for the adoption and administration of the DIF presented in this report. All recommendations presented in this section are based on the Mitigation Fee Act (Government Code §66000 *et seq.*), also referred to as the “Act,” which provides specific requirements for establishing and administering DIF programs. The Act also mandates procedures for administering impact fee programs, such as the collection and accounting of impact fees, refunds, mandatory updates, and reporting requirements.

At the time the City imposes an impact fee, Government Code 66020 requires a written statement of the amount of the fee and a written notice of a 90-day period during which the imposition of the fee can be protested. Prior to the enactment of Section 66020, a developer could not challenge the validity of fees imposed on a residential development without refusing to pay them. Under these circumstances, developers were required to pay disputed fees before they could be challenged. Section 66020 was drafted to correct that problem.

The various subparts of Section 66020 allow for a procedure that permits a developer to pay the fees under protest, obtain the relevant building permit, and then proceed with the project while pursuing an action to challenge the fees. If the action is successful, the fees will be refunded with interest. However, failure to protest imposition of the fee during the allowed period may deprive the fee payer of the right to any subsequent legal challenges. Any challenges to be filed must be submitted within 90 days of enactment. The subsequent sections provide specific guidelines in implementing the DIF.

Please refer to Section 9-44 of the City’s municipal code for any additional exemptions and credits related to the development impact fees.

### **A The Collection of the DIF**

According to Government Code Section 66007, any local agency that imposes any fees or charges on a residential development for the construction of public improvements or facilities shall not require the payment of those fees or charges, notwithstanding any other provision of law, until the date of the final inspection or the date the Certificate of Occupancy is issued, whichever occurs first.

However, utility service fees may be collected at the time an application for utility service is received. If the residential development contains more than one dwelling, the local agency may determine whether the fees or charges shall be paid on a pro rata basis for each dwelling when it receives its final inspection or Certificate of Occupancy, on a pro rata basis when a certain percentage of the dwellings have received their final inspection or Certificate of Occupancy, or on a lump sum basis when the first dwelling in the development receives its final inspection or Certificate of Occupancy, whichever of the three occur first.

An exception allows the DIF to be collected at an earlier time if they will be used to reimburse the agency for expenditures previously made or for public improvements or facilities for which money has already been appropriated. If any fee or charge specified is not fully paid prior to the issuance of a building permit for construction, the local agency issuing the building permit may require the property owner, or lessee if the lessee’s interest appears of record, as a condition of issuance of the building permit, to execute a contract to pay the fee or charge, or applicable portion.

Statutory restrictions in place for residential development at the time at which fees may be collected do not apply to non-residential development. In cases where the fees are not collected upon the issuance of building permits, Sections 6607(c)(1) and (2) provide that the City may require the property owner of a non-residential development to execute a contract to pay the fee, and subsequently record that contract as a lien against the property owner.

In addition, pursuant to Government Code Section 65852.2(f), ADUs are exempt from incurring impact fees from local agencies, special districts, and water corporations if such unit is less than 750 square feet. If an ADU is 750 square feet or larger, impact fees shall be charged proportionately in relation to the square footage of the ADU to the square footage of the primary dwelling unit. Furthermore, the sewer capital improvement fee shall not be applicable to any ADU created within the existing space of a single-family residence or accessory structure, including, but not limited to, a studio, pool house, or other similar structure. Please note that for purposes of this Fee Study, future ADUs are included in the buildout projections, but some of these units may not be required to pay an impact fee. As a result, the City may not collect the full amount of costs as shown in the Needs Lists included herein.

**B The Assignment and Expenditure of Fee Revenue**

According to Section 66006, if a local agency requires the payment of a fee specified in connection with the approval of a development project, the local agency receiving the fee shall deposit it with the other fees for the improvement to be funded in a separate capital facilities account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the local agency, except for temporary investments, and expend those fees solely for the purpose for which the fee was collected. Any interest income earned in the capital facilities account or fund shall also be deposited in that account or fund and shall be expended only for the purpose for which the fee was originally collected. Common practice is to maintain separate funds or accounts for impact fee revenues by facility category (i.e., street and park improvements, but not for individual projects). DTA recommends the continuation of that approach.

**C Exemptions, Reductions and Waivers**

If a project has characteristics that indicate its impact on a particular public facility or infrastructure system will be significantly and permanently smaller than the average impact used to calculate impact fees in this Fee Study, the fees should be reduced accordingly. The City may decide to voluntarily waive or reduce the fees that would otherwise apply to a project to promote goals such as affordable housing or economic development. However, the implementation of this policy may not result in increased costs for other development projects and are allowed only if such costs are offset from other revenue sources.

**D Developer Improvement Credits**

If the City maintains a policy that requires a developer, as a condition of project approval, to construct facilities for which impact fees have been or will be charged, the impact fee imposed on that development project for that type of facility must be adjusted to reflect a credit for such dedication or construction. Furthermore, the impact fee imposed on that development project for that type of facility must be adjusted to reflect a credit for the cost of the facilities or improvements constructed by the developer. If circumstances allow a developer to dedicate land, buildings, or other valuable considerations in lieu of

paying fees, the City maintains the discretion to accept or reject such offers and may negotiate the terms under which an offer would be accepted.

**E Existing Development Credit**

If a project involves the replacement, redevelopment, or intensification of previously existing development, impact fees should be applied only to the portion of the project which represents a net increase in demand for relevant facilities, applying the measure of demand used in this study to calculate that particular fee. Since residential service demand is normally estimated on the basis of demand per dwelling unit, an addition to a single-family dwelling unit typically would not be subject to an impact fee if it does not increase the number of dwelling units in the structure. In any project that results in a net increase in the number of dwelling units, the added units would normally be subjected to impact fees. A similar analysis can be applied to non-residential development using a measure of demand on which impact fees are based.

**F Annual Reporting and Accounting of Fees**

AB 1600 requires that both general law and charter cities account for every fee that they collect under its terms. Funds collected for each capital facility or service shall be deposited in separate accounts and not commingled with any other funds for other impact fees. While funds are accruing for individual capital facilities, the City must keep track of each fund and provide an annual report. Section 66006 requires that for each separate account or fund established, the local agency shall, within 180 days after the last day of each fiscal year, make available to the public the following information for the fiscal year:

1. A brief description of the type of fee in the account or fund;
2. The amount of the fee;
3. The beginning and ending balance of the account or fund;
4. The amount of the fees collected and interest earned;
5. An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees;
6. An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in Paragraph (2) of Subdivision (a) of Section 66001, and the public improvement remains incomplete;
7. A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid and the rate of interest that the account or fund will receive on the loan; and
8. The amount of refunds made pursuant To Subdivision (e) of Section 66001 and any allocations pursuant to Subdivision (f) of Section 66001.

The City must review the information made available at the next regularly Scheduled public meeting not less than 15 days after this information is made available to the public. Notice of the time and place of the meeting, including the address where this information may be reviewed, shall be mailed at least 15 days prior to the meeting to any interested party who files a written request with the local agency for mailed notice of the meeting.

### **G Refunding Policy**

Under the Mitigation Fee Act, Govt. Code §66000 *et seq.*, each development fee must be deposited in a separate capital facilities account and may be expended only for the purposes for which it was collected. For all unexpended fees, the agency must make findings every 5 years that:

1. Identify the purpose to which the fee will be put;
2. Demonstrate a reasonable relationship between the unexpended balance and the purpose for which the fee was charged;
3. Ascertain the sources and funding for any as-yet-incomplete public improvements; and
4. Designate the approximate date the agency expects the funding for uncompleted improvements to be deposited in the account [§66001(d)(1)]. The Act provides that “if the findings are not made as required by [the Act], the local agency shall refund the moneys in the account” to the current owners of the properties for which the fees were paid [§66001(d)(2)].

Failure to make the findings specified in Mitigation Fee Act requires a refund of all unexpended DIF revenues. When sufficient funds have been collected to complete financing of the public improvements contained in the CIP, the public agency shall identify “an approximate date by which the construction of the public improvement will be commenced” within 180 days of collection of the required funds (Gov. Code §66001(e)). Failure to comply with this requirement also mandates the return of the collected funds, as stated above.

Furthermore, pursuant to Gov. Code §66008.1, otherwise known as AB 516, which became effective as of January 1, 2024 requires the following:

- Require that annual reports include certain additional information, such as: (1) identifying public improvements in previous annual reports and whether construction began on the date previously identified; and (2) provide the reason for delay and a revised approximate date the local agency will commence construction for projects that did not begin timely.
- Require that local agencies provide certain information to anyone paying a fee, such as the right to request audits, the right to request written notice of the meetings where annual reports are approved and a link to the website where annual reports are available.
- Expands the purposes for which audits of fees may be requested.

### **H Annual Update of the Capital Improvement Plan (“CIP”)**

It is common for jurisdictions to prepare a CIP in conjunction with a fee program. In fact, AB 1600 encourages the use of a CIP to assist in scheduling and implementing the services and improvements

funded through impact fees (Gov. Code §66002). A good CIP establishes a Schedule of improvements necessary to accommodate the projected growth. The CIP must indicate the approximate size, location, time of availability, and estimated costs of all improvements to be financed through fees [Gov. Code §66002(a)]. In order to create a usable CIP, a municipality must have an accurate understanding of its current service baseline and its projected growth. This requires an understanding of when, where, and how growth may occur within the area. The more information collected about future growth, the more comprehensive and accurate the CIP will be. A CIP can also help a municipality determine when new public improvements or the expansion of existing public improvements is needed in relation to the timing of new development.

If the public agency adopts a CIP, it must be updated annually [Gov. Code §66002(b)]. 10 days' published notice is provided pursuant to Government Code §65090 and is also provided to any city or county that may be significantly affected by the CIP. If a CIP is adopted and is used as a basis for identifying the use of impact fees, the CIP must be adopted and updated annually by a resolution of the governing body at a public hearing. In the absence of a CIP, an alternative is to identify improvements in other public documents, such as General Plans, land studies, and other documents.

#### **I Administration Costs of Fee Implementation**

The cost of implementing the DIF is not included in the fees themselves and must be determined by the City. To recover the periodic costs of updating the fees studies, implementing the program, ongoing staff costs, managing the updates, and preparing annual and five-year updates required by the Act, an administration fee may be added to the impact fees calculated in this Fee Study. DTA recommends that these fee expenses are handled administratively and pass the costs on to user fees charged to applicants for processing fee applications. The calculation of the administrative cost for each fee in this Fee Study is presented in each respective fee section and in the Executive Summary.

#### **J Indexing of Impact Fee Rates**

The DIF presented in this report are based on current facility costs provided by the City and should be adjusted annually to account for inflation. The purpose of the adjustment is to account for future escalation in costs for land, equipment, vehicles, and construction. DTA recommends that after adoption, the fee should be reviewed each year and adjusted by a reliable index such as ENR's CCI generally used as the primary basis for indexing construction costs. Ordinarily, land costs make up a significant portion of the costs covered by the fees and do not lend themselves to traditional cost indexes. As such, land costs should be adjusted to changes in local land prices.

#### **K Updating the Impact Fee Study**

As stated in Section II.B., AB 602 was signed into law in September of 2021 by the Governor of California, and it provides new Statewide requirements for local jurisdictions seeking to impose the DIF on development projects. Among these requirements are that nexus studies shall be updated at least every 8 years as of January 1, 2023. However, DTA concurs with the generally accepted policy that 5 years is a good rule-of-thumb time period for impact fee updates, particularly because the required 5-year findings (see above) can be approved at that same time. In some instances, fees may remain valid for a longer

period of time if the City’s land use and facility plans do not change. A case in point is a municipality at or near full build-out capacity. However, a dynamic, growing municipality facing significant changes in land use would do itself a disservice if it maintained the current fee structure for too long without a Fee Study to update the current rates.

**L Administering an Impact Fee Program**

Creating and administering an impact fee program can be a labor-intensive process requiring considerable preparation and training that should not be undertaken more often than necessary. A well-planned fee program can generate sufficient funds to allow the City to adequately mitigate impacts created by future development. Conversely, a poorly planned fee can result in either collecting too little money and being forced to pay for public facilities required as a result of future development through its General Fund or collecting too much money based on an unsupported fee program, thus exposing the City to a fee challenge or a requirement to refund unexpected proceeds.

All personnel involved in the process, including accounting, capital budgeting, and project management of any other area, must be made fully aware of the difference between impact fees and other fees, such as user fees, and of the guidelines and restrictions placed on the expenditure of impact fee revenues. The building impact fees generated in this report are tied to specific facility improvements and cost estimates provided by the City. The fees must be expended accordingly and must be able to withstand any challenges and show that the funds have been properly directed in accordance with proper AB 1600 guidelines.

In addition, every 5 years, the City shall report the status of the DIF funds in accordance with Government Code Section 66001(d) and shall i) identify the purpose to which the fee is put; ii) demonstrate a reasonable relationship between the fee and the purpose for which it is charge, iii) identify the sources and amounts of funding needed to complete the program, iv) list the facilities not yet completed, and v) identify, to the extent possible, the timing of when the remaining funds are expected to be received.

**VIII SUMMARY OF SEWER IMPACT FEE**

Table VIII-1 is a summary of the proposed fee amounts for the various land uses. The fee amounts represent the maximum fee that can be charged to any land use.

In order to recover administrative costs incurred by the City in the administration of the impact fee program, an administrative component equal to 2.0% of the total fee is added on to the proposed fees.

In addition, pursuant to Government Code Section 65852.2(f), ADUs are exempt from incurring impact fees from local agencies, special districts, and water corporations if such unit is less than 750 square feet. If an ADU is 750 square feet or larger, impact fees shall be charged proportionately in relation to the square footage of the ADU to the square footage of the primary dwelling unit. Furthermore, sewer fee shall not be applicable to any accessory dwelling unit created within the existing space of a single-family residence or accessory structure, including, but not limited to, a studio, pool house, or other similar structure.

**Table VIII-1: Sewer Impact Fee Summary**

Land Use	Fee Amount	Administration (2%)	Grand Total Fee Amount
Residential Property (Fee per Bldg. Sq. Ft.)	\$1.2595	\$0.0252	\$1.2847
Commercial Property (Fee per Bldg. Sq. Ft.)	\$1.0995	\$0.0220	\$1.1215
Industrial Property (Fee per Bldg. Sq. Ft.)	\$0.5498	\$0.0110	\$0.5608

It is further recommended that the City include in its Council Resolution to adopt the fees presented in this Fee Study, a provision to automatically increase the fees annually tied to an inflation index, such as the Engineering News Record Construction Cost Index, or some other reasonable measure of inflation.



# **APPENDIX A**

City of Salinas  
Development Impact Fee Justification Study



## **SUMMARY OF CAPITAL IMPROVEMENT COSTS**

**TABLE 1.  
CITY OF SALINAS FUTURE SEWER CIP INCREMENTAL COST SUMMARY BASED ON FUTURE FLOW DIAMETER**

Future Sewer CIP	Description	Length (Ft)	Future Flow Diameter (in)	Total Project Cost to Construct Future Flow Diameter <sup>1</sup> (\$)	Recommended CIP Diameter (in)	Total Project Cost for Upsizing to CIP Sewer Main <sup>2</sup> (\$)	Incremental Project Cost (\$)
San Juan Grade	8-inch has available capacity to convey solely future flows	3,800	8	\$2,394,000	12	\$2,982,000	\$588,000
North Davis Road	21-inch has available capacity to convey solely future flows	5,340	21	\$6,538,000	24	\$11,376,400	\$4,838,400
					30		
					32		
West Laurel Drive	10-inch has available capacity to convey solely future flows	1,550	10	\$1,148,000	15	\$1,271,200	\$123,200
Victor Street	8-inch has available capacity to convey solely future flows	1,600	8	\$1,134,000	18	\$1,570,800	\$436,800
Freedom Parkway	15-inch has available capacity to convey solely future flows	4,750	15	\$4,151,000	15	\$4,368,000	\$217,000
					18		
Natividad Creek Park	18-inch has available capacity to convey solely future flows	4,030	18	\$3,975,000	21	\$6,135,000	\$2,160,000
					27		
East Alisal Street	12-inch has available capacity to convey solely future flows	7,600	12	\$5,842,000	18	\$7,644,000	\$1,802,000
					21		
Abbott Street	12-inch has available capacity to convey solely future flows	2,850	12	\$2,270,000	15	\$2,442,000	\$172,000
					15		
					18		
South Sanborn Road	Increase Overflow Elevation	--	18	\$7,854,000	65.09 ft (elevation)	\$8,014,000	\$180,000
	18-inch has available capacity to convey solely future flows	6,365			21		
					24		
					27		
<b>Total Project Cost</b>				<b>\$35,306,000</b>	--	<b>\$45,803,400</b>	<b>\$10,497,400</b>

<sup>1</sup>Total Project Cost includes lateral-connections, sewer bypassing, traffic control, and manhole replacements. A soft cost escalation of 40% is also included for planning, engineering, CM, and legal/admin.

<sup>2</sup>Cost does not include manhole replacements. This expense is included in (1). A soft cost escalation of 40% is included for planning, engineering, CM, and legal/admin.

**TABLE 2  
CITY OF SALINAS EXISTING SEWER CAPITAL IMPROVEMENT PROGRAM (CIP)**

Project #	Title	Total Project Cost*	Existing Average Daily Flows (gpm)	Future Average Daily Flows (gpm)	Percentage of Existing Flows	Percentage of Future Flows	Existing Project Cost Allocation	Future Project Cost Allocation
1	Cesar Chavez Park	\$ 11,716,600	1,138	1,166	98%	2%	\$ 11,442,272	\$ 274,328
2	Upper Carr Lake Repairs	\$ 1,123,500	598	2,395	25%	75%	\$ 280,324	\$ 843,176
3	Upstream TP2 Diversion	\$ 63,000	655	1,063	62%	38%	\$ 38,804	\$ 24,196
4	Northridge Mall	\$ 2,682,400	347	499	69%	31%	\$ 1,862,599	\$ 819,801
5	East Market and Upstream of Lake Street Repairs	\$ 1,853,880	1,927	3,773	51%	49%	\$ 946,940	\$ 906,940
6	Louise and Van Buren Street Repair	\$ 297,500	138	157	88%	12%	\$ 261,456	\$ 36,044
7	West Market at Davis Overcrossing	\$ 18,690	7,745	7,998	97%	3%	\$ 18,099	\$ 591
8	Cherokee Drive	\$ 2,688,000	1,179	1,970	60%	40%	\$ 1,608,590	\$ 1,079,410
9	Malarin St and Wilgart Way Repairs	\$ 261,240	2	2	100%	0%	\$ 261,240	\$ -
10	Romie Lane Repairs & Reconfiguration Analysis	\$ 100,000	780	1,316	59%	41%	\$ 59,256	\$ 40,744
11	King Street Repairs	\$ 819,000	9	9	100%	0%	\$ 819,000	\$ -
12	Del Monte and Mae Repairs	\$ 1,003,800	60	60	100%	0%	\$ 1,003,800	\$ -
13	Riker Street Repair	\$ 11,200	21	21	100%	0%	\$ 11,200	\$ -
14	West Market Street Repairs	\$ 1,324,260	73	73	100%	0%	\$ 1,324,260	\$ -
15	Johnson Place Repairs	\$ 1,174,880	15	15	100%	0%	\$ 1,174,880	\$ -
16	N Main St Hwy 101 Underpass Bunker Repair	\$ 35,000	152	319	47%	53%	\$ 16,620	\$ 18,380
17	Donner Way	\$ 176,400	65	65	100%	0%	\$ 176,400	\$ -
18	San Miguel Ave Repair	\$ 6,300	14	14	100%	0%	\$ 6,300	\$ -
19	Noice Drive/Tyler Street	\$ 4,760,000	299	467	64%	36%	\$ 3,050,338	\$ 1,709,662
20	Natividad Rd Consolidation	\$ 12,768,000	749	749	100%	0%	\$ 12,768,000	\$ -
21	Acacia, Bautista, Woodside Repairs	\$ 756,700	38	38	100%	0%	\$ 756,700	\$ -
22	Comanche, Polk, and North First Repairs	\$ 1,143,100	20	20	100%	0%	\$ 1,143,100	\$ -
23	Sherwood Dr Repairs	\$ 680,960	8	8	100%	0%	\$ 680,960	\$ -
24	East Laurel and Williams Repairs	\$ 995,400	155	155	100%	0%	\$ 995,400	\$ -
25	Hoover Street Repair	\$ 22,400	3	3	100%	0%	\$ 22,400	\$ -
26	Katherine Ave & Pajaro St Repairs	\$ 43,960	780	780	100%	0%	\$ 43,960	\$ -
27	Wood Street Reconfiguration Analysis	\$ 50,000	32	32	100%	0%	\$ 50,000	\$ -
28	CCTV Program	\$ 9,392,000	10,460,000	17,715,200	59%	41%	\$ 5,545,538	\$ 3,846,462
29	Inflow/Infiltration Evaluation	\$ 140,000	10,460,000	17,715,200	59%	41%	\$ 82,663	\$ 57,337
30	Brick Manhole Inspection & New Manhole Replacement	\$ 2,419,200.00	10,460,000	17,715,200	59%	41%	\$ 1,428,425	\$ 990,775
31	Flushing Inlet (Cleanout) Inspection & New Manhole Replacement	\$ 31,427,200.00	10,460,000	17,715,200	59%	41%	\$ 18,556,297	\$ 12,870,903
<b>EXISTING SEWER PROJECT CIP TOTAL COSTS</b>		<b>\$ 89,954,570.00</b>					<b>\$66,435,822.98</b>	<b>\$ 23,518,747</b>

\*All CIP costs are expressed in May 2022 dollars, using McGraw-Hill ENR Construction Cost Index of 13004, and will need to be escalated to the year or years scheduled for the work.

TABLE 3

CITY OF SALINAS EXISTING LIFT STATIONS CAPITAL IMPROVEMENT PROGRAM (CIP)

Project #	Title	Total Project Cost	Existing Average Daily Flows (gpm)	Future Average Daily Flows (gpm)	Percentage of Existing Flows	Percentage of Future Flows	Existing Project Cost Allocation	Future Project Cost Allocation
1	Lake Street Lift Station	\$ 13,300,000.00	2,536	3,777	67%	33%	\$ 8,930,050.30	\$ 4,369,949.70
2	Santa Rita Lift Station	\$ 4,900,000.00	224	406	55%	45%	\$ 2,704,114.31	\$ 2,195,885.69
3	Spicer Lift Station	\$ 3,080,000.00	35	35	100%	0%	\$ 3,080,000.00	\$ -
4	Mill Lake Lift Station	\$ 3,850,000.00	44	44	100%	0%	\$ 3,850,000.00	\$ -
5	Carpenter Hall Lift Station	\$ 1,470,000.00	410	431	95%	5%	\$ 1,398,375.87	\$ 71,624.13
6	De La Torre Lift Station	\$ 1,680,000.00	2	165	1%	99%	\$ 20,363.64	\$ 1,659,636.36
7	Vista Nueva Lift Station	\$ 3,080,000.00	14	14	100%	0%	\$ 3,080,000.00	\$ -
8	Harkins Road Lift Station	\$ 1,820,000.00	47	103	46%	54%	\$ 830,485.44	\$ 989,514.56
9	Las Casitas Lift Station	\$ 910,000.00	46	46	100%	0%	\$ 910,000.00	\$ -
10	TP2 Lift Station	\$ 3,500,000.00	94	198	47%	53%	\$ 1,661,616.16	\$ 1,838,383.84
11	Airport Lift Station	\$ 1,120,000.00	21	21	100%	0%	\$ 1,120,000.00	\$ -
<b>EXISTING LIFT STATION CIP TOTAL COSTS</b>		<b>\$ 38,710,000.00</b>					<b>\$ 27,585,005.72</b>	<b>\$ 11,124,994.28</b>

\*All CIP costs are expressed in May 2022 dollars, using McGraw-Hill ENR Construction Cost Index of 13004, and will need to be escalated to the year or years scheduled for the work.



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# City of Salinas

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CA 93901  
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## Legislation Text

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**File #:** ID#24-539, **Version:** 1

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### **2024 Salinas Active Transportation Plan**

Approve a Resolution adopting the 2024 Salinas Active Transportation Plan as a strategic planning document.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 24, 2024  
**DEPARTMENT:** PUBLIC WORKS, TRAFFIC AND TRANSPORTATION DIVISION  
**FROM:** DAVID JACOBS, PUBLIC WORKS DEPARTMENT  
**BY:** ADRIANA ROBLES, CITY ENGINEER  
GERARDO RODRIGUEZ, ASSISTANT ENGINEER  
**TITLE:** 2024 SALINAS ACTIVE TRANSPORTATION PLAN

RECOMMENDED MOTION:

A motion to approve a Resolution adopting the 2024 Salinas Active Transportation Plan as a strategic planning document.

EXECUTIVE SUMMARY:

The City's current bicycle and pedestrian plans were developed in the early 2000s, and there is a need for an updated comprehensive active transportation planning document. The vision of the 2024 Active Transportation Plan is to create an accessible, high-quality network of walking and biking routes that connect all neighborhoods within the city. The 2024 Active Transportation Plan identifies transportation needs and prioritizes projects that will make walking and biking reliable, comfortable, convenient, and more connected for all users.

BACKGROUND:

With a mild climate and relatively flat terrain, the City of Salinas is well-positioned to increase walking and bicycling for transportation. Currently, there are 95 miles of connected bikeways. However, there are substantial gaps in the current bicycle network and much of the network is in relatively disconnected islands that create barriers to bicycling on streets with high speeds and volumes of vehicles, creating safety issues when people bike on streets without a dedicated facility. In addition, although the sidewalk network in Salinas is generally well developed, there are some pedestrian network gaps and the sidewalks in many areas are need of repair or replacement.

In 2022, the City of Salinas was awarded a Sustainable Transportation Planning Grant to develop a Citywide Active Transportation Plan. At its meetings, on December 6, 2022 and On May 16, 2023 City Council approved an agreement with Ecology Action and Kimley Horn Associates, Inc., respectively, to develop the Active Transportation Plan.

The City of Salinas Active Transportation Plan was informed by the 2018 Salinas Active Transportation Needs Assessment, the 2022 Safe Routes to School Plan, 2022 Vision Zero Action



Plan, and other current planning efforts. The plan is intended to act as a combined update of the Pedestrian Plan (2004) and the Bikeways Plan (2002) and provide a strategy for citywide sustainable transportation growth and opportunities to support connection and integration into the regional active transportation network<sup>1</sup>.

This Plan was developed with systematic, iterative community engagement, focusing on critical agency stakeholders as well as disadvantaged communities. The plan incorporates robust outreach efforts that used a diverse set of tools to meet people where they are, including a community-driven prioritization process to select projects for design and implementation, discussion and agreement on the policy and programmatic improvements to support the network, and a design process that resulted in concepts that are feasible and fundable.

This plan includes strategies to improve bicycle and pedestrian connectivity and safety by expanding the existing bicycle network, improving pedestrian circulation, reducing vehicle trips, creating complete streets, and building a healthy and livable community. The plan also includes a list of priority projects that can continue Salinas' success in supporting active transportation. This prioritization process has already been beneficial, with the City submitting a Cycle 7 Active Transportation Plan grant application in June 2024 to fund one of these priority projects, the John Street/Williams Road Safe Routes to School Project and Programming.

The 2024 Active Transportation Plan also includes the City's Trail Master Plan, which is intended to guide the development of a safe, interconnected system of trails and shared-use paths throughout Salinas. Much like the Active Transportation Plan, the Trails Master Plan includes project recommendations to support walking and bicycling as safe, enjoyable, and realistic transportation options for community members. These projects provide additional opportunities for those who enjoy walking, jogging, bicycling, and skating for health and recreational purposes. The Trails Master Plan is focused on trails and shared-use paths, while the Active Transportation Plan covers a wider range of active transportation facilities.

### Traffic and Transportation Commission

The Draft 2024 Salinas Active Transportation Plan was presented to the Traffic and Transportation Commission at its August 8, 2024 meeting. The Commission voted (4-2) recommending City Council to approve a Resolution adopting the 2024 Salinas Active Transportation Plan.

### CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls

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<sup>1</sup> 2018 Monterey County Active Transportation Plan, Transportation Agency for Monterey County.



within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

This action supports the Council’s initiative of Public Safety.

DEPARTMENTAL COORDINATION:

The Public Works Department obtained grant funds to develop the 2024 Salinas Active Transportation Plan. The Public Works Department in coordination with the Community Development Department managed the plan development process.

FISCAL AND SUSTAINABILITY IMPACT:

There is no direct fiscal impact with adopting the 2024 Salinas Active Transportation Plan.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 23-24 CIP Budget Page	Last Budget Action (Date, Resolution)
n/a	n/a	n/a	n/a	n/a	n/a	n/a

ATTACHMENTS:

Resolution  
Attachment 1: 2024 Salinas Active Transportation Plan

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**A RESOLUTION OF THE SALINAS CITY COUNCIL ADOPTING THE 2024 SALINAS ACTIVE TRANSPORTATION PLAN AS A STRATEGIC PLANNING DOCUMENT**

**WHEREAS**, at its June 14, 2022, meeting the City Council approved a Resolution to authorize the Public Works Director to execute all Restricted Grant Agreements and any amendments thereto with the California Department of Transportation for the City of Salinas Active Transportation Plan: Outreach and Implementation; and

**WHEREAS**, at its meeting on December 6, 2022 and on May 16, 2023 the City Council approved an agreement with Ecology Action and Kimley-Horn Associates, Inc., respectively, to develop the Active Transportation Plan; and

**WHEREAS**, the vision of the 2024 Salinas Active Transportation Plan is to create an accessible, high-quality network of walking and biking routes that connect all neighborhoods within the city, and the 2024 Salinas Active Transportation Plan identifies transportation needs and prioritizes projects that will make walking and biking reliable, comfortable, convenient, and more connected for all users.

**WHEREAS**, the Traffic and Transportation Commission was presented the Draft 2024 Salinas Active Transportation Plan at its meeting of August 8, 2024; and

**WHEREAS**, the Traffic and Transportation Commission voted (4-2) to recommend the City Council approve a Resolution adopting the 2024 Salinas Active Transportation Plan; and

**WHEREAS**, the City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

**NOW, THEREFORE, BE IT RESOLVED** that the Salinas City Council hereby approve a Resolution adopting the 2024 Active Transportation Plan as a strategic planning document.

**PASSED AND APPROVED** this 24th day of September 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

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Kimbley Craig, Mayor

ATTEST:

---

Patricia M. Barajas, City Clerk



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-550, **Version:** 1

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### **American Rescue Plan Act (ARPA) Projects Update**

Approve a resolution delegating authority to the City Manager to authorize reallocations of ARPA funding between various projects in order to meet the December 31, 2024 deadline.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

---

**DATE:** SEPTEMBER 24, 2024

**DEPARTMENT:** FINANCE

**FROM:** RENE MENDEZ, CITY MANAGER

**BY:** JIM PIA, ASSISTANT CITY MANAGER  
SELINA ANDREWS, ACTING FINANCE DIRECTOR  
ABE PEDROZA, SENIOR FINANCE MANAGEMENT ANALYST

**TITLE:** AMERICAN RESCUE PLAN ACT (ARPA) PROJECTS UPDATE

RECOMMENDATION:

A motion to approve a resolution delegating authority to the City Manager to reallocate American Rescue Plan Act funding between various programs and projects previously approved by City Council.

EXECUTIVE SUMMARY:

The recommendation provides authority to reallocate funding between ARPA projects in accordance with the U.S. Treasury Department regulations to mitigate the risk of not having funds encumbered by the December 31, 2024, deadline. The recommended action will not impact any services or projects previously authorized by the City Council and will result in the obligation of all ARPA Funds prior to the deadline.

BACKGROUND:

On March 11, 2021, President Biden signed the American Rescue Plan Act, which provided the City with \$51,567,313 in relief funds. These additional resources have provided critical community and economic recovery support.

ARPA requires that local governments obligate all ARPA funds (e.g., encumber funding through the issuance of contracts/purchase orders) by December 31, 2024, and to expend all ARPA funds by December 31, 2026. Due to this timeline, a number of the community and economic recovery workstreams were anticipated to be spent over a multi-year period. Of the \$51.6 million initially received ARPA funding, a remaining amount of \$25.6 million is included in the FY 2024-25 Budget. While the City has made considerable progress in this effort, a total of \$12,682,496.37 remain unencumbered as of September 2024 as detailed below.

Dept	Project	Original Budget	Approved Amend	Amended Budget	Actuals to Date	FYTD 24-25 Enc	Remaining	% Used
CD	3220 SHARE Center	1,000,000	-	1,000,000	1,000,000	-	-	100%
CD	8161 Chinatown Navigation Center	1,000,000	-	1,000,000	775,058	212,528	12,414	99%
CD	8162 Homeless Motel Program	3,000,000	-	3,000,000	2,122,494	-	877,506	71%
CD	9021 Housing Production Fund	7,000,000	-	7,000,000	5,800,303	268,794	930,903	87%
CD	9181 Downtown Streets Team	600,000	-	600,000	388,396	215,996	(4,392)	101%
Fire	9235 Fire Station Renovations	1,500,000	-	1,500,000	427,132	9,407	1,063,461	29%
Fire	9541 Fire Station Repairs	1,400,000	-	1,400,000	89,488	119,100	1,191,413	15%
PW	8170 City Hall / Facility HVAC	5,002,313	2,000,000	7,002,313	4,357,248	2,954,968	(309,903)	104%
PW	8180 Street Repair & Traffic Safety	6,000,000	-	6,000,000	4,272,224	1,073,281	654,494	89%
PW	8190 Sewer System Work	4,620,000	354,539	4,974,539	200,240	638,653	4,135,645	17%
PW	8192 Stormwater Green Infra	3,000,000	(230,678)	2,769,322	911,181	1,008,129	850,011	69%
PW	9086 Natividad Creek Silt	1,545,000	(1,062,000)	483,000	-	332,325	150,675	69%
PW	9293 Stormwater Master Plan	800,000	-	800,000	794,448	5,552	-	100%
PW	9720 Sidewalk & Drainage Impr	6,000,000	-	6,000,000	5,134,942	237,289	627,769	90%
PW	9727 Gabilan Creek Silt	500,000	(61,861)	438,139	236,473	49,394	152,273	65%
LCS	8171 Playground & Closter Park Impr	2,000,000	1,000,000	3,000,000	975,644	259,988	1,764,367	41%
LCS	8191 Park Irrigation Updates	5,000,000	(4,000,000)	1,000,000	406,174	65,028	528,798	47%
LCS	9165 Hebbbron Family Center Impr	1,500,000	2,000,000	3,500,000	349,005	3,150,995	-	100%
LCS	9311 Firehouse Rec Center	100,000	-	100,000	34,867	8,071	57,063	43%
	<b>TOTAL</b>	<b>51,567,313</b>	<b>-</b>	<b>51,567,313</b>	<b>28,275,317</b>	<b>10,609,499</b>	<b>12,682,496</b>	<b>75%</b>

Over the last few of months, staff developed timelines for all projects and has determined that the reallocation of funding for certain projects is necessary to meet program needs while adhering to the December 31, 2024, encumbrance deadline.

An example of what the reallocation of projects might look like is if any specific project identified in the table above does not get to a point where a contract is in place to allow the funds to be encumbered, the City Manager may look at other projects that already have contracts in place such as Street Repair & Traffic Safety and authorize additional funds to be encumbered there. This will allow for projects to continue moving forward with ARPA monies.

Should the encumbrance deadline not be met, ARPA allows for governments to reimburse themselves for lost revenue due to the pandemic, and then use that revenue to pay for government services. In accordance with regulations provided by the U.S. Treasury Department, the City's calculated revenue loss (calculated across all eligible City funding sources) exceeds the \$12.7 million in unencumbered ARPA allocated across several services and projects. The City may

decide to allocate any and all relief funds to this purpose, which would present the opportunity to shift already programmed general fund resources to complete the projects.

While we expect to be able to encumber the funds, we will bring back a report detailing the final results, including any reallocation and/or reimbursement of revenue.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

The projects and programs funded by the Salinas Recovery Plan under the American Rescue Plan Act (ARPA) of 2021 achieves the Council 2022-2025 Strategic Goals of Housing/Affordable Housing, Infrastructure and Environmental Sustainability, Public Safety, Youth and Seniors, and Effective and Culturally Responsive Government.

DEPARTMENTAL COORDINATION:

This staff report has been coordinated with the City Manager’s Office, Finance Department, Community Development, Fire, Public Works, and Library & Community Services.

FISCAL AND SUSTAINABILITY IMPACT:

American Rescue Plan Act (ARPA) funding allows the City to move forward with several important projects and programs with no impact on the City’s General Funds. Reallocation of ARPA funds is not being recommended at this time. However, as it gets closer to the encumbrance deadline, the City Manager may need to reallocate funding as necessary to avoid the City losing ARPA monies.

Fund	Appropriation	Appropriation /Project Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)*
3911	30.3220	Housing & Com Dev (SHARE)	\$1,000,000	\$0	n/a	11/16/21,22250
3911	30.8161	Chinatown Nav Center Op	\$1,000,000	\$0	n/a	11/16/21,22250
3911	30.8162	Salinas Homeless Motel Program	\$3,000,000	\$0	n/a	11/16/21,22250
3911	30.9021	Housing Production Fund	\$7,000,000	\$0	n/a	11/16/21,22250
3911	30.9181	Downtown Streets Team	\$600,000	\$0	n/a	11/16/21,22250
3911	45.9235	Fire Station Renovations	\$1,500,000	\$0	n/a	11/16/21,22250

Fund	Appropriation	Appropriation /Project Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)*
3911	45.9541	Fire Station Repairs	\$1,400,000	\$0	n/a	11/16/21,22250
3911	50.8170	Adapt to City Hall & Fac HVAC	\$7,002,313	\$0	n/a	11/16/21,22250 12/05/23,22860 04/23/24,22950
3911	50.8180	Street Repair / Traffic Safety	\$6,000,000	\$0	n/a	11/16/21,22250
3911	50.8190	Sewer System Work	\$4,974,539	\$0	n/a	11/16/21,22250 08/20/24,23073
3911	50.8192	Stormwater Green Infra	\$2,769,322	\$0	n/a	11/16/21,22250 08/20/24,23073
3911	50.9086	Natividad Creek Silt Removal	\$483,000	\$0	n/a	11/16/21,22250 04/23/24,22950 08/20/24,23073
3911	50.9293	Storm Water Master Plan Upd	\$800,000	\$0	n/a	11/16/21,22250
3911	50.9720	Sidewalk & Drainage Impr	\$6,000,000	\$0	n/a	11/16/21,22250
3911	50.9727	Gabilan Creek Silt Removal	\$438,139	\$0	n/a	11/16/21,22250 08/20/24,23073
3911	55.8171	Playground & Closter Park Impr	\$3,000,000	\$0	n/a	11/16/21,22250 06/18/24,23016
3911	55.8191	Park Irrigation Updates	\$1,000,000	\$0	n/a	11/16/21,22250 12/05/23,22860 03/05/24,22911 06/18/24,23016
3911	55.9165	Hebbron Family Center Impr	\$3,500,000	\$0	n/a	11/16/21,22250 03/05/24,22911
3911	55.9311	Firehouse Rec Center	\$100,000	\$0	n/a	11/16/21,22250

ATTACHMENTS:

1. Resolution
2. PowerPoint



**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**REALLOCATION OF AMERICAN RESCUE PLAN ACT (ARPA) FUNDING FOR  
VARIOUS PROJECTS WITHIN THE SAME DEPARTMENT**

**WHEREAS**, \$51,567,313 in American Rescue Plan Act (ARPA) relief funding was allocated to the City of Salinas; and

**WHEREAS**, on November 16, 2021, City Council approved a resolution authorizing the appropriations of ARPA funding to nineteen specific projects; and

**WHEREAS**, U.S. Department of Treasury guidelines stipulate that the entirety of funds must be expended or encumbered by December 31, 2024, and expended by December 31, 2026; and

**WHEREAS**, on December 5, 2023, City Council approved a resolution authorizing the reallocation of American Rescue Plan Act funds (ARPA) in the amount of \$1,000,000 from CIP Project Park Irrigation Updates (Appropriation 3911.55.8191) to CIP Project City Hall Adaptations (Appropriation 3911.50.8170); and

**WHEREAS**, on March 5, 2024, City Council approved a resolution authorizing the reallocation of American Rescue Plan Act funds (ARPA) in the amount of \$2,000,000 from CIP Park Irrigation Updates (Appropriation 3911.55.8191) to the CIP Hebbbron Family Center (Appropriation 3911.55.9165); and

**WHEREAS**, on April 23, 2024, City Council approved a resolution authorizing the reallocation of American Rescue Plan Act funds (ARPA) in the amount of \$1,000,000, from CIP Project Natividad Creek Silk Removal (Appropriation 3911.50.9086) to CIP Project City Hall Adaptations (Appropriation 3911.50.8170); and

**WHEREAS**, on June 18, 2024, City Council approved a resolution authorizing the reallocation of American Rescue Plan Act funds (ARPA) in the amount of \$1,000,000 from CIP Project Park Irrigation Updates (Appropriation 3911.55.8191) to CIP Project Playground and Closter Park Improvements (Appropriation 3911.55.8171); and

**WHEREAS**, on August 20, 2024, City Council approved a resolution authorizing the reallocation of American Rescue Plan Act funds (ARPA) in the amount of \$230,678 from CIP Stormwater Green Infrastructure (Appropriation 3911.50.8192), \$62,000 from CIP Natividad Creek Silt Removal (Appropriation 3911.50.9086), and \$61,861 from CIP Gabilan Creek Silt Removal (Appropriation 3911.50.9727) to CIP Project Sewer System Work (Appropriation 3911.50.8190); and

**WHEREAS**, as of September 2024, the City has \$12,682,496.37 unencumbered; and

**WHEREAS**, the City has developed timelines for all projects and has determined that the reallocation of funding for certain projects is necessary to meet program needs while adhering to the December 31, 2024 deadline.

**NOW, THEREFORE, BE IT RESOLVED** that the Salinas City Council delegates authority to the City Manager to authorize reallocations of ARPA funding between various projects in order to meet the December 31, 2024, deadline.

**PASSED AND APPROVED** this 24<sup>th</sup> day of September 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

---

Kimbley Craig, Mayor

**ATTEST:**

---

Patricia M. Barajas, City Clerk



# CITY OF SALINAS

## AMERICAN RESCUE PLAN ACT (ARPA) PROJECTS UPDATE

SEPTEMBER 24, 2024

# Recommendation

- Approve a resolution delegating authority to the City Manager to authorize reallocations of ARPA funding between various projects in order to meet the December 31, 2024 deadline.

# ARPA Funding as of September 2024

Dept	Project	Original Budget	Approved Amend	Amended Budget	Actuals to Date	FYTD 24-25 Enc	Remaining	% Used
CD	3220 SHARE Center	1,000,000	-	1,000,000	1,000,000	-		100%
CD	8161 Chinatown Navigation Center	1,000,000	-	1,000,000	775,058	212,528	12,414	99%
CD	8162 Homeless Motel Program	3,000,000	-	3,000,000	2,122,494	-	877,506	71%
CD	9021 Housing Production Fund	7,000,000	-	7,000,000	5,800,303	268,794	930,903	87%
CD	9181 Downtown Streets Team	600,000	-	600,000	388,396	215,996	(4,392)	101%
Fire	9235 Fire Station Renovations	1,500,000	-	1,500,000	427,132	9,407	1,063,461	29%
Fire	9541 Fire Station Repairs	1,400,000	-	1,400,000	89,488	119,100	1,191,413	15%
PW	8170 City Hall / Facility HVAC	5,002,313	2,000,000	7,002,313	4,357,248	2,954,968	(309,903)	104%
PW	8180 Street Repair & Traffic Safety	6,000,000	-	6,000,000	4,272,224	1,073,281	654,494	89%
PW	8190 Sewer System Work	4,620,000	354,539	4,974,539	200,240	638,653	4,135,645	17%
PW	8192 Stormwater Green Infra	3,000,000	(230,678)	2,769,322	911,181	1,008,129	850,011	69%
PW	9086 Natividad Creek Silt	1,545,000	(1,062,000)	483,000	-	332,325	150,675	69%
PW	9293 Stormwater Master Plan	800,000	-	800,000	794,448	5,552	-	100%
PW	9720 Sidewalk & Drainage Impr	6,000,000	-	6,000,000	5,134,942	237,289	627,769	90%
PW	9727 Gabilan Creek Silt	500,000	(61,861)	438,139	236,473	49,394	152,273	65%
LCS	8171 Playground & Closter Park Impr	2,000,000	1,000,000	3,000,000	975,644	259,988	1,764,367	41%
LCS	8191 Park Irrigation Updates	5,000,000	(4,000,000)	1,000,000	406,174	65,028	528,798	47%
LCS	9165 Hebbbron Family Center Impr	1,500,000	2,000,000	3,500,000	349,005	3,150,995	-	100%
LCS	9311 Firehouse Rec Center	100,000	-	100,000	34,867	8,071	57,063	43%
	TOTAL	51,567,313	-	51,567,313	28,275,317	10,609,499	12,682,496	75%

# Questions?





# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-559, **Version:** 1

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### Minutes

Approve minutes of September 10, 2024.



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
www.cityofsalinas.org

## Meeting Minutes - Unofficial

### City Council

*Mayor Kimbley Craig*

*Councilmembers:*

*Carla Viviana González, District 1 - Tony Barrera, District 2*

*Jesus Valenzuela, District 3 - Orlando Osornio, District 4*

*Andrew Sandoval, District 5 - Anthony Rocha, District 6*

*Rene Mendez, City Manager*

*Christopher A. Callihan, City Attorney*

*City Clerk's Office: (831) 758-7381*

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Tuesday, September 10, 2024

4:00 PM

SALINAS ROTUNDA

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#### PLEDGE OF ALLEGIANCE

#### ROLL CALL

**Present:** 7 - Councilmember Tony Barrera  
Councilmember Carla Viviana Gonzalez  
Councilmember Orlando Osornio  
Councilmember Anthony Rocha  
Councilmember Jose Andrew Sandoval  
Councilmember Jesus Valenzuela  
Mayor Kimbley Craig

#### NEW EMPLOYEE WELCOME AND INTRODUCTIONS

*Department Directors welcomed and introduced new hires for the month of August 2024.*

#### PROCLAMATIONS

*The City Council proclaimed:*

*National Hispanic Heritage Month  
National Childhood Cancer Month  
National Library Card Sign-Up Month  
National Recovery Month*

#### GENERAL PUBLIC COMMENTS

*Received public comment from members of the public in attendance and on Zoom.*

#### CALIFORNIA GOVERNMENT CODE §84308 - LEVINE ACT

*No disclosures announced.*

#### PUBLIC HEARINGS

[ID#24-482](#)

United States Department of Housing and Urban Development Consolidated



**Annual Performance and Evaluation Report for FY 2023-24**

*Received report from Acting Planning Manager Francisco Brambila regarding the 2023 - 2024 Consolidated Annual Performance and Evaluation Report (CAPER) submittal to the United States Department of Housing and Urban Development. Report filed with the City Clerk as the official record.*

*The following members of the public in attendance and on Zoom commented on the report:*

*Jose Guerra*

**Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution affirming the Fiscal Year 2023-24 Consolidated Annual Performance and Evaluation Report (CAPER) and authorizing submittal to the United States Department of Housing and Urban Development was approved. The motion carried by the following vote:**

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23085

**CONSIDERATION**

[ID#24-489](#)

**City of Salinas Urban Forest Management Plan**

*Received report from Assistant Public Works Director/City Engineer Adriana Robles and Ryan Allen, Dudek regarding the adoption of the City of Salinas Urban Forest Management Plan. Report filed with the City Clerk as the official record.*

*The following members of the public in attendance and on Zoom commented on the report:*

*Jose Guerra*

*David Maisonneuve*

**Upon motion made by Councilmember Valenzuela, seconded by Councilmember Barrera, resolution to adopt the City of Salinas Urban Forest Management Plan was approved. The motion carried by the following vote:**

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23086

**CONSENT AGENDA**

[ID#24-523](#)

**Minutes**

**Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, the minutes of August 20, 2024 were approved. The motion carried by the following vote:**

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

[ID#24-519](#)**Financial Claims**

Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, the financial claims report was approved. The motion carried by the following vote:

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

[ID#24-475](#)**Agreement with CPRA Strategies, Inc. for the Street Sweeping “No Parking” Signage Community Outreach Program**

Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution authorizing the City Manager to execute a Professional Services Agreement with CPRA Strategies, Inc. for Phase III of the Community Outreach and Engagement Campaign in an amount not to exceed \$150,000 was approved. The motion carried by the following vote:

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23087

[ID#24-476](#)**Permit Services Enterprise Fund FY 24-25 Budget Adjustment**

Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution authorizing a \$2,500,000 budget increase to the Permit Services Enterprise Fund (6900) with a corresponding revenue budget increase of \$2,500,000 for FY 24-25 was approved. The motion carried by the following vote:

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23088

[ID#24-480](#)**2024 California Department of Housing and Community Development Local Housing Trust Fund Application**

Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution authorizing the submittal of a 2024 LHTF Application to the California Department of Housing and Community Development; the commitment of \$1,500,000 from the General Fund as the City's match fund; the use of Housing Successor Agency program, Permanent Local Housing Allocation Program and Prohousing Incentive Program funds as on-going revenues totaling at least an average of \$100,000 per year for three years; authorizing the reallocation of \$1,000,000 of General Funds from Capital Improvement Project 9001, reallocation of \$500,000 of General Funds from Capital Improvement Project 9021 to the LHTF (Fund 2603) and appropriation of a LHTF budget in the amount of \$1,500,000; and authorizing the City Manager to finalize and execute all applicable documents were approved. The motion carried by the following vote:

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23089

[ID#24-486](#)

**Amendment No. 1 to Agreement for Professional Services with Kimley-Horn Associates, Inc. for the Salinas Active Transportation Plan**

*The following members of the public in attendance and on Zoom commented on the report:*

*David Maisonneuve*

**Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution authorizing City Manager to execute Amendment No. 1 to Agreement for Professional Services between The City of Salinas and Kimley-Horn Associates, Inc. for the Salinas Active Transportation Plan to increase the total compensation by \$35,070.66, for a not to exceed \$399,273.83 was approved. The motion carried by the following vote:**

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23090

[ID#24-487](#)

**Emergency Public Works Yard Admin Sewer Repair**

**Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution authorizing the City Manager to execute an agreement with E&D Industrial Trades, LLC dba ACME Plumbing for emergency sewer repair at the Public Works Yard in an amount of \$39,950 and approve a 10% contingency in the amount of \$3,995 for a total not to exceed amount of \$43,945 was approved. The motion carried by the following vote:**

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23091

[ID#24-488](#)

**City Hall 1st Floor Build Back Project No. 8170 Change Order No. 6**

**Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution authorizing the City Manager to execute Change Order No. 6 to Premier Builders, Inc. for the City Hall 1st Floor Build Back Project No. 8170 in the amount of \$151,140; and execute any and all Change Orders required for the completion of the reconstruction of City Hall was approved. The motion carried by the following vote:**

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23092

[ID#24-496](#)

**Industrial Wastewater Pump Station Improvements at Airport Blvd. Project, CIP 9009 - Bid Rejection**

**Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution rejecting all bids received for the Industrial Wastewater**

**Pump Station Improvements at Airport Blvd. Project, CIP 9009 was approved. The motion carried by the following vote:**

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23093

[ID#24-498](#)

**Direct Purchase of Police Vehicles**

**Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution authorizing the direct purchase of eight vehicles for use by Police Department employees for a total cost not to exceed \$394,517.10 was approved. The motion carried by the following vote:**

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23094

[ID#24-499](#)

**Approval to Seek Funding for Upgrades to the Police Mobile Command Vehicle**

**Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution authorizing the Police Department to seek funding to support the modification and upgrade of the Mobile Command Vehicle was approved. The motion carried by the following vote:**

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23095

[ID#24-502](#)

**2024 Pavement Improvements on Various Streets Project, CIP No. 9981 Contract Change Order No. 5**

**Upon motion made by Councilmember Rocha, seconded by Councilmember Sandoval, resolution authorizing the transfer of \$181,825.60 from Traffic Calming Improvement Project CIP 9163 to Slurry Seal Improvements Project CIP 9981 and authorizing the City Manager to approve Contract Change Order No. 5 in an amount not to exceed \$181,825.60 was approved. The motion carried by the following vote:**

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23096

[ID#24-504](#)

**Agreement for Services to provide Security Services at the Emergency Motel Program for FY 2024-2025**

**Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution authorizing the City Manager or designee to negotiate and execute an Agreement for Services with Good Guard Security Services, Inc., in**

an amount not to exceed \$372,765 to provide security services at the Emergency Motel Program from November 1, 2024 to June 30, 2025. The motion carried by the following vote:

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23097

[ID#24-507](#)

**Conditional Funding Commitment Letter to the Housing Authority of the County of Monterey for the Development of the Division Street Properties (921 E. Market Street and 115-151 Division Street)**

Upon motion made by Councilmember Osornio, seconded by Councilmember Barrera, resolution authorizing the City Manager, or designee, to finalize, execute and issue a Conditional Funding Commitment Letter to the Housing Authority of the County of Monterey (HACM) for the development of a proposed one-hundred percent affordable multifamily rental housing project at the Division Street properties (921 E. Market St. and 115-151 Division St); and the commitment of \$1,380,000 in appraised land value of the Division Street properties and \$1,700,000 from the LHTF Program funds for project predevelopment and construction cost; and authorizing the appropriation of a FY 24-25 LHTF budget in the amount of \$1,700,000. The motion carried by the following vote:

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23098

[ID#24-524](#)

**Conflict of Interest Code - Biennial Review**

Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, ordinance amending Salinas City Code Chapter 1, Article 3, updating the City's Conflict of Interest Code was adopted. The motion carried by the following vote:

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: ORD 2680

[ID#24-526](#)

**Modification to Classification - Salary Schedule and Workforce Allocation Adjustment**

Upon motion made by Councilmember Barrera, seconded by Councilmember Osornio, resolution to amend the Classification - Salary Schedule to include the classifications of Deputy Fire Marshal, Retired Annuitant - Deputy Fire Marshal, Project Coordinator, and Investigative Specialist and to correct the hourly rate for three Public Works temporary classifications; and the workforce for the Community Development Department reflect the reclassification of one vacant Community Development Analyst - Limited Term to Administrative Analyst I - Limited Term was approved. The motion carried by the following vote:

**Ayes:** 7 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha, Councilmember Sandoval, Councilmember Valenzuela and Mayor Craig

Enactment No: RES 23099

## 6:00 P.M. CLOSED SESSION

*Prior to adjourning to closed session, Mayor Craig recused herself from Item 24-511, Rent Stabilization and Tenant Protection; Introduction of Ordinances, due to a conflict of interests as she owns a rental property. Councilmember Valenzuela also recused himself due to his collaboration with advocacy groups that are in support of the item. At 5:58 p.m. both Mayor Craig and Councilmember Valenzuela left the meeting.*

*The City Council recessed t closed session at 5:58 p.m.*

### [ID#24-525](#)

- a. **Real Property Negotiations** - California Government Code section 54956.8, conference with real property negotiators City Manager Rene Mendez, City Attorney Christopher A. Callihan, and Community Development Director Lisa Brinton, to discuss the terms and sale of real properties located 23, 25 & 29 Soledad Street (APN 002-191-026; APN 002-191-015 and APN 002-191-027), 20 & 26 Soledad Street (APN: 002-194-018; and APN 002-194-019), 14 & 16 Soledad Street (APN: 002-194-006), 106 E. Lake Street (APN 002-194-013), Salinas, California 93901.
- b. **Existing Litigation** - California Government Code section 54956.9(a), conference with legal counsel regarding, Matthew Maldonado vs. City of Salinas, Workers' Compensation Appeals Board Case Number(s): ADJ15793255; ADJ 1579354.

## THE CITY COUNCIL RECONVENED IN THE ROTUNDA AT 7:00 P.M.

### PUBLIC DISCLOSURE

*Pursuant to California Government code section 54957.1 there were no reportable actions on closed session matters.*

## 7:00 P.M. CONSIDERATION

### [ID#24-511](#)

#### **Rent Stabilization and Tenant Protection; Introduction of Ordinances**

*Councilmember Valenzuela recused himself from participating on this item and left the meeting at 7:01 p.m.*

*Received report from City Attorney Christopher Callihan regarding the introduction of ordinances for adoption on September 24, 2024 regarding Rent Stabilization, Tenant Protection and Just-Cause Eviction, and Tenant Anti-Harassment. On August 20, 2024, a presentation was given to the City Council on three draft ordinances: Rent Stabilization, Tenant Protection and Just Cause Eviction, and Tenant Anti-Harassment. After receiving the presentation and receiving testimony from the public, the City Council members present unanimously directed staff to update the draft ordinances consistent with the City*

*Council's direction and present the updated draft ordinances to the City Council for introduction on September 10, 2024, and adoption on September 24, 2024. Report filed with the City Clerk as the official record.*

*The following members of the public in attendance and on Zoom commented on the report:*

*Gary Pybas*

*David Maisonneuve*

*Luis Xago Juarez, Building Healthy Communities*

*Genesis Mojica, Center for Community Advocacy*

*Jesus Estrada (Translation via J.A.V. Language Solutions)*

*Manuel Garcia, Center for Community Advocacy*

*Unidentified audience member, Chatina Community (Translation via J.A.V. Language Solutions)*

*Nidia Soto, Building Healthy Communities*

*Sabino Lopez, Center for Community Advocacy (Translation via J.A.V. Language Solutions)*

*Unidentified audience member*

*Senora de la Meza (Translation via J.A.V. Language Solutions)*

*Maricela Ramirez, Centro Binacional del Desarrollo Indígena Oaxaqueño (Translation via J.A.V. Language Solutions)*

*Anastacio Perez Ruiz (Translation via J.A.V. Language Solutions)*

*Rosa Gonzalez*

*Maria Magdalena (Translation via J.A.V. Language Solutions)*

*Suzanne Dershowitz, Public Advocates*

*Maria Salazar (Translation via J.A.V. Language Solutions)*

*Natalie Herendeen, Center for Community Advocacy*

*Clarissa Reyes Becerra, Centro Binacional del Desarrollo Indígena Oaxaqueño*

*Victor, Monterey Bay Central Labor Council*

*Maria Chavez (Translation via J.A.V. Language Solutions)*

*Berthia Rodin (Translation via J.A.V. Language Solutions)*

*Adriana Molina, Center for Community Advocacy (Translation via J.A.V. Language Solutions)*

*Linda Ramos*

*Graciela Gonzalez, Center for Community Advocacy (Translation via J.A.V. Language Solutions)*

*Maria Romero (Translation via J.A.V. Language Solutions)*

*Robin*

*Liz Camacho*

*Alma Loreda, Building Healthy Communities (Translation via J.A.V. Language Solutions)*

*Adam Pinteris, Monterey County Renters Association*

*Amy Salmina*

*Estela Hernandez, Centro Binacional del Desarrollo Indígena Oaxaqueño (Translation via J.A.V. Language Solutions)*

#### **MOTION - RENT STABILIZATION ORDINANCE**

*Upon motion by Councilmember Rocha, seconded by Councilmember Gonzalez, the City Council introduced the Rent Stabilization Ordinance with the correction of including Council direction of one increase per 12-month period, 2.75% or 75% of CPI, whichever is lower, and retroactive to December 31, 2023, for adoption on September 24, 2024. The motion carried by the following vote:*

*Ayes: 5 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha and Councilmember Sandoval*

*Recused: 2 - Councilmember Valenzuela and Mayor Craig*

**MOTION - TENANT PROTECTION AND JUST CAUSE EVICTION ORDINANCE**

*Upon motion by Councilmember Rocha, seconded by Councilmember Gonzalez, the City Council introduced Tenant Protection and Just Cause Eviction Ordinance for adoption on September 24, 2024. The motion carried by the following vote:*

*Ayes: 5 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha and Councilmember Sandoval*

*Recused: 2 - Councilmember Valenzuela and Mayor Craig*

**MOTION - TENANT ANTI-HARASSMENT ORDINANCE**

**Upon motion by Councilmember Rocha, seconded by Councilmember Gonzalez, the City Council introduced the Tenant Anti-Harassment Ordinance, for adoption on September 24, 2024. The motion carried by the following vote:**

**Ayes:** 5 - Councilmember Barrera, Councilmember Gonzalez, Councilmember Osornio, Councilmember Rocha and Councilmember Sandoval

**Recused:** 2 - Councilmember Valenzuela and Mayor Craig

## **COUNCILMEMBERS' REPORTS, APPOINTMENTS AND FUTURE AGENDA ITEMS**

*Councilmember Rocha attended the Salinas Valley Recycles Executive Committee and the Housing and Land Use Committee meeting. He stated he will be attending the Salinas Groundwater Sustainability, Community Human Services, and the Salinas Valley Recycles meetings.*

*Councilmember Gonzalez thanked the Neighborhood Services division for facilitating the District 1 Clean Up.*

*Councilmember Barrera attended the District 2 Clean Up and thanked Republic Services and the Neighborhood Services division for their assistance.*

*Councilmember Osornio announced upcoming events throughout the month of September which include El Grito Parade and Festival, Artists Ink Block Party, and Siempre Latino event.*

*Mayor Pro-Tem Sandoval thanked City staff for their support with the Laurelwood Park meeting. Mayor Pro-Tem requested staff address the re-planting of 200 trees city-wide.*

## **ADJOURNMENT**

*Meeting adjourned at 8:59 p.m.*





# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-552, **Version:** 1

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### **Financial Claims**

Approve financial claims report.

# City of Salinas

## Payment Register

From Payment Date: 9/4/2024 - To Payment Date: 9/17/2024

Number	Date	Status	Payee Name	Amount
<b>General Account - General Account</b>				
<b>Check</b>				
477610	09/05/2024	Open	Cameron Murphy	\$108.00
477611	09/05/2024	Open	Jessica Uribe	\$56.00
477612	09/05/2024	Open	Juliane Sharpe	\$361.00
477613	09/05/2024	Open	Melanie Coffin	\$56.00
477614	09/05/2024	Open	Tanya Crawford	\$242.75
477615	09/05/2024	Open	4Leaf Inc	\$2,310.00
477616	09/05/2024	Open	Ace Hardware	\$275.92
477617	09/05/2024	Open	Alco Water	\$21.47
477618	09/05/2024	Open	Alco Water	\$16,839.82
477619	09/05/2024	Open	Alhambra and Sierra Spring DS Waters of America LP	\$125.30
477620	09/05/2024	Open	Alhambra and Sierra Spring DS Waters of America LP	\$1,729.03
477621	09/05/2024	Open	Alison Heller-Ono dba Worksite International	\$4,975.00
477622	09/05/2024	Open	All Safe Security Alarm	\$400.00
477623	09/05/2024	Open	Allstar Fire Equipment Inc	\$9,849.10
477624	09/05/2024	Open	Amazon.Com	\$1,090.53
477625	09/05/2024	Open	American Supply Company	\$412.83
477626	09/05/2024	Open	Ana Rueda De Vidales dba JAV Language Solutions	\$2,692.88
477627	09/05/2024	Open	Andrew McLaughlin	\$100.00
477628	09/05/2024	Open	Assured Aggregates Company Inc	\$2,586.84
477629	09/05/2024	Open	AT and T	\$156.28
477630	09/05/2024	Open	AT and T	\$34,473.33
477631	09/05/2024	Open	Baron Augustine	\$100.00
477632	09/05/2024	Open	Brainfuse, Inc.	\$10,500.00
477633	09/05/2024	Open	Brent DeBorde	\$88.75
477634	09/05/2024	Open	Brodart Company	\$461.83
477635	09/05/2024	Open	Bruce Bush	\$100.00
477636	09/05/2024	Open	California Water Service	\$4,766.48
477637	09/05/2024	Open	Calwen Inc dba The Rescue Source	\$788.24
477638	09/05/2024	Open	Candido Martinez Dba Welders Fabrication and Desig	\$285.00
477639	09/05/2024	Open	Canon Solutions America Inc	\$672.42
477640	09/05/2024	Open	Carlons Fire Extinguishers Inc	\$51.13
477641	09/05/2024	Open	CD-DATA, Inc dba Parcelquest	\$2,999.00
477642	09/05/2024	Open	CDW Government LLC	\$263.82
477643	09/05/2024	Open	Chris Lane	\$100.00
477644	09/05/2024	Open	Chris Swinscoe	\$100.00
477645	09/05/2024	Open	Cintas	\$11,548.87
477646	09/05/2024	Open	Coast Automotive Warehouse Inc	\$150.16
477647	09/05/2024	Open	Collin Mitchell	\$168.00
477648	09/05/2024	Open	Commercial Truck Company	\$1,202.60
477649	09/05/2024	Open	Community Homeless Solutions	\$106,880.73
477650	09/05/2024	Open	Consolidated Electrical Distributors, Inc.	\$249.24
477651	09/05/2024	Open	Dana Cornelison	\$100.00

# City of Salinas

## Payment Register

From Payment Date: 9/4/2024 - To Payment Date: 9/17/2024

Number	Date	Status	Payee Name	Amount
<b>General Account - General Account</b>				
<b>Check</b>				
477652	09/05/2024	Open	Daniel David Green	\$100.00
477653	09/05/2024	Open	Dave Shaw	\$100.00
477654	09/05/2024	Open	David L Crabill	\$100.00
477655	09/05/2024	Open	David Poulin	\$100.00
477656	09/05/2024	Open	Department Of Justice	\$66.00
477657	09/05/2024	Open	Devon McCauley Petty Cash Custodian	\$188.46
477658	09/05/2024	Open	Disaster Kleenup Specialist, Inc.	\$937.31
477659	09/05/2024	Open	Docks and Doors LLC	\$345.19
477660	09/05/2024	Open	Don Chapin Inc	\$7,066.71
477661	09/05/2024	Open	Downtown Streets, Inc	\$47,491.48
477662	09/05/2024	Open	E2 Consulting Engineers, Inc	\$28,427.25
477663	09/05/2024	Open	East Bay Tire Company	\$2,667.72
477664	09/05/2024	Open	Fastenal Company	\$38.79
477665	09/05/2024	Open	Fed Ex	\$9.39
477666	09/05/2024	Open	Ferguson US Holdings Inc dba Ferguson Enterprises	\$361.09
477667	09/05/2024	Open	First Alarm Security & Patrol Inc dba An Allied Un	\$3,391.36
477668	09/05/2024	Open	Fresno Oxygen & Welding Suppliers, Inc.	\$98.00
477669	09/05/2024	Open	Gavilan Printers LLC	\$695.57
477670	09/05/2024	Open	George Lauricella	\$100.00
477671	09/05/2024	Open	Gold Star Motors dba Gold Star Buick GMC	\$239.00
477672	09/05/2024	Open	Golden State Emergency Vehicle Service Inc	\$1,986.97
477673	09/05/2024	Open	Golden State Truck and Trailer Repair	\$4,819.55
477674	09/05/2024	Open	Goldfarb and Lipman	\$2,680.00
477675	09/05/2024	Open	Granite Construction Company	\$2,886.90
477676	09/05/2024	Open	Granite Rock Co	\$5,332.59
477677	09/05/2024	Open	Granite Rock Co	\$1,973,690.38
477678	09/05/2024	Open	Green Valley Industrial Supply	\$97.41
477679	09/05/2024	Open	Grimco, Inc	\$3,291.43
477680	09/05/2024	Open	Heath Johnson	\$100.00
477681	09/05/2024	Open	Heather A Hardee dba Hardee Polygraph Services	\$1,875.00
477682	09/05/2024	Open	Hector Cortez	\$100.00
477683	09/05/2024	Open	Hemi's Landscaping and Concrete Inc	\$6,240.00
477684	09/05/2024	Open	Henry Gomez	\$100.00
477685	09/05/2024	Open	Hobart Sales	\$4,855.26
477686	09/05/2024	Open	Hydro Turf	\$2,550.16
477687	09/05/2024	Open	ID Concepts LLC	\$544.07
477688	09/05/2024	Open	iHeartMedia Entertainment Inc dba KDON-FM RDON-FM	\$1,111.40
477689	09/05/2024	Open	Ingram Book Company	\$7,250.78
477690	09/05/2024	Open	Interstate Battery System Inc	\$275.02
477691	09/05/2024	Open	Jacqueline Pacelli	\$100.00
477692	09/05/2024	Open	James Bradley Blesso dba 2-Eleven Shields	\$423.15
477693	09/05/2024	Open	James Knowlton	\$100.00

# City of Salinas

## Payment Register

From Payment Date: 9/4/2024 - To Payment Date: 9/17/2024

Number	Date	Status	Payee Name	Amount
<b>General Account - General Account</b>				
<b>Check</b>				
477694	09/05/2024	Open	Jesse Pinon	\$100.00
477695	09/05/2024	Open	John Wider	\$100.00
477696	09/05/2024	Open	Johnson Associates	\$65.50
477697	09/05/2024	Open	Jonathan Barnes	\$100.00
477698	09/05/2024	Open	Jose Adrian Garcia Ramos dba Shredding Source Solu	\$315.00
477699	09/05/2024	Open	Jose Luis Corral dba Salinas Pizza	\$642.69
477700	09/05/2024	Open	Joshua Lynd	\$100.00
477701	09/05/2024	Open	JT Hose & Fittings	\$220.29
477702	09/05/2024	Open	Juan Acevedo	\$151.35
477703	09/05/2024	Open	Keith Emery	\$100.00
477704	09/05/2024	Open	Kenneth Schwener	\$100.00
477705	09/05/2024	Open	Kevin Skinner	\$100.00
477706	09/05/2024	Open	Kurt Ashley dba Secure Solutions	\$19,266.15
477707	09/05/2024	Open	L.N. Curtis & Sons	\$11,620.50
477708	09/05/2024	Open	M3 Environmental Consulting	\$10,018.24
477709	09/05/2024	Open	Makalu Ventures, LLC dba UAV Coach	\$1,512.00
477710	09/05/2024	Open	Matthew G Norton Co dba NWB Salinas LLC	\$345.00
477711	09/05/2024	Open	Matthew G Norton Co dba NWB Salinas LLC	\$215.85
477712	09/05/2024	Open	MCSI Water Systems Management	\$1,413.01
477713	09/05/2024	Open	Michael Groves	\$100.00
477714	09/05/2024	Open	Midwest Tape, LLC dba Midwest Tape	\$1,675.59
477715	09/05/2024	Open	Midwestern Software Solutions, LLC	\$1,958.00
477716	09/05/2024	Open	Monterey Bay Analytical Services, Inc	\$1,010.00
477717	09/05/2024	Open	Monterey County Emergency Communications Dept	\$855,164.00
477718	09/05/2024	Open	Monterey County Health Department	\$920.00
477719	09/05/2024	Open	Monterey County Health Department	\$2,000.00
477720	09/05/2024	Open	Monterey County Recorders	\$4.00
477721	09/05/2024	Open	Monterey County Weekly	\$693.00
477722	09/05/2024	Open	Monterey One Water	\$1,131.13
477723	09/05/2024	Open	My Chevrolet	\$290.03
477724	09/05/2024	Open	Natividad Medical Foundation	\$30,069.21
477725	09/05/2024	Open	O'Reilly Auto Parts	\$463.62
477726	09/05/2024	Open	Office Depot Business Service Division	\$228.88
477727	09/05/2024	Open	Onecimo Solis	\$40.10
477728	09/05/2024	Open	Operation Freedom Paws	\$468.00
477729	09/05/2024	Open	Oscar Dydasco	\$100.00
477730	09/05/2024	Open	Pacific Gas and Electric Company	\$4,205.24
477731	09/05/2024	Open	Partners For Peace	\$27,047.17
477732	09/05/2024	Open	Pedro C Estrada Db a Estrada Janitorial Service	\$60,215.00
477733	09/05/2024	Open	Peninsula Messenger, LLC	\$450.00
477734	09/05/2024	Open	Pershing LLC	\$2,775.77
477735	09/05/2024	Open	Platinum Auto Glass LLC	\$1,436.25

# City of Salinas

## Payment Register

From Payment Date: 9/4/2024 - To Payment Date: 9/17/2024

Number	Date	Status	Payee Name	Amount
<b>General Account - General Account</b>				
<b>Check</b>				
477736	09/05/2024	Open	PLM Lender Services Inc	\$431.25
477737	09/05/2024	Open	Precision K9 LLC	\$4,600.00
477738	09/05/2024	Open	Professional Police Supply, Inc dba Adamson Police	\$32,311.79
477739	09/05/2024	Open	Pryor Learning Solutions Inc dba Fred Pryor Semina	\$299.00
477740	09/05/2024	Open	Pryor Learning Solutions Inc dba Fred Pryor Semina	\$299.00
477741	09/05/2024	Open	Quality Water Enterprises Inc dba Culligan Water	\$315.54
477742	09/05/2024	Open	Quinn Rental Services	\$729.21
477743	09/05/2024	Open	Rancho Cielo Youth Center	\$25,862.46
477744	09/05/2024	Open	RDO Equipment Company	\$555.49
477745	09/05/2024	Open	Rent-A-Fence.com, Inc	\$216.32
477746	09/05/2024	Open	Republic Services of Salinas	\$3,020.40
477747	09/05/2024	Open	Rexel USA, Inc dba Platt Electric Supply	\$1,333.91
477748	09/05/2024	Open	Richard Maldonado	\$100.00
477749	09/05/2024	Open	Ricky Williams	\$100.00
477750	09/05/2024	Open	Robert Flynn	\$100.00
477751	09/05/2024	Open	Ross Ladder Service	\$5,774.25
477752	09/05/2024	Open	Rydin Decal	\$450.19
477753	09/05/2024	Open	Salinas Northpoint Apartments, LLC	\$2,700.00
477754	09/05/2024	Open	San Lorenzo Lumber	\$877.82
477755	09/05/2024	Open	Scott Houchin	\$100.00
477756	09/05/2024	Open	Scott Myhre	\$100.00
477757	09/05/2024	Open	Sergio Oseguera	\$305.00
477758	09/05/2024	Open	Shannon Bryant	\$100.00
477759	09/05/2024	Open	Sheldon Bryan	\$100.00
477760	09/05/2024	Open	Simon Jimenez	\$100.00
477761	09/05/2024	Open	Smart and Final Iris	\$420.22
477762	09/05/2024	Open	Smith and Enright Landscaping	\$54,962.55
477763	09/05/2024	Open	Southern Tire Mart LLC	\$800.00
477764	09/05/2024	Open	Southwest Chapter AAAE Dba SWAAAE	\$95.00
477765	09/05/2024	Open	Stanley Cooper	\$100.00
477766	09/05/2024	Open	Stommel Inc dba Lehr	\$56.01
477767	09/05/2024	Open	Stuart Wilson dba Esstac LLC	\$1,073.78
477768	09/05/2024	Open	Sturdy Oil Company	\$19.23
477769	09/05/2024	Open	Suthichai Livingston	\$100.00
477770	09/05/2024	Open	Suthided Livingston	\$100.00
477771	09/05/2024	Open	Suzanne Cottle-Gavalla	\$100.00
477772	09/05/2024	Open	SWRCB Accounting Office	\$964.00
477773	09/05/2024	Open	Target Pest Control	\$145.00
477774	09/05/2024	Open	Target Solutions Learning LLC dba Vector Solutions	\$12,958.44
477775	09/05/2024	Open	TeamCivX, LLC	\$6,300.00
477776	09/05/2024	Open	TechRx Technology Services Corporation	\$5,565.00
477777	09/05/2024	Open	Tehama Golf Club LLC	\$400.00

# City of Salinas

## Payment Register

From Payment Date: 9/4/2024 - To Payment Date: 9/17/2024

Number	Date	Status	Payee Name	Amount
<b>General Account - General Account</b>				
<b>Check</b>				
477778	09/05/2024	Open	Terry Gerhardstein	\$100.00
477779	09/05/2024	Open	The Bank Of New York Mellon	\$4,500.00
477780	09/05/2024	Open	The Ed Jones Company, Incorporated	\$773.46
477781	09/05/2024	Open	Tiffanys Body Shop	\$1,989.85
477782	09/05/2024	Open	Todd Swinscoe	\$100.00
477783	09/05/2024	Open	Tri County Fire Protection	\$117.00
477784	09/05/2024	Open	True North Compliance Services, Inc	\$23,365.82
477785	09/05/2024	Open	Tuscany Enterprises, Inc dba Everclear Hydro-jetti	\$1,132.79
477786	09/05/2024	Open	U.S. Bank National Association ND	\$16,036.22
477787	09/05/2024	Open	United Parcel Service	\$32.90
477788	09/05/2024	Open	United Site Services	\$4,119.64
477789	09/05/2024	Open	Veritiv Operating Company Formerly xpedx	\$75.16
477790	09/05/2024	Open	Verizon Wireless	\$3,941.03
477791	09/05/2024	Open	Verizon Wireless	\$261.81
477792	09/05/2024	Open	Verizon Wireless	\$1,365.23
477793	09/05/2024	Open	Verizon Wireless	\$1,202.54
477794	09/05/2024	Open	Vestis Group, Inc dba Vestis Services, LLC	\$37.56
477795	09/05/2024	Open	W W Grainger Inc	\$2,051.64
477796	09/05/2024	Open	Wald, Ruhnke & Dost Architects, LLP	\$865.72
477797	09/05/2024	Open	WCAF, LLC dba Watsonville Ford	\$841.14
477798	09/05/2024	Open	WCDJR LLC dba Watsonville Chrysler Dodge Jeep Ram	\$443.87
477799	09/05/2024	Open	West Coast Arborists Inc	\$47,823.00
477800	09/05/2024	Open	Willdan Engineering	\$9,166.48
477801	09/05/2024	Open	Aqua Terra Water Service	\$410.00
477802	09/05/2024	Open	Janes Answering Service LP	\$1,136.02
477803	09/05/2024	Open	Star Sanitation	\$306.00
477804	09/12/2024	Open	Alejandro Jimenez	\$272.50
477805	09/12/2024	Open	Andres Torres	\$272.50
477806	09/12/2024	Open	Christopher Knapp	\$168.50
477807	09/12/2024	Open	Eric Rodriguez	\$272.50
477808	09/12/2024	Open	Jared Reyes	\$272.50
477809	09/12/2024	Open	Michele Houston	\$233.00
477810	09/12/2024	Open	Raul Ortega	\$359.08
477811	09/12/2024	Open	Rene Mendez	\$369.05
477812	09/12/2024	Open	Sophia Rome	\$277.92
477813	09/12/2024	Open	2NDNATURE, LLC	\$50,166.90
477814	09/12/2024	Open	Ace Hardware	\$441.83
477815	09/12/2024	Open	Agile Occupational Medicine PC	\$445.00
477816	09/12/2024	Open	Alco Water	\$25,018.22
477817	09/12/2024	Open	Alfredo's Concrete 1, Inc.	\$5,000.00
477818	09/12/2024	Open	Alhambra and Sierra Spring DS Waters of America LP	\$172.86
477819	09/12/2024	Open	Alhambra and Sierra Spring DS Waters of America LP	\$334.26

# City of Salinas

## Payment Register

From Payment Date: 9/4/2024 - To Payment Date: 9/17/2024

Number	Date	Status	Payee Name	Amount
<b>General Account - General Account</b>				
<b>Check</b>				
477820	09/12/2024	Open	All Safe Security Alarm	\$255.00
477821	09/12/2024	Open	ALTEC INDUSTRIES, INC.	\$3,254.79
477822	09/12/2024	Open	Amazon.Com	\$270.11
477823	09/12/2024	Open	American Supply Company	\$3,350.78
477824	09/12/2024	Open	Amsoil Inc	\$1,837.81
477825	09/12/2024	Open	Analgesic Services Inc	\$305.00
477826	09/12/2024	Open	Anthony Parker	\$20,604.21
477827	09/12/2024	Open	Arrowhead Forensics	\$1,352.10
477828	09/12/2024	Open	B F T LP dba Pet Waste Eliminator	\$1,114.35
477829	09/12/2024	Open	Bandit Systems Inc dba Bandit Systems	\$1,366.48
477830	09/12/2024	Open	Bear Electrical Solutions Inc	\$44,257.50
477831	09/12/2024	Open	Benitez Security Services, Inc	\$52,935.00
477832	09/12/2024	Open	Bob Murray and Associates	\$1,532.98
477833	09/12/2024	Open	California Water Service	\$637.23
477834	09/12/2024	Open	Carlos Pimentel	\$250.50
477835	09/12/2024	Open	CDW Government LLC	\$86,115.15
477836	09/12/2024	Open	Central Coast Center For Independent	\$9,132.33
477837	09/12/2024	Open	Cintas	\$115.42
477838	09/12/2024	Open	Comcast (Business)	\$373.27
477839	09/12/2024	Open	Comcast (Business)	\$53.91
477840	09/12/2024	Open	Condor Security Of America Inc	\$16,255.94
477841	09/12/2024	Open	Consolidated Electrical Distributors, Inc.	\$5,957.70
477842	09/12/2024	Open	CW Nielsen Manufacturing Corp	\$882.00
477843	09/12/2024	Open	Don Chapin Inc	\$3,287.37
477844	09/12/2024	Open	Downtown Streets, Inc	\$8,937.78
477845	09/12/2024	Open	Enterprise Holdings, Inc dba EAN Services LLC	\$1,728.52
477846	09/12/2024	Open	Eulalio Villegas-Rivera Petty Cash Custodian	\$3,400.00
477847	09/12/2024	Open	Fastenal Company	\$1,578.91
477848	09/12/2024	Open	Fed Ex	\$26.77
477849	09/12/2024	Open	Ferguson US Holdings Inc dba Ferguson Enterprises	\$1,799.55
477850	09/12/2024	Open	First Alarm Security & Patrol Inc dba An Allied Un	\$15,238.30
477851	09/12/2024	Open	G2Solutions, Inc	\$18.00
477852	09/12/2024	Open	Genuine Parts Company dba NAPA Auto Parts	\$3,021.52
477853	09/12/2024	Open	Genuine Parts Company dba NAPA Auto Parts	\$868.54
477854	09/12/2024	Open	Golden State Truck and Trailer Repair	\$8,687.24
477855	09/12/2024	Open	Granite Construction Company	\$737.44
477856	09/12/2024	Open	Granite Construction Company	\$15,090.75
477857	09/12/2024	Open	Granite Rock Co	\$2,801.27
477858	09/12/2024	Open	Grimco, Inc	\$3,291.43
477859	09/12/2024	Open	Harris and Associates	\$8,167.50
477860	09/12/2024	Open	Hilda Garcia Petty Cash Custodian	\$91.50
477861	09/12/2024	Open	Hydro Turf	\$301.82



# City of Salinas

## Payment Register

From Payment Date: 9/4/2024 - To Payment Date: 9/17/2024

Number	Date	Status	Payee Name	Amount
<b>General Account - General Account</b>				
<b>Check</b>				
477862	09/12/2024	Open	International Business Information Technologoes In	\$12,164.03
477863	09/12/2024	Open	Interstate Battery System Inc	\$603.89
477864	09/12/2024	Open	Jam Services Inc	\$22,614.75
477865	09/12/2024	Open	Jesse And Evan Inc dba La Plaza Bakery	\$95.00
477866	09/12/2024	Open	Johnson Associates	\$1,268.37
477867	09/12/2024	Open	Johnson Electronics	\$577.13
477868	09/12/2024	Open	Joshua Marmolejo	\$225.00
477869	09/12/2024	Open	Karla's Janitorial & Suppliers, LLC	\$3,050.00
477870	09/12/2024	Open	Kimball Midwest	\$945.08
477871	09/12/2024	Open	Kimley Horn And Assoc Inc	\$76,831.32
477872	09/12/2024	Open	Lawson Products, Inc	\$203.48
477873	09/12/2024	Open	Lexipol LLC	\$25,000.00
477874	09/12/2024	Open	Liebert Cassidy Whitmore	\$600.00
477875	09/12/2024	Open	Magnet Forensics, LLC	\$6,010.66
477876	09/12/2024	Open	Matthew G Norton Co dba NWB Salinas LLC	\$158.35
477877	09/12/2024	Open	Maze & Associates	\$24,720.00
477878	09/12/2024	Open	MJF Automotive Partners Inc dba Cal Collision	\$6,433.95
477879	09/12/2024	Open	Monterey County District Attorney	\$17,762.29
477880	09/12/2024	Open	Monterey County Water Resources Agency	\$8,280.75
477881	09/12/2024	Open	Monterey County Women Lawyers Association	\$25.00
477882	09/12/2024	Open	Monterey Sanitary Supply Inc Altius Medical	\$254.00
477883	09/12/2024	Open	Monterey Transfer and Storage Inc	\$390.00
477884	09/12/2024	Open	Monterra Ranch Of Monterey Home Owner's Associatio	\$460.00
477885	09/12/2024	Open	Municipal Resource Group LLC	\$4,937.50
477886	09/12/2024	Open	National League Of Cities	\$12,121.00
477887	09/12/2024	Open	Niche Academy LLC	\$4,200.00
477888	09/12/2024	Open	NPG of Monterey-Salinas CA LLC dba KION NION KMUV	\$5,555.00
477889	09/12/2024	Open	OCLC Online Computer Library Center dba OCLC Inc.	\$4,323.73
477890	09/12/2024	Open	Office Depot Business Service Division	\$200.93
477891	09/12/2024	Open	Operation Freedom Paws	\$275.00
477892	09/12/2024	Open	Pacific Gas and Electric Company	\$6,741.02
477893	09/12/2024	Open	Pacific Gas and Electric Company	\$3,000.00
477894	09/12/2024	Open	Pacific Gas and Electric Company	\$954.92
477895	09/12/2024	Open	Pacific Valley Solutions LLC dba Pacific Valley	\$1,856.17
477896	09/12/2024	Open	PARS Retirement Services	\$663.01
477897	09/12/2024	Open	Planet Bids Inc	\$19,887.10
477898	09/12/2024	Open	Quality Water Enterprises Inc dba Culligan Water	\$136.40
477899	09/12/2024	Open	Republic Services of Salinas	\$1,604.16
477900	09/12/2024	Open	Republic Services of Salinas	\$619.60
477901	09/12/2024	Open	Russell Auria Pest Control Services	\$175.00
477902	09/12/2024	Open	Russell Auria Pest Control Services	\$170.00
477903	09/12/2024	Open	Ruth Maria Milla-Leon dba Andersen's Lock & Safe	\$228.70



# City of Salinas

## Payment Register

From Payment Date: 9/4/2024 - To Payment Date: 9/17/2024

Number	Date	Status	Payee Name	Amount
<b>General Account - General Account</b>				
<b>Check</b>				
477904	09/12/2024	Open	Same Day Shred	\$180.00
477905	09/12/2024	Open	Samsara Inc.	\$4,345.97
477906	09/12/2024	Open	San Lorenzo Lumber	\$333.35
477907	09/12/2024	Open	SettlementOne Screening Corporation dba PeopleFact	\$81.42
477908	09/12/2024	Open	Shane VanderVeen	\$41.95
477909	09/12/2024	Open	Smith and Enright Landscaping	\$33,433.75
477910	09/12/2024	Open	Special Services Group LLC	\$1,200.00
477911	09/12/2024	Open	Stommel Inc dba Lehr	\$8,450.27
477912	09/12/2024	Open	Sturdy Oil Company	\$4,966.34
477913	09/12/2024	Open	Target Pest Control	\$205.00
477914	09/12/2024	Open	The Pun Group, LLP	\$21,200.00
477915	09/12/2024	Open	The Sherwin-Williams Co	\$315.37
477916	09/12/2024	Open	Tint Shop Corp	\$120.00
477917	09/12/2024	Open	Todd Hearnberger dba TH Electric	\$630.48
477918	09/12/2024	Open	Twining, Inc	\$27,301.90
477919	09/12/2024	Open	U.S. Bank National Association ND	\$16,471.85
477920	09/12/2024	Open	United Parcel Service	\$32.90
477921	09/12/2024	Open	United Site Services	\$3,038.15
477922	09/12/2024	Open	Valley Saw Shop	\$76.46
477923	09/12/2024	Open	Verizon Wireless	\$6,771.88
477924	09/12/2024	Open	Verizon Wireless	\$4,222.39
477925	09/12/2024	Open	Verizon Wireless	\$2,142.58
477926	09/12/2024	Open	Verizon Wireless	\$4,215.81
477927	09/12/2024	Open	Verizon Wireless	\$1,043.58
477928	09/12/2024	Open	Vestis Group, Inc dba Vestis Services, LLC	\$63.75
477929	09/12/2024	Open	Voyager	\$1,012.02
477930	09/12/2024	Open	W W Grainger Inc	\$3,224.54
477931	09/12/2024	Open	Wald, Ruhnke & Dost Architects, LLP	\$349.60
477932	09/12/2024	Open	Wallace Group A California Corporation	\$3,020.55
477933	09/12/2024	Open	Walmart c/o Capitol One	\$411.58
477934	09/12/2024	Open	WCDJR LLC dba Watsonville Chrysler Dodge Jeep Ram	\$3,873.84
477935	09/12/2024	Open	Adelita Zazueta	\$3,215.28
477936	09/12/2024	Open	James Dykes	\$2,380.00
<b>Type Check Totals:</b>				<b>\$4,509,593.29</b>

**General Account - General Account Totals**



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #: ID#24-485, Version: 1**

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### **Citywide Sidewalk Repair Project, Phase II, CIP No. 9720 Contract Change Order No. 3**

Approve a Resolution authorizing the City Manager to execute Contract Change Order No. 3 to JJR Construction for the Citywide Sidewalk Repair Project Phase II, CIP No. 9720 in the amount of \$372,246.60; and approving a 10% construction contingency not identified in Resolution 22889 and an additional 12% construction contingency for a total construction contingency of 22% in the amount of \$459,571.97 for a revised not to exceed contract amount of \$2,548,535.48 to JJR Construction Inc.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 24, 2024  
**DEPARTMENT:** PUBLIC WORKS DEPARTMENT  
**FROM:** DAVID JACOBS, P.E., L.S., PUBLIC WORKS DIRECTOR  
**THROUGH:** ADRIANA ROBLES, P.E., C.F.M., CITY ENGINEER  
**BY:** VICTOR SANCHEZ, ASSISTANT ENGINEER  
**TITLE:** CITYWIDE SIDEWALK REPAIR PROJECT PHASE II, CIP NO. 9720 CCO NO. 3

RECOMMENDED MOTION:

It is recommended that the City Council approve a resolution:

1. Authorizing the City Manager to execute Contract Change Order No. 3 to JJR Construction for the Citywide Sidewalk Repair Project Phase II, CIP No. 9720 in the amount of \$372,246.60; and
2. Approving a 10% construction contingency not identified in Resolution 22889 and an additional 12% construction contingency for a total construction contingency of 22% in the amount of \$459,571.97 for a revised not to exceed contract amount of \$2,548,535.48 to JJR Construction Inc.

EXECUTIVE SUMMARY:

On February 6, 2024, City Council approved Resolution 22889, awarding a contract to JJR Construction for the Citywide Sidewalk Repair Project Phase II, CIP No. 9720 in the amount of \$1,688,963.51 and authorizing the Interim City Manager to approve contract change orders for additional work for an amount not to exceed \$400,000. Contract Change Order No. 3 directs the contractor to install 35 pedestrian curb ramps where none existed at locations where roadway pavement was recently rehabilitated as required by Title II of the Americans with Disabilities Act (ADA).

Additional contingency is requested to fund additional potential contract change orders that were negotiated with JJR to include sidewalk repairs to address an ADA grievance and to reconnect sidewalks currently disconnected along E Romie Lane.

BACKGROUND:

On February 6, 2024, City Council approved Resolution 22889, awarding a contract to JJR Construction Inc. for the Citywide Sidewalk Repair Project Phase II, CIP No. 9720 in the amount of \$1,688,963.51 and authorizing the Interim City Manager to approve contract change orders in

an amount not to exceed \$400,000. A portion of the \$400,000 was to address corner addresses not incorporated into the Citywide Sidewalk Repair Project, Phase I project. An additional 10% of construction contingency was identified in the staff report but not in the resolution.

Title II of the Americans with Disabilities Act (ADA) requires that state and local governments ensure that persons with disabilities have access to the pedestrian routes in the public right of way. An important part of this requirement is the obligation whenever streets, roadways, or highways are *altered* to provide curb ramps where street level pedestrian walkways cross curbs. This requirement is intended to ensure the accessibility and usability of the pedestrian walkway for persons with disabilities. Alterations of streets, roads, or highways include activities such as reconstruction, rehabilitation, resurfacing, widening, and projects of similar scale and effect.<sup>1</sup>

Over the past couple of years, the City has dedicated additional resources to improve roadway pavement conditions, dedicating both maintenance and contract work to the rehabilitation of streets. Table 1 below identifies roadways rehabilitated by City Maintenance crews that require curb ramps to allow pedestrian access to the street level.

**Table 1: Pedestrian Curb Ramp Locations**

Rehabilitated Street	Address	Rehabilitated Street	Address
Menlo Way	1570 Menlo Way	Sierra Madre Dr	920 Sierra Madre Dr
Menlo Way	1571 Menlo Way	Sierra Madre Dr	749 Sierra Madre Dr
Menlo Way	1535 Los Altos Way	Sierra Madre Dr	750 Sierra Madre Dr
Menlo Way	1547 Los Altos Way	Sierra Madre Dr	603 W Acacia St
Eucalyptus Dr	322 Eucalyptus Dr	Sierra Madre Dr	525 W Acacia St
Campus Ave	777 College Dr	Sierra Madre Dr	730 Sierra Madre Dr
Campus Ave	778 College Dr	Sierra Madre Dr	595 Ambrose Dr
Campus Ave	771 Lemos Ave	Pueblo Dr	407 Pueblo Dr
Campus Ave	772 Lemos Ave	Pueblo Dr	355 Pueblo Dr
Campus Ave	716 Campus Ave	Pueblo Dr	308 Pueblo Dr
Campus Ave	726 Campus Ave	Pueblo Dr	307 Pueblo Dr
Campus Ave	732 Campus Ave	Pueblo Dr	273 Pueblo Dr
Campus Ave	733 Campus Ave	Pueblo Dr	272 Pueblo Dr
Sierra Madre Dr	1053 Sierra Madre Dr	Pueblo Dr	207 Pueblo Dr
Sierra Madre Dr	1040 Sierra Madre Dr	Pueblo Dr	208 Pueblo Dr
Sierra Madre Dr	1022 Sierra Madre Dr	Pike Way	1454 Parsons Ave
Sierra Madre Dr	1019 Sierra Madre Dr	Pike Way	1450 Parsons Ave
Sierra Madre Dr	912 Sierra Madre Dr		

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<sup>1</sup> Department of Justice/Department of Transportation Joint Technical Assistance on the Title II of the Americans with Disabilities Act Requirements to Provide Curb Ramps when Streets, Roads, or Highways are Altered through Resurfacing, July 8, 2013

Contract Change Order No. 3 directs the contractor to install 35 pedestrian curb ramps, identified in Table 1, where none existed following alteration of the roadway through resurfacing, as required by Title II of the ADA.

**Table 2: Construction Change Order List**

Description	Cost
CCO #1 - Corner Addresses	\$ 197,865.88
CCO #2 - Additional HMA	\$ 10,500.00
CCO #3 - ADA Ramps	\$ 372,246.60

Staff is seeking Council approval of Contract Change Order No. 3 to fulfill the requirements of Title II of the ADA in the amount of \$372,246. Table 2 provides a list of contract change orders. Additional funds are required to execute Change Order 3 and to address additional potential contract change orders negotiated with JJR. These include sidewalk repairs to address an ADA grievance, pursuant to the ADA Grievance Policy approved by City Council on June 22, 2021, and reconnecting sidewalks currently disconnected along E Romie Lane to allow pedestrian access.

Staff has received proposals for the above-mentioned change orders and is seeking approval of the 10% construction contingency identified in the February 6, 2024 staff report, but not identified in Resolution 22889 and an additional 12% construction contingency for a total construction contingency of 22% in the amount of \$459,571.97 for the potential change orders identified above. If approved, the new contract amount will be \$2,548,535.48. Table 3 provides a breakdown of the construction costs.

**Table 3: Construction Cost Request Breakdown**

Description	Cost
Original Contract Amount	\$1,688,963.51
Additional Funds Authorized per Resolution 22889	\$400,000.00
<b>Council Approved Total - Resolution 22889</b>	<b>\$2,088,963.51</b>
22% Contingency	\$459,571.97
<b>Total Contract Amount Requested</b>	<b>\$2,548,535.48</b>

CEQA CONSIDERATION:

The City of Salinas has determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines (Section 15301(c), Class I) because the majority of the work will be maintenance of concrete sidewalks, curb and gutters.

Furthermore, the project does not qualify for any of the exceptions to the categorical exemptions found at CEQA Guidelines Section 15300.2 as all exceptions do not relate to the project scope of work for this project.

STRATEGIC PLAN INITIATIVE:

This item relates to the Council’s Goal of Infrastructure and Environmental Sustainability and Public Safety by investing in the sidewalk repair program to allow access to the roadways for people with disabilities.

DEPARTMENTAL COORDINATION:

The majority of the coordination is within the Public Works Department. The Divisions working together are the Engineering Division and Maintenance (Urban Forestry and Streets Divisions) for updates and coordination on the Sidewalk Repair request list, evaluation of tree roots, and tracking of the trees removed/replaced.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	Appropriation	Appropriation Name	Total Appropriation*	Amount for recommendation	FY 24-25 CIP Budget Page	Last Budget Action (Date, Resolution)
3911	50.9720-66.4000	Capital Outlays Improvements	\$287,616.24	\$287,616.24	N/A	11/16/2021, 22250
5800	50.9720-66.4000	Capital Outlays Improvements	\$1,183,343.17	\$352,568.21	Street Maintenance/ Project No. 9720	6/11/2024, 22979

\* Total appropriation includes carryover from previous year budgets.

Sufficient funds are available in the Sidewalk and Drainage Improvements budgets identified within ARPA and CIP funds (3911.50.9720 and 5800.50.9720). The requested funds will allow for the full execution of Change Order 3 and allocation of construction contingency funds to close-out the project.

ATTACHMENTS:

Resolution  
CIP 9720-CCO-3 ADA RAMPS

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**A RESOLUTION AUTHORIZING CONTRACT CHANGE ORDER NO. 3 WITH  
JJR CONSTRUCTION INC. FOR THE CITYWIDE SIDEWALK REPAIR PROJECT  
PHASE II, CIP NO. 9720**

**WHEREAS**, on February 6, 2024, pursuant to Resolution No. 22889, City Council awarded a contract to JJR Construction Inc. for the Citywide Sidewalk Repair Project Phase II, CIP 9720 in the amount of \$1,688,963.51 and authorized the Interim City Manager to approve contract change orders for additional work for an amount not to exceed \$400,000.; and

**WHEREAS**, Title II of the Americans with Disabilities Act (ADA) requires local governments to ensure that persons with disabilities have access to pedestrian routes in the public right of way.; and

**WHEREAS**, alterations to streets such as reconstruction, rehabilitation, resurfacing and widening require compliance with Title II of the ADA.; and

**WHEREAS**, over the past couple of years, the City has dedicated additional resources to improve roadway pavement conditions.; and

**WHEREAS**, Menlo Way, Eucalyptus Drive, Campus Avenue, Sierra Madre Drive, Pueblo Drive and Pike Way were recently rehabilitated by Maintenance crews requiring compliance with ADA regulations.; and

**WHEREAS**, Contract Change Order No. 3 directs the contractor to install 35 pedestrian curb ramps where none currently exist at locations where City street pavement was recently rehabilitated as required by Title II of the ADA; and

**WHEREAS**, on February 6, 2024, the staff report for Resolution No. 22889 identified an additional contingency of 10% of the construction contract but this was not included in Resolution No. 22889.; and

**WHEREAS**, staff is currently negotiating additional potential change orders to further address ADA compliance; and

**WHEREAS**, an additional 12% contingency of the construction contract and allowance is needed for the additional potential change orders; and

**WHEREAS**, the City of Salinas has determined that the proposed action is categorically exempt from environmental review under the California Environmental Quality Act (CEQA Guidelines Section 15301).

**NOW, THEREFORE, BE IT RESOLVED** that the City Council approves Contract Change Order No. 3 to JJR Construction Inc. for the Citywide Sidewalk Repair Project Phase II, CIP No. 9720, in the amount of \$372,246.60; and

**BE IT FURTHER RESOLVED** that the City Council approves a 10% construction contingency not identified in Resolution 22889 and an additional 12% construction contingency for a total construction contingency of 22% in the amount of \$459,571.97 for a revised not to exceed contract amount of \$2,548,535.48 to JJR Construction Inc.; and

**BE IF FURTHER RESOLVED** that the City Manager is hereby authorized to execute any and all construction change orders for the completion of the project.

**PASSED AND APPROVED** this 24<sup>th</sup> day of September 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

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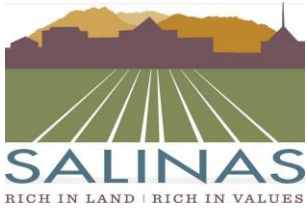
Kimbley Craig, Mayor

**ATTEST:**

---

Patricia M. Barajas, City Clerk





# City of Salinas

PUBLIC WORKS DEPARTMENT • 200 Lincoln Ave • Salinas, California 93901

(831) 758-7241 • (831) 758-7935 (Fax) • www.ci.salinas.ca.us

## CHANGE ORDER

### CHANGE ORDER NO. 3

Date: 8/8/2024 Vendor No.: 10153 P.O. No.: 2023-00003892

Vendor/Contractor: JJR Construction Inc. Project No. 9720

Project Title: Citywide Sidewalk Repair Project Phase II, CIP 9720

The changes described and noted herein are hereby authorized. The signed original of this order is on file at the office of the City Engineer.

Change requested by: PUBLIC WORKS DIRECTOR

### **REASON FOR CHANGE:**

Contractor to reconstruct 35 additional ADA ramps at Eucalyptus Dr, Menlo Way, Campus Ave, Sierra Madre Dr, Pueblo Dr, and Parsons Ave.

Method of payment shall be Contract Change Order item numbers 7-8, 11-15, 19-20 unit prices, and agreed upon lump sum values for item numbers 1-3 as shown on Table-1.

An additional 30 working days for the additional ramp reconstruction shall be added to the contract. Total contract working days shall be 145 working days.

### **DESCRIPTION OF CHANGE:**

#### **INCREASE CONTRACT QUANTITIES AT CONTRACT UNIT RATES:**

Table-1: Extra Work at Contract Unit Rates – Total Estimated Cost

Item No.	Item Description	Add Qty	Unit	Unit Price	Total
1	CONSTRUCTION COORDINATION / MOBILIZATION; COMPLETE-IN-PLACE	1	LS	\$3,600.00	\$3,600.00
2	FURNISH AND INSTALL TRAFFIC CONTROL AND ALL CONSTRUCTION AREA SIGNS AND HARDWARE (INCLUDING REMOVAL AT END OF PROJECT); COMPLETE-IN-PLACE	1	LS	\$5,000.00	\$5,000.00
3	FURNISH AND INSTALL EROSION AND SEDIMENT CONTROL PLAN; COMPLETE-IN-PLACE	1	LS	\$1,800.00	\$1,800.00

7	REMOVE AND DISPOSE OF EXISTING CONCRETE CURB AND GUTTER	150	LF	\$29.28	\$4,392.00
8	CONSTRUCT TYPE "C" CONCRETE CURB AND GUTTER, COMPLETE-IN-PLACE	150	LF	\$144.00	\$21,600.00
11	REMOVE AND DISPOSE EXISTING CONCRETE SIDEWALK	2,000	SF	\$8.55	\$17,100.00
12	CONSTRUCT CONCRETE SIDEWALK, COMPLETE-IN-PLACE	2,000	SF	\$16.13	\$32,260.00
13	CONSTRUCT ADA PEDESTRIAN CURB RAMP "CASE A" CALTRANS STANDARD, COMPLETE-IN-PLACE	11	EA	\$6,900.00	\$75,900.00
14	CONSTRUCT ADA PEDESTRIAN CURB RAMP "CASE B" CALTRANS STANDARD, COMPLETE-IN-PLACE	14	EA	\$9,406.90	\$131,696.60
15	CONSTRUCT ADA PEDESTRIAN CURB RAMP "CASE C" CALTRANS STANDARD, COMPLETE-IN-PLACE	3	EA	\$6,989.80	\$20,969.40
19	CONSTRUCT ADA PEDESTRIAN CURB RAMP "CASE G" CALTRANS STANDARD, COMPLETE-IN-PLACE	7	EA	\$6,989.80	\$48,928.60
20	RELOCATE EXISTING SIGN AND POST, COMPLETE-IN-PLACE	10	EA	\$900.00	\$9,000.00
<b>TOTAL INCREASE (ITEMS 1-19)</b>				<b>\$372,246.60</b>	

Cost adjustments made to the contract:

**TOTAL INCREASE: \$372,246.60**

Time of completion will be adjusted as follows:

**INCREASE TOTAL WORKING DAYS BY AN ADDITIONAL 30 WORKING DAYS FOR A TOTAL OF 145 WORKING DAYS.**

**CHANGE IN CONTRACT COST:**

Contract Bid Award	\$ 1,688,963.51
CCO #1	\$ 197,865.88
CCO #2	\$ 10,500.00
Increase This Contract Change Order	<u>\$ 372,246.60</u>

**Total New Contract Cost** **\$ 2,269,575.99**

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FOR CITY USE ONLY

COST CODES	3911.50.9720-66.4000	\$372,246.60
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**CHANGE ORDER NO. 3**

Date: 8/8/2024 Vendor No.: 10153 P.O. No.: 2023-00003356

Vendor/Contractor: JJR Construction Inc. Project No. 9720

Project Title: Citywide Sidewalk Repair Project, CIP 9720

Approval Recommended: \_\_\_\_\_ Date \_\_\_\_\_  
Project Manager

Approved: \_\_\_\_\_ Date \_\_\_\_\_  
Senior Civil Engineer

Approved: \_\_\_\_\_ Date \_\_\_\_\_  
City Engineer

Approved: \_\_\_\_\_ Date \_\_\_\_\_  
Public Works Director

Approved: \_\_\_\_\_ Date \_\_\_\_\_  
Finance Director

Approved: \_\_\_\_\_ Date \_\_\_\_\_  
City Manager

We, the undersigned Contractor, have given careful consideration to the change proposed and hereby agree, if this proposal is approved, that we will provide all equipment, furnish all material, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefore the prices shown above.

Accepted, Date \_\_\_\_\_ Contractor \_\_\_\_\_

By: \_\_\_\_\_ Title \_\_\_\_\_



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-500, **Version:** 1

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### **Amendment No. 4 to Agreement with Smith & Enright for the removal of unlawful campsites**

Approve a Resolution authorizing the City Manager to execute Amendment No. 4 to the Agreement for Services with Smith & Enright Landscaping, Inc. for the removal of unlawful campsites to increase the compensation by \$300,000 at an annual cost of \$100,000 for a revised not to exceed amount of \$1,050,000 and extend the term to November 30, 2027.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 24, 2024  
**DEPARTMENT:** PUBLIC WORKS  
**FROM:** DAVID JACOBS, PUBLIC WORKS DIRECTOR  
**BY:** JENNY DAVILA, PUBLIC WORKS ADMIN SUPERVISOR  
**TITLE:** AMENDMENT NO. 4 TO THE SERVICE AGREEMENT FOR REMOVAL OF UNLAWFUL CAMPSITES WITH SMITH & ENRIGHT LANDSCAPING, INC.

RECOMMENDED MOTION:

A motion to approve a resolution authorizing the City Manager to execute Amendment Number 4 to the Agreement for Services with Smith & Enright Landscaping, Inc. for the removal of unlawful campsites to increase the compensation by \$300,000 at an annual cost of \$100,000 for a revised not to exceed amount of \$1,050,000 and extend the term to November 30, 2027.

EXECUTIVE SUMMARY:

On December 1, 2015, City Council approved an Agreement for Services between the City of Salinas and Smith & Enright to provide removal of unlawful campsites, bulky items, and personal property on an On-Call/As Needed basis. To continue Homeless cleanup efforts, staff is requesting an extension of the Agreement for an additional three (3) years with an annual cost of \$100,000 for a total contract amount not to exceed \$300,000.

BACKGROUND:

On December 1, 2015, after a request for proposal process, City Council approved an Agreement for Services with Smith & Enright Landscaping, Inc. to provide On-Call/As needed services to assist with the removal of unlawful campsites, bulky items, and personal property. Original approved agreement was set to end on November 30, 2017.

On November 1, 2017, the City of Salinas and Smith & Enright Landscaping, Inc. desired to amend the existing agreement to reflect additional and current scope of work related to homeless cleanup. In addition to the change in scope of work, both parties executed two amendments which extended the term of the agreement thru November 30, 2021.

On October 12, 2021, both parties agreed to enter a new three (3) year agreement extending the date to end on November 30, 2024. The new Agreement had a not to exceed of \$250,000 per year for a total contract amount not to exceed \$750,000.

On February 20, 2024, an increase of \$95,000 for the annual contract total was approved noting that the approved increase will not go over the total compensation amount of \$750,000.

To date, the current Agreement will end in November 2024. Staff is requesting authorization for the City Manager to execute an Amendment extending the current Agreement for three (3) years for an annual amount of \$100,000 with a total not to exceed amount of \$300,000 for the total contract.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

The removal of unlawful campsites, bulky items, and personal property aligns with the City Council’s Strategic Plan goal of “Public Safety”.

DEPARTMENTAL COORDINATION:

Public Works Maintenance Division staff work hand in hand with Salinas Police Department on the day-to-day activities involved in the implementation of the program. Coordination with City Legal Department staff ensure proper public notification of cleanup areas.

FISCAL AND SUSTAINABILITY IMPACT:

Funding is available and appropriated within the Public Works Department (1200.50.5234).

ATTACHMENTS:

Resolution  
Original Agreement  
Amendment

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AMENDMENT TO THE AGREEMENT FOR SERVICES FOR REMOVAL OF UNLAWFUL CAMPSITES WITH SMITH & ENRIGHT**

**WHEREAS**, on December 1, 2015, the City Council approved resolution 20884 which authorized City Manager to execute an Agreement with Smith & Enright Landscaping, Inc. for unlawful encampment cleanup (“Original Agreement”) set to end on November 30, 2017; and

**WHEREAS**, on November 1, 2017, the City of Salinas and Smith & Enright formally extended the term of the Agreement through November 30, 2019; and

**WHEREAS**, on November 1, 2019, the City of Salinas and Smith & Enright formally extended the term of the Agreement through November 30, 2021; and

**WHEREAS**, on October 12, 2021, the City of Salinas and Smith & Enright formally extended the term of the Agreement through November 30, 2024; and

**WHEREAS**, on February 20, 2024, the City of Salinas and Smith & Enright amended the services Agreement to increase the final year by \$95,000 for a total not to exceed annual amount of \$345,000; and

**WHEREAS**, City staff and Smith & Enright desire to further amend the amended Agreement to extend the term to November 30, 2027, and increase the compensation by \$300,000 at an annual cost of \$100,000 for a total not to exceed amount of \$1,050,000..

**NOW, THEREFORE, BE IT RESOLVED** that the Salinas City Council authorizes the City Manager to execute Amendment No. 4 to extend the Agreement for Services with Smith & Enright to November 30, 2027, and increase the compensation by \$300,000 at an annual cost of \$100,000 for a revised not to exceed amount of \$1,050,000.

**PASSED AND APPROVED** this 24th day of September 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

---

Kimbley Craig, Mayor

**ATTEST:**

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Patricia M. Barajas, City Clerk



**AGREEMENT FOR SERVICES BETWEEN  
THE CITY OF SALINAS AND SMITH & ENRIGHT LANDSCAPING, INC.**

**Removal of Unlawful Campsites, Bulky Items, And Personal Property**

**THIS AGREEMENT** is executed this 17th day of November, 2021, (“Agreement” or “Contract”) between the City of Salinas, a California Charter city and municipal corporation (hereinafter “City”) and Smith & Enright Landscaping, Inc., a California corporation (Hereinafter “Contractor”).

**IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:**

1. **Scope.** Contractor hereby agrees to provide to the City, as the scope of services under this Agreement, the following services: Removal of Unlawful Campsites, Bulky Items, and Personal Property. Scope of work is further discussed in Attachment B, consistent with City procedure and processes.
2. **Timeliness.** Contractor shall perform all tasks in a timely fashion, as set forth more specifically in Section 3 below. Failure to so perform is hereby deemed a material breach of this Agreement, and City may terminate this Agreement with no further liability hereunder, or the city may agree in writing with Contractor to an extension of time.
3. **Term.** The work under this Agreement shall commence December 1, 2021 and shall terminate on November 30, 2024. This Agreement may be extended only upon mutual written consent of the parties, and may be terminated only pursuant to the terms of this Agreement.
4. **Payment.** City hereby agrees to pay Contractor on a time and materials basis for the services rendered to the City, based upon the labor and equipment rates provided in Attachment B, after receiving a detailed cost estimate prior to beginning each job. The cost of this contract shall not exceed \$250,000 per year.  
Contractor has no right of reimbursement for expenses under this Agreement. Compensation shall become due and payable 30 days after City’s approval of Contractor’s submission of monthly written invoices to the City. The payment of any compensation shall be contingent upon performance of the terms and conditions of this Agreement to the satisfaction of the City. If City determines that the work set forth in the written invoice has not been performed in accordance with the terms of this Agreement, City shall not be responsible for payment until such time as the work has been satisfactorily performed.
5. **Meet & Confer.** Contractor agrees to meet and confer with City or its agents or employees with regard to services as set forth herein as may be required by City to insure timely and adequate performance of this Agreement.
6. **Insurance.** Contractor shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in Attachment A hereto.
7. **Indemnification.** Contractor shall hold harmless, defend at its own expense, and

indemnify City and its officers, officials, employees, agents, and volunteers from and against all liability, claims, damages, losses, and/or expenses including reasonable City attorney fees arising from all acts or omissions of Contractor or its officers, agents, or employees arising out of the performance of the work under this Contract, caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, except where caused by the, sole negligence or willful misconduct of the City.

8. **Licensing.** Contractor warrants that it is properly licensed to perform the work specified under this Agreement, including but not limited to possession of a current City business license.

9. **Termination.** City may terminate this Agreement upon ten days' written notice. The amount of damages, if any, as a result of such termination may be decided by negotiations between the parties or before a court of competent jurisdiction.

10. **Agency.** In performing the services specified under this Agreement, Contractor is hereby deemed to be an independent contractor and not an agent or employee of City.

11. **Non-Assignability.** The rights and obligations of Contractor hereunder are not assignable and cannot be delegated without written consent of City.

12. **Entire Agreement.** This Agreement constitutes the entire Agreement between the parties hereto and supersedes any and all prior agreements, whether oral or written, relating to the subject matter thereof. Any modification of the Agreement will be effective only if it is in writing signed by both parties hereto.

13. **Validity.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force without being impaired or invalidated in any way.

14. **Counterparts.** This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

15. **Laws.** Contractor agrees that in the performance of this Agreement it will comply with all applicable State, Federal and local laws and regulations including those outlined in Attachment C. This Agreement shall be governed by and construed in accordance with the laws of the State of California, County of Monterey, and City of Salinas.

IN WITNESS WHEREOF, this Agreement is entered into by the parties hereto on the day and year first written above.

**CITY OF SALINAS**

DocuSigned by:  
*Kimbley Craig* 3/22/2022 | 5:55 PM PDT  
E554E94F4CE64C8...  
Kimbley Craig  
Mayor

APPROVED AS TO FORM:

DocuSigned by:  
*Christopher A. Callihan* 3/22/2022 | 4:53 PM PDT  
DF600E62871844E...  
Christopher A. Callihan, City Attorney, or  
Rhonda Combs, Assistant City Attorney

**SMITH & ENRIGHT LANDSCAPING, INC.**

DocuSigned by:  
*Selena Herrin* 3/22/2022 | 4:53 PM PDT  
313BC21CA58A4C5...  
By (Printed Name): Selena Herrin  
Its (Title): General Manager

**Attachment A****Insurance Requirements**

Contractor shall procure and maintain for the duration of the contract, and for three years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his/her/its officers, agents, representatives, employees, and/or subcontractors.

**MINIMUM SCOPE AND LIMIT OF INSURANCE**

Coverage shall be at least as broad as:

1. **Commercial General Liability** (“CGL”): Insurance Services Office (“ISO”) Form CG 00 01 covering CGL on an occurrence basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO Form CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability**: ISO Form CA 0001 covering Code 1 (any auto), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers’ Compensation**: as required by the State of California, with Statutory Limits, and Employers’ Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Contractors’ Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions** (if project involves environmental hazards): with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate, on an annual basis.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the Contractor requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

***Self-Insured Retentions***

Self-insured retentions must be declared to and approved by the City. At the option of the City, either: the Contractor shall cause the insurer shall to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

***Other Insurance Provisions***

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **The City, its officers, officials, employees, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by

or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

2. For any claims related to this project, the **Contractor's insurance coverage shall be primary** insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City.

4. A copy of the claims reporting requirements must be submitted by Contractor to the City.

5. If the services involve lead-based paint or asbestos identification/remediation, the Contractor's Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractor's Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

#### ***Acceptability of Insurers***

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City.

#### ***Waiver of Subrogation***

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

#### ***Verification of Coverage***

Contractor shall furnish the City with original Certificates of Insurance including an additional insured endorsement and all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

#### ***Subcontractors***

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

#### ***Maintenance of Insurance***

Maintenance of insurance by Contractor as specified shall in no way be interpreted as relieving

Contractor of its indemnification obligations or any responsibility whatsoever and the Contractor may carry, at its own expense, such additional insurance as it deems necessary.

***Special Risks or Circumstances***

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

**Attachment B**

Attachment C**DEPARTMENT OF INDUSTRIAL RELATIONS' STATE LABOR CODE****Labor Law Requirements**

(CCR Title 8, Section 16421)

This public works project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations ("DIR"). All work shall be in accordance with wage scales and applicable determinations made by the Director of the DIR, as provided by Article 2, Chapter 1, Division 2, Part 7 of the Labor Code of the State of California, commencing with §1771.

Penalties for violations may be applied by the DIR pursuant to the Labor Code §1813 and §1815. The Contractor shall indemnify, hold harmless, and defend the City (with counsel reasonably approved by the City) against any claim for damages, compensation, fines, penalties, or other amounts arising out of the failure or alleged failure of any person or entity (including Contractor and its subcontractors) to pay prevailing wages as determined pursuant to Labor Code §1720, and hereby agrees to, §§1771-1774; to employ apprentices pursuant to Labor Code §1777.5 et seq., and/or to comply with the other applicable provisions of Labor Code §1720 et seq., §§1771-1774, §1777.5 et seq., and the implementing regulations of the DIR in connection with the scope of work. This indemnification section shall survive the expiration of the Term.

The Federal and State Labor Law requirements applicable to the Agreement are composed of, but not limited, to the following items:

1. **Payment of Prevailing Wage Rates:** All contractors, including subcontractors, shall pay no less than the prevailing rate of wages (Labor Code §1775), including the rates for holidays and overtime work (Labor Code §§1813 and 1815), to all workers employed in the execution of the contract (Labor Code §1774), pursuant to Labor Code §§1720-1784. The prevailing rates are those issued as wage determinations by the DIR, for each craft, classification and type of work. The current wage rate information can be found at the DIR's website at: <https://www.dir.ca.gov/oprl/DPreWageDetermination.htm>. Copies of the prevailing rate of per diem wages are on file at City's Public Works Department (principal place of office). Contractor shall post a copy of the determination of the Director of DIR of the prevailing rate of per diem wages at each job site.
2. **Apprentices:** Contractor and subcontractors shall employ registered apprentices on this public works Agreement pursuant to Labor Code §1777.5. All contractors on this project (prime and subcontractors) are required to submit the Division of Apprenticeship Standards' ("DAS") Public Works Contract Award Information (DAS 140) form to all applicable apprenticeship committees no later than 10 days before commencing work. Additionally, all contractors are required to request registered apprentices (DAS 142 form). **Penalties for failure to pay prevailing wages (for non-exempt projects)** and failure to employ apprentices include forfeitures and debarment under Labor Code §§1775 and 1777.7.
3. **Certified Payroll Records:** All contractors, including subcontractors, must maintain and file certified payroll records ("CPRs") pursuant to Labor Code §1776. Additionally, all contractors and subcontractors must furnish **certified payroll records into the DIR's**



**Electronic Certified Payroll Reporting (“eCPRs”) database** (<https://efiling.dir.ca.gov/eCPR/pages/eCPROnlineForm.jsp>). **Penalties apply to Contractor and any Subcontractors for failure to do so** under Labor Code §1777.

4. **Subcontracting:** Contractors are required to list all subcontractors hired to perform work on this public works agreement.
5. **Proper Licensing/Registration:** All contractors and subcontractors are required to be properly licensed, in accordance with the Provisions of Chapter 9 of Division 3 of the Business and Professions Code and subject to the requirements of §4104 of the Public Contract Code. In addition, all contractors including subcontractors must submit proof of current registration to perform public work, pursuant to Labor Code §1771.1. Contractors are required to be properly licensed and to require all subcontractors to be properly licensed. Penalties for employing workers while unlicensed under Labor Code §1021 and under the California Contractors License Law, found at Business and Professions Code §7000 et. seq.
6. **Job Site Notices:** Contractors are required to post all required notices (posters) on the job site in an area accessible to all workers, including subcontractors. Posters must be readable and placed in visible areas allowing workers to access the posters before, during, and after work shifts. Jobsites with multiple locations must include a portable poster board to ensure continued access to the information. Posters placed in foreman, supervisor, or employee vehicles, in an offsite job trailer, or inside a temporary restroom do not meet the posting requirement. Posters may be printed from the DIR’s website at: <http://www.dir.ca.gov/wpnodb.html>.
7. **Nondiscrimination in Employment – Equal Employment Opportunity (“EEO”):** Employment discrimination is prohibited, pursuant to Labor Code §1777.6, the Government Code, and Title VII of the Civil Rights Act of 1964.
8. **Kickbacks Prohibited:** Contractors and subcontractors are prohibited from recapturing wages illegally by accepting or extracting “kickbacks” from employee wages pursuant to Labor Code §1778.
9. **Acceptance of Fees Prohibited:** Contractors and subcontractors are prohibited from accepting fees for registering any person for public work or for filling work orders on public works contracts, pursuant to Labor Code §§1779 and 1780.
10. **Unfair Competition Prohibited:** Contractors and subcontractors are prohibited from engaging in unfair competition as specified under Business and Professions Code §§17200 - 17208.
11. **Workers’ Compensation:** Contractors and subcontractors must be properly insured for Workers’ Compensation under Labor Code §1861. Contractor hereby represents that Contractor is aware of the provisions of Section 3700 of the Labor Code, which require every employee to be insured against liability for Workers’ Compensation or to undertake self-insurance in accordance with the provisions of that Code, and Contractor will comply with such provisions before commencing the performance of the work of this agreement.
12. **OSHA:** Contractors and subcontractors must abide by the Occupational, Safety, and Health Laws and regulations that apply.

## **2 & 3. Executive Summary & Technical Response**

Upon receiving a notice from the City to proceed with a homeless camp cleanup, Smith & Enright will survey the site and then create a schedule to give to the City for approval. This schedule will outline the dates of the various stages of the cleanup. At this time Smith & Enright will provide a not to exceed cost of the cleanup.

Smith & Enright will determine the type of equipment and size of crew needed to complete the cleanup.

S&E will photograph the cleanup before and after and provide these photographs to the City.

The contents of the camp will be sorted. Personal property will be bagged and labeled and transported to the city's storage site. The remaining items will be sorted and transported to the proper disposal site.

Upon completion of the cleanup S&E will provide the City of Salinas with the proper documentation that will comply with the City's requirements.

S&E has cleaned up homeless camps in many different locations. Each camp provides its own challenges. Some are contaminated with human waste and some are littered with drug paraphernalia. There are camps on the sidewalk and some are hidden behind walls or are deep in brush. Most all require the cleanup of hazardous waste. The safety of our employees is of great concern. Our specialized crew has completed bloodborne pathogen trainings, are vaccinated for Hep A&B and use personal protective equipment appropriate for each job. S&E has the experienced crews, supporting office staff and proper equipment to efficiently execute homeless camp cleanups.

## S&E Team

### Selena Herrin, Project Manager

- Receives and coordinates task orders with city staff.
- Responsible for whole process and job completion

### Rich Alcalá, Field Supervisor

- Will meet onsite with city staff to determine time & approximate cost to complete
- Schedule and coordinate cleanup, working with posting times if necessary.
- Oversee crew, making sure they have proper PPE, supplies and equipment to complete the job safely and efficiently.
- Prepares required documentation with photographs
- Knowledgeable in hazardous waste disposal

### Diana Arechiga, Project Administrator

- Supports staff with collecting documentation, communication and invoicing

### Field Crew

- Performs cleanup with appropriate equipment. If necessary, a skid steer loader and operator can be available depending on size of cleanup
- Bloodborne pathogen training received
- Wears appropriate PPE
- Team Members on Field

Porfirio Cotoneto – Operating Engineer

Ramon Sanchez – Operating Engineer

Mauricio Moreno

Jose Villa

Luis Valdez

Francisco Avilez

Cipriano Zamudio

Miguel Vargas

## Homeless Encampment Fee Schedules

### Hourly Rates:

<b>Yearly Increase</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24*</b>
Supervisor Hrly Rates:	\$80.00	\$85.00	\$90.00
Laborer Group 3 Hrly Rates	\$115.00	\$120.00	\$125.00
Operating Engineer Hrly Rates	\$150.00	\$155.00	\$160.00
Admin Fee Per Site	\$20.00	\$25.00	\$30.00
Senior Tree Trimmer	\$135.00	\$140.00	\$145.00
Tree Trimmer	\$120.00	\$125.00	\$130.00

### Daily Rental Rates:

Groundsperson	\$105.00	\$110.00	\$115.00
Truck & Trailer Rental	\$305.00	\$310.00	\$315.00
Skid Steer Loader Rental	\$620.00	\$630.00	\$640.00
Boom Truck & Chipper Rental	\$1,400.00	\$1,415.00	\$1,430.00

Note: The numbers above are anticipating the yearly increases the DIR will implement. They have not released the year 23/24. I expect it to be in the range of what we have projected. If for some reason, it is a much higher rate, we ask that we implement the increase plus 55%.

**4. Proof of Insurability**

Certificates will be provided by agreement date

**5. Description of Entity Status**

C Corporation

James Smith  
Richard Enright

President  
CFO

**6. Contact Information**

Selena Herrin  
Email: [Selena@smithenright.com](mailto:Selena@smithenright.com)  
Cell: (831) 970-8346

General Manager

## ATTACHMENT A STATEMENT OF WORK

### 1 GENERAL

#### 1.1 DEFINITIONS

1.1.1 City: City of Salinas

1.1.2 Encampment:

The unauthorized perhaps illegal establishment, temporary or not, of one or more living spaces consisting of tarps, and other non-traditional housing materials, on public or private property where said living space is the primary residence of one or more persons.

#### 1.2 OVERVIEW

1.2.1 As directed by City, Contractor shall provide turnkey homeless encampment site clean-ups as described herein, with the goal to keep waterways, parks and public space free of encampments to protect the environment and provide safe use of public areas.

### 2 CONTRACTOR DUTIES AND RESPONSIBILITIES

2.1 Contractor shall clean-up encampment sites as assigned by City. Preparation for cleanups shall include surveying sites, scheduling cleanups with City staff, planning for cleanups (labor, equipment, specialists, sub-contractors), procedural record keeping for each job as described below. Cleanups shall include collecting and sorting of debris, separating out personal property (defined in Exhibit A-1), shopping carts, e-waste, mattresses etc., and dismantling temporary structures, removing trash, cutting weeds, clearing paths, pruning trees and shrubs, and disposing of all debris at the Salinas Valley Solid Waste Authority, Transfer Station, or other acceptable disposal site. Contractor shall dispose of materials excluded from disposal (i.e. hazardous waste, universal waste, medical waste, and other items banned from landfills or transfer station) at a site permitted to accept such material.

2.2 Contractor shall supply all labor, materials, tools, heavy machinery, and equipment, vehicles, protective clothing, protective gear, portable bathroom facilities, dumpsters, and other supplies that may be required to remove large quantities of debris, litter, and waste. Such equipment, tools and protective gear shall be sufficient for all conditions including jobsites that may be in heavy foliage, poison oak, steep embankments, next to train tracks, by creeks and rivers, occasionally on private property (with permission granted), public right of way and other areas requiring alertness to the environment and pre-planning to prevent injury or illness.

2.3 Contractor shall coordinate with the City on a project-by-project basis to determine the scope for each encampment clean-up. The scope will establish the project start date, period of work, size/scope of the job, work location, the name and title of the onsite Contractor representative, and the estimated not-to-exceed cost of the clean-up. . Additional specific instructions will be given at the work location.

2.4 Contractor shall post City provided "notice to vacate" signs at the work site prior to the commencement of each removal project as established in the work-scope and as directed by City staff. Depending on circumstances this posting may occur 24-hours from the date of the cleanup, or two-weeks prior to the clean-up. Contractor shall photograph posted notices to document time and location of posting.

2.5 Contractor shall be responsible for the supervision/management of its crew and ensure all

necessary safety procedures are followed. This individual will also serve as the City contact for all projects.

2.6 Contractor shall provide bags and tags and identify and tag certain items as "personal property". Such items include but are not limited to items in good repair such as tents, backpacks, medication, eyeglasses, books, jewelry, stoves, audio equipment, toiletries, personal records, handbags, personal photographs, duffel bags, bedrolls, blankets, watches, and clean clothing. The Contractor will transport identified property for storage to a site designated by City as directed by City Staff. Guidelines for the proper identification and classification of personal property may be found in Attachment A 1 to this Statement of Work. In addition, the City will provide training and written instructions as required for the Contractor to help identify, sort, tag, and catalogue what will be retained as personal property. Contractor will also be responsible for posting notice at each cleanup indicating contact information for reclaiming personal property.

2.7 Contractor shall photograph the encampment site before and after the cleanup to document the condition of the site and the date of the cleanup. Photographs of cleanup will be provided to the City electronically after completion of the cleanup.

2.8 Contractor shall follow best practices work procedures to safely manage any hazardous materials that may be found on the jobsite, including urine, feces, soiled personal hygiene items, syringes, and other materials which could pose a health threat.

2.9 Contractor shall immediately contact the City Police Department in the event that weapons are found at the encampment.

2.10 Contractor shall trim shrubs and vegetation as required in the work order as an encampment deterrent measure provided that such abatement is consistent with any permits required to perform cleanups along watercourses, including but not limited to, any permits required by the California Regional Water Quality Control Board, the U.S. Army Corps of Engineers or the California Department of Fish and Wildlife.

2.11 Contractor shall work with City representatives to obtain, maintain, and comply with all permits required to perform cleanups along watercourses, including but not limited to, any permits required by the California Regional Water Quality Control Board, the U.S. Army Corps of Engineers or the California Department of Fish and Wildlife.

2.12 Contractor shall be familiar with the areas and verify with the City designated representative that the jobsite is within the City's jurisdiction. Encampments may be located on properties shared by the City or other agencies. The Contractor is expected to be familiar with the area and verify the jobsite is within the City's jurisdiction. In the event that access to the jobsite is restricted, Contractor shall coordinate entry with the City.

2.13 Contractor shall notify the City when the work is complete and provide a clean-up report for each site including total weight of debris removed.

2.14 In the event that an adjacent homeless encampment is discovered in the general area during the course of a project, Contractor shall notify the City's designated representative to obtain authorization prior to proceeding with any additional work that was not identified in the work scope.

2.15 Contractor shall provide a representative, if requested by City, to attend regional encampment clean-up coordination meetings that involve multiple agencies, jurisdictions, and/or special interest organizations.

2.16 City reserves the right to cancel any given project if the City, deems in its sole discretion, that there are unsafe conditions exist at the site on the day of a planned event. The City will attempt to provide the Contractor with at least 24 hours' notice of any project cancellation.

2.17 Contractor shall perform work in a timely and efficient manner and conduct themselves in a courteous and business-like fashion at all times.

2.18 Contractor shall properly handle and dispose of solid waste and hazardous waste in accordance with all applicable laws.

### **3 CITY RESPONSIBILITIES**

3.1 City shall issue a work order and provide a minimum one week notice to the Contractor prior to the start time of a clean -up project and issue maps and property boundary information as appropriate.

3.2 City shall provide security during the posting of the "notice to vacate" and for the duration of the clean-up.

3.3 City shall provide a representative to serve as a point of contact in writing, approving, and issuing work orders, and addressing any Contractor issues or questions that may arise during a clean-up.

3.4 City shall provide training and written instructions as required for the Contractor to help identify, sort, tag, and catalogue what will be retained as personal property.

### **4 SAFETY AND TRAINING**

4.1 Safety and appropriate training/licensing are critical requirements for the selected Contractor. At no time is the Contractor expected to interact with the homeless residents or put their employees at risk.

4.2 Contractor shall comply with all safety rules, protocols, and licensing requirements mandated by the State of California.

4.3 Work may be performed in inclement weather. Jobsites can be in heavy foliage, poison oak, steep embankments, next to train tracks, by creeks and lakes, and other areas requiring alertness to the environment and pre-planning to prevent injury or illness. Contractor shall perform a hazard assessment and provide all training and supplies necessary.

4.4 Contractor shall be OSHA certified to operate any heavy equipment required to complete the encampment clean-up work, including trash compactors, bulldozers, graders, or other ground moving equipment.

4.5 Contractor shall conform to all applicable occupational safety and health standards, rules, regulation, and orders established by the State of California. The Contractor shall provide all safety equipment, materials, and will supply training as required. The Contractor shall provide its employees with appropriate safety apparel. This apparel shall include but not be limited to hardhats, safety glasses, vest, gloves, and leather (or adequately puncture resistant) boots.

4.6 Contractor shall be trained annually in OSHA's Bloodborne Pathogen Standard 1910.1030. This training must be supplemented with precautions regarding West Nile Virus, hanta virus, and histoplasmosis. Employees must have work procedures to be able to safely manage urine, feces, soiled personal hygiene items, syringes, and other materials which could pose a health threat. Wearing Personal Protective Equipment and following other protocols established for this situation must be followed. The Contractor will coordinate disposal of these wastes and syringes with City staff and consistent with Section 2.18.

4.7 Contractor shall provide copies of any training records and licenses required by the City upon request.



## Attachment A1

### **Guidelines for Property Identification**

Unless an item is trash or poses an immediate threat to public health or safety it should be retained for storage as potential personal property. Items that are arranged in a manner that suggests ownership (e.g.: items that are neatly folded or stacked, stored off the ground, hung or clearly on display or packed in bag or box) should be retained for storage.

If there is any uncertainty regarding whether an item should be thrown away or stored, it should be stored.

Examples of items to take to storage: *The following are examples of items that could be considered personal property and will be stored:*

- ID/Social Security cards
- Medications
- Birth Certificates
- Tents
- Pots & Pans
- Radios & Electronics
- Photos/Photo Albums
- Tax/medical records
- Intact Bicycles
- Jewelry
- Purses/backpacks/briefcases
- Eyeglasses
- Books
- Tools
- Stoves & Generators

Examples of items that are trash or pose a threat to public health or safety and will not be stored: *The following are examples of conditions that will cause an item (including those examples listed above) to be immediately disposed of:*

- Dirty or Soiled: items that smell, are stained with urine, bodily waste, or mud, or are infested with fleas, bed bugs, rats, or other vectors
- Perishable: open food or personal products that will spoil or rot in storage
- Contaminated: items used for hygiene or that present a risk of biohazard (i.e. used toothbrushes, hairbrushes, washcloths, bandages, sponges, and underwear)
- Hazardous or Explosive: items that could corrode or burn in storage (i.e. car batteries, gasoline cans, and propane tanks)
- Broken or Disassembled: items that are broken, damaged, or stripped of parts (i.e. electronics stripped for copper, flat tires, torn up clothes)
- Weapons: weapons will be turned over to the SPD

- Obvious Trash: Food/beverage wrappers, tissue/paper napkins, open household product containers

All medications and controlled substances will be turned over to the PD for storage

**Attachment B  
Proposal Certification**

**NO PROPOSAL SHALL BE ACCEPTED WHICH HAS NOT BEEN SIGNED IN BLUE INK IN THE APPROPRIATE SPACE BELOW**

Prospective Operator's Company Name	Smith & Enright Landscaping, Inc
Address	540 Work St Suite C, Salinas, CA 93901
Telephone Number	831-758-6766
Facsimile Number	831-758-5589
E-mail Address	selena@smithenright.com
Contact Person Name and Title	Selena Herrin
	General Manager

**PROSPECTIVE CONTRACTOR REPRESENTATIONS**

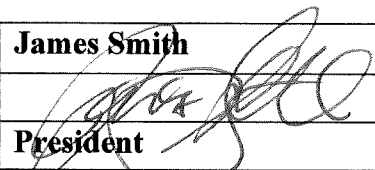
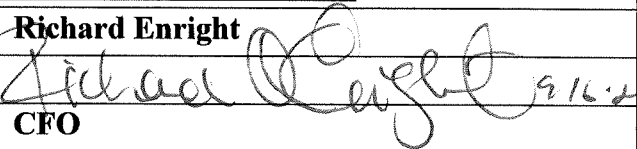

1. Prospective operator did not, in any way, collude, conspire or agree, directly or indirectly, with any person, firm, corporation or other Prospective operator in regard to the amount, terms, or conditions of this Proposal.
2. Prospective operator certifies that neither the Prospective operator nor its principals are presently disbarred, suspended, proposed for disbarment or suspension, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agent, any California state agents, or any local governmental agency.
3. Prospective operator did not receive unauthorized information from any City staff member or official during the Proposal period, except as provided for in the Request for Proposal package, formal addenda issued by the City, or the Pre-Proposal Conference.
4. Prospective operator hereby certifies that the information contained in the Proposal and all accompanying documents is true and correct.
5. Please check the appropriate box below:
  - If the Proposal is submitted by a contractor, it shall be signed by him or her, and if he or she is doing business under a fictitious name, the Proposal shall so state.
  - If the Proposal is made by a partnership, the full names and addresses of all members and the addresses of the partnership, the full name and addresses of all members and the addresses of the partnership, the full names and addresses of all members and the address of the partnership shall be stated and the proposal shall be signed for all members by one or more members thereof.
  - If the Proposal is made by a corporation, it shall be signed in the corporate name by an authorized officer or officers.

If the Proposal is made by a limited liability company, it shall be signed in the corporate name by an authorized officer or officers.

If the Proposal is made by a joint venture, the full names and addresses of all members of the joint venture shall be stated and the bid shall be signed by each contractor.

By signing below, the submission of a bid shall be deemed a representation and certification by the prospective operator that they have investigated all aspects of the Request for Proposals, that they are aware of the applicable facts pertaining to the Request for Proposals process, its procedures and requirements, and that they have read and understood the Request for Proposals.

All signatures should be in blue ink.

Authorized Representative Name (print name)	<b>James Smith</b>
Authorized Representative Name (sign name)	 9-16-21
Authorized Representative Title, if any (print title)	<b>President</b>
<b>Complete Additional Signatures Below as Required Under Number 5 Above</b>	
Authorized Representative Name (print name)	<b>Richard Enright</b>
Authorized Representative Name (sign name)	 9-16-21
Authorized Representative Title, if any (print title)	<b>CFO</b>
Authorized Representative Name (print name)	<b>Selena Herrin</b>
Authorized Representative Name (sign name)	 9-17-21
Authorized Representative Title, if any (print title)	<b>General Manager</b>

### Attachment C Proposal Questionnaire

All information requested in this Questionnaire shall be furnished by the Prospective operator and shall be submitted with the Proposal. Statements shall be complete and accurate and, in the form, requested. Omission, inaccuracy, or misstatement may be cause for the rejection of a Proposal.

1. Please confirm, by checking the box that follows this paragraph, that the Prospective operator:

- a. Owns sufficient equipment required to perform the work as specified in the Request for Proposals.
- b. Has a requisite amount of experience in the successful completion of project.
- c. Is eligible to enter into an Agreement with the City of Salinas.

YES

2. If a corporation, answer the following:

- a. When incorporated? November 10, 1997
- b. In what state? CA
- c. Authorized to do business in California? YES
- d. If so, what date? 1984

3. If NOT a corporation, answer the following:

- a. Name of Organization: \_\_\_\_\_
- b. Date of Organization: \_\_\_\_\_
- c. Entity Status (Partnership, LLC): \_\_\_\_\_
- d. Registered in California?  
If so, when? \_\_\_\_\_

4. Have you ever had a bond or surety denied, canceled, or forfeited?

Yes       No

If yes, state name of bonding company, date, amount of bond, and reason for such cancellation or forfeiture in an attached statement.

5. Have you ever declared bankruptcy or been declared bankrupt?

Yes       No

If yes, state date, court jurisdiction, docket number, amount of liabilities and amount of assets

6. Have you or your company/entity ever had any agreements cancelled?

Yes      No

If yes, give details in an attached statement.

7. Have you or your company/entity ever been sued for issues pertaining to fee payment, performance or other related issue?

Yes      No

If yes, give details in an attached statement.

8. Are you or is your company now engaged in any litigation or action which does now or could in the future affect your ability to pay fees or perform under the Proposed Agreement?

Yes      No

If yes, give details in an attached statement.

The undersigned hereby declares under penalty of perjury that all statements, answers, and representations made in this questionnaire are true and accurate, including all supplementary statements attached hereto. In the case of a corporate prospective operator, the signature of one duly authorized representative is sufficient.

 <hr/> Signature		<hr/> 9.17.21 Date
--	--	-----------------------

Selena Herrin  
Printed or Typed Name

General Manager  
Title (if any)

**Attachment D**

**Non-Collusion Affidavit**

This information must be submitted with your Proposal.

State of California, County of Monterey

Selena Herrin, being first duly sworn, deposes and says that:

1. He/She is the owner, partner, officer, representative, or agent of Smith & Enright Landscaping, Inc .
2. He/She is fully informed respecting the preparation and contents of the attached Proposal and of all pertinent circumstances respecting such Proposal.
3. Such Proposal is genuine and is not a collusive or sham Proposal.

Neither the operator nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any colluded, conspired, connived, or agreed, directly or indirectly, with any other operator, firm or person to submit a collusive or sham proposal in connection with this Request for Proposals, or has in any manner, directly or indirectly sought by agreement or collusion or communication or conference with any other operator, firm or person to fix the price or the prices in the attached Proposal or of any other operator, or to fix any overhead, profit or cost elements of the Proposal or the Proposal of any other operator, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Salinas or any person interested in the proposed agreement; and

4. The price or prices quoted in the attached Proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the operator or of any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Signed

  
(signature in blue ink)

General Manager \_\_\_\_\_  
Title

1-27-21



# Class Roster BasicPlus CPR, AED, and First Aid for Adults

Class 2

Primary Instructor: Pedro Alfaro

Course date(s)

	Last Name	First Name	Email	Telephone	Written Exam Passed	Card Issued
1	Perez	Feliciano			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
2	RIVERA	Jorge			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
3	Vazquez	Mequiades			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
4	Salazar	Guillermo			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
5	Villa	José			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
6	Valdez	Luis			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
7	<del>Alcocer</del>	Miguel			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
8	HERRERA	HECTOR		(831) 970-8348	Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
9	ESTEBAN	CARLOS			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
10	Silvas M	dose Angel			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
11	<del>WILL</del>	VICTOR		(831) 710-7616	Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
12	Cervantes	carlos		(831) 612-2093	Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
13	Cipriany Sanchez	<del>FRANCESCO</del>		(831) 794-2256	Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
14	Ricardo Chavez				Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
15	Fredesio	Francisco Zamora			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
16	Ernesto	Ernesto			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
17	Pedro Perez	Pedro Perez			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
18	Juan L. Ruiz	Juan L. Ruiz			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
19	Maricela Torero				Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
20					Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>

Assistant Instructor Required

*(Handwritten signatures and initials)*



1-27-21



# Class Roster

## BasicPlus CPR, AED, and First Aid for Adults

Primary Instructor: Pedro Alfaro Course date(s): Class #1

	Last Name	First Name	Email	Telephone	Written Exam Passed	Cert Issued
1	<del>HERNANDEZ</del>				Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
2	DIAZ	EFRAIN			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
3	Hernandez	MILTON			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
4	Adriana	Adan	540 WALK		Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
5	Quizes	Parkina			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
6	<del>OLIVERA</del>	SOEL			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
7	Moreno	Isabel			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
8	Vargas	Miguel	606 06		Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
9	Dario Martinez	Dario Martinez			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
10	Ferrero	Miguel			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
11	MENDOZA	JAVIER			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
12	Enright	Glen			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
13	Hernandez	Mateo	Mateo.Hernandez@fmi.com		Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
14	Martinez	Ramon			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
15	JIMENEZ SARCIA	DANIEL			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
16	<del>Rodriguez</del> Alcala	Richard			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
17	Fruis M.	ANTONIO			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
18	FERRERO GARCIA	Guillermo Gorda			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
19	MARTIN ALAN				Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>
20	CHAVARRIA	EDGAR			Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>

Assistant Instructor Required

✓ Rose R Sanchez

✓ Guillermo Candenas

STATE OF CALIFORNIA  
**dca**  
DEPARTMENT OF CONSUMER AFFAIRS

**CONTRACTOR**  
**STATE LICENSE BOARD**  
**ACTIVE LICENSE**



License Number: **757700**      Entity: **CORP**

Business Name: **SMITH AND ENRIGHT  
LANDSCAPING INC**

Classification: **C27**

Expiration Date: **01/31/2023**      [www.cslb.ca.gov](http://www.cslb.ca.gov)



**AGREEMENT FOR SERVICES  
BETWEEN THE CITY OF SALINAS AND SMITH & ENRIGHT LANDSCAPING, INC.**

**REMOVAL OF UNLAWFUL CAMPSITES, BULKY ITEMS, AND PERSONAL PROPERTY**

**AMENDMENT NO. 4**

This Amendment No. 4 to the Agreement for Services for Removal of Unlawful Campsites, Bulky Items, and Personal Property (the "Amendment") is entered into this 24th day of September 2024, by and between the City of Salinas, a California charter city and municipal corporation (the "City") and Smith & Enright Landscaping, Inc., (the "Contractor"). City and Contractor may be individually referred to herein as a "Party" and collectively the City and Contractor may be referred to as the "Parties."

**RECITALS**

WHEREAS, the City and Contractor first entered into an Agreement for Services for removal of unlawful campsites, bulky items, and personal property effective December 15, 2015, pursuant to which Contractor agreed to act as and provide certain services to the City for compensation (the "Agreement"); and

WHEREAS, the City and Contractor desire to further amend the Agreement to reflect the revised term and compensation to be paid to Contractor.

NOW, THEREFORE, in mutual consideration of the terms and conditions set forth below, the Parties agree to further amend the Agreement as follows:

**TERMS**

1. The term of the Agreement is hereby extended through November 30, 2027.
2. The total amount of compensation to be paid under the Agreement shall not exceed \$100,000, per year, for a total contact amount of \$300,000, for the period of December 1, 2024, through November 30, 2027.
3. All other covenants, terms, and conditions set forth in the Agreement and not amended by this Amendment shall remain in full force and effect as if fully set forth herein.

IN WITNESS WHEREOF, the undersigned, as authorized representatives of the City and Contractor have entered into this Agreement as of the date first written above.

**CITY OF SALINAS**

---

Rene Mendez, City Manager

APPROVED AS TO FORM:

- 
- Christopher A. Callihan, City Attorney
  - Rhonda Combs, Assistant City Attorney

**SMITH & ENRIGHT LANDSCAPING, INC.**

Printed name:     Selena Herrin    

Title:     General Manager



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-528, **Version:** 1

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### **California Library Literacy Services Adult and Family Literacy Grant Award**

Approve a Resolution accepting the California Library Literacy Services (CLLS) block grant award in support of Adult Literacy and Family Literacy, for a total award of \$216,431 and the establishment of the grant appropriation for the grant award amount and corresponding revenue budget to support grant activities; and authorizing the City Manager to execute all grant acceptance documents with the California State Library.

**DATE:** SEPTEMBER 24, 2024  
**DEPARTMENT:** LIBRARY & COMMUNITY SERVICES DEPARTMENT  
**FROM:** KRISTAN LUNDQUIST, LCS DIRECTOR  
**BY:** ERNESTO LIZAOLA, COMMUNITY EDUCATION MANAGER  
**TITLE:** CALIFORNIA LIBRARY LITERACY SERVICES ADULT AND FAMILY LITERACY GRANT AWARD

RECOMMENDED MOTION:

A motion to approve a Resolution;

1. Accepting the California Library Literacy Services (CLLS) block grant award in support of Adult Literacy and Family Literacy, for a total award of \$216,431 and the establishment of the grant appropriation for the grant award amount and corresponding revenue budget to support grant activities;
2. Authorizing the City Manager to execute all grant acceptance documents with the California State Library; and
3. Delegating authority to the City Manager to execute agreements and authorize expenditures related to the California Library Literacy Services (CLLS) block grant award.

EXECUTIVE SUMMARY:

On August 29, 2024, the Salinas Public Library's Literacy Services Division was notified by the California State Library Literacy Services (CLLS) of approval for an award of \$216,431 to support Adult Literacy and Family Literacy programs. These funds are distributed to all California Libraries providing literacy programs annually and will support adult and family literacy programming for English-speaking adults with low-literacy skills, and their families, and will be provided primarily to adults and families enrolled in the library's Adult Literacy and Family Literacy programs.

BACKGROUND:

The Library's Adult Literacy program is dedicated to promoting lifelong learning through a variety of literacy programs and services. The grant will enable the library to employ temporary part-time staff to work in adult and family literacy programs, acquire books, supplies and learning materials that enhance our adult and family education programs, and increase our capacity to provide high-quality adult and family literacy services, including but not limited to Computer Literacy instruction, Citizenship and High School Equivalency preparation programs, Family Reading

Circles, Family Learning events, and staff trainings to enhance family literacy skills and best practices. Library staff are prepared to offer both in-person and/or virtual instruction. The California Library Literacy Services funding formula for Adult Literacy programs includes a baseline amount (\$25,000) for each approved library literacy program, and a per capita amount per adult learner served in our program as reported in the most recent Final Report on file from our library; and additional funding based on local funds raised and expended for adult literacy services, reflecting a commitment to state/local partnerships in support of literacy services. Because the City continues to invest in its Literacy Services, and the library continues to run a very successful program which served more than 400 adults in 2023/2024, the library award is one of the highest in the State.

Literacy staff continue to find innovative ways to serve adult learners with in-person, virtual and distance learning instruction. This includes individual tutoring and small classes, as well as adapting to individual needs and abilities for which we offer virtual options including a combination of video conferencing instruction via Zoom and YouTube videos; guided and self-paced learning with student handbooks and curricula; take-home activity kits; one-on-one help via Zoom, email, phone; and much more.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No

STRATEGIC PLAN INITIATIVE:

The grant will support the City Council 2022-2025 Goals:

- Effective and Culturally Responsive Government
- Youth and Seniors

DEPARTMENTAL COORDINATION:

The Library & Community Services Department will work with the Finance Department to receive funds, establish expenditure accounts, and prepare final budget reports required at the end of the grant period.

FISCAL AND SUSTAINABILITY IMPACT:

<b>Fund</b>	<b>Appropriation</b>	<b>Appropriation Name</b>	<b>Total Appropriation</b>	<b>Amount for recommendation</b>	<b>FY 24-25 Operating Budget Page</b>	<b>Last Budget Action (Date, Resolution)</b>
3252	70.7340	Library Literacy	N/A	\$125,580	N/A	N/A
3252	70.7350	Family Literacy	N/A	\$90,851	N/A	N/A

There is no impact to the City's General Fund Budget.

ATTACHMENTS:

Council Resolution

Award Letter, California Library Literacy Services dated August 22, 2024



**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**A RESOLUTION TO ACCEPT THE CALIFORNIA LIBRARY LITERACY SERVICES GRANT AWARD IN THE AMOUNT OF \$216,431 IN SUPPORT OF ADULT LITERACY AND FAMILY LITERACY, AND AUTHORIZE RECEIPT OF FUNDS**

WHEREAS, the California Library Literacy Services granted funding in the amount of \$216,431 in support of Adult and Family Literacy programs for Salinas Public Library; and

WHEREAS, this grant will support the Library’s Adult and Family Literacy programs and provide greater learning opportunity that matches the needs of our community.

NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes the receipt of Adult and Family Literacy funds for this grant in the amount of \$216,431 and authorizes the establishment of the CLLS – Adult and Family Literacy fund appropriation totaling \$216,431 and corresponding revenue budget with no matching funds required; and

BE IT FURTHER RESOLVED that the City Council authorizes the City Manager to execute all grant acceptance documents with the California State Library.

PASSED AND APPROVED this 24<sup>th</sup> day of September, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

\_\_\_\_\_  
Kimbley Craig, Mayor

ATTEST:

\_\_\_\_\_  
Patricia M. Barajas, City Clerk



August 22, 2024

Kristan Lundquist  
Salinas Public Library  
350 Lincoln Avenue  
Salinas, CA 93901

Dear Ms. Lundquist,

We're pleased to provide funds to support your California Library Literacy Services program and the important work that you, your staff, and your volunteers do in your community.

The state budget continues to provide \$7.32 million in California Library Literacy Services funding for Adult Literacy Services and Family Literacy Services.

Your total award amount for the 2024-2025 fiscal year beginning July 1, 2024, is:

- Adult Literacy and Family Literacy Services: \$216,431
- **Total Award: \$216,431**

CLLS programs with Family Literacy Services will receive one award total, referred to as a "block grant," for the 2024-2025 program period. Your library is responsible for allocating award funds between Adult Literacy Services and Family Literacy Services to respond to community needs and for adhering to the following requirements:

- **At least 51 percent** of the block grant award must be allocated to Adult Literacy Services.
- **At least 26 percent** of the block grant award must be allocated to Family Literacy Services.
- Programs who requested a fixed award for Family Literacy Services may adjust their request by +/- 25 percent. Contact your state team for support.

The block grant model does not apply to English as a Second Language Services funds for the 2024-2025 and 2025-2026 program periods.

Your award will be claimed in two stages. The claim form included in this award packet will allow you to request the first 90% of your total award:

- **Total Initial Award Amount: \$194,788**

Information about claiming the rest of your award is included in the payment schedule at the end of your award packet.

You must encumber your funds by June 30, 2025. You must fully expend funds by September 30, 2024, in accordance with your approved budget on file with the State Library.

Library – Courts Building  
P.O. Box 942837  
Sacramento, CA 94237-0001

916-323-9759  
csl-adm@library.ca.gov  
www.library.ca.gov



Encumbered funds are those that have been deposited in the grantee's accounting system and for which a budget has been provided to and approved by the State Library.

Review the [California Library Literacy Services Allowable and Unallowable Expenses](#) guidelines to ensure program expenditures are consistent with the California Library Literacy Services allowable expenses. If you have questions about expenses or expending award funds, contact Allyson Jeffredo at [CLLS@library.ca.gov](mailto:CLLS@library.ca.gov).

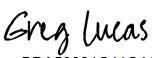
We strongly encourage your program staff to develop and maintain community partners to strengthen your program, attend regular regional library literacy network meetings, participate in your local Adult Education Consortium/a, and participate in library literacy training opportunities offered by the regional networks and the State Library to meet the [California Library Literacy Services Mission, Values, and Program Essentials](#). Additional California Library Literacy Services resources can be found on the [California Library Literacy Services website](#).

The payment process begins when we receive your completed and signed claim form, certification form, and State Funded Grants Award Agreement and Certificate of Compliance included in this packet. All forms should be completed and signed through DocuSign to be processed for payment.

Our library literacy staff are available to assist you throughout the year. Contact your Advisor Beverly Schwartzberg and your Grant Monitor Allyson Jeffredo at [CLLS@library.ca.gov](mailto:CLLS@library.ca.gov) with any questions.

Thank you for your willingness to do so much for those in your community. Best wishes for a successful year.

Respectfully yours,

Signed by:  
  
BDA50981C41C416...

Greg Lucas  
California State Librarian

Cc: Beverly Schwartzberg, [beverly.schwartzberg@library.ca.gov](mailto:beverly.schwartzberg@library.ca.gov)  
Allyson Jeffredo, [allyson.jeffredo@library.ca.gov](mailto:allyson.jeffredo@library.ca.gov)  
State Library Fiscal Office, [stategrants.fiscal@library.ca.gov](mailto:stategrants.fiscal@library.ca.gov)  
Cathy Andrews, [CathleenA@ci.salinas.ca.us](mailto:CathleenA@ci.salinas.ca.us)

Enc: Re: CLLS24-68: Claim form, certification form, and State Funded Grants Award Agreement and Certificate of Compliance

Library – Courts Building  
P.O. Box 942837  
Sacramento, CA 94237-0001

916-323-9759  
[csl-adm@library.ca.gov](mailto:csl-adm@library.ca.gov)  
[www.library.ca.gov](http://www.library.ca.gov)



## Legislation Text

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**File #:** ID#24-534, **Version:** 1

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### **Office of Traffic Safety (OTS) Grants and Agreement with Ecology Action**

Approve Resolutions authorizing: (1) the acceptance of the 2025 California Office of Traffic Safety (OTS) Selective Traffic Enforcement Program (STEP) grant in the amount of \$98,000, execution of all grant-related documents, and grant appropriation of up to \$98,000 and corresponding revenue and budget; (2) the acceptance of the 2025 California OTS Pedestrian and Bicycle Safety Program (PBSP) grant in the amount of \$170,831, execution of all grant-related documents, and grant appropriation of up to \$170,831 and corresponding revenue and budget; and (3) the execution of an Agreement with Ecology Action for \$170,831 to provide services funded by the 2025 California OTS-PBSP grant.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 24, 2024  
**DEPARTMENT:** SALINAS POLICE DEPARTMENT  
**FROM:** JOHN MURRAY, ACTING CHIEF OF POLICE  
**BY:** TONYA ERICKSON, POLICE SERVICES ADMINISTRATOR  
DIANA CALIZO, ADMINISTRATIVE ANALYST  
**TITLE:** OFFICE OF TRAFFIC SAFETY (OTS) GRANTS AND  
AGREEMENT WITH ECOLOGY ACTION

RECOMMENDED MOTION:

A motion to approve a Resolution:

1. Authorizing the acceptance of the 2025 California Office of Traffic Safety (OTS) Selective Traffic Enforcement Program (STEP) grant in the amount of \$98,000, the execution of all grant-related documents, and the establishment of the 2025 OTS-STEP Grant appropriation of up to \$98,000 and corresponding revenue budget to support grant activities.
2. Authorizing the acceptance of the 2025 California Office of Traffic Safety Pedestrian and Bicycle Safety Program (PBSP) grant in the amount of \$170,831, the execution of all grant-related documents, and the establishment of the 2025 OTS-PBSP Grant appropriation of up to \$170,831, and corresponding revenue budget to support grant activities.
3. Authorizing the City Manager to execute an Agreement with Ecology Action for \$170,831 to provide services funded by the 2025 California OTS-PBSP grant.

EXECUTIVE SUMMARY:

The Salinas Police Department has been awarded two OTS Grants to support the department's traffic enforcement and education efforts related to traffic, bicycle, and pedestrian safety. The Department is requesting authorization to accept both the OTS-STEP and OTS-PBSP grants, and to execute an agreement with Ecology Action to provide OTS-PBSP grant activities.

BACKGROUND:

Annually the California Office of Traffic Safety (OTS) makes funds available to local agencies to further their traffic enforcement and education efforts related to traffic, bicycle, and pedestrian safety. The Salinas Police Department (SPD) has been awarded OTS Selective Traffic Enforcement Program (STEP) grant funding in the amount of \$98,000 to aid in its efforts to reduce the number of people killed and injured in traffic collisions, both alcohol-related and non-alcohol related. SPD has received OTS-STEP grant funding for the last 11 years to support DUI and traffic enforcement

activities. This STEP grant will target problems that include speed violations, distracted driving, red-light violations, pedestrian/vehicle right-of-way violations, and enforcement at locations with a high instance of collisions and injuries. The grant will also provide funding for DUI saturation patrols, Distracted Driving patrols, and Sobriety Checkpoints. The grant funds will enable SPD to employ best practice strategies on an overtime basis. To further deter serious traffic collisions, injuries and fatalities, the Police Department will use the grant funds to conduct traffic enforcement operations targeting distracted drivers and other violations that have shown to be the proximate cause of collisions in Salinas. The Police Department will also use the grant funds as reimbursement for training and travel expenses associated with the Department's traffic enforcement efforts. The grant period will run from October 1, 2024, through September 30, 2025.

The Salinas Police Department has also been awarded OTS Pedestrian and Bicycle Safety Program (PBSP) grant funding in the amount of \$170,831 to aid in its efforts to reduce the number of people killed and injured in pedestrian and bicycle traffic collisions. SPD has been awarded the OTS-PBSP grant since 2019. As in previous years, SPD will subcontract the full amount of the OTS-PBSP grant, \$170,831, to Ecology Action for the provision of grant activities. Ecology Action is a non-profit organization based in Santa Cruz and they have partnered with the Transportation Agency of Monterey County (TAMC) in hopes of serving every student in Monterey County with pedestrian and bicycle safety education by the time they finish 5th grade. To achieve this goal, Ecology Action works in close collaboration with several community partners, including TAMC, the Monterey County Health Department, the Monterey Peninsula Foundation, the Community Foundation of Monterey County, and others to provide support for these efforts. Through their work with the Salinas Police Department on the 2025 OTS-PBSP grant, Ecology Action will provide 30 Walk Smart Classroom Presentation and related Walking Field Trips, and 27 Bike Smart Classroom Presentations and related Bike Rodeos. In addition to the services provided during the 2024 OTS-PBSP grant, the partnership will expand by offering services to middle school and high school students and by incorporating additional services such as Learn to Ride Workshops, Group Rides, and Bike Repair Clinics. Learn to Ride Workshops are designed to teach elementary students the skills needed to ride a bicycle and provide students who already know how to ride a bicycle a chance to improve their skills. Group Rides are geared toward middle school and high school students and will teach them about bike safety and offer beginner-friendly opportunities to explore safe neighborhood routes, while gaining confidence with street riding. Bike Repair Clinics for Teens are designed to ensure that middle and high school students are riding safe and operable bikes. The clinics will offer free bicycle mechanical checks and basic repair, as well as instruction on bike checks and flat tire repair. Ecology Action will also distribute bicycle helmets and bicycle safety equipment during bicycle safety community events, bicycle safety courses, and other community events. The grant period will run from October 1, 2024, through September 30, 2025.

The Department is requesting City Council approval to accept the 2025 OTS-STEP Grant in the amount of \$98,000 and the 2025 OTS-PBSP grant in the amount of \$170,831. Staff is also requesting approval to enter into an Agreement with Ecology Action to provide pedestrian and bicycle safety training to the community as funded by the OTS-PBSP grant.

POLICE COMMUNITY ADVISORY COMMITTEE:

The Police Chief discussed the awarding of these OTS grants with the Police Community Advisory Committee during their meeting on August 28, 2024. The Committee had no questions or comments related to these requested actions.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

STRATEGIC PLAN INITIATIVE:

Approving the proposed Resolutions will support the City Council Strategic Plan Goal of Public Safety.

DEPARTMENTAL COORDINATION:

The Police Department will work with the Legal Department during approval, and with the Finance Department during implementation.

FISCAL AND SUSTAINABILITY IMPACT:

No matching funds are required from the City of Salinas to receive the grant funds, and the Resolutions will authorize the establishment of an appropriation and corresponding revenue budget to support grant activities.

<b>Fund</b>	<b>Appropriation</b>	<b>Appropriation Name</b>	<b>Total Appropriation</b>	<b>Amount for recommendation</b>	<b>FY 24-25 Operating Budget Page</b>	<b>Last Budget Action (Date, Resolution)</b>
TBD	To be established	TBD	to be established	\$98,000	n/a	n/a
TBD	To be established	TBD	to be established	\$170,831	n/a	n/a

ATTACHMENTS:

- Resolution – Acceptance of OTS-STEP Grant
- Resolution – Acceptance of OTS-PBSP Grant
- Resolution – Agreement with Ecology Action
- 2025 OTS-STEP Grant Agreement
- 2025 OTS-PBSP Grant Agreement
- 2025 Ecology Action Agreement

RESOLUTION NO. \_\_\_\_\_ (N.C.S.)

**A RESOLUTION AUTHORIZING THE ACCEPTANCE OF THE 2025 CALIFORNIA OFFICE OF TRAFFIC SAFETY GRANT FOR THE SELECTIVE TRAFFIC ENFORCEMENT PROGRAM**

WHEREAS, increased traffic enforcement has been established as a priority for the City of Salinas; and

WHEREAS, the purpose of the Selective Traffic Enforcement Program is to identify and arrest drivers who are operating a motor vehicle under the influence of alcohol, target repeat DUI offenders, target distracted drivers and address other traffic problems throughout the City of Salinas shown to be the proximate cause of injury collisions by using “best practice strategies.” The program strategies include DUI checkpoints, DUI saturation patrols and other methods; and

WHEREAS, the City of Salinas has been awarded a grant of \$98,000 from the California Office of Traffic Safety (OTS) for the Selective Traffic Enforcement Program (STEP), contingent upon City’s good-faith effort to implement the 1-year grant by October 1, 2024.

**NOW THEREFORE BE IT RESOLVED** that the Salinas City Council authorizes the acceptance of the 2025 OTS-STEP grant funding in the amount of \$98,000 and further authorizes the execution of all grant acceptance documents; and

**BE IT FURTHER RESOLVED** that the Salinas City Council authorizes the establishment of the 2025 OTS-STEP Grant appropriation of up to \$98,000 and corresponding revenue budget for grant activities.

**PASSED AND APPROVED** this 24<sup>th</sup> day of September 2024, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

\_\_\_\_\_  
Kimbley Craig, Mayor

ATTEST:

\_\_\_\_\_  
Patricia M. Barajas, City Clerk



**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**A RESOLUTION AUTHORIZING THE ACCEPTANCE OF THE 2025 CALIFORNIA OFFICE OF TRAFFIC SAFETY GRANT FOR THE PEDESTRIAN AND BICYCLE SAFETY PROGRAM**

WHEREAS, Salinas has a high rate of vehicle collisions annually, with a large number involving pedestrians and bicyclists; and

WHEREAS, Salinas has great potential for walking and biking, and children and youth need education and support to do so safely; and

WHEREAS, the purpose of the Pedestrian and Bicycle Safety Program is to reduce the number of injuries and deaths of pedestrians and bicyclists in traffic collisions through classroom education, bicycle rodeos, community events, presentations, and workshops; and

WHEREAS, the City of Salinas has been awarded a grant of \$170,831 from OTS for the Pedestrian and Bicycle Safety Program, contingent upon City's good-faith effort to implement the 1-year, grant, by October 1, 2024.

NOW THEREFORE BE IT RESOLVED that the Salinas City Council authorizes the acceptance of the 2025 OTS-PBSP grant funding in the amount of \$170,831 and further authorizes the execution of all grant acceptance documents; and

BE IT FURTHER RESOLVED that the Salinas City Council authorizes the establishment of the 2025 OTS-PBSP Grant appropriation of up to \$170,831 and corresponding revenue budget for grant activities.

PASSED AND APPROVED this 24<sup>th</sup> day of September 2024, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

---

Kimbley Craig, Mayor

ATTEST:

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Patricia M. Barajas, City Clerk

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**RESOLUTION AUTHORIZING AGREEMENT WITH ECOLOGY ACTION**

**WHEREAS**, the City of Salinas desires to implement the 2025 California Office of Traffic Safety (OTS) Pedestrian and Bicycle Safety Program Grant (PBSP), funded by OTS in the amount of \$170,831; and

**WHEREAS**, the purpose of the Pedestrian and Bicycle Safety Program is to reduce the number of injuries and deaths of pedestrians and bicyclists in traffic collisions through classroom education, bicycle rodeos, community events, presentations, and workshops; and

**WHEREAS**, Ecology Action is partnered with several local agencies to provide bicycle and pedestrian education in Salinas schools, has a history successful history performing similar service in Salinas, and is well equipped to perform the service for the Pedestrian and Bicycle Safety Program.

**NOW, THEREFORE, BE IT RESOLVED** that the Salinas City Council authorizes the City Manager to enter into an Agreement with Ecology Action for \$170,831 to provide services as identified in the 2025 OTS-PBSP Grant.

**PASSED AND APPROVED** this 24<sup>th</sup> day of September, 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

\_\_\_\_\_  
Kimbly Craig, Mayor

**ATTEST:**

\_\_\_\_\_  
Patricia M. Barajas, City Clerk

**GRANT AGREEMENT**

<b>1. GRANT TITLE</b> <b>Selective Traffic Enforcement Program (STEP)</b>			
<b>2. NAME OF AGENCY</b> <b>Salinas</b>		<b>3. Grant Period</b> From: 10/01/2024 To: 09/30/2025	
<b>4. AGENCY UNIT TO ADMINISTER GRANT</b> <b>Salinas Police Department</b>			
<b>5. GRANT DESCRIPTION</b> Best practice strategies will be conducted to reduce the number of persons killed and injured in crashes involving alcohol and other primary crash factors. The funded strategies may include impaired driving enforcement, enforcement operations focusing on primary crash factors, distracted driving, night-time seat belt enforcement, special enforcement operations encouraging motorcycle safety, enforcement and public awareness in areas with a high number of bicycle and pedestrian crashes, and educational programs. These strategies are designed to earn media attention thus enhancing the overall deterrent effect.			
<b>6. Federal Funds Allocated Under This Agreement Shall Not Exceed: \$98,000.00</b>			
<b>7. TERMS AND CONDITIONS:</b> The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement: <ul style="list-style-type: none"> <li>Schedule A – Problem Statement, Goals and Objectives and Method of Procedure</li> <li>Schedule B – Detailed Budget Estimate and Sub-Budget Estimate (if applicable)</li> <li>Schedule B-1 – Budget Narrative and Sub-Budget Narrative (if applicable)</li> <li>Exhibit A – Certifications and Assurances</li> <li>Exhibit B* – OTS Grant Program Manual</li> <li>Exhibit C – Grant Electronic Management System (GEMS) Access</li> </ul> <p>*Items shown with an asterisk (*), are hereby incorporated by reference and made a part of this agreement as if attached hereto.</p> <p>These documents can be viewed at the OTS home web page under Grants: <a href="http://www.ots.ca.gov">www.ots.ca.gov</a>.</p> <p>We, the officials named below, hereby swear under penalty of perjury under the laws of the State of California that we are duly authorized to legally bind the Grant recipient to the above described Grant terms and conditions.</p> <p>IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.</p>			
<b>8. Approval Signatures</b>			
<b>A. GRANT DIRECTOR</b> NAME: Tonya Erickson TITLE: Police Services Administrator EMAIL: <a href="mailto:tonyae@ci.salinas.ca.us">tonyae@ci.salinas.ca.us</a> PHONE: (831) 758-7325 ADDRESS: 312 E. Alisal St. Salinas, CA 93901  _____ (Signature) (Date)		<b>B. AUTHORIZING OFFICIAL</b> NAME: Rene Mendez TITLE: City Manager EMAIL: <a href="mailto:renem@ci.salinas.ca.us">renem@ci.salinas.ca.us</a> PHONE: (831) 758-7465 ADDRESS: 312 E. Alisal St. Salinas, CA 93901  _____ (Signature) (Date)	
<b>C. FISCAL OFFICIAL</b> NAME: Selina Andrews TITLE: Assistant Finance Director EMAIL: <a href="mailto:selinaa@ci.salinas.ca.us">selinaa@ci.salinas.ca.us</a> PHONE: (831) 758-7420 ADDRESS: 312 E. Alisal St. Salinas, CA 93901  _____ (Signature) (Date)		<b>D. AUTHORIZING OFFICIAL OF OFFICE OF TRAFFIC SAFETY</b> NAME: Barbara Rooney TITLE: Director EMAIL: <a href="mailto:barbara.rooney@ots.ca.gov">barbara.rooney@ots.ca.gov</a> PHONE: (916) 509-3030 ADDRESS: 2208 Kausen Drive, Suite 300 Elk Grove, CA 95758  _____ (Signature) (Date)	

<p>E. ACCOUNTING OFFICER OF OFFICE OF TRAFFIC SAFETY</p> <p>NAME: Carolyn Vu  ADDRESS: 2208 Kausen Drive, Suite 300  Elk Grove, CA 95758</p>	<p><b>9. SAM INFORMATION</b></p> <p>SAM #: chdwbl29g9z5  REGISTERED  ADDRESS: 200 Lincoln Avenue  CITY: Salinas  ZIP+4: 93901-2639</p>
--	--

10. PROJECTED EXPENDITURES						
FUND	CFDA	ITEM/APPROPRIATION	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
				<b>AGREEMENT TOTAL</b>		<b>\$98,000.00</b>
				AMOUNT ENCUMBERED BY THIS DOCUMENT		<b>\$98,000.00</b>
<i>I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.</i>				PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT		<b>\$ 0.00</b>
				TOTAL AMOUNT ENCUMBERED TO DATE		<b>\$98,000.00</b>
OTS ACCOUNTING OFFICER'S SIGNATURE			DATE SIGNED			

## **1. PROBLEM STATEMENT**

The City of Salinas, located in Central California, is the largest in Monterey County with an estimated population of 163,542. The City is ranked the 34th city by population in California (State of California, 2023), and the largest city in Monterey County (World Population Review, 2024). The median income is \$80,560, and 12.6% of the population is in poverty. Of the population, 80% are Hispanic or Latino, 18.5% are White, 5.9% Asian, 1.1% African American, 0.1% Native American, and 1.6% Other. Spanish is the leading language spoken at home, by 69.3%. Other languages spoken at home include English (26.5%), Asian and Pacific Islander languages (3.2%), other Indo-European languages (0.8%), and other languages (0.2%). An undetermined number of migrant workers come into the city on a seasonal basis, which causes the population to rise significantly for several months during the primary agricultural growing season. This makes it difficult to accurately assess the population. The data shows City of Salinas has a serious traffic safety problem. Residents may not fully understand traffic laws, and language and cultural differences exacerbate this problem.

The City of Salinas is approximately 23.45 square miles with 339 miles of roadway. U.S. 101 traverses the city running north and south. SR-68 and SR-183 also run through Salinas. This diverse network of roadways contributes to the high volume of traffic crashes experienced in Salinas. During the 2023 Federal Fiscal Year, there were 1,617 crashes, up from 1,465 in 2022. The top three known crash factors are Unsafe Speed (196 crashes), Auto Right-Of-Way violations (171 crashes), and Driving Under the Influence (171 crashes). In comparing the 2020 OTS Crash Rankings to the 2021 OTS Crash Rankings, changes in ranking for the following areas should be noted: Total Fatal and Injury crashes changed from 30/61 to 20/60; Alcohol Involved changed from 12/61 to 21/60; Motorcycles changed from 40/61 to 17/60; Pedestrians changed from 14/61 to 8/60; and Bicyclists changed from 34/61 to 26/60. In addition, during the calendar year 2023, the City of Salinas had more traffic fatalities (12) than homicides (11). These statistics demonstrate the need to maintain traffic enforcement and education services within the City of Salinas.

The Salinas PD Traffic Unit can have a significant impact on enforcement and education related to traffic laws. Unfortunately, the Salinas PD is at critical staffing with 26 officer vacancies, and another 21 officers on leave or unable to work full duty. This results in only 77% of our sworn officers actively working. The Salinas PD has had to implement a reduction in the calls for service that are responded to, we are in the process of transitioning our Traffic Sergeant to a collateral assignment, and currently have only one dedicated Traffic Officer. The Department uses full-time and collateral traffic unit officers as well as patrol officers to conduct traffic enforcement operations using OTS grant funds. During this period of critical staffing, the utilization of overtime by officers is necessary in order for the City to maintain traffic enforcement and education services. Salinas PD has been receiving a STEP grant since 2011 and we have recently focused on recruiting additional collateral assignment traffic officers to ensure our ability to provide dedicated traffic enforcement services through this grant funding. The Salinas Police Department continues to encourage officers to receive training to support STEP Grant activities. The Salinas PD does have one SFST instructor and we intend to host SFST classes as staffing allows. We have one DRE certified officer, and we continue to encourage officers to continue training so we can expand the number of officers with SFST, ARIDE, and DRE certifications.

## **2. PERFORMANCE MEASURES**

### **A. Goals:**

1. Reduce the number of persons killed in traffic crashes.
2. Reduce the number of persons injured in traffic crashes.
3. Reduce the number of pedestrians killed in traffic crashes.
4. Reduce the number of pedestrians injured in traffic crashes.
5. Reduce the number of bicyclists killed in traffic crashes.
6. Reduce the number of bicyclists injured in traffic crashes.
7. Reduce the number of persons killed in alcohol-involved crashes.
8. Reduce the number of persons injured in alcohol-involved crashes.
9. Reduce the number of persons killed in drug-involved crashes.

10. Reduce the number of persons injured in drug-involved crashes.
11. Reduce the number of persons killed in alcohol/drug combo-involved crashes.
12. Reduce the number of persons injured in alcohol/drug combo-involved crashes.
13. Reduce the number of motorcyclists killed in traffic crashes.
14. Reduce the number of motorcyclists injured in traffic crashes.
15. Reduce hit & run fatal crashes.
16. Reduce hit & run injury crashes.
17. Reduce nighttime (2100 - 0259 hours) fatal crashes.
18. Reduce nighttime (2100 - 0259 hours) injury crashes.

<b>B. Objectives:</b>	<b>Target Number</b>
1. Issue a press release announcing the kick-off of the grant by November 15. The kick-off press releases and media advisories, alerts, and materials must be emailed to the OTS Public Information Officer at <a href="mailto:pio@ots.ca.gov">pio@ots.ca.gov</a> , and copied to your OTS Coordinator, for approval 7 days prior to the issuance date of the release.	1
2. Participate and report data (as required) in the following campaigns; Quarter 1: National Pedestrian Safety Month, National Walk to School Day, National Teen Driver Safety Week, NHTSA Winter Mobilization; Quarter 3: National Distracted Driving Awareness Month, National Motorcycle Safety Month, National Bicycle Safety Month, National Click it or Ticket Mobilization; Quarter 4: National Speed Prevention Campaigns, NHTSA Summer Mobilization, National Child Passenger Safety Week, and California's Pedestrian Safety Month.	12
3. Develop (by December 31) and/or maintain a "DUI BOLO" program to notify patrol and traffic officers to be on the lookout for identified repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. Updated DUI BOLOs should be distributed to patrol and traffic officers monthly.	12
4. Send law enforcement personnel to the NHTSA Standardized Field Sobriety Testing (SFST) (minimum 16 hours) POST-certified training.	4
5. Send law enforcement personnel to the NHTSA Advanced Roadside Impaired Driving Enforcement (ARIDE) 16 hour POST-certified training.	1
6. Send law enforcement personnel to the Drug Recognition Expert (DRE) training (classroom and field training must be completed).	1
7. Send law enforcement personnel to the DRE Recertification training.	1
8. Conduct DUI/DL Checkpoints. A minimum of 1 checkpoint should be conducted during the NHTSA Winter Mobilization and 1 during the Summer Mobilization. To enhance the overall deterrent effect and promote high visibility, it is recommended the grantee issue an advance press release and conduct social media activity for each checkpoint. For combination DUI/DL checkpoints, departments should issue press releases that mention DL's will be checked at the DUI/DL checkpoint. Signs for DUI/DL checkpoints should read "DUI/Driver's License Checkpoint Ahead." OTS does not fund or support independent DL checkpoints. Only on an exception basis and with OTS pre-approval will OTS fund checkpoints that begin prior to 1800 hours. When possible, DUI/DL Checkpoint screeners should be DRE- or ARIDE-trained.	1
9. Conduct DUI Saturation Patrol operation(s).	19
10. Conduct Traffic Enforcement operation(s), including but not limited to, primary crash factor violations.	15
11. Conduct highly publicized Distracted Driving enforcement operation(s) targeting drivers using hand held cell phones and texting.	7
12. Conduct highly publicized pedestrian and/or bicycle enforcement operation(s) in areas or during events with a high number of pedestrian and/or bicycle crashes resulting from violations made by pedestrians, bicyclists, and drivers.	7
13. Conduct Traffic Safety educational presentation(s) with an effort to reach community members. Note: Presentation(s) may include topics such as distracted driving, DUI, speed, bicycle and pedestrian safety, seat belts and child passenger safety.	2

**3. METHOD OF PROCEDURE**

### **A. Phase 1 – Program Preparation (1<sup>st</sup> Quarter of Grant Year)**

- The department will develop operational plans to implement the “best practice” strategies outlined in the objectives section.
- All training needed to implement the program should be conducted in the first quarter.
- All grant related purchases needed to implement the program should be made in the first quarter.
- In order to develop/maintain the “DUI BOLOs,” research will be conducted to identify the “worst of the worst” repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. The DUI BOLO may include the driver’s name, last known address, DOB, description, current license status, and the number of times suspended or revoked for DUI. DUI BOLOs should be updated and distributed to traffic and patrol officers at least monthly.
- Implementation of the STEP grant activities will be accomplished by deploying personnel at high crash locations.

#### Media Requirements:

Issue a press release approved by the OTS PIO announcing the kick-off of the grant by November 15, but no sooner than October 1. The kick-off release must be approved by the OTS PIO and only distributed after the grant is fully signed and executed. If you are unable to meet the November 15 deadline to issue a kick-off press release, communicate reasons to your OTS grant coordinator and OTS PIO.

### **B. Phase 2 – Program Operations (Throughout Grant Year)**

- The department will work to create media opportunities throughout the grant period to call attention to the innovative program strategies and outcomes.

#### Media Requirements

The following requirements are for all grant-related activities:

- Send all media advisories, alerts, videos, graphics, artwork, posters, radio/PSA/video scripts, storyboards, digital and/or print educational materials for grant-related activities to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) for approval and copy your OTS grant coordinator. Optimum lead time would be 7 days before the scheduled release but at least 3 business days prior to the scheduled release date for review and approval is appreciated.
- Send all Powerpoint presentations, online presentations and trainings for grant-related activities to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) for approval and copy your OTS grant coordinator. Certified training courses are EXEMPT from the approval process.
- The OTS PIO is responsible for the approval of the design and content of materials. The agency understands OTS PIO approval is not authorizing approval of budget expenditure or cost. Any cost approvals must come from the OTS grant coordinator.
- Pre-approval is not required when using any OTS-supplied template for media advisories, press releases, social media graphics, videos or posts, or any other OTS-supplied educational material. However, copy the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) and your OTS grant coordinator when any material is distributed to the media and public, such as a press release, educational material, or link to social media post. The OTS-supplied kick-off press release templates and any kickoff press releases are an exception to this policy and require prior approval before distribution to the media and public.
- If an OTS-supplied template, educational material, social media graphic, post or video is substantially changed, the changes shall be sent to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) for approval and copy to your OTS grant coordinator. Optimum lead time would be 7 days prior to the scheduled release date, but at least 3 business days prior to the scheduled release date for review and approval is appreciated.
- Press releases, social media posts and alerts on platforms such as NextDoor and Nixle reporting immediate and time-sensitive grant activities (e.g. enforcement operations, day of event highlights or announcements, event invites) are exempt from the OTS PIO approval process. The OTS PIO and your OTS grant coordinator should still be notified when the grant-related activity is happening (e.g. car seat checks, bicycle rodeos, community presentations, DUI checkpoints, etc.).
- Enforcement activities such as warrant and probation sweeps, court stings, etc. that are embargoed or could impact operations by publicizing in advance are exempt from the PIO

approval process. However, announcements and results of activities should still be copied to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) and your OTS grant coordinator with embargoed date and time or with "INTERNAL ONLY: DO NOT RELEASE" message in subject line of email.

- Any earned or paid media campaigns for TV, radio, digital or social media that are part of a specific grant objective, using OTS grant funds, or designed and developed using contractual services by a subgrantee, requires prior approval. Please send to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) for approval and copy your grant coordinator at least 3 business days prior to the scheduled release date.
- Social media posts highlighting state or national traffic safety campaigns (Distracted Driving Month, Motorcycle Safety Awareness Month, etc.), enforcement operations (DUI checkpoints, etc.), or any other grant-related activity such as Bicycle rodeos, presentations, or events, are highly encouraged but do not require prior approval.
- Submit a draft or rough-cut of all digital, printed, recorded or video material (brochures, posters, scripts, artwork, trailer graphics, digital graphics, social posts connected to an earned or paid media campaign grant objective) to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) and copy your OTS grant coordinator for approval prior to the production or duplication.
- Use the following standard language in all press, media, and printed materials, space permitting: Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration.
- Space permitting, include the OTS logo on all grant-funded print materials, graphics and paid or earned social media campaign grant objective; consult your OTS grant coordinator for specifics, format-appropriate logos, or if space does not permit the use of the OTS logo.
- Email the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) and copy your OTS grant coordinator at least 21 days in advance, or when first confirmed, a short description of any significant grant-related traffic safety event or program, particularly events that are highly publicized beforehand with anticipated media coverage so OTS has sufficient notice to arrange for attendance and/or participation in the event. If unable to attend, email the OTS PIO and coordinator brief highlights and/or results, including any media coverage (broadcast, digital, print) of event within 7 days following significant grant-related event or program. Media and program highlights are to be reflected in QPRs.
- Any press releases, work plans, scripts, storyboards, artwork, graphics, videos or any educational or informational materials that received OTS PIO approval in a prior grant year needs to be resubmitted for approval in the current grant year.
- For additional guidance, refer to the [OTS Grants Materials Approval Process Guidelines](#) and [OTS Grants Media Approval Process FAQs](#) on the OTS website.
- Contact the OTS PIO or your OTS grant coordinator for consultation when changes from any of the above requirements might be warranted.

### **C. Phase 3 – Data Collection & Reporting (Throughout Grant Year)**

1. Prepare and submit grant claim invoices (due January 30, April 30, July 30, and October 30)

2. Prepare and submit Quarterly Performance Reports (QPR) (due January 30, April 30, July 30, and October 30)

- Collect and report quarterly, appropriate data that supports the progress of goals and objectives.
- Provide a brief list of activity conducted, procurement of grant-funded items, and significant media activities. Include status of grant-funded personnel, status of contracts, challenges, or special accomplishments.
- Provide a brief summary of quarterly accomplishments and explanations for objectives not completed or plans for upcoming activities.
- Collect, analyze and report statistical data relating to the grant goals and objectives.

### **4. METHOD OF EVALUATION**

Using the data compiled during the grant, the Grant Director will complete the "Final Evaluation" section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant's accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

### **5. ADMINISTRATIVE SUPPORT**

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.





FUND NUMBER	CATALOG NUMBER (CFDA)	FUND DESCRIPTION	TOTAL AMOUNT
164AL-25	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	\$50,000.00
402PT-25	20.600	State and Community Highway Safety	\$48,000.00

COST CATEGORY	FUND NUMBER	UNIT COST OR RATE	UNITS	TOTAL COST TO GRANT
<b>A. PERSONNEL COSTS</b>				
<u>Straight Time</u>				\$0.00
<u>Overtime</u>				
DUI/DL Checkpoints	164AL-25	\$13,500.00	1	\$13,500.00
DUI Saturation Patrols	164AL-25	\$1,550.00	19	\$29,450.00
Benefits OT	164AL-25	\$42,950.00	1	\$5,004.00
Traffic Enforcement	402PT-25	\$1,250.00	15	\$18,750.00
Distracted Driving	402PT-25	\$1,250.00	7	\$8,750.00
Pedestrian and Bicycle Enforcement	402PT-25	\$1,250.00	7	\$8,750.00
Traffic Safety Educational Presentations	402PT-25	\$450.00	2	\$900.00
Benefits OT	402PT-25	\$37,150.00	1	\$4,328.00
Category Sub-Total				\$89,432.00
<b>B. TRAVEL EXPENSES</b>				
In State Travel	402PT-25	\$2,822.00	1	\$2,822.00
				\$0.00
Category Sub-Total				\$2,822.00
<b>C. CONTRACTUAL SERVICES</b>				
				\$0.00
Category Sub-Total				\$0.00
<b>D. EQUIPMENT</b>				
				\$0.00
Category Sub-Total				\$0.00
<b>E. OTHER DIRECT COSTS</b>				
DUI Checkpoint Supplies	164AL-25	\$2,046.00	1	\$2,046.00
Lidar Device	402PT-25	\$1,850.00	2	\$3,700.00
Category Sub-Total				\$5,746.00
<b>F. INDIRECT COSTS</b>				
				\$0.00
Category Sub-Total				\$0.00
<b>GRANT TOTAL</b>				<b>\$98,000.00</b>

<b>BUDGET NARRATIVE</b>
<b>PERSONNEL COSTS</b>
DUI/DL Checkpoints - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
DUI Saturation Patrols - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Benefits OT - Claimed amounts must reflect actual benefit costs for overtime hours charged to the grant. Benefit breakdown: OASDI = 6.2% Med = 1.45% WC = 4% Total Benefits 11.65%
Traffic Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Distracted Driving - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Pedestrian and Bicycle Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Traffic Safety Educational Presentations - Overtime for grant funded traffic safety educational presentations conducted by appropriate department personnel.
Benefits OT - Claimed amounts must reflect actual benefit costs for overtime hours charged to the grant. Benefit breakdown: OASDI = 6.2% Med = 1.45% WC = 4% Total Benefits 11.65%
<b>TRAVEL EXPENSES</b>
In State Travel - Costs are included for appropriate staff to attend conferences and training events supporting the grant goals and objectives and/or traffic safety. Local mileage for grant activities and meetings is included. Anticipated travel may include Lifesavers in Long Beach and the OTS Traffic Safety Law Enforcement Forum. All conferences, seminars or training not specifically identified in the Budget Narrative must be approved by OTS. All travel claimed must be at the agency approved rate. Per Diem may not be claimed for meals provided at conferences when registration fees are paid with OTS grant funds.
<b>CONTRACTUAL SERVICES</b>
-
<b>EQUIPMENT</b>
-
<b>OTHER DIRECT COSTS</b>
DUI Checkpoint Supplies - On-scene supplies needed to conduct sobriety checkpoints. Costs may include 28" traffic cones, MUTCD compliant traffic signs, MUTCD compliant high visibility vests (maximum of 10), traffic counters (maximum of 2), generator, gas for generators, lighting, reflective banners, electronic flares, PAS Device/Calibration Supplies, heater, propane for heaters, fan, anti-fatigue mats, and canopies. Additional items may be purchased if approved by OTS. The cost of food and beverages will not be reimbursed. Each item must have a unit cost of less than \$5,000 (including tax and shipping).
Lidar Device - Light detection and ranging device used to measure the speed of motor vehicles. This device will be used for speed enforcement. Costs may include lidar devices, batteries, tax, and shipping.
<b>INDIRECT COSTS</b>
-
<b>STATEMENTS/DISCLAIMERS</b>



**Certifications and Assurances for Fiscal Year 2024 Highway Safety Grants (23 U.S.C. Chapter 4 or Section 1906, Public Law 109-59, as amended by Section 25024, Public Law 117-58)**

The officials named on the grant agreement, certify by way of signature on the grant agreement signature page, that the Grantee Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies, and laws in effect with respect to the periods for which it receives grant funding. Applicable provisions include, but are not limited to, the following:

**GENERAL REQUIREMENTS**

The State will comply with applicable statutes and regulations, including but not limited to:

- 23 U.S.C. Chapter 4—Highway Safety Act of 1966, as amended;
- Sec. 1906, [Public Law 109-59](#), as amended by Sec. 25024, [Public Law 117-58](#);
- [23 CFR part 1300](#)—Uniform Procedures for State Highway Safety Grant Programs;
- [2 CFR part 200](#)—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- [2 CFR part 1201](#)—Department of Transportation, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

**NONDISCRIMINATION**

**(applies to all subrecipients as well as States)**

The State highway safety agency [and its subrecipients] will comply with all Federal statutes and implementing regulations relating to nondiscrimination (“Federal Nondiscrimination Authorities”). These include but are not limited to:

- *Title VI of the Civil Rights Act of 1964* ([42 U.S.C. 2000d et seq.](#), 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- [49 CFR part 21](#) (entitled *Non-discrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964*);
- [28 CFR 50.3](#) (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);
- *The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970*, ([42 U.S.C. 4601](#)), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- *Federal-Aid Highway Act of 1973*, ([23 U.S.C. 324 et seq.](#)), and *Title IX of the Education Amendments of 1972*, as amended ([20 U.S.C. 1681-1683](#) and [1685-1686](#)) (prohibit discrimination on the basis of sex);
- *Section 504 of the Rehabilitation Act of 1973*, ([29 U.S.C. 794 et seq.](#)), as amended, (prohibits discrimination on the basis of disability) and [49 CFR part 27](#);
- *The Age Discrimination Act of 1975*, as amended, ([42 U.S.C. 6101 et seq.](#)), (prohibits discrimination on the basis of age);
- *The Civil Rights Restoration Act of 1987*, (Pub. L. 100-209), (broadens scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- *Titles II and III of the Americans with Disabilities Act* ([42 U.S.C. 12131-12189](#)) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and [49 CFR parts 37](#) and [38](#);
- [Executive Order 12898](#), *Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations* (preventing discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- [Executive Order 13166](#), *Improving Access to Services for Persons with Limited English Proficiency* (requiring that recipients of Federal financial assistance provide meaningful access for applicants and beneficiaries who have limited English proficiency (LEP));
- [Executive Order 13985](#), *Advancing Racial Equity and Support for Underserved Communities through the Federal Government* (advancing equity across the Federal Government); and
- [Executive Order 13988](#), *Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation* (clarifying that sex discrimination includes discrimination on the grounds of gender identity or sexual orientation).

The preceding statutory and regulatory cites hereinafter are referred to as the “Acts” and “Regulations,” respectively.

## GENERAL ASSURANCES

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

*“No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, for which the Recipient receives Federal financial assistance from DOT, including NHTSA.”*

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI of the Civil Rights Act of 1964 and other non-discrimination requirements (the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these nondiscrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

## SPECIFIC ASSURANCES

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted Highway Safety Grant Program:

1. The Recipient agrees that each “activity,” “facility,” or “program,” as defined in § 21.23(b) and (c) of [49 CFR part 21](#) will be (with regard to an “activity”) facilitated, or will be (with regard to a “facility”) operated, or will be (with regard to a “program”) conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with all Highway Safety Grant Programs and, in adapted form, in all proposals for negotiated agreements regardless of funding source: *“The [name of Recipient], in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”*
3. The Recipient will insert the clauses of appendix A and E of this Assurance (also referred to as DOT Order 1050.2A) in every contract or agreement subject to the Acts and the Regulations.
4. The Recipient will insert the clauses of appendix B of DOT Order 1050.2A, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form of, or for the acquisition of, real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in appendix C and appendix D of this DOT Order 1050.2A, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
  - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
  - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
  - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
  - b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the State highway safety agency also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing NHTSA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by NHTSA. You must keep records, reports, and submit the material for review upon request to NHTSA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The State highway safety agency gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the Highway Safety Grant Program. This ASSURANCE is binding on the State highway safety agency, other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the Highway Safety Grant Program. The person(s) signing below is/are authorized to sign this ASSURANCE on behalf of the Recipient.

#### **THE DRUG-FREE WORKPLACE ACT OF 1988 (41 U.S.C. 8103)**

The Subgrantee will provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;
- b. Establishing a drug-free awareness program to inform employees about:
  1. The dangers of drug abuse in the workplace;
  2. The grantee's policy of maintaining a drug-free workplace;
  3. Any available drug counseling, rehabilitation, and employee assistance programs;
  4. The penalties that may be imposed upon employees for drug violations occurring in the workplace;
  5. Making it a requirement that each employee engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- c. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
  1. Abide by the terms of the statement;
  2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- d. Notifying the agency within ten days after receiving notice under subparagraph (c)(2) from an employee or otherwise receiving actual notice of such conviction;
- e. Taking one of the following actions, within 30 days of receiving notice under subparagraph (c)(2), with respect to any employee who is so convicted—
  1. Taking appropriate personnel action against such an employee, up to and including termination;
  2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- f. Making a good faith effort to continue to maintain a drug-free workplace through implementation of all of the paragraphs above.

#### **POLITICAL ACTIVITY (HATCH ACT)**

**(applies to all subrecipients as well as States)**

**The State will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.**

#### **CERTIFICATION REGARDING FEDERAL LOBBYING**

**(applies to all subrecipients as well as States)**

#### **CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### **RESTRICTION ON STATE LOBBYING (applies to subrecipients as well as States)**

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

#### **CERTIFICATION REGARDING DEBARMENT AND SUSPENSION (applies to all subrecipients as well as States)**

#### **INSTRUCTIONS FOR PRIMARY TIER PARTICIPANT CERTIFICATION (STATES)**

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180](#) and [1200](#).
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180](#) and [1200](#). You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180](#) and [1200](#).
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or



otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate the transaction for cause or default.

#### **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS— PRIMARY TIER COVERED TRANSACTIONS**

1. The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:
  - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;
  - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
  - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
2. Where the prospective primary tier participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### **INSTRUCTIONS FOR LOWER TIER PARTICIPANT CERTIFICATION**

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180](#) and [1200](#).
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180](#) and [1200](#). You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180](#) and [1200](#).
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or

otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

#### **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION— LOWER TIER COVERED TRANSACTIONS**

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### **BUY AMERICA (applies to subrecipients as well as States)**

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

#### **CERTIFICATION ON CONFLICT OF INTEREST (applies to subrecipients as well as States)**

#### **GENERAL REQUIREMENTS**

No employee, officer, or agent of a State or its subrecipient who is authorized in an official capacity to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting, or approving any subaward, including contracts or subcontracts, in connection with this grant shall have, directly or indirectly, any financial or personal interest in any such subaward. Such a financial or personal interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or personal interest in or a tangible personal benefit from an entity considered for a subaward. Based on this policy:

1. The recipient shall maintain a written code or standards of conduct that provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents.
  - a. The code or standards shall provide that the recipient's officers, employees, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from present or potential subawardees, including contractors or parties to subcontracts.
  - b. The code or standards shall establish penalties, sanctions, or other disciplinary actions for violations, as permitted by State or local law or regulations.
2. The recipient shall maintain responsibility to enforce the requirements of the written code or standards of conduct.

## **DISCLOSURE REQUIREMENTS**

No State or its subrecipient, including its officers, employees, or agents, shall perform or continue to perform under a grant or cooperative agreement, whose objectivity may be impaired because of any related past, present, or currently planned interest, financial or otherwise, in organizations regulated by NHTSA or in organizations whose interests may be substantially affected by NHTSA activities. Based on this policy:

1. The recipient shall disclose any conflict of interest identified as soon as reasonably possible, making an immediate and full disclosure in writing to NHTSA. The disclosure shall include a description of the action which the recipient has taken or proposes to take to avoid or mitigate such conflict.
2. NHTSA will review the disclosure and may require additional relevant information from the recipient. If a conflict of interest is found to exist, NHTSA may (a) terminate the award, or (b) determine that it is otherwise in the best interest of NHTSA to continue the award and include appropriate provisions to mitigate or avoid such conflict.
3. Conflicts of interest that require disclosure include all past, present, or currently planned organizational, financial, contractual, or other interest(s) with an organization regulated by NHTSA or with an organization whose interests may be substantially affected by NHTSA activities, and which are related to this award. The interest(s) that require disclosure include those of any recipient, affiliate, proposed consultant, proposed subcontractor, and key personnel of any of the above. Past interest shall be limited to within one year of the date of award. Key personnel shall include any person owning more than a 20 percent interest in a recipient, and the officers, employees or agents of a recipient who are responsible for making a decision or taking an action under an award where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.

## **PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE (applies to all subrecipients as well as States)**

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

## **POLICY ON SEAT BELT USE**

In accordance with Executive Order 13043, Increasing Seat Belt Use in the United States, dated April 16, 1997, the Grantee is encouraged to adopt and enforce on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this Presidential initiative. For information and resources on traffic safety programs and policies for employers, please contact the Network of Employers for Traffic Safety (NETS), a public-private partnership dedicated to improving the traffic safety practices of employers and employees. You can download information on seat belt programs, costs of motor vehicle crashes to employers, and other traffic safety initiatives at [www.trafficsafety.org](http://www.trafficsafety.org). The NHTSA website ([www.nhtsa.gov](http://www.nhtsa.gov)) also provides information on statistics, campaigns, and program evaluations and references.

## **POLICY ON BANNING TEXT MESSAGING WHILE DRIVING**

In accordance with Executive Order 13513, Federal Leadership On Reducing Text Messaging While Driving, and DOT Order 3902.10, Text Messaging While Driving, States are encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted driving, including policies to ban text messaging while driving company-owned or rented vehicles, Government-owned, leased or rented vehicles, or privately-owned vehicles when on official Government business or when performing any work on or behalf of the Government. States are also encouraged to conduct workplace safety initiatives in a manner commensurate with the size of the business, such as establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving, and education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

<b>1. GRANT TITLE</b> <b>Pedestrian and Bicycle Safety Program</b>	
<b>2. NAME OF AGENCY</b> <b>Salinas</b>	<b>3. Grant Period</b> From: 10/01/2024 To: 09/30/2025
<b>4. AGENCY UNIT TO ADMINISTER GRANT</b> <b>Salinas Police Department</b>	
<b>5. GRANT DESCRIPTION</b> Best practice strategies will be conducted to reduce the number of persons killed and injured in crashes involving pedestrians and bicyclists. The funded strategies may include classroom education, bicycle rodeos, community events, presentations, and workshops. These countermeasures should be conducted in communities with high numbers of pedestrian and/or bicycle related crashes including underserved communities, older adults, and school-aged children. Coordinated efforts such as Safe Routes to School initiatives, Safe System Approach, and working with community based organizations are highly encouraged to prevent fatalities and injuries of vulnerable non-motorized road users.	
<b>6. Federal Funds Allocated Under This Agreement Shall Not Exceed: \$170,831.00</b>	
<p><b>7. TERMS AND CONDITIONS:</b> The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement:</p> <ul style="list-style-type: none"> <li>• Schedule A – Problem Statement, Goals and Objectives and Method of Procedure</li> <li>• Schedule B – Detailed Budget Estimate and Sub-Budget Estimate (if applicable)</li> <li>• Schedule B-1 – Budget Narrative and Sub-Budget Narrative (if applicable)</li> <li>• Exhibit A – Certifications and Assurances</li> <li>• Exhibit B* – OTS Grant Program Manual</li> <li>• Exhibit C – Grant Electronic Management System (GEMS) Access</li> </ul> <p>*Items shown with an asterisk (*), are hereby incorporated by reference and made a part of this agreement as if attached hereto.</p> <p>These documents can be viewed at the OTS home web page under Grants: <a href="http://www.ots.ca.gov">www.ots.ca.gov</a>.</p> <p>We, the officials named below, hereby swear under penalty of perjury under the laws of the State of California that we are duly authorized to legally bind the Grant recipient to the above described Grant terms and conditions.</p> <p>IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.</p>	
<b>8. Approval Signatures</b>	
<p><b>A. GRANT DIRECTOR</b>  NAME: Tonya Erickson  TITLE: Police Services Administrator  EMAIL: <a href="mailto:tonyae@ci.salinas.ca.us">tonyae@ci.salinas.ca.us</a>  PHONE: (831) 758-7325  ADDRESS: 312 E. Alisal St.  Salinas, CA 93901</p> <p>_____ (Signature) _____ (Date)</p>	<p><b>B. AUTHORIZING OFFICIAL</b>  NAME: Rene Mendez  TITLE: City Manager  EMAIL: <a href="mailto:renem@ci.salinas.ca.us">renem@ci.salinas.ca.us</a>  PHONE: (831) 758-7465  ADDRESS: 312 E. Alisal St.  Salinas, CA 93901</p> <p>_____ (Signature) _____ (Date)</p>
<p><b>C. FISCAL OFFICIAL</b>  NAME: Selina Andrews  TITLE: Assistant Finance Director  EMAIL: <a href="mailto:selinaa@ci.salinas.ca.us">selinaa@ci.salinas.ca.us</a>  PHONE: (831) 758-7420  ADDRESS: 312 E. Alisal St.  Salinas, CA 93901</p> <p>_____ (Signature) _____ (Date)</p>	<p><b>D. AUTHORIZING OFFICIAL OF OFFICE OF TRAFFIC SAFETY</b>  NAME: Barbara Rooney  TITLE: Director  EMAIL: <a href="mailto:barbara.rooney@ots.ca.gov">barbara.rooney@ots.ca.gov</a>  PHONE: (916) 509-3030  ADDRESS: 2208 Kausen Drive, Suite 300  Elk Grove, CA 95758</p> <p>_____ (Signature) _____ (Date)</p>

<p>E. ACCOUNTING OFFICER OF OFFICE OF TRAFFIC SAFETY</p> <p>NAME: Carolyn Vu</p> <p>ADDRESS: 2208 Kausen Drive, Suite 300 Elk Grove, CA 95758</p>	<p><b>9. SAM INFORMATION</b></p> <p>SAM #: CHDWBL29G9Z5</p> <p>REGISTERED</p> <p>ADDRESS: 200 Lincoln Avenue</p> <p>CITY: Salinas</p> <p>ZIP+4: 93901-2639</p>
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10. PROJECTED EXPENDITURES						
FUND	CFDA	ITEM/APPROPRIATION	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
				<b>AGREEMENT TOTAL</b>		<b>\$170,831.00</b>
				AMOUNT ENCUMBERED BY THIS DOCUMENT		<b>\$170,831.00</b>
<p><i>I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.</i></p>				PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT		<b>\$ 0.00</b>
				TOTAL AMOUNT ENCUMBERED TO DATE		<b>\$170,831.00</b>
OTS ACCOUNTING OFFICER'S SIGNATURE			DATE SIGNED			

## **1. PROBLEM STATEMENT**

In 2023, Salinas was ranked the 34<sup>th</sup> city by population in California and designated in 2024 as the largest city in Monterey County. Salinas is well-positioned to increase walking and bicycling for transportation; however, there are substantial gaps in the current bicycle network. Much of the network is in relatively disconnected islands that create barriers to bicycling on streets. The high speeds and large volumes of vehicles create safety issues when people bike on streets without a dedicated facility. Salinas has a diverse population of approximately 163,543 residents. The percentage of adults in East Salinas with less than a high school education is nearly four times the California average. About 12 percent of Salinas residents have a bachelor's degree or higher, compared to 30 percent nationwide. The median income is \$80,560, and 12.6 percent of the population is in poverty, and more than 80 percent of high school and middle school students in Salinas qualify for free or reduced lunch programs based on their low family income levels. Of the population, 80 percent are Hispanic or Latino, 18.5 percent are White, 5.9 percent Asian, 1.1 percent African American, 0.1 percent Native American, and 1.6 percent Other. Spanish is the leading language spoken at home, by 69.3 percent. Other languages spoken at home include English (26.5 percent), Asian and Pacific Islander languages (3.2 percent), other Indio-European languages (0.8 percent), and other languages (0.2 percent). Approximately 25 percent of the population falls within the school-age range, which ranges from 5 to 19 years old.

According to the California Office of Traffic Safety (OTS), rankings are based on comparisons of traffic safety statistics of cities with similar-sized populations. In comparing the 2020 OTS Crash Rankings to the 2021 OTS Crash Rankings, changes in ranking for the following areas should be noted: overall crashes involving pedestrians changed from 14/61 to 8/60; crashes involving pedestrians below the age of 15 changed from 33/61 to 5/60; crashes involving pedestrians above the age of 65 changed from 11/61 to 14/60; overall crashes involving bicyclists changed from 34/61 to 26/60; and crashes involving bicyclists below the age of 15 changed from 14/61 to 16/60.

Based on Crossroad Analytics, the 2023 Federal Fiscal Year reflects a total of 1,617 crashes. Out of that total, there were 610 crashes resulting in injuries and 9 fatalities. Crashes involving pedestrians and bicyclists accounted for 123 crashes, comprising 8 percent of all crashes. While the overall percentage of pedestrian and bicyclist crashes is minimal at 8 percent, assessing the proportion of injury crashes to the overall crash count is crucial. Out of the 123 crashes involving pedestrians and bicyclists, 103 resulted in injuries, constituting 84 percent of the total. The data shows that Salinas has a serious traffic safety problem that greatly affects children and youth. Residents may not fully understand traffic laws as they pertain to bikes and pedestrians, and language and cultural differences exacerbate this problem. An undetermined number of migrant workers come into the city on a seasonal basis, which causes the population to rise significantly for several months during the primary agricultural growing season. This has resulted in neighborhoods that are overcrowded and households that have limited or no access to a vehicle. Salinas has great potential to increase safe walking and biking, and children and youth need education and support to do so safely.

The Salinas Police Department (PD) traffic unit can have a significant impact on pedestrian and bicycle safety. Unfortunately, the Salinas PD is at critical staffing and as of January 2024, has 26 officer vacancies, and another 21 officers on leave or unable to work full duty. This results in only 77 percent of our sworn officers actively working. During this period of critical staffing, the Salinas PD is unable to address pedestrian and bicycle safety activities with sworn staffing at the level we would desire. To ensure that pedestrian and bicycle safety is not overlooked, the Salinas PD will continue to contract with a non-profit organization, who has a history of successfully providing educational programming within the City of Salinas and other surrounding jurisdictions. In addition, the Salinas PD has a newly implemented Community Outreach and Engagement (CO&E) Unit's Team will work to ensure police outreach presence at events and activities.

## **2. PERFORMANCE MEASURES**

### **A. Goals:**

1. Reduce the number of persons killed in traffic crashes.

2. Reduce the number of persons injured in traffic crashes.
3. Reduce the number of pedestrians killed in traffic crashes.
4. Reduce the number of pedestrians injured in traffic crashes.
5. Reduce the number of pedestrians killed under age 15 in traffic crashes.
6. Reduce the number of pedestrians injured under age 15 in traffic crashes.
7. Reduce the number of pedestrians killed over age 65 in traffic crashes.
8. Reduce the number of pedestrians injured over age 65 in traffic crashes.
9. Reduce the number of bicyclists killed in traffic crashes.
10. Reduce the number of bicyclists injured in traffic crashes.
11. Reduce the number of bicyclists under age 15 killed in traffic crashes.
12. Reduce the number of bicyclists under age 15 injured in traffic crashes.
13. Increase bicycle helmet usage.

<b>B. Objectives:</b>	<b>Target Number</b>
1. Issue a press release announcing the kick-off of the grant by November 15. The kick-off press releases and media advisories, alerts, and materials must be emailed to the OTS Public Information Officer at <a href="mailto:pio@ots.ca.gov">pio@ots.ca.gov</a> , and copied to your OTS Coordinator, for approval 7 days prior to the issuance date of the release.	1
2. Participate in the following campaigns: National Walk to School Day, National Bicycle Safety Month, California's Pedestrian Safety Month and National Pedestrian Safety Month.	4
3. Conduct pedestrian and/or bicycle safety presentations.	57
4. Distribute pedestrian/bicycle safety items at no cost to youth or community members in need, during bicycle rodeos, presentations, workshops, trainings, and community events to increase safety and visibility. Report quarterly on pedestrian/bicycle safety items distributed.	1
5. Conduct pre and post-grant activities bicycle helmet usage surveys during the months of October (start of the grant) and September (end of the grant). A pre-survey will be required to determine the base year helmet use rate and a post-survey will be required to determine the operational rate. Upload completed survey to GEMS.	1
6. Conduct bicycle rodeos.	27
7. Distribute and properly fit bicycle helmets at no cost to community members in need, at bicycle rodeos, schools, workshops, and community events.	175
8. Purchase bicycle helmets.	175
9. Conduct bicycle helmet checks and make necessary adjustments at no cost for community members in need at schools and community events.	1
10. Conduct community bicycle rides providing bicycle safety education to promote safe bicycling in the community with an effort to reach bicyclists.	3
11. Conduct pedestrian Walking Field Trips or on-foot safety training with an effort to reach youth.	30
12. Execute subcontracts referenced in the budget. Prior to finalizing the subcontract, grantee should work with the OTS to ensure all costs in the sub contract are allowable. Upon execution of subcontract, upload a copy of the subcontract and request a revision to the grant budget to add new budget line items for associated costs under contractual services. If not yet executed, provide ETA.	1
13. Conduct Bicycle Safety and Maintenance Workshops to teach community members how to repair and maintain their bicycles and provide them with traffic safety rules and best practices to promote safe travel.	3
14. Conduct Learn to Ride Workshops for students at all participating elementary schools. Instruction to occur during PE class, for a full week, lasting just under one hour, led by a League of American Bicyclists certified instructor. Each class period will be split into approximately half classroom training and half on-bike instruction. Each day's instruction includes course setup/teardown. When reporting, include date/location and total number of individuals trained.	2
<b>3. METHOD OF PROCEDURE</b> <b>A. Phase 1 – Program Preparation (1<sup>st</sup> Quarter of Grant Year)</b>	



- Develop operational plans to implement the “best practice” strategies outlined in the objectives section.
- All training needed to implement the program should be conducted in the first quarter.
- All grant related purchases needed to implement the program should be made in the first quarter.

#### Media Requirements

- Issue a press release approved by the OTS PIO announcing the kick-off of the grant by November 15, but no sooner than October 1. The kick-off release must be approved by the OTS PIO and only distributed after the grant is fully signed and executed. If you are unable to meet the November 15 deadline to issue a kick-off press release, communicate reasons to your OTS grant coordinator and OTS PIO.

### **B. Phase 2 – Program Operations (Throughout Grant Year)**

#### Media Requirements

The following requirements are for all grant-related activities:

- Send all media advisories, alerts, videos, graphics, artwork, posters, radio/PSA/video scripts, storyboards, digital and/or print educational materials for grant-related activities to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) for approval and copy your OTS grant coordinator. Optimum lead time would be 7 days before the scheduled release but at least 3 business days prior to the scheduled release date for review and approval is appreciated.
- Send all Powerpoint presentations, online presentations and trainings for grant-related activities to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) for approval and copy your OTS grant coordinator. Certified training courses are EXEMPT from the approval process.
- The OTS PIO is responsible for the approval of the design and content of materials. The agency understands OTS PIO approval is not authorizing approval of budget expenditure or cost. Any cost approvals must come from the OTS grant coordinator.
- Pre-approval is not required when using any OTS-supplied template for media advisories, press releases, social media graphics, videos or posts, or any other OTS-supplied educational material. However, copy the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) and your OTS grant coordinator when any material is distributed to the media and public, such as a press release, educational material, or link to social media post. The OTS-supplied kick-off press release templates and any kickoff press releases are an exception to this policy and require prior approval before distribution to the media and public.
- If an OTS-supplied template, educational material, social media graphic, post or video is substantially changed, the changes shall be sent to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) for approval and copy to your OTS grant coordinator. Optimum lead time would be 7 days prior to the scheduled release date, but at least 3 business days prior to the scheduled release date for review and approval is appreciated.
- Press releases, social media posts and alerts on platforms such as NextDoor and Nixle reporting immediate and time-sensitive grant activities (e.g. enforcement operations, day of event highlights or announcements, event invites) are exempt from the OTS PIO approval process. The OTS PIO and your OTS grant coordinator should still be notified when the grant-related activity is happening (e.g. car seat checks, bicycle rodeos, community presentations, DUI checkpoints, etc.).
- Enforcement activities such as warrant and probation sweeps, court stings, etc. that are embargoed or could impact operations by publicizing in advance are exempt from the PIO approval process. However, announcements and results of activities should still be copied to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) and your OTS grant coordinator with embargoed date and time or with “INTERNAL ONLY: DO NOT RELEASE” message in subject line of email.
- Any earned or paid media campaigns for TV, radio, digital or social media that are part of a specific grant objective, using OTS grant funds, or designed and developed using contractual services by a subgrantee, requires prior approval. Please send to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) for approval and copy your grant coordinator at least 3 business days prior to the scheduled release date.
- Social media posts highlighting state or national traffic safety campaigns (Distracted Driving Month, Motorcycle Safety Awareness Month, etc.), enforcement operations (DUI checkpoints,



etc.), or any other grant-related activity such as Bicycle rodeos, presentations, or events, are highly encouraged but do not require prior approval.

- Submit a draft or rough-cut of all digital, printed, recorded or video material (brochures, posters, scripts, artwork, trailer graphics, digital graphics, social posts connected to an earned or paid media campaign grant objective) to the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) and copy your OTS grant coordinator for approval prior to the production or duplication.
- Use the following standard language in all press, media, and printed materials, space permitting: Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration.
- Space permitting, include the OTS logo on all grant-funded print materials, graphics and paid or earned social media campaign grant objective; consult your OTS grant coordinator for specifics, format-appropriate logos, or if space does not permit the use of the OTS logo.
- Email the OTS PIO at [pio@ots.ca.gov](mailto:pio@ots.ca.gov) and copy your OTS grant coordinator at least 21 days in advance, or when first confirmed, a short description of any significant grant-related traffic safety event or program, particularly events that are highly publicized beforehand with anticipated media coverage so OTS has sufficient notice to arrange for attendance and/or participation in the event. If unable to attend, email the OTS PIO and coordinator brief highlights and/or results, including any media coverage (broadcast, digital, print) of event within 7 days following significant grant-related event or program. Media and program highlights are to be reflected in QPRs.
- Any press releases, work plans, scripts, storyboards, artwork, graphics, videos or any educational or informational materials that received OTS PIO approval in a prior grant year needs to be resubmitted for approval in the current grant year.
- For additional guidance, refer to the [OTS Grants Materials Approval Process Guidelines](#) and [OTS Grants Media Approval Process FAQs](#) on the OTS website.
- Contact the OTS PIO or your OTS grant coordinator for consultation when changes from any of the above requirements might be warranted.

### **C. Phase 3 – Data Collection & Reporting (Throughout Grant Year)**

1. Prepare and submit grant claim invoices (due January 30, April 30, July 30, and October 30)

2. Prepare and submit Quarterly Performance Reports (QPR) (due January 30, April 30, July 30, and October 30)

- Collect and report quarterly, appropriate data that supports the progress of goals and objectives.
- Provide a brief list of activity conducted, procurement of grant-funded items, and significant media activities. Include status of grant-funded personnel, status of contracts, challenges, or special accomplishments.
- Provide a brief summary of quarterly accomplishments and explanations for objectives not completed or plans for upcoming activities.
- Collect, analyze and report statistical data relating to the grant goals and objectives.

### **4. METHOD OF EVALUATION**

Using the data compiled during the grant, the Grant Director will complete the “Final Evaluation” section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant’s accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

### **5. ADMINISTRATIVE SUPPORT**

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.

FUND NUMBER	CATALOG NUMBER (CFDA)	FUND DESCRIPTION	TOTAL AMOUNT
402PS-25	20.600	State and Community Highway Safety	\$170,831.00

COST CATEGORY	FUND NUMBER	UNIT COST OR RATE	UNITS	TOTAL COST TO GRANT
<b>A. PERSONNEL COSTS</b>				
<u>Straight Time</u>				\$0.00
<u>Overtime</u>				\$0.00
Category Sub-Total				\$0.00
<b>B. TRAVEL EXPENSES</b>				
				\$0.00
				\$0.00
Category Sub-Total				\$0.00
<b>C. CONTRACTUAL SERVICES</b>				
Pedestrian and Bicycle Traffic Safety Education Program - \$170,831.00	402PS-25			\$0.00
Pedestrian Traffic Safety Classroom Presentation	402PS-25	\$833.00	30	\$24,990.00
Walking Field Trip / On-foot Traffic Safety Training	402PS-25	\$1,439.00	30	\$43,170.00
Bicycle Traffic Safety Classroom Presentation	402PS-25	\$833.00	27	\$22,491.00
Bike Rodeo	402PS-25	\$1,779.00	27	\$48,033.00
Learn to Ride Workshop	402PS-25	\$3,593.00	2	\$7,186.00
Group Rides	402PS-25	\$3,482.00	3	\$10,446.00
Bike Repair Clinic	402PS-25	\$3,430.00	3	\$10,290.00
Pedestrian/Bicycle Safety Items	402PS-25	\$1,600.00	1	\$1,600.00
Bicycle Helmets	402PS-25	\$15.00	175	\$2,625.00
Category Sub-Total				\$170,831.00
<b>D. EQUIPMENT</b>				
				\$0.00
Category Sub-Total				\$0.00
<b>E. OTHER DIRECT COSTS</b>				
				\$0.00
Category Sub-Total				\$0.00
<b>F. INDIRECT COSTS</b>				
				\$0.00
Category Sub-Total				\$0.00
<b>GRANT TOTAL</b>				<b>\$170,831.00</b>

<b>BUDGET NARRATIVE</b>
<p><b>PERSONNEL COSTS</b> -</p>
<p><b>TRAVEL EXPENSES</b> -</p>
<p><b>CONTRACTUAL SERVICES</b>                      Pedestrian and Bicycle Traffic Safety Education Program - \$170,831.00 - Grantee will seek a contractor to assist with fulfilling the goals and objectives of this grant by conducting pedestrian traffic safety education activities that may include presentation and on-foot safety trainings. Other activities may be conducted if approved by OTS.</p> <p>Prior to finalizing the subcontract, grantee will work with the OTS to ensure all costs are allowable. Upon execution of subcontract, grantee will provide a copy to the OTS and will request a grant budget revision to include the detailed costs of the subcontract in the grant budget as a prerequisite for claiming these costs.</p> <p>Pedestrian Traffic Safety Classroom Presentation - Initial component of 2-part Pedestrian Traffic Safety Activity consisting of interactive classroom education. If two or more classrooms receive a presentation via an assembly, the cost per assembly will be \$1,666.</p> <p>Walking Field Trip / On-foot Traffic Safety Training - Second of 2-part Pedestrian Traffic Safety Activity consisting of a Walking Field Trip or other comparable on-foot traffic safety training.</p> <p>Bicycle Traffic Safety Classroom Presentation - Initial component of 2-part Bicycle Traffic Safety Activity consisting of interactive classroom education. If two or more classrooms will receive a presentation via an assembly, the cost per assembly will be \$1,666</p> <p>Bike Rodeo - Second component of 2-part Bicycle Traffic Safety Activity consisting of a Bike Rodeo with on-bike traffic safety training.</p> <p>Learn to Ride Workshop - Learn to Ride Workshops designed to teach elementary students the skills needed to ride a bicycle and provide students who already know how to ride a bicycle an opportunity to improve their skills.</p> <p>Group Rides - Group Rides, targeted toward middle and high school age students, provides education to students about bike safety, learn and explore safe neighborhood routes and gain safe street riding skills.</p> <p>Bike Repair Clinic - Bike Repair Clinics, targeted toward middle and high school students, will offer no cost bike mechanic checks and basic repair, as well as instruction on bike checks and flat tire repair.</p> <p>Pedestrian/Bicycle Safety Items - Cost may include bicycle headlights/taillights, reflectors, and reflective items such as arm and leg bands, tape, or zipper pulls; to be distributed at no cost during bicycle rodeos, on-foot pedestrian trainings, presentations, workshops, community events and other pedestrian or bicycle traffic safety related events to increase safety and visibility. Additional items may be purchased if approved by OTS.</p> <p>Bicycle Helmets - Helmets to be distributed at no cost during bicycle rodeos and other bicycle safety related events. Cost per helmet not to exceed an average price of \$15, including shipping, handling and tax. More expensive helmets may be purchased if approved by OTS.</p>
<p><b>EQUIPMENT</b> -</p>
<p><b>OTHER DIRECT COSTS</b> -</p>
<p><b>INDIRECT COSTS</b> -</p>
<p><b>STATEMENTS/DISCLAIMERS</b>                      There will be no program income generated from this grant.</p>

**Certifications and Assurances for Fiscal Year 2024 Highway Safety Grants (23 U.S.C. Chapter 4 or Section 1906, Public Law 109-59, as amended by Section 25024, Public Law 117-58)**

The officials named on the grant agreement, certify by way of signature on the grant agreement signature page, that the Grantee Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies, and laws in effect with respect to the periods for which it receives grant funding. Applicable provisions include, but are not limited to, the following:

**GENERAL REQUIREMENTS**

The State will comply with applicable statutes and regulations, including but not limited to:

- 23 U.S.C. Chapter 4—Highway Safety Act of 1966, as amended;
- Sec. 1906, [Public Law 109-59](#), as amended by Sec. 25024, [Public Law 117-58](#);
- [23 CFR part 1300](#)—Uniform Procedures for State Highway Safety Grant Programs;
- [2 CFR part 200](#)—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- [2 CFR part 1201](#)—Department of Transportation, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

**NONDISCRIMINATION**

**(applies to all subrecipients as well as States)**

The State highway safety agency [and its subrecipients] will comply with all Federal statutes and implementing regulations relating to nondiscrimination (“Federal Nondiscrimination Authorities”). These include but are not limited to:

- *Title VI of the Civil Rights Act of 1964* ([42 U.S.C. 2000d](#) et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- [49 CFR part 21](#) (entitled *Non-discrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964*);
- [28 CFR 50.3](#) (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);
- *The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970*, ([42 U.S.C. 4601](#)), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- *Federal-Aid Highway Act of 1973*, ([23 U.S.C. 324 et seq.](#)), and *Title IX of the Education Amendments of 1972*, as amended ([20 U.S.C. 1681-1683](#) and [1685-1686](#)) (prohibit discrimination on the basis of sex);
- *Section 504 of the Rehabilitation Act of 1973*, ([29 U.S.C. 794 et seq.](#)), as amended, (prohibits discrimination on the basis of disability) and [49 CFR part 27](#);
- *The Age Discrimination Act of 1975*, as amended, ([42 U.S.C. 6101 et seq.](#)), (prohibits discrimination on the basis of age);
- *The Civil Rights Restoration Act of 1987*, (Pub. L. 100-209), (broadens scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- *Titles II and III of the Americans with Disabilities Act* ([42 U.S.C. 12131-12189](#)) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and [49 CFR parts 37](#) and [38](#);
- [Executive Order 12898](#), *Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations* (preventing discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- [Executive Order 13166](#), *Improving Access to Services for Persons with Limited English Proficiency* (requiring that recipients of Federal financial assistance provide meaningful access for applicants and beneficiaries who have limited English proficiency (LEP));
- [Executive Order 13985](#), *Advancing Racial Equity and Support for Underserved Communities through the Federal Government* (advancing equity across the Federal Government); and
- [Executive Order 13988](#), *Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation* (clarifying that sex discrimination includes discrimination on the grounds of gender identity or sexual orientation).

The preceding statutory and regulatory cites hereinafter are referred to as the “Acts” and “Regulations,” respectively.

## GENERAL ASSURANCES

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

*“No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, for which the Recipient receives Federal financial assistance from DOT, including NHTSA.”*

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI of the Civil Rights Act of 1964 and other non-discrimination requirements (the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these nondiscrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

## SPECIFIC ASSURANCES

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted Highway Safety Grant Program:

1. The Recipient agrees that each “activity,” “facility,” or “program,” as defined in § 21.23(b) and (c) of [49 CFR part 21](#) will be (with regard to an “activity”) facilitated, or will be (with regard to a “facility”) operated, or will be (with regard to a “program”) conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with all Highway Safety Grant Programs and, in adapted form, in all proposals for negotiated agreements regardless of funding source: *“The [name of Recipient], in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”*
3. The Recipient will insert the clauses of appendix A and E of this Assurance (also referred to as DOT Order 1050.2A) in every contract or agreement subject to the Acts and the Regulations.
4. The Recipient will insert the clauses of appendix B of DOT Order 1050.2A, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form of, or for the acquisition of, real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in appendix C and appendix D of this DOT Order 1050.2A, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
  - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
  - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
  - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
  - b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the State highway safety agency also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing NHTSA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by NHTSA. You must keep records, reports, and submit the material for review upon request to NHTSA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The State highway safety agency gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the Highway Safety Grant Program. This ASSURANCE is binding on the State highway safety agency, other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the Highway Safety Grant Program. The person(s) signing below is/are authorized to sign this ASSURANCE on behalf of the Recipient.

#### **THE DRUG-FREE WORKPLACE ACT OF 1988 (41 U.S.C. 8103)**

The Subgrantee will provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;
- b. Establishing a drug-free awareness program to inform employees about:
  1. The dangers of drug abuse in the workplace;
  2. The grantee's policy of maintaining a drug-free workplace;
  3. Any available drug counseling, rehabilitation, and employee assistance programs;
  4. The penalties that may be imposed upon employees for drug violations occurring in the workplace;
  5. Making it a requirement that each employee engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- c. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
  1. Abide by the terms of the statement;
  2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- d. Notifying the agency within ten days after receiving notice under subparagraph (c)(2) from an employee or otherwise receiving actual notice of such conviction;
- e. Taking one of the following actions, within 30 days of receiving notice under subparagraph (c)(2), with respect to any employee who is so convicted—
  1. Taking appropriate personnel action against such an employee, up to and including termination;
  2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- f. Making a good faith effort to continue to maintain a drug-free workplace through implementation of all of the paragraphs above.

#### **POLITICAL ACTIVITY (HATCH ACT)**

**(applies to all subrecipients as well as States)**

**The State will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.**

#### **CERTIFICATION REGARDING FEDERAL LOBBYING**

**(applies to all subrecipients as well as States)**

#### **CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;



2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### **RESTRICTION ON STATE LOBBYING (applies to subrecipients as well as States)**

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

#### **CERTIFICATION REGARDING DEBARMENT AND SUSPENSION (applies to all subrecipients as well as States)**

#### **INSTRUCTIONS FOR PRIMARY TIER PARTICIPANT CERTIFICATION (STATES)**

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180](#) and [1200](#).
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180](#) and [1200](#). You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180](#) and [1200](#).
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or

otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate the transaction for cause or default.

#### **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS— PRIMARY TIER COVERED TRANSACTIONS**

1. The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:
  - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;
  - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
  - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
2. Where the prospective primary tier participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### **INSTRUCTIONS FOR LOWER TIER PARTICIPANT CERTIFICATION**

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180](#) and [1200](#).
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180](#) and [1200](#). You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180](#) and [1200](#).
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or



otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

#### **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION— LOWER TIER COVERED TRANSACTIONS**

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### **BUY AMERICA**

**(applies to subrecipients as well as States)**

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

#### **CERTIFICATION ON CONFLICT OF INTEREST**

**(applies to subrecipients as well as States)**

#### **GENERAL REQUIREMENTS**

No employee, officer, or agent of a State or its subrecipient who is authorized in an official capacity to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting, or approving any subaward, including contracts or subcontracts, in connection with this grant shall have, directly or indirectly, any financial or personal interest in any such subaward. Such a financial or personal interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or personal interest in or a tangible personal benefit from an entity considered for a subaward. Based on this policy:

1. The recipient shall maintain a written code or standards of conduct that provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents.
  - a. The code or standards shall provide that the recipient's officers, employees, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from present or potential subawardees, including contractors or parties to subcontracts.
  - b. The code or standards shall establish penalties, sanctions, or other disciplinary actions for violations, as permitted by State or local law or regulations.
2. The recipient shall maintain responsibility to enforce the requirements of the written code or standards of conduct.

## **DISCLOSURE REQUIREMENTS**

No State or its subrecipient, including its officers, employees, or agents, shall perform or continue to perform under a grant or cooperative agreement, whose objectivity may be impaired because of any related past, present, or currently planned interest, financial or otherwise, in organizations regulated by NHTSA or in organizations whose interests may be substantially affected by NHTSA activities. Based on this policy:

1. The recipient shall disclose any conflict of interest identified as soon as reasonably possible, making an immediate and full disclosure in writing to NHTSA. The disclosure shall include a description of the action which the recipient has taken or proposes to take to avoid or mitigate such conflict.
2. NHTSA will review the disclosure and may require additional relevant information from the recipient. If a conflict of interest is found to exist, NHTSA may (a) terminate the award, or (b) determine that it is otherwise in the best interest of NHTSA to continue the award and include appropriate provisions to mitigate or avoid such conflict.
3. Conflicts of interest that require disclosure include all past, present, or currently planned organizational, financial, contractual, or other interest(s) with an organization regulated by NHTSA or with an organization whose interests may be substantially affected by NHTSA activities, and which are related to this award. The interest(s) that require disclosure include those of any recipient, affiliate, proposed consultant, proposed subcontractor, and key personnel of any of the above. Past interest shall be limited to within one year of the date of award. Key personnel shall include any person owning more than a 20 percent interest in a recipient, and the officers, employees or agents of a recipient who are responsible for making a decision or taking an action under an award where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.

## **PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE (applies to all subrecipients as well as States)**

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

## **POLICY ON SEAT BELT USE**

In accordance with Executive Order 13043, Increasing Seat Belt Use in the United States, dated April 16, 1997, the Grantee is encouraged to adopt and enforce on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this Presidential initiative. For information and resources on traffic safety programs and policies for employers, please contact the Network of Employers for Traffic Safety (NETS), a public-private partnership dedicated to improving the traffic safety practices of employers and employees. You can download information on seat belt programs, costs of motor vehicle crashes to employers, and other traffic safety initiatives at [www.trafficsafety.org](http://www.trafficsafety.org). The NHTSA website ([www.nhtsa.gov](http://www.nhtsa.gov)) also provides information on statistics, campaigns, and program evaluations and references.

## **POLICY ON BANNING TEXT MESSAGING WHILE DRIVING**

In accordance with Executive Order 13513, Federal Leadership On Reducing Text Messaging While Driving, and DOT Order 3902.10, Text Messaging While Driving, States are encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted driving, including policies to ban text messaging while driving company-owned or rented vehicles, Government-owned, leased or rented vehicles, or privately-owned vehicles when on official Government business or when performing any work on or behalf of the Government. States are also encouraged to conduct workplace safety initiatives in a manner commensurate with the size of the business, such as establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving, and education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

**CONTRACT FOR CONSULTANT SERVICES BETWEEN  
THE CITY OF SALINAS AND ECOLOGY ACTION OF SANTA CRUZ**

**THIS CONTRACT**, is made and entered into this October 1, 2024, by and between the **City of Salinas**, a California charter city and municipal corporation, hereinafter called "City," and **Ecology Action of Santa Cruz, a California corporation**, hereinafter called "Consultant."

**WITNESSETH**

**WHEREAS**, the City needs to obtain certain professional, technical and/or specialized services of an independent contractor to assist the City in the most economical manner; and

**WHEREAS**, Consultant has the requisite skill, training, qualifications, and experience to render such services called for under this Contract to City.

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**THE PARTIES HEREBY AGREE AS FOLLOWS:**

**SECTION 1. SCOPE OF SERVICES.**

Consultant shall perform those services as specified in detail in Exhibit "A," entitled "SCOPE OF SERVICES" which is attached hereto and incorporated herein.

**SECTION 2. TERM OF CONTRACT.**

The term of this Contract shall be from October 1, 2024 to September 30, 2025, inclusive.

**SECTION 3. SCHEDULE OF PERFORMANCE.**

The services of Consultant are to be completed according to the schedule set out in Exhibit "B," entitled "SCHEDULE OF PERFORMANCE," which is attached hereto and incorporated herein. Consultant will diligently proceed with the agreed Scope of Services and will provide such services in a timely manner in accordance with the "SCHEDULE OF PERFORMANCE."

**SECTION 4. COMPENSATION.**

The compensation to be paid to Consultant including both payment for professional services and reimbursable expenses as well as the rate and schedule of payment are set out in Exhibit "C" entitled "COMPENSATION," which is attached hereto and incorporated herein.

**SECTION 5. METHOD OF PAYMENT.**

Except as otherwise provided in Exhibit "C," quarterly, Consultant shall furnish to the City a statement of the work performed for compensation during the preceding quarter. Such statement shall also include a detailed record of the quarter's actual reimbursable expenditures.

**SECTION 6. INDEPENDENT CONSULTANT.**

It is understood and agreed that Consultant, in the performance of the work and services agreed to be performed by Consultant, shall act as and be an independent Consultant and not an agent or employee of City, and as an independent Consultant, shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

**SECTION 7. ASSIGNABILITY.**

Consultant shall not assign or transfer any interest in this Contract nor the performance of any of Consultant's obligations hereunder, without the prior written consent of City, and any attempt by Consultant to so assign this Contract or any rights, duties or obligations arising hereunder shall be void and of no effect.

**SECTION 8. INDEMNIFICATION.**

Consultant has the expertise and experience necessary to perform the services and duties agreed to be performed by Consultant under this Contract, and City is relying upon the skill and knowledge of Consultant to perform said services and duties.

Consultant shall defend, indemnify and hold harmless City, its officers and employees, against any loss or liability arising out of or resulting in any way from work performed under this Contract whether due to the willful or negligent acts (active or passive) or errors or omissions by Consultant or Consultant's officers, employees or agents or otherwise.

## **SECTION 9. INSURANCE.**

Coverage shall be at least as broad as:

1. Commercial General Liability ("CGL"): Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an occurrence basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO Form CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: ISO Form CA 0001 covering Code 1 (any auto), with limits no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation: as required by the State of California, with Statutory Limits, and Employers' Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. Contractors' Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards): with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate, on an annual basis.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the Contractor requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

### *Self-Insured Retentions*

Self-insured retentions must be declared to and approved by the City. At the option of the City, either: the Contractor shall cause the insurer shall to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

### *Other Insurance Provisions*

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the

Contractor's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

2. For any claims related to this project, the Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City.
4. A copy of the claims reporting requirements must be submitted by Contractor to the City.
5. If the services involve lead-based paint or asbestos identification/remediation, the Contractor's Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractor's Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

#### *Acceptability of Insurers*

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City.

#### *Waiver of Subrogation*

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

#### *Verification of Coverage*

Contractor shall furnish the City with original Certificates of Insurance including an additional insured endorsement and all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

#### *Subcontractors*

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

### *Maintenance of Insurance*

Maintenance of insurance by Contractor as specified shall in no way be interpreted as relieving Contractor of its indemnification obligations or any responsibility whatsoever and the Contractor may carry, at its own expense, such additional insurance as it deems necessary.

### *Special Risks or Circumstances*

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

## **SECTION 10. NON-DISCRIMINATION.**

Consultant shall not discriminate, in any way, against any person on the basis of age, sex, race, color, creed, national origin, or disability in connection with or related to the performance of this Contract.

## **SECTION 11. TERMINATION.**

A. City and Consultant shall have the right to terminate this Contract, without cause, by giving not less than ten (10) days written notice of termination.

B. If Consultant fails to perform any of its material obligations under this Contract, in addition to all other remedies provided by law, City may terminate this Contract immediately upon written notice.

C. The City Manager is empowered to terminate this Contract on behalf of City.

D. In the event of termination, Consultant shall deliver to City copies of all work papers, schedules, reports and other work performed by Consultant and upon receipt thereof, Consultant shall be paid in full for services performed and reimbursable expenses incurred to the date of termination.

## **SECTION 12. COMPLIANCE WITH LAWS.**

Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments. Consultant shall obtain and maintain a City of Salinas business license during the term of this Contract.

## **SECTION 13. GOVERNING LAW.**

City and Consultant agree that the law governing this Contract shall be that of the State of California. Any suit brought by either party against the other arising out of the performance of this Contract shall be filed and maintained in the Municipal or Superior Court of the County of Monterey.

## **SECTION 14. PRIOR CONTRACTS AND AMENDMENTS.**

This Contract represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Contract may only be modified by a written amendment.

## **SECTION 15. CONFIDENTIAL INFORMATION.**

All data, documents, discussions, or other information developed or received by or for Consultant in performance of this Contract are confidential and not to be disclosed to any person except as authorized by the City Manager or his designee, or as required by law.

## **SECTION 16. OWNERSHIP OF MATERIALS.**

All reports, documents or other materials developed or received by Consultant or any other person engaged directly by Consultant to perform the services required hereunder shall be and remain the property of City without restriction or limitation upon their use.

## **SECTION 17. COVENANT AGAINST CONTINGENT FEES.**

The Consultant covenants that Consultant has not employed or retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure the Contract, and that Consultant has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fees, commissions, percentage, brokerage fee, gift, or any other consideration contingent on or resulting from the award or making of this Contract, for breach or violation of this covenant, the City shall have the right to annul this Contract without liability, or in its discretion, to deduct from the contract price or consideration or otherwise recover, the full amount of such fee, commission, percentage fee, gift, or contingency.

## **SECTION 18. WAIVER.**

Consultant agrees that waiver by City or any one or more of the conditions of performance under this Contract shall not be construed as waiver of any other condition of performance under this Contract.

## **SECTION 19. CONFLICT OF INTEREST.**

A. A Consultant shall avoid all conflict of interest or appearance of conflict of interest in performance of this Contract. Consultant shall file a disclosure statement, if required by City Council Resolution, which shall be filed within thirty (30) days from the effective date of this Contract or such Resolution, as applicable.

B. No member, officer, or employee of the City, during their tenure, or for one (1) year thereafter, shall have any interest, direct or indirect, in this Contract or the proceeds thereof and Consultant agrees not to allow, permit, grant, transfer, or otherwise do anything which will result in such member, officer, or employee of the City from having such interest.

## **SECTION 20. AUDIT BOOKS AND RECORDS.**

Consultant shall make available to City, its authorized agents, officers and employees, for examination any and all ledgers and books of account, invoices, vouchers, canceled checks and other records or documents evidencing or related to the expenditures and disbursements charged to the City, and shall furnish to City, its authorized agents and employees, such other evidence or information as City may require with respect to any such expense or disbursement charged by Consultant.



**SECTION 21. NOTICES.**

All notices shall be personally served or mailed, postage prepaid, to the following addresses, or to such other address as may be designated by written notice by the parties:

**CITY**

City of Salinas  
200 Lincoln Ave.  
Salinas, CA 93901  
(831) 758-7381

**CONSULTANT**

Ecology Action of Santa Cruz  
877 Cedar Street, Suite 240  
Santa Cruz, CA 95060  
(831) 426-5925

**SECTION 22. EXHIBITS:**

- Exhibit A: Scope of Services
- Exhibit B: Schedule of Performance
- Exhibit C: Compensation

**WITNESS THE EXECUTION HEREOF**, on the day and year first hereinabove written.

**CITY**

**CONSULTANT**

**CITY OF SALINAS**

BY \_\_\_\_\_  
Rene Mendez, City Manager

BY \_\_\_\_\_  
Charles Tremper, Vice President and  
General Counsel

ATTEST:

BY \_\_\_\_\_  
Patricia Barajas, City Clerk

APPROVED AS TO FORM:

BY \_\_\_\_\_  
Christopher A. Callihan, City Attorney

## EXHIBIT "A"

### SCOPE OF SERVICES

Consultant shall provide professional consulting services during the term of the agreement. Specific types of services to be provided include, but are not limited to the following:

**The Walk Smart Program** is a two-part pedestrian safety education training. Part 1 involves a presentation to teach critical safety best practices for young pedestrians. The preferred delivery model is to provide these presentations in-person at individual classrooms. Accommodations to provide online presentations are made at the school request. Part 2 involves a Walking Field Trip, in which children are required to walk through a series of exercises including stopping, looking both ways and crossing the street only when it is free of oncoming vehicles. The Walking Field Trip is typically conducted in the neighborhood around the school, although special accommodations can be made to host the training on the school blacktop, at the school's request. The program utilizes bilingual and bicultural staff. Ecology Action staff will coordinate with the Salinas Police Department and provide targeted educational handouts. The training gives students the necessary knowledge and hand-on training and parents the confidence to allow the children to walk and bike to school. Target: Thirty (30) presentations and Thirty (30) Walking Field Trips.

**The Bike Smart Program** is also a two-part program, consisting of a 60-minute presentation followed (on a separate day) by a 2-hour rodeo. The preferred delivery model is to conduct the presentations in-person at individual classrooms, but accommodations can be made to serve classes in an assembly-style or online, at the request of the schools. Bike Smart presentations use a variety of mediums: live demonstrations, animations, videos and discussions, to teach safety behavior to students. Lessons cover the benefits of bicycling, rules of the road, importance and correct use of bicycle helmet, choosing safe routes, safely navigating intersection crossings, being visible and other safe bike-handling topics. The on-bike safety obstacle course is led by bi-lingual, bi-cultural League of American Bicyclists League Certified Instructors. During the safety rodeo, students get the change to practice the important safety skills they acquired during the presentation by riding a bicycle through a carefully constructed court. The Certified Instructors bring a fleet of bicycles and helmets that can be used by students who are not able to bring their own bicycles, ensuring that everyone can participate. Target: Twenty-Seven (27) Presentation and Twenty-Seven (27) Rodeos

**Learn to Ride Workshop** - Designed to teach elementary students the skills needed to ride a bicycle and provide students who already know how to ride the opportunity to practice being more comfortable on their bikes.

**Group Rides** – Designed to teach students about bike safety and offer beginner-friendly opportunities to explore safe neighborhood routes, while practicing being comfortable with street riding.

**Bike Repair Clinic** – Ensures that students are riding safe and operable bikes. These clinics will offer free bike mechanic checks and basic repair, as well as instruction on bike checks and flat tire repair.

**Bicycle Helmets** Ecology Action will purchase 175 bicycle helmets to be distributed at schools, community events, and bike/ped safety presentations. *Target: One-Hundred seventy-five (175) helmets distributed to community members (including students).*

**Bicycle Safety Equipment** Ecology Action will purchase 80 pieces of bicycle safety equipment (including lights and reflectors) to be distributed at schools, community events, and bike/ped safety presentations. *Target: Eighty (80) pieces of safety equipment distributed to community members (including students).*



## **EXHIBIT "B"**

### **SCHEDULE OF PERFORMANCE**

Services shall commence immediately upon execution of this Contract. All services performed under the provisions of this Contract shall be completed during the term of this Contract. Consultant shall notify City of scheduled presentations and/or events at least 14 days prior. Notifications shall include title of presentation/event, as well as date, time and location.

**EXHIBIT "C"**

**COMPENSATION**

a. Total Compensation. The total obligation of City under this Contract shall not exceed \$170,831.00

b. Basis for Payment. Payment(s) to Consultant for services performed under this contract shall be made as follows and shall [not] include payment for reimbursable expenses:

<b>Item Name</b>	<b>Unit Cost or Rate</b>	<b>Units</b>	<b>Cost</b>
<b>Pedestrian Traffic Safety Classroom Presentation (in-person)<sup>1</sup></b>	<b>\$ 833.00</b>	<b>30</b>	<b>\$24,990.00</b>
Walk Smart Assembly Presentation (in-person) <sup>2</sup>	\$ 1,370.00	0	\$0.00
<b>Walking Field Trip / On-foot Traffic Safety Training</b>	<b>\$ 1,439</b>	<b>30</b>	<b>\$43,170.00</b>
<b>Bicycle Traffic Safety Classroom Presentation (in-person)</b>	<b>\$ 833.00</b>	<b>27</b>	<b>\$22,491.00</b>
Bike Smart Assembly Presentation (in-person) <sup>2</sup>	\$ 1,370.00	0	\$0.00
<b>Bike Rodeo</b>	<b>\$ 1,779.00</b>	<b>27</b>	<b>\$48,033.00</b>
Online Walk Smart or Bike Smart Classroom Presentation	\$ 685.00	0	\$0.00
Online Walk Smart or Bike Smart Assembly Presentation <sup>3</sup>	\$1,370.00	0	\$0.00
Learn to Ride Workshop	\$3,593.00	2	\$7,186.00
Group Rides	\$3,482.00	3	\$10,446.00
Bike Repair Clinic	\$3,430.00	3	10,290.00
Bicycle Helmets	\$15.00	175	\$2,625.00
Bicycle Safety Equipment	\$20.00	80	\$1,600.00
		<b>Total:</b>	<b>\$170,831.00</b>

**NOTES:**

Items in **BOLD** are the preferred delivery models, but other options will be provided only at the request of the schools.

<sup>1</sup> For the second-grade audience, assemblies are not recommended. We will only provide classroom-level presentations as part of the Walk Smart program.

<sup>2</sup> An assembly presentation is 2+ classes combined for one presentation. Despite shorter time

presenting in front of students, assemblies do require the same level of care in scheduling, evaluation, printing, and preparation.

<sup>3</sup> For online assembly presentation, we use two staff to keep students engaged. As with the in-person assembly, all classes receive the same level of engagement around scheduling and evaluation.

c. Payment Request. Consultant shall submit a request for payment for services on a quarterly basis by letter to Director or said Director's designated representative. Such request for payment shall cover the preceding quarter period during the term hereof, shall note the City's purchase order number for this contract, shall contain a detailed listing of the total number of items or tasks or hours for which payment is requested, the individual dates on which such services were rendered, and invoices for reimbursable expenses, if any. Upon receipt in the Office of Director of said payment request, Director shall cause payment to be initiated to Consultant for appropriate compensation.



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-535, **Version:** 1

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### **Direct Purchase of Vigilant Fixed License Plate Reader (LPR) Camera Systems**

Approve a Resolution authorizing the Purchasing Agent and City Manager to purchase L5F Fixed License Plate Reader (LPR) camera systems from Vigilant Solutions, LLC for a total cost not to exceed \$897,543.70.





**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 24, 2024

**DEPARTMENT:** SALINAS POLICE DEPARTMENT

**FROM:** JOHN MURRAY, ACTING CHIEF OF POLICE

**BY:** TONYA ERICKSON, POLICE SERVICES ADMINISTRATOR  
DIANA CALIZO, ADMINISTRATIVE ANALYST

**TITLE:** DIRECT PURCHASE OF VIGILANT FIXED LICENSE PLATE  
READER (LPR) CAMERA SYSTEMS

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the Purchasing Agent and City Manager to purchase L5F Fixed License Plate Reader (LPR) camera systems from Vigilant Solutions, LLC for a total cost not to exceed \$897,543.70.

EXECUTIVE SUMMARY:

The Salinas Police Department (SPD) received an Organized Retail Theft (ORT) Grant award of \$3,573,307 from the Board of State and Community Corrections (BSCC), and award acceptance was approved by City Council on October 10, 2023. The ORT Grant funds both Flock and Vigilant LPR camera systems and thus the department is requesting approval to purchase the Vigilant L5F Fixed License Plate Reader (LPR) camera systems, as identified on the attached quote, for a total cost not to exceed \$897,543.70.

BACKGROUND:

The California Budget Act of 2022 (Senate Bill 154) established the Organized Retail Theft (ORT) Prevention Grant Program. Grant funds are to be used by local law enforcement agencies in preventing and responding to organized retail theft, motor vehicle or motor vehicle accessory theft, or cargo theft. At the September 14, 2023, Board of State and Community Corrections Board Meeting, 31 City Police Departments and seven Sheriff's Departments were awarded a total of \$242,250,000 in ORT Prevention Funding. The Salinas Police Department was one of the awardees, receiving an award of \$3,573,307 for the period October 1, 2023, through June 1, 2027.

The Salinas Police Department's grant submission focused on the need to respond to the growing threat of organized retail crime and continuing high rate of motor vehicle theft. The project's goal is to deter organized retail theft, identify and apprehend suspects, and recover stolen property to improve the safety of Salinas businesses, increase economic activity, improve quality of life, and

enhance public safety in the City. The grant will fund the development of an Organized Retail Crime and Motor Vehicle Theft Prevention Program which will be technologically supported using merchandise tracking systems, license plate reader cameras, and computer forensic tools and equipment.

The Salinas Police Department has utilized LPR technology since 2018 and it has proven to be a beneficial tool for identifying and locating stolen vehicles and other vehicles linked to criminal activity. Due to the success with LPR technology, fixed Flock Safety solar-powered LPR cameras have been installed throughout the city, and with funding from a COPS Technology Grant, we were able to add mobile LPR to additional marked police vehicles. The department is now requesting to purchase fixed and hard-wired Vigilant LPR camera systems to be installed in the city. This new purchase will be fully funded by Board of State and Community Corrections (BSCC) Organized Retail Theft (ORT) Grant.

The LPR cameras record vehicle license plate information and uploads the data for comparison against state databases of stolen or wanted vehicles. The Police Department maintains both Flock and Vigilant LPR camera systems. The Flock Safety LPR cameras provide clear images of vehicles, showing not only their license plate number, but other objective data such as vehicle make, model, color, and unique details such as roof racks, bumper stickers, etc. These images provide objective evidence in solving crimes and are invaluable as investigative tools. The mobile Vigilant LPR systems record license plate numbers of parked and moving vehicles as they move about town. It has been beneficial to maintain both Flock Safety solar-based LPR systems and Vigilant mobile LPR systems, but the Flock Safety LPRs are solar-powered, and thus the recordings may be limited by battery life and the mobile Vigilant systems lack the ability to remain focused on specific areas or locations. The Salinas Police Department would like to expand the LPR technology by adding fixed Vigilant License Plate Reader (LPR) Camera Systems which are hardwired and thus not limited by battery life. These fixed LPR cameras are dual-lens cameras with infrared LEDs for plate illumination and can capture up to two (2) lane coverage during varied weather conditions. These cameras are hardwired and thus can provide continuous scanning and real time alerting, including data analytics, without the limitation of solar power. Given the desire to implement complimentary technology, the department is requesting the direct purchase of Vigilant L5F Fixed License Plate Reader (LPR) camera systems, with associated equipment, services and installation, as identified on the attached quote.

Though there are other LPR camera system manufacturers, the Department has elected to expand the Vigilant system as it is already in use by the Police Department and thus does not require additional infrastructure, technology, or staff training. The City Council has the authority to approve this direct purchase of the LPR camera systems, as well as payment of the associated annual subscription fee, under Salinas Municipal code Section 12-27 and without application of the local purchasing preference pursuant to Salinas Municipal Code Section 12-28.080. Additionally, the purchase of these additional fixed LPR camera systems maintain compliance with Ordinance Number 2678, related to the Collection and Use of Digital Data, which was approved by City Council on March 19, 2024.

Police Community Advisory Committee

The Police Chief presented the request approval to purchase additional LPR cameras funded by the ORT Grant at the August 28, 2024, PCAC Meeting. The Committee had no questions or comments related to this purchasing request.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

STRATEGIC PLAN INITIATIVE:

Approving the proposed resolution will support the City Council’s Strategic Plan Goal of Public Safety.

DEPARTMENTAL COORDINATION:

The Police Department has and will continue to coordinate with the Finance and Legal Departments during the purchasing and payment process, and with the IT and Public Works departments as necessary on technical and implementation issues.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)
3282	40.7421-62.5120	Supplies & Materials Other Clothing & Equip	\$925,000	\$897,543.70	n/a	10/10/23, 22813 <i>Grant Acceptance</i>

ATTACHMENTS:

Resolution – Vigilant LPR Camera Systems  
Quote for Vigilant LPR Camera Systems

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**RESOLUTION AUTHORIZING THE DIRECT PURCHASE OF FIXED LICENSE PLATE READER (LPR) CAMERA SYSTEMS FROM VIGILANT SOLUTIONS, LLC.**

**WHEREAS**, the Salinas Police Department received an Organized Retail Theft (ORT) Prevention Grant for \$3.57M to respond to the growing threat of organized retail crime and continuing high rate of motor vehicle theft; and

**WHEREAS**, cameras and License Plate Reader (LPR) technology are useful tools used by police agencies to help solve crimes; and

**WHEREAS**, the Salinas Police Department is requesting the approval for the purchase of L5F Fixed License Plate Reader (LPR) camera systems from Vigilant Solutions, LLC; and

**WHEREAS**, the the purchase will be fully funded by the Salinas Police Department has funds to support this purchase utilizing the 2023 ORT Grant.

**NOW, THEREFORE, BE IT RESOLVED** that pursuant to Salinas Municipal Code section 12-27 the Salinas City Council authorizes the direct purchase of L5F Fixed License Plate Reader (LPR) camera systems from Vigilant Solutions, LLC for a cost not to exceed \$931,755.71 and authorizes the Purchasing Agent to complete the purchase.

**PASSED AND APPROVED** this 24<sup>th</sup> day of September 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

\_\_\_\_\_  
Kimbley Craig, Mayor

**ATTEST:**

\_\_\_\_\_  
Patricia M. Barajas, City Clerk



**Vigilant Solutions, LLC**  
**P.O Box 841001**  
**Dallas, Texas 75202**  
**(P) 925-398-2079 (F) 925-398-2113**



Issued To:	Salinas Police Department - Attention: Tonya Erickson	Date:	08-30-24
Project Name:	L5F - 10 intersection - Capex	Quote ID:	TCH-0173-01v2

## **PROJECT QUOTATION**

We at Vigilant Solutions, LLC are pleased to quote the following systems for the above referenced project:

Qty	Item #	Description
(65)	VSF-025-L5F <a href="#">More Info</a>	<b>L5F Fixed LPR Camera with Sun Shield - 25mm Lens with Camera Cable</b> <ul style="list-style-type: none"> <li>• Dual-lens camera with infrared LEDs for plate illumination</li> <li>• 55ft - 85ft capture distance and up to 2 lane coverage</li> <li>• Internal trigger for capture of plate alphanumerics, vehicle make and model</li> <li>• Camera housing with included sunshield is IP67 rated for reliable use in varied weather conditions</li> <li>• 60' camera cable included</li> <li>• Includes CarDetector LPR software for local server hosting</li> <li>• LPR vehicle license plate scanning / real time alerting               <ul style="list-style-type: none"> <li>◦ Full suite of LPR tools including data analytics</li> </ul> </li> </ul>
(2)	VSF-035-L5F <a href="#">More Info</a>	<b>L5F Fixed LPR Camera with Sun Shield - 35mm Lens with Camera Cable</b> <ul style="list-style-type: none"> <li>• Dual-lens camera with infrared LEDs for plate illumination</li> <li>• 85ft - 105ft capture distance and up to 2 lane coverage</li> <li>• Internal trigger for capture of plate alphanumerics, vehicle make and model</li> <li>• Camera housing with included sunshield is IP67 rated for reliable use in varied weather conditions</li> <li>• 60' camera cable included</li> <li>• Includes CarDetector LPR software for local server hosting</li> <li>• LPR vehicle license plate scanning / real time alerting               <ul style="list-style-type: none"> <li>◦ Full suite of LPR tools including data analytics</li> </ul> </li> </ul>
(67)	VS-FX-UNI-POLE-WALL-ASSY	<b>Fixed LPR Camera Bracket</b> <ul style="list-style-type: none"> <li>• Pole or Wall Mount - UPR ARM ASSY POLE &amp; WALL MOUNT BLK REV B</li> </ul>
(44)	VS-L5-TX-WO-POLE-TAP	<b>L5F MultiTap Transformer w/o Tap, 120-480VAC</b>
(40)	BCAV1F2-C600	<b>Vigilant Fixed Camera Communications Box</b> <ul style="list-style-type: none"> <li>• Linux Comms Box using VLP5200</li> <li>• Manages power and communications for up to four (4) Vigilant fixed LPR cameras</li> <li>• Includes modem for communication with cellular carriers               <ul style="list-style-type: none"> <li>◦ SIM Card not included</li> </ul> </li> </ul>

(64)	CDFS-2HWW	<b>Fixed Camera LPR System - Extended Hardware Warranty - 2 Additional Years</b> <ul style="list-style-type: none"> <li>Fixed LPR System LPR hardware component replacement warranty</li> <li>Applies to 1-Channel hardware system kit</li> <li>Valid for 2 years from standard warranty expiration</li> </ul>
(40)	SSU-SYS-COM	<b>Vigilant System Start Up &amp; Commissioning of 'In Field' LPR system</b> <ul style="list-style-type: none"> <li>Vigilant technician to visit customer site</li> <li>Includes system start up, configuration and commissioning of LPR system</li> <li>Includes CDM/CDF Training</li> <li>Applies to mobile (1 System) and fixed (1 Camera) LPR systems</li> </ul>
(4)	VS-TRVL-01	<b>Vigilant Travel via Client Site Visit</b> <ul style="list-style-type: none"> <li>Vigilant certified technician to visit client site</li> <li>Includes all travel costs for onsite support services</li> </ul>
(108)	VS-SHP-02	<b>Vigilant Shipping Charges - Fixed or Comms</b> <ul style="list-style-type: none"> <li>Applies to each fixed camera LPR System</li> <li>Or Communication Box Purchased without LPR System</li> <li>Shipping Method is FOB Shipping</li> </ul>
(1)	VSBSVC-04	<b>Vigilant LPR Basic Service Package for Hosted/Managed LPR Deployments</b> <ul style="list-style-type: none"> <li>Managed/hosted server account services by Vigilant <ul style="list-style-type: none"> <li>Includes access to all LEARN or Client Portal and CarDetector software updates</li> </ul> </li> <li>Priced per camera per year for over 60 total camera units</li> <li>Requires new/existing Enterprise Service Agreement (ESA)</li> </ul>
(1)	VS-INSTL-01	<b>Installation of 10 systems as identified in the deployment plan.</b>
<b>Subtotal Price</b>		<b>\$931,755.71</b>

**Quote Notes:**

- This quote will expire on Oct 2nd, 2024
- Installation and Commissioning included in this proposal. Installation includes Mobilization to sites, setup for traffic control, furnishing and installing conductors from existing service cabinets to Communication boxes located on site, and final optimization as needed.
- Customer shall be responsible for obtaining all necessary permits and engineering drawings, if necessary. Motorola may obtain permits/drawing if mutually agreed upon in writing, at additional cost to the Customer.
- All hardware components to have standard One (1) year hardware warranty.
- (1) Year hardware Warranty and any extended warranty purchased applies to hardware replacement only. Services related to Hardware Warranty replacement are the responsibility of the customer.
- Compatibility with Vigilant Solutions hardware/software to be confirmed prior to sale.
- Compliance to local codes neither guaranteed nor implied. Customer represents and warrants that they have all necessary rights and permissions to the areas where the installation services are provided.
- This Quote is provided per our conversation & details given by you - not in accordance to any written specification.
- This Quote does not include anything outside the above stated bill of materials.
- This purchase does not include a SIM for cellular service
- MSI's Master Customer Agreement: [https://www.motorolasolutions.com/en\\_us/about/legal.html](https://www.motorolasolutions.com/en_us/about/legal.html) (and all applicable addenda) shall govern the products & services and is incorporated herein by this reference. Any free services provided under this offer are provided AS IS with no express or implied warranty
- Installation pricing assumes power at the pole and access to said power. It also assumes your preferred installer pricing.

- 13. Engineered traffic control plans are not included.
- 14. Customer to provide (40) data SIMs. Recommended data plans without throttling. At&T, Firstnet and Verizon are supported.
- 15. Includes Customer Loyalty Discount Promotion

Quoted by: Kelly Bluth - 925-398-2079 - Kelly.Bluth@motorolasolutions.com

Subtotal Price	\$845,305.71
Sales Tax	\$52,237.99
<b>Total Price</b>	<b>\$897,543.70</b>

**Re:** #QuoteID#

**Agency:** #CompanyName#

**Total Cost:** #QuoteTotal#

**Contract Reference:** #ProjectName#

Please be advised that the #CompanyName# will purchase the goods and/or services offered in your Quote #QuoteID#. This constitutes a purchase pursuant to the terms of the specified contract below, including any applicable addenda.

Specified Contract: Master Customer Agreement and attached addenda, signed concurrently herewith.

Agency affirms that a purchase order or notice to proceed is not required for contract performance or for subsequent years of service, and acknowledges that pursuant to \_\_\_\_\_, the funds for this purchase has been authorized. Customer agrees to appropriate funding in accordance with the contract.

Invoices shall be according to the milestone schedule included in the quote and services agreement, should reference '#QuoteID#' and be sent to:

#CompanyName#

Attn: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The equipment will be shipped to the customer at the following address, and the ultimate destination where the equipment will be delivered to the customer is:

#CompanyName#

Attn: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sincerely,

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Email: \_\_\_\_\_



## Contract Terms Acknowledgment

This Contract Terms Acknowledgment (this “**Acknowledgment**”) is entered into between **Vigilant Solutions, LLC**, a Delaware corporation (“**Vigilant**”) and the entity set forth in the signature block below (“**Customer**”). Vigilant and Customer will each be referred to herein as a “**Party**” and collectively as the “**Parties**”.

**1. Contract Terms Acknowledgment.** Customer acknowledges that they have received Statements of Work that describe the services provided on this Agreement. Parties acknowledge and agree that the terms of the Master Customer Agreement (“MCA”), including all applicable Addenda, shall apply to the Services set forth in the accompanying Ordering Document. Vigilant’s Terms and Conditions, available at [https://www.motorolasolutions.com/en\\_us/about/legal.html](https://www.motorolasolutions.com/en_us/about/legal.html), including the Master Customer Agreement, is incorporated herein by this reference. By signing the signature block below, Customer certifies that it has read and agrees to the provisions set forth in this Acknowledgment and the signatory to this Acknowledgment represents and warrants that he or she has the requisite authority to bind Customer to this Acknowledgment.

**2. Entire Agreement.** This Acknowledgment, including the accompanying Ordering Document, supplements the terms of the MCA, applicable Addenda, and Ordering Documents entered between the Parties and forms a part of the Parties’ Agreement.

**3. Disputes; Governing Law. Sections 12 – Disputes** of the MCA is hereby incorporated into this Acknowledgment *mutatis mutandis*.

**4. Execution and Amendments.** This Acknowledgment may be executed in multiple counterparts and will have the same legal force and effect as if the Parties had executed it as a single document. The Parties may sign in writing or by electronic signature. An electronic signature, facsimile copy, or computer image of a signature will be treated, and will have the same effect as an original signature, and will have the same effect, as an original signed copy of this document. This Acknowledgment may be amended or modified only by a written instrument signed by authorized representatives of both Parties.

The Parties hereby enter into this Acknowledgment as of the last signature date below.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Email: \_\_\_\_\_



**Standard LPR Hosting Services w/ LPR, Fees and Payment Provision**

I License Key: The Camera License Key (CLK) means an electronic license key that will permit the use of MSI’s LPR software to be used with standard MSI issued LPR cameras (one CLK per LPR camera) and select MSI Software Products.

II Offer Services: This Offer includes the following Software Services / Software Products:

- LPR Software Services / Software Products:
  - Basic Service:
    - MSI Managed/Hosted LPR Account
    - CarDetector LPR Software w/ all updates
  - Standard Service:
    - Mobile Hit Hunter (for CarDetector Mobile LPR Software)
    - Unlimited Mobile Companion (for Android or iPhone) Single Plate Scan
- Optional Parking Services:
  - Parking Toolkit (software application)
  - Parking Integration (3<sup>rd</sup> party system integration)
  - Scofflaw Alerting Service

III Annual Service Fees (CLKs): The Service Fees applicable to each Annual Service Period shall be as follows:

<b>Annual Service Fee per CLK</b>				
Total CLKs under this Offer	0-14 CLKs	15-30 CLKs	31-60 CLKs	Over 60 CLKs
Vigilant Basic LPR Service	525.00	450.00	400.00	275.00
Vigilant Standard LPR Service	750.00	640.00	565.00	390.00

Optional Parking Services: Software and/or data services related to Parking specific application and use:

<b>Annual Parking Services Fee Schedule</b>	
Parking Enforcement System Toolkit	\$1,000.00
Parking Integration Service	\$1,000.00
Scofflaw Alerting Service	\$25,000.00

*Area intentionally left blank*



IN WITNESS WHEREOF, the undersigned has agreed to this rate sheet as of the Signature Date.

Company Name: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Signer's Email: \_\_\_\_\_

Signature Date: \_\_\_\_\_

Signature: \_\_\_\_\_



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-536, **Version:** 1

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### **Approval to Seek Funding for the Purchase of a Tactical Armored Vehicle**

Approve a Resolution authorizing the Police Department to seek funding to support the purchase of a tactical armored vehicle.



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:**                    **SEPTEMBER 24, 2024**

**DEPARTMENT:**       **SALINAS POLICE DEPARTMENT**

**FROM:**                   **JOHN MURRAY, ACTING CHIEF OF POLICE**

**BY:**                       **EULALIO VILLEGAS, POLICE COMMANDER**

**TITLE:**                   **REQUEST FOR APPROVAL TO SEEK FUNDING FOR THE  
PURCHASE OF A TACTICAL ARMORED VEHICLE**

**RECOMMENDED MOTION:**

A motion to approve a Resolution authorizing the Police Department to seek funding to support the purchase of a tactical armored vehicle.

**EXECUTIVE SUMMARY:**

The Salinas Police Department currently has two armored vehicles that are used to provide armored/ballistic response during pre-planned or significant events such as critical incidents, natural disasters, and community events. Given the age of vehicles, the restrictive capabilities of a larger armored vehicle, and the significant improvements in recent years in the armored vehicle industry, the Police Department is requesting to purchase a smaller armored vehicle with current technology to ensure the police department can respond to a disaster or significant incident when necessary. Assembly Bill 481, codified in Government Code sections 7070 through 7075, requires a law enforcement agency (LEA) to obtain approval from the applicable governing body prior to the funding, acquisition, or use of “Military Equipment” as defined by the Bill. As an armored tactical vehicle is defined as “Military Equipment” per AB 481, we are seeking City Council approval prior to seeking funds to support the purchase.

**BACKGROUND:**

The Salinas Police Department has two armored vehicles, named Rescue 1 and Rescue 2. Rescue 1 was acquired in 2013 and Rescue 2 was acquired in 2019, and neither have had significant upgrades since their acceptance. The two MRAP Vehicles (Mine Resistant Ambush Protected Vehicle) were acquired from the US Government 1033 Program through the National Defense Authorization Act of 1997. The MRAPs were built for and used by the military before the Police Department received them. When they were acquired by the police department, they were painted, outfitted with emergency lighting equipment, including a police radio. Given the age of vehicles, the restrictive capabilities of a larger armored vehicle, and the significant improvements in recent years in the armored vehicle industry, the Police Department is requesting to purchase a smaller

armored vehicle with current technology. There are several companies that manufacture tactical armored vehicles specifically for law enforcement and tailor them for urban or city use. These armored vehicles are normally smaller, lower to the ground, and configured with police equipment and lighting. Compared to the MRAPs, they are easier to maneuver into small spaces like residential driveways and have several doors built on them to allow the vehicle to be positioned at any angle to enable police personnel entry or exit behind the ballistic armor of the vehicle. These smaller armored vehicles have chemical agent resistant coating which enables the vehicle to be easily decontaminated after exposure to hazardous threats. These vehicles also have a hydraulic ram that breaches barricaded areas in high-threat situations so police personnel do not have to leave the safety of the vehicle.

The Salinas Police Department Special Weapons and Tactics (SWAT) team responds to between 25-35 pre-planned and/or spontaneous critical incidents each year, and during each incident the MRAP is deployed. Some of those deployments are in support of other Monterey County agencies and the armored vehicle serves as a regional asset that is beneficial to support and control law enforcement activities. The MRAP has also been used during natural disasters such as the 2023 floods in Monterey County. The wear and tear on the existing MRAPs have required constant maintenance. Just recently, one of the MRAPs was found to have water damage in the fuel tank caused by its use during the flooding. The MRAPs are midway on the manufacture suggested life expectancy.

The Monterey County Sheriff's Office, as well as the Peninsula Special Response Unit, currently have Lenco Bearcats. The Lenco Bearcat is one of the tactical armored vehicles built specifically for law enforcement and one we would look to purchase. Those two agencies are busy with deployments but do not come close to the number of deployments the Salinas Police Department faces. We also have mutual aid agreements with all agencies within the county and have assisted them on occasion. A smaller armored vehicle will assist the Salinas Police Department with providing the best service to the community and offer the best protection for officers and citizens alike.

The Salinas Police Department does not have funds within the FY 2024-25 budget to support the purchase of a tactical armored vehicle and thus are requesting approval to seek funding, including the possible submission of a grant application, to support the purchase.

Assembly Bill 481 – Military Equipment Funding, Acquisition, and Use, requires the Salinas Police Department to obtain approval from the Salinas City Council prior to the funding, acquisition, or use of “Military Equipment” as defined by the Bill. Assembly Bill 481, codified in Government Code sections 7071(a)(1)(B) specifically requires approval of the governing body prior to “seeking funds for military equipment, including, but not limited to, applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.” As an armored tactical vehicle meets the criteria of AB 481 Category 2: Mine-resistant ambush-protected (MRAP) vehicles or armored personnel carriers, City Council approval is required prior to seeking funding to support any purchase. More information about AB 481, including Salinas Police Department's policy and equipment inventory, is available at [www.salinaspd.org/assembly-bill-481](http://www.salinaspd.org/assembly-bill-481). Salinas Police Department Policy 709 Addendum A

provides the applicable equipment inventory, including the purpose of equipment, cost, lifespan, and authorized use.

Should the Police Department be successful in obtaining a funding award to support the necessary purchase of a tactical armored vehicle, the department will return to City Council for approval to accept the funding and authorize the purchase.

Police Community Advisory Committee

The Police Chief presented the intent to request approval to seek funding for the purchase of an armored tactical vehicle to the Police Community Advisory Committee (PCAC) during the Chief’s Report at the August 28, 2024 meeting. The Committee had no questions or concerns regarding this requested action.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

STRATEGIC PLAN INITIATIVE:

Approving the proposed resolution will support the City Council’s Strategic Plan Goal of Public Safety.

DEPARTMENTAL COORDINATION:

The Police Department will coordinate with the Public Works Department’s Fleet Division on options for tactical armored vehicles. If funds are awarded, the Police Department will further coordinate with the Public Work’s Fleet Division, as well as the Finance and Legal Departments.

FISCAL AND SUSTAINABILITY IMPACT:

No funds are requested to support the activities involved in seeking funds. Should funds be awarded, the department will return to City Council for approval to accept funds and purchase the vehicle.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)
n/a	n/a	n/a	n/a	n/a	n/a	n/a

ATTACHMENTS:

Resolution

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**RESOLUTION AUTHORIZING THE POLICE DEPARTMENT TO SEEK FUNDING FOR THE PURCHASE OF A TACTICAL ARMORED VEHICLE**

**WHEREAS**, the Salinas Police Department’s two armored vehicles were obtained in 2013 and 2019 and given their age, size, and the significant improvements in recent years in the armored vehicle industry, the department is requesting to purchase a smaller armored vehicle with current technology; and

**WHEREAS**, the Salinas Police Department does not have funds within the FY 2024-25 budget to support the necessary modification and upgrade, thus desires to seek alternative funding to support this purchase; and

**WHEREAS**, a tactical armored vehicle is defined as “Military Equipment” per Assembly Bill 481 (AB 481), thus City Council approval is required prior to seeking funding to support any purchase.

**NOW, THEREFORE, BE IT RESOLVED** the Salinas City Council authorizes the Salinas Police Department to seek funding to support the purchase of a tactical armored vehicle.

**PASSED AND APPROVED** this 24<sup>th</sup> day of September, 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

\_\_\_\_\_  
Kimbly Craig, Mayor

**ATTEST:**

\_\_\_\_\_  
Patricia M. Barajas, City Clerk





# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #: ID#24-544, Version: 1**

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### **Agreement with Yosso Group Inc. for the Replacement of the Playground Structure at Northgate Neighborhood Park**

Approve a Resolution authorizing the City Manager to negotiate and execute an agreement with Yosso Group Inc. for the replacement of the playground structure at Northgate Neighborhood Park in an amount not to exceed \$974,090.54.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 24, 2024

**DEPARTMENT:** LIBRARY & COMMUNITY SERVICES

**FROM:** KRISTAN LUNDQUIST, DIRECTOR

**BY:** ANA AMBRIZ, REC-PARK SUPERINTENDENT

**TITLE:** AGREEMENT WITH YOSSO GROUP INC. FOR THE REPLACEMENT OF THE PLAYGROUND STRUCTURE AT NORTHGATE NEIGHBORHOOD PARK

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the City Manager to negotiate and execute an agreement with Yosso Group Inc. for the replacement of the playground structure at Northgate Neighborhood Park in an amount not to exceed \$974,090.54.

EXECUTIVE SUMMARY:

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA), which provided the City of Salinas with \$51,567,313 in relief funds. In September 2021, the City Council allocated ARPA funds for a number of government service projects, including \$2 million dollars for playground structures, park benches and bar-be-que grills, the majority of which was to be spent in the 93905 and 93906 zip codes which were hit hardest by the COVID-19 pandemic. With the allocation, the Council Resolution called for staff to check in with the Finance Committee on these and the Public Works sidewalk/street repair allocations. In May 2022, staff provided an updated to the Finance Committee on the recommended projects identified for ARPA funding. This report included playground two new playground structures at Williams Ranch and Northgate Neighborhood Parks.

DISCUSSION:

The City of Salinas has 35 playgrounds located in parks/facilities across the City. An assessment of the playgrounds was conducted as part of the Parks, Recreation & Libraries Master Planning effort in 2017. The majority of the playgrounds were found to be in fair and/or good condition. The playground at Williams Ranch Neighborhood Park was found to be in poor condition and in need of replacement.

On December 13, 2022, the City Council authorized the City Manager to enter into a Professional Services Agreement (PSA) between the City of Salinas and BFS Landscape Architects (BFS) for

program and construction management of multiple projects to include the development of universal playgrounds concepts for Northgate and Williams Ranch Neighborhood Parks.

BFS requested concepts from playground manufacturers and presented them to staff. After review, the 3 concept alternatives were presented to community in the Northgate Park neighborhood. Engagement consisted of an online survey and pop-up activities for each of the sites at the end of 2023. The goal was to get community's preference on the presented concept and site amenities. Pop-up activities for Northgate occurred at the park itself, Henry F. Kamman Elementary School and Harden Middle School. The in-person event at Henry F. Kamman Elementary recorded 140 unique votes on the playground design alternatives, the Harden Middle School received 99 unique votes, and the online survey recorded 51 responses. The preferred concept was submitted by Yosso Group Inc. and is illustrated below.



CONCEPTUAL DESIGN | NORTHGATE PARK PLAYGROUND DESIGN ALTERNATIVES - OPTION 1

Sourcewell (formerly National Joint Powers Alliance) has a contract with Yosso Group Inc. and can provide and install the playground equipment at Northgate Park for \$929,308.18. In addition, staff would like to request a 5% contingency for any unforeseen issues that may arise. Sourcewell is a cooperative purchasing organization, and the City Council can approve this purchase under, cooperative purchase with other government agencies and Section 12-25.

The City Council may authorize the direct purchase through this vendor pursuant to Salinas Municipal Code sections 12-27 and 12-28.080. The replacement of this playground plus the 5% contingency would total \$974,090.54.

CEQA CONSIDERATION:

The City of Salinas has determined that the replacement of the existing structure is substantially the same size, purpose, and capacity, qualify as a Class 2 Categorical Exemption (Section 15302 Replacement or Reconstruction) under the California Environmental Quality Act (CEQA).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes

STRATEGIC PLAN INITIATIVE:

The playground repairs are consistent with the City Council Goals of:

- Youth and Seniors
- Infrastructure and Environmental Sustainability
- Public Safety

DEPARTMENTAL COORDINATION:

Library & Community Services, Community Development and Public Works collaborated on developing scope and selecting BFS to provide project and construction management services for this project. Collaboration between the three departments will continue through the building permit process and construction.

FISCAL AND SUSTAINABILITY IMPACT:

<b>Fund</b>	<b>Appropriation</b>	<b>Appropriation Name</b>	<b>Total Appropriation</b>	<b>Amount for recommendation</b>	<b>FY 24-25 Operating Budget Page</b>	<b>Last Budget Action (Date, Resolution)</b>
3911	55.8171-66.4000	Capital Outlays Improvements	\$1,764,367.20	\$470,000	n/a	11/16/2021, 22250
5800	55.9060-66.4000	Capital Outlays Improvements	\$652,854	\$504,090.54	n/a	12/13/2022, 22550

ATTACHMENTS:

Resolution Agreement with Yosso Group Inc.

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**AGREEMENT FOR SERVICES WITH YOSSO GROUP INC. FOR THE REPLACEMENT OF THE PLAYGROUND STRUCTURE AT NORTHGATE NEIGHBORHOOD PARK**

**WHEREAS**, on March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) which provided the City of Salinas with \$51,567,313 in relief funds; and;

**WHEREAS**, on September 1, 2021, the City Council allocated ARPA funds for a number of governmental service projects, including \$2 million dollars for playground structures, park benches and bar-be-que grills, the majority of which was to be spent in the 93905 and 93906 zip codes; and

**WHEREAS**, on September 20, 2022, staff recommended the full replacement of two (2) playground structures, one at Willians Ranch Neighborhood Park and one Northgate Neighborhood Park. These two playground locations fall within the 93906 zip code and are in poor condition; and

**WHEREAS**, Sourcewell (formerly National Joint Powers Alliance) has a contract with Yosso Group Inc. and can provide and install the playground equipment at Northgate Park for a total not to exceed \$974,090.54; and

**WHEREAS**, Sourcewell is cooperative purchasing organizations, and the City Council can approve this purchase under, cooperative purchase with other government agencies and Section 12-25; and

**NOW THEREFORE, BE IT RESOLVED BY THE SALINAS CITY COUNCIL** that pursuant to Salinas Municipal Code Sections 12-25, 12-27 and 12-28.080 the City Council authorizes the City Manager to negotiate and execute an Agreement with Yosso Group Inc. in the amount not to exceed \$974,090.54 for the replacement of the playground structure at Northgate Neighborhood Park.

**PASSED AND APPROVED** this 24<sup>th</sup> day of September 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

---

Kimbley Craig, Mayor

**ATTEST:**

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Patricia M. Barajas, City Clerk

**AGREEMENT FOR SERVICES BETWEEN  
THE CITY OF SALINAS AND YOSSO GROUP INC.**

**Northgate Neighborhood Park Playground Replacement**

**THIS AGREEMENT** is executed this 24<sup>th</sup> day of September, 2024, (“Agreement” or “Contract”) between the City of Salinas, a California Charter city and municipal corporation (hereinafter “City”) and Yosso Group Inc., a California corporation (hereinafter “Contractor”).

**IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:**

1. **Scope.** Contractor hereby agrees to provide to the City, as the scope of services under this Agreement, the following services: Labor and material for Northgate Neighborhood Park. Scope of work is further discussed in Attachment B.
2. **Timeliness.** Contractor shall perform all tasks in a timely fashion, as set forth more specifically in Section 3 below. Failure to so perform is hereby deemed a material breach of this Agreement, and City may terminate this Agreement with no further liability hereunder, or the city may agree in writing with Contractor to an extension of time.
3. **Term.** The work under this Agreement shall commence September 24, 2024 and shall be completed by June 30,2025, unless City grants a written extension of time as set forth in Section 2 above.
4. **Payment.** City agrees to pay and Contractor agrees to accept as full and fair consideration for the performance of this Agreement, in an amount not to exceed nine hundred seventy-four thousand ninety and fifty-four hundredths (\$974,090.54), as more fully described in title of Contractors fee schedule, Attachment B. Contractor has no right of reimbursement for expenses under this Agreement. Compensation shall become due and payable 30 days after City’s approval of Contractor’s submission of monthly written invoices to the City. The payment of any compensation shall be contingent upon performance of the terms and conditions of this Agreement to the satisfaction of the City. If City determines that the work set forth in the written invoice has not been performed in accordance with the terms of this Agreement, City shall not be responsible for payment until such time as the work has been satisfactorily performed.
5. **Meet & Confer.** Contractor agrees to meet and confer with City or its agents or employees with regard to services as set forth herein as may be required by City to insure timely and adequate performance of this Agreement.
6. **Insurance.** Contractor shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in Attachment A hereto.
7. **Indemnification.** Contractor shall hold harmless, defend at its own expense, and indemnify City and its officers, officials, employees, agents, and volunteers from and against all liability, claims, damages, losses, and/or expenses including reasonable City attorney fees arising

from all acts or omissions of Contractor or its officers, agents, or employees arising out of the performance of the work under this Contract, caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, except where caused by the tive negligence, sole negligence or willful misconduct of the City.

8. **Licensing.** Contractor warrants that it is properly licensed to perform the work specified under this Agreement, including but not limited to possession of a current City business license.

9. **Termination.** City may terminate this Agreement upon ten days' written notice. The amount of damages, if any, as a result of such termination may be decided by negotiations between the parties or before a court of competent jurisdiction.

10. **Agency.** In performing the services specified under this Agreement, Contractor is hereby deemed to be an independent contractor and not an agent or employee of City.

11. **Non-Assignability.** The rights and obligations of Contractor hereunder are not assignable and cannot be delegated without written consent of City.

12. **Entire Agreement.** This Agreement constitutes the entire Agreement between the parties hereto and supersedes any and all prior agreements, whether oral or written, relating to the subject matter thereof. Any modification of the Agreement will be effective only if it is in writing signed by both parties hereto.

13. **Validity.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force without being impaired or invalidated in any way.

14. **Counterparts.** This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

15. **Laws.** Contractor agrees that in the performance of this Agreement it will comply with all applicable State, Federal and local laws and regulations. This Agreement shall be governed by and construed in accordance with the laws of the State of California, County of Monterey, and City of Salinas.

IN WITNESS WHEREOF, this Agreement is entered into by the parties hereto on the day and year first written above.

**CITY OF SALINAS**



\_\_\_\_\_  
René Mendez, City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Christopher A. Callihan, City Attorney, or  
Rhonda Combs, Assistant City Attorney

**CONTRACTOR**

\_\_\_\_\_  
By (Printed Name): \_\_\_\_\_

Its (Title): \_\_\_\_\_

## Insurance Requirements

Contractor shall procure and maintain for the duration of the contract, and for three years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his/her/its officers, agents, representatives, employees, and/or subcontractors.

### MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** (“CGL”): Insurance Services Office (“ISO”) Form CG 00 01 covering CGL on an occurrence basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO Form CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability**: ISO Form CA 0001 covering Code 1 (any auto), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers’ Compensation**: as required by the State of California, with Statutory Limits, and Employers’ Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Contractors’ Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions** (if project involves environmental hazards): with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate, on an annual basis.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the Contractor requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

### *Self-Insured Retentions*

Self-insured retentions must be declared to and approved by the City. At the option of the City, either: the Contractor shall cause the insurer shall to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

### *Other Insurance Provisions*

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **The City, its officers, officials, employees, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by

or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

2. For any claims related to this project, the **Contractor's insurance coverage shall be primary** insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City.

4. A copy of the claims reporting requirements must be submitted by Contractor to the City.

5. If the services involve lead-based paint or asbestos identification/remediation, the Contractor's Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractor's Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

#### ***Acceptability of Insurers***

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City.

#### ***Waiver of Subrogation***

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

#### ***Verification of Coverage***

Contractor shall furnish the City with original Certificates of Insurance including an additional insured endorsement and all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

#### ***Subcontractors***

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

#### ***Maintenance of Insurance***

Maintenance of insurance by Contractor as specified shall in no way be interpreted as relieving

Contractor of its indemnification obligations or any responsibility whatsoever and the Contractor may carry, at its own expense, such additional insurance as it deems necessary.

***Special Risks or Circumstances***

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

**Attachment B**

**Specified Play Equipment Co.**

121 #1 Industrial Road  
 Belmont, CA 94002  
 800.475.1071  
 www.specplay.com



**ADDRESS**

City of Salinas  
 200 Lincoln Avenue  
 Salinas 93901

**SHIP TO**

City of Salinas  
 200 Lincoln Avenue  
 Salinas 93901

**Estimate 3095**

**DATE** 09/04/2024

**EXPIRATION DATE** 10/31/2024

**TRACKING NO.**

Northgate Park, Salinas

**DEPOSIT DUE NOW**

Terms: Net 30 days

**CSLB# 1050307**

Sourcewell contract #010251-  
 BUR

**DIR# 1000064237**

City of Salinas member  
 #2424

ACTIVITY	QTY	RATE	AMOUNT
<b>BCI Burke Equipment</b> Equipment per plan #137-172594-6 for children 2-5 years old and 5-12 years old	1	287,507.00	287,507.00T
<b>Discount</b> Discount per Sourcewell contract	1	-43,126.05	-43,126.05T
<b>Berliner Play Equipment</b> (OPEN MARKET) IKO M	1	21,708.00	21,708.00T
<b>Disposal</b> (OPEN MARKET) Remove appx 430 CY of existing EWF in appx 8,925 sqft play box at 12" depth. Haul and dispose off site.	1	56,619.00	56,619.00
<b>Demolition</b> (OPEN MARKET) Demo existing green & yellow steel play structures, swings and spring rider as well as (4) benches directly outside of play box. Haul away and dispose.	1	25,467.00	25,467.00
<b>Site Prep</b> (OPEN MARKET) Provide labor and equipment to excavate EWF area appx 3,015 sqft at 4" depth. Haul and dispose of appx 38 TN of soil	1	20,042.00	20,042.00

Please write checks to  
 Specified Play Equipment Co (SPEC Play)  
 121 #1 Industrial Road  
 Belmont, CA 94002

ACTIVITY	QTY	RATE	AMOUNT
<b>Site Prep</b> (OPEN MARKET) Supply/Import appx 330 TN of base rock into 5,845 sqft PIP play area. Compact to 9" depth and transition to 7.5" depth where swings will be installed, appx 1375 sqft, including 110 LF 18" base rock and concrete shell turndown where poured in place meets EWF.	1	69,629.00	69,629.00
<b>Site Prep</b> (OPEN MARKET) Supply/Import appx 55 TN of permeable rock into 3,015 sqft EWF play area. Compact to 4" depth. Supply/install 3,015 sqft of Geotek Fabric.	1	19,682.00	19,682.00
<b>Site Work</b> (OPEN MARKET) Supply labor and materials to form and pour (3) 13'x5' concrete slabs( detail L-3.2/8) for future install of owner provided surface mounted benches in play box. Supply labor and materials to form and pour(1) ADA ramp(detail L-3.2/3).	1	25,507.00	25,507.00
<b>Installation Service</b> Install of Burke play equipment as shown in design layout 137-172594-6 to manufacturer specifications. Spoils to be disposed off-site.	1	119,657.00	119,657.00
<b>Installation Service</b> (OPEN MARKET) Install of Berliner play equipment as shown in design layout 137-172594-6 to manufacturer specifications. Spoils to be disposed off-site.	1	12,890.00	12,890.00
<b>Installation Service</b> (OPEN MARKET) Provide labor to install (3) 6' Dumor Inc. "walnut" surface mounted benches to manufacturer specifications. Manufacturer to provide all hardware. Haul and dispose of packaging offsite.	1	2,000.00	2,000.00
<b>Protective Safety Surfacing Installation</b> (OPEN MARKET) Supply/install appx 5,845 sqft SAFEPOUR Premium EPDM with varying depths to meet play equipment CFH of 6" and up to 9". Wear course to be with colors and design called out in sheet L-3.1 noted by Megan, and including appx 110 LF 18" turndown where poured in place meets EWF.	1	208,321.00	208,321.00
<b>Protective Safety Surfacing Installation</b> (OPEN MARKET) Playground Wood Chips ASTM Certified Engineered Wood Fiber [CHIP] -with Blown In Installation - 150 CY	1	11,836.00	11,836.00

Please write checks to  
Specified Play Equipment Co (SPEC Play)  
121 #1 Industrial Road  
Belmont, CA 94002

ACTIVITY	QTY	RATE	AMOUNT
<b>Temporary Fencing</b> (OPEN MARKET) Supply appx 480 LF of construction temp fencing and (1) standard porta potty unit for the duration of PGU's scope of work	1	7,665.00	7,665.00
<b>Receive and Offload</b> (OPEN MARKET) Supply labor and equipment to receive/offload play equipment on site.	1	6,492.00	6,492.00
<b>Engineering</b> (OPEN MARKET) CA Structural Engineer Stamped and sealed engineered footer detail for Northgate Park	1	6,000.00	6,000.00
<b>Freight</b> Freight and packaging for Burke equipment	1	11,200.00	11,200.00
<b>Freight</b> (OPEN MARKET) Freight and packaging for Berliner equipment	1	1,938.00	1,938.00

PLEASE NOTE:

- Lead time is 8-10 weeks.
- Prevailing Wages Applied
- Bobcat & Trucking Access Required
- Staging Area Required

ACCEPTANCE By signing below, you acknowledge and agree to our estimate, contract, exclusions, conditions, payments, and Terms and Conditions attached shall comprise to be the Agreement. The values shown above represent a specific scope; no other work should be assumed unless specifically noted in the text of the above line items.

TERMS: Equipment and freight are due net 30 from delivery date. Open Market items due net 30 from completion date. Failure to pay any amount when due shall cause interest to begin to accrue at 12% per annum on the entire unpaid amount of the Agreement. Any late payment will cause Client being responsible for a 2% late fee on any late payment. Any action by SPEC to enforce collection of Agreement amount owed, Client must pay all attorney fees and costs.

SUBTOTAL	871,033.95
TAX	24,613.23

<b>TOTAL</b>	<b>USD 895,647.18</b>
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Accepted By

Accepted Date



**Specified Play Equipment Co.**

121 #1 Industrial Road  
Belmont, CA 94002  
800.475.1071  
www.specplay.com



**ADDRESS**

City of Salinas  
200 Lincoln Avenue  
Salinas 93901

**SHIP TO**

City of Salinas  
200 Lincoln Avenue  
Salinas 93901

**Estimate 3307**

**DATE** 09/04/2024

**EXPIRATION DATE** 10/31/2024

**TRACKING NO.**

Northgate Park Bonding

ACTIVITY	QTY	RATE	AMOUNT
<b>Bonding</b> Payment and performance Bonds for Northgate Park	1	33,661.00	33,661.00

ACCEPTANCE By signing below, you acknowledge and agree to our estimate, contract, exclusions, conditions, payments, and Terms and Conditions attached shall comprise to be the Agreement. The values shown above represent a specific scope; no other work should be assumed unless specifically noted in the text of the above line items.

TERMS: Client must pay 50% of the equipment listed in the Estimate amount within 5 calendar days of invoicing. Client must pay remaining balance of all equipment on or before its delivery. Client must pay the balance of the entire Estimate and/or CO within 30 calendar days of notice by SPEC that Project is Complete.

Failure to pay any amount when due shall cause interest to begin to accrue at 12% per annum on the entire unpaid amount of the Agreement. Any late payment will cause Client being responsible for a 2% late fee on any late payment. Any action by SPEC to enforce collection of Agreement amount owed, Client must pay all attorney fees and costs.

SUBTOTAL 33,661.00  
TAX 0.00

**TOTAL USD 33,661.00**

Please write checks to  
Specified Play Equipment Co (SPEC Play)  
121 #1 Industrial Road  
Belmont, CA 94002



**DEPARTMENT OF INDUSTRIAL RELATIONS' STATE LABOR CODE**

**Labor Law Requirements**

(CCR Title 8, Section 16421)

This public works project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations ("DIR"). All work shall be in accordance with wage scales and applicable determinations made by the Director of the DIR, as provided by Article 2, Chapter 1, Division 2, Part 7 of the Labor Code of the State of California, commencing with §1771.

Penalties for violations may be applied by the DIR pursuant to the Labor Code §1813 and §1815. The Contractor shall indemnify, hold harmless, and defend the City (with counsel reasonably approved by the City) against any claim for damages, compensation, fines, penalties, or other amounts arising out of the failure or alleged failure of any person or entity (including Contractor and its subcontractors) to pay prevailing wages as determined pursuant to Labor Code §1720, and hereby agrees to, §§1771-1774; to employ apprentices pursuant to Labor Code §1777.5 et seq., and/or to comply with the other applicable provisions of Labor Code §1720 et seq., §§1771-1774, §1777.5 et seq., and the implementing regulations of the DIR in connection with the scope of work. This indemnification section shall survive the expiration of the Term.

The Federal and State Labor Law requirements applicable to the Agreement are composed of, but not limited, to the following items:

- 1. Payment of Prevailing Wage Rates:** All contractors, including subcontractors, shall pay no less than the prevailing rate of wages (Labor Code §1775), including the rates for holidays and overtime work (Labor Code §§1813 and 1815), to all workers employed in the execution of the contract (Labor Code §1774), pursuant to Labor Code §§1720-1784. The prevailing rates are those issued as wage determinations by the DIR, for each craft, classification and type of work. The current wage rate information can be found at the DIR's website at: <https://www.dir.ca.gov/oprl/DPreWageDetermination.htm>. Copies of the prevailing rate of per diem wages are on file at City's Public Works Department (principal place of office). Contractor shall post a copy of the determination of the Director of DIR of the prevailing rate of per diem wages at each job site.
- 2. Apprentices:** Contractor and subcontractors shall employ registered apprentices on this public works Agreement pursuant to Labor Code §1777.5. All contractors on this project (prime and subcontractors) are required to submit the Division of Apprenticeship Standards' ("DAS") Public Works Contract Award Information (DAS 140) form to all applicable apprenticeship committees no later than 10 days before commencing work. Additionally, all contractors are required to request registered apprentices (DAS 142 form). **Penalties for failure to pay prevailing wages (for non-exempt projects)** and failure to employ apprentices include forfeitures and debarment under Labor Code §§1775 and 1777.7.
- 3. Certified Payroll Records:** All contractors, including subcontractors, must maintain and

file certified payroll records (“CPRs”) pursuant to Labor Code §1776. Additionally, all contractors and subcontractors must furnish **certified payroll records into the DIR’s Electronic Certified Payroll Reporting (“eCPRs”) database (<https://efiling.dir.ca.gov/eCPR/pages/eCPROnlineForm.jsp>)**. **Penalties apply to Contractor and any Subcontractors for failure to do so** under Labor Code §1777.

4. **Subcontracting:** Contractors are required to list all subcontractors hired to perform work on this public works agreement.
5. **Proper Licensing/Registration:** All contractors and subcontractors are required to be properly licensed, in accordance with the Provisions of Chapter 9 of Division 3 of the Business and Professions Code and subject to the requirements of §4104 of the Public Contract Code. In addition, all contractors including subcontractors must submit proof of current registration to perform public work, pursuant to Labor Code §1771.1. Contractors are required to be properly licensed and to require all subcontractors to be properly licensed. Penalties for employing workers while unlicensed under Labor Code §1021 and under the California Contractors License Law, found at Business and Professions Code §7000 et. seq.
6. **Job Site Notices:** Contractors are required to post all required notices (posters) on the job site in an area accessible to all workers, including subcontractors. Posters must be readable and placed in visible areas allowing workers to access the posters before, during, and after work shifts. Jobsites with multiple locations must include a portable poster board to ensure continued access to the information. Posters placed in foreman, supervisor, or employee vehicles, in an offsite job trailer, or inside a temporary restroom do not meet the posting requirement. Posters may be printed from the DIR’s website at: <http://www.dir.ca.gov/wpnodb.html>.
7. **Nondiscrimination in Employment – Equal Employment Opportunity (“EEO”):** Employment discrimination is prohibited, pursuant to Labor Code §1777.6, the Government Code, and Title VII of the Civil Rights Act of 1964.
8. **Kickbacks Prohibited:** Contractors and subcontractors are prohibited from recapturing wages illegally by accepting or extracting “kickbacks” from employee wages pursuant to Labor Code §1778.
9. **Acceptance of Fees Prohibited:** Contractors and subcontractors are prohibited from accepting fees for registering any person for public work or for filling work orders on public works contracts, pursuant to Labor Code §§1779 and 1780.
10. **Unfair Competition Prohibited:** Contractors and subcontractors are prohibited from engaging in unfair competition as specified under Business and Professions Code §§17200 - 17208.
11. **Workers’ Compensation:** Contractors and subcontractors must be properly insured for Workers’ Compensation under Labor Code §1861. Contractor hereby represents that Contractor is aware of the provisions of Section 3700 of the Labor Code, which require every employee to be insured against liability for Workers’ Compensation or to undertake self-insurance in accordance with the provisions of that Code, and Contractor will comply with such provisions before commencing the performance of the work of this agreement.
12. **OSHA:** Contractors and subcontractors must abide by the Occupational, Safety, and Health Laws and regulations that apply.



## Legislation Text

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**File #:** ID#24-548, **Version:** 1

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**Agreement with Ross Recreation Equipment Company Inc. for the Replacement of the Playground Structure at Williams Ranch Neighborhood Park**

Approve a Resolution authorizing the City Manager to negotiate and execute an agreement with Ross Recreation Equipment Company Inc. for the replacement of the playground structure at Williams Ranch Neighborhood Park in an amount not to exceed \$290,225.89.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 24, 2024

**DEPARTMENT:** LIBRARY & COMMUNITY SERVICES

**FROM:** KRISTAN LUNDQUIST, DIRECTOR

**BY:** ANA AMBRIZ, REC-PARK SUPERINTENDENT

**TITLE:** AGREEMENT WITH ROSS RECREATION EQUIPMENT COMPANY INC. FOR THE REPLACEMENT OF THE PLAYGROUND STRUCTURE AT WILLIAMS RANCH NEIGHBORHOOD PARK

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the City Manager to negotiate and execute an agreement with Ross Recreation Equipment Company Inc. for the replacement of the playground structure at Williams Ranch Neighborhood Park in an amount not to exceed \$290,225.89.

EXECUTIVE SUMMARY:

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA), which provided the City of Salinas with \$51,567,313 in relief funds. In September 2021, the City Council allocated ARPA funds for a number of government service projects, including \$2 million dollars for playground structures, park benches and barbeque grills, the majority of which was to be spent in the 93905 and 93906 zip codes which were hit hardest by the COVID-19 pandemic. With the allocation, the Council Resolution called for staff to check in with the Finance Committee on these and the Public Works sidewalk/street repair allocations. In May 2022, staff provided an updated to the Finance Committee on the recommended projects identified for ARPA funding. This report included playground two new playground structures at Williams Ranch and Northgate Neighborhood Parks.

DISCUSSION:

The City of Salinas has 35 playgrounds located in parks/facilities across the City. An assessment of the playgrounds was conducted as part of the Parks, Recreation & Libraries Master Planning effort in 2017. The majority of the playgrounds were found to be in fair and/or good condition.

On December 13, 2022, the City Council authorized the City Manager to enter into a Professional Services Agreement (PSA) between the City of Salinas and BFS Landscape Architects (BFS) for

program and construction management of multiple projects to include the development of universal playgrounds concepts for Northgate and Williams Ranch Neighborhood Parks.

BFS requested concepts from playground manufacturers and presented them to staff. After review, the 3 concept alternatives were presented to community in the Williams Ranch neighborhood. Engagement consisted of an online survey and pop-up activities for each of the sites at the end of 2023. The goal was to get community's preference on the presented concept and site amenities. Pop-up activities for Williams Ranch occurred at the park itself and Dr. Oscar Loya Elementary School. The in-person events recorded 58 unique votes on the playground design alternatives, and the online survey recorded 17 responses. The preferred concept was submitted by Ross Recreation Equipment Company Inc. and shown below.



CONCEPTUAL DESIGN | WILLIAMS RANCH PARK PLAYGROUND DESIGN ALTERNATIVES - OPTION 2

National Purchasing Partners has a contract with Ross Recreation Equipment Company Inc., and they can provide the playground equipment and installation at Williams Ranch for \$276,789. In addition, staff would like to request a 5% contingency for any unforeseen issues that may arise. National Purchasing Partners is a cooperative purchasing organization, and the City Council can approve this purchase under, cooperative purchase with other government agencies and Section 12-25.

Consistent Salinas Municipal Code Sections 12-27 and 12-28.080 with Purchasing Policies and ordinance (2576) the purchase of equipment in the amount of more than \$30,000 with one vendor requires City Council authorization. The replacement of this playground plus the 5% contingency would total \$290,225.89.

CEQA CONSIDERATION:

The City of Salinas has determined that the replacement of the existing structure is substantially the same size, purpose, and capacity, qualify as a Class 2 Categorical Exemption (Section 15302 Replacement or Reconstruction) under the California Environmental Quality Act (CEQA).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes

STRATEGIC PLAN INITIATIVE:

The playground repairs are consistent with the City Council Goals of:

- Youth and Seniors
- Infrastructure and Environmental Sustainability
- Public Safety

DEPARTMENTAL COORDINATION:

Library & Community Services, Community Development and Public Works collaborated on developing scope and selecting BFS to provide project and construction management services for this project. Collaboration between the three departments will continue through the building permit process and construction.

FISCAL AND SUSTAINABILITY IMPACT:

<b>Fund</b>	<b>Appropriation</b>	<b>Appropriation Name</b>	<b>Total Appropriation</b>	<b>Amount for recommendation</b>	<b>FY 24-25 Operating Budget Page</b>	<b>Last Budget Action (Date, Resolution)</b>
3911	55.8171-66.4000	Capital Outlays Improvements	\$1,764,367.20	\$190,000.00	n/a	11/16/2021, 22250
5800	55.9060-66.4000	Capital Outlays Improvements	\$652,854	100,225.89	n/a	12/13/2022, 22550

ATTACHMENTS:

Resolution  
Agreement with Ross Recreation Equipment Company Inc.

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**AGREEMENT FOR SERVICES WITH ROSS RECREATION EQUIPMENT COMPANY INC. FOR THE REPLACEMENT OF THE PLAYGROUND STRUCTURE AT WILLIAMS RANCH NEIGHBORHOOD PARK**

**WHEREAS**, on March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) which provided the City of Salinas with \$51,567,313 in relief funds; and;

**WHEREAS**, on September 1, 2021, the City Council allocated ARPA funds for a number of governmental service projects, including \$2 million dollars for playground structures, park benches and bar-be-que grills, the majority of which was to be spent in the 93905 and 93906 zip codes; and

**WHEREAS**, on September 20, 2022, staff recommended the full replacement of two (2) playground structures, one at Williams Ranch Neighborhood Park and one Northgate Neighborhood Park. These two playground locations fall within the 93906 zip code and are in poor condition; and

**WHEREAS**, National Purchasing Partners has a contract with Ross Recreation Equipment Company Inc. and can provide the playground equipment and installation for a total not to exceed \$290,225.89; and

**WHEREAS**, National Purchasing Partners is a cooperative purchasing organizations, and the City Council can approve this purchase under, cooperative purchase with other government agencies and Section 12-25; and

**NOW THEREFORE, BE IT RESOLVED BY THE SALINAS CITY COUNCIL** that pursuant to Salinas Municipal Code Sections 12-25, 12-27 and 12-28.080 the City Manager of Salinas is authorized to negotiate and execute an Agreements with Ross Recreation Equipment Company Inc., in the amounts not to exceed \$290,225.89 for the replacement of the playground structure at Williams Ranch Neighborhood Park.

**PASSED AND APPROVED** this 24<sup>th</sup> day of September 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

---

Kimbley Craig, Mayor

**ATTEST:**

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Patricia M. Barajas, City Clerk



**AGREEMENT FOR SERVICES BETWEEN  
THE CITY OF SALINAS AND ROSS RECREATION EQUIPMENT COMPANY INC.**

**Williams Ranch Playground Replacement**

**THIS AGREEMENT** is executed this 24<sup>th</sup> day of September 2024, (“Agreement” or “Contract”) between the City of Salinas, a California Charter city and municipal corporation (hereinafter “City”) and Ross Recreation Equipment Company Inc., a California corporation (hereinafter “Contractor”).

**IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:**

1. **Scope.** Contractor hereby agrees to provide to the City, as the scope of services under this Agreement, the following services: Labor and material for Williams Ranch Neighborhood Park playground replacement. Scope of work is further discussed in Attachment B.
2. **Timeliness.** Contractor shall perform all tasks in a timely fashion, as set forth more specifically in Section 3 below. Failure to so perform is hereby deemed a material breach of this Agreement, and City may terminate this Agreement with no further liability hereunder, or the city may agree in writing with Contractor to an extension of time.
3. **Term.** The work under this Agreement shall commence September 24, 2024 and shall be completed by June 30, 2025, unless City grants a written extension of time as set forth in Section 2 above.
4. **Payment.** City agrees to pay and Contractor agrees to accept as full and fair consideration for the performance of this Agreement, an amount not to exceed two hundred ninety thousand two hundred twenty-five and eighty-nine hundredths (\$290,225.89), as more fully described in title of Contractors fee schedule, Attachment B. Contractor has no right of reimbursement for expenses under this Agreement. Compensation shall become due and payable 30 days after City’s approval of Contractor’s submission of monthly written invoices to the City. The payment of any compensation shall be contingent upon performance of the terms and conditions of this Agreement to the satisfaction of the City. If City determines that the work set forth in the written invoice has not been performed in accordance with the terms of this Agreement, City shall not be responsible for payment until such time as the work has been satisfactorily performed.
5. **Meet & Confer.** Contractor agrees to meet and confer with City or its agents or employees with regard to services as set forth herein as may be required by City to insure timely and adequate performance of this Agreement.
6. **Insurance.** Contractor shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in Attachment A hereto.
7. **Indemnification.** Contractor shall hold harmless, defend at its own expense, and

indemnify City and its officers, officials, employees, agents, and volunteers from and against all liability, claims, damages, losses, and/or expenses including reasonable City attorney fees arising from all acts or omissions of Contractor or its officers, agents, or employees arising out of the performance of the work under this Contract, caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence or willful misconduct of the City.

8. **Licensing.** Contractor warrants that it is properly licensed to perform the work specified under this Agreement, including but not limited to possession of a current City business license.

9. **Termination.** City may terminate this Agreement upon ten days' written notice. The amount of damages, if any, as a result of such termination may be decided by negotiations between the parties or before a court of competent jurisdiction.

10. **Agency.** In performing the services specified under this Agreement, Contractor is hereby deemed to be an independent contractor and not an agent or employee of City.

11. **Non-Assignability.** The rights and obligations of Contractor hereunder are not assignable and cannot be delegated without written consent of City.

12. **Entire Agreement.** This Agreement constitutes the entire Agreement between the parties hereto and supersedes any and all prior agreements, whether oral or written, relating to the subject matter thereof. Any modification of the Agreement will be effective only if it is in writing signed by both parties hereto.

13. **Validity.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force without being impaired or invalidated in any way.

14. **Counterparts.** This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

15. **Laws.** Contractor agrees that in the performance of this Agreement it will comply with all applicable State, Federal and local laws and regulations. This Agreement shall be governed by and construed in accordance with the laws of the State of California, County of Monterey, and City of Salinas.

IN WITNESS WHEREOF, this Agreement is entered into by the parties hereto on the day and year first written above.

**CITY OF SALINAS**

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René Mendez, City Manager

APPROVED AS TO FORM:

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Christopher A. Callihan, City Attorney, or  
Rhonda Combs, Assistant City Attorney

**CONTRACTOR**

---

By (Printed Name): \_\_\_\_\_

Its (Title): \_\_\_\_\_

## Insurance Requirements

Contractor shall procure and maintain for the duration of the contract, and for three years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his/her/its officers, agents, representatives, employees, and/or subcontractors.

### MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** (“CGL”): Insurance Services Office (“ISO”) Form CG 00 01 covering CGL on an occurrence basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO Form CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability**: ISO Form CA 0001 covering Code 1 (any auto), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers’ Compensation**: as required by the State of California, with Statutory Limits, and Employers’ Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Contractors’ Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions** (if project involves environmental hazards): with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate, on an annual basis.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the Contractor requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

### *Self-Insured Retentions*

Self-insured retentions must be declared to and approved by the City. At the option of the City, either: the Contractor shall cause the insurer shall to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

### *Other Insurance Provisions*

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **The City, its officers, officials, employees, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by

or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

2. For any claims related to this project, the **Contractor's insurance coverage shall be primary** insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City.

4. A copy of the claims reporting requirements must be submitted by Contractor to the City.

5. If the services involve lead-based paint or asbestos identification/remediation, the Contractor's Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractor's Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

#### ***Acceptability of Insurers***

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City.

#### ***Waiver of Subrogation***

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

#### ***Verification of Coverage***

Contractor shall furnish the City with original Certificates of Insurance including an additional insured endorsement and all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

#### ***Subcontractors***

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

#### ***Maintenance of Insurance***

Maintenance of insurance by Contractor as specified shall in no way be interpreted as relieving

Contractor of its indemnification obligations or any responsibility whatsoever and the Contractor may carry, at its own expense, such additional insurance as it deems necessary.

***Special Risks or Circumstances***

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

**Attachment B**

Ross Recreation Representative

Casey Hilbert

caseyh@rossrec.com



ALL PURCHASE ORDERS, CONTRACTS, AND CHECKS TO BE MADE OUT TO:  
 Ross Recreation Equipment, Inc.  
 100 Brush Creek Road, #206  
 Santa Rosa, CA. 95404  
 707.538.3800 - accounting@rossrec.com

PS21070

Prepared For:

Bill To Name	Salinas, City of	Ship To Name	Williams Ranch Park
Bill To	200 Lincoln Avenue Salinas, California 93901 United States	Ship To	1499 Falcon Dr Salinas, California 93905 United States
Quote Number	00042472	Quote Date	9/5/2024
Opportunity Name	Williams Ranch Playground	Quote Exp Date	12/5/2024
Quote Name	Williams Ranch Park Playground	Est Lead Time	20-24 weeks

Quantity	Product	Product Description	Sales Price	Total Price
1.00	Demolition	Demolition and disposal of existing play equipment, concrete/rubber access pads, (2) benches & (2) tables  * Play equipment footings to remain where possible. \$6500 has been included in price should it be required that all existing footings be excavated and backfilled.	\$21,970.00	\$21,970.00
1.00	Site Work	Remove and replace circular concrete pads (approx. 12" dia.) under new tables. Sawcut footprint of demolished benches and replace with new concrete.	\$4,500.00	\$4,500.00
1.00	Site Work	Excavation minimum 16" below finish surface, grade at 1-2% to drain inlet in center of play area.  Excavation of planter areas to native soil. Remove existing area drains. Cut and cap lines. Refill with mulch.	\$25,650.00	\$25,650.00
1.00	Site Work	Installation of approximately 2300 sqft of Base Rock (combination of Class II compacted & permeable) - L3.2, Detail 7 (EWF): 900 sqft of Permeable Base Rock at 4" thickness, minimum of 12" below finish surface, subgrade sloped at min. 2% - L3.2: Detail 8 (PIP): 1400 sqft of Compacted Class II Base Rock (90-95%) at minimum 13" thickness, set 3" below finish surface where PIP surfacing will be installed, subgrade sloped at min. 2%  * Includes sloped transition at PIP turned down edge per detail	\$35,205.00	\$35,205.00
1.00	PlayBooster, 2-5	Landscape Structures PlayBooster Design #1161616-04-03, Ages 2-5, Colors TBD  * Includes freestanding ReviRock Bouncer & Log Balance Beam	\$57,445.00	\$57,445.00
1.00	NPP Ross Discount	5% NPP Discount on Landscape Structures Play Equipment	-\$2,872.25	-\$2,872.25
1.00	Engineering	Structural engineering calculations for Play Equipment. May take 3-4 weeks to complete engineering. Soils report recommended but not required. Customer must approve before fabrication can begin. Revisions to engineering calculations may require a change order. Lead time for materials will not begin until receipt of approved engineering to ensure proper manufacturing per engineering specifications.	\$4,500.00	\$4,500.00

	Fees	Please provide the following: 1. FedEx Address to send engineering: 2. Address of Structure: 3. Required Building Code: 4. Wind Load:		
1.00	Install - Play Equipment	Installation of Landscape Structures PlayBooster design #1161616-04-03 by a manufacturer certified installer at prevailing wage rates.  * Project DIR # needed for state Prevailing Wage projects. * Existing concrete pad to be sawcut for freestanding CoolTopper footing installation. New footings will not match existing flatwork but can be colored if preferred. * Installation price quoted for favorable working conditions. If rock, poor soil conditions, a high water table and/or other unforeseen site conditions exist requiring additional materials and labor, additional charges may be incurred. * Play Equipment installation includes equipment layout, footing excavation, equipment assembly and concrete footings per manufacturer specifications. If different footing details are provided by the owner/specifier a change order may be required. * Installation quoted includes installing footings through native soil or compacted base rock. If installing through concrete a change order may be required.	\$25,350.00	\$25,350.00
1.00	PIP Rubber	Surface America 'PlayBound' Poured-In-Place Rubber surfacing materials: - Square Footage: 1400 sqft (per takeoff of drawing provided) - Thickness: 3" (per 6" CFH of proposed play equipment) - Binder: Aliphatic Urethane - Colors: Per Sheet L-3.1  * Rubber surfacing will follow contour of sub-base and be 3" thick throughout the area. * Any change to color, thickness, sqft or binder type may require a change order. * Thicknesses quoted to meet industry standards for ASTM testing of 1000 HIC/200 GMax.	\$25,790.00	\$25,790.00
1.00	NPP Ross Discount	4% NPP Discount on PIP Rubber Surfacing Materials	-\$1,031.60	-\$1,031.60
1.00	Install - Rubber Surfacing	Installation of Surface America Poured-in-Place rubber surfacing for 1400 square feet at a 3" thickness with specified design work by a manufacturer certified installer at prevailing wage rates.  * Surfacing will sit flush with concrete edge or bevel down into EWF depending on location. * Price does not include drainage modification or inspections. Surfacing will be installed to follow slope of the sub-base and thickness of safety surfacing quoted to be kept consistent. Surfacing will not be installed thicker over drains unless requested. Please advise if surfacing is to be installed in any other manner, so quote can be adjusted. * Thicknesses installed to meet industry standards for ASTM testing of 1000 HIC/200 GMax.	\$18,840.00	\$18,840.00
1.00	Engineered Wood Fiber	60 cubic yards of Engineered Wood Fiber to fill 900 sqft at minimum 12" depth	\$2,000.00	\$2,000.00
1.00	NPP Ross Discount	5% NPP Discount on Engineered Wood Fiber Material	-\$100.00	-\$100.00
1.00	Install - Wood Fiber	Blown-in installation of 60 cubic yards of engineered wood fiber at prevailing wage rates.	\$2,396.00	\$2,396.00
5.00	165-60PL	DuMor 165-60/3AR Steel Bench w/ Recycled Plastic Slats; 6' Length, Center Armrest, Surface Mount, Walnut PL, Frame Color TBD  - (2) for Williams Ranch Park, (3) for Northgate Park	\$1,757.00	\$8,785.00
1.00	76-34PL	DuMor 76-34PL Square Pedestal Table; 48" Square, 3" x 4" Recycled Plastic Slats, (4) Seats, Direct Bury Embedment, Walnut PL, Frame Color TBD	\$2,676.00	\$2,676.00
1.00	76-32PL	DuMor 76-32PL Accessible Square Pedestal Table; 48" Square, 3" x 4" Recycled Plastic Slats, (2) Seats, Direct Bury Embedment, Walnut PL, Frame Color TBD	\$1,968.00	\$1,968.00
	NPP Ross			

00042472

\$268,724.08



**Ross Recreation Representative**

Casey Hilbert caseyh@rossrec.com

1.00	Discount	3% NPP Discount on DuMor Site Furnishings	-\$402.87	-\$402.87
1.00	Install - Site Furnishings	Installation of (2) DuMor 165-60PL/3AR Benches, (1) 76-32PL Table & (1) 76-34PL Table * Includes new concrete under tables. * Includes saw cut and replacement of concrete under benches that were removed. * Benches to be surface mounted. Tables to be embedded. * Does not include supply or installation of specified Outdoor Creations receptacle. * Does not include installation of site furnishings at Northgate Park.	\$6,975.00	\$6,975.00
1.00	Rentals	400' of Temporary Fencing and Restroom for duration of project	\$2,885.00	\$2,885.00

Credit Terms	Net 30 On Materials Shipment	Materials Amount	\$94,257.28
		Tax Amount	\$8,718.80
		Labor/Fee Amount	\$148,271.00
		Freight Amount	\$17,477.00
		<b>Total</b>	<b>\$268,724.08</b>

**Notes to Customer**

**SIGNATURE BELOW ACCEPTING THIS PROPOSAL WILL CONSTITUTE A PURCHASE ORDER ONLY UPON APPROVAL BY ROSS RECREATION EQUIPMENT, INC. CUSTOMER RECEIPT OF AN ORDER ACKNOWLEDGEMENT CONSTITUTES SUCH APPROVAL.**

**New Section**

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date \_\_\_\_\_

**Note to Customer (Install)**

Thank you for the opportunity to quote your upcoming project. PLEASE NOTE: Quote does not include storage, permits, inspection or additional materials/labor unless specifically noted.

\* Does not include supply or installation of specified Outdoor Creations tables or receptacle (SF-01 & SF-03)

\* Does not include new drip irrigation, ground cover or tree/shrub planting portion of project (Sheets L4.0 thru L5.1)

If ordering materials after the quoted expiration date, please request a revised quote. Orders placed in 2025 may be subject to a price increase.

Ross Recreation will provide labor using a subcontractor for all installation and labor quoted. Neither Ross Recreation, nor our subcontractors, are signatory to any unions; however, compliance with prevailing wage rate requirements will occur.



Opportunity Name Williams Ranch Playground  
 Quote Name Williams Ranch Payment & Performance Bonds  
 Quote Number 00042467  
 Quote Date 9/5/2024  
 Quote Exp Date 12/5/2024

Ship To Name Salinas, City of  
 Ship To 426 Work Street  
 Salinas, California 93901  
 United States

Bill To Name Salinas, City of  
 Bill To 200 Lincoln Avenue  
 Salinas, California 93901  
 United States

Quantity	Product	Product Description	Sales Price	Total Price
1.00	Bond	Payment & Performance Bonds	\$8,065.61	\$8,065.61

Total Quote Amounts				
County/ City Tax	Monterey County/ Salinas	Materials Amount		\$0.00
Tax Rate	9.2500%	Tax Amount		\$0.00
Credit Terms	Net 30 On Materials Shipment	Labor/Fee Amount		\$8,065.61
		Freight Amount		\$0.00
		Total		\$8,065.61

**Notes to Customer**

Thank you for the opportunity to quote your upcoming project. PLEASE NOTE: Quote does not include installation, offload, site work, engineering calculations, security/fencing, storage, permits, safety surfacing or inspection unless otherwise noted. Unless noted, freight costs are based on semi-truck access and do not include a lift-gate.

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date \_\_\_\_\_

## Attachment C

### **DEPARTMENT OF INDUSTRIAL RELATIONS' STATE LABOR CODE** **Labor Law Requirements** (CCR Title 8, Section 16421)

This public works project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations ("DIR"). All work shall be in accordance with wage scales and applicable determinations made by the Director of the DIR, as provided by Article 2, Chapter 1, Division 2, Part 7 of the Labor Code of the State of California, commencing with §1771.

Penalties for violations may be applied by the DIR pursuant to the Labor Code §1813 and §1815. The Contractor shall indemnify, hold harmless, and defend the City (with counsel reasonably approved by the City) against any claim for damages, compensation, fines, penalties, or other amounts arising out of the failure or alleged failure of any person or entity (including Contractor and its subcontractors) to pay prevailing wages as determined pursuant to Labor Code §1720, and hereby agrees to, §§1771-1774; to employ apprentices pursuant to Labor Code §1777.5 et seq., and/or to comply with the other applicable provisions of Labor Code §1720 et seq., §§1771-1774, §1777.5 et seq., and the implementing regulations of the DIR in connection with the scope of work. This indemnification section shall survive the expiration of the Term.

The Federal and State Labor Law requirements applicable to the Agreement are composed of, but not limited, to the following items:

- 1. Payment of Prevailing Wage Rates:** All contractors, including subcontractors, shall pay no less than the prevailing rate of wages (Labor Code §1775), including the rates for holidays and overtime work (Labor Code §§1813 and 1815), to all workers employed in the execution of the contract (Labor Code §1774), pursuant to Labor Code §§1720-1784. The prevailing rates are those issued as wage determinations by the DIR, for each craft, classification and type of work. The current wage rate information can be found at the DIR's website at: <https://www.dir.ca.gov/oprl/DPreWageDetermination.htm>. Copies of the prevailing rate of per diem wages are on file at City's Public Works Department (principal place of office). Contractor shall post a copy of the determination of the Director of DIR of the prevailing rate of per diem wages at each job site.
- 2. Apprentices:** Contractor and subcontractors shall employ registered apprentices on this public works Agreement pursuant to Labor Code §1777.5. All contractors on this project (prime and subcontractors) are required to submit the Division of Apprenticeship Standards' ("DAS") Public Works Contract Award Information (DAS 140) form to all applicable apprenticeship committees no later than 10 days before commencing work. Additionally, all contractors are required to request registered apprentices (DAS 142 form). **Penalties for failure to pay prevailing wages (for non-exempt projects) and failure to employ apprentices include forfeitures and debarment under Labor Code §§1775 and**

1777.7.

3. **Certified Payroll Records:** All contractors, including subcontractors, must maintain and file certified payroll records (“CPRs”) pursuant to Labor Code §1776. Additionally, all contractors and subcontractors must furnish **certified payroll records into the DIR’s Electronic Certified Payroll Reporting (“eCPRs”) database (<https://efiling.dir.ca.gov/eCPR/pages/eCPROnlineForm.jsp>)**. **Penalties apply to Contractor and any Subcontractors for failure to do so** under Labor Code §1777.
4. **Subcontracting:** Contractors are required to list all subcontractors hired to perform work on this public works agreement.
5. **Proper Licensing/Registration:** All contractors and subcontractors are required to be properly licensed, in accordance with the Provisions of Chapter 9 of Division 3 of the Business and Professions Code and subject to the requirements of §4104 of the Public Contract Code. In addition, all contractors including subcontractors must submit proof of current registration to perform public work, pursuant to Labor Code §1771.1. Contractors are required to be properly licensed and to require all subcontractors to be properly licensed. Penalties for employing workers while unlicensed under Labor Code §1021 and under the California Contractors License Law, found at Business and Professions Code §7000 et. seq.
6. **Job Site Notices:** Contractors are required to post all required notices (posters) on the job site in an area accessible to all workers, including subcontractors. Posters must be readable and placed in visible areas allowing workers to access the posters before, during, and after work shifts. Jobsites with multiple locations must include a portable poster board to ensure continued access to the information. Posters placed in foreman, supervisor, or employee vehicles, in an offsite job trailer, or inside a temporary restroom do not meet the posting requirement. Posters may be printed from the DIR’s website at: <http://www.dir.ca.gov/wpnodb.html>.
7. **Nondiscrimination in Employment – Equal Employment Opportunity (“EEO”):** Employment discrimination is prohibited, pursuant to Labor Code §1777.6, the Government Code, and Title VII of the Civil Rights Act of 1964.
8. **Kickbacks Prohibited:** Contractors and subcontractors are prohibited from recapturing wages illegally by accepting or extracting “kickbacks” from employee wages pursuant to Labor Code §1778.
9. **Acceptance of Fees Prohibited:** Contractors and subcontractors are prohibited from accepting fees for registering any person for public work or for filling work orders on public works contracts, pursuant to Labor Code §§1779 and 1780.
10. **Unfair Competition Prohibited:** Contractors and subcontractors are prohibited from engaging in unfair competition as specified under Business and Professions Code §§17200 - 17208.
11. **Workers’ Compensation:** Contractors and subcontractors must be properly insured for Workers’ Compensation under Labor Code §1861. Contractor hereby represents that Contractor is aware of the provisions of Section 3700 of the Labor Code, which require every employee to be insured against liability for Workers’ Compensation or to undertake self-insurance in accordance with the provisions of that Code, and Contractor will comply with such provisions before commencing the performance of the work of this agreement.
12. **OSHA:** Contractors and subcontractors must abide by the Occupational, Safety, and Health Laws and regulations that apply.



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-549, **Version:** 1

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**Agreement with Miracle Playsystems Inc. for the Purchase and Installation of Exercise Equipment at Cesar Chavez Park and Swing Set at Santa Rita Neighborhood Park**

Approve a Resolution authorizing the City Manager to enter into an Agreement with Miracle Playsystems Inc. for the purchase and installation of exercise equipment at Cesar Chavez Community Park and swing set at Santa Rita Neighborhood Park in an amount not to exceed \$64,120.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 24, 2024

**DEPARTMENT:** LIBRARY AND COMMUNITY SERVICES  
COMMUNITY DEVELOPMENT

**FROM:** KRISTAN LUNDQUIST, LCS DIRECTOR  
LISA BRINTON, CD DIRECTOR

**BY:** ANA AMBRIZ, REC-PARK SUPERINTENDENT  
OSCAR RESENDIZ, ASSOCIATE PLANNER

**TITLE:** AGREEMENT FOR SERVICES WITH MIRACLE PLAYSYSTEMS  
INC. FOR THE PURCHASE AND INSTALLATION OF EXERCISE  
EQUIPMENT AT CESAR CHAVEZ PARK AND SWING SET AT  
SANTA RITA NEIGHBORHOOD PARK

**RECOMMENDED MOTION:**

A motion to approve a Resolution authorizing the City Manager to enter into an Agreement with Miracle Playsystems Inc. for the purchase and installation of exercise equipment at Cesar Chavez Community Park and swing set at Santa Rita Neighborhood Park in an amount not to exceed \$64,120.

**EXECUTIVE SUMMARY:**

On March June 13, 2023, the City Council approved a resolution awarding a contract for the Cesar Chavez Park Decomposed Granite (DG) Path improvements to NR Development, Inc. Part of the scope of this project was to add four DG pads for the installation of exercise equipment along the trail. The four DG pads are now in place and ready for exercise equipment to be installed. Contract scope of work also includes adding a swing set to Santa Rita Park. Funding for the Cesar Chavez Park pathway and equipment improvements is Proposition 68 - Per Capita Program funds and CIP 9426, Alisal Vibrancy Plan Implementation. The Santa Rita swing set is included in the FY 24-25 Budget.

**BACKGROUND:**

The City was awarded Proposition 68 - Per Capita Program funds in the amount of \$177,952. The intent of the Prop 68 funded Per Capita Program is to create opportunities for high quality outdoor recreation and connect residents to parks in critically underserved communities across California. The Cesar Chavez Trail Park project consisted of renovating the existing decomposed granite trail, extending the trail to connect to Circle Drive, and the installation of bench and exercise pads along

the trail. The total cost of trail improvements and expansion was \$602,500. In addition to Per Capita Program funds, the project also leveraged \$559,000 of Alisal Vibrancy Plan (AVP) implementation funds (CIP 9246) designated for park and open space improvements to cover a portion of DG trail improvements, exercise equipment, benches, and trash receptacles to make this project a reality.

Staff explored a series of exercise equipment and determined that the best option was provided by Miracle Playsystems. The equipment will fit in the pre-built DG pads and is within the allocated AVP fund amount. The cost for the installation and exercise equipment is of \$51,917.41. In addition, staff is requesting a 10% contingency for any issues that may arise during this project. Santa Rita Neighborhood Park is one of 3 parks within District 5 and lacks a swing set. To expand park access and amenities for families in District 5, staff recommended adding a tot swing set during the FY 24-25 budget. The cost for the swing set and installation is \$6,433.38.

Consistent with Purchasing Policies and ordinance (2576) the purchase of equipment and services in the amount of more than \$30,000 with one vendor requires City Council authorization. The total cost for the equipment and installation is of \$64,120.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes

STRATEGIC PLAN INITIATIVE:

This item relates to the City Council Goals of Youth and Seniors and Infrastructure and Environmental Sustainability. Trail improvements and amenities provide a space for walking or running in addition to a possible future connection with a proposed regional trail outside the park. Adding exercise stations will promote healthy activity, as identified as priorities in the resident led AVP and implementation priorities. This collaboration allows the City to maximize both the use of the Per Capita Grant Funds and the AVP implementation funds to increase community benefit and achieve the priorities of both the PRLMP and the AVP.

DEPARTMENTAL COORDINATION:

Library & Community Services, Community Development, and Public Works Departments worked together to leverage funds for the trail and will continue to collaborate in the purchase and installation of exercise equipment.

**FISCAL AND SUSTAINABILITY IMPACT:**

Alisal Vibrancy Plan Implementation Funds (CIP 9246) will cover the purchase and installation of exercise equipment.

<b>Fund</b>	<b>Appropriation</b>	<b>Appropriation Name</b>	<b>Total Appropriation</b>	<b>Amount for recommendation</b>	<b>FY 24-25 Operating Budget Page</b>	<b>Last Budget Action (Date, Resolution)*</b>
5800	20.2031-63.5900	Outside services- Other professional	\$559,000	\$57,686.01	NA	6/13/23, 22693
1000	80.8005-64.5820	Other charges- contingencies	\$376,879	\$6,433.38	253	6/11/24, 22979

\* The FY 24-25 Adopted Budget was adopted on June 11, 2024.

**ATTACHMENTS:**

Resolution  
Agreement with Miracle Playsystems Inc.



**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**AGREEMENT FOR SERVICES WITH MIRACLE PLAYSYSTEMS INC. FOR THE PURCHASE AND INSTALLATION OF EXERCISE EQUIPMENT AT CESAR CHAVEZ PARK AND SWING SET AT SANTA RITA NEIGHBORHOOD PARK**

**WHEREAS**, the City was awarded Proposition 68 - Per Capita Program funds in the amount of \$177,952 for Cesar Chavez Park trail improvements; and

**WHEREAS**, trail improvements and amenities provide a space for walking or running in addition to a possible future connection with a proposed regional trail outside the park, and adding exercise stations will promote healthy activity, an identified as priority in the resident led Alisal Vibrancy Plan (AVP); and

**WHEREAS**, the project leverages Proposition 68 - Per Capita Program and Alisal Vibrancy Plan (AVP) implementation funds (CIP 9246) designated for park and open space improvements to cover the total cost of exercise equipment, benches and trash receptacles; and

**WHEREAS**, staff explored a series of exercise equipment and determined that the best option was provided by Miracle Play Systems for a total cost of \$57,686.01; and

**WHEREAS**, Santa Rita Neighborhood Park is one of 3 parks within District 5 and lacks a swing set, and as part of the FY 24-25 budget the City Council approved adding a swing set to Santa Rita Park; and

**WHEREAS**, the current play structure at Santa Rita Neighborhood Park is part the Miracle Play Systems City structures and the cost of installing the swing set and installation is of \$6,433.38; and

**WHEREAS**, the City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment.

**NOW, THEREFORE, BE IT RESOLVED** that the Salinas City Council authorizes the City Manager to enter into an agreement with Miracle Play Systems Inc. for the purchase and installation of exercise equipment at Cesar Chavez Community Park and swing set at Santa Rita Neighborhood Park in an amount not to exceed \$64,120.

**PASSED AND APPROVED** this 24<sup>th</sup> day of September 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

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Kimbley Craig, Mayor

**ATTEST:**

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Patricia M. Barajas, City Clerk

**AGREEMENT FOR SERVICES BETWEEN  
THE CITY OF SALINAS AND MIRACLE PLAYSYSTEMS INC.**

**Purchase and Installation of Exercise Equipment and Swing Set**

**THIS AGREEMENT** is executed this 24<sup>th</sup> day of September 2024, (“Agreement” or “Contract”) between the City of Salinas, a California Charter city and municipal corporation (hereinafter “City”) and Miracle Playsystems Inc., a California corporation (hereinafter “Contractor”).

**IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:**

1. **Scope.** Contractor hereby agrees to provide to the City, as the scope of services under this Agreement, the following services: Material and installation of exercise equipment and swing set. Scope of work is further discussed in Attachment B.
2. **Timeliness.** Contractor shall perform all tasks in a timely fashion, as set forth more specifically in Section 3 below. Failure to so perform is hereby deemed a material breach of this Agreement, and City may terminate this Agreement with no further liability hereunder, or the city may agree in writing with Contractor to an extension of time.
3. **Term.** The work under this Agreement shall commence September 24, 2024 and shall be completed by June 30, 2025 unless City grants a written extension of time as set forth in Section 2 above.
4. **Payment.** City agrees to pay and Contractor agrees to accept as full and fair consideration for the performance of this Agreement, sixty-four thousand one hundred twenty (\$64,120.00), as more fully described in title of Contractors fee schedule, Attachment B. Contractor has no right of reimbursement for expenses under this Agreement. Compensation shall become due and payable 30 days after City’s approval of Contractor’s submission of monthly written invoices to the City. The payment of any compensation shall be contingent upon performance of the terms and conditions of this Agreement to the satisfaction of the City. If City determines that the work set forth in the written invoice has not been performed in accordance with the terms of this Agreement, City shall not be responsible for payment until such time as the work has been satisfactorily performed.
5. **Meet & Confer.** Contractor agrees to meet and confer with City or its agents or employees with regard to services as set forth herein as may be required by City to insure timely and adequate performance of this Agreement.
6. **Insurance.** Contractor shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in Attachment A hereto.
7. **Indemnification.** Contractor shall hold harmless, defend at its own expense, and

indemnify City and its officers, officials, employees, agents, and volunteers from and against all liability, claims, damages, losses, and/or expenses including reasonable City attorney fees arising from all acts or omissions of Contractor or its officers, agents, or employees arising out of the performance of the work under this Contract, caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence or willful misconduct of the City.

8. **Licensing.** Contractor warrants that it is properly licensed to perform the work specified under this Agreement, including but not limited to possession of a current City business license.

9. **Termination.** City may terminate this Agreement upon ten days' written notice. The amount of damages, if any, as a result of such termination may be decided by negotiations between the parties or before a court of competent jurisdiction.

10. **Agency.** In performing the services specified under this Agreement, Contractor is hereby deemed to be an independent contractor and not an agent or employee of City.

11. **Non-Assignability.** The rights and obligations of Contractor hereunder are not assignable and cannot be delegated without written consent of City.

12. **Entire Agreement.** This Agreement constitutes the entire Agreement between the parties hereto and supersedes any and all prior agreements, whether oral or written, relating to the subject matter thereof. Any modification of the Agreement will be effective only if it is in writing signed by both parties hereto.

13. **Validity.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force without being impaired or invalidated in any way.

14. **Counterparts.** This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

15. **Laws.** Contractor agrees that in the performance of this Agreement it will comply with all applicable State, Federal and local laws and regulations. This Agreement shall be governed by and construed in accordance with the laws of the State of California, County of Monterey, and City of Salinas.

IN WITNESS WHEREOF, this Agreement is entered into by the parties hereto on the day and year first written above.

**CITY OF SALINAS**

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René Mendez, City Manager

APPROVED AS TO FORM:

---

Christopher A. Callihan, City Attorney, or  
Rhonda Combs, Assistant City Attorney

**CONTRACTOR**

---

By (Printed Name): \_\_\_\_\_

Its (Title): \_\_\_\_\_

## Insurance Requirements

Contractor shall procure and maintain for the duration of the contract, and for three years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his/her/its officers, agents, representatives, employees, and/or subcontractors.

### MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** (“CGL”): Insurance Services Office (“ISO”) Form CG 00 01 covering CGL on an occurrence basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO Form CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability**: ISO Form CA 0001 covering Code 1 (any auto), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers’ Compensation**: as required by the State of California, with Statutory Limits, and Employers’ Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Contractors’ Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions** (if project involves environmental hazards): with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate, on an annual basis.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the Contractor requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

### *Self-Insured Retentions*

Self-insured retentions must be declared to and approved by the City. At the option of the City, either: the Contractor shall cause the insurer shall to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

### *Other Insurance Provisions*

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **The City, its officers, officials, employees, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by

or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

2. For any claims related to this project, the **Contractor's insurance coverage shall be primary** insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City.

4. A copy of the claims reporting requirements must be submitted by Contractor to the City.

5. If the services involve lead-based paint or asbestos identification/remediation, the Contractor's Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractor's Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

#### ***Acceptability of Insurers***

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City.

#### ***Waiver of Subrogation***

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

#### ***Verification of Coverage***

Contractor shall furnish the City with original Certificates of Insurance including an additional insured endorsement and all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

#### ***Subcontractors***

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

#### ***Maintenance of Insurance***

Maintenance of insurance by Contractor as specified shall in no way be interpreted as relieving

Contractor of its indemnification obligations or any responsibility whatsoever and the Contractor may carry, at its own expense, such additional insurance as it deems necessary.

***Special Risks or Circumstances***

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.



**Attachment B**

**Job Number:** 24-3746  
**Job:** Cesar Chavez Park  
**Quote Name:** Quote-24-3746-Cesar Chavez Park\_002  
**Quote Number:** Q-08782



**Prepared by:**  
 Jean Tyan  
 jean@miracleplaygroup.com

**Terms:** Equipment With Install: 50% due upon order. Installation: 25% deposit required at the time of equipment order, remainder due net 30 days after completion  
**Remit to:** Miracle Playsystems, Inc.  
 1276 S Main St., Salinas, CA 93901

**Sub Total:** \$47,870.27  
**Freight:** \$1,313.00  
**Estimated Tax:** \$2,734.14  
**Total:** \$51,917.41

Greenfields Equipment Ships in Large Crates - Forklift is Needed to Unload  
All Units Will be Retrofitted for Inground Direct Bury Installation Method

Product Code	Description	Qty	Rate	Total	Estimated Tax ( if applicable)
EQUIP14	Greenfields Equipment - UBX215-01K Leg Press (Adjustable Resistance), Color: Green	1	\$7,073.14	\$7,073.14	\$654.27
EQUIP14	Greenfields Equipment - UBX244-01 Tricep Press (Adjustable Resistance), Color: Green	1	\$7,073.14	\$7,073.14	\$654.27
EQUIP14	Greenfields Equipment - UBX246-01 Chest Press (Adjustable Resistance), Color: Green	1	\$7,073.14	\$7,073.14	\$654.27
EQUIP14	Greenfields Equipment - UBX248-01 Shoulder Press (Adjustable Resistance), Color: Green	1	\$7,073.14	\$7,073.14	\$654.27
EQUIP14	Greenfields Equipment - Inground Retrofit UBX Inground Extension (P00092-00) Qty.3 UBX215 Leg Press Inground Extension for Foot Bar Rest (P00176-00) Qty.2 UBX215 Inground Extension (P00222-00) Qty.1	1	\$1,265.55	\$1,265.55	\$117.06

Cesar Chavez Park  
 MIRACLE PLAYSYSTEMS, INC. - PO BOX 263, ALAMO, CA 94507 - (800) 879-7730 - (510) 893-2163 (FAX)  
 CSL: 981433 - DIR: 1000015853  
 Page 1 of 4

Installation Services

Prevailing Wages Applied

Product Code	Description	Qty	Rate	Total	Estimated Tax ( If applicable)
B15	Installation of Greenfields Fitness Inground Equipment (Leg Press, Triceps Press, Chest Press, Shoulder press) per manufacture recommendation. Supply materials and labor to pour concrete footings. Transport and offload of equipment from City Yard to site.	1	\$16,800.00	\$16,800.00	\$0.00

Bonds

Product Code	Description	Qty	Rate	Total	Estimated Tax ( If applicable)
BONDING	Bonding Fees	1	\$1,512.16	\$1,512.16	\$0.00

**Sub Total:** \$47,870.27  
**Freight:** \$1,313.00  
**Total Estimated Tax:** \$2,734.14  
**Grand Total:** \$51,917.41

Company: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Job Number:** 24-4216  
**Job:** Santa Rita Park Swings  
**Quote Name:** Quote-24-4216-Santa Rita Park Swings\_001  
**Quote Number:** Q-07703



**Prepared by:**  
 Jean Tyan  
 jean@miracleplaygroup.com

**Terms:** Net 30  
**Remit to:** Miracle Playsystems, Inc.  
 1276 S Main St., Salinas, CA 93901

**Sub Total:** \$5,231.00  
**Freight:** \$996.00  
**Estimated Tax:** \$206.38  
**Total:** \$6,433.38

Miracle

Product Code	Description	Qty	Rate	Total	Estimated Tax ( if applicable)
MREC EQUIP	Miracle Play Equipment Per Plan_24_4216_SantaRitaParkSwings_001_BOM	1	\$2,231.00	\$2,231.00	\$206.38

Installation Services

Prevailing Wages Applied

Product Code	Description	Qty	Rate	Total	Estimated Tax ( if applicable)
B15	Provide installation of 1 Swing Bay Single Post Frame 7' Top Rail with 2 Bucket Seats into existing playbox. Includes transporting of equipment from city maintenance yard to site.	1	\$3,000.00	\$3,000.00	\$0.00

**Sub Total:** \$5,231.00  
**Freight:** \$996.00  
**Total Estimated Tax:** \$206.38  
**Grand Total:** \$6,433.38

## Attachment C

### DEPARTMENT OF INDUSTRIAL RELATIONS' STATE LABOR CODE

#### Labor Law Requirements

(CCR Title 8, Section 16421)

This public works project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations ("DIR"). All work shall be in accordance with wage scales and applicable determinations made by the Director of the DIR, as provided by Article 2, Chapter 1, Division 2, Part 7 of the Labor Code of the State of California, commencing with §1771.

Penalties for violations may be applied by the DIR pursuant to the Labor Code §1813 and §1815. The Contractor shall indemnify, hold harmless, and defend the City (with counsel reasonably approved by the City) against any claim for damages, compensation, fines, penalties, or other amounts arising out of the failure or alleged failure of any person or entity (including Contractor and its subcontractors) to pay prevailing wages as determined pursuant to Labor Code §1720, and hereby agrees to, §§1771-1774; to employ apprentices pursuant to Labor Code §1777.5 et seq., and/or to comply with the other applicable provisions of Labor Code §1720 et seq., §§1771-1774, §1777.5 et seq., and the implementing regulations of the DIR in connection with the scope of work. This indemnification section shall survive the expiration of the Term.

The Federal and State Labor Law requirements applicable to the Agreement are composed of, but not limited, to the following items:

- 1. Payment of Prevailing Wage Rates:** All contractors, including subcontractors, shall pay no less than the prevailing rate of wages (Labor Code §1775), including the rates for holidays and overtime work (Labor Code §§1813 and 1815), to all workers employed in the execution of the contract (Labor Code §1774), pursuant to Labor Code §§1720-1784. The prevailing rates are those issued as wage determinations by the DIR, for each craft, classification and type of work. The current wage rate information can be found at the DIR's website at: <https://www.dir.ca.gov/oprl/DPreWageDetermination.htm>. Copies of the prevailing rate of per diem wages are on file at City's Public Works Department (principal place of office). Contractor shall post a copy of the determination of the Director of DIR of the prevailing rate of per diem wages at each job site.
- 2. Apprentices:** Contractor and subcontractors shall employ registered apprentices on this public works Agreement pursuant to Labor Code §1777.5. All contractors on this project (prime and subcontractors) are required to submit the Division of Apprenticeship Standards' ("DAS") Public Works Contract Award Information (DAS 140) form to all applicable apprenticeship committees no later than 10 days before commencing work. Additionally, all contractors are required to request registered apprentices (DAS 142 form). **Penalties for failure to pay prevailing wages (for non-exempt projects) and failure to employ apprentices include forfeitures and debarment under Labor Code §§1775 and 1777.7.**

3. **Certified Payroll Records:** All contractors, including subcontractors, must maintain and file certified payroll records (“CPRs”) pursuant to Labor Code §1776. Additionally, all contractors and subcontractors must furnish **certified payroll records into the DIR’s Electronic Certified Payroll Reporting (“eCPRs”) database (<https://efiling.dir.ca.gov/eCPR/pages/eCPROnlineForm.jsp>)**. **Penalties apply to Contractor and any Subcontractors for failure to do so** under Labor Code §1777.
4. **Subcontracting:** Contractors are required to list all subcontractors hired to perform work on this public works agreement.
5. **Proper Licensing/Registration:** All contractors and subcontractors are required to be properly licensed, in accordance with the Provisions of Chapter 9 of Division 3 of the Business and Professions Code and subject to the requirements of §4104 of the Public Contract Code. In addition, all contractors including subcontractors must submit proof of current registration to perform public work, pursuant to Labor Code §1771.1. Contractors are required to be properly licensed and to require all subcontractors to be properly licensed. Penalties for employing workers while unlicensed under Labor Code §1021 and under the California Contractors License Law, found at Business and Professions Code §7000 et. seq.
6. **Job Site Notices:** Contractors are required to post all required notices (posters) on the job site in an area accessible to all workers, including subcontractors. Posters must be readable and placed in visible areas allowing workers to access the posters before, during, and after work shifts. Jobsites with multiple locations must include a portable poster board to ensure continued access to the information. Posters placed in foreman, supervisor, or employee vehicles, in an offsite job trailer, or inside a temporary restroom do not meet the posting requirement. Posters may be printed from the DIR’s website at: <http://www.dir.ca.gov/wpnodb.html>.
7. **Nondiscrimination in Employment – Equal Employment Opportunity (“EEO”):** Employment discrimination is prohibited, pursuant to Labor Code §1777.6, the Government Code, and Title VII of the Civil Rights Act of 1964.
8. **Kickbacks Prohibited:** Contractors and subcontractors are prohibited from recapturing wages illegally by accepting or extracting “kickbacks” from employee wages pursuant to Labor Code §1778.
9. **Acceptance of Fees Prohibited:** Contractors and subcontractors are prohibited from accepting fees for registering any person for public work or for filling work orders on public works contracts, pursuant to Labor Code §§1779 and 1780.
10. **Unfair Competition Prohibited:** Contractors and subcontractors are prohibited from engaging in unfair competition as specified under Business and Professions Code §§17200 - 17208.
11. **Workers’ Compensation:** Contractors and subcontractors must be properly insured for Workers’ Compensation under Labor Code §1861. Contractor hereby represents that Contractor is aware of the provisions of Section 3700 of the Labor Code, which require every employee to be insured against liability for Workers’ Compensation or to undertake self-insurance in accordance with the provisions of that Code, and Contractor will comply with such provisions before commencing the performance of the work of this agreement.
12. **OSHA:** Contractors and subcontractors must abide by the Occupational, Safety, and Health Laws and regulations that apply.





# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-551, **Version:** 1

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### **Proposed Land Acquisition for Boronda Road Improvement Project**

Approve a Resolution authorizing the Mayor to enter into an Agreement for Dedication of Boronda Road Right-of-Way.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 24, 2024

**DEPARTMENT:** PUBLIC WORKS DEPARTMENT  
CITY ATTORNEY'S OFFICE

**FROM:** ADRIANA ROBLES, CITY ENGINEER  
CHRISTOPHER A. CALLIHAN, CITY ATTORNEY

**TITLE:** PROPOSED LAND ACQUISITION FOR BORONDA ROAD  
IMPROVEMENT PROJECT

RECOMMENDED MOTION:

A motion to authorize the Mayor to enter into an Agreement for Dedication of Boronda Road Right-of-Way.

EXECUTIVE SUMMARY:

Construction of Phase 1 of the Boronda Road Congestion Relief Project between McKinnon Street and El Dorado Drive is scheduled to begin in the fall of 2024. In order for Phase 1 to proceed as scheduled, the City must acquire a portion of privately-owned land on the north side of East Boronda Road. The owners of the land have offered to donate that portion required by the City to complete Phase 1. The proposed Agreement for Dedication of Boronda Road Right-of-Way memorializes the donation and the respective responsibilities for maintenance following the donation.

BACKGROUND:

East Boronda Road between San Juan Grade Road and Williams Road has been identified in the City's General Plan as a six-lane major arterial roadway. As a part of the City's approval of the West Area Specific Plan (WASP) and Central Area Specific Plan (CASP), the City contemplated the widening of East Boronda Road from two lanes to four lanes and in May 2017 the City approved the installation of roundabouts at the intersections of McKinnon Street, El Dorado Drive, Natividad Road, Independence Boulevard, and Hemingway Drive along the East Boronda Road corridor.

Consistent with this prior direction, the City has prepared Plans and Specifications for the phased improvement of East Boronda Road—the Boronda Road Congestion Relief Project. The first phase of these improvements will be between Darmouth Way to a point between McKinnon Street and El Dorado Drive with construction of this first phase scheduled to begin in the fall of 2024. In order for Phase 1 to proceed, however, the City must acquire approximately 6.65 acres of privately



owned land on the north side of East Boronda Road. The owners of the land necessary for Phase 1 to proceed have offered to donate the land to the City and an agreement has been proposed to memorialize the donation and to provide for maintenance and responsibility of the land once donated. A copy of the proposed agreement is attached to this Report.

On September 4, 2024, the Planning Commission received a report and approved a Resolution establishing findings on the conformity of the proposed acquisition of the land with the City’s General Plan, as required by Government Code section 65402(a). The Planning Commission Resolution and draft minutes are attached to this Report.

CEQA CONSIDERATION:

The environmental impacts of the Boronda Road Congestion Relief project were analyzed in Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP) in accordance with the California Environmental Quality Act (CEQA), which was adopted by the City Council on November 3, 2020. The environmental impacts of the WASP were analyzed in an environmental impact report in accordance with CEQA and a Final Environmental Impact Report was certified by the Salinas City Council on December 17, 2019.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes.

STRATEGIC PLAN INITIATIVE:

This action supports the City Council’s goal of Infrastructure and Environmental Sustainability.

DEPARTMENTAL COORDINATION:

The City Attorney’s Office, Community Development Department, and Public Works Department coordinated on this Report and proposed agreement.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)*
N/A	N/A	N/A	TBD	TBD	N/A	N/A

The donation of land does not have an impact on the General Fund. Appraisal of the property will be completed at a later date at which time, it will be added to the City’s assets.

ATTACHMENTS:

- Resolution
- Proposed Agreement
- Planning Commission Resolution and Draft Minutes, September 4, 2024

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**A RESOLUTION AUTHORIZING THE MAYOR OF SALINAS TO ENTER INTO THE AGREEMENT FOR DEDICATION OF BORONDA ROAD RIGHT-OF-WAY**

**WHEREAS**, on December 17, 2019, the Salinas City Council held a duly noticed and agendized public hearing to consider the Final Environmental Impact Report (FEIR), the proposed West Area Specific Plan, and related entitlements; and

**WHEREAS**, by Resolutions approved and Ordinances adopted on December 17, 2019, herein incorporated by this reference, the Salinas City Council certified the Final EIR, adopted the CEQA Findings, adopted the Statement of Overriding Considerations, and adopted the Mitigation Monitoring and Reporting Program for the project and adopted the WASP, among other actions; and

**WHEREAS**, on November 3, 2020, the Salinas City Council approved the Boronda Road Congestion Relief Project and allocated funding sufficient to complete Phase 1 thereof; and

**WHEREAS**, the environmental impacts of the Boronda Road Congestion Relief project were analyzed in a Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP) in accordance with the California Environmental Quality Act (CEQA), which was adopted by the Salinas City Council on November 3, 2020; and

**WHEREAS**, in order to complete Phase 1 of the Boronda Road Congestion Relief Project, the City must acquire approximately 6.65 acres of privately-owned property located on the north side of East Boronda Road; and

**WHEREAS**, the owners of the land north of East Boronda Road and necessary for the completion of Phase 1 have offered to donate the required property to the City; and

**WHEREAS**, on September 4, 2024, consistent with Government Code section 65402(a), the Salinas Planning Commission reviewed and considered the information provided in the report related to the proposed acquisition by donation and intended use on relation to the WASP and the 2002 General Plan and found that the proposed acquisition is in conformity to the General Plan.

**NOW, THEREFORE BE IT RESOLVED** by the City Council of Salinas that the Mayor is authorized, for and on behalf of the City of Salinas and as its act and deed, to enter into the Agreement for Dedication of Boronda Road Right-of-Way; and

**BE IT FURTHER RESOLVED** that the City Manager, and his designees, and the City Attorney are hereby authorized to take additional actions to implement the intent of this Resolution.

PASSED AND APPROVED this 24<sup>th</sup> day of September 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN

APPROVED:

---

Kimbley Crag, Mayor

ATTEST:

---

Patricia M. Barajas, City Clerk

Recording Requested By  
And When Recorded Return to:  
City Attorney  
City of Salinas  
200 Lincoln Avenue  
Salinas, California 93901

*No fee document pursuant to Govt. Code §27383*

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*Space above this line for Recorder's use*

## AGREEMENT FOR DEDICATION OF BORONDA ROAD RIGHT-OF-WAY

This Agreement for Dedication of Boronda Road Right-of-Way (the "Agreement") is made and entered into this \_\_\_\_ day of September 2024, by and between the City of Salinas (the "City"), a California charter city and municipal corporation hereinafter referred to as "the City," and REXFORD TITLE, INC., a California corporation, as to an undivided fifty seven percent (57%) interest, ISLANDIA 29 LP, a Delaware limited partnership, as to an undivided twenty-five percent (25%) interest, MARK KELTON, TRUSTEE OF THE 2010 RK JESSICA TRUST, as to an undivided nine percent (9%) interest, MARK KELTON, TRUSTEE OF THE 2010 RK DANIELLE TRUST, as to an undivided nine percent (9%) interest, all hereinafter collectively referred to as "the Owner." Together the City and the Owner shall be herein collectively referred to as "the Parties" and may individually be referred to herein as a "Party."

### RECITALS

WHEREAS, Boronda Road between San Juan Grade Road and Williams Road has been identified in the City's General Plan as a six-lane Major Arterial; and

WHEREAS, in May 2017, City Council approved the roundabout concept at the intersections of McKinnon Street, El Dorado Drive, Natividad Road, Independence Boulevard, and Hemingway; and

WHEREAS, as part of the Boronda Congestion Relief Project the City has prepared Plans and Specifications for the phased improvement of Boronda Road. The first phase of these improvements, ("the Phase One Improvements" or sometimes referred to as the "POIs") is centered roughly on McKinnon Street, including roundabout design, has been bid, contracted, and will be constructed by the City; and

WHEREAS, for the City to complete the POIs it is necessary to obtain certain real property from the Owner of land (APN 211-231-062) located on the north side of Boronda Road. Such ownership and the dedication of land necessary for the City to complete the POIs (the "Property") is more particularly described in Exhibit A; and

WHEREAS, by and through this Agreement, the Owner will offer to dedicate, for no consideration, the Property necessary to complete the POIs (the "Donation"); and

WHEREAS, the Property is currently being farmed by a tenant under a terminable lease with the Owner; and

WHEREAS, an active AT&T communication line is located within the Property running westerly from roughly the intersection of McKinnon Street and Boronda Road to the Gateway Shopping Center; and

WHEREAS, Recitals to this Agreement are incorporated into and shall constitute part of this Agreement.

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

## TERMS

1. Right-of-Way for Boronda Road Improvements. The Owner shall, upon the mutual execution of this Agreement and the approval of the Salinas City Council together with all other requisite City approvals, irrevocably dedicate to the City, the Property as described and shown in Exhibit A to facilitate the POIs. Upon said mutual execution and all requisite final City approvals, the Owner agrees to promptly execute, and deliver to the City, those documents within Exhibit B or such other documents as may be reasonably necessary to perfect the dedication of the Property. City agrees to use its best commercially reasonable efforts to timely process and accept the dedication offered by the Owner.

2. As-Is Where-Is. The City accepts the Property in As-Is Where-Is condition with all faults and agrees that Owner shall not be liable in any way whatsoever for any issue or defect of any kind relating to the condition of the Property.

3. Notice to Farm Tenant. The Owner is required to timely notify the farming tenant of reductions to farmable acreage. The City shall provide notice to end farming activity, within the area described in Exhibit A, to the Owner at least forty-five (45) calendar days (or as near to such date as is reasonably feasible) prior to its desired start of construction.

4. Fair Market Value. The Owner shall contract and pay for an appraisal to be performed by an MAI appraiser to determine the fair market value of the Property as of the date of the Donation (or as near to such date as is readily feasible) for the purpose of establishing the value of the donation by Owners.

5. Donation. The City will cooperate with Owner in taking the action necessary for Owner to pursue donation treatment for the conveyance of the Property including, without limitation the filing of an IRS Form 8283 (and any equivalent California Franchise Tax Board form) reflecting the Fair Market Price for the property as determined by the “date of dedication” appraisal described in Section 4 herein above. The City agrees to not undertake any action that would oppose or contradict Owner’s donation treatment.

6. Property Inspection. At all reasonable times, from the date of this Agreement until the acceptance of the Donation, the City and its agents, employees, representatives and independent contractors shall be entitled, at City's sole cost and expense, to enter onto the Property to perform any inspections, investigations, studies and tests of the Property, including physical, engineering, soils, ground water, geotechnical and environmental tests that the City deems reasonable and cause one or more environmental assessments to be performed. Such operations shall be conducted in such a manner as to not permanently damage the Property. City shall provide the Owner notice forty-eight (48) hours prior to entry to properly notice and inform the farm lease tenant.

7. Construction of Boronda Road Improvements. The City represents and warrants that it has the authority to commence and to complete the Boronda Road Improvements and further represents that it has secured adequate funding to commence and to complete Phase 1 of the Boronda Road Improvements.

8. Maintenance of Farm Drainage Ditch: Upon the City’s acceptance of the dedication, the City agrees to maintain the farm drainage ditch which is located within the Property. The City will monthly hoe or otherwise remove any vegetation in the ditch and remove any trimmings and debris. If the City fails to maintain the ditch as described herein, the Owner are granted the right to enter and maintain the farm drainage ditch at the Owner’s sole discretion and expense.

9. AT&T Vaults. The City will work with AT&T to adapt the existing AT&T communication line and its vaults to the new Boronda roadway surface or relocate as needed. The City will coordinate with AT&T to ensure continuous operable condition of the AT&T communication line during construction activities as these lines service tenants of the Gateway Shopping Center (and may provide service to other existing customers as well). Notwithstanding anything to the contrary, the Owner agrees to provide up to Sixty Thousand Dollars (\$60,000.00) to reimburse the actual third-party costs incurred by the City for the work described in this section. Any excess cost shall be borne by the City as part of the cost of the POIs.

10. Assignment. This Agreement may be assigned by the Owner without the consent of the City, but upon such assignment the Owner shall notify the City of such assignment and the name and contact information of the assignee(s).

11. Severability. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null, and void insofar as it conflicts with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

12. Integration and Agreement. This Agreement represents the entire understanding of the City and the Owner with respect to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters contained herein. This Agreement may not be modified or altered except by amendment in writing signed by all the Parties.

13. Jurisdiction. This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in the State of California, in the County of Monterey, or in the appropriate federal court with jurisdiction over the matter.

14. Exhibits Incorporated. All exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference.

15. Notices.

Written notices to the City shall, until further notice by the City, be addressed to:

Public Works Director  
City of Salinas

200 Lincoln Avenue  
Salinas, California 93901

With a copy to:

City Attorney  
City of Salinas  
200 Lincoln Avenue  
Salinas, California 93901

Written notices to the Owner shall, until further notice, be addressed to:

Rexford Title, Inc.  
c/o Mark Kelton, VP  
2716 Ocean Park Blvd. #3006  
Santa Monica, California 90405

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement.

17. Rights and Obligations Under Agreement. By entering into this Agreement, the Parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

**CITY OF SALINAS**

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Kimbley Craig, Mayor

ATTEST:

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Patricia M. Barajas, City Clerk



APPROVED AS TO FORM:

\_\_\_\_\_  
Christopher A. Callihan, City Attorney

**OWNER**

By: \_\_\_\_\_  
Rexford Title, Inc.  
By: Mark Kelton, Vice President

By: \_\_\_\_\_  
Islandia 29, LP  
By: Chugash 2, LLC, General Partner  
By: Mark Leekley, Manager

By: \_\_\_\_\_  
The 2010 RK Danielle Trust  
By: Mark Kelton, Trustee

By: \_\_\_\_\_  
The 2010 RK Jessica Trust  
By: Mark Kelton, Trustee

Exhibit A—Legal Description

Exhibit B—Grant Deed

**Exhibit A**  
LEGAL DESCRIPTION

File no: 0886-0009

February 01, 2023

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**Parcel A:**

That portion of the Designated Remainder in the City of Salinas, County of Monterey, State of California as shown on the Parcel Map filed in Volume 23 of Parcel Maps at Page 56 in the Office of the County Recorder of the said County, lying westerly of the westerly line of Parcels 1 and 2 as described in the Grant Deed recorded April 20, 1998 as Instrument Number 9823453 of Official Records in said Office of the County Recorder, and lying northerly of the northerly line of East Boronda Road as shown on said Parcel Map, being the northerly line of that certain 10 foot wide strip of land described in Exhibit B of the Grant Deed recorded in Reel 2815, at page 1232, of said Official Records; and lying southerly, easterly and southerly of the following described line:

**BEGINNING** at a  $\frac{3}{4}$ " iron pipe with yellow plastic plug inscribed "LS 6246", marking the most southerly corner of a Storm Drainage Pond Easement as shown on said Parcel Map, thence along the easterly line of said Storm Drainage Pond Easement North  $16^{\circ} 59' 59''$  East, 7.03 feet to a line that is parallel with and offset 69.30 feet northeasterly of, as measured at right angles to, said northerly line of East Boronda Road;

Thence along said parallel line South  $77^{\circ} 48' 23''$  East, 771.41 feet [South  $79^{\circ} 29' 27''$  East per said Parcel Map];

Thence leaving said parallel line South  $85^{\circ} 13' 21''$  East, 32.90 feet;

Thence South  $77^{\circ} 43' 47''$  East, 96.86 feet;

Thence South  $85^{\circ} 08' 41''$  East, 82.39 feet;

Thence North  $68^{\circ} 16' 32''$  East, 39.73 feet;

Thence North  $32^{\circ} 09' 57''$  East, 92.92 feet to a line that is parallel with and offset 47.00 feet westerly of, as measured at right angles to, the westerly line of said Parcel 2;

Thence along said parallel line North  $12^{\circ} 10' 56''$  East, 146.55 feet;

Thence leaving said parallel line North  $14^{\circ} 05' 14''$  East, 180.51 feet to a line that is parallel with and offset 41.00 feet westerly of, as measured at right angles to the westerly line of said Parcel 1;

Thence along said parallel line North  $12^{\circ} 10' 56''$  East, 578.59 feet to the westerly prolongation of the northerly line of said Parcel 1;

Thence leaving said parallel line and along said westerly prolongation South 77° 49' 04" East, 41.00 feet to the northwesterly corner of said Parcel 1.

Containing 2.87 acres, more or less.

**Parcel B:**

That portion of the Designated Remainder in the City of Salinas, County of Monterey, State of California as shown on the Parcel Map filed in Volume 23 of Parcel Maps at Page 56 in the Office of the County Recorder of said County, lying easterly of the easterly line of Parcel 2 as described in the Grant Deed recorded April 20, 1998 as Instrument Number 9823453 of Official Records in said Office of the County Recorder, and lying northerly of the northerly line of East Boronda Road as shown on said Parcel Map, being the northerly line of that certain 10 foot wide strip of land described in Exhibit B of the Grant Deed recorded in Reel 2815, at page 1232, of said Official Records; and lying westerly of the easterly line of said Designated Remainder, and southwesterly and southerly of the following described line:

**COMMENCING** at the northeast corner of said Parcel 2 as described in the Grant Deed recorded April 20, 1998 as Instrument Number 9823453 of Official Records in said Office of the County Recorder, said corner also being on the south line of Parcel 1 described in said Grant Deed, thence along the easterly line of said Parcel 2 South 12° 10' 56" West, 16.82 feet to the **TRUE POINT OF BEGINNING**, thence leaving said easterly line South 01° 07' 04" East, 151.13 feet;

Thence South 15° 15' 02" East, 49.11 feet;

Thence South 38° 12' 45" East, 35.50 feet;

Thence South 61° 08' 34" East, 141.64 feet to a line that is parallel with and offset 69.30 feet northerly of, as measured at right angles to the northerly line of said East Boronda Road;

Thence, along said parallel line South 77° 48' 23" East, [South 79° 29' 27" East per said Parcel Map], 1776.02 feet to the easterly line of said Designated Remainder.

Containing 3.45 acres, more or less.

**Parcel C:**

That portion of the Designated Remainder in the City of Salinas, County of Monterey, State of California as shown on the Parcel Map filed in Volume 23 of Parcel Maps at Page 56 in the Office of the County Recorder of said County described as Parcel 2 in the Grant Deed recorded April 20, 1998 as Instrument Number 9823453 of Official Records in said Office of the County Recorder.

Containing 0.33 acres, more or less.

Parcels A, B and C contain 6.65 acres, more or less.

The above-described parcel of land is graphically shown on **Exhibit "A-1"**, being 5 sheets, attached hereto and made a part hereof.

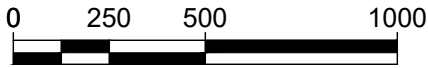
**End of Description**



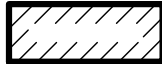
Clayton L. Bradshaw, P.L.S. 8298  
(License expiration date: 12/31/2023)  
Date Signed: February 1, 2023



GRAPHIC SCALE



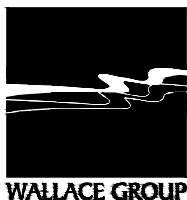
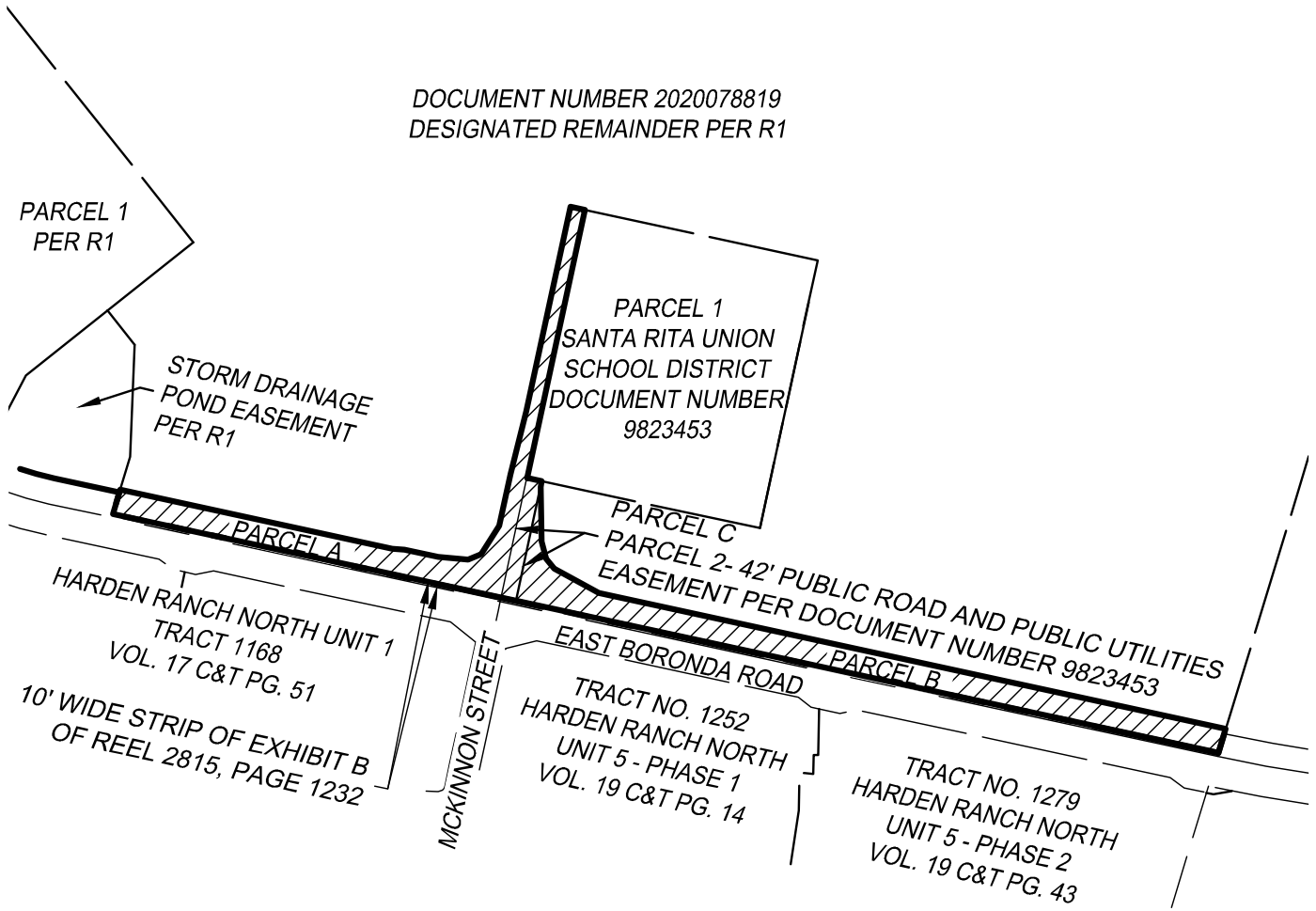
(IN FEET)  
1 IN = 500 FT



LEGAL DESCRIPTION AREA

R1 RECORD PER 23/PM/56

DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1



612 CLARION COURT  
SAN LUIS OBISPO, CA 93401  
T 805 544-4011  
F 805 544-4294  
www.wallacegroup.us

**EXHIBIT " A-1 " OVERALL  
EAST BORONDA ROAD  
CITY OF SALINAS, CA  
SHEET 1 OF 5 OF EXHIBIT " A-1 "**

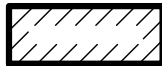
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DRAWN BY:	MC
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SCALE :	1" = 500'

LAYOUT NAME: OVERALL

GRAPHIC SCALE



(IN FEET)  
1 IN = 200 FT

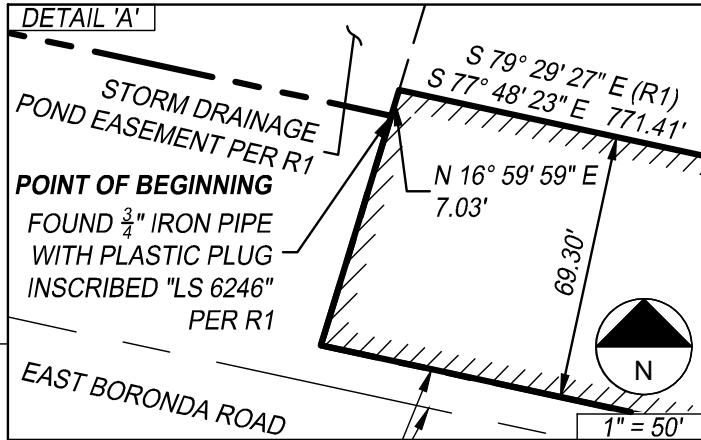


LEGAL DESCRIPTION AREA

R1 RECORD PER 23/PM/56

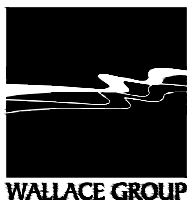
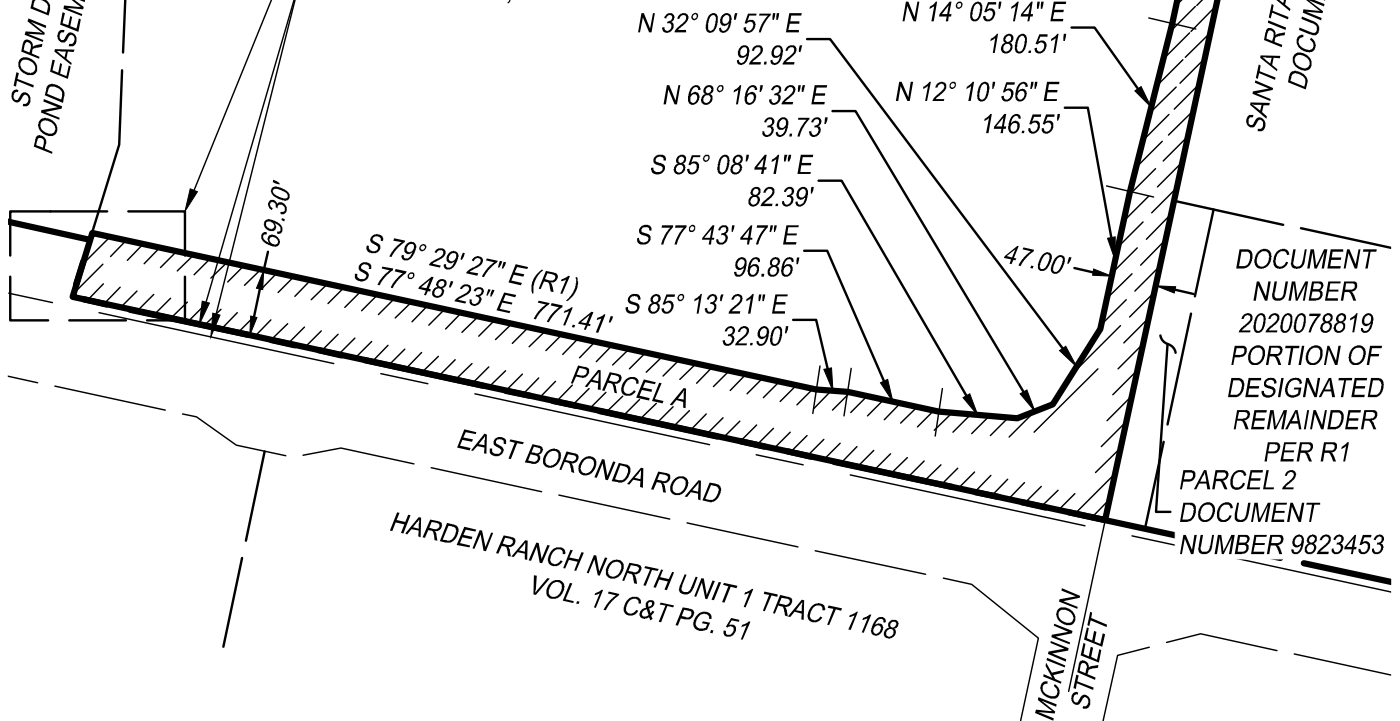
DOCUMENT NUMBER  
2020078819  
PORTION OF DESIGNATED  
REMAINDER PER R1

PARCEL 1  
PER R1



STORM DRAINAGE  
POND EASEMENT PER R1

10' WIDE STRIP OF EXHIBIT B  
OF REEL 2815, PAGE 1232



612 CLARION COURT  
SAN LUIS OBISPO, CA 93401  
T 805 544-4011  
F 805 544-4294  
www.wallacegroup.us

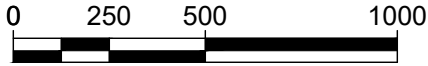
**EXHIBIT " A-1 " PARCEL A  
EAST BORONDA ROAD  
CITY OF SALINAS, CA  
SHEET 2 OF 5 OF EXHIBIT " A-1 "**

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DRAWN BY :	MC
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SCALE :	1" = 200'

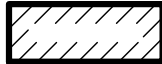
LAYOUT NAME: ROW ESMT-PARCEL A



GRAPHIC SCALE



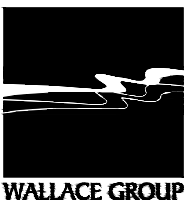
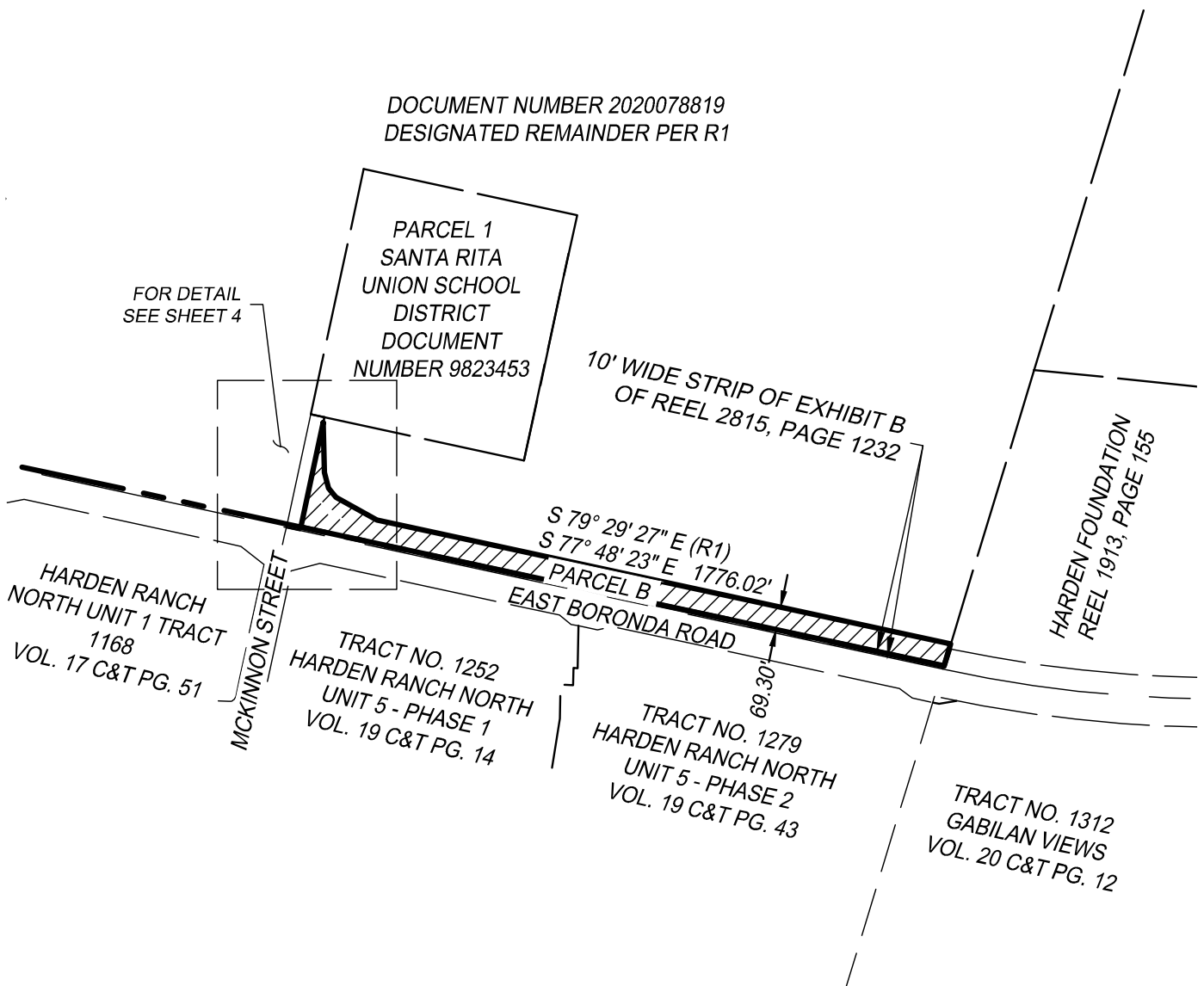
(IN FEET)  
1 IN = 500 FT



LEGAL DESCRIPTION AREA

R1 RECORD PER 23/PM/56

DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1



612 CLARION COURT  
SAN LUIS OBISPO, CA 93401  
T 805 544-4011  
F 805 544-4294  
www.wallacegroup.us

**EXHIBIT " A-1 " PARCEL B  
EAST BORONDA ROAD  
CITY OF SALINAS, CA  
SHEET 3 OF 5 OF EXHIBIT " A-1 "**

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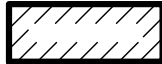
LAYOUT NAME: ROW ESMT-PARCEL B

GRAPHIC SCALE



(IN FEET)

1 IN = 100 FT



LEGAL DESCRIPTION AREA

R1

RECORD PER 23/PM/56

DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1

TRUE POINT  
OF BEGINNING

POINT OF  
COMMENCEMENT

PARCEL 1  
SANTA RITA UNION SCHOOL DISTRICT  
DOCUMENT NUMBER 9823453

S 12° 10' 56" W  
16.82'

PARCEL 2  
42' PUBLIC ROAD AND PUBLIC  
UTILITIES EASEMENT PER  
DOCUMENT NUMBER 9823453

S 01° 07' 04" E  
151.13'

DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1

S 15° 15' 02" E  
49.11'

S 38° 12' 45" E  
35.50'

S 61° 08' 34" E 141.64'

S 79° 29' 27" E (R1)  
S 77° 48' 23" E 1776.02'

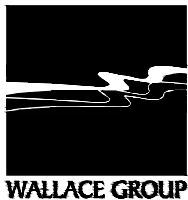
PARCEL B

69.30'

10' WIDE STRIP OF EXHIBIT B  
OF REEL 2815, PAGE 1232

EAST BORONDA ROAD

MCKINNON STREET



612 CLARION COURT  
SAN LUIS OBISPO, CA 93401  
T 805 544-4011  
F 805 544-4294  
www.wallacegroup.us

**EXHIBIT " A-1 " PARCEL B - DETAIL**  
**EAST BORONDA ROAD**  
**CITY OF SALINAS, CA**  
**SHEET 4 OF 5 OF EXHIBIT " A-1 "**

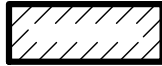
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DRAWING :	0886-0009-ESMT-ROW.DWG
DRAWN BY :	MC
DATE :	2023-02-01
SCALE :	1" = 100'

LAYOUT NAME: ROW ESMT-PARCEL B DETAIL

GRAPHIC SCALE



(IN FEET)  
1 IN = 100 FT



LEGAL DESCRIPTION AREA

R1 RECORD PER 23/PM/56

DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1

PARCEL 1  
SANTA RITA UNION SCHOOL DISTRICT  
DOCUMENT NUMBER 9823453

42.00'

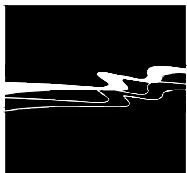
DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1

PARCEL 2  
42' PUBLIC ROAD AND  
PUBLIC UTILITIES EASEMENT  
DOCUMENT NUMBER 9823453

10' WIDE STRIP OF EXHIBIT B  
OF REEL 2815, PAGE 1232

MCKINNON STREET

EAST BORONDA ROAD



612 CLARION COURT  
SAN LUIS OBISPO, CA 93401  
T 805 544-4011  
F 805 544-4294  
www.wallacegroup.us

**EXHIBIT " A-1 " PARCEL C**  
**EAST BORONDA ROAD**  
**CITY OF SALINAS, CA**  
**SHEET 5 OF 5 OF EXHIBIT " A-1 "**

JOB No. :	0323-0032
DRAWING :	0886-0009-ESMT-ROW.DWG
DRAWN BY:	MC
DATE :	2023-02-01
SCALE :	1" = 100'

LAYOUT NAME: ROW ESMT-PARCEL C

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

City of Salinas  
Attn: Public Works Department  
200 Lincoln Avenue  
Salinas, California 93901

APN: Portion of 211-231-062-000  
EXEMPT FROM RECORDER'S FEES  
Pursuant to Government Code §6103

(Above Space for Recorder's Use Only)

This Instrument is exempt from payment of Documentary Transfer Tax pursuant to Section 27383.2 of the Revenue and Taxation Code, as amended. Transfer Tax \$0.00

### GRANT DEED

**Mark Kelton and Carolyn Kelton, Husband and wife as community property and Mark Kelton, Trustee of the 2010 RK Danielle Trust, an undivided 9 percent interest,** (hereinafter referred to as "GRANTOR") hereby grants to **CITY OF SALINAS**, a charter city and municipal corporation, in the County of Monterey, State of California, (hereinafter referred to as "GRANTEE"), the following described real property in the County of Monterey, State of California:

**See legal description, Exhibit A, attached hereto and made a part hereof, by this reference.**

Together with the underlying fee interest, if any, appurtenant to the above-described real property in and to the adjoining public way.

#### GRANTOR/S

\_\_\_\_\_  
Name:            Date

\_\_\_\_\_  
Name:            Date

**Exhibit A**  
LEGAL DESCRIPTION

File no: 0886-0009

February 01, 2023

---

**Parcel A:**

That portion of the Designated Remainder in the City of Salinas, County of Monterey, State of California as shown on the Parcel Map filed in Volume 23 of Parcel Maps at Page 56 in the Office of the County Recorder of the said County, lying westerly of the westerly line of Parcels 1 and 2 as described in the Grant Deed recorded April 20, 1998 as Instrument Number 9823453 of Official Records in said Office of the County Recorder, and lying northerly of the northerly line of East Boronda Road as shown on said Parcel Map, being the northerly line of that certain 10 foot wide strip of land described in Exhibit B of the Grant Deed recorded in Reel 2815, at page 1232, of said Official Records; and lying southerly, easterly and southerly of the following described line:

**BEGINNING** at a  $\frac{3}{4}$ " iron pipe with yellow plastic plug inscribed "LS 6246", marking the most southerly corner of a Storm Drainage Pond Easement as shown on said Parcel Map, thence along the easterly line of said Storm Drainage Pond Easement North  $16^{\circ} 59' 59''$  East, 7.03 feet to a line that is parallel with and offset 69.30 feet northeasterly of, as measured at right angles to, said northerly line of East Boronda Road;

Thence along said parallel line South  $77^{\circ} 48' 23''$  East, 771.41 feet [South  $79^{\circ} 29' 27''$  East per said Parcel Map];

Thence leaving said parallel line South  $85^{\circ} 13' 21''$  East, 32.90 feet;

Thence South  $77^{\circ} 43' 47''$  East, 96.86 feet;

Thence South  $85^{\circ} 08' 41''$  East, 82.39 feet;

Thence North  $68^{\circ} 16' 32''$  East, 39.73 feet;

Thence North  $32^{\circ} 09' 57''$  East, 92.92 feet to a line that is parallel with and offset 47.00 feet westerly of, as measured at right angles to, the westerly line of said Parcel 2;

Thence along said parallel line North  $12^{\circ} 10' 56''$  East, 146.55 feet;

Thence leaving said parallel line North  $14^{\circ} 05' 14''$  East, 180.51 feet to a line that is parallel with and offset 41.00 feet westerly of, as measured at right angles to the westerly line of said Parcel 1;

Thence along said parallel line North  $12^{\circ} 10' 56''$  East, 578.59 feet to the westerly prolongation of the northerly line of said Parcel 1;

Thence leaving said parallel line and along said westerly prolongation South 77° 49' 04" East, 41.00 feet to the northwesterly corner of said Parcel 1.

Containing 2.87 acres, more or less.

**Parcel B:**

That portion of the Designated Remainder in the City of Salinas, County of Monterey, State of California as shown on the Parcel Map filed in Volume 23 of Parcel Maps at Page 56 in the Office of the County Recorder of said County, lying easterly of the easterly line of Parcel 2 as described in the Grant Deed recorded April 20, 1998 as Instrument Number 9823453 of Official Records in said Office of the County Recorder, and lying northerly of the northerly line of East Boronda Road as shown on said Parcel Map, being the northerly line of that certain 10 foot wide strip of land described in Exhibit B of the Grant Deed recorded in Reel 2815, at page 1232, of said Official Records; and lying westerly of the easterly line of said Designated Remainder, and southwesterly and southerly of the following described line:

**COMMENCING** at the northeast corner of said Parcel 2 as described in the Grant Deed recorded April 20, 1998 as Instrument Number 9823453 of Official Records in said Office of the County Recorder, said corner also being on the south line of Parcel 1 described in said Grant Deed, thence along the easterly line of said Parcel 2 South 12° 10' 56" West, 16.82 feet to the **TRUE POINT OF BEGINNING**, thence leaving said easterly line South 01° 07' 04" East, 151.13 feet;

Thence South 15° 15' 02" East, 49.11 feet;

Thence South 38° 12' 45" East, 35.50 feet;

Thence South 61° 08' 34" East, 141.64 feet to a line that is parallel with and offset 69.30 feet northerly of, as measured at right angles to the northerly line of said East Boronda Road;

Thence, along said parallel line South 77° 48' 23" East, [South 79° 29' 27" East per said Parcel Map], 1776.02 feet to the easterly line of said Designated Remainder.

Containing 3.45 acres, more or less.

**Parcel C:**

That portion of the Designated Remainder in the City of Salinas, County of Monterey, State of California as shown on the Parcel Map filed in Volume 23 of Parcel Maps at Page 56 in the Office of the County Recorder of said County described as Parcel 2 in the Grant Deed recorded April 20, 1998 as Instrument Number 9823453 of Official Records in said Office of the County Recorder.

Containing 0.33 acres, more or less.

Parcels A, B and C contain 6.65 acres, more or less.

The above-described parcel of land is graphically shown on **Exhibit "A-1"**, being 5 sheets, attached hereto and made a part hereof.

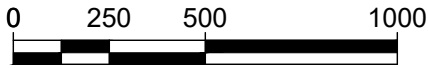
**End of Description**



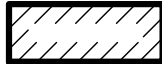
Clayton L. Bradshaw, P.L.S. 8298  
(License expiration date: 12/31/2023)  
Date Signed: February 1, 2023



GRAPHIC SCALE



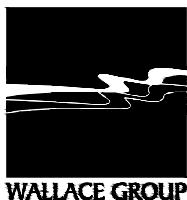
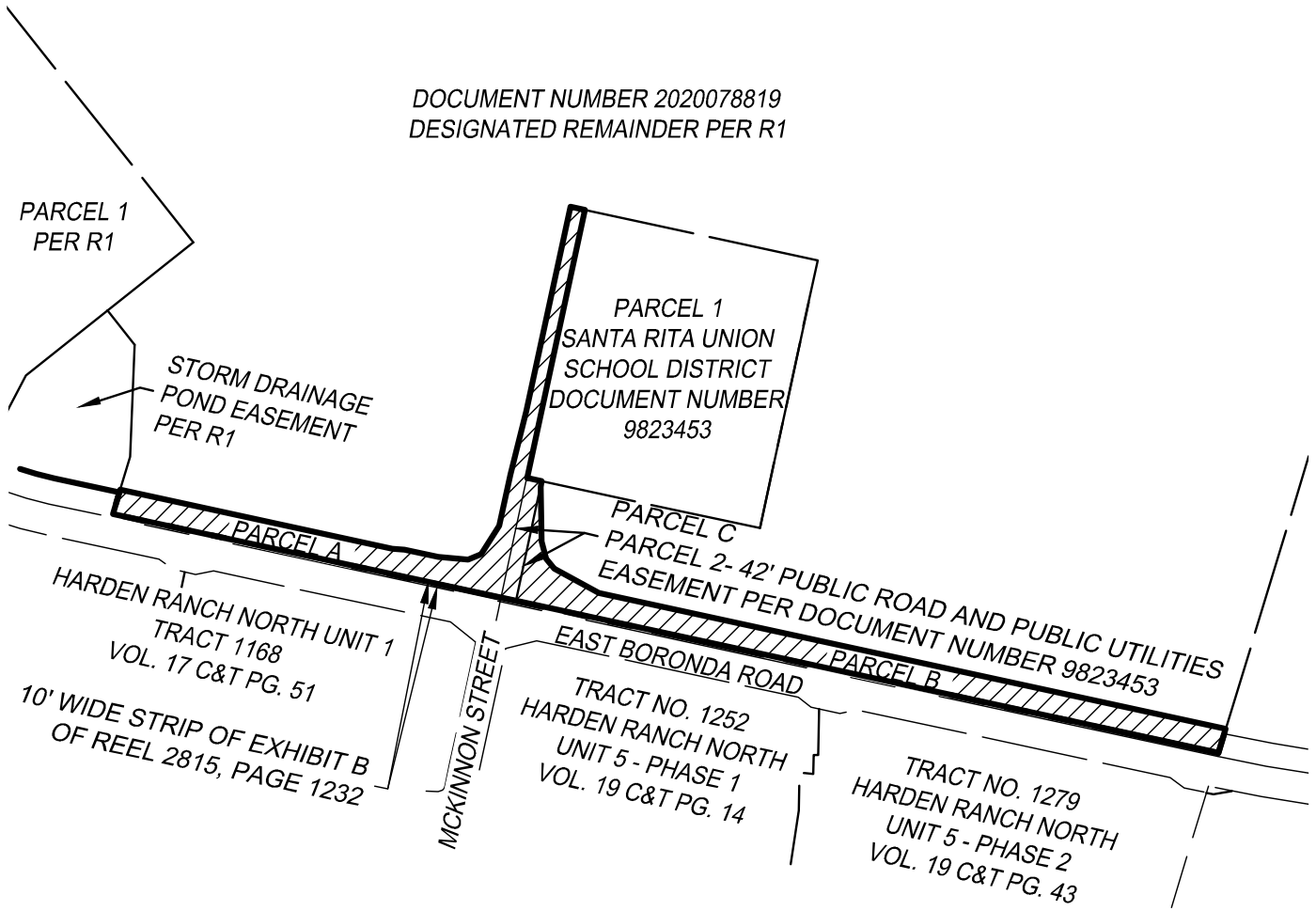
(IN FEET)  
1 IN = 500 FT



LEGAL DESCRIPTION AREA

R1 RECORD PER 23/PM/56

DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1



612 CLARION COURT  
SAN LUIS OBISPO, CA 93401  
T 805 544-4011  
F 805 544-4294  
www.wallacegroup.us

**EXHIBIT " A-1 " OVERALL  
EAST BORONDA ROAD  
CITY OF SALINAS, CA  
SHEET 1 OF 5 OF EXHIBIT " A-1 "**

JOB No. :	0886-0009
DRAWING :	0886-0009-ESMT-ROW.DWG
DRAWN BY:	MC
DATE :	2023-02-01
SCALE :	1" = 500'

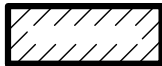
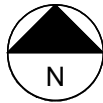
LAYOUT NAME: OVERALL



GRAPHIC SCALE



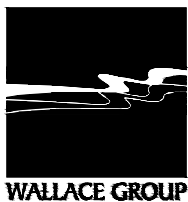
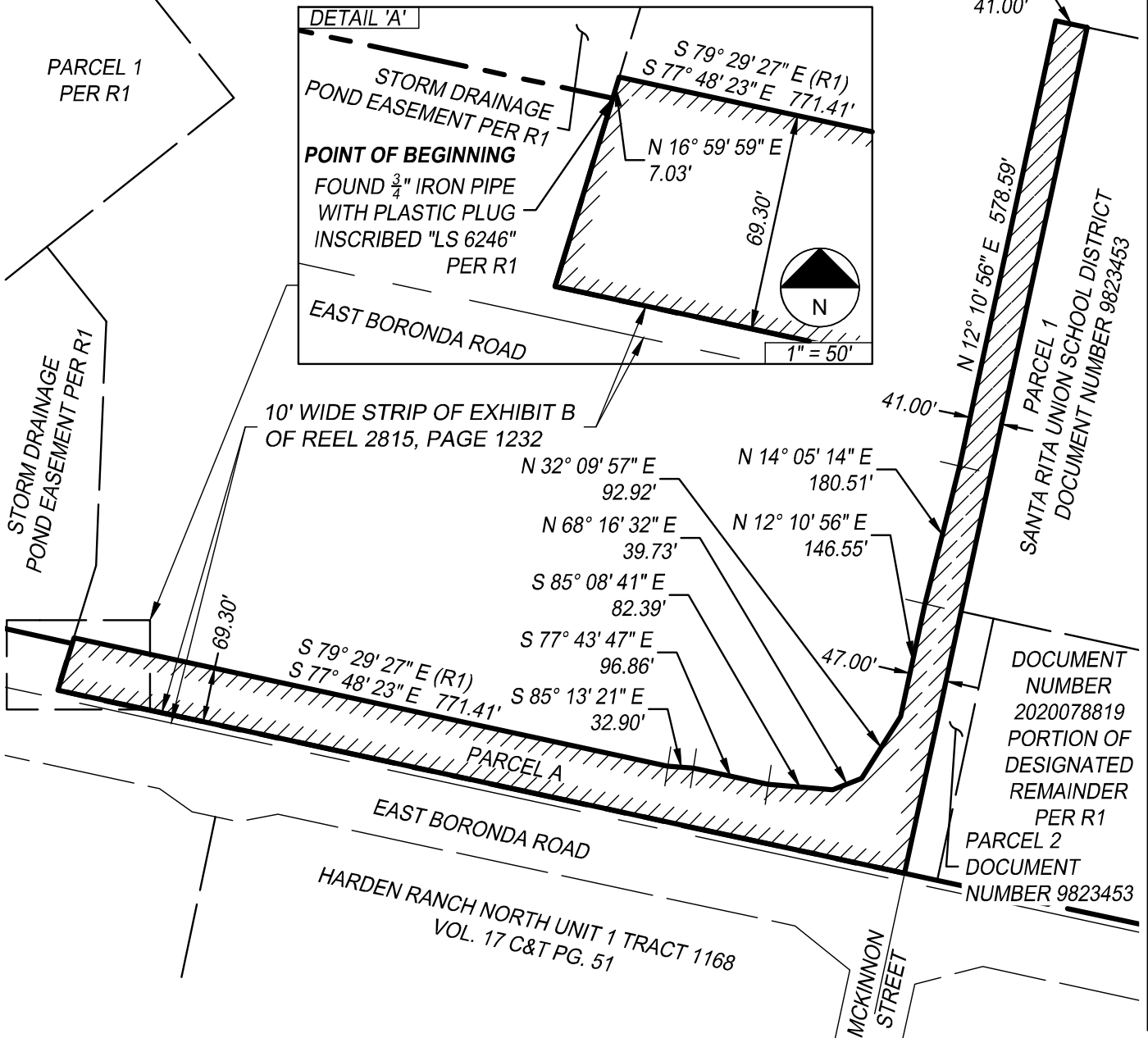
(IN FEET)  
1 IN = 200 FT



LEGAL DESCRIPTION AREA

R1 RECORD PER 23/PM/56

DOCUMENT NUMBER  
2020078819  
PORTION OF DESIGNATED  
REMAINDER PER R1



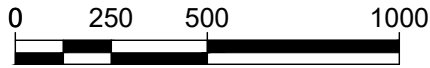
612 CLARION COURT  
SAN LUIS OBISPO, CA 93401  
T 805 544-4011  
F 805 544-4294  
www.wallacegroup.us

**EXHIBIT " A-1 " PARCEL A  
EAST BORONDA ROAD  
CITY OF SALINAS, CA  
SHEET 2 OF 5 OF EXHIBIT " A-1 "**

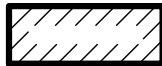
JOB No. :	0323-0032
DRAWING :	0886-0009-ESMT-ROW.DWG
DRAWN BY :	MC
DATE :	2023-02-01
SCALE :	1" = 200'

LAYOUT NAME: ROW ESMT-PARCEL A

GRAPHIC SCALE



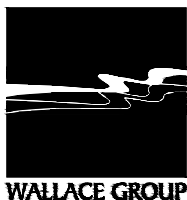
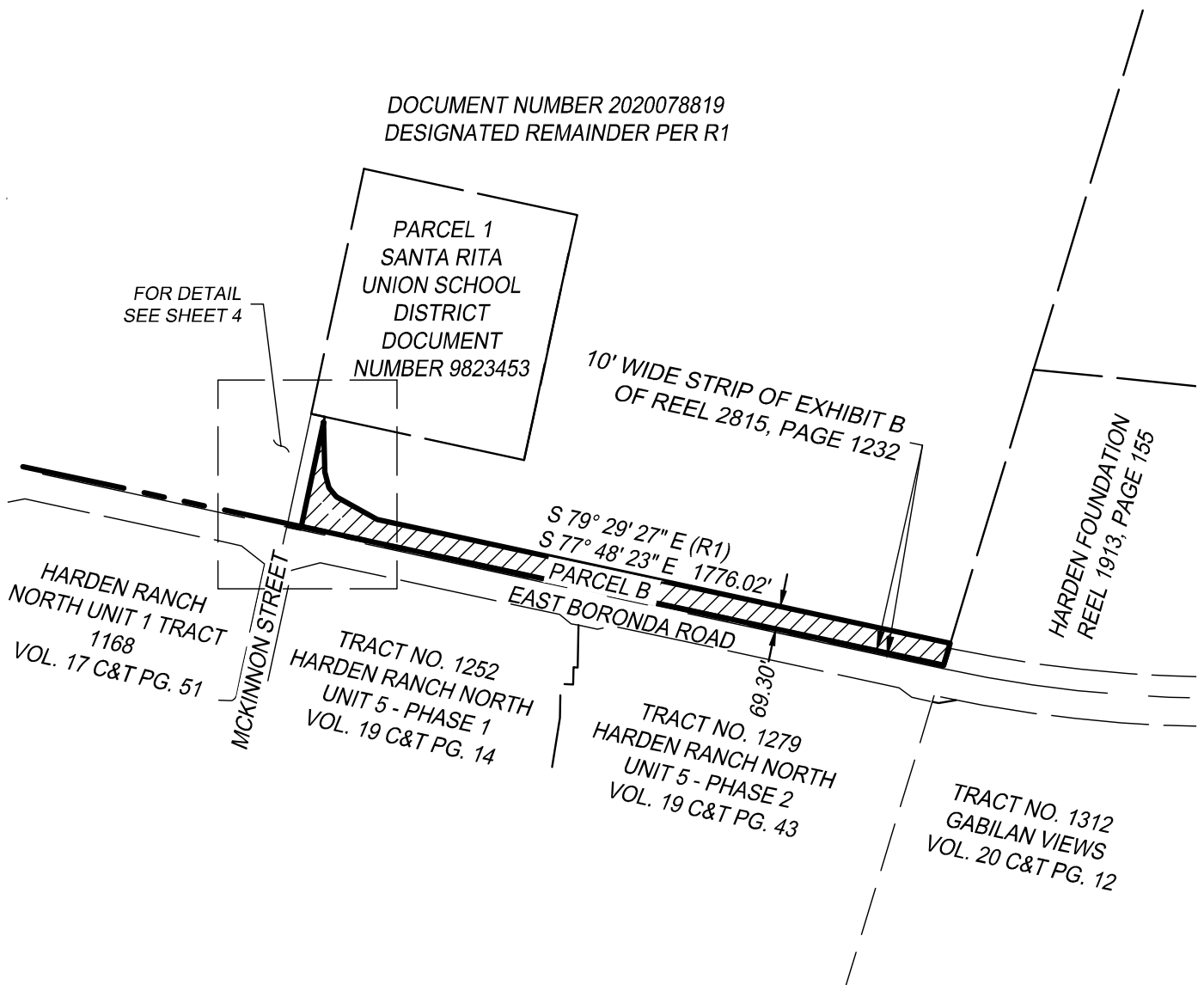
(IN FEET)  
1 IN = 500 FT



LEGAL DESCRIPTION AREA

R1 RECORD PER 23/PM/56

DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1



612 CLARION COURT  
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**EXHIBIT " A-1 " PARCEL B  
EAST BORONDA ROAD  
CITY OF SALINAS, CA  
SHEET 3 OF 5 OF EXHIBIT " A-1 "**

JOB No. :	0323-0032
DRAWING :	0886-0009-ESMT-ROW.DWG
DRAWN BY :	MC
DATE :	2023-02-01
SCALE :	1" = 500'

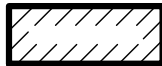
LAYOUT NAME: ROW ESMT-PARCEL B

GRAPHIC SCALE



(IN FEET)

1 IN = 100 FT



LEGAL DESCRIPTION AREA

R1

RECORD PER 23/PM/56

DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1

TRUE POINT  
OF BEGINNING

POINT OF  
COMMENCEMENT

PARCEL 1  
SANTA RITA UNION SCHOOL DISTRICT  
DOCUMENT NUMBER 9823453

S 12° 10' 56" W  
16.82'

PARCEL 2  
42' PUBLIC ROAD AND PUBLIC  
UTILITIES EASEMENT PER  
DOCUMENT NUMBER 9823453

S 01° 07' 04" E  
151.13'

DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1

S 15° 15' 02" E  
49.11'

S 38° 12' 45" E  
35.50'

S 61° 08' 34" E 141.64'

S 79° 29' 27" E (R1)  
S 77° 48' 23" E 1776.02'

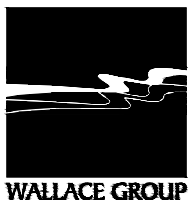
PARCEL B

69.30'

10' WIDE STRIP OF EXHIBIT B  
OF REEL 2815, PAGE 1232

EAST BORONDA ROAD

MCKINNON STREET



612 CLARION COURT  
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www.wallacegroup.us

**EXHIBIT " A-1 " PARCEL B - DETAIL**  
**EAST BORONDA ROAD**  
**CITY OF SALINAS, CA**  
**SHEET 4 OF 5 OF EXHIBIT " A-1 "**

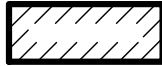
JOB No. :	0323-0032
DRAWING :	0886-0009-ESMT-ROW.DWG
DRAWN BY :	MC
DATE :	2023-02-01
SCALE :	1" = 100'

LAYOUT NAME: ROW ESMT-PARCEL B DETAIL

GRAPHIC SCALE



(IN FEET)  
1 IN = 100 FT



LEGAL DESCRIPTION AREA

R1 RECORD PER 23/PM/56

DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1

PARCEL 1  
SANTA RITA UNION SCHOOL DISTRICT  
DOCUMENT NUMBER 9823453

42.00'

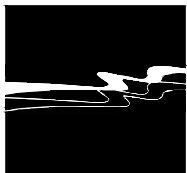
DOCUMENT NUMBER 2020078819  
DESIGNATED REMAINDER PER R1

PARCEL 2  
42' PUBLIC ROAD AND  
PUBLIC UTILITIES EASEMENT  
DOCUMENT NUMBER 9823453

10' WIDE STRIP OF EXHIBIT B  
OF REEL 2815, PAGE 1232

MCKINNON STREET

EAST BORONDA ROAD



612 CLARION COURT  
SAN LUIS OBISPO, CA 93401  
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F 805 544-4294  
www.wallacegroup.us

**EXHIBIT " A-1 " PARCEL C**  
**EAST BORONDA ROAD**  
**CITY OF SALINAS, CA**  
**SHEET 5 OF 5 OF EXHIBIT " A-1 "**

JOB No. :	0323-0032
DRAWING :	0886-0009-ESMT-ROW.DWG
DRAWN BY:	MC
DATE :	2023-02-01
SCALE :	1" = 100'

LAYOUT NAME: ROW ESMT-PARCEL C

**SALINAS PLANNING COMMISSION  
RESOLUTION NO. 2024-008**

**A RESOLUTION ACCEPTING A REPORT AND ESTABLISHING FINDINGS ON THE  
CONFORMITY TO THE GENERAL PLAN OF A PROPOSED LAND ACQUISITION  
FOR DEVELOPMENT OF PHASE 1 OF THE BORONDA ROAD CONGESTION  
RELIEF PROJECT**

**WHEREAS**, on December 17, 2019, the Salinas City Council held a duly noticed and agendized public hearing to consider the Final Environmental Impact Report (FEIR); the proposed West Area Specific Plan; and related entitlements; and

**WHEREAS**, by Resolutions approved and Ordinances adopted on December 17, 2019, herein incorporated by this reference, the Salinas City Council certified the Final EIR, adopted the CEQA Findings, adopted the Statement of Overriding Considerations, and adopted the Mitigation Monitoring and Reporting Program for the project and adopted the WASP, among other actions; and

**WHEREAS**, on November 3, 2020, the Salinas City Council approved the Boronda Road Congestion Relief Project and allocated funding sufficient to complete Phase 1 thereof; and

**WHEREAS**, the environmental impacts of the Boronda Road Congestion Relief project were analyzed in a Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP) in accordance with the California Environmental Quality Act (CEQA), which was adopted by the Salinas City Council on November 3, 2020; and

**WHEREAS**, in order to complete Phase 1 of the Boronda Road Congestion Relief Project, the City must acquire approximately 6.65 acres of privately-owned property located on the north side of East Boronda Road; and

**WHEREAS**, the owners of the land north of East Boronda Road and necessary for the completion of Phase 1 have offered to donate the required property to the City; and

**WHEREAS**, Government Code Section 65402(a) requires a report to the planning agency (Planning Commission) as to the conformity of the property acquisition and proposed future development to the General Plan prior to City Council consideration of any property acquisition; and

**WHEREAS**, the Planning Commission has reviewed and considered the information provided in the report related to the proposed acquisition by donation and intended use on relation to the WASP and the 2002 General Plan.

**NOW, THEREFORE, BE IT RESOLVED** by the Salinas Planning Commission that the Planning Commission accepts the report on the conformity of the proposed land acquisition for the future construction of Phase I of the Boronda Road Congestion Relief Project; and

**BE IT FURTHER RESOLVED** that the Salinas Planning Commission adopts the following findings as the basis for its determination of conformity and that the foregoing recitations are true and correct and are included herein by this reference as findings:

1. The proposed land acquisition is exempt from additional review under the California Environmental Quality Act.

The environmental impacts of the West Area Specific Plan (WASP) and the Boronda Road Congestion Relief Project were analyzed in accordance with the California Environmental Quality Act (CEQA).

2. The proposed land acquisition is in accordance with the goals and the policies of the 2002 Salinas General Plan.

The proposed land acquisition and future development of the East Boronda Road improvements necessary to support the WASP is consistent with and in conformity with the 2022 General Plan: Goal C-1 (Provide and maintain a circulation system that meets the current and future needs of the community.); Policy C-1.3 (Require that new development and any proposal for an amendment to the Land Use Element of the General Plan demonstrate that traffic service levels meeting established General Plan standards will be maintained on arterial or collector streets.); Policy C-1.6 (Discourage diversion of traffic to local streets by providing maximum capacity on arterial streets and locating high traffic-generating uses on or near arterial frontages.); and Policy C-1.7 (Design roadway capacities to adequately serve planned land uses.).

**PASSED AND APPROVED** this 4<sup>th</sup> day of September 2024, by the following vote:

AYES: Chairperson McKelvey Daye, and Commissioners Gonzalez, Meeks, Purnell, and Ramos

NOES: None


ABSENT: Commissioners Burrola and Manzo

ABSTAIN: None

THIS IS TO CERTIFY that the foregoing is a full, true, and correct copy of a Resolution of the Planning Commission of the City of Salinas, that said Resolution was passed and approved by the affirmative and majority vote of said Planning Commission at a meeting held on September 4, 2024, and that said Resolution has not been modified, amended, or rescinded, and is now in full force and effect.

Date: 9/13/24

SALINAS PLANNING COMMISSION

  
\_\_\_\_\_  
Courtney Grossman  
Secretary

**UNOFFICIAL MINUTES  
OF THE  
SALINAS PLANNING COMMISSION  
September 4, 2024**

The meeting was called to order at 4:00 p.m. in the City Council Chamber Rotunda.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**WELCOME AND STAFF INTRODUCTIONS**

**PRESENT:** Chairperson McKelvey Daye and Commissioners Gonzalez, Meeks, Purnell, and Ramos

**ABSENT:** Commissioners Burrola and Manzo

**STAFF:** Community Development Director, Lisa Brinton; Public Works Director, David Jacobs; Planning Manager, Courtney Grossman; Assistant Engineer, Josie Lantaca; and Administrative Aide, Maira Robles

**COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA**

Chairperson McKelvey Daye opened for public comment at 4:01 p.m.

No public comments were received.

Chairperson McKelvey Daye closed for public comment at 4:01 p.m.

**CONSENT**

**[ID#24-503](#) Approval Of The Minutes: August 7, 2024**

Commissioners Gonzalez, Meeks, and Purnell, indicated that the action style Planning Commission minutes of August 7, 2024, were lacking sufficient detail and did not reflect the input received during the public comment segment, nor was the dialogue captured in the minutes regarding the input provided by both the Commission and staff. Commissioner Gonzalez also indicated that her motion as noted in the minutes regarding the Draft Alisal District Identity Master Plan (ADIMP), failed to include her request for staff to add an implementation budget slide in the recommendation to City Council.

Staff informed that the Planning Commission action minutes as presented are in line with the record keeping practices of City Council meetings as discussed at the previous Commission meeting. Staff agreed that going forward, minutes will include at a minimum, a bulleted list of issues, concerns, and suggestions, as discussed for each agenda item.

Commissioner Gonzalez motioned to approve the Planning Commission minutes of August 7, 2024, with a request to amend the minutes to reflect her recommendation for the addition of an implementation budget slide in her motion of the Draft Alisal District Identity Master Plan (ADIMP). Commissioner Purnell seconded the motion. The motion carried by the following vote:

AYES: Chairperson McKelvey Daye, and Commissioners Gonzalez, Meeks, Purnell, and Ramos

NOES: None

ABSTAIN: None

ABSENT: Commissioner Burrola and Manzo

## CONSIDERATION

### **ID#24-508 Miscellaneous 2024-007; Conformity of Proposed Land Acquisition for Boronda Road Improvement Project to the General Plan**

Received report from Courtney Grossman, Planning Manager, regarding the Boronda Road Congestion Relief Project. The first phase of these improvements will be located between Dartmouth Way to a point between McKinnon Street and El Dorado Drive with construction of this first phase scheduled to begin in the fall of 2024. In order for Phase 1 to proceed, however, the City must acquire a portion of privately owned land on the north side of East Boronda Road. Government Code section 65402(a) requires a report to the planning agency (Planning Commission) as to the conformity of the property acquisition and proposed future development to the General Plan prior to City Council consideration of any property acquisition.

The Planning Commission discussed the following with regard to the project:

1. The number of proposed lanes and cost of the project;
2. Land Acquisition;
3. The funding source for the project;
4. Project completion timeline;
5. Traffic education and outreach regarding the use of roundabouts; and
6. Traffic impact and safety measures during project construction.

Chairperson McKelvey Daye opened for public comment at 4:19 p.m.



No public comments were received.

Chairperson McKelvey Daye closed for public comment for 4:19 p.m.

Commissioner Purnell motioned to approve a Resolution accepting a report and establishing findings on the conformity of the proposed land acquisition of approximately 6.65 acres of real property located on the north side of East Boronda Road necessary for the completion of Phase 1 of the Boronda Road Congestion Relief Project. Commissioner Gonzalez seconded the motion. The motion carried by the following vote:

AYES: Chairperson McKelvey Daye, and Commissioners Gonzalez, Meeks, Purnell, and Ramos

NOES: None

ABSTAIN: None

ABSENT: Commissioners Burrola and Manzo

## **PUBLIC HEARINGS**

**Specific Plan Amendment 2023-002 (SPA 2023-002); request to amend the Gateway Center Specific Plan to allow: Vehicle Washing subject to a Conditional Use Permit and other related Amendments; and Conditional Use Permit 2023-022 (CUP 2023-022); request to construct and operate a 3,588 square foot Vehicle Washing building with outdoor vacuums located At 115 East Boronda Road in the CR – SP-19 (Commercial Retail – Gateway Center Specific Plan Overlay) Zoning District.**

*This item has been continued to the September 18, 2024, Planning Commission meeting.*

## **OTHER BUSINESS**

### **General Plan Steering Committee Update**

Ms. Brinton indicated that there no updates at this time; the committee will reconvene once a draft has been released for public review.

## **FOLLOW-UP REPORTS**

None

**FUTURE AGENDA ITEMS**

Mr. Grossman informed that the following projects are scheduled for presentation to the Planning Commission on September 18, 2024:

1. The Specific Plan Amendment 2023-002 (SPA 2023-002); a request to amend the Gateway Center Specific Plan to allow: Vehicle Washing subject to a Conditional Use Permit and other related Amendments; and Conditional Use Permit 2023-022 (CUP 2023-022); and
2. The Alisal Streetscape Master Plan

**ADJOURNMENT**

Chairperson McKelvey Daye reviewed for quorum for the September 18, 2024, meeting and adjourned at 4:29 p.m.

\_\_\_\_\_  
LORISA MCKELVEY DAYE  
Chairperson

\_\_\_\_\_  
COURTNEY GROSSMAN  
Executive Secretary



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

---

**File #:** ID#24-557, **Version:** 1

---

### **City Manager Recommendation for Additional FY 24-25 Community Sponsorship Funding**

Approve the City Manager's recommendations for additional sponsorship allocations to the Science Workshop in the amount of \$12,000, the Veterans' Parade in the amount of \$8,000, and the California International Airshow Salinas in the amount of \$30,000.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

---

**DATE:**                    **SEPTEMBER 24, 2024**

**DEPARTMENT:**       **FINANCE**

**FROM:**                 **RENE MENDEZ, CITY MANAGER**  
                              **JIM PIA, ASSISTANT CITY MANAGER**  
                              **SELINA ANDREWS, ACTING FINANCE DIRECTOR**

**TITLE:**                 **CITY MANAGER RECOMMENDATION FOR ADDITIONAL  
FY 24-25 COMMUNITY SPONSORSHIP FUNDING**

RECOMMENDED MOTION:

A motion to approve the City Manager’s recommendations for additional sponsorship allocations to the Science Workshop in the amount of \$12,000, the Veterans’ Parade in the amount of \$8,000, and the California International Airshow Salinas in the amount of \$30,000.

EXECUTIVE SUMMARY:

City Council’s approval of this recommendation provides continued support for community initiatives through various programs that provide a public benefit to people who live, work, and spend time in Salinas. Through the review and selection process, the Science Workshop, the Veterans’ Parade, and the Airshow were selected to receive funding through the FY 24-25 Community Sponsorship Program.

BACKGROUND:

On April 9, 2024, City Council adopted a new Community Sponsorship Policy outlining the funding limits, application requirements, review, and selection process. The Community Sponsorship application period has since taken place and the allocated \$100,000 was awarded through the newly developed process.

On August 20, 2024, City Council directed staff to increase the FY 24-25 Community Sponsorship Program budget by \$50,000 for a revised budget amount of \$150,000. Staff further reviewed the applications submitted during the FY 24-25 Community Sponsorship Application Period and selected the Science Workshop, the Veterans’ Parade, and the Airshow based on the criterion used for the previous allocations.

Staff previously identified unallocated funds which could have been utilized to facilitate partnering with the Monterey One Water (M1W) Assistance program. Since M1W did not move forward

with the property tax roll item, these previously unallocated funds provided an opportunity to increase the FY 24-25 Community Sponsorship Program budget.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No

STRATEGIC PLAN INITIATIVE:

This action is consistent with the City Council’s goal of supporting an effective and culturally responsive government. (City of Salinas Strategic Plan 2022-2025).

DEPARTMENTAL COORDINATION:

This staff report was coordinated with the City Attorney’s Office, City Manager’s Office, Library and Community Services, and the Finance Department.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)
1000	80.8005-69.1110	Financial Assistance	\$150,000	\$50,000	n/a	8/20/24, Budget Adjustment

ATTACHMENTS:

None



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-558, **Version:** 1

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### **Modification to Classification - Salary Schedule and Workforce Allocation Adjustment**

Approve a Resolution modifying the Classification - Salary Schedule to 1) add the classification of Assistant City Manager to the Department Director unit; 2) approve one over hire Office Technician in Community Development; and 3) add two grant-funded Investigative Specialists to the Police Department workforce.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

**DATE:** SEPTEMBER 24, 2024

**DEPARTMENTS:** ADMINISTRATION AND HUMAN RESOURCES

**FROM:** RENE MENDEZ, CITY MANAGER

**BY:** MARINA HORTA-GALLEGOS, HUMAN RESOURCES DIRECTOR

**TITLE:** MODIFICATION TO CLASSIFICATION – SALARY SCHEDULE AND WORKFORCE ALLOCATION ADJUSTMENT

RECOMMENDED MOTION:

It is recommended that the City Council approve a Resolution modifying the Classification – Salary Schedule to 1) add the classification of Assistant City Manager to the Department Director unit; 2) approve one over hire Office Technician in Community Development; and 3) add two grant-funded Investigative Specialists to the Police Department workforce.

EXECUTIVE SUMMARY:

Staff recommends that the City Council approve the attached Resolution modifying the Classification – Salary Schedule as noted above to move the Assistant City Manager classification to the Department Directors unit and add one over hire Office Technician in Community Development and the previously approved, grant-funded Investigative Specialist to the Police Department workforce.

BACKGROUND:

Administration

The Assistant City Manager classification has been in the Confidential Management Unit since approximately 2011. Prior to that, the classification was in the Department Directors unit since at least 1984. With the recently approved classification of Assistant to the City Manager added to Administration and placed within the Confidential Management Unit, it is appropriate to move the Assistant City Manager to the Department Directors unit. This shift will help avoid confusion between the two classifications. The Assistant City Manager is a key member of the City’s Executive Team working under the broad direction of the City Manager. This position assists the City Manager in working with all Departments to help to ensure successful programs and operations. The Assistant to the City Manager is an Administrative, at-will position who provides complex staff report and assistance to the City Manager, Mayor, and City Council, in overall administrative activities, projects, and operations of the City Manager’s Office and Administration Department.

Benefit Group	Grade	Position	Step 1 Hourly	Step 1 Monthly	Step 2 Hourly	Step 2 Monthly	Step 3 Hourly	Step 3 Monthly	Step 4 Hourly	Step 4 Monthly	Step 5 Hourly	Step 5 Monthly	Step 6 Hourly	Step 6 Monthly
14		Assistant City Manager	94.0172	16,296	98.7214	17,112	103.6599	17,968	108.8402	18,866	114.2847	19,809	119.9989	20,800

Community Development

The Community Development Department requests authorization to over hire one Office Technician. The Department is planning for one vacancy, and due to the challenges in filling positions, would like to get a head start on this hiring. It is anticipated that this over hire will be absorbed through attrition.

Police

Staff requests authorization to add two civilian Investigative Specialist positions to the Police Department workforce consistent with the conditions of the Organized Retail Theft Prevention Grant accepted in October 2023.

CEQA CONSIDERATION:

*Not a Project.* The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

CALIFORNIA GOVERNMENT CODE §84308:

Government Code §84308/Levine Act does not apply to this item.

STRATEGIC PLAN INITIATIVE:

The proposed action meets the Effective and Culturally Responsive Government Council goal.

DEPARTMENTAL COORDINATION:

The Human Resources Department coordinated in this effort with the Administration, Community Development, and the Police Department.

FISCAL AND SUSTAINABILITY IMPACT:

It is not anticipated that the FY 24-25 budget within any of the affected Departments will need to change, as current budgets can absorb, through salary savings, the small changes. However, any upward budget need will be identified in the workforce adjustment for the next fiscal year. The grant funded positions will be allocated to the Organized Retail Theft Prevention Grant.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)*
3282	40.7421	Salaries & Benefits Regular	\$885,205	\$770,272	n/a	10/10/23, 22813
1000	30.3461	Salaries & Benefits Regular	\$418,078	\$27,970	81	6/11/24, 22979
1000	12.1111	Salaries & Benefits Regular	\$1,188,423	This change results in salary savings for the City.	53	6/11/24, 22979

\* The FY 24-25 Adopted Budget was adopted on June 11, 2024.

ATTACHMENTS:

Resolution



RESOLUTION AMENDING THE CLASSIFICATION - SALARY SCHEDULE AND  
WORKFORCE ALLOCATION ADJUSTMENT

BE IT RESOLVED BY THE CITY COUNCIL OF SALINAS that the Classification – Salary Schedule previously adopted by the City Council by Resolution is hereby amended to reflect the following: 1) add the classification of Assistant City Manager to the Department Director unit the first pay period following the incumbent’s separation; 2) approve one over hire Office Technician in Community Development; and 3) add two civilian grant funded Investigative Specialist to the Police Department Workforce.

PASSED AND ADOPTED this 24th day of September 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Kimbley Craig, Mayor

ATTEST:

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Patricia Barajas, City Clerk



## Legislation Text

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**File #: ID#24-542, Version: 1**

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- a. Real Property Negotiations** - California Government Code section 54956.8, conference with real property negotiators City Manager Rene Mendez, Assistant City Manager Jim Pia, City Attorney Christopher A. Callihan, and Community Development Director Lisa Brinton, to discuss the terms and sale of real properties located at 210 Salinas Street (APN 002244098000, Parking Lot 8); 122 Lincoln Avenue (APN 002245008000, Parking Lot 12), 128 Lincoln Avenue (APN 002245007000, Parking Lot 12), 118 Lincoln Avenue (APN 002245005000, Parking Lot 12), 120 Lincoln Avenue (APN 0022458006000, Parking Lot 12), 112 Lincoln Avenue (APN 002245004000, Parking Lot 12).
- b. Real Property Negotiations** - California Government Code section 54956.8, conference with real property negotiators City Manager Rene Mendez, Assistant City Manager Jim Pia, City Attorney Christopher A. Callihan, and Community Development Director Lisa Brinton, to discuss the terms and sale of real properties located 1030 Fairview Salinas, CA 93905 (APN: 003-474-002) Salinas, California 93901.
- c. Public Employee Performance Evaluation** - California Government Code section 54957(b), City Attorney.



# City of Salinas

200 Lincoln Ave., Salinas,  
CA 93901  
[www.cityofsalinas.org](http://www.cityofsalinas.org)

## Legislation Text

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**File #:** ID#24-540, **Version:** 1

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### **Rent Stabilization and Tenant Protection; Adoption of Ordinances**

Consider adopting a Rent Stabilization Ordinance, a Tenant Protection and Just Cause Eviction Ordinance, and a Tenant Anti-Harassment Ordinance.



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** SEPTEMBER 10, 2024 & SEPTEMBER 24, 2024  
**DEPARTMENT:** CITY ATTORNEY'S OFFICE  
**FROM:** CHRISTOPHER A. CALLIHAN, CITY ATTORNEY  
**TITLE:** RENT STABILIZATION AND TENANT PROTECTION;  
INTRODUCTION OF ORDINANCES

RECOMMENDED MOTION:

A motion to introduce three ordinances for adoption on September 24, 2024: Rent Stabilization, Tenant Protection and Just Cause Eviction, and Tenant Anti-Harassment.

EXECUTIVE SUMMARY:

The Ordinances presented for the City Council's introduction have been brought forward to the City Council at the request of Council member Rocha, with the support of Council member González, and at the unanimous direction given by the City Council members present on August 20, 2024.

All prior reports and presentations provided to the City Council and the Housing and Land Use Committee are incorporated herein by this reference.

BACKGROUND:

On August 20, 2024, a presentation was given to the City Council on three draft ordinances: Rent Stabilization, Tenant Protection and Just Cause Eviction, and Tenant Anti-Harassment. After receiving the presentation and receiving testimony from the public, the City Council members present unanimously directed staff to update the draft ordinances consistent with the City Council's direction and present the updated draft ordinances to the City Council for introduction on September 10, 2024, and adoption on September 24, 2024.

On August 20, 2024, the City Council provided the following direction:

1. Rent Stabilization Ordinance: Set the maximum rent increase allowed under the Rent Stabilization Ordinance per twelve-month period at 2.75% or 75% of the Consumer Price Index (CPI), whichever is lower.
2. Rent Stabilization Ordinance: All notices required to be provided by the Landlord under the Ordinance must be provided in both English and Spanish.

3. Rent Stabilization Ordinance: The language in Section 17-02.08 be revised to allow for pass through of capital improvement costs only after the work has been completed; petitions for pass through of capital improvements cannot be filed until after the work has been completed.
4. Rent Stabilization Ordinance: Properties listed as historic resources on a local, state, or federal register are to be exempt from the Ordinance.
5. Tenant Protection and Just Cause Eviction Ordinance: For evictions resulting from action under the Ellis Act (Section 17-02.57) the Landlord is to be required to provide three months' rent as relocation assistance.
6. Tenant Protection and Just Cause Eviction Ordinance: The provision at the end of Section 17-02.54(d)(2) related to screening of tenants using "industry accepted methods" is to be deleted.
7. The operative date of the three ordinances is to be January 1, 2025.

In addition to those revisions specifically directed by the City Council, findings were drafted based on the City Council's comments, the reports presented, and the public testimony received on August 20, 2024. A provision was added at Section 17-02.53(b)(1)(A) of the Tenant Protection and Just Cause Eviction Ordinance: This subsection was included in previous drafts of the Ordinance but was inadvertently left out of the draft presented to the City Council on August 20, 2024. Formatting and typographical corrections were also made in the three ordinances.

#### CEQA CONSIDERATION:

**Not a Project.** The City Council's adoption of the ordinances is not a project subject to environmental review under the California Environmental Quality Act (CEQA Guidelines section 15061(b)(3).) Additionally, the City Council's adoption of the ordinances is exempt because it does not meet the definition of a "project" under CEQA, pursuant to CEQA Guidelines sections 15060(c)(1) and 15378(a), because it has no potential to result in a direct or reasonably foreseeable physical change in the environment.

#### STRATEGIC PLAN INITIATIVE:

The City Council's consideration of whether to establish and to implement rent stabilization and tenant protection strategies is consistent with the City Council's goal of promoting Housing/Affordable Housing (City of Salinas Strategic Plan 2022-2025).

#### DEPARTMENTAL COORDINATION:

City Administration, the City Attorney's Office, and Community Development Department will continue to coordinate on the implementation of the rent stabilization program following the City Council's action.

### FISCAL AND SUSTAINABILITY IMPACT:

Should the City Council adopt the rent stabilization and tenant protection program, the City will need to augment its existing staffing and support to effectively implement and manage the program. Staff has identified two potential ways to accomplish this. The first is to add between 3 and 6 staff members which is estimated between \$621,404 and \$1,246,976. The second option is to explore working with a consultant to provide the services. The City would have to perform additional research to better estimate the cost. The ordinances contemplate the City will recover its costs through the adoption of a fee paid by the property owners renting units. Should the City Council adopt the rent stabilization and tenant protection program, a resolution will be brought forward at a later date to establish the program fee. At which time the budget would be established for this program and brought forward to the Council for adoption.

If this item moves forward and a program fee is established, there will be a delay in the revenue received by the City, which is not uncommon when setting a new program; but it will impact the City's cash position in the short term and perhaps long term based on the fee ultimately established and the collection rate. In the interim, the City would need to rely on its cash flow, analyze current budgeted programs/projects, and/or reserves.

### ATTACHMENTS:

Rent Stabilization Ordinance  
Tenant Protection and Just Cause Eviction Ordinance  
Tenant Anti-Harassment Ordinance

**ORDINANCE NO. \_\_\_\_ (N.C.S.)**

**AN ORDINANCE ADDING ARTICLE IIA TO CHAPTER 17 OF THE SALINAS MUNICIPAL CODE RELATED TO RENT STABILIZATION**

*City Attorney Impartial Analysis*

*This Ordinance adds Article IIA to Chapter 17 of the Salinas Municipal Code to provide limits on rent increases for applicable rental units. The Ordinance provides landlords a right to petition for rent increases above the set limit upon a showing of just cause and to petition for the pass-through of the costs of completed capital improvement costs. The Ordinance provides tenants a right to petition for rent reductions under certain circumstances. The Ordinance also allows the City to establish a fee to implement the program. The Ordinance would become operative on January 1, 2025.*

**WHEREAS**, beginning in October 2023, the City Council began to explore the concepts of rent stabilization and tenant protections. At its meeting on October 24, 2023, the City Council received a report on the Salinas rental housing market and state laws that impact rent control and tenant protection. Following receipt of the report, the City Council directed City staff to develop specific recommendations on rent stabilization and tenant protection strategies, including a rent stabilization and a tenant protection ordinance. The City Council directed that the Housing and Land Use Committee would be the forum through which the City would engage with the community on these ordinances as work progressed and until such time as specific recommendations would come forward to the City Council for consideration; and

**WHEREAS**, the City Council’s Housing and Land Use Committee first met on March 26, 2024, and received a report on a preliminary draft ordinance which consisted of three components: a rent stabilization ordinance, a tenant protection and just cause eviction ordinance, and a tenant anti-harassment ordinance (“Ordinances”); and

**WHEREAS**, following the March 26, 2024, Housing and Land Use Committee meeting, the City continued to engage with the community through listening sessions, community meetings, Technical Advisory Committee. (TAC) meetings, Housing and Land Use Committee meetings, and public hearings before the City Council. Throughout this community engagement process, the City heard testimony from property owners, landlords, property managers, housing developers, tenants, tenant advocacy groups, and others regarding the Salinas rental market and the scope of rent increases and resident displacement, both as a result of rent increases and aspects of evictions in State law. The City also heard testimony about the specific provisions of the preliminary and subsequent drafts of the Ordinances; and

**WHEREAS**, the housing shortage and rising costs of living in Monterey County, and Salinas in particular, has detrimentally impacted a substantial number of residents in Salinas; and

**WHEREAS**, the majority of households in Salinas are family households (79.3%) and Salinas has a larger proportion of lower income households compared to the rest of Monterey County; and

WHEREAS, the affordability crisis disproportionately affects people of color because these communities are over-represented in the renter population. Salinas residents are predominantly Latinx: As of 2020, 79% of Salinas' residents were of Latino or Hispanic origin. Latinx residents in Salinas make up larger shares of the renter population than in the city overall; and

WHEREAS, renter-occupied households in Salinas have lower incomes per capita than households who own their homes; consequently, rent stabilization and tenant protection ordinances will tend to benefit households with lower than median incomes. The average renter-occupied household in the City has a median annual income of \$64,509; and

WHEREAS, as of November 2022, the average rent for rental units in Salinas was \$2,564 per month; and

WHEREAS, average rents for multifamily rental units in Salinas have continually increased at a higher rate compared with the increase in the median income for renter-occupied households, with the exception of 2018 and 2022. Rents in multifamily buildings built before 1995 in Salinas have increased 117% between 2000 and 2024, with an average vacancy of only 3.3%; and

WHEREAS, rents in Salinas have increased an average of 5% each year since 2012, with a spike in rent between 2020 and 2021, with an almost 13% increase, and then resuming regular increase over the past two years. A little more than half of the City's renter-occupied households remain rent-burdened, paying 30% or more of their household income on housing. Rent-burdened households have less money to spend on other essentials like food, transportation, healthcare, and childcare; and

WHEREAS, the cost burden rate in the City is sufficiently high to create anxiety about rent increases as the increasing housing rent burden and poverty faced by many residents in the City threatens the health, safety, and welfare of its residents by forcing them to choose between paying rent and providing food, clothing, and medical care for themselves and their families; and

WHEREAS, housing instability threatens the public peace, health, safety, and welfare as eviction from one's home can lead to prolonged homelessness; increased residential mobility; loss of community; strain on household finances due to the necessity of paying rental application fees and security deposits; stress and anxiety experienced by those displaced increased commute times and traffic impacts if displaced workers cannot find affordable housing within the city in which they work; and interruption of the education of children in the home; and

WHEREAS, eviction creates particular hardships for individuals and households of limited means, given the shortage of affordable housing within Salinas and the region, generally; and

WHEREAS, the housing rent burden and poverty faced by many residents in Salinas threatens the health, safety, and welfare of its residents, particularly when resulting in eviction and displacement. Evictions play an impactful role in the lives of low income renter households and can also



contribute to poverty through disruptive effects such as job loss, adverse health effects, and negative consequences for children; and

WHEREAS, the City Council finds and determines that regulating the relations between residential landlords and tenants will increase certainty and fairness within the residential rental market in the City and thereby serve the public peace, health, safety, and welfare; and

WHEREAS, the Tenant Protection Act of 2019 is a statewide law that requires a landlord to have “just cause” in order to terminate a tenancy, and provides for a series of “at faulty” and “no fault” reasons that a tenant may be evicted, and in the event of a “no fault” eviction, provides for relocation assistance equal to one month of rent; and

WHEREAS, the recent spike in the inflation rate has resulted in permissible rent increases of up to 10% under the Tenant Protection Act, which caused some residents to become fearful of needing to relocate for financial reasons; and

WHEREAS, tenants and housing advocates have provided testimony that some landlords have been constructively evicting tenants by engaging in harassing conduct in order to coerce vacancies, and thereby charge higher market rate rents; and

WHEREAS, this fear of displacement has been determined to be a threat to the City’s health and well-being; and

WHEREAS, Salinas residential tenants may be unwilling or unable to assert their legal rights due to such factors as imbalance in bargaining power and concerns of retaliation. The City Council finds that these imbalances in the rental housing market and in the bargaining power of landlords and tenants reduces stability, security, and habitability, which are detrimental to health, safety, and general welfare of Salinas residents; and

WHEREAS, the City Council finds that reasonable regulation of aspects of the residential landlord-tenant relationship is necessary to foster constructive communication, maintain an adequate supply of rental housing units, and protect the health, safety, and general welfare of the public and that there is a lack of adequate protections and remedies in the absence of City regulations; and

WHEREAS, a purpose of the City’s rent stabilization and tenant protection policies is to preserve the public peace, health, safety, and welfare of the City by deterring harassing behavior by landlords against residential tenants, encouraging residential landlord to follow the law and uphold their responsibility to provide habitable rental properties, and establishing more effective remedies for tenants who experience harassing behavior; and

WHEREAS, a further purpose of the City’s rent stabilization and tenant protection policies is to help maintain peaceful relations in the community and minimize breaches of the peace caused by self-help evictions; to protect vulnerable populations of the Salinas community; and

WHEREAS, it is in the interest of the City, property owners, residents, and the community as a whole that the City adopt rent stabilization, tenant protection and just cause eviction, and tenant anti-harassment protections to mitigate the incentive for a landlord to evict a tenant for the purpose of increasing a rental unit's rent to market rate; and

WHEREAS, pursuant to the City's police power, as granted broadly under Article XI, section 7 of the California Constitution, the City Council has the authority to enact and enforce ordinances and regulations for the public's peace, health, safety, and welfare of the City and its residents; and

WHEREAS, for the preservation of the public peace, health, safety, and welfare, the City Council finds that it is necessary to adopt ordinances adopting rent stabilization, eviction protections, and tenant anti-harassment protections that strengthen what already exists in state and federal law for the reasons set forth above, which are hereby incorporated by reference.

**NOW, THEREFORE, BE IT ORAINED BY THE CITY COUNCIL OF SALINAS as follows:**

**SECTION 1.** The above recitals are true and correct and are incorporated herein by this reference.

**SECTION 2. Article IIA is hereby added to Chapter 17 of the Salinas Municipal Code to read as follows:**

Article IIA. Rent Stabilization.

Sec. 17-02.01. Rent Stabilization.

This article shall be known as the "Rent Stabilization Ordinance."

Sec. 17-02.02. Application.

This Rent Stabilization Ordinance shall be interpreted and administered in a manner consistent with the Costa-Hawkins Rental Housing Act codified in California Civil Code section 1954.50 *et seq.* ("Costa Hawkins"). If any conflict exists between the provisions of Costa Hawkins and this article, Costa Hawkins shall prevail.

- (a) Applicability of this Article. The provisions of this Rent Stabilization Ordinance apply to all Rental Units in the city of Salinas, except as otherwise exempted in this section.
- (b) Exemptions from this Article. The following Rental Units are exempt from Rent Stabilization:
  - (1) Rental Units exempt from rent stabilization pursuant to the Costa Hawkins Rental Housing Act (California Civil Code section 1954.50 *et seq.*
  - (2) Rental Units which a government unit, agency, or authority owns, operates, manages, or in which governmentally subsidized Tenants reside only if applicable

federal or state law or administrative regulation specifically exempts such units from municipal rent stabilization.

- (3) Rental Units which are deed restricted as affordable housing by a regulatory agreement or similar recorded document.
- (4) Rental Units in any hospital, covenant, monastery, extended medical care facility, non-profit home for the aged, or dormitory as defined in California Building Code section that is solely owned and operated by an accredited institution of higher education.
- (5) A unit in a hotel, motel, inn, or room and boarding house which is rented primarily to transient guests for a period of twenty-eight (28) consecutive calendar days or less, counting portions of calendar days as full days and other transient occupancies as defined in California Civil Code section 1940(b).
- (6) A unit in an institutional facility, including a hospital, medical care facility, residential care facility, asylum, group home for seniors or the disabled, or transitional housing program that assists homeless persons as defined in California Civil Code section 1954.12.
- (7) Rental Units in any building which is included on the National Register of Historic Places, the State Historic Landmark Register, the California Register of Historic Resources, or which has been voluntarily nominated as an historic resource by the property owner and which designation has been considered by the Salinas Historic Resources Board and approved by the Salinas City Council.

#### Sec. 17-02.03. Definitions.

- (a) For the purpose of this Article, the following words or phrases shall have the following meanings:

“Annual Allowable Rental Adjustment.” Annual Allowable Rental Adjustment refers to the limit on the Maximum Allowable Rent increase which a Landlord may charge on any covered Rental Unit each year without an order from a hearing officer.

“Capital Improvement.” An improvement or repair to a Rental Unit or property that materially adds to the value of the Property, appreciably prolongs the Property’s useful life or adapts the Property to a new use, becomes a part of the real property or is permanently affixed to the real property such that its removal would result in material damage to the real property or to the improvement itself, has a useful life of more than one (1) year and that is required to be amortized and depreciated over the useful life of the improvement under the provisions of the Internal Revenue Code and related regulations, and may also include work necessary to comply with applicable local, state, or federal building, health, and safety codes.

“Capital Improvement Plan.” A detailed proposal submitted to the City Attorney or designee by a Landlord in order to proceed with one or more Capital Improvements, and/or receive a Pass Through.

“Controlled Rental Unit.” A Rental Unit located within the city of Salinas not specifically exempted by an applicable exemption to this Article.

“Housing Services.” All amenities and services related to the use or occupancy of a Rental Unit and common areas that are provided by the Landlord. Housing Services includes without limitation hot and cold water, heat, light, utilities that are paid by the Landlord, painting, elevator service, window shades and screens, refuse removal, janitorial service, maintenance, repairs, replacement, recreational areas (including pools or gyms) kitchen, bath, laundry facilities, furnishings, storage space, parking (including one or more automobiles), employee services, security services, insurance, the payment of property taxes, and any other benefits or privileges permitted to the Tenant by agreement, whether express or implied, including the right to have a specific number of occupants and the right to one-for-one replacement of roommates, regardless of any prohibition against subletting and/or assignment. Housing Services also includes those basic Housing Services required by California Civil Code section 1941.1. Housing Services includes a proportionate part of services provided to common facilities of the building and Property in which the Rental Unit is contained.

“Landlord.” An owner, lessor, sublessor, or any other person entitled to receive Rent for the use and occupancy of any Rental Unit, or any agent, representative, or successor of any of the foregoing.

“Maximum Allowable Rent.” The maximum allowable rent which may be charged on any Rental Unit covered by this Article.

“Property.” All Rental Units on a parcel or lot or contiguous parcels or contiguous lots under common ownership.

“Pass Through.” Any monetary amount a Landlord is authorized to pass through to, and recover from, one or more Tenants in the form of a surcharge or in addition to Rent, as authorized by an approved Capital Improvement Plan or any other lawful authorization.

“Rent.” All periodic payments and all nonmonetary consideration including, but not limited to, the fair market value of goods, labor performed or services rendered to or for the benefit of the Landlord under a Rental Housing Agreement, as defined in this section, concerning the use or occupancy of a Rental Unit and premises, including all payment and consideration demanded or paid for parking, utilities, pets, furniture, subletting, and security deposits for damages and cleaning.

“Rental Housing Agreement.” An agreement, oral, written, or implied, between a Landlord and Tenant, for use or occupancy of a Rental Unit and for Housing Services.

“Rental Housing Fee.” The fee described in Section 17-02.13.

“Rental Unit.” Any building, structure, or part thereof, or land appurtenant thereto, or any other rental Property rented or offered for Rent for residential purposes, together with all Housing

Services connected with the use and occupancy of such Property such as common areas and recreational facilities held out for use by the Tenant.

“Tenant.” A tenant, subtenant, lessee, sublessee, or any other person entitled under the term of a Rental Housing Agreement to the use and the occupancy of any Rental Unit.

“Utility Charges.” Any charges for gas, electricity, water, cable, or internet.

- (b) Terms defined in other sections of this Rent Stabilization Ordinance shall have such meaning when used in this Rent Stabilization Ordinance, whether singular or plural.

#### Sec. 17-02.04. Limit on Rental Rate Increases.

- (a) Increases in Rent on residential real property in the city may not exceed the lesser of 2.75% or 75% of the most-recent 12-month increase in the Consumer Price Index for All Urban Consumers (CPI-U) Series Title: All items in West urban, all urban consumers, not seasonally adjusted published by the Bureau of Labor Statistics. Only one rent increase in any 12-month period is permitted. A reduction in Housing Services is an increase in Rent.
- (b) Subsection (a) of this section shall apply to all Rent increases occurring on or after December 31, 2023. A Landlord has no duty to refund otherwise lawful rent received prior to the effective date of this Rent Stabilization Ordinance in excess of the amount authorized by this section.
- (c) The 12-month period referenced in subsection (a) of this section shall begin on the date of the last Rent increase regardless of whether the last Rent increase occurred prior to the effective date of the Rent Stabilization Ordinance.

#### Sec. 117-02.05. Reasonable Rate of Return.

This Rent Stabilization Ordinance allows for an annual adjustment of residential real property Rent as specified in subsection (a) of section 17-02.04 of this article. Such an increase is found and determined to provide a just and reasonable return on a Landlord’s Property, and has been adopted to encourage good management, reward efficiency, and discourage the flight of capital, as well as to be commensurate with returns on comparable investments, but not so high as to defeat the purpose of curtailing excessive Rent and rental increases. Notwithstanding the foregoing, and Landlord who contends that the limit on Rent increases set forth in Section 17-02.04 will prevent the Landlord from receiving a fair and reasonable return on the Property may petition for relief from the limit set forth in section 17-02.04 pursuant to the procedures set forth in section 17-02.07. In making annual adjustments of the Annual Allowable Rental Adjustment, Hearing Officers shall consider the purpose of this Article and the requirements of law.

#### Sec. 17-02.06. Tenant Petition for Rent Reduction.

- (a) Unlawful Rent. A Tenant of a Controlled Rental Unit may petition for a reduction of Rent (“Rent Reduction Petition”) if the Tenant believes that the Landlord has demanded, accepted, or retained from the Tenant any Rent in excess of the Rent permitted by this Rent Stabilization Ordinance. The Landlord shall be informed of the Tenant’s complaint and shall have the opportunity to respond to the Tenant’s claim of Rent overcharge.
- (b) Reduction in Housing Services or Failure to Maintain Habitable Premises. A Tenant may petition for a reduction of Rent (“Rent Reduction Petition”) to request a refund of, or decrease in, Rent proportional to the Landlord’s reduction in Housing Services or failure to maintain then Controlled Rental Unit as a habitable premise in accordance with applicable State rental housing laws, State and local health and safety laws, or the Rental Housing Agreement.
- (c) Such Rent Reduction Petition shall be on an application form prescribed by the City Attorney or designee, shall be submitted to the City Attorney, and shall be decided by a Hearing Officer designated by the City Attorney.
- (d) The Tenant shall provide a copy of any Rent Reduction Petition submitted to the City Attorney to the applicable Landlord and shall provide the City Attorney with proof of completing such service to the applicable Landlord. The Landlord shall have thirty (30) days from the date of receiving the Rent Reduction Petition to reply or to provide additional materials in response to the Rent Reduction Petition. Such reply or additional materials shall be submitted to the City Attorney.
- (e) The Tenant shall bear the burden of establishing that a Rent reduction is necessary to comply with the Rent Stabilization Ordinance by providing information including the type of dwelling, dates of tenancy, dates of Rent increases, amount of Rent increases, dates of charges, and amounts of charges.
- (f) The factors the Hearing Officer may consider in deciding a Rent Reduction Petition shall be matters related to the Landlord’s failure to comply with the Rent Stabilization Ordinance, reductions in Housing Services, and habitability violations. For example, the amount of Rent that the Landlord has actually demanded, accepted, or retained from the Tenant exceeds the amount of the Rent that the Landlord could lawfully charge. The Hearing Officer may also consider decreases in living space, furnishings, equipment, or services; substantial deterioration of the Controlled Rental Unit other than as a result of ordinary wear and tear; or failure on the part of the Landlord to provide adequate Housing Services or to comply with applicable housing, health, and safety codes.
- (g) A Rent Reduction Petition shall be decided by the Hearing Officer within sixty (60) days of the date that the Rent Reduction Petition has been deemed complete by the City Attorney, including submission of proof of service of the Rent Reduction Petition on the applicable Landlord, unless an extension of time has been agreed upon by the parties. The decision shall be sent by mail and shall be emailed with proof of mailing to the applicable Tenant, the designated representative of the Tenant, the subject Landlord, and the

Landlord’s designated representative for the Rent Reduction Petition, if any. Any person aggrieved by the decision of the Hearing Officer may appeal to the City Council. On appeal, the City Council shall affirm, reverse, or modify the decision of the Hearing Officer. The decision of the Hearing Officer shall be the final decision of the City in the event of no appeal to the City Council.

- (h) Decisions decreasing Rent shall remain in effect until the Hearing Officer finds that the Landlord has corrected the defect warranting the decrease. The City Attorney shall establish procedures for making prompt compliance determinations. Upon a determination of compliance, the Landlord shall be entitled to reinstatement of the prior Rent level, retroactive to the date that the Landlord corrected the defect which warranted the decrease. This shall be in compliance with California Code of Civil Procedure section 1942.4. If the Landlord is found to be in violation of California Code of Civil Procedure section 1942.4, then no Rent shall be charged for the period during which the Landlord was in violation.

Sec. 17-02.07. Landlord Petition for Rent Increase.

- (a) A Landlord may petition for a Rent increase for a Controlled Rental Unit in excess of that provided in Sec. 17-03.04 in order to obtain a fair and reasonable return on the Landlord’s Property (“Fair Return Petition”). It is the intent of this Article that individual upward adjustments in the Maximum Allowable Rent on Controlled Rental Units be made only when the Landlord demonstrates that such adjustments are necessary to provide the Landlord with a fair return on investment.
  - (1) Nothing in this section shall be interpreted to authorize a Rent increase for a Controlled Rental Unit in excess of the amount authorized pursuant to California Civil Code section 1947.12.
  - (2) Such Fair Return Petition shall be on an application form prescribed by the City Attorney and shall include a declaration by the Landlord that the Rental Unit meets all requirements of this Article. Fair Return Petitions shall be decided by a Hearing Officer designated by the City Attorney.
  - (3) The Landlord shall provide a copy of any Fair Return Petition submitted to the City to the applicable Tenant(s) and shall provide the City with proof of completing such service to the applicable Tenant(s). The Tenant(s) shall have thirty (30) days from the date of receiving the Fair Return Petition to reply or provide additional materials to the City Attorney in response to the Fair Return Petition.
  - (4) The Landlord shall be responsible for all costs associated with the City’s review of the Fair Return Petition.
  - (5) Upon receipt of a Fair Return Petition, the Hearing Officer shall determine the anticipated costs of review and if the employment of expert(s) will be necessary or appropriate for a proper analysis of the Landlord’s request. If the Hearing Officer

so determines, the Hearing Officer shall also determine the anticipated costs of employing such expert(s). The resulting estimated cost shall be communicated to the Landlord and the Fair Return Petition shall not be processed until the Landlord has paid to the City the estimated cost of the completed analysis. The City will provide the Landlord with an invoice of all costs incurrent after the review of the Fair Return Petition. Any unused portion of the advance payment for analysis shall be refunded to the Landlord. If additional funds are required, payment will be required before the Landlord receives the determination on the Fair Return Petition from the City.

- (b) The factors the Hearing Officer may consider in deciding a Fair Return Petition include, but are not limited to, the following:
- (1) Changes in the Consumer Price Index for All Urban Consumers (CPI-U) Series Title: All items in West urban, all urban consumers, not seasonally adjusted published by the Bureau of Labor Statistics arising after commencement of the tenancy.
  - (2) The pattern of recent Rent increases or decreases.
  - (3) Changes in property tax or other taxes related to the Controlled Rental Unit arising after commencement of the tenancy.
  - (4) Unavoidable changes in operating and maintenance expenses arising after commencement of the tenancy.
  - (5) Substantial deterioration of the Controlled Rental Unit other than as a result of ordinary wear and tear.
  - (6) Increases or decrease in the number of Tenants occupying the Controlled Rental Unit, living space, furniture, furnishings, equipment, or other Housing Service provided, or occupancy rules.
  - (7) Failure on the part of the Landlord to provide adequate Housing Services, or to comply with applicable state rental housing laws, local housing health and safety codes, or the Rental Housing Agreement.
  - (8) Relevant evidence demonstrating that a Landlord, as of the effective date of this Rent Stabilization Ordinance, does not receive a just and reasonable return under the provisions of this Article.
- (c) The Landlord may not charge for utilities unless the utility is separately or individually metered.
- (d) A Fair Return Petition shall be decided by the Hearing Officer within ninety (90) calendar days of the date that the Fair Return Petition has been deemed complete by the City



Attorney, including submission of proof of service of the Fair Return Petition on the applicable Tenant(s), unless the Landlord has failed to pay all applicable costs associated with the City Attorney, and designees', review of the Fair Return Petition or an extension of this time has been agreed upon by the Landlord and the Tenant(s). The decision shall be sent by mail and shall be emailed with proof of mailing to the subject Landlord, the Landlord's designated representative for the Fair Return Petition, the applicable Tenant(s), and the designated representative of the Tenant(s), of any. Any person aggrieved by the decision of the Hearing Officer may appeal to the City Council. On appeal, the City Council shall affirm, reverse, or modify the decision of the Hearing Officer. The decision of the Hearing Officer shall be the final decision of the City in the event of no appeal to the City Council.

Sec. 17-02.08. Petition for Pass Through for Specified Capital Improvements.

- (a) Landlord Petition. In addition to the petition process set forth above in section 17-02.07, a Landlord may file on an application form prescribed by the City Attorney for a Capital Improvement Plan, with or without a request for a Pass-Through of certain Capital Improvement costs to Tenants of Rental Units not exempt from rent control by state law, subject to the provisions and limitations set forth in this section, but shall include the actual cost of completed Capital Improvements to the Rental Unit (as distinguished from ordinary repair, replacement, and maintenance or costs attributable to bringing a Rental Unit into compliance with applicable health and safety laws) where such Capital Improvement costs are properly amortized over the life of the improvement. A Landlord may not file a petition pursuant to this subsection until the work on such Capital Improvements has been completed. The City Council may adopt reasonable regulations to govern Capital Improvement standards and applications under this section.
- (b) Tenant Financial Hardship. A Tenant may file a hardship application at any time on grounds of financial hardship with respect to any Rent increase based on a Pass-Through to the Tenant of actual costs of capital improvements permitted pursuant to subsection (a) of this section. Payment of such rent increase(s) set forth in the hardship application shall be stayed from the date of filing until a decision is made on the Tenant's hardship application. The City Council may adopt reasonable regulations to establish the standards for establishing financial hardship and applications under this section.

Sec. 17-02.09. Rent Increase Ineffective; No Waiver.

- (a) A Rent increase shall be ineffective if the Landlord:
  - (1) Fails to comply with all provisions of this Rent Stabilization Ordinance, as may be amended from time-to-time, and with any other applicable policies, regulations, or resolutions concerning Rent including, without limitation, the service of the Tenant with a legally required notice of a Rent increase under this Rent Stabilization Ordinance or state law, the registration of all Rental Units within the city, and the payment of all Rent program fees set forth in the City's Fee Schedule; or

- (2) Fails to maintain the residential real property in compliance with California Civil Code section 1941.1 and California Health and Safety Code sections 17920.3 and 17920.10; or
  - (3) Fails to make repairs ordered by the City or any court of competent jurisdiction.
- (b) Any waiver or purported waiver by a Tenant of rights granted under this Article prior to the time when such rights may be exercised, whether oral or written, in or pertaining to a Rental Housing Agreement, shall be void as contrary to public policy.
- (c) If a Tenant reasonably believes a Landlord has increased the Tenant's Rent in violation of this section, the Tenant may submit to the City Attorney a petition to determine compliance for consideration by a Hearing Officer designated by the City Attorney. The Landlord shall have the opportunity to respond to the petition to determine compliance and to participate in the administrative proceeding. The City Attorney shall promulgate regulations to effectuate this section, in addition to those authorized by the Salinas Municipal Code.

Sec. 17-02.10. Notice Requirements.

- (a) On or before the date of commencement of a tenancy, the Landlord of any residential real property subject to this Rent Stabilization Ordinance shall deliver to the Tenant written notice of the following in a form prescribed by the City Attorney:
- (1) The tenancy is regulated by this Rent Stabilization Ordinance;
  - (2) The Tenant has a right to submit a complaint to the City pursuant to section 17-02.13 or a Rent Reduction Petition pursuant to section 7-02.06 for Rent demanded, accepted, or retained in violation of this Rent Stabilization Ordinance, a reduction in Housing Services, or failure to maintain habitable premises;
  - (3) The Landlord has a right to respond to any Rent reduction petition filed by the Tenant with the City pursuant to section 17-02.06; and
  - (4) The Tenant has a right to respond to any Fair Return Petition filed by the Landlord with the City pursuant to section 17-02.07.
- (b) At the same time and with any notice to increase Rent, the Landlord must deliver written notice of the following:
- (1) The tenancy is regulated by this Rent Stabilization Ordinance;
  - (2) The Tenant has a right to submit a complaint to the City pursuant to the procedures established pursuant to section 17-02.12 or a Rent Reduction Petition pursuant to section 17-02.06 for Rent demanded, accepted, or retained in violation of this Rent

Stabilization Ordinance, a reduction in Housing Services, or failure to maintain habitable premises;

- (3) The Tenant has a right to respond to any Fair Return Petition filed by the Landlord with the City pursuant to sec. 17-02.07; and
  - (4) No rent increase is effective unless and until the requirements of this Rent Stabilization Ordinance have been met.
- (c) When a Landlord and Tenant have entered into a written Rental Housing Agreement, the Landlord must give notices to the Tenant in the language primarily used in the Rental Housing Agreement. When a Landlord and Tenant have not entered into a written Rental Housing Agreement, the Landlord must give notices to the Tenant in the language that a Landlord and Tenant used primarily when negotiating the terms of the Tenancy.
- (d) Notices provided by a Landlord under this Article shall be in English and Spanish.

#### Sec. 17-02.11. Judicial Review.

A Landlord or Tenant aggrieved by any action or decision of the City or of the City Council may seek judicial review by appealing to the appropriate court with jurisdiction over the matter.

#### Sec. 17-02.12. Violations and Remedies.

- (a) It shall be unlawful for any person to violate or fail to comply with any provision of this Rent Stabilization Ordinance, or any rule, regulation, or order promulgated, including demanding, accepting, or retaining Rent in excess of the Maximum Allowable Rent in violation of this Rent Stabilization Ordinance or a determination by a Hearing Officer of City Council, and including the provisions ensuring compliance with habitability standards and registration fee requirements.
- (b) Any person who violates or aids or incites another person to violate the provisions of this Rent Stabilization Ordinance shall be liable in a civil action for each and every such offense for actual damages suffered by an aggrieved party (including damages for mental or emotional distress); or for statutory damages in the sum of three times the amount by which the payment demanded, accepted, or retained exceeds the Maximum Allowable Rent, or for statutory damages in the sum of \$1,000, whichever is greater; and whatever other relief the court deems appropriate. In the case of an award of damages for mental or emotional distress, said award may be trebled if the trier of fact finds that the person acted in knowing violation of or in reckless disregard of this Rent Stabilization Ordinance. The trier of fact may also award punitive damages to any plaintiff, including the City, in a proper case as defined by California Civil Code section 3294. No administrative remedy need be exhausted prior to filing suit pursuant to this subsection.
- (c) Any person who is convicted of violating this Rent Stabilization Ordinance shall be guilty of a misdemeanor and upon conviction shall be punished by a fine of not greater than

\$1,000 or by imprisonment in the county jail for not more than six (6) months, or by both such fine and imprisonment.

- (d) Any person, including the City, may enforce the provisions of this Rent Stabilization Ordinance by means of a civil action. The burden of proof in such cases shall be by preponderance of the evidence. The prevailing party in any civil action brought pursuant to this section shall be entitled to recover reasonable attorney's fees and costs. A violation of this Rent Stabilization Ordinance may be asserted as an affirmative defense in an unlawful detainer action.
- (e) Any person who commits an act, proposes to commit an act, or engages in any pattern and practice that violates this Rent Stabilization Ordinance may be enjoined therefrom by any court of competent jurisdiction. An action for injunction under this subsection may be brought by any aggrieved person, by the City Attorney, or by any person or entity who will fairly and adequately represent the interest of the protected class.
- (f) This Rent Stabilization Ordinance may be enforced as provided in the Salinas Municipal Code in addition to other remedies provided herein, which shall be in addition to any other existing remedies which may be available.

#### Sec. 17-02.13. Rent Program Fee.

For the sole purpose of reimbursing the City for the costs of administering this Rent Stabilization Ordinance, there is hereby imposed on each Controlled Rental Unit subject to the provisions of this Rent Stabilization Ordinance, a regulatory fee ("Rent Program Fee") to cover the costs to provide and administer the programs created by this article or in such amount as the City Council may establish by resolution from time-to-time. Landlords subject to this Rent Stabilization Ordinance shall register all Rental Units subject to this article consistent with the City's Residential Rental Registration Program (Article I of Chapter 17 of the Salinas Municipal Code) with the City and pay the Rent Program Fee at such time and in such manner as established by City Council resolution. A Landlord may not recover any portion of the Rent Program Fee, or any associated late penalties, from Tenants.

#### Sec. 17-02.14. Implementation.

The City Manager and the City Attorney shall take or cause to be taken such actions necessary to implement this Rent Stabilization Ordinance and effectuate the intent of the City Council in adopting this Rent Stabilization Ordinance, including the preparation of informational materials and forms and promulgation of administrative regulations. The City Manager shall designate a City department to provide information and receive Tenant complaints pertaining to violation of this Rent Stabilization Ordinance. The City Manager and the City Attorney shall publicize this Article so that all residents of Salinas will have the opportunity to become informed about their legal rights and duties under this Article. The City Attorney shall prepare informational materials which fully describe the legal rights and duties of Landlords and Tenants under this Rent Stabilization Ordinance. The informational materials will be available to the public and each

Tenant of a Rental Unit shall receive a copy of the informational materials from their Landlord. Landlords shall provide the informational materials at the commencement of the tenancy and with each written notice of Rent increase. The informational materials will be made available on the City of Salinas website.

Sec. 17-02.14. Operative Date.

The operative date of the ordinance codified in this Article shall be January 1, 2025.

**SECTION 3.** All ordinances and parts of ordinances and all resolutions and parts of resolutions in conflict herewith are hereby repealed as of the effective date of this ordinance.

**SECTION 4.** Publication. The City Clerk shall cause a summary of this ordinance to be published once in a newspaper published and circulated in Salinas within fifteen (15) days after adoption. (Salinas Charter Section 11.9)

**SECTION 5.** CEQA Compliance. The City Council’s adoption of this ordinance is not a project subject to environmental review under the California Environmental Quality Act (CEQA Guidelines Section 15061(b)(3) because it would not have a significant effect on the environment. Additionally, the City Council’s adoption of this ordinance is exempt because it does not meet the definition of a “project” under CEQA, pursuant to CEQA Guidelines sections 15060(c)(1) and 15378(a), because it has no potential to result in a direct or reasonably foreseeable physical change in the environment.

**SECTION 6.** Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The Salinas City Council hereby declares that it would have passed this ordinance and each and every section, subsection, clause, and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

**SECTION 7.** Effective Date. This ordinance will take effect thirty (30) days from and after its adoption.

This Ordinance was INTRODUCED on the 10th day of September 2024, and was PASSED AND ADOPTED on the 24th day of September 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

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Andrew Sandoval, Mayor Pro Tempore

APPROVED AS TO FORM:

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Christopher A. Callihan, City Attorney

ATTEST:

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Patricia M. Barajas, City Clerk

**ORDINANCE NO. \_\_\_\_ (N.C.S.)**

**AN ORDINANCE ADDING ARTICLE IIB TO CHAPTER 17 OF THE SALINAS MUNICIPAL CODE RELATED TO JUST CAUSE EVICTION AND TENANT PROTECTION**

*City Attorney Impartial Analysis*

*This Ordinance applies to all Rental Units, except as specifically exempted, and establishes local criteria for just cause evictions and provides additional protections for tenants residing within applicable Rental Units beyond what State law currently provides. The Ordinance requires, among other things, additional notice requirements and the right for tenants to receive three months' rent as relocation assistance in the event of a no-fault, just cause evictions. The Ordinance provides penalties for failure to comply. The Ordinance is operative on January 1, 2025.*

**WHEREAS**, beginning in October 2023, the City Council began to explore the concepts of rent stabilization and tenant protections. At its meeting on October 24, 2023, the City Council received a report on the Salinas rental housing market and state laws that impact rent control and tenant protection. Following receipt of the report, the City Council directed City staff to develop specific recommendations on rent stabilization and tenant protection strategies, including a rent stabilization and a tenant protection ordinance. The City Council directed that the Housing and Land Use Committee would be the forum through which the City would engage with the community on these ordinances as work progressed and until such time as specific recommendations would come forward to the City Council for consideration; and

**WHEREAS**, the City Council's Housing and Land Use Committee first met on March 26, 2024, and received a report on a preliminary draft ordinance which consisted of three components: a rent stabilization ordinance, a tenant protection and just cause eviction ordinance, and a tenant anti-harassment ordinance ("Ordinances"); and

**WHEREAS**, following the March 26, 2024, Housing and Land Use Committee meeting, the City continued to engage with the community through listening sessions, community meetings, Technical Advisory Committee. (TAC) meetings, Housing and Land Use Committee meetings, and public hearings before the City Council. Throughout this community engagement process, the City heard testimony from property owners, landlords, property managers, housing developers, tenants, tenant advocacy groups, and others regarding the Salinas rental market and the scope of rent increases and resident displacement, both as a result of rent increases and aspects of evictions in State law. The City also heard testimony about the specific provisions of the preliminary and subsequent drafts of the Ordinances; and

**WHEREAS**, the housing shortage and rising costs of living in Monterey County, and Salinas in particular, has detrimentally impacted a substantial number of residents in Salinas; and

WHEREAS, the majority of households in Salinas are family households (79.3%) and Salinas has a larger proportion of lower income households compared to the rest of Monterey County; and

WHEREAS, the affordability crisis disproportionately affects people of color because these communities are over-represented in the renter population. Salinas residents are predominantly Latinx: As of 2020, 79% of Salinas' residents were of Latino or Hispanic origin. Latinx residents in Salinas make up larger shares of the renter population than in the city overall; and

WHEREAS, renter-occupied households in Salinas have lower incomes per capita than households who own their homes; consequently, rent stabilization and tenant protection ordinances will tend to benefit households with lower than median incomes. The average renter-occupied household in the City has a median annual income of \$64,509; and

WHEREAS, as of November 2022, the average rent for rental units in Salinas was \$2,564 per month; and

WHEREAS, average rents for multifamily rental units in Salinas have continually increased at a higher rate compared with the increase in the median income for renter-occupied households, with the exception of 2018 and 2022. Rents in multifamily buildings built before 1995 in Salinas have increased 117% between 2000 and 2024, with an average vacancy of only 3.3%; and

WHEREAS, rents in Salinas have increased an average of 5% each year since 2012, with a spike in rent between 2020 and 2021, with an almost 13% increase, and then resuming regular increase over the past two years. A little more than half of the City's renter-occupied households remain rent-burdened, paying 30% or more of their household income on housing. Rent-burdened households have less money to spend on other essentials like food, transportation, healthcare, and childcare; and

WHEREAS, the cost burden rate in the City is sufficiently high to create anxiety about rent increases as the increasing housing rent burden and poverty faced by many residents in the City threatens the health, safety, and welfare of its residents by forcing them to choose between paying rent and providing food, clothing, and medical care for themselves and their families; and

WHEREAS, housing instability threatens the public peace, health, safety, and welfare as eviction from one's home can lead to prolonged homelessness; increased residential mobility; loss of community; strain on household finances due to the necessity of paying rental application fees and security deposits; stress and anxiety experienced by those displaced increased commute times and traffic impacts if displaced workers cannot find affordable housing within the city in which they work; and interruption of the education of children in the home; and

WHEREAS, eviction creates particular hardships for individuals and households of limited means, given the shortage of affordable housing within Salinas and the region, generally; and

WHEREAS, the housing rent burden and poverty faced by many residents in Salinas threatens the health, safety, and welfare of its residents, particularly when resulting in eviction and displacement.



Evictions play an impactful role in the lives of low income renter households and can also contribute to poverty through disruptive effects such as job loss, adverse health effects, and negative consequences for children; and

WHEREAS, the City Council finds and determines that regulating the relations between residential landlords and tenants will increase certainty and fairness within the residential rental market in the City and thereby serve the public peace, health, safety, and welfare; and

WHEREAS, the Tenant Protection Act of 2019 is a statewide law that requires a landlord to have “just cause” in order to terminate a tenancy, and provides for a series of “at fault” and “no fault” reasons that a tenant may be evicted, and in the event of a “no fault” eviction, provides for relocation assistance equal to one month of rent; and

WHEREAS, the recent spike in the inflation rate has resulted in permissible rent increases of up to 10% under the Tenant Protection Act, which caused some residents to become fearful of needing to relocate for financial reasons; and

WHEREAS, tenants and housing advocates have provided testimony that some landlords have been constructively evicting tenants by engaging in harassing conduct in order to coerce vacancies, and thereby charge higher market rate rents; and

WHEREAS, this fear of displacement has been determined to be a threat to the City’s health and well-being; and

WHEREAS, Salinas residential tenants may be unwilling or unable to assert their legal rights due to such factors as imbalance in bargaining power and concerns of retaliation. The City Council finds that these imbalances in the rental housing market and in the bargaining power of landlords and tenants reduces stability, security, and habitability, which are detrimental to health, safety, and general welfare of Salinas residents; and

WHEREAS, the City Council finds that reasonable regulation of aspects of the residential landlord-tenant relationship is necessary to foster constructive communication, maintain an adequate supply of rental housing units, and protect the health, safety, and general welfare of the public and that there is a lack of adequate protections and remedies in the absence of City regulations; and

WHEREAS, a purpose of the City’s rent stabilization and tenant protection policies is to preserve the public peace, health, safety, and welfare of the City by deterring harassing behavior by landlords against residential tenants, encouraging residential landlord to follow the law and uphold their responsibility to provide habitable rental properties, and establishing more effective remedies for tenants who experience harassing behavior; and

WHEREAS, a further purpose of the City’s rent stabilization and tenant protection policies is to help maintain peaceful relations in the community and minimize breaches of the peace caused by self-help evictions; to protect vulnerable populations of the Salinas community; and

WHEREAS, it is in the interest of the City, property owners, residents, and the community as a whole that the City adopt rent stabilization, tenant protection and just cause eviction, and tenant anti-harassment protections to mitigate the incentive for a landlord to evict a tenant for the purpose of increasing a rental unit's rent to market rate; and

WHEREAS, pursuant to the City's police power, as granted broadly under Article XI, section 7 of the California Constitution, the City Council has the authority to enact and enforce ordinances and regulations for the public's peace, health, safety, and welfare of the City and its residents; and

WHEREAS, for the preservation of the public peace, health, safety, and welfare, the City Council finds that it is necessary to adopt ordinances adopting rent stabilization, eviction protections, and tenant anti-harassment protections that strengthen what already exists in state and federal law for the reasons set forth above, which are hereby incorporated by reference.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF SALINAS as follows:**

**SECTION 1.** The above recitals are true and correct and are incorporated herein by this reference.

**SECTION 2. Article IIB is hereby added to Chapter 17 of the Salinas Municipal Code to read as follows:**

Article IIB. Just Cause Eviction and Tenant Protection.

Sec. 17-02.50. Title; Purpose.

- (a) This Article shall be known as the "Just Cause Eviction and Tenant Protection Ordinance."
- (b) It is the purpose and the intent of this Article to provide housing stability in the Salinas rental market and limit adverse impacts on displaced tenants forced to find replacement housing in the expensive and limited Salinas housing market. Pursuant to California Civil Code section 1946.2(g)(1)(B), the City Council hereby makes the following findings: This Article requiring just cause for termination of a residential tenancy is consistent with and more protective than California Civil Code section 1946.2. This Article is more protective because it further limits the reasons for termination of a residential tenancy, provides for higher relocation assistance amounts, and provides additional tenant protections that are not prohibited by any other provision of law. The rights conferred by this Article are in addition to any existing rights provided to Tenants by state or federal law.

Sec. 17-02.51. Definitions.

The following words or phrases as used in this Article shall have the following meanings:

- (a) “Buyout Agreement.” A written agreement where a Landlord pays a Tenant money or other consideration to vacate a Residential Unit.
- (b) “Buyout Negotiations.” Any discussion or bargaining, whether oral or written. Between a Tenant and a Landlord regarding the possibility of entering into a Buyout Agreement. Buyout Negotiations begin upon the Landlord’s initiation of such discussion or bargaining and end at the earliest of the following events: when a Buyout Agreement is executed, when the Tenant vacates their Rental Unit, when the Tenant provides written notice to the Landlord that the Tenant no longer wishes to engage in Buyout Negotiations, or when the Landlord provides written notice to the Tenant that the owner no longer wishes to engage in Buyout Negotiations. A counteroffer by the Tenant does not end Buyout Negotiations.
- (c) “Disabled.” The same meaning as in California Government Code section 12955.3.
- (d) “Housing Service.” All amenities and services related to the use or occupancy of a Rental Unit and common areas that are provided by the landlord. Housing Services includes without limitation hot and cold water, heat, light, utilities that are paid by the Landlord, painting, elevator service, window shades and screens, refuse removal, janitorial service, maintenance, repairs, replacement, recreational areas (including pools or gyms), kitchen, bath, and laundry facilities, furnishings, storage space, parking (including one or more automobiles), employee services, security services, insurance, the payment of property taxes, and any other benefits or privileges permitted to the Tenant by agreement, whether express or implied, including the right to have a specific number of occupants and the right to one-for-one replacement of roommates, regardless of any prohibition against subletting and/or assignment. Housing Services also includes those basic Housing-Services required by California Civil Code §1941.1. Housing Services includes a proportionate part of services provided to common facilities of the building and Property in which the Rental Unit is contained.
- (e) “Landlord.” An owner, lessor, sublessor, or any other person entitled to receive Rent for the use and occupancy of any Rental Unit, or any agent, representative, or successor of any of the foregoing.
- (f) “Primary Residence.” Occupancy which does not require that the individual be physically present in the unit at all times or continuously, but the unit must be the individual’s usual place of return. Indicia of primary residence include:
- (1) The individual carries on basic living activities at the subject premises for extended periods;
  - (2) The subject premises are listed with other public agencies, including federal, state, and local taxing authorities as their primary residence;
  - (3) Utilities are billed to and paid by the individual at the subject premises;

- (4) Homeowner’s tax exemption for the individual has not been filed for a different property;
  - (5) The occupant is not registered to vote at any other location;
  - (6) Ownership must be held in the same name of the individual claiming primary residence and not held by a limited liability company or other corporate structure; and
  - (7) Other relevant factors illustrating primary residence.
- (g) “Property.” All Rental Units on a parcel or lot or contiguous parcels or contiguous lots under common ownership.
  - (h) “Rent” means all periodic payments and all nonmonetary consideration including, but not limited to, the fair market value of goods, labor performed or services rendered to or for the benefit of the Landlord under a Rental Housing Agreement, as defined in this section, concerning the use or occupancy of a Rental Unit and premises, including all payment and consideration demanded or paid for parking, utilities, pets, furniture, subletting, and security deposits for damages and cleaning.
  - (i) “Rental Housing Agreement.” An agreement, oral, written, or implied, between a Landlord and Tenant, for use or occupancy of a Rental Unit and for Housing Services.
  - (j) “Recognized Tenant Organization” means any group of tenants residing in rental units in the same building or in different buildings operated by the same management company, agent, or landlord, who choose to be so designated.
  - (k) “Rental Unit.” Any building, structure, or part thereof, or land appurtenant thereto, or any other rental Property rented or offered for Rent for residential purposes, including any dwelling or unit in a mobilehome park, together with all Housing Services connected with the use of occupancy of such Property such as common areas and recreational facilities held out for use by the Tenant.
  - (l) “Tenant.” A tenant, subtenant, lessee, sublessee, or any other person entitled under the term of a Rental Housing Agreement to the use of occupancy of any Rental Unit.
  - (m) “Utility Charges.” Any charges for gas, electricity, water, cable, or internet.

Sec. 17-02.52. Applicability; Exemptions.

- (a) Applicability of this Article. This Article applies to all residential Rental Units, except for those units that are exempted.

(b) Exemptions from this Article. The following residential Rental Units are exempt from all provisions of this Article:

- (1) A unit in a hotel, motel, inn, tourist home, or rooming and boarding house which is rented primarily to transient guests for a period of twenty-eight (28) consecutive calendar days or less, counting portions of calendar days as full days and other transient occupancies as defined in California Civil Code section 1940(b).

This exemption does not apply, however, to the following:

- (A) A Tenant who has lived at the property for more than thirty (30) consecutive calendar days;
  - (B) A Tenant who has entered into a Rental Housing Agreement to lease a Rental Unit for thirty (30) days or more; or
  - (C) Where a Landlord has violated California Civil Code section 1940.1 with regard to the Tenant.
- (2) Rental Units in a hospital, convent, monastery, extended medical care facility, non-profit home for the aged, or dormitory as defined in California Building Code section 202 that is solely owned and operated by an accredited institution of higher education.
  - (3) Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive.
  - (4) Housing accommodations in which the Tenant shares a bathroom or kitchen facilities with the owner who maintains their Primary Residence at the residential rental property.
  - (5) Single-family owner-occupied residences which the owner maintains as their Primary Residence, including a residence in which the owner-occupant rents or leases no more than two units or bedrooms, including, but not limited to, an accessory dwelling unit or junior accessory dwelling unit.

#### Sec. 17-02.53. Just Cause Required for Termination of Tenancy.

No Landlord shall take action to terminate any residential tenancy including, but not limited to, making a demand for possession of a Rental Unit threatening to terminate a residential tenancy verbally or in writing, serving any notice to quit or other eviction notice, or bringing any action to recover possession or be granted recovery of possession of a Rental Unit without just cause. For purposes of this Article, just cause includes at-fault and no-fault just cause.

- (a) At Fault Just Cause. At Fault Just Cause is any of the following:

(1) Failure to Pay Rent. The Tenant has failed to pay the Rent which the Landlord is legally entitled under the Rental Housing Agreement, this Article, or any other local law. However, this subsection shall not constitute grounds for eviction where the Tenant has withheld Rent pursuant to applicable law or where the amount of Rent demanded is less than one (1) month of fair market Rent for a unit of equivalent size in the Salinas metro area as determined by the U.S. Department of Housing and Urban Development.

(2) Breach of Lease. The Tenant has continued, after written notice to cease, to substantially violate any of the material terms of the Rental Housing Agreement, except the obligation to surrender possession on proper notice as required by law, and provided such terms are reasonable and legal and have been accepted in writing by the Tenant or made a part of the Rental Housing Agreement; and provided further, that, where such terms have been accepted by the Tenant or made a part of the Rental Housing Agreement subsequent to the initial creation of the tenancy, the Landlord shall have first noticed the Tenant in writing that he or she need not accept such terms or agree to their being made part of the Rental Housing Agreement.

(A) Notwithstanding any contrary provision in this section, a Landlord shall not take any action to terminate a tenancy based on a Tenant's sublease of the Rental Unit if the following requirements are met:

- (i) The Tenant continues to reside in the Rental Unit as his, her, or their primary residence;
- (ii) The sublease replaces one or more departed tenants under the Rental Housing Agreement on a one-for-one basis; and
- (iii) The Landlord has unreasonably withheld the right to sublease following written request by the Tenant. If the Landlord fails to respond to the Tenant in writing within fourteen (14) days of receipt of the Tenant's written request, the Tenant's request shall be deemed approved by the Landlord. A Landlord's reasonable refusal of the Tenant's written request may not be based on the proposed additional occupant's lack of creditworthiness, if that person will not be legally obligated to pay some or all of the Rent to the Landlord. A Landlord's reasonable refusal of the Tenant's written request may be based on, but is not limited to, the ground that the total number of occupants in a Rental Unit exceeds the maximum number of occupants as determined under Section 503(b) of the Uniform Housing Code as incorporated by California Health and Safety Code section 17922.

(B) Protections for Families. Notwithstanding any contrary provision in this section, a Landlord shall not endeavor to recover possession of a Rental

Unit as a result of the addition to the Rental Unit of the Tenant's child, parent, grandchild, grandparent, brother or sister, or the spouse or domestic partner (as defined in California Family Code section 297) of such relatives, or as a result of the addition of the spouse or domestic partner of the Tenant, so long as the number of occupants does not exceed the maximum number of occupants as determined under section 503(b) of the Uniform Housing Code as incorporated by California Health and Safety Code section 17922.

(C) Before endeavoring to recover possession based on the violation of a legal obligation or covenant of tenancy regarding subletting or limits on the number of occupants in the Rental Unit, the Landlord shall serve the Tenant a written notice of the violation that provides the Tenant with a minimum of fourteen (14) days' opportunity to cure the violation. The Tenant may cure the violation by making a written request to add occupants referenced in subsection (2)(A)(iii) of this section or by using other reasonable means to cure the violation including, but not limited to, the removal of any additional or unapproved occupant. Nothing in this subsection is intended to limit any other rights or remedies that the law otherwise provides to Landlords or to Tenants.

- (3) Nuisance. The Tenant has continued, after the Landlord has served the Tenant with a written notice to cease, to commit or expressly permit a nuisance in, or cause substantial damage to the Rental Unit.
- (4) Waste. The committing of waste as described in California Code of Civil Procedure section 116(4), as may be amended.
- (5) Criminal Activity; Criminal Threats. Criminal activity by the Tenant on the residential rental property, including any common areas associated with the residential rental property. A criminal threat, as defined in California Penal Code section 422(a), as may be amended, by the Tenant regardless of where made directed at the Landlord or any other Tenant of the residential rental property.
- (6) Assignment or Subletting in Violation of the Rental Housing Agreement. The Tenant's assignment or sublet of the residential rental property in violation of the Tenant's lease, as described in Section 17-02.53(a)(2)(A).
- (7) Failure to Give Access. The Tenant has continued to refuse without good cause, after the Landlord has served the Tenant with a written notice, to grant the Landlord reasonable access to the Rental Unit for the purposes of showing the Rental Unit to prospective purchasers, renters, or mortgagees, or making necessary repairs or improvements required by federal, state, or local laws. This shall include inspections by the City and other inspections needed so that the Landlord may comply with such laws. Unless due to a documented emergency affecting the Tenant's health and/or safety, all repair or improvement work will be scheduled in

compliance with applicable City regulations. To terminate a tenancy under this subsection, a Landlord must show that written notice was provided to the Tenant and all necessary repair or improvement work was scheduled in compliance with this subsection and all applicable City regulations. Landlords may not use lock-boxes on occupied Rental Units.

- (8) **Illegal Purpose.** The Tenant is convicted of using or expressly permitting the Rental Unit to be used for any illegal purpose. Residing in a Rental Unit that lacks a certificate of occupancy, has not been approved by the City for residential use, or that has been cited for housing, building, or Zoning Code violations does not constitute use of the premises for an illegal purpose.
  
- (b) **No Fault Just Cause.** No Fault Just Cause is any of the following actions taken by the Landlord in good faith, meaning the Landlord acts without ulterior motives and with honest intent.
  - (1) **Owner Move-In.** The Landlord seeks to recover possession in good faith for use and occupancy as a Primary Residence by the Landlord or the Landlord’s spouse, domestic partner, child (by blood or adoption), grandchild (by blood or adoption), parent, or grandparent.
    - (A) For Rental Housing Agreements entered into on or after the Operative Date of this Article, this subsection (b)(1) shall only apply if the Tenant agrees to termination in writing or if the Rental Housing Agreement expressly allows the Landlord to terminate the Rental Housing Agreement if the Landlord unilaterally decides to occupy the residential rental property for the Landlord, or their spouse, domestic partner, child (by blood or adoption), grandchild (by blood or adoption), parent, or grandparent.
    - (B) Landlord, as used in this subsection, shall only include a Landlord that is a natural person who has at least fifty-one (51) percent recorded ownership interest in the property.
    - (C) The notice terminating tenancy shall contain the name, address or primary residence, and relationship to the Landlord of the person intended to occupy the Rental Unit, a list of all real property owned by each intended future occupant, and the address of the real property, if any, on which each intended future occupant claims a homeowner’s property tax exemption.
    - (D) The Landlord or enumerated relative must intend in good faith to move into the Rental Unit within ninety (90) days after the Tenant vacates and occupy the Rental Unit as a primary residence for at least thirty-six (36) consecutive months.



(E) If the Landlord or enumerated relative specified in the notice terminating tenancy fails to occupy the unit for at least a thirty-six (36) consecutive month period, or fails to occupy the Rental Unit within ninety (90) days after the Tenant vacates, the Landlord shall:

- (i) Offer the Rental Unit to the Tenant who vacated it at the same Rent and the same terms in effect at the time the Tenant vacated; and
- (ii) Pay to said Tenant all reasonable expenses incurred in moving to and from the Rental Unit, including the lease termination fees. This subsection does not limit any other remedies a Tenant may have under this Article or other applicable law.

(F) No eviction may take place for an “owner move in” if the same Landlord or enumerated relative already occupies a Rental Unit on the Property, or if a vacancy already exists on the Property. Once a Landlord or enumerated relative has successfully recovered possession of a Rental Unit for an “owner move in” pursuant to this section, no other current Landlords or enumerated relatives may recover possession of any other Rental Unit in the building under this section. Only one (1) specific unit per building may undergo an eviction under this section. Any future evictions taking place in the same building under this section must be of that same unit. At all times a Landlord may request a reasonable accommodation if the Landlord or enumerated relative is disabled or another unit is necessary to accommodate the person’s disability.

(G) The Landlord may not recover possession for an “owner move-in” pursuant to this section if a comparable unit, owned by the Landlord and located within the city of Salinas, was, at the time of the Landlord’s decision to seek to recover possession of the Rental Unit, already vacant and available, or if a comparable unit, owned by the Landlord in the city of Salinas, thereafter becomes vacant at any time until the earlier of the Tenant’s surrender of possession of the premises or the entry of a judgment of a court of competent jurisdiction awarding possession of the premises to the Landlord. In an action by or against the Tenant, evidence that a comparable unit was vacant and available within ninety (90) days prior to the date of a notice terminating the Tenant’s tenancy shall create a presumption that such unit was vacant and available at the time of the Landlord’s decision to seek to recover possession of the premises. “Presumption” means that the court must find the existence of the presumed fact unless and until the contrary is proven by a preponderance of the evidence.

(2) Temporarily Vacate in Order to Undertake Substantial Repairs; Demolition.

(A) The Landlord, after having obtained all necessary permits from the City and other governmental agencies, seeks in good faith to demolish or to undertake substantial repairs which are necessary to bring the Property into compliance with applicable codes and laws affecting the health and safety of Tenants of the building or where necessary under an outstanding notice of code violations affecting the health and safety of Tenants of the building, and where such repairs cannot be completed while the Tenant resides on the Property. For purposes of this section, “substantially remodel” means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws. Cosmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as a substantial remodel.

(i) The Landlord shall give written notice to the Tenant at least thirty (30) days prior to the proposed date of commencement of such substantial repair which notice shall include a description of the repairs to be completed and the approximate expected duration of the repairs, together with a copy of the permit(s) required or, if the substantial remodel does not require any permit, a copy of the signed contract with the contractor hired by the Landlord to complete the substantial repairs that reasonably details the work that will be undertaken.

(B) Where such repairs can be completed in a period of sixty (60) or fewer days, and the Tenant agrees in writing to vacate the premises during the period required to complete the repairs, the Landlord may not recover possession pursuant to this section unless the Tenant shall fail or refuse to vacate the premises in accordance with such agreement.

(C) Where the Landlord owns any other residential Rental Units in the city of Salinas, and such Rental Unit is vacant and available at the time of service of the written notice terminating the tenancy, or any other time thereafter until the earlier of the Tenant’s vacating the premises or the entry of a judgment by a court of competent jurisdiction awarding possession of the premises to the Landlord, the Landlord shall, as a condition of obtaining possession pursuant to this subsection notify the Tenant in writing of the existence and address of such vacant Rental Unit and offer the Tenant the right, at the Tenant’s option:

(i) To enter into a Rental Housing Agreement (to be designated as a “temporary housing agreement”) on any available Rental Unit which the Tenant may choose, at a Rent not to exceed the lesser

of the lawful Rent which may be charged for such available Rental Unit or the lawful Rental in effect, at the time of the notice of termination of tenancy, on the unit being vacated, said Rental Housing Agreement to be for a term of the lesser of ninety (90) days or until completion of repairs on the Rental Unit being vacated by the Tenant;

- (ii) To enter into a new Rental Housing Agreement for such available Rental Unit at a Rent not to exceed the lawful Rent which may be charged for such available Rental Unit.

(D) Where the Landlord recovers possession under this subsection the Tenant must be given the right of first refusal to re-occupy the Rental Unit upon completion of the reconstruction or the required work.

#### Sec. 17-02.54. Requirements Upon Termination of Tenancy.

- (a) Requirements Upon Termination of Tenancy for At Fault Just Cause. If a Landlord issues a termination notice for at fault just cause, the Landlord shall do the following:

- (1) Notice to Tenant. Before a Landlord issues a notice to terminate a tenancy for at fault just cause that is a curable lease violation, the Landlord shall first give written notice of the violation within a reasonable time period prior to serving a notice to terminate tenancy, with a minimum of ten (10) days' opportunity to cure the violation, and shall inform the Tenant that a failure to cure may result in the initiation of eviction proceedings, including a description of the violation and an opportunity to cure the violation. The notice shall also include any information necessary to determine the date, time, place, witnesses present, and other circumstances concerning the reason for the notice. The ten (10) day written warning notice requirement shall not apply if the Landlord is seeking to recover possession based on the Tenant causing or creating an imminent risk of physical harm to persons or property.

- (2) Additional Notice to Tenant. The Landlord shall give written notice to the Tenant at least thirty (30) or sixty (60) days prior to the proposed date of termination as required by California Civil Code section 1946.1, as may be amended, in no less than 12-point font. The written notice shall contain the following:

- (A) The Landlord shall provide a description of the basis for the termination. In any notice purporting to terminate a tenancy the Landlord shall state the cause for the termination, and in any action brought to recover possession of a Rental Unit, the Landlord shall allege and prove compliance with this section and that the Landlord seeks to recover possession of the Rental Unit with good faith, honest intent, and with no ulterior motive for the reason stated in the termination notice.

(b) Requirements Upon Termination of Tenancy for No Fault Just Cause. If a Landlord issues a termination notice for no fault just cause, the Landlord shall do the following:

(1) Notice to Tenant. The Landlord shall give written notice to the Tenant at least thirty (30) or sixty (60) days prior to the proposed date of termination as required by California Civil Code section 1946.1, as may be amended, in no less than 12-point font. The written notice shall contain the following:

(A) The Landlord shall provide a description of the basis for the termination. In any notice purporting to terminate a tenancy the Landlord shall state the cause for the termination, and in any action brought to recover possession of a Rental Unit, the Landlord shall allege and prove compliance with this section and that the Landlord seeks to recover possession of the Rental Unit with good faith, honest intent, and with no ulterior motive for the reason stated in the termination notice.

(B) The notice shall state the Tenant's right to relocation assistance by a direct payment to the Tenant.

(C) The notice shall state the Tenant's right to receive an offer to renew the tenancy and thirty (30) days to accept the offer in the event the residential Rental Unit is offered again for rent or lease for residential purposes within five (5) years of the date the Tenant was evicted under Section 17-02.53(b) and that to exercise such right, the Tenant:

- (i) Shall notify the Landlord in within thirty (30) days of the termination notice of the Tenant's desire to receive an offer to renew the tenancy;
- (ii) Provide the Landlord a mailing address or email address for the Landlord to send the offer; and
- (iii) Provide the Landlord a change of mailing address or email address.

Rent shall be the Rent lawfully paid by the Tenant at the time the Landlord gave notice to vacate plus any lawful adjustment under the Rent Stabilization Ordinance. The terms of the Rental Housing Agreement shall be the same terms in effect as of the date of the notice to vacate. All notices of termination of tenancy served under this section shall state the lawful Rent in effect at the time of termination of tenancy.

(2) Filing Termination Notices with the City. The Landlord shall file with the City Attorney a copy of any notice of terminating tenancy upon a Tenant and any

accompanying materials, including all warning notices, within three (3) days of service of the notice on the Tenant. Each notice shall be indexed by property address and by the name of the Landlord.

(c) Relocation Assistance for Termination for No Fault Just Cause.

(1) A Landlord seeking to recover possession under section 17-02.53(b) shall, regardless of the Tenant's income or length of tenancy provide relocation assistance to the Tenant in an amount equal to three months of actual Rent under the Tenant's Rental Housing Agreement in effect at the date of the notice.

(2) The relocation assistance required by this section shall not relieve the Landlord's obligation to, and shall be in addition to, the return of any deposit or security amounts owed to the Tenant.

(d) Additional Requirement Upon Termination of a Tenancy for No Fault Just Cause. If a residential rental property is offered for rent or lease for residential purposes within five (5) years of the date the Tenant was evicted under section 17-02.53(b), a Landlord shall first offer to lease the residential real property in writing to the Tenant displaced from the Rental Unit by the no fault just cause termination if the Tenant:

(1) Advise the Landlord in writing within thirty (30) days of the termination notice of the Tenant's desire to receive an offer to renew the tenancy; and

(2) Provide the Landlord a mailing address or email address for the Landlord to send the offer, including any change of mailing address or email address.

(e) In addition to other remedies applicable to Landlord's failure to comply with this Article, a Landlord's failure to strictly comply with this section shall render void any notice of termination required by this section.

Sec. 17-02.55. Notice to Tenant of Residential Tenant Protections.

(a) A Landlord of residential rental property subject to this Article shall provide written notice in no less than 12-point font to the Tenant, and in a manner that complies with California Civil Code section 1632, as may be amended, that states as follows:

Salinas law limits the amount your Rent can be increased. See Article IIA of Chapter 17 of the Salinas Municipal Code section for more information. Salinas law also provides that a Landlord shall provide a statement of cause in any notice to terminate a tenancy. In addition, Tenants evicted on a no fault basis have the right to return at the same rent, and the right to relocation payments. See Salinas Municipal Code section 17-02.54(b) for more information.

- (b) For a tenancy in a residential rental property subject to this Article existing on or before the effective date of this ordinance, the notice required by subsection (a) of this section shall be provided to the Tenant directly or as an addendum to the Rental Housing Agreement within thirty (30) days of the effective date of this ordinance.
- (c) For a tenancy in a residential rental property subject to this Article commencing or renewed after the effective date of this ordinance, the notice required by subsection (a) of this section shall be included in the Rental Housing Agreement, or as a written notice provided to the Tenant at the time the Rental Housing Agreement is entered into.
- (d) Landlords must provide to each Tenant a current notice of Tenant and Tenant household rights under this Article in accordance with the requirements of this section:
  - (1) Within thirty (30) calendar days of this Article taking effect;
  - (2) When entering into a Rental Housing Agreement;
  - (3) When renewing a Rental Housing Agreement;
  - (4) When providing notice of a Rent increase;
  - (5) When a Landlord lists the Property for sale; and
  - (6) Within thirty (30) days of acquiring title to the Rental Unit or Property.
- (e) Notices provided under this section shall be in English and in Spanish. If the Rental Housing Agreement governing a Rental Unit to which this Article applies is in a language other than English or Spanish, the Landlord must provide an accurate translation of the notice of Tenant's rights in the language of the Rental Housing Agreement.
- (f) Failure to comply with the notice requirements in this section shall render any rental increase notice invalid and unenforceable until such non-compliance is cured. Failure to comply with the notice requirements of this section may only be cured by providing notice of Tenants' rights in accordance with this section.

Sec. 17-02.56. Buyout Agreements.

It is the purpose and the intent of this section to regulate Buyout Agreements, to increase the fairness of Buyout Negotiations and Buyout Agreements, to ensure that Tenants who enter into Buyout Agreements are aware of their rights, and to prevent Landlords from contracting around the legal rights and remedies available to Tenants under existing law.

- (a) Disclosure Prior to Buyout Negotiations. Prior to initiating Buyout Negotiations, the Landlord shall provide each Tenant in a Residential Unit a written disclosure that shall include the following:

- (1) A statement that the Tenant has a right to refuse to enter into a Buyout Agreement or to engage in Buyout Negotiations;
  - (2) A statement that the Tenant may choose to consult with an attorney before entering into a Buyout Agreement or engaging in Buyout Negotiations;
  - (3) A statement that the Landlord may not retaliate against the Tenant for refusing to enter into or negotiate a Buyout Agreement;
  - (4) A statement that offering payments to a Tenant to vacate more than once in a six (6) month period after the Tenant has notified the Landlord in writing that the Tenant refuses to enter into a Buyout Agreement or engage in Buyout Negotiations constitutes harassment under the City's Anti-Harassment Ordinance;
  - (5) A statement that the Tenant is eligible for relocation assistance and the amount of the required relocation assistance in section 17-02.54 of this Article;
  - (6) The names of all people authorized to discuss the buyout offer and enter into a Buyout Agreement on the Landlord's behalf;
  - (7) A statement that the Tenant may find information regarding Tenants' rights and contact information for Tenants' assistance organizations at the City's website, as well as information regarding the City's other relevant online resources;
  - (8) A space for each Tenant to sign and write the date the Landlord provided the Tenant with the disclosure; and
  - (9) A space for the Landlord to sign and write the date on which the Landlord provided the Tenant with the disclosure.
- (b) The Landlord shall provide each Tenant a fully executed copy of the disclosure form within three (3) days of its execution and retain a copy of each signed disclosure form for five (5) years, along with a record of the date the Landlord provided the disclosure to each Tenant.
- (c) Requirements for Buyout Agreements. The Landlord shall comply with the following. A Buyout Agreement that does not strictly comply with all the requirements of this section shall be void.
- (1) The Buyout Agreement shall be in writing.
  - (2) A copy of the executed Buyout Agreement shall be given to each Tenant at the time the Tenant signs the Buyout Agreement.

(3) The Buyout Agreement shall include the following statements in bold letters at least 14-point font in close proximity to the space reserved for the signature of the Tenant:

(A) You, the Tenant, have a right not to enter into this Buyout Agreement.

(B) If you, the Tenant, are entitled to relocation assistance under federal, state, or local law, a Buyout Agreement for less than the amount of the relocation assistance to which you are entitled violated this Article and is void.

(C) You, the Tenant, may choose to consult with an attorney before signing this Buyout Agreement.

(4) If the Tenant primarily negotiates the Buyout Agreement, orally or in writing, in a non-English language, the Landlord shall provide the Tenant with an English and a translated version of the Buyout Agreement at the same time.

(d) Void Buyout Agreements. Buyout Agreements must be for an amount that is greater than the amount of relocation assistance available to the Tenant under this Article. A Buyout Agreement for less than the amount of relocation assistance owed to the Tenant violates this Article and is void.

(e) No Waiver. The provisions of this section may not be waived in a Buyout Agreement. Any term of a Buyout Agreement, lease, contract, or other Rental Housing Agreement which purports to waive or to limit a Tenant's rights under this section is contrary to public policy, unenforceable, and void.

Sec. 17-02.57. Ellis Act Provisions. Withdrawal of a Residential Rental Structure from the Rental Market.

California Government Code Sections 7060, et seq. (the "Ellis Act") permits the City, among other things, to require Landlords to provide all Tenants with 120 days' notice, or one year if the Tenants lived in the accommodations for at least one year and are more than 62 years of age or disabled, when Rental Units subject to the Rent Stabilization Ordinance are to be withdrawn from the rental market. The Ellis Act also permits the City to impose other restrictions, conditions and requirements upon the Property. It is the purpose of this section to implement provisions of the Ellis Act and shall be interpreted so as to provide the City with the broadest range of authority permitted under these provisions and to intrude the least into the City's authority in all other applications of its power. The City Attorney may develop forms and regulations to assist in the implementation of these provisions.

Pursuant to California Government Code section 7060, the Ellis Act and this Section shall not apply to a Residential Hotel as defined in accordance with California Health and Safety Code section 50519.

(a) This Section 17-02.57 shall only apply to and shall only be exercised for the concurrent withdrawal of all Rental Units in all buildings or structures on a parcel of land from the rental



market except where there is more than one building on a parcel and all buildings contain four or more rental units, in which case the Landlord may withdraw all of the units in one or more of the buildings.

- (b) Not less than 120 days from the date the Landlord intends to withdraw the Rental Units in a building or structure from the rental market, and after completion of all required proceedings, if any, the Landlord shall:
- (1) By first class mail, postage prepaid, or by personal delivery, provide written notice under penalty of perjury to the city of such intent, which notice shall contain the following information: Address and legal description of the subject Property, number of Rental Units being removed, the names of all Tenants residing in the units being removed, and the current Rent applicable to each such unit. If a unit is not occupied at the time notice is given, for purposes of the City's recordkeeping needs, the notice shall state the last Rent paid for such unit. Said notice shall be accompanied by a fee in an amount to be determined by resolution of the City Council, to reimburse the City for the direct and actual costs of tenant counseling and relocation assistance associated with an eviction under this Section 17-02.57.
  - (2) Record with the Monterey County Registrar-Recorder a written notice prepared by and containing such information as is prescribed by the city summarizing the Landlord's notice of intent and certifying that evictions have commenced or will commence in accordance with applicable law.
  - (3) Provide written notice of termination of tenancy to all affected Tenants, which notice shall contain the following information:
    - (i) That the Landlord is evicting the Tenant pursuant to this Section 17-02.57 and will provide the City with the written notice required in subparagraph (b)(1) above;
    - (ii) A summary of the specific information to be provided to the City in that notice regarding the Tenant's unit;
    - (iii) That within thirty (30) days of receipt of notice to terminate, the Tenant may notify the Landlord in writing that the Tenant would be interested in re-renting the unit if any of the units are re-offered for rent at a future time and advising the Tenant to notify the Landlord of future address changes. A Tenant shall also provide the City with a copy of the written notice. Failure to submit a copy of the written notice to the City does not affect the Tenant's right of first refusal if the Landlord was properly notified;
    - (iv) A description of the Tenant's rights as set forth in subparagraphs (c) and (d) below. The notice shall be accompanied by a relocation fee in accordance with subsection (b)(1) above; and

- (v) A description of the Tenant's rights under subparagraph (b)(4).
- (4) If the Tenant is at least sixty-two years old or disabled, and has lived in the Rental Unit at least one year before the Landlord gave the City notice of intent to withdraw the unit from the rental market, the Tenant may extend the time before he or she must vacate. The extension shall be to one year from the date when the Landlord gave the City proper notice of intent to withdraw. In order to obtain the extension, the Tenant must give the Landlord written notice that he or she is at least sixty-two years old or disabled, and must do so no more than sixty (60) days after the Landlord gave the City notice of intent to withdraw. Then, the following provisions shall apply:
- (i) The tenancy shall be continued on the same terms and conditions as existed on the date of delivery to the city of the notice of intent to withdraw, subject to any adjustments otherwise available under this Article;
  - (ii) No party shall be relieved of the duty to perform any obligation under the lease or Rental Housing Agreement;
  - (iii) The Landlord may elect to extend the date of withdrawal on any other accommodation within the same building up to one year after the date of delivery to the City of the notice of intent to withdraw, subject to paragraphs (i) and (ii);
  - (iv) Within thirty (30) days of the notification by the Tenant to the Landlord of his or her entitlement to an extension, the Landlord shall give written notice to the City of the claim that the Tenant is entitled to stay in their Rental Unit for one year after the date of delivery to the City of the notice of intent to withdraw;
  - (v) Within ninety (90) days of the date of delivery to the City of the notice of intent to withdraw, the Landlord shall give written notice to the City and the affected Tenant(s) of the Landlord's election to extend the date of withdrawal and the new date of withdrawal under paragraph (iii).
- (c) A Landlord seeking to recover possession under this section shall, regardless of the Tenant's income or length of tenancy provide relocation assistance to the Tenant in an amount equal to three months of actual Rent under the Tenant's Rental Housing Agreement in effect at the date of the notice.
- (d) In the event that any of the withdrawn Rental Unit are re-offered for rent by the Landlord within two years from the effective date of withdrawal, the Landlord shall:
- (1) Provide written notice of such action to the City not less than thirty (30) days prior to re-renting the Rental Units;
  - (2) Offer the Rental Units at the same terms and conditions as of the date of withdrawal plus any general across-the-board adjustment that would have applied had the Rental

Units not been withdrawn;

- (3) Provide those Tenants who provided a notice of interest in re-renting pursuant to subparagraph (b)(3)(iii) above the right to first refusal to re-rent the Rental Unit by certified or registered mail, postage prepaid, to the last address provided by the Tenant, in which case the Tenant shall have no less than thirty (30) days within which to accept the offer, by personal service or certified or registered mail;
  - (4) Be liable in a civil action if commenced within three years of displacement to any Tenant evicted due to withdrawal of a Rental Unit pursuant to this Section 17-02.57 for actual damages which were the proximate result of the displacement, in accordance with the principles enunciated in Sections 7262 and 7264 of the California Government Code, and exemplary damages; and
  - (5) Be liable in a civil action, if commenced within three years of displacement, to the City for exemplary damages for each of the withdrawn units.
- (e) In the event any of the withdrawn Rental Units are re-offered for rent by the Landlord within five (5) years after any notice of intent to withdraw the accommodation is filed with the City or within five (5) years after the Rental Units are withdrawn, whichever is later, the Landlord shall:
- (1) Provide not less than thirty (30) days' prior written notice of such action to the City prior to re-renting the Rental Units;
  - (2) Offer the Rental Units at the same terms and conditions as of the date the notice of intent to withdraw is filed with the City, plus any general adjustments that would have applied under this Article had the Rental Units not been withdrawn;
- (f) If any of the withdrawn Rental Units are re-offered for rent less than ten (10) years from the effective date of removal, the Landlord shall provide those tenants who provided notice of interest in re-renting pursuant to subparagraph (b)(3)(iii) the right of first refusal to re-rent the Rental Unit, by certified or registered mail, postage prepaid, to the last address provided by the Tenant, in which case the Tenant shall have no less than thirty (30) days within which to accept the offer by personal service or certified or registered mail. Failure of the Landlord to provide the Tenant with this right of first refusal shall render the Landlord liable in a civil action to the tenant in punitive damages in an amount not to exceed six (6) months' rent.
- (1) The Landlord shall provide not less than thirty (30) days' prior written notice of such action to the City prior to re-renting the Rental Units.
- (g) This Section 17-02.57 shall in no respect relieve a Landlord from complying with the requirements of any applicable state law or of any Rental Housing Agreement.
- (h) The remedies provided for in this Section 17-02.57 shall not be exclusive and shall not preclude a Tenant from pursuing any alternative remedy available under the law. Failure by any Landlord to comply with the requirements of this Section 17-02.57 shall constitute a defense in any unlawful detainer action brought to evict a tenant under this Section 17-02.57.
- (i) For the purpose of this Section 17-02.57, the term "landlord" shall be interpreted to include any

and all successors-in-interest of any landlord.

- (j) The notice to the City provided for in this section shall be accompanied by a processing fee in an amount determined by resolution of the City Council.

Sec. 17-02.58. Remedies.

- (a) Affirmative Defense. A Landlord's failure to comply with the requirements of this article shall be an affirmative defense to an unlawful detainer action by a Landlord. A Tenant who prevails in a case for wrongful eviction due to the Landlord's non-compliance with this article shall recover costs and reasonable attorney's fees.
- (b) Whenever a Landlord or anyone assisting a Landlord wrongfully endeavors to recover possession or recovers possession of a Rental Unit in violation of this Article, The Tenant or the City may institute a civil proceeding for injunctive relief, money damages or not less than three times actual damages (including damages for mental or emotional distress), and whatever other relief the court deems appropriate. In the case of an award of damages for mental or emotional distress, said award shall only be trebled if the trier of fact finds that the Landlord acted in knowing violation of or in reckless disregard of this article. The prevailing party shall recover reasonable attorney's fees and costs pursuant to order of the court.
- (c) The remedies available in this section shall be in addition to any other existing remedies which may be available to the Tenant.
- (d) City Authorization to Enforce this Article. The City shall have the right and authority, but not the duty, to enforce the requirements of this article by bringing actions for injunctive relief on behalf of the city or tenants or tenant households to which this article applies, and by seeking compliance by landlords with the requirements of this article through administrative remedies or by citation. The city in its sole discretion may choose to enforce the provisions of this article through administrative fines or other remedies provided in the Salinas Municipal Code. The city's decision to pursue or not pursue enforcement of any kind shall not affect the rights of tenants or tenant households to whom this article applies to pursue civil remedies for violations of this article.
- (e) Other private rights of action. Nothing in this article shall be deemed to limit the right of a landlord to file an action against a tenant or non-tenant third party for damage to the landlord's property, or to otherwise seek recovery from tenants or third parties as permitted by a lawful rental agreement or applicable provisions of law.
- (f) It shall be unlawful for a Landlord to refuse to rent or lease or otherwise deny to or withhold from any person any Rental Unit because the age of a prospective Tenant would result in the Tenant acquiring rights under this Article.
- (g) It shall be unlawful for a Landlord or any other person who willfully assists the Landlord to endeavor to recover possession or to evict a Tenant except as provided in this article.
- (h) No cause of action against the city. To the maximum extent permitted by law, nothing in

this article shall be construed to create a cause of action against the City, or a basis for seeking an award of attorney's fees against the City pursuant to the private attorney general's statute in Code of Civil Procedure section 1021.5, or on any other basis arising from or related to an alleged violation of the requirements of this article, and/or based on or related to the City's prosecution or enforcement or alleged failure to prosecute or enforce any such alleged violation, and/or based on or related to the City's implementation or alleged failure to implement the requirements of this article.

Sec. 17-02.59. Administrative Regulations and Forms.

The City Manager and the City Attorney are authorized to promulgate guidelines and regulations to implement this article, including publication of form notices and other documents. Any and all forms, notices, and other documents necessary or helpful in the administration of this article may be adopted by the City Manager and the City Attorney.

Sec. 17-02.60. Retaliation Prohibited.

- (a) No landlord may threaten to bring, or bring, an action to recover possession, cause the tenant to quit the unit involuntarily, serve any notice to quit or notice of termination of tenancy, decrease any housing services or increase the rent where the landlord's intent is retaliation against the tenant for the tenant's assertion or exercise of any right under this title.
- (b) Any action of retaliation described in subsection (a) shall be a defense to an action to recover possession, or it may serve as the basis for an affirmative action by the tenant or actual and punitive damages and injunctive relief.
- (c) A tenant may assert retaliation affirmatively or as a defense to the landlord's action regardless of the period of time which has elapsed between the tenant's assertion or exercise of rights under this chapter and the alleged act of retaliation.

Sec. 17-02.61. Affirmative Defense.

Failure to comply with any requirement of this article may be asserted as an affirmative defense in an action brought by a Landlord to recover possession of the Rental Unit.

Sec. 17-02.62. Non-waiverability.

Any provision, whether oral or written, in or pertaining to a Rental Housing Agreement whereby any provision of this article for or of the benefit of the Tenant is waived, shall be deemed to be against public policy and shall be void.

Sec. 17-02.63. Operative Date.

The operative date of the ordinance codified in this Article shall be January 1, 2025.

**SECTION 3.** All ordinances and parts of ordinances and all resolutions and parts of resolutions

in conflict herewith are hereby repealed as of the effective date of this Ordinance.

**SECTION 4. Publication.** The City Clerk shall cause a summary of this ordinance to be published once in a newspaper published and circulated in Salinas within fifteen (15) days after adoption. (Salinas Charter Section 11.9)

**SECTION 5. CEQA Compliance.** The City Council’s adoption of this ordinance is not a project subject to environmental review under the California Environmental Quality Act (CEQA Guidelines section 15061(b)(3).) Additionally, the City Council’s adoption of this ordinance is exempt because it does not meet the definition of a “project” under CEQA, pursuant to CEQA Guidelines sections 15060(c)(1) and 15378(a), because it has no potential to result in a direct or reasonably foreseeable physical change in the environment.

**SECTION 6. Severability.** If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The Salinas City Council hereby declares that it would have passed this ordinance, and each and every section, subsection, clause, and phase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

**SECTION 7. Effective Date.** This Ordinance will take effect thirty (30) days from and after its adoption.

This Ordinance was INTRODUCED on the 10<sup>th</sup> day of September 2024, and was PASSED AND ADOPTED on the 24<sup>th</sup> day of September, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

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Andrew Sandoval, Mayor Pro Tempore

APPROVED AS TO FORM:

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Christopher A. Callihan, City Attorney

ATTEST:

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Patricia M. Barajas, City Clerk

**ORDINANCE NO. \_\_\_\_\_ (N.C.S.)**

**AN ORDINANCE ADDING ARTICLE IIC TO CHAPTER 17 OF THE SALINAS MUNICIPAL CODE RELATED TO TENANT ANTI-HARASSMENT PROTECTIONS**

*City Attorney Impartial Analysis*

*This Ordinance applies to all residential Rental Units and prohibits harassment of tenants by landlords. This Ordinance augments existing protections provided to residential Tenants under federal, state, and local laws to prohibit and to deter Tenant harassment by Landlords in all residential Rental Units, including single-family residences and condominiums. The Ordinance provides penalties for non-compliance. The Ordinance is operative January 1, 2025.*

**WHEREAS**, beginning in October 2023, the City Council began to explore the concepts of rent stabilization and tenant protections. At its meeting on October 24, 2023, the City Council received a report on the Salinas rental housing market and state laws that impact rent control and tenant protection. Following receipt of the report, the City Council directed City staff to develop specific recommendations on rent stabilization and tenant protection strategies, including a rent stabilization and a tenant protection ordinance. The City Council directed that the Housing and Land Use Committee would be the forum through which the City would engage with the community on these ordinances as work progressed and until such time as specific recommendations would come forward to the City Council for consideration; and

**WHEREAS**, the City Council’s Housing and Land Use Committee first met on March 26, 2024, and received a report on a preliminary draft ordinance which consisted of three components: a rent stabilization ordinance, a tenant protection and just cause eviction ordinance, and a tenant anti-harassment ordinance (“Ordinances”); and

**WHEREAS**, following the March 26, 2024, Housing and Land Use Committee meeting, the City continued to engage with the community through listening sessions, community meetings, Technical Advisory Committee. (TAC) meetings, Housing and Land Use Committee meetings, and public hearings before the City Council. Throughout this community engagement process, the City heard testimony from property owners, landlords, property managers, housing developers, tenants, tenant advocacy groups, and others regarding the Salinas rental market and the scope of rent increases and resident displacement, both as a result of rent increases and aspects of evictions in State law. The City also heard testimony about the specific provisions of the preliminary and subsequent drafts of the Ordinances; and

**WHEREAS**, the housing shortage and rising costs of living in Monterey County, and Salinas in particular, has detrimentally impacted a substantial number of residents in Salinas; and

**WHEREAS**, the majority of households in Salinas are family households (79.3%) and Salinas has a larger proportion of lower income households compared to the rest of Monterey County; and



WHEREAS, the affordability crisis disproportionately affects people of color because these communities are over-represented in the renter population. Salinas residents are predominantly Latinx: As of 2020, 79% of Salinas' residents were of Latino or Hispanic origin. Latinx residents in Salinas make up larger shares of the renter population than in the city overall; and

WHEREAS, renter-occupied households in Salinas have lower incomes per capita than households who own their homes; consequently, rent stabilization and tenant protection ordinances will tend to benefit households with lower than median incomes. The average renter-occupied household in the City has a median annual income of \$64,509; and

WHEREAS, as of November 2022, the average rent for rental units in Salinas was \$2,564 per month; and

WHEREAS, average rents for multifamily rental units in Salinas have continually increased at a higher rate compared with the increase in the median income for renter-occupied households, with the exception of 2018 and 2022. Rents in multifamily buildings built before 1995 in Salinas have increased 117% between 2000 and 2024, with an average vacancy of only 3.3%; and

WHEREAS, rents in Salinas have increased an average of 5% each year since 2012, with a spike in rent between 2020 and 2021, with an almost 13% increase, and then resuming regular increase over the past two years. A little more than half of the City's renter-occupied households remain rent-burdened, paying 30% or more of their household income on housing. Rent-burdened households have less money to spend on other essentials like food, transportation, healthcare, and childcare; and

WHEREAS, the cost burden rate in the City is sufficiently high to create anxiety about rent increases as the increasing housing rent burden and poverty faced by many residents in the City threatens the health, safety, and welfare of its residents by forcing them to choose between paying rent and providing food, clothing, and medical care for themselves and their families; and

WHEREAS, housing instability threatens the public peace, health, safety, and welfare as eviction from one's home can lead to prolonged homelessness; increased residential mobility; loss of community; strain on household finances due to the necessity of paying rental application fees and security deposits; stress and anxiety experienced by those displaced increased commute times and traffic impacts if displaced workers cannot find affordable housing within the city in which they work; and interruption of the education of children in the home; and

WHEREAS, eviction creates particular hardships for individuals and households of limited means, given the shortage of affordable housing within Salinas and the region, generally; and

WHEREAS, the housing rent burden and poverty faced by many residents in Salinas threatens the health, safety, and welfare of its residents, particularly when resulting in eviction and displacement. Evictions play an impactful role in the lives of low income renter households and can also contribute to poverty through disruptive effects such as job loss, adverse health effects, and negative consequences for children; and

WHEREAS, the City Council finds and determines that regulating the relations between residential landlords and tenants will increase certainty and fairness within the residential rental market in the City and thereby serve the public peace, health, safety, and welfare; and

WHEREAS, the Tenant Protection Act of 2019 is a statewide law that requires a landlord to have “just cause” in order to terminate a tenancy, and provides for a series of “at fault” and “no fault” reasons that a tenant may be evicted, and in the event of a “no fault” eviction, provides for relocation assistance equal to one month of rent; and

WHEREAS, the recent spike in the inflation rate has resulted in permissible rent increases of up to 10% under the Tenant Protection Act, which caused some residents to become fearful of needing to relocate for financial reasons; and

WHEREAS, tenants and housing advocates have provided testimony that some landlords have been constructively evicting tenants by engaging in harassing conduct in order to coerce vacancies, and thereby charge higher market rate rents; and

WHEREAS, this fear of displacement has been determined to be a threat to the City’s health and well-being; and

WHEREAS, Salinas residential tenants may be unwilling or unable to assert their legal rights due to such factors as imbalance in bargaining power and concerns of retaliation. The City Council finds that these imbalances in the rental housing market and in the bargaining power of landlords and tenants reduces stability, security, and habitability, which are detrimental to health, safety, and general welfare of Salinas residents; and

WHEREAS, the City Council finds that reasonable regulation of aspects of the residential landlord-tenant relationship is necessary to foster constructive communication, maintain an adequate supply of rental housing units, and protect the health, safety, and general welfare of the public and that there is a lack of adequate protections and remedies in the absence of City regulations; and

WHEREAS, a purpose of the City’s rent stabilization and tenant protection policies is to preserve the public peace, health, safety, and welfare of the City by deterring harassing behavior by landlords against residential tenants, encouraging residential landlord to follow the law and uphold their responsibility to provide habitable rental properties, and establishing more effective remedies for tenants who experience harassing behavior; and

WHEREAS, a further purpose of the City’s rent stabilization and tenant protection policies is to help maintain peaceful relations in the community and minimize breaches of the peace caused by self-help evictions; to protect vulnerable populations of the Salinas community; and

WHEREAS, it is in the interest of the City, property owners, residents, and the community as a whole that the City adopt rent stabilization, tenant protection and just cause eviction, and tenant

anti-harassment protections to mitigate the incentive for a landlord to evict a tenant for the purpose of increasing a rental unit's rent to market rate; and

WHEREAS, pursuant to the City's police power, as granted broadly under Article XI, section 7 of the California Constitution, the City Council has the authority to enact and enforce ordinances and regulations for the public's peace, health, safety, and welfare of the City and its residents; and

WHEREAS, for the preservation of the public peace, health, safety, and welfare, the City Council finds that it is necessary to adopt ordinances adopting rent stabilization, eviction protections, and tenant anti-harassment protections that strengthen what already exists in state and federal law for the reasons set forth above, which are hereby incorporated by reference.

**SECTION 1.** The above recitals are true and correct and are incorporated herein by this reference.

**SECTION 2. Article IIC is hereby added to Chapter 17 of the Salinas Municipal Code to read as follows:**

Article IIC. Anti-Harassment.

Sec. 17-02.100. Title, Purpose, and Applicability.

- (a) This Article shall be known as the "Tenant Anti-Harassment Ordinance."
- (b) The Tenant Anti-Harassment Ordinance augments existing protections provided to residential Tenants under federal, state, and local laws to prohibit and to deter Tenant harassment by Landlords in all residential Rental Units, including single-family residences and condominiums.
- (c) The Tenant Anti-Harassment Ordinance applies to all Landlords and Tenants of residential Rental Units within the city, including mobile-homes, mobile-home spaces, trailers, trailer spaces, unless exempted herein, including Landlords and Tenants who may not be covered by other Tenant protection policies.

Sec. 17-02.101. Definitions.

For the purpose of this Article, the following words or phrases shall have the following meanings:

- (a) **Housing Services.** All amenities and services related to the use or occupancy of a Rental Unit and common areas that are provided by the Landlord. Housing Service includes without limitation hot and cold water, heat, light, utilities that are paid by the Landlord, painting, elevator service, window shades and screens, refuse removal, janitorial service, maintenance, repairs, replacement, recreational areas (including pools or gyms), kitchen, bath, and laundry facilities, furnishings, storage space, parking (including one or more

automobiles), employee services, security services insurance, the payment of property taxes, and any other benefits or privileges permitted to the Tenant by agreement, whether express or implied, including the right to have a specific number of occupants and the right to one-for-one replacement of roommates, regardless of any prohibition against subletting and/or assignment. Housing Services also includes those basic Housing Services required by Cal. Civil Code §1941.1. Housing Services includes a proportionate part of services provided to common facilities of the building and Property in which the Rental Unit is contained.

- (b) Landlord. An owner, lessor, sublessor, or any other person entitled to receive rent for the use and occupancy of any rental unit, or an agent, representative, or successor of any of the foregoing.
- (c) Property. All Rental Units on a parcel or lot or contiguous parcels or contiguous lots under common ownership.
- (d) Rent. All periodic payments and all nonmonetary consideration including, but not limited to, the fair market value of goods, labor performed or services rendered to or for the benefit of the Landlord under a Rental Housing Agreement, as defined in this section, concerning the use or occupancy of a Rental Unit and premises, including all payment and consideration demanded or paid for parking, utilities, pets, furniture, subletting, and security deposits for damages and cleaning.
- (e) Rental Housing Agreement. An agreement, oral, written, or implied, between a Landlord and Tenant for the use or occupancy of a Rental Unit and for Housing Services.
- (f) Rental Unit. Any building, structure, or part thereof, land appurtenant thereto, or any other rental Property rented or offered for rent for residential purposes, together with all Housing Services connected with use or occupancy of such Property such as common areas and recreational facilities held out for use by the Tenant.
- (g) Tenant. A tenant, subtenant, lessee, sublessee, or any other person entitled under the terms of a Rental Housing Agreement to the use or occupancy of any Rental Unit.

#### Sec. 17-02.102. Exemptions.

The following Rental Units are exempt from the restrictions and requirements of this Article:

- (a) Rental Units in any hospital, skilled nursing facility, or health facility.
- (b) Rental units in a nonprofit facility that has the primary purpose of providing short-term treatment, assistance, or therapy for alcohol, drug, or other substance abuse and the housing is provided incident to the recovery program, and where the client has been informed in writing of the temporary or transitional nature of the housing at its inception and is licensed for such purpose where such license is required.

- (c) Rental units in a nonprofit facility that provides a structured living environment with the primary purpose of helping homeless persons obtain skills necessary for independent living in permanent housing and where the occupancy is restricted to a limited and specific period of time of not more than 24 months, and where the client has been informed in writing of the temporary or transitional nature of the housing at its inception and is licensed for such purpose where such license is required.
- (d) Rental units exempted from Cal. Civil Code Part 4, Title 4, Chapter 2 by § 1940(b) (transient occupancy in hotels/motels), or successor statute, unless either the landlord offers for rent or rents the rental unit for a period of 30 days or more, or the landlord violates Cal. Civil Code § 1940.1, or successor statute, to avoid tenancy status.

Sec. 17-02.103. Harassment by Landlord Prohibited; Harassment by Tenant Prohibited.

- (a) No Landlord, and no agent, representative, or employee of the Landlord, shall engage in any act or omission described below in bad faith. Each act or omission in violation of this section constitutes harassment.
  - (1) Interrupt, terminate, or fail to provide, or threaten to interrupt, terminate, or fail to provide Housing Services required by a Rental Housing Agreement or by state or local housing, health, or safety laws. This includes, without limitation, the following:
    - (A) Curtailing any utility services by any means whatsoever including, but not limited to, the cutting or removing of wires, removal of fuses, switching of breakers, and non-payment of bills for utilities that are part of the housing services. Utility services includes, but is not limited to, water, heat, electricity, gas, telephone, cable, internet, garbage and recycling collection, and sewage.
    - (B) Impeding reasonable access to the residential units.
    - (C) Removing, without replacement within a reasonable period time period, when building permits are obtained, if required, doors or windows of the Rental Unit.
  - (2) Fail to perform or threaten to fail or perform, repairs or maintenance required by a Rental Housing Agreement or by state or local housing, health, or safety laws.
  - (3) Fail to exercise due diligence in completing repairs or maintenance once undertaken or fail or follow appropriate industry repair containment or remediation protocols designed to minimize expose to noise, dust, lead paint, mold, asbestos, or other building materials with potentially harmful health impacts.

- (4) Take, or threaten to take, any action to recover possession or cause the Tenant to quit the Rental Unit involuntarily, decrease a Housing Service, or increase Rent with the intent to retaliate against the Tenant for the Tenant's assertion or exercise of any right under this Article, including a right to request reasonable repairs or maintenance, or to deter the assertion or exercise of such rights.
- (5) Solicit a Tenant for sexual conduct in exchange for protection from eviction, repairs or maintenance of the Rental Unit or rental property, or the fulfillment of an obligation of the Landlord under the Rental Housing Agreement or law.
- (6) Abuse the right of access into a rental unit as established and limited by Cal. Civil Code § 1954 or successor statute, including entering or photographing portions of the Rental Unit that are beyond the scope of a lawful entry or inspection.
- (7) Remove from the Rental Unit personal property, furnishings, or other items that belong to the tenant or that are part of the Housing Services without the prior written consent of the Tenant, except when done pursuant to the procedures set forth in Cal. Civil Code § 1980 et seq., or successor statute.
- (8) Remove or cause removal of a Tenant's vehicle from the rental property or abutting street in violation of applicable law. If applicable law allows for towing of the vehicle, then towing the vehicle does not constitute harassment.
- (9) Influence or attempt to influence a Tenant to vacate a Rental Unit through fraud, intimidation, or coercion. This includes threatening to report a Tenant or other person known to the Landlord to be associated with the Tenant to any local, state, or federal agency based on their perceived or actual immigration status. The prohibition shall not be construed as preventing communication with such agencies regarding an alleged immigration violation as permitted by law. This provision shall also not be construed to conflict with Cal. Civil Code § 1940.2(a)(5) or successor statute.
- (10) Offer payments to a Tenant to vacate more than once in six months, after the tenant has notified the landlord in writing the Tenant does not desire to receive further offers of payments to vacate.
- (11) Attempt to coerce a Tenant to vacate with offer(s) of payments to vacate that are accompanied with threats or intimidation.
- (12) Threaten a Tenant or their guest by word or gesture, with physical harm. Similarly, no Tenant may threaten a Landlord or their guests, agents, employees, or representatives by word or gesture, with physical harm.
- (13) Engage in verbal or nonverbal abuse of a Tenant or their guest or use verbal or nonverbal actions directed at a tenant or their guest that are likely, or intended, to cause physical, mental, or emotional harm, including verbal or nonverbal actions

directed toward a tenant or their guest as a member of a protected class that are likely, or intended, to cause, physical, mental, or emotional harm. Similarly, no Tenant may engage in verbal or nonverbal abuse of a Landlord or their guests, agents, or representatives or use verbal or nonverbal actions directed at a Landlord or their guests, agents, or representatives that are likely to cause physical, mental, or emotional harm, including verbal or nonverbal actions directed toward a Landlord or their guests, agents, or representatives as a member of a protected class that are likely, or intended, to cause physical, mental, or emotional harm.

- (14) Engage in any act or omission that interferes with a Tenant's right to quiet use and enjoyment of a Rental Unit, as that right is defined by California law.
- (15) Violate a law that prohibits discrimination based on actual or perceived race, color, sex (including pregnancy, childbirth, and related medical conditions), gender, sexual preference, sexual orientation, ethnic background, nationality, ancestry, place of birth, immigration or citizenship status, primary language, religion, age, source of income, military or veteran status, familial status (including parenthood, occupancy of a minor child, and composition of family unit), marital status, disability (including mental and physical disability), genetic information, or medical condition. Parentheticals in the foregoing list are without limitation.
- (16) Refuse to accept or acknowledge receipt of a tenant's lawful rent payment, except as such refusal may be permitted by state law after a notice to quit has been served on the Tenant and the time period for performance pursuant to the notice has expired.
- (17) Refuse to cash a rent check or money order for more than 30 days, except as such refusal may be permitted by state law after a notice to quit has been served on the tenant and the time period for performance pursuant to the notice has expired.
- (18) Engage in any act that interferes with a Tenant's right to privacy or request information that violates a tenant's right to privacy, including, without limitation, residency or citizenship status or social security number, except as authorized by law. This includes a refusal to accept equivalent alternatives to information or documentation that does not concern immigration or citizenship status, e.g., an Individual Taxpayer Identification Number (ITN). This also includes, but is not limited to: video or audio recording that captures the interior of a Tenant's unit, unreasonably inquiry into a Tenant's relationship status or criminal history, and unreasonable restrictions on or inquiry into overnight guests.
- (19) Misrepresent to a Tenant that they are required to vacate a Rental Unit or otherwise entice a Tenant to vacate a Rental Unit through misrepresentation or concealment of material facts.

- (20) Force a Tenant to vacate their Rental Unit and reregister to avoid classification as a Tenant under California Civil Code section 1940.1. Forced vacation can be implied from the totality of the circumstances.
- (21) Unilaterally impose or require an existing Tenant to agree to material new terms of tenancy or to a new Rental Housing Agreement, unless:
- (A) Subsection subsection (21)(c), below, the change in terms of tenancy is explicitly authorized by this title, California Civil Code sections 1946.2(f), 1947.5, or 1947.12 or any successor statute thereof, or is required by federal, state, or local law or regulatory agreement with a government agency; or
  - (B) Subject to section (21)(c) below, the change in terms of the tenancy was accepted in writing by the Tenant after receipt of written notice from the Landlord that the Tenant need not accept such new terms as part of the Rental Housing Agreement.
  - (C) Notwithstanding the foregoing, where a Rental Unit is regulated by the Rent Stabilization Ordinance, any change in terms of tenancy must comply with the Rent Stabilization Ordinance and associated regulations.
- (22) Take any action to recover possession of a Rental Unit that is exempt from rent increase limitations under this title or any other provision of law by means of a rent increase that is imposed in bad faith with intent to coerce the tenant into vacating the rental unit in circumvention of state and local eviction protection laws. Evidence of bad faith may include, without limitation, the following: (i) the rent increase was substantially in excess of market rates for comparable units; (ii) the rent increase was within six months after an attempt to recover possession of the unit; and (iii) such other factors as a court may deem relevant.
- (23) Prohibit, interfere with, retaliate against, or threaten retaliation against tenant organizing activities or engaging in other political activities when hosted by a tenant. "Tenant organizing activities" include the following:
- (A) Initiating contact with the Tenants to ascertain interest in, or seek support for forming, a tenant association or union, which may include conducting door-to-door surveys;
  - (B) Joining, supporting, or operating a tenant association or union;
  - (C) Requesting or providing information, offering assistance, distributing literature, convening meeting with or without a Landlord or Landlord representative, or otherwise acting on behalf of one or more Tenants in the building regarding housing conditions, community life, Landlord-Tenant



relations, and/or similar issues of common interest or concern among Tenants in the building;

(D) This subsection (a)(23) does not prohibit a Landlord from establishing reasonable time, place, and manner requirements of organizing activities so long as the requirements would not effectively prohibit or substantially interfere with organizing activities.

(24) Other repeated acts or omissions of such significance as to substantially interfere with or disturb the comfort, peace, or quiet of any person lawfully entitled to occupancy of such Rental Unit and that cause, are likely to cause, or are intended to cause any person lawfully entitled to occupancy of a Rental Unit to vacate such Rental Unit or to surrender or waive any rights in relation to such occupancy.

(b) The conduct described in subsection (a), above, shall not include conduct intended to communicate ideas or beliefs to the public at-large and that has only an incidental effect upon a person or persons.

#### Sec. 17-02.104. Notice.

(a) On or before the commencement date of a tenancy, and at the same time as any notice of termination of tenancy, a Landlord shall deliver to the Tenant written notice of the following in the form prescribed by the City:

(1) The tenancy is regulated by this Tenant Anti-Harassment Ordinance.

(2) Section 17-02.103 of the Salinas Municipal Code prohibits Landlords from engaging in certain acts or failing to perform certain acts related to a tenancy in bad faith or with a dishonest intent.

(3) Landlords that violate this Article may be held liable for damages.

(b) The form of notice prescribed by the City shall include a Spanish language translation of the text and may include translations in additional languages or additional information deemed necessary or convenient to effectuate the purpose of this Article.

(c) For tenancies existing on the effective date of this article or any amendment thereof, a landlord shall deliver to each existing tenant the written notice required by subsection (a), above, in the form prescribed by the City within thirty (30) days of such effective date.

(d) Where a property contains more than one rental unit and an interior common area accessible by the tenants of more than one rental unit, landlords shall post the written notice required by subsection (a), above, in the form prescribed by the city in at least one interior common area.

Sec. 17-02.105. Severance of Amenities Prohibited.

- (a) The following amenities, supplied in connection with use or occupancy of a Rental Unit, may not be severed from a tenancy without good cause: garage facilities, parking facilities, driveways, storage space, laundry rooms, decks, patios, backyards, gardens on the same lot, kitchen facilities, toilet facilities, or lobbies.
- (b) For purposes of this section, good cause shall include:
  - (1) Required by federal, state, or local law;
  - (2) For Rental Units that are exempt from the Rent Stabilization Ordinance, acceptance of the severance in writing by the Tenant after receipt of written notice from the Landlord that the Tenant need not accept the severance;
  - (3) For Rental Units that are regulated by the Rent Stabilization Ordinance, approval of the removal of amenities by a hearing officer; or
  - (4) Severance results from the removal of a balcony for which repair or removal was necessary for safety and the Landlord has obtained all necessary permits for the removal.
- (c) A severance does not include noticed temporary unavailability of the above housing services to perform necessary work with all required permits.
- (d) For Rental Units covered under the Rent Stabilization Ordinance, any severance permitted under this section shall be offset by a corresponding reduction in Rent. Either a Landlord or a Tenant may file a Rent Reduction Petition with the City to determine the amount of Rent reduction.
- (e) Late Payment Fees Late fees may not be imposed except if provided for in a written Rental Housing Agreement.

Sec. 17-02.106. Waiver Void.

It is against public policy, void and unenforceable, to waive or to modify any provision of this Article in an oral or written Rental Housing Agreement.

Sec. 17-02.107. Remedies and Penalties.

- (a) Criminal Penalty. A violation of any provision of this Article is punishable as an infraction or misdemeanor. A misdemeanor conviction under this Article shall be punished by a fine of not more than \$1,000 for each offense or by imprisonment in the County jail for a period of not more than six (6) months or both, as determined by the court.

- (b) Civil Action. Any aggrieved person, or any person, organization, or entity who will fairly and adequately represent the interest of an aggrieved Tenant under this Article, or the City may institute civil proceedings as provided by law against any Landlord violating any of the provisions of this Article and any person who aids, facilitates, and/or incites another to violate the provisions of this Article, regardless of whether the Rental Unit remains occupied or has been vacated due to harassment. The burden of proof in such cases shall be preponderance of the evidence.
- (c) Injunction/Equitable Relief. Any person who commits an act or engages in any pattern and practice that violates this Article may be enjoined therefrom by a court of competent jurisdiction. A court may issue other equitable relief as appropriate. An action for injunction under this section may be brought by an aggrieved person, by the City Attorney, or by any person or entity who will fairly or adequately represent the interests of the protected class.
- (d) Penalties and Other Monetary Awards.
- (1) Any person who violates, or aids or incites another person to violate, the provisions of this Article is liable in a court action for each and every such offense for money damages of not less than three times actual damages suffered by an aggrieved Tenant (including damages for mental or emotional distress), or for the minimum damages in the sum of \$2,000, whichever is greater, or whatever other relief the court deems appropriate, and shall be liable for such attorneys' fees and costs as may be determined by the court. In the case of an award for damages for mental or emotional distress, such award shall be trebled only if the trier of fact finds that the Landlord acted in knowing violation of or reckless disregard of this Article.
  - (2) Any person who violates, or aids or incites another person to violate, this Article shall be liable for an additional civil penalty of up to \$5,000 for each offense committed against a person who is disabled within the meaning of California Government Code section 12926, et seq., or successor statute, or aged 65 or over. A Tenant prevailing in a court under this Article may be awarded compensatory damages, Rent refunds for reduction in housing services, Tenant relocation costs, imposition of civil penalties up to \$10,000 per violation depending upon the severity of the violation or history of violations by this Article by the Landlord, and other appropriate relief, as adjudged by the court.
  - (3) The court may also award punitive damages to any plaintiff, including the City, in a proper case as defined by California Civil Code section 3294 or successor statute. The burden of proof for purposes of punitive damages shall be clear and convincing evidence.
  - (4) A prevailing defendant in a civil action under this section shall be entitled to an award of attorneys' fees only if it is determined by the court that the action was devoid of merit and brought in bad faith.

- (e) Affirmative Defense. A violation of this Article may be asserted as an affirmative defense in an unlawful detainer action.
- (f) Additional Enforcement; Non-exclusive Remedies and Penalties. This Article may be enforced as provided in the Salinas Municipal Code in addition to other remedies provided herein. The remedies in this Article shall be in addition to any other existing remedies which may be available.

Sec. 17-02.108. Operative Date.

The operative date of the ordinance codified in this Article shall be January 1, 2025.

**SECTION 3.** All ordinances and parts of ordinances and all resolutions and parts of resolutions in conflict herewith are hereby repealed as of the effective date of this ordinance.

**SECTION 4.** Publication. The City Clerk shall cause a summary of this ordinance to be published once in a newspaper published and circulated in Salinas within fifteen (15) days after adoption. (Salinas Charter Section 11.9)

**SECTION 5.** CEQA Compliance. The City Council’s adoption of this ordinance is not a project subject to environmental review under the California Environmental Quality Act (CEQA Guidelines Section 15061(b)(3) because it would not have a significant effect on the environment. Additionally, the City Council’s adoption of this ordinance is exempt because it does not meet the definition of a “project” under CEQA, pursuant to CEQA Guidelines sections 15060(c)(1) and 15378(a), because it has no potential to result in a direct or reasonably foreseeable physical change in the environment.

**SECTION 6.** Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The Salinas City Council hereby declares that it would have passed this ordinance and each and every section, subsection, clause, and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

**SECTION 7.** Effective Date. This ordinance will take effect thirty (30) days from and after its adoption.

This Ordinance was INTRODUCED on the 10<sup>th</sup> day of September 2024, and was PASSED AND ADOPTED on the 24<sup>th</sup> day of September, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

---

Andrew Sandoval, Mayor Pro Tempore

APPROVED AS TO FORM:

---

Christopher A. Callihan, City Attorney

ATTEST:

---

Patricia M. Barajas, City Clerk

# Final Report

## Proposed Rent Stabilization Ordinance Analysis

*The Economics of Land Use*



**Prepared for:**  
City of Salinas

**Prepared by:**  
Economic & Planning Systems, Inc. (EPS)

September 2024

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# 1. Introduction and Summary of Findings

## Introduction

At the request of the City of Salinas' (City) City Council (Council), Economic & Planning Systems, Inc. (EPS) was retained to provide due diligence by analyzing the potential economic effects of establishing a rent stabilization policy (Study).<sup>1</sup>

Please note that rent stabilization **ONLY** applies to residential land uses with the following characteristics:

- Multifamily rental dwelling units (including duplexes and triplexes, unless one unit is occupied by the property owner).
- Built before February 1, 1995.
- Remodeled residential units converted from space long dedicated to residential.<sup>2</sup>

The following residential land uses are **EXEMPT**:

- Single-family dwelling units.
- Single-family rentals.
- Condominium units.
- Condominium rentals.
- Multifamily dwelling units built after February 1, 1995.
- Newly constructed dwelling units.<sup>3</sup>

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<sup>1</sup> The City Attorney retained the services of EPS to serve as an outside expert by conducting a Consultant's study of the proposed rent stabilization ordinance intended to inform and support the City Attorney's legal evaluation. As such, this Study is subject to evidentiary protections under the attorney work product doctrine or attorney-client privilege, and all written communications should be appropriately marked to preserve those protections.

<sup>2</sup> California Legislative Information Civil Code—CIV DIVISION 3. OBLIGATIONS [1427 - 3273.69] (Heading of Division 3 amended by Stats. 1988, Ch. 160, Sec. 14.) PART 4. OBLIGATIONS ARISING FROM PARTICULAR TRANSACTIONS [1738 - 3273.69] (Part 4 enacted 1872.) TITLE 5. HIRING [1925 - 1997.270] (Title 5 enacted 1872.) CHAPTER 2.7. Residential Rent Control [1954.50 - 1954.535] (Title 5 added by Stats. 1995, Ch. 331, Sec. 1.) [https://leginfo.ca.gov/faces/codes\\_displayText.xhtml?lawCode=CIV&division=3.&title=5.&part=4.&chapter=2.7.&article](https://leginfo.ca.gov/faces/codes_displayText.xhtml?lawCode=CIV&division=3.&title=5.&part=4.&chapter=2.7.&article) (accessed May 2024).

<sup>3</sup> Ibid.

**NOTE: Rent stabilization provides landlords with the ability to increase rent by a fixed percentage year over year. This differs from rent control, which is defined as when a municipality locks in rental rates at a specific amount. Please note that while the distinction between these methods of regulating rent is important, the terms may sometimes be used interchangeably within the literature review and other parts of this analysis.**

This Study was prepared to answer the following **key questions** related to a potential rent stabilization ordinance on multifamily residential rental units in the City:

- What socioeconomic and real estate trends led City officials to consider implementing a rent stabilization policy?
- How can the experiences of cities with existing rent stabilization policies inform the elements of the proposed policy requirements in Salinas?
- What are the potential fiscal implications of a proposed rent stabilization ordinance on the City's General Fund?
- What are the estimated impacts of different rent stabilization ordinance scenarios on housing supply in the City?

It is important to note that local rental markets are complex and influenced by a variety of factors that are external to the proposed ordinance, including regional growth trends, federal and State of California (State) policies and regulations, and business cycle considerations, among others. Thus, the identified economic and fiscal impacts of the proposed ordinance are informed by available evidence and are not intended to be precise predictions but are to support discussion of potential policies and recommendations.

## Study Overview

This Study includes various research methods to help examine the economic and fiscal effects of rent stabilization, including a literature review on rent stabilization, case studies of rent stabilization regulations implemented in jurisdictions in California, and a technical socioeconomic and financial analysis.

The technical analysis component of this Study comprises the following key analytic elements and addresses how they relate to and could be affected by rent stabilization:

- **Demographic and Socioeconomic Profile.** Identifies trends in population and households, age, race & ethnicity, and household income.
- **Residential Market Profile.** Examines the housing inventory and residential market trends in the City.
- **Economic and Fiscal Impacts.** Estimates the economic impacts of rent stabilization on housing supply and pricing, the City's General Fund, and on landlord returns.

The purpose of this evaluation is to develop an understanding of the dynamics of socioeconomic and residential market trends in Salinas to examine the economic and fiscal impacts of rent stabilization and address the key questions to help the City develop a rent stabilization ordinance that considers and balances the economic implications for both the tenants and building owners.

Supporting data tables underlying the findings and figures presented herein are included in appendices at the end of this Study.

## Sources

This Study relies on publicly available data sources (e.g., 2012 and 2022 U.S. Census American Community Survey, California Department of Finance, Housing and Urban Development, RedFin, Zillow, Nolo) and subscription-based data (e.g., CoStar, ParcelQuest) to document and evaluate trends in the City, the State, and other jurisdictions.

## Background

As the county seat, the City is both a center of agricultural production and an affordable residential center for service economy employees serving the Monterey Peninsula. The City has been making gains in its downtown, which has become a compelling and livable district. Recent years have shown Salinas' economic base growing at a modest pace, with agriculture making up the largest portion of economic activity.

Salinas' labor force is young, with a large proportion of workers lacking a high school or college education. Salinas also has a shortage of both agricultural production workers, as well as health care and educational workers.

The labor force also has a sizable number of professionals and construction workers who commute to jobs outside of the City and Monterey County. The role of Salinas as a bedroom community for those workers has put upward pressure on housing prices, and the regional shortage of agricultural workers, as well as the tourist-serving hospitality workers, is an outcome of that trend.

Salinas has a rare if not unfortunate status as an area of lower wage labor subject to very expensive land and development costs (similar to the greater Bay Area). With very little new market supply added despite several major Specific Plans on the books, these forces have combined to create a high cost of living in the City. Communities to the south of Salinas on U.S. Highway 101 are actively seeking to compete for this labor force as part of their own economic development ambitions. While every effort is being made to diversify and train the local labor force and enable citizens to gain additional skills and command higher wages, these efforts take time. In the interim, the rising costs of living, including the cost of housing, are important to understand, and efforts to help must center on stabilizing housing costs through various policies, including but not limited to rent stabilization.

## California Rent Stabilization

The California Tenant Protection Act established a statewide maximum allowable rent increase and just-cause eviction protections. The statewide policy caps rent increases at the lesser of 5 percent plus the increase in the regional consumer price index (CPI) or 10 percent of the lowest rent charged over the 12 months before the increase.<sup>4</sup>

Cities and counties may also enact their own rent stabilization with a lower rent cap than the statewide provision. However, any local ordinance is limited by the Costa-Hawkins Rental Act, which exempts single-family homes, condominiums, and all housing built after 1995 from rent stabilization (but not just-cause eviction). State law also dictates that all units covered by rent stabilization are subject to vacancy decontrol, which allows landlords to establish market-rate rents for new tenants.<sup>5</sup>

There is a statewide ballot initiative set for the November 2024 ballot that would repeal Costa-Hawkins.<sup>6</sup> If the initiative passes, any local ordinance not explicitly written to exempt single-family homes or provide vacancy decontrol will take effect. Therefore, if Costa-Hawkins is repealed, the City's proposed rent stabilization ordinance, if approved, would apply to all rental housing, including single-family units, and rents would not reset to market rate for new tenants if these elements are not specified in the ordinance.

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<sup>4</sup> [Rent Control Is Here: California's Tenant Protection Act of 2019 | Nolo](#)

<sup>5</sup> [Costa-Hawkins Act • California Apartment Association \(caanet.org\)](#)

<sup>6</sup> [California Prohibit State Limitations on Local Rent Control Initiative \(2024\) - Ballotpedia](#)

Various studies on rent stabilization in California suggest that approximately 30 cities in the State have some form of rent stabilization program, or about 7 percent of the total cities (accounting for 22 percent of the State's population).<sup>7</sup> As illustrated in **Table 1-1** most of these cities tie rent caps to a percentage of the CPI. A smaller number of cities cap rent at an annual percentage increase, ranging from 2 percent to 10 percent, regardless of the CPI.

## Rent Stabilization Concepts and Discussion

Rent stabilization and control are a controversial concept, subject to divisive opinions and concerns.

These are some of the common concerns with this regulatory policy:

- Reduced rental unit supply.
- Reduced residential mobility.
- Reduced property value.
- Decreased revenue leading to property disinvestment.
- Inflated rent as an effect of vacancy decontrol.

Conversely, these are some of the positive expectations from rent stabilization:

- Housing stability:
  - Reduced worker turnover.
  - Improved educational outcomes.
  - Reduced demand for social services.
- Increased discretionary income potentially to help boost the local economy.
- Protecting communities of color from historical housing cost burdens.
- Increase in income equality.

Many of the concerns can be alleviated through education of the proposed rent stabilization policy. For example, making sure the community understands which residential units qualify for rent stabilization and specifically clarifying it does not affect new development, as discussed in **Chapter 2**, and refuting some common misconceptions, as discussed in **Chapter 3**.

---

<sup>7</sup> [California Rent Control Law | Nolo](#)

**Table 1-1. California Cities with Rent Stabilization**

<b>City</b>	<b>Allowable Annual Rent Increase (% of CPI)</b>	<b>City</b>	<b>Allowable Annual Rent Increase Flat %</b>
Bell Gardens	50%	Gardena	5%
Antioch	60%	Hayward	5%
Concord	60%	Larkspur	7%
Oakland	60%	Mountain View	2% - 5%
Richmond	60%	Oxnard	4%
San Francisco	60%	Sacramento	10%
Berkeley	65%	San Jose	5%
Alameda	70%	<b>Average</b>	<b>6%</b>
Los Gatos	70%		
Fairfax	75%		
Palm Springs	75%		
Pasadena	75%		
Santa Monica	75%		
West Hollywood	75%		
East Palo Alto	80%		
Santa Ana	80%		
Baldwin Park	100%		
Beverly Hills	100%		
Cudahy	100%		
Culver City	100%		
Inglewood	100%		
Los Angeles	100%		
Pomona	100%		
<b>Average</b>	<b>78%</b>		

Source: Nolo; EPS.

## Key Findings and Considerations

### Key Question 1: What socioeconomic and real estate trends led City officials to consider implementing a rent stabilization policy?

For decades, California has faced a housing crisis related to its significant unhoused population and housing affordability related to rising housing costs and lack of supply. For renters, especially those living in poverty, high rental rates have translated into large proportions of their income allocated to housing costs, leaving little remaining for basic living expenses, let alone bolstering savings accounts to build wealth.<sup>8</sup> Disparities in cost burdens persist among renters, particularly affecting households from a diverse racial background. These disparities are attributed to long-standing discrimination in housing,<sup>9</sup> employment, and education.<sup>10</sup> Black, Hispanic, and multiracial households face higher rates of cost burdens compared to White renters by 5 to 10 percent.<sup>11</sup> Among the renters experiencing housing hardships, 4 in 10 renter households are Black and Latinx.<sup>12</sup> This housing crisis is exacerbated for people of color, who often face additional barriers such as lower wages and fewer housing options in desirable neighborhoods. These communities are more likely to experience housing instability and are at greater risk of eviction. The socioeconomic factors and real estate trends discussed below have prompted the City Council to consider a rent stabilization policy in the City to help protect the vulnerable renter communities by helping to alleviate the pressures of increasingly high rents.

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<sup>8</sup> Kimberlin, Sara and Esi Hutchful, 2019. New Census Figures Show More Than 1 in 6 Californians Struggle to Afford Basic Necessities. *California Budget and Policy Center*. [online] [https://calbudgetcenter.org/resources/number-of-californians-living-in-poverty-has-been-declining-but-more-than-1-in-6-residents-still-struggle-to-afford-basic-necessities/#:~:text=Approximately%207.1%20million%20Californians%20lived,Supplemental%20Poverty%20Measure%20\(SPM\)](https://calbudgetcenter.org/resources/number-of-californians-living-in-poverty-has-been-declining-but-more-than-1-in-6-residents-still-struggle-to-afford-basic-necessities/#:~:text=Approximately%207.1%20million%20Californians%20lived,Supplemental%20Poverty%20Measure%20(SPM)) [Accessed January 2021].

<sup>9</sup> CBPC, *Who is Experiencing Housing Hardship in California? May 2022*; 5.

<sup>10</sup> JCHS of Harvard University, *America's Rental Housing, 2024*; 34-36.

<sup>11</sup> Ibid.

<sup>12</sup> CBPC, *Who is Experiencing Housing Hardship in California? May 2022*.



These are characteristics of renter-occupied households in Salinas:

- Overcrowding in renter-occupied households has increased by more than 24 percent over the last decade, compared to only 6 percent statewide. <sup>13</sup>
- About 53 percent of City renter-occupied households have 4 or more occupants, compared to 27 percent statewide.
- Mirroring a trend negatively affecting all of California, more than half of renter-occupied households in the City are considered rent-burdened and 26 percent are considered severely cost-burdened:
  - Median renter household income: \$64,509/year.
  - 30 percent of median income: \$1,612/month.
  - Median multifamily residential rent for units built before 1995: \$1,994/month.
- Approximately 18 percent of families that are renters fall below the poverty level, compared to 6 percent of owner-occupied families in Salinas, and statewide, 16 percent of renters fall below the poverty level, compared to 4 percent of owner-occupied. <sup>14</sup>
- More than half (53 percent) of the City's households are renter occupied, in comparison to 44 percent statewide.
- Latinx population comprises 81 percent of the renter-occupied units in Salinas, compared to 30 percent countywide and 37 percent statewide.
- About 57 percent of renter-occupied households comprise householders ages 44 or younger, compared to 37 percent countywide and 53 percent statewide.

The multifamily rental rate increase of 86 percent over the past decade greatly exceeds the increase in renter-household incomes, which only increased by a total of 33 percent (in 2022 dollars) over the same period. <sup>15</sup>

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<sup>13</sup> An overcrowded household is defined by the U.S. Census as having 1 or more persons per room (excluding bathrooms and kitchens).

<sup>14</sup> The US Department of Housing and Urban Development defines a household spending more than 30 percent of their income on housing as "rent burdened." Households spending more than 50 percent of their income on housing are considered "severely rent burdened."

<sup>15</sup> This is based on the difference between 2012 and 2024 for multifamily rental units built before 1995.

In addition, the housing market in Salinas has become much more expensive. Home prices have increased 203 percent since 2012 (2023 average median sales price is \$675,000 for for-sale units), and rents in multifamily units built before 1995 have increased by 86 percent since 2012 (2023 average asking rent was about \$1,980 for all unit sizes).

**The housing market is considered tight, with little room for movement. Overall low vacancy of about 3 percent, compared to Monterey County's 8 percent average, indicates the need for increased housing supply.**

The City's current overall vacancy rate of 3 percent falls below the 5 percent threshold that many housing experts believe to be an ideal vacancy rate.<sup>16</sup> Higher vacancy rates provide prospective buyers and renters with more options when searching for homes, helping to stabilize prices. Below this 5 percent rate, those looking for housing have fewer options, allowing landlords or sellers to charge higher prices. Research consistently has found that a vacancy rate below this 5 percent threshold leads to increasing rents and sales prices. The undersupply of housing most prominently affects underserved populations—including students, teachers, young families, low-income families and individuals, seniors, people with disabilities, and the unhoused population—indicating the need for focused strategies to increase access to a variety of housing types at various levels of affordability.

**Key Question 2: How can the experiences of cities with existing rent stabilization policies inform the elements of the proposed policy requirements in Salinas?**

A survey of rent stabilization ordinances in comparable jurisdictions was completed to examine established policy structures, as well as program fee amounts. The full survey can be found in **Chapter 3 Table 3-1**.

The rent-stabilized jurisdictions analyzed in the case study implemented varying levels of rent increase percentages, as well as different fee amounts. One of the key takeaways is the emphasis on the importance of educating the community, property owners, and developers on the types of units subject to rent stabilization, as well as the elements within the ordinance that can help both renters and landlords.

In addition, it is important to acknowledge that rent stabilization does not serve as a single "silver bullet" solution to such a pervasive problem. For it to alleviate some of the housing pressure, it must be combined with other policies that protect renters and encourage additional supply such as providing incentives

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<sup>16</sup> Phillips, Shane. 2020. Does the Los Angeles Region Have Too Many Vacant Homes? UCLA Lewis Center for Regional Policy Studies Working Paper Series. <https://escholarship.org/uc/item/87r4543q> [Accessed October 2021].

to support the development of missing housing types in the City, encouraging infill development, streamlining the permitting process, creating supportive housing-related programs for underserved populations, etc.

### **Key Question 3: What are the potential fiscal implications of a proposed rent stabilization ordinance on the City's General Fund?**

#### ***Property Tax***

There may be positive fiscal impacts on property taxes and property transfer taxes if rental units are sold in response to a rent stabilization ordinance. However, these fiscal impacts will be minor under current conditions as the ordinance only applies to multifamily units. The building would either be sold and continued to be occupied as rental units, or the property owner would have to go through the detailed process of converting to condominiums, which could then reduce the rental supply.

There is also the potential that limiting rent increases could reduce the assessed value of a rent-stabilized property. However, because of the impact of Proposition 13 on assessed values, only properties that have been sold would be eligible for a reassessment in their taxable value. In these circumstances, some new property owners ultimately may file assessment appeals if the values of their properties do not keep pace with inflation because the real rental revenue is declining over time. The impact of this effect on property taxes will depend on the portion of multifamily rental housing that was recently transacted. In the last 5 years, only 5.5 percent of the City's rental inventory that would qualify for the ordinance was sold.

In addition to property tax payments, any change in property values would impact the City's property tax in-lieu of vehicle license fee revenue received from the State. Therefore, if the proposed ordinance were to result in a decrease (or increase) in assessed values, the City would receive lower (or higher) revenue from the State.

#### ***Program Costs to the City's General Fund***

Salinas will incur both one-time and ongoing costs to implement and administer a Rent Stabilization Program—costs that potentially could be covered through a per-unit fee program specified in the ordinance. Based on discussions with rent stabilization program staff in other jurisdictions, Salinas would likely need 4.2 to 11.4 full-time equivalent employees (FTEs) to manage the proposed ordinance (excluding the Rental Registry FTEs). Preliminary EPS estimates suggest ongoing program administration costs ranging from about \$621,000 to \$1.2 million per year, as detailed in **Chapter 4 Table 4-12**.

A combined annual per-unit fee for the Rental Registry and Rent Stabilization programs should be designed to recover the costs of the fully burdened costs of staff. An illustrative example using the estimated maximum annual costs of \$1.2 million reflects a range from about \$20 for partially covered units to \$115 for fully covered units. The actual fees will depend on the level of staffing and will decrease over time if not escalated to keep pace with inflation. This fee does not include the initial costs to implement the program, and it provides an estimated cost of hiring third-party sources that may help with services such as legal counsel, tenant relocation assistance, and renter helpline. Actual costs of third-party services will depend on what elements are included from each service type.

#### **Key Question 4: What are the estimated impacts of different rent stabilization ordinance scenarios on housing supply in the City?**

**Under current State law, the impact of the proposed ordinance on City finances and economic trajectory is likely to be relatively modest.**

Because of the statewide exemptions for single-family homes and multifamily units built after 1995, the rent stabilization provisions of the ordinance would only impact about 19 percent of the City's total housing stock. The most significant economic impacts are likely to be distributional, with existing renters experiencing direct financial benefits at the expense of property owners. The rent and eviction protections also may limit displacement among lower income communities who tend to disproportionately occupy rental housing.

**Vacancy decontrol, which allows the rent for vacated units to be brought up to market rate, helps stabilize the potential financial effects for property owners, reflecting only a slightly decreased Internal Rate of Return (IRR) depending on the rent cap.** A financial sensitivity analysis shows that a prototypical rent-stabilized building would appreciate at a slower rate compared to a market-rate building not subject to rent stabilization. In addition, rent-stabilized buildings are considered low-risk investments, requiring a stable IRR from about 8 percent to 12 percent compared to new construction, which would need to range about 2 percentage points higher. See **Chapter 4**.

Operating expenses for multifamily buildings have been somewhat volatile in recent years, largely because of increases in utility costs and particularly insurance costs. Increases in operating costs impact the net operating income for owners of multifamily rental units that are unable to pass along the total increased cost to tenants. Correspondingly, the return on investment for landlords can be negatively impacted. At the most restrictive rent control rates, the rates of investor return can potentially dip close to levels that can be achieved with far less risk and effort through an investment account. Under such a scenario, there would be increased incentive for some landlords to exit the market. **The inclusion of provisions for landlords to petition for rent increases**

**to accommodate additional operating expenses is an important safety valve to prevent undue burden and potential loss of rental units.**

## Overall Conclusions

Rent regulations are increasingly prevalent in California. In cities like Salinas, where apartments account for about 36 percent of the housing stock, the policy could have a range of potential impacts. As discussed previously, current State law limits the impact of rent stabilization by exempting single-family units, condominiums, and properties built after February 1995 and allowing for vacancy decontrol (the ability to raise rent back to market rate after a tenant leaves).

**For applicable units (19 percent of the City's housing), the proposed ordinance is likely to stabilize rents and decrease displacement risk, which is an important equity concern in the City.** Thus, existing City renters would be the direct beneficiaries of the ordinance, accruing long-term financial benefits and reduced risk of eviction. This benefit would come at a cost to existing Salinas landlords who could experience reduced rental income and limitations on removing unwanted tenants. However, the effects on income appear to be relatively modest, particularly as the ordinance has policies to help protect hardships by allowing a landlord to petition for rent increase beyond the allowed rent-stabilized increase to obtain a fair and reasonable return, as well as petition to pass through to the tenant specific capital improvements. Conversely, there is a policy that allows a tenant to petition for a rent reduction if they believe that the landlord has demanded, accepted, or retained any rent in excess of the rent permitted.

However, despite the clear and direct redistribution effects of the proposed ordinance, the broader economic implications are likely to be modest absent the repeal of Costa-Hawkins, which would expand the incidence of rent control beyond the above-referenced 19 percent of the City's housing.

While 19 percent of the City's housing is not immaterial, the renter protections included in the ordinance are likely to have both positive and negative impacts on the local economy and the City's fiscal health. The positive impacts include reduced displacement, as well as increased economic stability and disposable income for renters. The negative impacts may include reduced labor mobility and housing availability for new residents, as rent stabilization is shown to decrease turnover by about 20 percent, and with vacancy in the City experiencing an extremely tight market, this exacerbates the limited housing options for new residents and the ability for existing residents to move, as discussed in **Chapter 3**.

**Rent stabilization is part of a toolkit that, along with other policies and incentives, can help alleviate some housing cost pressures. Taken in combination with other policies that encourage renter protections and additional supply, it can be part of a multi-pronged effort to improve the outlook for residents struggling to afford housing.**

## Recommendations

Based on the findings from the literature review, a survey of comparable cities, and the technical fiscal and economic impacts analysis, **EPS recommends the City consider adopting a rent stabilization ordinance, limiting the maximum increase of rent between the following ranges to help stabilize rents and prevent displacement for the City's most vulnerable populations:**

- **The lesser of 2.5 percent or 65 percent of the CPI for All Urban Consumers in the Urban West (CPI-U West)**
- OR**
- **The lesser of 2.75 percent or 75 percent of the CPI-U West**

Using a percentage of CPI to calculate allowed annual rent increases maintains a logical basis because the CPI itself includes changes in housing prices to measure inflation. As of December 2023, rent of primary residences of relative importance to the CPI-U West was 9.7 percent, while owners' equivalent rent's relative importance was 27.1 percent.<sup>17</sup> Thus, using CPI to calculate allowable rent increases risks of "double-counting" rent, in that exogenous rent increases in non-rent stabilized units could drive higher allowable rent increases that are larger than the increased costs of maintenance services captured in the CPI. Using either 65 percent or 75 percent of CPI to benchmark allowable rent increases helps to mitigate this potential issue.

The Bureau of Labor Statistics (BLS) does publish inflation measures that exclude housing costs, titled "CPI-Less Shelter." However, this measure can be extremely volatile, as the large relative importance of shelter costs and their relative stability year-over-year mitigates more volatile consumer goods and services costs in unstable inflationary environments. For example, during the inflationary spikes of 2021 and 2022, which were driven by COVID-related supply chain issues

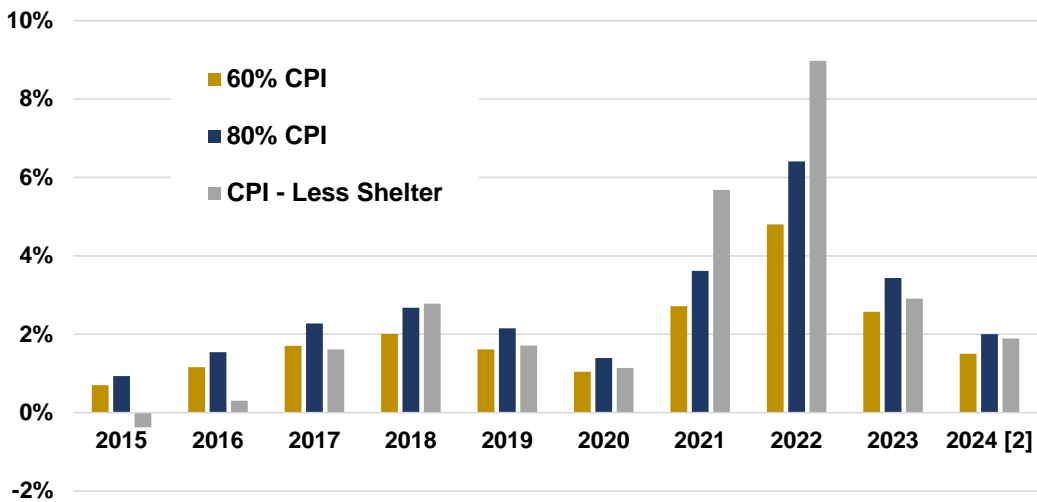
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<sup>17</sup> Owners' equivalent rent is the amount that an owner-occupied home would rent for on the open market. Relative importance indicates the relative contribution of one category of items to the overall inflation measure. For example, with 9.7 percent relative importance, a 10 percent increase in rent of primary residences would increase the overall CPI by 0.97 percent, assuming all other items' prices do not change.

for consumer goods, the CPI-Less Shelter was 26 percent and 12 percent higher than the overall CPI-U West, respectively. See **Appendix A Table A-14**.

The allowed rent increases strike a balance to benefit both the tenant and the property owner, preventing exorbitant increases in rent, while still providing a reasonable rate of return for the property owner.

**Figure 1. CPI Comparison**



**The Rent Stabilization Ordinance should include strong tenant protections.** Strong tenant protections include Just-Cause eviction protections, as well as No-Fault eviction protections such as requiring landlords to pay fair relocation costs. See **Appendix A Table A-1** for no-fault eviction protections in the California cities that have rent stabilization ordinances. An additional protection the City could consider is setting a cap on the number of units that can convert to condominiums within a year and providing current tenants the right of first refusal to purchase condominium conversions.

**The City should consider merging the Rent Stabilization Fee into the Rental Registry Fee and charge this fee on a per-unit basis.** The fee amount should differ based on unit type: fully covered units (rental registry, tenant protections, and rent stabilization) should be higher than partially covered units (rental registry and tenant protections). The fee is to help the City recover the costs to run the program, including costs for staffing, third-party services and software, community education, and program enforcement, and should provide financial neutrality.

Based on data from other cities, **the additional staffing needed to establish, operate, and maintain the Rent Stabilization Ordinance ranges from the equivalent of 4.2 to 11.4 net new hires** (excluding the rental registry staff) or a percentage of existing employees' time. With the minimum level of only 4.2 new staff members, or 5.1 FTEs total, Salinas would likely need to contract third-party services for legal counsel, tenant relocation services, and mediation and dispute resolution. As staffing increases beyond 5.1 FTEs, the number of third-party source contracts will decrease.

**The City should consider including language in the ordinance establishing periodic review elements such as the rent increase caps, the number of petitions, staffing levels, fee amounts, etc., to ensure the program operates effectively for property owners, tenants, and the City.**

**In addition, the City should take careful consideration to explicitly include any elements they would like to retain from Costa-Hawkins**, such as exempting single-family homes, exempting new development, and providing vacancy decontrol. If these are not included in the City's ordinance and the statewide ballot initiative set for the November 2024 ballot to repeal Costa-Hawkins passes, the local ordinance would apply to all rental housing, including single-family units, and rents would not reset to market for new tenants.



## 2. Regulatory Context

This chapter summarizes the existing California legal context relevant to evaluating the fiscal and economic impact of the proposed ordinance and the specific provisions of the proposed ordinance in this context.

### California Rent Stabilization

The California Tenant Protection Act established a statewide maximum allowable rent increase and just-cause eviction protections. The statewide policy caps rent increases at the lesser of 5 percent plus the increase in the regional CPI, or 10 percent of the lowest rent charged over the 12 months before the increase.<sup>18</sup>

Cities and counties also may enact their own rent stabilization with a lower rent cap than the statewide provision. However, any local ordinance is limited by the Costa-Hawkins Rental Act, which exempts single-family homes, condominiums, and all housing built after 1995 from rent stabilization (but not just-cause eviction). State law also dictates that all units covered by rent stabilization are subject to vacancy decontrol, allowing landlords to establish market-rate rents for new tenants.<sup>19</sup>

There is a statewide ballot initiative set for the November 2024 ballot that would repeal Costa-Hawkins.<sup>20</sup> If the initiative passes, any local ordinance not explicitly written to exempt single-family homes or provide vacancy decontrol will take effect, as would be the case for Salinas, as described further below. Therefore, if Costa-Hawkins is repealed, the City's proposed rent stabilization ordinance, if approved, would apply to all rental housing, including single-family units, and rents would not reset to market for new tenants.

Assorted studies on rent stabilization in California suggest that approximately 30 cities in the State currently have some form of a program, or about 7 percent of the total cities (accounting for 22 percent of the State's population).<sup>21</sup>

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<sup>18</sup> [Rent Control Is Here: California's Tenant Protection Act of 2019 | Nolo](#)

<sup>19</sup> [Costa-Hawkins Act • California Apartment Association \(caanet.org\)](#)

<sup>20</sup> [California Prohibit State Limitations on Local Rent Control Initiative \(2024\) - Ballotpedia](#)

<sup>21</sup> [California Rent Control Law | Nolo](#)

As illustrated in **Table 1-1**, most of these cities tie rent caps to a percentage of the CPI, similar to the approach in the proposed Salinas Ordinance. A smaller number of cities cap rent at an annual percentage increase, ranging from 2 percent to 10 percent, regardless of the CPI.

## Summary of Salinas' Proposed Ordinance

The "City of Salinas Rent Stabilization and Tenant Protection Ordinance" (Ordinance) proposes to establish an annual rent increase cap of the lesser of a specified percentage or a percentage of the CPI (percentage amounts to be determined later) and establish just-cause eviction protections. As illustrated in **Table 1-1**, 60 percent of CPI threshold is the lower end (e.g., more favorable for existing tenants) than other California cities that have such ordinances (the average is 78 percent of CPI).

Like most rent stabilization programs, the proposed Ordinance applies to all covered units irrespective of household income (e.g., it is not means tested). As in Costa-Hawkins, the Ordinance exempts the following properties:

- Any residential real property with a certificate of occupancy issued after February 1, 1995.
- Rental units in hotels, motels, and inns (for a period of fewer than 30 days).
- Dormitories.
- Rental units in any hospital, convent, monastery, or extended care facility.
- A rental unit that has been the primary residence of the landlord since the beginning of the tenancy, and where the landlord shares a bathroom or kitchen with the tenant.
- Rental units fully owned, operated, and managed by a county government unit, agency, or authority, if applicable. Federal, State, or administrative regulations specifically exempt the units from local rent stabilization.
- Mobile homes located in mobile home parks.

Notably, the Ordinance does not exempt single-family or vacated units. While these units are exempt from rent stabilization under Costa-Hawkins, if voters repeal this law (as proposed in a statewide ballot measure), both single-family and vacated units would thereafter be covered by the proposed Ordinance.

In addition, the Ordinance provides the following policy stipulations to protect both tenants and property owners:

- Reasonable rate of return.
- Tenant protection for rent reduction.
- Landlord petition for rent increase.
- Petition for pass through for specific capital improvements.
- Rent increase ineffective (e.g., landlord fails to comply with the provisions of the Ordinance).
- Notice requirements.
- Violations and remedies.

If passed, the City would fund the administration of the Ordinance through the Rent Program Fee charged to landlords per non-exempt unit per year. The amount of the fee has yet to be determined. Other complaint-driven enforcement jurisdictions charge fees that range from \$59 to \$144 per unit.

## **Additional Renter Protections**

Rent stabilization is a single policy tool designed to protect renters, and other rental protections and aid should be considered as well. For example, from March 2021 through the end of 2023, the City partnered with United Way to establish a funding agreement, providing the City with \$15 million to assist with more than 3,800 rental payments. The program serves low-income residents throughout Monterey County who are at risk of becoming homeless. During this time, the City was able to help:

- 2,031 Rental Cases.
- 1,705 Utility Cases.
- 61 Motel Payments.

The City is working with United Way to develop a Homeless Housing Navigation and Stabilization Program (HHNSP), which includes partnering with the Housing Authority of Monterey County as a subgrantee. Funding will be used by the City's housing case navigators to provide case management, housing navigation referrals, and financial assistance with application fees, deposits, move-in fees, and storage fees to help residents obtain stable housing. These services are provided to individuals that are already a part of the City's Emergency Motel Program (EMP) or the Salinas Outreach and Response Team (SORT).

The City is not assisting with rental or utility services but helps provide referrals to outside services using the Smart Referral Network (SRN). The City is working on partnering with Monterey College of Law to assist tenants with tenant/landlord mediation services.

### **Potential Options for Additional Renter Protection**

In addition to or in place of a rent stabilization ordinance, the following renter protection methods can be considered:

- **Assembly Bill (AB) 1482: The California Tenant Protection Act of 2019.**

This law went into effect January 1, 2020, and expires on January 1, 2030.

These are the two main aspects of this law:

- Requires a landlord to have a “just cause” to terminate a tenancy.
- Limits annual rent increases to more than 5 percent + local CPI, or 10 percent, whichever is lower.

This law applies to units that were constructed 15 years ago or more, which differs from Costa-Hawkins, in that unit age is on a rolling basis. Another difference is it can apply to single-family homes and condominiums if those units are owned by a real estate trust, a corporation, or an LLC with at least one corporate member.

- **Additional renter protection programs** provided by other cities:

- Just-cause eviction ordinances.
- Tenant protection ordinances.
- Legal assistance.
- Fair housing services.
- Emergency assistance programs.
- Housing stability assistance program.

### 3. Literature Review and Case Study

The impact of rent stabilization ordinances on communities largely depends on the framework of the policy and the context of the local housing market. That said, there are common themes that can be gleaned from empirical and academic studies on the topic. Traditional economic analyses often focused on negative aspects of rent *control*, a much stricter form of rent regulation originating from World War II-era price controls that are now only applicable to approximately 24,000 rental units located exclusively in New York City.<sup>22</sup> Under the rent control regime that was in place between 1943 and 1968 in New York City, landlords were required to apply to a rent commission for rental increases, with no allowances for automatic inflationary increases of rent.<sup>23</sup> Although economic theory predicts that such a hard price ceiling, coupled with no exemptions for new construction, would significantly depress new construction of rental housing and investment in maintenance and upkeep of current units, such strict policies were only in place temporarily and are not reflective of the more nuanced policies in place in most jurisdictions.<sup>24</sup>

Nearly all rent stabilization policies currently in place include significant allowances for automatic inflationary adjustments of rent, increases for capital improvements, vacancy decontrol, and exemptions for new construction, mitigating harmful effects on new construction and maintenance investment from the price control aspect of the policies. Most empirical studies on more moderate rent stabilization policies indicate that the policy is effective in its intended goal of reducing rent for existing tenants. However, rent stabilization policies have also been found to cause a range of other impacts on the housing market, including increased rent for new residents and reduced housing mobility/displacement. Impacts on other factors are more ambiguous. A summary of the salient findings from a variety of empirical rent stabilization studies is provided below.

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<sup>22</sup> New York City Rent Guidelines Board, 2024. Frequently Asked Questions. <https://rentguidelinesboard.cityofnewyork.us/resources/faqs/>. Accessed June 18, 2024.

<sup>23</sup> Cavadias, M., 2017. A Brief History of Rent Regulation in New York. Hypocrite Reader. <https://hypocritereader.com/81/rent-regulation-nyc>. Accessed June 18, 2024.

<sup>24</sup> Jenkins, B., 2009. Rent Control: Do Economists Agree? Econ Journal Watch. Vol. 6, Issue 1.

## Impacts on Renter Displacement

**Almost all academic research indicates that tenants in rent-stabilized apartments have longer tenures and are less likely to move than renters in non-rent-stabilized units.**<sup>25</sup> In other words, households that are protected from rapid rent increases appear less likely to move. In a 2019 Stanford research paper, authors Diamond, McQuade, and Qian (DMQ) examined the impacts of San Francisco's rent stabilization after a 1994 law removed an exemption for small multifamily units in the city. The paper concluded that San Francisco's rent stabilization lowered renter displacement by about 20 percent.<sup>26</sup> The authors note that rent stabilization had an especially significant impact in preventing the displacement of racial minorities. A summary of stabilization's impacts by PolicyLink noted that tenants living in rent-stabilized units move less frequently and are less likely to experience forced moves.<sup>27</sup>

The "strictness," as measured by the magnitude of rent increases allowed and the burden of proof necessary to raise rents beyond the standard allowable increases, of rent control policies is strongly correlated with longer tenancies.<sup>28</sup> Under extremely strict rent control regimes, such as those that existed in New York City before 1968, the impacts on tenant mobility can be extreme, with a 1992 study finding that the typical tenant in a rent-controlled unit would remain in the same unit for 18 years longer than a similar tenant in a non-rent-controlled unit.<sup>29</sup>

Although economic analyses of strict rent control policies have often focused on the misallocation of rent control's benefits (i.e., that most benefits accrue to upper income households), recent analysis of rapidly gentrifying neighborhoods in the San Francisco Bay Area finds that rent stabilization is uniquely effective in preventing displacement of extremely low-income households.<sup>30</sup>

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<sup>25</sup> Pastor, M.; Carter, V.; Abood, M. 2018. Rent Matters: What are the Impacts of Rent Stabilization Measures? <https://dornsife.usc.edu/eri/wp-content/uploads/sites/41/2023/01/2018RentMattersPERE.pdf>

<sup>26</sup> [DMQ.pdf \(stanford.edu\)](#)

<sup>27</sup> [OurHomesOurFuture\\_Web\\_08-02-19.pdf \(policylink.org\)](#)

<sup>28</sup> Crispell, M., 2016. Rent Control Policy Brief. University of California Berkeley Urban Displacement Project.

<sup>29</sup> Ault, R.I Jackson, J.; & Saba, R. 1992. The Effect of Long-Term Rent Control on Tenant Mobility.

<sup>30</sup> Hwang, J., et al., 2022. Who Benefits from Tenant Protections? The Effects of Rent Stabilization and Just Cause for Evictions on Residential Mobility in the Bay Area. University of California Berkeley Institute of Governmental Studies Policy Brief.

In Salinas, increasing housing stability for the City's rental community, specifically the 81 percent of renter-occupied units comprising Latinx residents, and other vulnerable residents such as farmworkers, the elderly, and low-income households, is key to ensuring quality of life for these communities and the City as a whole. Research from San Mateo County shows that displacement, whether from formal eviction or an inability to afford rent, has disastrous impacts on families' well-being. Renters displaced from their homes experienced extremely high rates of homelessness compared to other families and, on average, were forced to move to communities with worse environmental health outcomes and longer commutes.<sup>31</sup> Additional research from Michigan conducted during the Great Recession shows that people who move because of an inability to afford rent or mortgage are more than twice as likely to report anxiety attacks or severe depression than people who move for other reasons.

## Impacts on Rental Supply

Much of the economic literature critical of rent control policies' depressive impact on new housing development examines strict rent control policies present in New York City and many European cities immediately following World War II.<sup>32 33</sup> **However, empirical evidence from more moderate rent stabilization policies with exemptions for new construction find little to no effect on the supply of new housing.** An examination of the end of rent stabilization policies in Boston, where new construction was exempted, found that being in a zone of Boston exempt from rent stabilization led to an increase of only 0.2 percentage points in the quantity of new housing.<sup>34</sup> Similarly, analysis comparing 76 cities in New Jersey both with and without rent stabilization policies found that moderate price control policies had no statistically significant effect on new construction.<sup>35</sup>

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<sup>31</sup> Marcus, J.; Zuk, M., 2017. Displacement in San Mateo County, California: Consequences for Housing, Neighborhoods, Quality of Life, and Health. University of California Berkeley Institute of Governmental Studies Policy Brief.

<sup>32</sup> Glaeser, Edward L. 2002. Does Rent Control Reduce Segregation? Harvard Institute of Economic Research Discussion Paper No. 1985.

<sup>33</sup> Arnott, Richard. 1995. "Time for Revisionism on Rent Control?" *Journal of Economic Perspectives*, 9 (1): 99–120.

<sup>34</sup> Sims, David P. 2007. Out of Control: What Can We Learn from the End of Massachusetts Rent Control? *Journal of Urban Economics* 61(1).

<sup>35</sup> Gilderbloom, John I., and Lin Ye. 2007. "Thirty Years of Rent Control: A Survey of New Jersey Cities." *Journal of Urban Affairs* 29(2).

While moderate rent stabilization policies with exemptions for new construction may not depress new housing development, they may lead to the conversion of existing rental units to condominiums, **generating a shift toward for-sale housing**. Over the 36-year study period, DMQ found that impacted landlords reduced the supply of available rental housing by 15 percent by selling to owner-occupants and redeveloping buildings. As a result, rental properties made up a smaller portion of the City's housing over time, which increased the cost of rental housing. The shift toward for-sale housing and the increased price of rental housing together directed the City's housing stock toward higher income households.

Because the Ordinance would apply only to multifamily buildings, the property owners of apartment buildings that qualify for rent stabilization in Salinas would have to go through the legal process to convert the rental units to condominiums. The conversion process is complex, with many detailed steps:

1. Consult with a real estate attorney.
2. Conduct a market assessment.
3. Retain a licensed professional to examine the property.
4. Talk to a mortgage broker.
5. Understand the role of the title company.
6. Tenant notice or vacancy exemption.
7. Application process:
  - Application.
  - Tenant history and provisions.
  - Inspection.
  - CC&Rs.
  - Site plan and floor plans.
  - Utility plan.
  - Tentative parcel map.
  - Subdivision map.
  - Preliminary title report.
  - Affordable housing proposal, if applicable.
8. Recordation of applicable paperwork.
9. Post-conversion refinance and sales transactions.<sup>36</sup>

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<sup>36</sup> Old Republic Title, "Understanding the Condo Conversion Process," December 14, 2022, <https://www.linkedin.com/pulse/understanding-condo-conversion-process-oldrepublictitle/> (accessed May 2024).



While apartment-to-condominium conversions would reduce rental inventory, several policies exist to mitigate the threat of these conversions, including the prohibition of condominium conversions for buildings over a certain number of units, requiring that landlords pay fair relocation costs, or providing current tenants the right of first refusal to purchase condominium units in the converted building.

## Impacts on Economic Inequality

Economists have made varying conclusions on how rent stabilization impacts inequality.

While rent control does not directly decrease income inequality, **the benefits of housing, rental expenditure, and neighborhood stability are much more impactful for low-income households.** Because rent stabilization is a broadly targeted policy, benefitting tenants regardless of their income levels, many economists have noted that the majority of the aggregate benefits of cheaper rent accrue to middle- and upper-income households.<sup>37</sup>

However, analysis of the aggregate benefits of lower rent does not consider the relative effect of stabilized rents on households of different incomes. Lower income families spend a much larger proportion of their incomes on rent—in 2017, 80 percent of low-income households spent more than 30 percent of their income on rent, compared to only 16 percent of high-income households.<sup>38 39</sup> Thus, the income-saving aspect of rent stabilization policies is much more impactful for low-income households than for higher income households, even if the nominal dollar benefit is the same.

However, rent stabilization (along with the robust tenant protections that often accompany these policies) allow lower income families to remain in neighborhoods even as rental prices and neighborhood incomes rise. As noted in the DMQ study of San Francisco rent stabilization, allowing low-income families to remain in place while the average income of in-migrants rises actually increases income inequality on a citywide scale as the incomes of existing tenants and new residents diverge. However, these families, and especially young children, strongly benefit from housing stability in an improving neighborhood. As noted above, low-income families displaced from gentrifying neighborhoods are often forced to move to neighborhoods with lower opportunity and higher environmental health risks.

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<sup>37</sup> Ault, R. & Saba, R., 1990. The economic effects of long-term rent control: The case of New York City. *The Journal of Real Estate Finance and Economics*. Volume 3.

<sup>38</sup> Kimberlin, S., 2019. California's Housing Affordability Crisis Hits Renters and Households With the Lowest Incomes the Hardest. California Budget & Policy Center.

<sup>39</sup> Low-income is less than 200 percent of the federal poverty line, while high-income is 400 percent or more of the federal poverty line.

In addition, as average neighborhood incomes rise, children raised in these higher income, higher opportunity neighborhoods grow up to have significantly lower incarceration rates, much higher employment rates, and higher incomes, regardless of the household income of the family in which they were raised.<sup>40</sup>

In an economy such as Salinas, where many workers cannot afford to live and may struggle to afford rent and price increases and with elevated levels of overcrowding in residential units and high percentages of households that are cost burdened, rent stabilization can allow low-income households to remain in their neighborhoods even as the housing prices and average incomes rise.

## Impacts on Property Values

Classical economics holds that rent stabilization potentially impacts property values by limiting the income earning potential of rental properties and potentially by reducing investment on building maintenance, leading to building deterioration. Although studies of strict rent *control* policies do show that such policies lead to significantly lower property values compared to uncontrolled rental properties, **moderate rent stabilization policies, allowing for vacancy decontrol and providing allowances for capital improvements, have been shown to have little to no effect on property values.**

The unanticipated elimination of rent stabilization in Massachusetts in 1995 provided economists with an opportunity to study the price effects on decontrolled properties. MIT researchers analyzed the elimination of rent stabilization in Cambridge and found that previously rent-controlled properties rose in assessed value by approximately 13 percent to 25 percent over the 10 years following rent decontrol. However, Cambridge's rent control policy and implementation was extremely strict, with very limited annual allowable rent increases for inflation and no vacancy decontrol.

Alameda County's experience with rent stabilization in the 1970s and 1980s also allowed for studying the effects of varying degrees of strictness. Of the 13 incorporated cities in Alameda County, 1 (Berkeley) had strict rent control, with minimal allowed rent increases and no rent control, 2 (Hayward and Oakland) had more moderate rent stabilization policies, and the remaining 10 cities had no rent control or stabilization policies during the study period (1970-88). Although property values in Berkeley were approximately 50 percent lower than would have been expected during the study period, property values in Oakland and Hayward were unaffected by their more moderate policies.<sup>41</sup>

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<sup>40</sup> Kramer, M. How the neighborhood you grow up in affects your future. <https://projects.publicsource.org/pittsburgh-neighborhood-success/>

<sup>41</sup> St. John, M., 1990. The Impact of Rent Controls on Property Value. UC Berkeley Fisher Center Working Papers. <https://escholarship.org/uc/item/8c9648s1>

A similar study in New Jersey examined property values in 74 cities with moderate rent stabilization policies and 87 cities without rent stabilization policies. With more than 40 years of data captured, the study found that the rent stabilization policies had no significant impact on property values, with property appreciation rates amongst the cities driven much more strongly by median household income and other demographic factors.<sup>42</sup>

## Impacts on Building Quality

Research on rent stabilization and building quality is ambiguous, largely because of the difficulty in measuring building quality and levels of maintenance on a large scale. **However, empirical research has found that moderate rent stabilization policies, which allow landlords a return on investments in building improvements, do not depress the amount of building maintenance.** In Boston, rent stabilization regulations were found to lead to a decline in cosmetic maintenance, although the author notes that such regulations did not appear to lead to “catastrophic failures” and that the end of such policies did not lead to an increase in “functional maintenance” of building systems such as windows, plumbing, and climate control.<sup>43</sup> Similarly, experience in Cambridge showed that the strict rent control regime there, combined with the low likelihood that the city would approve rent increases for property improvements, reduced property owners’ incentive to maintain or improve their units.<sup>44</sup>

Conversely, several researchers have found that the increased length of tenure allowed by rent stabilization policies increases tenants’ willingness to maintain their own units.<sup>45</sup> <sup>46</sup> Importantly, a study of moderate rent stabilization policies in North American cities finds that such policies that allow for capitalization of building improvements or increase enforcement of housing codes finds that these policies do not negatively impact owner investments in property upkeep and improvements. A key finding from that study is that “allow[ing] increases in the level of housing services [i.e., building improvements] to be valued at their market price,” is critical to ensuring that the price control aspect of rent

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<sup>42</sup> Ambrosius, J., et al., 2015. Forty years of rent control: Reexamining New Jersey’s moderate local policies after the great recession. *Cities*. Vol. 49.

<sup>43</sup> [2007 Sims MA rent control study - DocumentCloud](#)

<sup>44</sup> Autor, D.; Palmer, C.; and Pathak, P., 2014.

<sup>45</sup> Gyourko, J., and Linneman, P. 1990. Rent Controls and Rental Housing Quality: A Note on the Effects of New York City’s Old Controls. *Journal of Urban Economics* Vol. 27, Issue 3.

<sup>46</sup> Moon, Choon-Geol, and Janet G. Stotsky. 1993. The Effect of Rent Control on Housing Quality Change: A Longitudinal Analysis. *The Journal of Political Economy* Vol. 101, Issue 6.

stabilization policies does not depress investment in building upkeep and improvement.<sup>47</sup>

However, when coupled with strong just-cause protections, rent stabilization has been found to provide leverage to tenants to advocate for improved conditions. A study in Washington, D.C. found that the share of physically deficient units decreased after rent stabilization because most tenants said they were more willing to insist on repairs.<sup>48</sup>

This discrepancy may be explained by the type of investments being examined. While tenants may have added leverage to request repairs related to basic building functionality and health and safety requirements, landlords may have less of an incentive to make more cosmetic investments or add amenities designed to appeal to new tenants.

If Salinas does implement a rent stabilization ordinance, it will be important to include strong just-cause protections and support for tenants to advocate for the health and safety of their living conditions.

## Other Potential Impacts

There are many potential impacts of rent stabilization that have not been significantly studied. A few impacts have been noted by researchers but have less empirical support. One example is listed below:

- **Sales tax impacts.** Sales taxes may be impacted both positively and negatively by rent stabilization. Rent stabilization increases the discretionary income of renters, allowing households to spend money and boost the local economy.

Conversely, if rent stabilization were to limit the influx of higher income residents, it may reduce the number of households that spend the most money on local services:

- **Workforce impacts.** A lack of available housing can be a barrier to attracting and retaining employees. While the proposed Ordinance would help existing renters remain in place, it may reduce the availability of housing for people moving to Salinas. A potential spatial mismatch between employment and worker populations can limit access to jobs.<sup>49</sup> On the other hand, rent stabilization and subsequent housing stability may provide economic benefits

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<sup>47</sup> Kutty, N. 2007. The impact of rent control on housing maintenance: A dynamic analysis incorporating European and North American rent regulations. *Housing Studies*. Vol. 11, Issue 1.

<sup>48</sup> [OurHomesOurFuture\\_Web\\_08-02-19.pdf](#)

<sup>49</sup> [Four Reasons Why Employers Should Care about Housing | Housing Matters \(urban.org\)](#)

through reduced worker turnover. Displacement and housing instability lead to absenteeism from work, reduced productivity, and higher turnover—people who experience eviction are up to 22 percent more likely to be laid off.<sup>50</sup>

- **Improved educational outcomes.** Children who move frequently have more absences and a lower likelihood of finishing school. Reduced displacement can lead to fewer moves for students and, as a result, improved overall educational outcomes. In addition, rent stabilization may help teachers who are rent burdened to continue in their profession at their local school.
- **Demand for social services.** The benefits of improving financial stability for renters can be significant.<sup>51</sup> All else equal, financially stable households are less likely to need public benefits. As a result, increased housing stability can potentially decrease the need for government spending on food and housing assistance. This has the potential to reduce a city's expenditures.

## Case-Study Research

A survey of the rent stabilization programs in comparative jurisdictions was completed to help examine the current requirements and fee amounts in cities with a similarly sized population or socioeconomic elements. The communities surveyed include the cities of Oxnard, Antioch, Mountain View, Oakland, and San Diego. Examining the rent stabilization elements in these communities provides insight into ordinance elements that are working well in other communities, as well as concerns from the community. **Table 3-1** provides a summary of the survey of the rent stabilization ordinances in the comparative jurisdictions.

Both Oxnard and Antioch only recently adopted their rent stabilization ordinances in 2022, and while Oxnard established a straight percentage limit of 4 percent, Antioch limits rent increases to the lesser of 3 percent or 60 percent of CPI. Oakland adopted an amendment in 2022 to their rent stabilization ordinance, which was originally passed in 1980, to the same limits as Antioch. Mountain View limits rent increases to no less than 2 percent and no more than 5 percent. As shown in **Table 1-1**, cities in California with rent stabilization ordinances have allowed increases ranging from a low of 50 percent of CPI up to a maximum 10 percent increase, which is the maximum increase per State law. The City of San Diego chose to adopt the AB 1482 rent cap, discussed in **Chapter 1**, which limits the rent increase to 5 percent plus the percentage change in CPI or 10 percent, whichever is lower.

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<sup>50</sup> [Housing and Employment Insecurity among the Working Poor | Social Problems | Oxford Academic \(oup.com\)](#)

<sup>51</sup> [Thriving Residents. Thriving Cities: Family Financial Security Matters for Cities \(urban.org\)](#)

**Table 3-1  
Case Study**

Item [1]	Salinas	Oxnard	Antioch	Mountain View	Oakland	San Diego [2]	Richmond	Sacramento
<b>Socioeconomic Factors (2023)</b>								
Total Housing Units	43,649	54,494	36,850	35,973	175,640	531,259	39,245	197,362
Households	157,083	195,793	114,712	83,311	409,417	1,307,002	111,924	505,137
Persons per Household	3.60	3.59	3.11	2.32	2.33	2.46	2.85	2.56
<b>Renter-Occupied Housing</b>								
Total	22,437	22,668	13,637	20,589	96,383	264,566	96,383	941
Persons per Household	3.93	3.99	3.25	2.23	2.21	2.45	2.89	2.45
Renter Median Household Income	\$64,509	\$68,872	\$61,411	\$153,279	\$68,434	\$75,291	\$62,537	\$56,131
Median Rent	\$1,795	\$1,907	\$2,150	\$2,855	\$1,849	\$2,080	\$1,853	\$1,592
Estimated Average Rent Burden	33%	33%	42%	22%	32%	33%	36%	34%
% Rent Burden Households	52%	57%	62%	37%	48%	52%	56%	51%

Table 3-1  
Case Study

Item [1]	Salinas	Oxnard	Antioch	Mountain View	Oakland	San Diego [2]	Richmond	Sacramento
<b>Rent Stabilization Factors</b>								
Article Name	N/A	Rent Stabilization Ordinance No.3013	Rent Stabilization Ordinance No. 2219-C-S	Community Stabilization and Fair Rent Act	Rent Adjustment Program O.M.C. Section 8.22.010 (RAP)	N/A	Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance Chapter 11.100	Sacramento Tenant Protection Act Ordinance. 2019-0025 § 2
Municipal Code	N/A		Chapter 1 of Title 11, Section 11-1.01	Part 1 Article 17	Title 8 Chapter 8.22	N/A	Chapter 11.100	Title 5 Chapter 5.156 Tenant Protection
Year Adopted	N/A	2022	2022	2016	1980 (Ordinance No. 9980 C.M.S.) but it was amended many times from 1980 to 2023. Current Ordinance is O.M.C. Section 8.22.010 et seq.)	N/A	2017	2019
Expiration Year	N/A	2030	N/A	N/A	-	N/A	N/A	2024
Increase	N/A	Limits rent increases to one rent increase per 12-month period not to exceed 4%	Limits rent increases to one rent increase per 12-month period not to exceed lesser of 3% or 60% of the most recent 12-month increase in the CPI for All Urban Consumers in the San Francisco Oakland-Hayward Area	Limits rents to no less than 2%, no more than 5%	In June 2022, the City Council has adopted an amendment to change the formula used to calculate the annual allowable rent increase to 60% of the change in CPI, or 3%, whichever is lower. (per 12-month period)	N/A	On November 8, 2022, Richmond Measure P limit rent increases for regulated units to 3% or 60% of the Consumer Price Index, whichever is less. (per 12-month period)	Evert April 1st the annual rent adjustment is 5% plus the percentage of the annual increase in the cost of living adjustment, if any, but not to exceed a combined total of 10%. A tenant may not waive this limitation on the increase in rent.
Fees	N/A	Fee amount not yet established. The City is currently performing a research study.	Fee amount not yet established.	\$108 per unit	\$101 per unit	N/A	\$220/Controlled rental unit \$125/Partially covered rental unit	\$20 flat rate
Other	N/A	-	N/A	-minimum of 3+ units	The Oakland Rent Adjustment Ordinance allows an annual rent increase based on the regional Consumer Price Index (CPI) without a petition. If the owner does not give a RAP notice, the landlord cannot increase the rent until 6 months after the tenant receives the notice.	N/A	N/A	Staff can impose administrative penalties against landlords for violation of the ordinance which can range from \$100 to \$25,000 per violation.

Table 3-1  
Case Study

Item [1]	Salinas	Oxnard	Antioch	Mountain View	Oakland	San Diego [2]	Richmond	Sacramento
<b>Rent Stabilization Factors</b>								
Legal Issues	N/A	Passed in a 5-2 vote. -Concern of not enough affordable housing stock. Fear that the new ordinances may exacerbate the housing shortage.	City Counsel voted 3-2 for a Rent Stabilization Ordinance. Concerns for Mom-and-Pop renters and disagreement with limit percentages. -Organizers claim renters in apartments received rent increases between \$200 and \$700 per month threatening to displace them. -Other speakers believe Antioch should build more homes not focus on rent control.	-Landlords protested and requested regulations that do not affect base rent. -April (2024), the Rental Housing Committee in Mountain View rejected a proposal related to rent reduction guidelines in a 2-4 vote. -Mountain View experienced an increase in the number of petitions filed by tenants and appeals from tenants and landlords challenging the decisions of hearing officers.	The City Council voted 6-1 for an ordinance to stabilize rents. -Despite amending their Rent ordinance multiple times, at the time of the most recent ordinance amendment renters were claiming to have 7% rent increases, which could force them out of their home (in 2022).	N/A	N/A	A significant number of landlords objected to the wording in the act, which was approved with a 7-to-1 vote. Low-income residents also voiced their concerns during the meeting, stating that a 10 percent cap on yearly rent increases is inadequate.
Additional Renter Protection Programs	N/A	-Mobile Home Park Rent Stabilization (MHRS) -Tenant Protection Ordinance 3012-Just Cause -No-fault Just Cause Evictions Ordinance 3042 -Urgency Ordinance Regarding No-Fault Just Cause Evictions Ordinance 3041	-Tenant Protection Ordinance No. 2232-C-S -Bay Area Legal Aid -Contra Costa Senior Legal Services -California Civil Rights Department -Tuesday Tenant Legal Clinic	-Housing Help Center for Tenants (HHC) -Fair Housing Services -Mediation Program -Emergency Assistance Program	-Just Cause for Eviction Ordinance (Measure EE) Section 8.22.300 -Tenant Protection Ordinance Section 8.22.600	-Residential Tenant Protections Ordinance 21647 N.S. -Housing Stability Assistance Program (COVID-19) -California Western Community Law Project -Legal Aid Society of San Diego Affordable Housing Advocates -San Diego Regional Alliance for Fair Housing (SDRAFFH)	-Renter Assistance Resources -Renter Relief Program -Richmond Rapid Response Fund (R3F)	-Tenant Protection Program -Emergency Rental Assistance Program
Grounds for Landlord Rent Increase Petitions		Landlord must substantiate their claim that the Ordinance has impeded their ability to achieve a fair return. Explanation of claim and accompanying evidence must satisfy the following condition: "The 4% annual limitation imposed by the City of Oxnard Rent Stabilization Ordinance has prevented the petition owner from receiving a fair and reasonable return on the [identified] property".	- Maintenance of Net-Operating Income (MNOI) - MNOI with Amortized Operating Expenses (includes Capital Improvement costs and legal expenses) - Other Grounds  Applicable factors Hearing Officer may consider when determining outcome of Fair Return Petition: - Changes in CPI - Time since last Rent increase or - Rent increase application - Capital Improvements (inc. materials, labor, construction interest, permit fees) amortized over period not less than 60 months - Rehab work amortized over period not less than 36 months - Changes in property taxes or other taxes related to the subject real property - Changes in utility charges - Changes in reasonable operating and maintenance expenses - Repairs caused by circumstances other than ordinary wear and tear - Amount and quality of services	- Maintenance of Net Operating Income (MNOI): "provides for rent increases if necessary to ensure that the net operating income earned in the petition year is at least equal to the inflation-adjusted net operating income earned in the base year." - Specified Capital Improvement Petitions: allows a temporary increase in rent for qualifying improvements. The maximum increased allowed under this petition is: - Capped at 5% of annual rent (not including the Annual General Adjustment) - Amortized over a specific time period for each type of improvement - Limited by the number of units on the property (associated values reflect the maximum percentage of costs that can be passed through to tenants) - 1-5 units on property: 90% - 6-20 units on property: 75% - >20 units on property: 50%	- Capital improvements: Allows a 70% cost pass-through (plus interest) to tenants, divided among affected units and amortized over the improvement's expected life. - Uninsured repair costs: Allows pass-through of costs for compliance-related repairs from natural disasters, not covered by insurance. - Increased Housing Service Costs: Permits rent increases above CPI due to rising net operating costs. Replaces CPI increase for the current year and applies to all units. - Fair Return: Allows rent increases when NOI indicates the owner is denied a fair return, replacing CPI increases for all years. - Banking: Deferred annual rent increases can be carried over ("banked") for up to 10 years without prior approval, unless combined with other petitions. - Additional Occupant(s): Allows up to a 5% rent increase for occupants exceeding the base level, excluding covered family members, legal guardians, and caretakers. - Tenant Not Residing in Unit as Principal Residence: Allows for unrestricted rent increase	For its Section 8 Housing Choice Voucher program, the San Diego Housing Commission permits landlords to increase rents if the requested amount is deemed "reasonable." The SDHC determines this by evaluating comparable units within the same complex and the broader market.	- Maintenance of Net Operating Income (MNOI) - Increase in Number of Occupants: Allows an increase of up to 15% for each additional occupant above base occupancy level, in addition to any Maximum Allowable Rent adjustment to which the Landlord is otherwise entitled. Excludes family members, legal guardians and caretakers. - Change in Space or Services: Increase in usable space or in Housing Services. Rent increase request commensurate with the cost increase associated with the change in space or service. - Restoration of Denied Annual General Adjustments: Allows landlords to recover AGAs previously denied due to code violations, non-payment of Rental Housing Fees, or failure to comply with orders from a Hearing Examiner or Rent Board (or other reasons). - Increase in Security Deposit Due to Addition of Pet(s)	Six options for valid claims: - Cap improvements (a) necessary for safety and health and are not routine maintenance/repair or (b) substantial repair outside of normal wear and tear (uninsured disaster or vandalism) - "Unavoidable" increases in operating expenses - Increases in Housing Services costs - Tenant number increase leading to operating or capital improvement expense increases - Property tax increases above standard 2% - Cost of debt service due to purchase of the rental property by <u>new owner</u> . Does not include refi or variable rate loan

Source: Cities of Oxnard, Antioch, Mountain View, Oakland, and San Diego; EPS.

[1] California Assembly Bill 1482 also known as the Tenant Protection Act of 2019, was signed into law in September 2019 and it was established to address the state's housing affordability crisis by imposing statewide rent control measures and provide just cause eviction protection for tenants. The bill caps annual rent increases at 5 percent plus the local rate of inflation, with a maximum limit of 10 percent. In response to AB 1482, some cities in California have established additional rent stabilization ordinances to further protect tenants. These local ordinances often provide stricter rent control measures and additional tenant protection beyond the statewide law. However, there are exceptional cities that enacted rent control ordinances before the California Assembly Bill 1482, such as City of Oakland.

[2] The City of San Diego adopted the California Assembly Bill 1482 rent cap, which the limits rent increases to 5 percent plus the percentage change of CPI or 10 percent, whichever is lower.



As discussed later in **Chapter 4**, enforcing the rent stabilization ordinance creates the need for additional staffing at a cost to the City, even if enforced on a complaint-driven basis. To help alleviate some of the financial burden, some jurisdictions opt to charge a fee to the property owners of the rent stabilized units. The cities of Oxnard and Antioch have not established their fee amounts but plan to at a later time. Mountain View charges \$108 per unit, and Oakland charges \$101 per unit.

These are rent stabilization concerns from the City Council and the communities:

- The Ordinance will negatively affect smaller “mom-and-pop” building owners, and it should be directed more at corporate owners.
- The City should focus on building more housing, not focus solely on rent stabilization.
- The Ordinance will drive up landlord costs, causing them to go out of business, and accelerating housing shortages or corporate owners to take over the buildings.
- California Apartment Association representatives argue that protections are already covered by State law: AB 1482.
- The question of the equity of the economic effects created by the potential policy. For example, the Ordinance will affect a landlord’s income, but for tenants, the Ordinance affects both their discretionary income and their access to housing.

## Literature Review and Case-Study Conclusions

The literature review and case-study findings indicate the potential for the following positive and negative outcomes.

### Pros to Rent Stabilization

- Reduces renter displacement by about 20 percent and has a significant impact in preventing the displacement of racial minorities and other vulnerable renter populations.
- Increases benefits to low-income households:
  - Housing.
  - Decreased rental expenditure.
  - Neighborhood stability.

### **Cons to Rent Stabilization**

- Very little to no negative effect on property value.
- Slight reduction in rental supply through condominium conversions, building redevelopment, and reduced tenant turnover.
- May increase rents as landlords react to the policy.
- If the policy does NOT allow for increases of housing services to be valued at their market price, it may disincentivize building improvements and maintenance.

While the jurisdictions analyzed in the case study implemented varying allowed rent income percentages and fee program amounts, one of the key takeaways is the emphasis on the importance of educating the community, property owners, and developers on rent stabilization. In addition, acknowledging that rent stabilization is not the single solution, and it is one part of a larger toolkit that, along with other policies and incentives, can help alleviate some housing cost pressures. Taken in combination with other policies that encourage additional supply, it can be part of a multi-pronged effort to improve the outlook for residents struggling to afford housing.

## 4. Economic and Fiscal Impacts of Rent Stabilization

This chapter describes the composition of the City's housing supply and renter population to shed light on likely fiscal and economic implications of the Ordinance, if approved, followed by discussion of the potential economic implications for property owners.

### Housing Supply

The City has more than 44,500 total residential units, with 97 percent occupancy (43,070 occupied units). Of the total inventory, 52 percent comprises rental units and 51 percent is occupied by renters, as shown in **Table 4-1** and **Appendix A Table A-1, Table A-2, Table A-3, and Table A-4**. All the rental properties would be subject to the just-cause portion of the proposed Ordinance; however, because of the Costa-Hawkins Rental Housing Act, single-family homes, condominiums, and all housing built after 1995 are exempt from rent stabilization. As shown in **Figure 2, Table 4-1, and Appendix A Table A-5 and Table A-6**, these statewide exemptions would cover 35 percent of the City's rental inventory and 81 percent of total housing inventory. More than half of the City's occupied housing comprises renters (53 percent), a rental housing portion of 7 percentage points higher than the State overall (44 percent). As a result, whether Costa-Hawkins is repealed or maintained, the proposed Ordinance would have some impact on the City's housing market.

As noted in the literature review section, research indicates that rent stabilization has the potential to cause landlords to sell off units. Single-family homes are most likely to be sold in response to rent stabilization because they are the easiest to convert to for-sale housing, as opposed to shifting multifamily rentals to condominiums; however, **given that State law currently exempts single-family units from rent stabilization, the scale of conversion is likely to be relatively small**, unless California voters overturn Costa-Hawkins. Single-family attached and detached homes account for 38 percent of the City's occupied rental housing. If this portion of rental properties was sold in response to the Ordinance, it may lead to a significant reduction in rental supply. Conversely, this phenomenon would also lead to an increase in for-sale housing, which could increase home ownership opportunities. The fiscal impact of housing stock being sold in response to the proposed Ordinance could lead to a short-term gain in property transfer taxes and an increase in property taxes because of a realignment of the taxes with market value. Conversely, over the long term, this phenomenon could decrease overall affordability in the rental market by reducing rental supply.

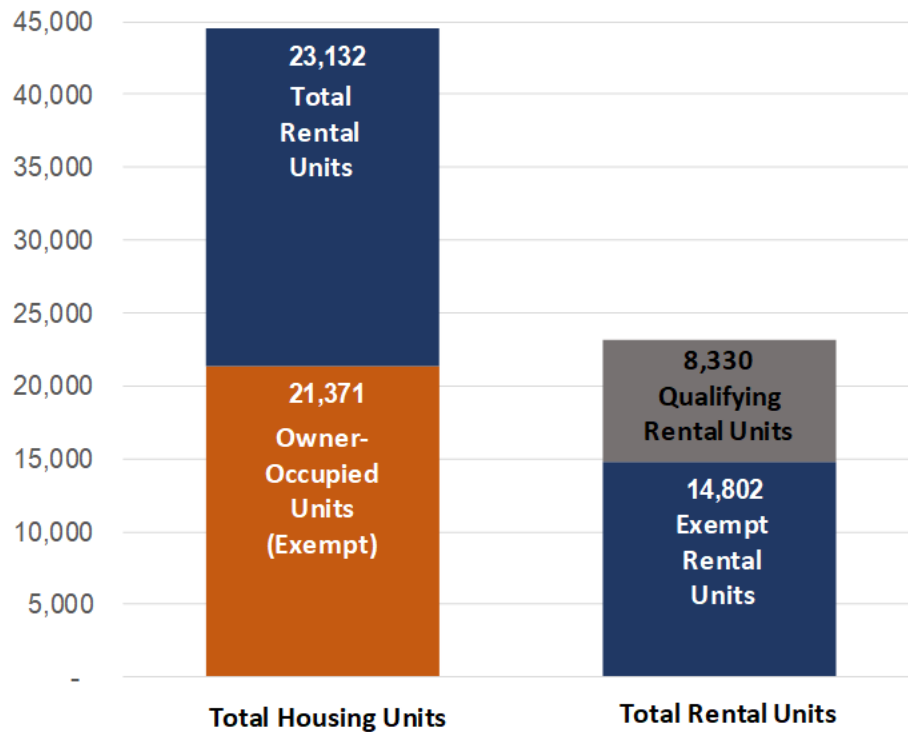
**Table 4-1. Summary of Housing Inventory as it Relates to Rent Stabilization: City of Salinas (2022)**

Item	City of Salinas		
	Total	% of Total Housing Inventory	Rental Housing Inventory
<b>Residential Units [1]</b>			
Total Units	44,503	100.0%	52.0%
Total Rental Inventory	23,132	52.0%	100.0%
Total Renter-Occupied	22,794	51.2%	98.5%
Total Exempt Units	36,173	81.3%	35.3%
Total Units Qualifying for Rent Stabilization	8,330	18.7%	36.0%

Source: American Community Survey 5-Year Estimates; CoStar; EPS.

[1] See Table A-6.

**Figure 2. Housing Inventory as it Relates to Rent Stabilization: City of Salinas (2022)**



## Affordable Housing Supply

As shown in **Table 4-2** and **Appendix A Table A-7**, the City has approximately 3,240 deed-restricted affordable housing units, most of which were constructed after 1995. These units are essentially already rent-stabilized and likely would not be impacted by the proposed ordinance.

**Table 4-2. Affordable Housing Inventory: City of Salinas**

Item	City of Salinas		
	Median Year Built	Total Units	% of Rental Housing
<b>Affordable Housing [1]</b>			
Apartment Units	2003	2,654	11.5%
Other Afford. Units	1998	587	2.5%
<b>Total Affordable Units</b>	<b>2001</b>	<b>3,241</b>	<b>14.0%</b>

Source: Costar; HUD National Low Income Housing Tax Credit 1987-2022 Data; EPS.

[1] See Table A-7.

## Residential Property Tax

Property tax accounts for about 21 percent of Salinas' total General Fund revenues.<sup>52</sup> Thus, to the extent that rent stabilization materially affects the performance of the City's housing markets, the proposed Ordinance could affect the City's fiscal outlook through property-related taxes. Rent stabilization policies can potentially impact property-related revenues in multiple ways, as described below:

- **Conversion of rental housing to ownership.** To the extent that the Ordinance incentivizes landlords to sell rental housing, these properties would be reassessed to prevailing market values. Because of Proposition 13, the assessed value of most property that has remained under the same ownership

<sup>52</sup>

[https://www.cityofsalinas.org/files/sharedassets/city/v/1/finance/documents/fy\\_2023\\_adopted\\_operating\\_budget.pdf](https://www.cityofsalinas.org/files/sharedassets/city/v/1/finance/documents/fy_2023_adopted_operating_budget.pdf)

for multiple years is typically well below its true market value.<sup>53</sup> This pattern is often more acute for rental property, which tends to exhibit lower market turnover rates relative to owner-occupied units. Thus, any increase in housing sales attributable to the Ordinance would likely generate at least a temporary increase in property-related tax revenues such as property tax, property transfer tax, and motor vehicle in-lieu payments.

- **Reduced assessed value of rent-stabilized properties.** By limiting rent increases to a specified percentage of the CPI, the proposed Ordinance essentially mandates a gradual decline in the real rents of affected properties over time. This effect will, in turn, limit the income-generating potential of these properties and ultimately their economic and market values. However, because of the impact of Proposition 13 on assessed values, as noted above, it is likely that only a portion of residential rental properties would be eligible for a reassessment in their taxable value. Specifically, recently transacted multifamily properties, that is, those that have been recently purchased, are most likely to have assessed values that are most closely aligned with prevailing market prices. In these circumstances, some new property owners ultimately may file assessment appeals if the values of their properties do not keep pace with inflation because real rental revenue is declining over time.

The impact of this effect on property taxes will depend on the portion of multifamily rental housing that was recently transacted. In the last 5 years, 74 multifamily properties have been sold in Salinas, according to CoStar. Almost 96 percent of these properties (71) were built before 1995 and would therefore be subject to rent stabilization. These properties are most at risk for assessment repeals under the premise that the income stream estimated at purchase will now be restricted. The 71 properties account for 1,277 units, or 5.5 percent of the City's total rental housing inventory. The potential impact of reassessments is likely to be more pronounced if Costa-Hawkins is overturned.

In addition to property tax payments, any change in property values would impact the City's property tax in-lieu of vehicle license fee revenue received from the State. The State sends cities these funds based on the gross assessed valuation of taxable property in the jurisdiction. Therefore, if the proposed ordinance were to result in a decrease (or increase) in assessed values, the City would receive lower (or higher) revenue from the State.

The significance of the potential impacts of rent stabilization on housing values and in turn, property taxes, depends on the value makeup of Salinas' rental stock. Based on 2023 assessed value data, residential property accounted for 67 percent

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<sup>53</sup> California passed Proposition 13 in 1978 to limit property tax increases. Property taxes are based on a property's purchase price, each year thereafter, the property's taxable value increases by 2 percent or the rate of inflation, whichever is lower.

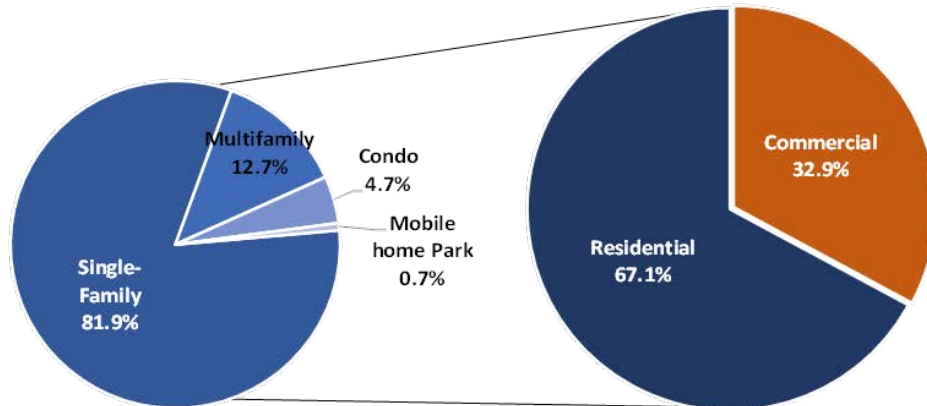
of the citywide assessed value. As shown in **Table 4-3** and **Figure 3**, single-family properties comprised almost 82 percent of the residential assessed value, while multifamily rental units, including duplexes and triplexes, accounted for about 13 percent of residential assessed value. As noted previously, under Costa-Hawkins, rent stabilization will only apply to the portion of multifamily units that were built before 1995. Therefore, any property value impacts caused by the proposed Ordinance will impact properties accounting for less than 13 percent of the City's residential assessed value.

**Table 4-3. Real Estate Assessed Values: City of Salinas (2023)**

Item	City of Salinas Residential Assessed Value	
	Total	% of Total
<b>Residential Land Use</b>		
Single-Family	\$11,637,215,636	81.9%
Multifamily	\$1,804,679,180	12.7%
Condo	\$662,840,239	4.7%
Mobile home Park	\$101,282,848	0.7%
<b>Residential Total</b>	<b>\$14,206,017,903</b>	<b>100.0%</b>
<b>Total Citywide Assessed Value</b>	<b>\$21,169,840,831</b>	<b>67.1%</b>

Source: ParcelQuest, Monterey County Secured Tax Roll, 2023; EPS.

**Figure 3. Breakdown of the City of Salinas Assessed Value by Land Use (2023)**



## Rent Pressures and Displacement

Salinas' low-income households have experienced significant overcrowding and displacement pressures primarily caused by rising house prices and the influx of higher income households. Although Salinas has experienced a 23 percent increase in median income over the past decade, the growth has come from households with annual incomes above \$75,000; the City experienced a net decrease in households in every income category below \$75,000. The increase in household incomes may be explained by the increase in persons per household or increased income disparity.

Average rents for multifamily units have continually increased at a higher rate, compared with the increase in the median income for renter-occupied households, as shown in **Figure 4**, with the exception of 2018 and 2022, which both followed years with very large percentage increase gaps between rents and income. **Rents in multifamily buildings built before 1995 in Salinas have increased by 117 percent between 2000 and 2024**, with an average vacancy of only 3.3 percent, as shown in **Appendix A Table A-8**.

In addition, as an agriculture-based economy, Salinas has a bifurcated population, with farm workers who serve the community not being able to afford to live there. A 2018 study done for the Salinas Valley and Pajaro Valley regions indicated a farmworker housing shortage of more than 45,500 units.<sup>54</sup>

As a result of the disparity between increases in rents and household incomes, lack of farmworker housing, overcrowding, and displacement have become pressing issues facing the community, creating overcrowding by causing households to double up or move, redistributing demand to southern Monterey County and other locations.

In addition to the influx of higher income households, the cost of living in Salinas has remained high, in line with Monterey County overall. As shown in **Figure 4**, rents have increased an average of about 5 percent each year since 2012, with a spike in rent between 2020 and 2021, with an almost 13 percent increase, and then resuming regular increases over the past 2 years.<sup>55</sup> A little more than half of the City's renter-occupied households remain rent-burdened, paying 30 percent or more of their household income on housing, as shown in **Table 4-4**.

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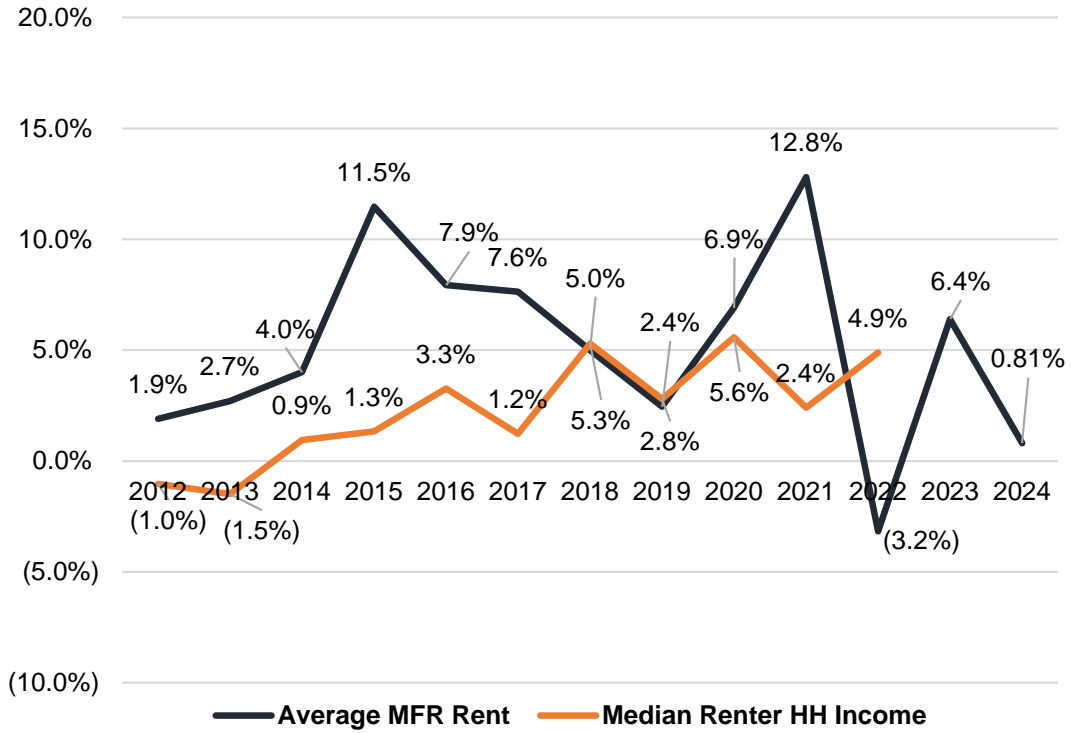
<sup>54</sup> Farmworker Housing Study and Action Plan for Salinas Valley and Pajaro Valley, prepared by California Institute for Rural Studies, June 2018.

<sup>55</sup> The years time trend between 2012 to 2022 was analyzed based on availability of ACS data at the time this Study was completed. For renter-household incomes, rents are based on CoStar, which provides more up-to-date data out to the most recently completed month of the current year.



Rent-burdened households have less money to spend on other essentials like food, transportation, healthcare, and childcare.

**Figure 4. Year-Over-Year Percentage Change in Median Renter-Occupied Household Income versus Average MFR Rent for Apartments Built Before 1995: City of Salinas: 2012-2022/2024 [1]**



[1] See Appendix A Table A-8 and Table A-9.

Source: CoStar; ACS 5-year Estimates Table B25119; BLS; EPS.

**Table 4-4. Rent-Burdened Households: City of Salinas (2012 & 2022)**

Item	City of Salinas			
	2012		2022	
	Total Renter Households	% of Total Renter Households	Total Renter Households	% of Total Renter Households
<b>Rent as a Percentage of Household Income [1]</b>				
Less than 30% of Income	8,908	39.4%	10,245	44.9%
30% to 50% of Income	6,934	30.6%	6,086	26.7%
More than 50% of Income	6,007	26.5%	5,837	25.6%
<b>Total Renter Households</b>	<b>22,637</b>	<b>100.0%</b>	<b>22,794</b>	<b>100.0%</b>

Source: American Community Survey 5-Year Estimates, Table B25070; EPS.

[1] The US Department of Housing and Urban Development defines a household spending more than 30% of their income on housing as "rent burdened." Households spending more than 50% of their income on housing are considered "severely rent burdened." Approximately 612 households were not computed.

Based on renter mobility/displacement data, it appears that other economic factors may be more significant than rent stabilization in impacting renter movement. **Table 4-5** compares the percentage of renters living in the same unit as the previous year in Salinas compared to other communities with rent stabilization. Mountain View adopted their rent stabilization in 2017 but continually shows significantly lower rates of renters staying in the same units than the State overall. This may be caused by a prevalence of students and young professionals that stay for short periods, which may also be a factor in San Diego.

Salinas and four of the comparable cities experienced an increase in renters remaining in the same unit between 2017 and 2022, likely based on two contributing factors. First, rent stabilization ordinances and amendments were approved in 2022 in Oxnard, Antioch, and Oakland and are a likely result from a State-approved rent stabilization ordinance in 2020 that limited rent increases and prevented evictions until September 2021. San Diego adopted AB 1482 in 2023, indicating that the increase in renters staying longer in San Diego and Salinas was also a likely result from the State-approved rent stabilization ordinance passed in 2020. Second, the decrease in housing movement also may be contributed by ever-rising housing costs.

**Table 4-5. Renter Movement by City**

Item	Salinas	Oxnard	Antioch	Mountain View	Oakland	San Diego
<b>2022</b>						
Renting HH's	88,229	91,491	44,663	46,179	232,184	653,750
Renters Living in the Same Unit as Previous Year	78,316	83,432	37,351	33,083	194,535	509,207
<i>% of Renters Living in the Same Unit as Previous Year</i>	<i>89%</i>	<i>91%</i>	<i>84%</i>	<i>72%</i>	<i>84%</i>	<i>78%</i>
<b>2017</b>						
Renting HH's	86,183	98,722	43,516	44,122	235,423	692,471
Renters Living in the Same Unit as Previous Year	76,550	84,213	32,785	31,914	190,430	519,901
<i>% of Renters Living in the Same Unit as Previous Year</i>	<i>89%</i>	<i>85%</i>	<i>75%</i>	<i>72%</i>	<i>81%</i>	<i>75%</i>
<b>2012</b>						
Renting HH's	83,660	87,636	37,825	41,497	211,425	624,587
Renters Living in the Same Unit as Previous Year	67,496	69,937	23,987	29,128	163,262	450,068
<i>% of Renters Living in the Same Unit as Previous Year</i>	<i>81%</i>	<i>80%</i>	<i>63%</i>	<i>70%</i>	<i>77%</i>	<i>72%</i>

Source: ACS 2022 5-Year estimate Table B07013; EPS.

## Renter Household Socioeconomics

Literature indicates that current renting residents benefit the most from rent stabilization and eviction protections. However, because rent stabilization policies are not means-tested, a question arises about the socioeconomic status of the intended beneficiaries. As shown in **Table 4-6**, renter-occupied households in Salinas have lower incomes per capita than households who own their homes. Therefore, although the proposed Ordinance is not means-tested, it will on average benefit households with lower than median incomes.

**Table 4-6. City Salinas Median Income, Average Household Size, and Income per Capita by Household Tenure: City of Salinas (2022)**

Item	City of Salinas		
	Median Household Income	Average Household Size	Income per Capita
<b>Household Tenure</b>			
Owner-occupied	\$107,679	3.32	\$32,433
Renter-occupied	\$64,509	3.58	\$18,019
Total Households	\$84,250	3.46	\$24,350

Source: ACS 2022 5-Year estimate Table B25010 and Table B25119; EPS.

In addition, the affordability crisis disproportionately affects people of color because these communities are over-represented in the renter population. As shown in **Table 4-7**, Latinx residents and residents of Some Other Race in Salinas make up larger shares of the renter population than in the City overall. The pattern of disparity of affordability for people of color is not unique to Salinas; it is prevalent in most U.S. cities and is driven primarily by a history of racially restrictive housing covenants, redlining, and discriminatory lending. Because of existing racial disparities in home ownership, policies that protect renters like rent stabilization and just-cause eviction protections are most likely to benefit Salinas' Latinx residents.

**Table 4-7. Householder Race: City of Salinas (2022)**

Item	City of Salinas Housing Units		
	Renter-Occupied	Owner-Occupied	Citywide
<b>Householder Race</b>			
White	24.1%	41.0%	32.1%
Latinx (Hispanic or Latino)	80.4%	59.3%	70.5%
Asian	4.4%	9.2%	6.6%
Some Other Race	60.8%	35.4%	48.9%
Two of More Races	8.0%	11.7%	9.7%
Black	1.6%	1.3%	1.5%
Indigenous (Native American and Alaska Native)	0.2%	0.1%	0.1%

Source: American Community Survey 5-Year Estimates Table S2502; EPS.

Salinas' renter population also skews younger than the City's population overall. As indicated in **Table 4-8**, residents above the age of 65 account for approximately 12 percent of the City's renters, compared to residents under 35, which account for almost 30 percent of the renter population. However, older renters may be one of the groups most positively impacted by rent stabilization because many seniors live on fixed incomes. Noting that not every renter lives in a unit that falls under the rent stabilization building qualifications, the effect of the proposed Ordinance will impact less than the total renter population.

**Table 4-8. Householder Age: City of Salinas (2022)**

Item	City of Salinas Housing Units					
	Renter-Occupied		Owner-Occupied		Citywide	
	Total	%	Total	%	Total	%
<b>Householder Age</b>						
Under 35 years	6,468	28.4%	1,572	7.8%	8,040	18.7%
35 to 44 years	6,576	28.8%	3,564	17.6%	10,140	23.5%
45 to 54 years	4,563	20.0%	4,664	23.0%	9,227	21.4%
55 to 64 years	2,561	11.2%	4,565	22.5%	7,126	16.5%
Over 65 years	2,626	11.5%	5,914	29.2%	8,540	19.8%
<b>Total</b>	<b>22,794</b>	<b>100.0%</b>	<b>20,279</b>	<b>100.0%</b>	<b>43,073</b>	<b>100.0%</b>

Source: American Community Survey 5-Year Estimates Table S2502; EPS.

A comparison of the median renter income compared with average monthly rents between 2012 and 2022 for the comparable cities reflect a large disparity between the increases in rent compared to the increases in income for the cities with recent adoptions or no rent stabilization in place. See **Table 4-9**. The cities with recent or no rent stabilization in place—including Salinas, Oxnard, Antioch, and San Diego—experienced high increases in average rent, ranging from about 38 percent up to almost 50 percent, compared to proportionally lower increases in renter median household income from 18 percent to 33 percent. Both Mountain View and Oakland have had rent stabilization policies in place and both cities experienced higher increases in rental household incomes compared to increases in average rent. This indicates rent stabilization policies actually do help control increases in rent, helping maintain a balance in inflation.

**Table 4-9. Median Renter Household Income compared to Average Monthly Rent (2012 and 2022)**

Item	Comparable Cities					
	Salinas	Oxnard	Antioch	Mountain View	Oakland	San Diego
<b>Year RSO Adopted</b>	--	2022	2022	2016	1980	AB 1482 as of 2023
<b>Median Renter Household Income (2022\$)</b>						
2012 [1]	\$48,547	\$55,058	\$52,256	\$100,070	\$45,906	\$60,767
2022	\$64,509	\$68,872	\$61,411	\$153,279	\$68,434	\$75,291
<b>% Change</b>	<b>32.9%</b>	<b>25.1%</b>	<b>17.5%</b>	<b>53.2%</b>	<b>49.1%</b>	<b>23.9%</b>
<b>Average Monthly Effective Rent [2]</b>						
2012	\$1,070	\$1,193	\$994	\$2,050	\$1,318	\$1,289
2022	\$1,859	\$1,942	\$1,647	\$2,675	\$1,701	\$2,093
<b>% Change</b>	<b>73.7%</b>	<b>62.8%</b>	<b>65.7%</b>	<b>30.5%</b>	<b>29.1%</b>	<b>62.4%</b>
<b>Percentage Point Difference Rent Inc. to Income</b>	<b>40.9%</b>	<b>37.7%</b>	<b>48.2%</b>	<b>(22.68%)</b>	<b>(20.02%)</b>	<b>38.5%</b>

Source: U.S. Census Bureau ACS 2012 & 2022, Table S1901; CoStar; EPS.

[1] The median household incomes reported by ACS are inflation-adjusted to constant dollars.

[2] This data reflects market rate multifamily apartment units built before 1995 from CoStar.

## Economic Impact on Property Owner

The proposed Ordinance also needs to consider the implications of reduced rents for the property owners resulting from rent stabilization. While a rent stabilization policy restricts annual rent adjustments, costs of operating and maintaining residential properties to their current standard will continue to increase. However, with vacancy decontrol, vacated units revert to the current market rate, helping to offset some of reduction in rental revenue to landlords.

### **Rental Revenue Impact**

Each year, a share of units in rent-stabilized buildings/complexes will be vacated by existing tenants and replaced by new tenants. As noted above, with vacancy decontrol, the vacated units will be eligible for rental at current market rates. It has been found that the average length of tenure in units, or turnover, decreases with rent stabilization by about 20 percent. For Salinas, a 20 percent reduction in turnover translates to an average turnover of 11 percent.

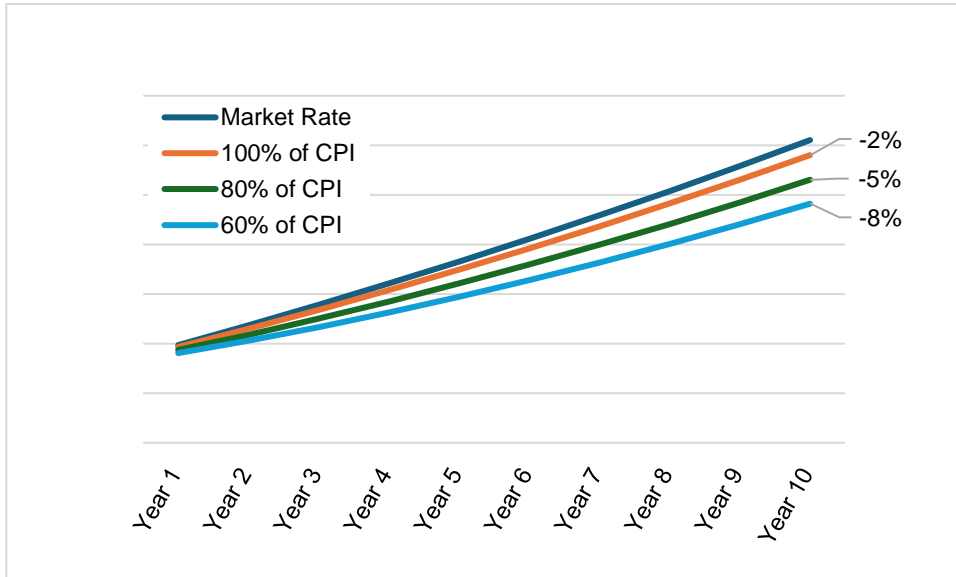
For purposes of analyzing the effects of rent stabilization on property owners, EPS modeled rental revenue and operating expenses for a hypothetical 100-unit existing apartment complex, occupied at the current market average occupancy rate of 97 percent, with current rents at the market average for pre-1995 apartments.

Several scenarios were modeled to compare the impact of different rent stabilization thresholds: Base Case, using the recent market rent growth rate of 3.35 percent; 100 percent of CPI (currently 3 percent); 80 percent of CPI; and 60 percent of CPI. Estimated rent rolls were developed for each scenario, assuming each year 11 percent of units are vacated, re-rented at current market rents under the vacancy decontrol provision, and escalated annually according to the assumed rate for that scenario.

The effect of the vacancy decontrol provision is a lessening of the overall reduction in potential rental revenues collected by landlords, while maintaining rent stabilization for existing tenants and for future tenants after occupancy.

The overall effect on rental income for the 4 scenarios described above is shown in **Figure 5**.

**Figure 5. Rental Revenue Differential: Market Rate vs Stabilization Alternatives**



As shown in the figure above, after factoring in vacancy decontrol, the estimated reduction in rental revenue by the tenth year of rent stabilization ranges from a 2 percent reduction with a rent growth cap at 100 percent of CPI to an 8 percent reduction with a rent growth cap at 60 percent of CPI.<sup>56</sup>

<sup>56</sup> Assumes annual turnover of 11 percent (20 percent lower than current turnover without rent stabilization) and annual market-rate rent growth of 3.35 percent.



**Figure 6** provides a summary of the estimated effective annual growth rate in rental revenue for different rent stabilization rates, after factoring in vacancy decontrol.

**Figure 6. Effective Rent Roll Growth with Vacancy Decontrol by Rent Stabilization Rate**

Measure	Rent Stabilization Rate - % CPI								
	60%	65%	70%	75%	80%	85%	90%	95%	100%
<b>Effective Rent Roll Growth Rate [1][2]</b>	2.50%	2.58%	2.66%	2.74%	2.83%	2.91%	2.99%	3.07%	3.16%

Source: US Census; Costar; EPS.

[1] Assumes 11% turnover (20% reduction from current state due to rent stabilization), average CPI of 3%, and vacancy decontrol market-based annual rent growth of 3.35% (based on recent historic average).

[2] Compound Annual Growth Rate (CAGR).

In low or moderate inflation years, stabilized rents typically will increase based on the adopted percentage of CPI growth. However, in years with higher inflation, the adopted maximum rate of rent growth provides a cap on the rent increases that would otherwise be allowed based on the percentage of CPI. **Figure 7** provides a comparison of the allowable rent increases at different rates of inflation (CPI) under alternative rent stabilization rates (65 percent to 75 percent of CPI) to illustrate at what level of inflation the adopted flat rates would take effect. The proposed flat rate caps would take effect at about 3.5 to 4.0 percent inflation (CPI).

**Figure 7. Inflation and Corresponding Allowable Rental Increases**

Consumer Price Index	2.0%	2.5%	3.0%	3.5%	3.75%	4.0%	4.5%	5.0%
<b>Allowable Rent Increases at Alternative Stabilization Rates</b>								
<b>65% of CPI</b>	1.3%	1.6%	2.0%	2.3%	2.4%	2.6%	2.9%	3.3%
<b>70% of CPI</b>	1.4%	1.8%	2.1%	2.5%	2.6%	2.8%	3.2%	3.5%
<b>75% of CPI</b>	1.5%	1.9%	2.3%	2.6%	2.8%	3.0%	3.4%	3.8%

Source: EPS.

## Financial Feasibility Summary

The financial feasibility analysis uses multi-year cash flows to compare investment returns of the hypothetical 100-unit apartment complex under a market-rate base case scenario and 3 alternative rent stabilization scenarios.

The metric used to compare the alternative scenarios is the IRR. IRR is a standard measure used in real estate analysis that evaluates the potential project return over time against the investment required, accounting for risk and the time-value of money. Technically, the IRR is the discount rate that equates the present value of the future cash inflows with the initial cash outflow.<sup>57</sup> IRRs typically include an initial investment (acquisition), ongoing revenues and expenses, and reversion (sale) in the final year of analysis. For this Study, acquisition of a hypothetical, existing, occupied 100-unit building was assumed, with resale after 10 years of operation.

IRR can be categorized as either “leveraged” (also referred to as “levered”) or “unleveraged” (also referred to as “unlevered”). A leveraged IRR measures return on equity and compares initial equity investment and debt service, while an unleveraged IRR, sometimes referred to as a project IRR, compares the costs with the anticipated future revenues, without regard to the financing structure.

While most of buildings in question in Salinas are not necessarily changing ownership, the IRR requires some form of initial investment to be compared to the following cash flow, so in the hypothetical scenarios, a cap rate was applied to the net operating income (NOI) to estimate the initial investment (building purchase).

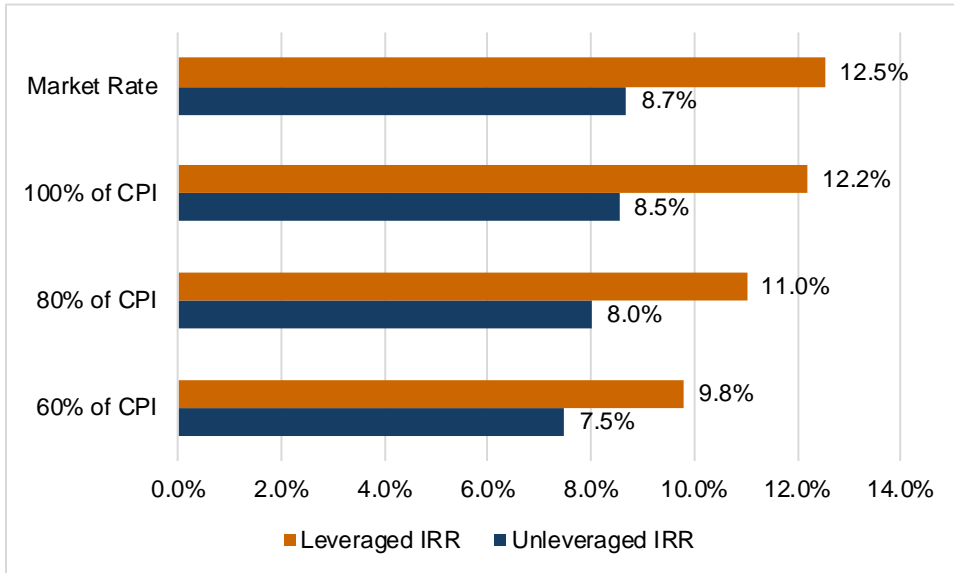
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<sup>57</sup> Brueggeman & Fisher, Real Estate Finance and Investments, Tenth Edition, 1997, page 321.

### Net Operating Income Sensitivity Analysis

**Figure 8** illustrates the leveraged and unleveraged IRRs for the hypothetical 100-unit apartment under the market-rate base case scenario and 3 rent stabilization scenarios.

**Figure 8. Internal Rate of Return Differential: Market-Rate Base Case vs. Alternative Rent Stabilization Scenarios**



**Table 4-10** presents the same IRR sensitivity results illustrated above in tabular form, along with a comparison of the average annual growth rate in property value for the hypothetical apartment complex under the different scenarios. Note that for each rent stabilization scenario, operating expenses are assumed to increase at the same rate as CPI.

**Table 4-10. IRR and Property Value Growth Sensitivity Analysis**

Item	Value Comparison		
	Property Value Annual Growth Rate	Internal Rate of Return (IRR)	
		<i>Unleveraged</i>	<i>Leveraged</i>
<b>Scenario</b>			
<b>Market Rate Building</b>	3.4%	8.7%	12.5%
<b>Rent Stabilized Building [1]</b>			
60% of CPI	2.3%	7.5%	9.8%
80% of CPI	2.8%	8.0%	11.0%
100% of CPI	3.2%	8.5%	12.2%

Source: EPS.

[1] Includes 20% lower tenant turnover.

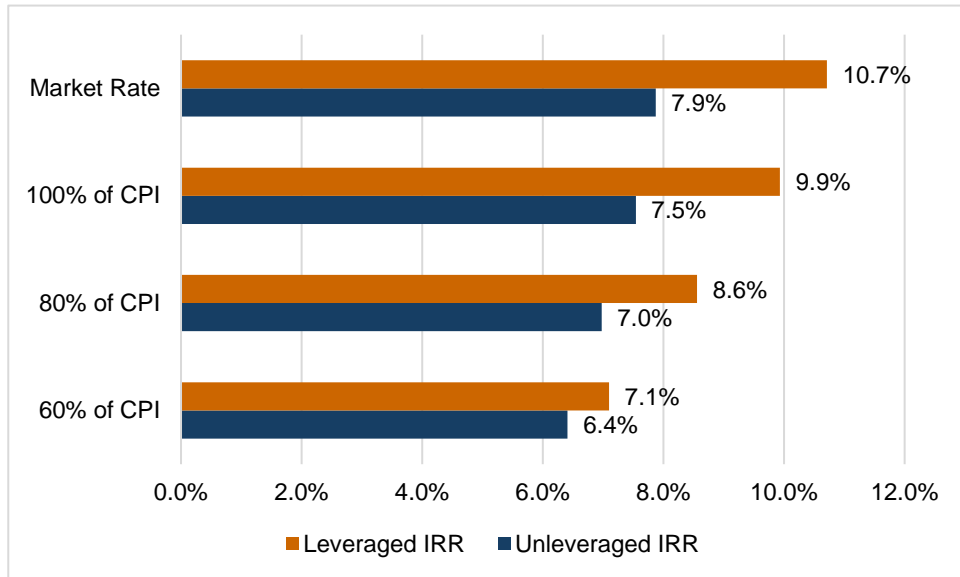
Detailed cash flow analyses, including assumptions and prototype characteristics, can be found in **Appendix B**. The rent stabilization allowed increases based on a percentage of CPI options that were chosen based on the average low and high of the rent stabilization requirements in other jurisdictions, as shown in **Table 1-1**. In addition, as discussed in **Chapter 3**, rent stabilization impacts renter turnover, with estimates of turnover rates decreasing by about 20 percent.

The rates of return in the sensitivity analysis would be considered low for a new construction project, but for a relatively low-risk investment in an existing, tenanted asset, the returns for scenarios with rent stabilization at 80 percent of CPI and 100 percent of CPI appear adequate and are not too dissimilar to the market-rate base case returns. Projects entailing substantial new development or upgrades to existing product entail speculative market risk, suggesting higher rates of return needed (e.g., 10 to 15 percent leveraged; 15 to 20 percent unleveraged). The hypothetical scenarios included in this Study assume the purchase, operation, and sale of a stabilized and operating asset, where acceptable returns may be much lower in the absence of development risk. A strong IRR for a lower risk, stable property is estimated to range from around 8 percent to 12 percent.

### Impact of Operating Expense Growth

Operating expenses have been somewhat volatile in recent years, largely because of increases in utility costs and particularly insurance costs. Increases in operating costs impact the net operating income for multifamily rental units that are unable to pass along the total increased cost to tenants. Correspondingly, the return on investment for landlords can be negatively impacted. **Figure 9** summarizes the effect higher operating expense growth has on the potential investment return at different rent stabilization rates (modeled using a 5 percent average growth in costs).

**Figure 9. Internal Rate of Return Differential: Impact of 5 Percent Annual Operating Expense Growth**



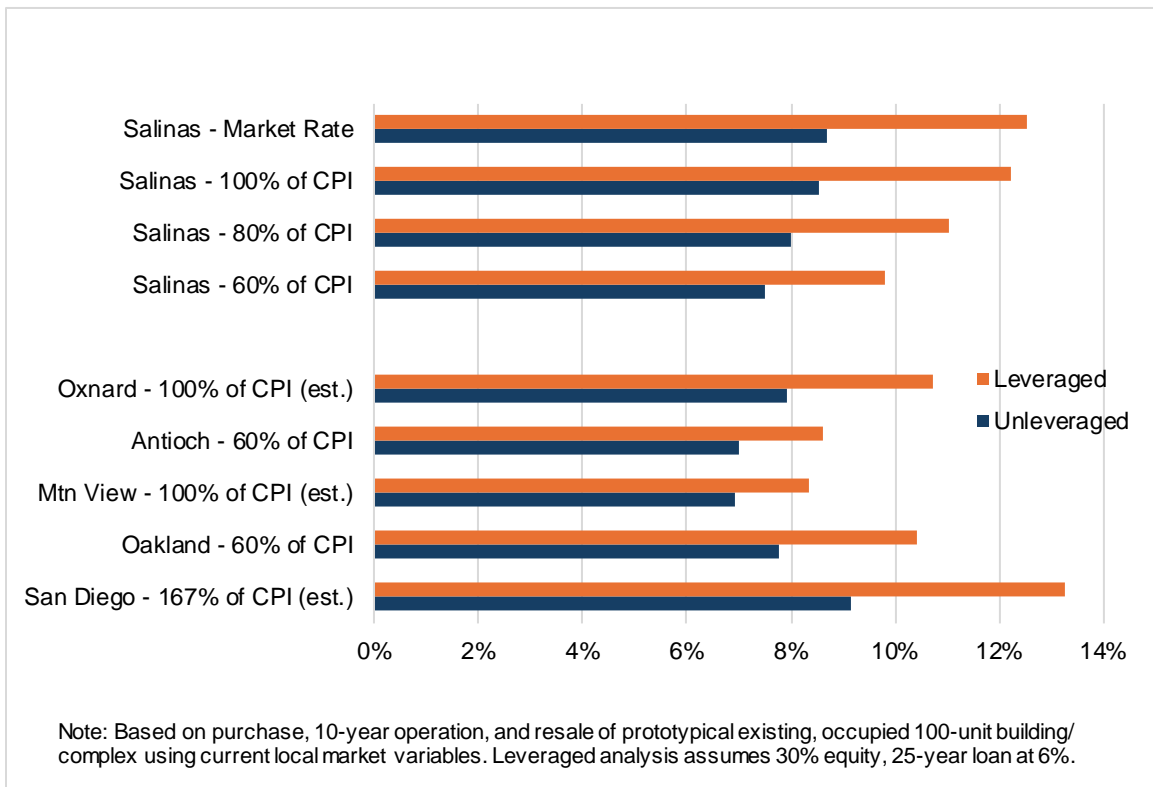
Compared to **Figure 8**, with operating expenses increasing at the overall rate of inflation, **Figure 9** illustrates the lower rates of return resulting from higher operating expenses under different rent stabilization rates. At the more restrictive rent control rates, the rates of investor return are not significantly higher than what can be achieved with far less risk and effort through an investment account. Under such a scenario, there may be increased incentive for landlords to exit the market. The inclusion of provisions for landlords to petition for rent increases to accommodate additional operating expenses is an important safety valve to prevent undue burden and potential loss of rental units. See **Appendix A Table A-15** and **Table A-16**.

### Peer Cities Feasibility Comparison

To compare the scenarios discussed above to the identified peer cities, EPS developed similar investment and operating pro formas, using the adopted rent stabilization rates and actual local market data for hypothetical 100-unit apartment complexes in each city.

The results of the peer city rent stabilization financial feasibility comparison are illustrated in **Figure 10**.

**Figure 10. Peer Cities Hypothetical IRR Comparison**



Antioch and Oakland both have rent stabilization rates at 60 percent of CPI. Both Oxnard (4 percent maximum) and Mountain View (2 to 5 percent) were estimated to be roughly equivalent to CPI, while San Diego, based on AB 1482 allowing 5 percent plus the rate of inflation, was assumed to be the equivalent of 167 percent of CPI.

San Diego's much higher allowable annual rent increase, combined with relatively high rents and high turnover, results in the highest rate of return of the peer cities. Mountain View's high acquisition cost and currently low rate of market rent growth results in the lowest rate of return, along with Antioch, which limits rent growth to 60 percent of CPI and has the lowest market rent among the peer cities.

## Program Implementation Costs to the City

EPS conducted research to help estimate the costs of implementing and administering rent stabilization programs. EPS reviewed financial information from other city programs and interviewed staff from 3 jurisdictions with varying levels of rent stabilization: Mountain View, Hayward, and Richmond. This research confirmed that implementing and administering these programs requires full-time staff and associated equipment and office space. However, costs can vary significantly based on the level of enforcement and complimentary support services. The City envisions that, if adopted, the Rent Stabilization Program would consolidate with the existing Rental Registry Program, combining the existing costs with the estimated costs to implement the Rent Stabilization Program.

The estimated implementation costs for Salinas depend on the level of enforcement and subsequent staffing. The City estimates that their Rent Stabilization Program will be a complaint-driven enforcement program. To illustrate this range, EPS estimated staff at a minimum, average, and maximum level of complaint-based enforcement, as shown in **Table 4-11**. Please note that these totals exclude the Rental Registry FTEs. The ratio of units per staff is based on a staffing level analysis of rent stabilization jurisdictions completed by Mountain View in 2021.

**Table 4-11. Estimate Range of Required Staff**

Item	Complaint-Driven Rent Stabilization Enforcement Estimated City of Salinas FTEs Equivalent by Unit Type (Excluding the Rental Registry)			
	Required Staff per 1,000 Units [1]	Fully Covered Units	Covered Units	Total
<b>Staffing Level</b>				
Minimum	0.13	1.1	1.9	3.0
Average	0.20	1.7	3.0	4.7
Maximum	0.50	4.2	7.2	11.4
<b>Salinas Rental Units</b>		<b>8,330</b>	<b>14,464</b>	<b>22,794</b>

Source: City of Mountain View Memorandum to the Rental Housing Committee, dated January 25, 21

[1] Based on varying fee levels for complaint-driven rent stabilization jurisdictions across California, sourced

Based on data from other cities, the required staff for Salinas would range from the equivalent of 4.2 to 11.4 net new hires (excluding the Rental Registry staff) or a percentage of existing employees' time. At these levels, the primary role of the City employees would be to monitor the Rental Registry and Rent Stabilization Program, educate the community, manage third-party services and software, and manage the petition process. Education occupies the most core part of the program.

Even in a complaint-driven enforced rent stabilization program, staff communicated that education is key to keeping people informed of their rights. Education includes preparing materials in multiple languages, direct mailing, and speaking at community events. With the minimum level of only 4.2 new staff members, or 5.1 FTEs total, Salinas would likely need to contract third-party services for legal counsel, tenant relocation services, and mediation and dispute resolution. These services along with third-party software are estimated to cost approximately \$360,000 annually.

In each increasing staffing-level scenario estimated below, there is the potential that fewer services would be contracted out, with City in-house staff completing all tasks in the maximum staffing level scenario. Under maximum staff, Salinas would actively oversee the rental registry, which would involve reviewing every rent increase submitted by landlords. The City of Richmond demonstrates a staffing level of full enforcement, and the City of Mountain View is approaching this level by adding additional staff. Both cities, however, did not start their programs at full capacity; rather, they began by contracting portions of the program and hiring full-time staff over time. Richmond staff noted that the first 6 months of the program cost about \$1.1 million.

The program fee should be designed to recover costs of all budgeted operations:

- Personnel costs of staff, benefits, and overtime.
- Risk management of general and supplemental liability insurance.
- Charges allocated to City departments to reimburse the General Fund for administrative services by central service departments (i.e., City Council, City Manager, City Attorney, City Clerk, Finance, Human Resources, etc.).
- Information Technology expenses associated with a property and rent-tracking database and maintenance of computer hardware and software.
- Legal costs to support enforcement and defense of legal challenges to the Ordinance.



- Cost of education and outreach, including printing and distributing materials and hosting community workshops and seminars.
- Contracts for translation and other professional services.
- An operating reserve to fund unanticipated costs and variations in collection of the fee.<sup>58</sup>

**Table 4-12** estimates the range of staff when combined with the Rental Registry Program and the associated costs.<sup>59</sup> The Rental Registry Program is budgeted for 2.1 FTEs, with a total estimated staffing cost of about \$290,000 plus \$110,000 for other costs, totaling almost \$400,000. Combined with the estimated range of required Rent Stabilization staff increases and third-party services and software, the FTEs from 5.1 up to 13.4 total costs from \$1.1 million up to \$1.8 million.

**Table 4-13** illustrates the potential fee amount for all rental units, including fully covered units (rent stabilization, tenant protections, and rental registry) and partially covered units (tenant protections and rental registry), which are exempt from Rent Stabilization. These fees are calculated to allow the City to essentially “break even” in covering the estimated costs of the required staff needed for the administration of the proposed Ordinance, combined with the Rental Registry Program, as well as third-party services and software.

Looking at each program separately, the fee ranges from \$28 per unit for the 14,464 exempt residential units to be part of the existing Rental Registry Program, \$135 per fully covered unit for the minimum of 5.1 staff members, up to about \$220 per fully covered unit for 13.4 staff members. The fully burdened cost of staff shown includes salaries, taxes, and benefits. These fees are higher than what would likely be charged because this calculation is examining each program separately. **Table 4-14** provides an estimate of the fees with the rental registry, tenant protections, and rent stabilization in a combined program. Please note that the fee for partially covered units should be less than the fully covered unit fee. Other cities have fees ranging from about \$60 for all units in San Francisco up to \$344 per fully covered unit and \$212 for partially covered units in Berkeley, as shown in **Appendix A Table A-13**.

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<sup>58</sup> City of Richmond Rent Program, Adopted May 31, 2002, Fiscal Year 2022-23 Budget and Rental Housing Fee Study.

<sup>59</sup> Estimated staff and staff costs are based on the proposed budget amounts for the rental registry program per the Residential Registry Community Development Council Staff Report, dated April 4, 2023.

**Table 4-12. Estimated Staffing and Annual Costs Rental Registry and Rent Stabilization Program**

Item	Assumptions	Rental Registry Program	Rental Registry + Rent Stabilization Program Level of Enforcement Range [1]		
			Minimum	Average	Maximum
<b>CITY COST</b>					
<b>Number of Staff</b>			----- FTEs -----		
Planning Manager	-	0.1	0.1	0.2	0.5
Community Development Analyst	-	1.0	0.5	0.5	1.7
Administrative Analyst - Housing	-	1.0	0.5	1.0	2.0
<b>Subtotal</b>	-	<b>2.1</b>	<b>3.0</b>	<b>4.7</b>	<b>11.4</b>
<b>Total Combined with Rental Registry</b>			<b>5.1</b>	<b>6.7</b>	<b>13.4</b>
<b>Total Staffing Costs</b>	<i>Cost per FTE [2]</i>		----- Cost by Staff Level [3] -----		
Planning Manager	\$229,947	\$11,497	\$34,492	\$57,487	\$126,471
Community Development Analyst	\$158,720	\$158,720	\$238,080	\$238,080	\$428,545
Administrative Analyst - Housing	\$119,489	\$119,489	\$179,233	\$238,977	\$358,466
<b>Subtotal Staffing Costs</b>	-	<b>\$289,706</b>	<b>\$451,805</b>	<b>\$534,544</b>	<b>\$913,481</b>
<b>Other Costs</b>			----- Other Costs by Staff Level [3] -----		
Software & Systems Supporters	-	\$10,000	\$24,825	\$32,715	\$65,595
Tenant/Landlord Services and Resources	-	\$100,000	\$248,254	\$327,147	\$655,951
<b>Subtotal Other Costs</b>	-	<b>\$110,000</b>	<b>\$273,079</b>	<b>\$359,862</b>	<b>\$721,546</b>
<b>Subtotal Staff Cost</b>		<b>\$399,706</b>	<b>\$724,884</b>	<b>\$894,406</b>	<b>\$1,635,027</b>
<b>Third-Party Software + Services Estimate</b>		-	\$400,000	\$300,000	\$200,000
<b>Total Cost</b>		<b>\$399,706</b>	<b>\$1,124,884</b>	<b>\$1,194,406</b>	<b>\$1,835,027</b>

Source: City of Salinas; EPS.

[1] See Table 4-11

[2] Staff costs are based on the proposed budget amounts for the rental registry program per the Residential Registry Community Development Council Staff Report dated April 4, 2023.

[3] Total Rent Stabilization Program costs include the total for the Rental Registry Program.

**Table 4-13. Estimated Annual Cost Variations: Rental Registry and Rent Stabilization Program**

Item	Assumption	Existing Rental Registry (No Tenant Protections)	Rental Registry + Rent Stabilization Program Level of Enforcement Range		
			Minimum	Average	Maximum
<b>Residential Units [1]</b>					
Fully Covered Units (Qualify for Rent Stabilization)	8,330 Units				
Partially Covered Units (Qualify for Just Cause Protecti	14,464 Units				
<b>Total Rental Residential Units</b>	<b>22,794 Units</b>				
Total Staff		2.1	5.1	6.7	13.4
City Cost Staffing and Third Party Software + Services		\$399,706	\$1,124,884	\$1,194,406	\$1,835,027
<b>Estimated Fee Revenue</b>					
Rent Program Fee Amount to Break Even based on Level of Staff and Third Party Services + Software	per unit/per year	\$28	\$135	\$143	\$220
Total Revenue	annually	\$399,706	\$1,124,884	\$1,194,406	\$1,835,027
<b>Program Surplus/Deficit</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Source: EPS.

[1] See Table 4-1.Total includes single family rentals.

**Table 4-14. Current Rental Registry Fee Comparison**

Item	Estimated Salinas Rental Residential [1]			Current Rental Registry Fee		Estimated Revenue of a Rental Registry + Rent Stabilization Combined Fee on a Per Unit Basis [3]			Difference between Current Estimate Revenue and Updated Fee
	Buildings	Units	%	Annual Registration Fee [2]	Estimated Total Revenue	Partially Covered Units	Fully Covered Units	Total	
	Estimated per Unit Fee [3]						\$20	\$115	
Number of Units [4]						14,464	8,330		
<b>Number of Units per Parcel</b>									
1	8,691	8,691	38.1%	\$20	\$173,820	\$110,296	NA	\$110,296	-\$63,524
2-4	11	3,192	14.0%	\$35	\$385	\$40,509	NA	\$40,509	\$40,124
5-9	168	1,455	6.4%	\$60	\$10,080	\$18,468	\$499,416	\$517,884	\$507,804
10-24	118	2,151	9.4%	\$75	\$8,850	\$27,293	\$90,386	\$117,679	\$108,829
25-49	30	1,344	5.9%	\$120	\$3,600	\$17,062	\$56,505	\$73,567	\$69,967
50-99	13	1,132	5.0%	\$225	\$2,925	\$14,369	\$47,586	\$61,955	\$59,030
100+	20	4,829	21.2%	\$350	\$7,000	\$61,278	\$202,934	\$264,212	\$257,212
<b>Total</b>	<b>9,051</b>	<b>22,794</b>	<b>100.0%</b>		<b>\$206,660</b>	<b>\$289,276</b>	<b>\$896,827</b>	<b>\$1,186,103</b>	<b>\$979,443</b>

Source: ACS; CoStar; City of Salinas; EPS.

[1] Estimated based on data from ACS and CoStar.

[2] Registration fees for the rental registry program per the Residential Registry Community Development Council Staff Report dated April 4, 2023.

[3] The annual fee for partially covered units should be less than that for fully covered units. For illustrative purposes, EPS is estimating the fees based on the minimum total annual cost of about \$1.1 million.

[4] See Table 4-13.

For the Rental Registry Program fee, the City currently charges a fee based on the number of units within a range per parcel. The initial goal was to not overcharge owners of smaller buildings; however, this fee structure actually provides a monetary discount for larger developments and creates a financial loss to the City. As shown in **Table 4-14**, the total estimated revenue based on the City's current Rental Registry fee structure is about \$207,000, compared to if the City charged a fee on a per-unit basis. For illustrative purposes, EPS used the estimated minimum cost of about \$1.1 million to estimate a fee for the 14,464 partially covered units of \$20 per unit per year and \$115 for the 8,330 fully covered units, which would create a cost recovery of about \$1.2 million.

## 5. Conclusions and Recommendations

### Conclusions

Rent regulations are increasingly prevalent in California. In cities like Salinas, where apartments account for about 36 percent of the housing stock, the policy could have a range of potential impacts. As discussed previously, current State law limits the impact of rent stabilization by exempting single-family units, condominiums, and properties built after 1995 and allowing for vacancy decontrol (the ability to raise rent back to market rate after a tenant leaves).

**For applicable units (19 percent of the City's housing), the proposed Ordinance is likely to stabilize rents and decrease displacement risk, which is an important equity concern in the City.** Thus, existing City renters would be the direct beneficiaries of the Ordinance, accruing long-term financial benefits and reduced risk of eviction. This benefit would come at a cost to existing Salinas landlords who could experience reduced rental income and limitations on removing unwanted tenants. However, the effects on income appear to be relatively modest, particularly as the Ordinance has policies to help protect hardships by allowing a landlord to petition for rent increase beyond the allowed rent-stabilized increase to obtain a fair and reasonable return, as well as petition to pass through to the tenant specific capital improvements. Conversely there is a policy that allows a tenant to petition for a rent reduction if they believe that the landlord has demanded, accepted, or retained any rent in excess of the rent permitted.

However, despite the clear and direct redistribution effects of the proposed Ordinance, the broader economic implications are likely to be modest absent the repeal of Costa-Hawkins, which would expand the incidence of rent control beyond the above-referenced 19 percent of the City's housing.

While 19 percent of the City's housing is not immaterial, the renter protections included in the Ordinance are likely to have both positive and negative impacts on the local economy and the City's fiscal health. The positive impacts include reduced displacement, as well as increased economic stability and disposable income for renters. The negative impacts may include reduced labor mobility and housing availability for new residents, as rent stabilization is shown to decrease turnover by about 20 percent, and with vacancy in the City already extremely tight, this exacerbates the limited housing options for new residents and the ability for existing residents to move, as discussed in **Chapter 3**.

**Rent stabilization is part of a toolkit that, along with other policies and incentives, can help alleviate some housing cost pressures. Taken in combination with other policies that encourage additional supply, it can be part of a multi-pronged effort to improve the outlook for residents struggling to afford housing.**

## Recommendations

Based on the findings from the literature review and economic impacts analysis, EPS recommends the City consider adopting a rent stabilization ordinance limiting the maximum increase of rent to the lesser of **2.5 percent** or **65 percent of the CPI-U West** or **2.75 percent** or **75 percent of the CPI-U West**.

**The Rent Stabilization Ordinance should include strong tenant protections, as well as clear guidance on the types of units that would qualify in the event Costa-Hawkins is repealed.** Strong tenant protections include Just-Cause eviction protections, as well as No-Fault eviction protections such as requiring landlords to pay fair relocation costs. See **Appendix A Table A-1** for no-fault eviction in the California cities that have rent stabilization ordinances. An additional protection the City could consider is setting a cap on the number of units that can convert to condominiums within a year and providing current tenants the right of first refusal to purchase condominium conversions.

**The City should consider merging the Rent Stabilization Fee into the Rental Registry Fee and charge this fee on a per-unit basis.** The fee amount should differ based on unit type: fully covered units (rental registry, tenant protections, and rent stabilization) should be higher than partially covered units (rental registry and tenant protections). The fee is to help the City recover the costs to run the program, including staffing, third-party services and software, community education, and program enforcement and should provide financial neutrality. Based on data from other cities, the additional staffing needed to establish, run, and maintain the Rent Stabilization Ordinance ranges from the equivalent of 4.2 to 11.4 net new hires (excluding the rental registry staff) or a percentage of existing employees' time. With the minimum level of only 4.2 new staff members, or 5.1 FTEs total, Salinas would likely need to contract third-party services for legal counsel, tenant relocation services, and mediation and dispute resolution. As staffing increases beyond the 5.1 FTEs, the amount of third-party source contracts will decrease.

**The City should consider including language in the Ordinance establishing periodic review elements such as the rent increase caps, the number of petitions, staffing levels, fee amounts, etc., to ensure the program operates effectively for property owners, tenants, and the City.**

In addition, the City should take careful consideration to explicitly include any elements they would like to retain from Costa-Hawkins, such as exempting single-family homes, exempting new development, and providing vacancy decontrol. If these are not included in the City's Ordinance, and the statewide ballot initiative set for the November 2024 ballot to repeal Costa-Hawkins passes, the local Ordinance would apply to all rental housing—including single-family units—and rents would not reset to market for new tenants.

## APPENDICES:

Appendix A: Demographic and Socioeconomic  
Analysis Support Tables

Appendix B: Financial Analysis Support Tables





## APPENDIX A:

### Demographic and Socioeconomic Analysis Support Tables

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**Table A-1  
City of Salinas  
Rent Stabilization Analysis  
Units in Structure: City of Salinas (2022)**

<b>Item</b>	<b>2022</b>	
	Units	% of Total
<b>Type of Unit</b>		
Single Detached Units	25,252	56.7%
Single Attached Units	2,517	5.7%
2-4 Units	3,602	8.1%
5+ Units	11,019	24.8%
Mobile Homes	2,113	4.7%
<b>Total Housing Units</b>	<b>44,503</b>	<b>100.0%</b>

Source: ACS; EPS.

**Table A-2**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Vacant Housing Units by Usage Category (2022)**

Item	2022 VACANT HOUSING UNITS			
	City of Salinas		Monterey County	
	Units	% of Total	Units	% of Total
<b>Vacant Housing Units</b>				
For Rent	265	18.5%	1,589	12.4%
Unoccupied Rentals	73	5.1%	302	2.4%
For-Sale	162	11.3%	565	4.4%
Unoccupied Sold Units	165	11.5%	501	3.9%
Seasonal, Recreational, or Occasional Use	123	8.6%	6,290	49.3%
For Migrant Workers	-	-	95	0.7%
Other	642	44.9%	3,428	26.8%
<b>Total Vacant</b>	<b>1,430</b>	<b>100.0%</b>	<b>12,770</b>	<b>100.0%</b>

Source: American Community Survey 5-Year Estimates Tables B25004; EPS.

**Table A-3  
City of Salinas  
Rent Stabilization Analysis  
Total Vacancy Rate (2010-2023)**

<b>Item</b>	<b>Total Residential Vacancy Rate</b>	
	City of Salinas	Monterey County
<b>Year</b>		
2010	5.3%	9.4%
2011	5.3%	9.6%
2012	5.3%	9.6%
2013	5.5%	9.9%
2014	5.5%	10.0%
2015	5.5%	10.0%
2016	5.6%	10.3%
2017	5.6%	10.3%
2018	5.6%	10.5%
2019	5.7%	10.6%
2020	2.8%	8.2%
2021	2.9%	8.2%
2022	2.9%	8.1%
2023	2.9%	8.1%

Source: California Department of Finance E-5; EPS.

**Table A-4**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Tenure by Units In Structure (2012-2022)**

Item	City of Salinas								2021-2022 Change			
	2012				2022				Owner-Occupied		Renter Occupied	
	Owner-Occupied	Renter Occupied	Share Renter Occupied	% of Unit Type	Owner-Occupied	Renter Occupied	Share Renter Occupied	% of Unit Type	Total	%	Total	%
<b>Unit Type</b>												
Detached Single-Family	15,409	6,834	30.7%	55.2%	17,392	7,234	29.4%	57.2%	1,983	12.9%	400	5.9%
Attached Single-Family	1,140	1,456	56.1%	6.4%	1,031	1,457	58.6%	5.8%	(109)	(9.6%)	1	0.1%
Duplex	38	815	95.5%	2.1%	-	891	100.0%	2.1%	(38)	(100.0%)	76	9.3%
3 to 4 unit building	116	2,654	95.8%	6.9%	255	2,301	90.0%	5.9%	139	119.8%	(353)	(13.3%)
5 + unit building	200	10,368	98.1%	26.2%	124	10,288	98.8%	24.2%	(76)	(38.0%)	(80)	(0.8%)
Other	752	510	40.4%	3.1%	1,477	623	29.7%	4.9%	725	96.4%	113	22.2%
<b>Total</b>	<b>17,655</b>	<b>22,637</b>	<b>56.2%</b>	<b>100.0%</b>	<b>20,279</b>	<b>22,794</b>	<b>52.9%</b>	<b>100.0%</b>	<b>2,624</b>	<b>14.9%</b>	<b>157</b>	<b>0.7%</b>

Source: American Community Survey 2018-2022 5-Year Estimates, Table B25032; EPS.

**Table A-5**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Tenure by Age of Structure: City of Salinas (2022)**

Item	CITY OF SALINAS AGE OF RESIDENTIAL STRUCTURE							
	Tenure of Occupied Housing Units						Total Housing Units	
	Owner-Occupied		Renter-Occupied		Total		Total	%
	Total	%	Total	%	Total	%	Total	%
<b>Year</b>								
Built 2020 or later	22	0.1%	13	0.1%	35	0.1%	35	0.1%
Built 2010 to 2019	216	1.1%	621	2.7%	837	1.9%	845	1.9%
Built 2000 to 2009	2,499	12.3%	1,921	8.4%	4,420	10.3%	4,645	10.4%
Built 1990 to 1999	3,344	16.5%	3,753	16.5%	7,097	16.5%	7,258	16.3%
<i>Est. of units built between 1990 and 1994</i>	751	3.7%	843	3.7%	1,593	3.7%	3,187	7.2%
Built 1980 to 1989	2,147	10.6%	3,803	16.7%	5,950	13.8%	6,221	14.0%
Built 1970 to 1979	3,384	16.7%	4,636	20.3%	8,020	18.6%	8,213	18.5%
Built 1960 to 1969	3,005	14.8%	2,860	12.5%	5,865	13.6%	6,074	13.6%
Built 1950 to 1959	2,607	12.9%	2,387	10.5%	4,994	11.6%	5,231	11.8%
Built 1940 to 1949	1,553	7.7%	1,657	7.3%	3,210	7.5%	3,257	7.3%
Built 1939 or earlier	1,502	7.4%	1,143	5.0%	2,645	6.1%	2,724	6.1%
<b>Total</b>	<b>20,279</b>	<b>100.0%</b>	<b>22,794</b>	<b>100.0%</b>	<b>43,073</b>	<b>100.0%</b>	<b>44,503</b>	<b>100.0%</b>
<b>Built Before 1995</b>	<b>14,949</b>	<b>73.7%</b>	<b>17,329</b>	<b>76.0%</b>	<b>32,277</b>	<b>74.9%</b>	<b>34,907</b>	<b>78.4%</b>
<b>Built 1995 or Later</b>	<b>5,330</b>	<b>26.3%</b>	<b>5,465</b>	<b>24.0%</b>	<b>10,796</b>	<b>25.1%</b>	<b>9,596</b>	<b>21.6%</b>

Source: American Community Survey 2018-2022 5-Year Estimates, Table B25034; EPS.

[1] ACS data only provides data within 10-year timeframes; the number of units estimated to be built between 1990 and 1994 is based on the average percentage of permits pulled between those years within the 1990 to 1999 time period. See Table A-12.

**Table A-6**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Residential Inventory Characteristics: City of Salinas (2022)**

Item	Source/Table	Formula	City of Salinas		
			Total	% of Total Housing	% that is Rental Housing
<b>Housing Inventory</b>					
Total Single Family Residential (SFR) Detached	Table A-1	A	25,252	56.7%	28.6%
Total Multifamily (MFR) and Other	Table A-1	B	19,251	43.3%	82.6%
<b>Total Units</b>			<b>44,503</b>	<b>100.0%</b>	<b>52.0%</b>
<b>Total Occupied Units</b>					
Owner-Occupied SFR	Table A-4	C	17,392	39.1%	-
Owner-Occupied MFR	Table A-4	D	2,887	6.5%	-
Renter-Occupied SFR	Table A-4	E	7,234	16.3%	31.3%
Renter-Occupied MFR	Table A-4	F	15,560	35.0%	67.3%
<b>Total Occupied Units</b>		<b>G = C + D + E + F</b>	<b>43,073</b>	<b>96.8%</b>	<b>-</b>
<b>Vacant Units</b>					
Owner/For-Sale	Table A-2	H	327	0.7%	-
Rental/For Rent	Table A-2	I	338	0.8%	1.5%
Seasonal, Rec. Use, Migrant Workers, Other	Table A-2	J	765	1.7%	-
<b>Total Vacant Units</b>		<b>K = H + I + J</b>	<b>1,430</b>	<b>3.2%</b>	<b>-</b>
<b>Total Rental Unit Inventory</b>		<b>L = E + F + I</b>	<b>23,132</b>	<b>52.0%</b>	<b>100.0%</b>
<b>Units Exempt from Rent Stabilization</b>					
<b>Built 1995 or Later</b>					
Total Owner-Occupied		M = C + D + H	20,606	46.3%	-
Renter-Occupied Built 1995 or Later	Table A-5	N	5,465	12.3%	23.6%
Multifamily Built 1995 or Later [1]	CoStar	O	2,022	4.5%	8.7%
SFR Renter-Occupied		E	7,234	16.3%	31.3%
Seasonal, Rec. Use, Migrant Workers, Other [2]		J	765	1.7%	-
<i>Built 1995 or Later</i>	Table A-5	P	24%	-	-
Rental/For Rent [3]		Q = I * P	81	0.2%	0.4%
<b>Total Exempt Units</b>		<b>R = M + N + O + E + J + C</b>	<b>36,173</b>	<b>81.3%</b>	<b>54.9%</b>
<b>Units Qualifying for Rent Stabilization</b>					
Renter-Occupied Built Prior to 1995	Table A-5	S	17,329	38.9%	74.9%
<i>Built Prior to 1995</i>	Table A-5	T	76%	-	-
Rental/For Rent [3]		U = I * T	257	0.6%	1.1%
<i>Less Renter-Occupied SFR</i>		E	(7,234)	(16.3%)	(31.3%)
<i>Less Multifamily Built 1995 or Later</i>		O	(2,022)	(4.5%)	(8.7%)
<b>Total Units Qualifying for Rent Stabilization</b>		<b>V = S + U - E - O</b>	<b>8,330</b>	<b>18.7%</b>	<b>36.0%</b>

Source: American Community Survey 5-Year Estimates Table S2502; EPS.

[1] Per CoStar.

[2] To remain conservative, EPS assumes seasonal, recreational, occasional use, migrant worker housing, and other are exempt from rent stabiliz

[3] To estimate the year built for vacant rentals, EPS applied the percentage breakdown for renter-occupied units from Table A-5.

**Table A-7**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Subsidized Affordable Housing Units (April 2024)**

City of Salinas									
Item	Address	Type	Year Built	Total Units	Studio	One-Bedroom	Two-Bedrooms	Three-Bedrooms	Four Bed-Rooms
<b>Apartment Units</b>									
Moon Gate Plaza	21 Soledad Street	Apartments	2017	90	81	4	5	-	-
Haciendas 3	40, 50, 60 East Rossi Street	Apartments	2016	50	-	19	16	15	-
Gabilan Plaza	736 Williams Rd.	Apartments	2013	200	-	36	74	90	-
Harden Ranch Apts	1907 Dartmouth Way	Apartments	2013	100	-	16	20	48	16
Haciendas Apartments II	275 Calle Cebu	Apartments	2012	46	-	6	20	17	3
One Haciendas	233 Calle Cebu	Apartments	2011	52	-	9	27	14	3
Salinas Gateway Apts	25 Lincoln Ave	Apartments	2011	52	25	21	6	-	-
Tresor Apts	1041 Buckhorn Dr	Apartments	2009	81	-	-	24	41	16
La Gloria Senior Apts	539 E Market St	Apartments	2009	23	-	23	-	-	-
Sherwood Village	808 N Main St	Apartments	2006	124	-	102	22	-	-
Jardines Del Monte Apartments	1259 Del Monte Ave	Apartments	2004	28	-	-	-	-	-
Salinas Pointe Apts	1260 John St	Apartments	2003	219	3	91	61	8	-
Salinas Bay Apts	920 Larkin St	Apartments	2002	95	-	-	25	60	10
Plaza Grande	50 E Market St	Apartments	2002	92	91	1	-	-	-
Montecito at Williams Ranch	1598 Mesquite Dr	Apartments	2000	132	-	107	25	-	-
Steinbeck Commons Apts	10 Lincoln Ave	Apartments	2000	100	-	99	-	-	-
Nantucket Bay Apts	950 Nantucket Blvd	Apartments	1999	160	-	-	70	70	20
Plaza Club Apts	100 Harden Pkwy	Apartments	1997	208	-	7	28	8	-
Shadowbrook Apartments	1115-1118 Alamo Way	Apartments	1988	88	-	20	38	30	-
Vista De La Terraza	165-177 Carr Ave	Apartments	1984	40	-	-	15	10	15
Las Casas de Madera	510 E Market St	Apartments	1982	75	-	-	22	28	25
Lakeview	58 Natividad Rd	Apartments	1982	50	-	-	28	9	13
Parkside Manor	1112-1115 Parkside St	Apartments	1971	48	-	-	-	-	-
Tynan Village	323 Front St	Apartments	-	172	-	65	60	35	12
Santanna Apartments	1235 Garner Ave	Apartments	-	160	-	-	-	-	-
Tesoros del Campos	42 La Posada Dr	Apartments	-	57	-	-	8	43	6
Del Monte Plaza	1415 Del Monte Ave	Apartments	-	44	-	-	-	-	-
Ocean View Apartments	44 Natividad Rd	Apartments	-	40	-	8	19	13	-
Mariposa Apartments	300 Casentini St	Apartments	-	21	-	-	-	-	-
-	775 Elkington Ave	Apartments	-	7	-	-	-	-	-
<b>Subtotal Multifamily Units</b>				<b>2,654</b>					
<b>Other Affordable</b>									
East Salinas Family Rad	Scattered Sites	Townhomes	2016	202	-	35	86	63	18
Los Abuelitos Senior Apts	528 E Market St	Senior	2004	25	-	25	-	-	-
Mountain View Townhomes	1580 Falcon Dr	Townhomes	2000	68	-	-	20	40	8
Addington Way Homes	288 Addington Ln	Special Needs	1999	2	-	-	-	2	-
Roosevelt Street Townhomes II	504 Roosevelt St	Townhomes	1998	22	-	-	-	22	-
Regency Court Senior	472 Regency Cir	Senior	1997	119	-	96	24	-	-
Gabilan Hills Townhomes	1051-1057 Paseo Grande	Townhomes	1995	100	-	-	32	34	34
Roosevelt Townhomes	522 Roosevelt St	Townhomes	1995	22	-	-	-	-	-
Plaza Hotel	30 E Market St	SRO	1992	27	-	-	-	-	-
<b>Subtotal Other Units</b>				<b>587</b>					
<b>Total</b>				<b>3,241</b>	<b>200</b>	<b>626</b>	<b>594</b>	<b>526</b>	<b>139</b>

Source: Costar; HUD National Low Income Housing Tax Credit 1987-2022 Data; EPS.

[1] Some properties do not include the number of rooms as Costar and the Department of Housing and Urban Development (HUD) do not provide this information. The absence of data may occur due to various reasons, such as privacy policies, incomplete records, or the nature of the reporting systems of these organizations.



**Table A-8**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Multifamily Housing Market Summary (2012-2024)**

<b>City of Salinas Multifamily Housing [1]</b>			
<b>Item</b>	Monthly Effective Rent	% Change, Rent Asked	Vacancy Rate
<b>Year</b>			
2000	\$920	-	2.4%
2001	\$963	4.7%	3.3%
2002	\$955	(0.8%)	4.0%
2003	\$947	(0.8%)	4.3%
2004	\$948	0.1%	4.3%
2005	\$979	3.3%	4.0%
2006	\$1,015	3.7%	3.9%
2007	\$1,046	3.1%	3.4%
2008	\$1,068	2.1%	3.7%
2009	\$1,027	(3.8%)	4.1%
2010	\$1,041	1.4%	4.1%
2011	\$1,050	0.9%	4.5%
2012	\$1,070	1.9%	4.1%
2013	\$1,099	2.7%	3.7%
2014	\$1,143	4.0%	3.1%
2015	\$1,274	11.5%	2.8%
2016	\$1,375	7.9%	3.0%
2017	\$1,480	7.6%	2.4%
2018	\$1,554	5.0%	2.1%
2019	\$1,592	2.4%	2.7%
2020	\$1,702	6.9%	2.4%
2021	\$1,920	12.8%	2.4%
2022	\$1,859	(3.2%)	2.8%
2023	\$1,978	6.4%	2.8%
2024	\$1,994	0.8%	2.7%
<b>Average/ Total Change</b>	<b>\$1,280</b>	<b>3.4%</b>	<b>3.3%</b>

Source: CoStar; EPS.

[1] This data reflects market rate multifamily apartment units built before 1995 in the City of Salinas.

**Table A-9**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Household Income by Range (2012 & 2022)**

Item	City of Salinas					Monterey County				
	2012 [1]	%	2022	%	% Change	2012 [1]	%	2022	%	% Change
<b>Income Range</b>										
<\$15,000	3,981	9.9%	2,550	5.9%	(35.9%)	10,761	8.6%	6,915	5.3%	(35.7%)
\$15,000 - \$24,999	4,992	12.4%	2,718	6.3%	(45.6%)	12,012	9.6%	6,667	5.1%	(44.5%)
\$25,000 - \$34,999	4,831	12.0%	2,589	6.0%	(46.4%)	12,012	9.6%	8,369	6.4%	(30.3%)
\$35,000 - \$49,999	6,080	15.1%	4,355	10.1%	(28.4%)	16,766	13.4%	12,560	9.6%	(25.1%)
\$50,000 - \$74,999	7,974	19.8%	7,111	16.5%	(10.8%)	24,524	19.6%	19,240	14.7%	(21.5%)
\$75,000 - \$99,999	4,871	12.1%	6,638	15.4%	36.3%	15,891	12.7%	18,454	14.1%	16.1%
\$100,000 - \$149,999	5,153	12.8%	8,963	20.8%	73.9%	19,394	15.5%	25,658	19.6%	32.3%
\$150,000 - \$199,999	1,527	3.8%	3,924	9.1%	157.0%	6,882	5.5%	13,739	10.5%	99.6%
\$200,000+	882	2.2%	4,225	9.8%	378.9%	6,882	5.5%	19,371	14.8%	181.5%
<b>Total</b>	<b>40,292</b>	<b>100.0%</b>	<b>43,073</b>	<b>100.0%</b>	<b>6.9%</b>	<b>125,123</b>	<b>100.0%</b>	<b>130,973</b>	<b>100.0%</b>	<b>4.7%</b>
<b>Median Household Income in 2022\$</b>	<b>\$68,364</b>		<b>\$84,250</b>		<b>23.2%</b>	<b>\$81,279</b>		<b>\$91,043</b>		<b>12.0%</b>

Source: U.S. Census Bureau ACS 2012 & 2022, Table S1901; EPS.

[1] The median household incomes reported by ACS are inflation-adjusted to constant dollars.

**Table A-10**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Household Size and Tenure (2012 and 2022)**

Item	City of Salinas				Change (2012-2022)
	2012		2022		
	Total	%	Total	%	
<b>Renter-Occupied Households</b>					
1-person	3,973	17.6%	3,821	16.8%	(3.83%)
2-person	3,721	16.4%	3,773	16.6%	1.40%
3-person	3,750	16.6%	3,093	13.6%	(17.52%)
4+ -person	11,193	49.4%	12,107	53.1%	8.17%
<b>Total</b>	<b>22,637</b>	<b>100.0%</b>	<b>22,794</b>	<b>100.0%</b>	<b>0.69%</b>
<b>Owner-Occupied</b>					
1-person	2,648	15.0%	3,082	15.2%	16.39%
2-person	4,645	26.3%	5,112	25.2%	10.05%
3-person	3,011	17.1%	3,211	15.8%	6.64%
4+ -person	7,351	41.6%	8,874	43.8%	20.72%
<b>Total</b>	<b>17,655</b>	<b>100.0%</b>	<b>20,279</b>	<b>100.0%</b>	<b>14.86%</b>

Source: American Community Survey 5-Year Estimates Table B25009; EPS.

**Table A-11**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Year Householder Moved into Unit**

Item	Years Lived in Unit			City of Salinas Households				
	Min	Max	Avg.	Renter-Occupied		Owner-Occupied		
				Total	%	Total	%	
<b>Year Householder Moved Into Unit</b>								
Moved in 2021 or later	0	-	1	0.5	5,141	20.4%	472	2.3%
Moved in 2018 to 2020	2	-	4	3	7,406	29.3%	2,254	11.0%
Moved in 2010 to 2017	5	-	12	8.5	7,775	30.8%	6,036	29.3%
Moved in 2000 to 2009	13	-	22	17.5	3,641	14.4%	5,867	28.5%
Moved in 1990 to 1999	23	-	32	27.5	918	3.6%	3,211	15.6%
Moved in 1989 or earlier	33	+		33	358	1.4%	2,736	13.3%
<b>Total</b>					<b>25,239</b>	<b>100.0%</b>	<b>20,576</b>	<b>100.0%</b>
<b>Weighted Average Years Lived in Unit</b>						<b>7.6</b>		<b>16.5</b>

Source: ACS 2022 5-Year estimates Table B25038; EPS.

**Table A-12**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Units Permitted by Year (2000-2022)**

Item	City of Salinas				Total
	1-Unit	2-Unit	3- and 4- Unit	5-Unit +	
<b>Year</b>					
1990	194	8	3	-	205
1991	160	8	3	-	171
1992	197	10	-	16	223
1993	275	-	7	27	309
1994	585	10	46	6	647
1995	431	4	9	98	542
1996	413	2	11	253	679
1997	628	-	-	207	835
1998	500	-	-	-	500
1999	809	22	-	531	1,362
2000	579	4	18	50	651
2001	268	-	-	160	428
2002	442	14	9	92	557
2003	257	-	14	273	544
2004	231	-	6	25	262
2005	224	-	-	21	245
2006	119	-	-	-	119
2007	72	2	-	170	244
2008	24	2	8	58	92
2009	19	-	-	18	37
2010	35	-	16	88	139
2011	7	-	8	10	25
2012	11	2	-	-	13
2013	3	2	3	51	59
2014	30	-	-	36	66
2015	46	2	-	46	94
2016	2	2	-	48	52
2017	26	-	-	-	26
2018	57	-	-	106	163
2019	80	4	-	12	96
2020	96	-	-	109	205
2021	64	4	-	130	198
2022	59	2	-	-	61
<b>Total 1990-2022</b>	<b>6,943</b>	<b>104</b>	<b>161</b>	<b>2,641</b>	<b>9,849</b>
<i>Average per Year (1990-2022)</i>	<i>217</i>	<i>3</i>	<i>5</i>	<i>83</i>	<i>308</i>
<b>Total 1995-2022</b>	<b>5,532</b>	<b>68</b>	<b>102</b>	<b>2,592</b>	<b>8,294</b>
<i>Average per Year (1995-2022)</i>	<i>205</i>	<i>3</i>	<i>4</i>	<i>96</i>	<i>307</i>

Source: United States Department of Housing and Urban Development State of the Cities Database; EPS.

**Table A-13**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Comparable Rent Stabilization Programs Staffing and Fees**

Item	Number of Qualifying Units	Staffing FTEs	Number of Units per Staff	Staff per 1,000 Units	Current Rental Housing Fees per Fully Covered Unit		Portion of the Fee Passed Through to Tenants
					Fully Covered Unit	Partially Covered Unit	
<b>JURISDICTION</b>							
<b>Actively Enforced Rent Programs</b>							
East Palo Alto	2,500	2	1,250	0.80	\$234	NA	50%
Berkeley	20,000	22	909	1.10	\$344	\$212	50%
Oakland	65,000	11	5,909	0.17	\$101	NA	50%
Richmond	18,000	13	1,385	0.72	\$238	\$135	0%
Santa Monica	28,000	26	1,077	0.93	\$228	NA	50%
<b>Total/Weighted Avg.</b>	<b>133,500</b>	<b>74</b>	<b>3,449</b>	<b>0.83</b>	<b>\$185</b>	-	-
<b>Complaint Driven Rent Programs</b>							
Mountain View	15,000	5	3,000	0.33	\$120	NA	NA
West Hollywood	17,000	9	2,000	0.50	\$144	\$144	50%
San Jose	39,000	16	2,438	0.41	\$106	\$34	NA
San Francisco	173,000	31	5,581	0.18	\$59	\$59	50%
Los Angeles	600,000	80	7,500	0.13	\$39	NA	50%
<b>Total/Weighted Avg.</b>	<b>844,000</b>	<b>141</b>	<b>6,682</b>	<b>0.20</b>	<b>\$50</b>	-	-

Source: City of Mountain View Memorandum to the Rental Housing Committee, dated January 25, 2021; City Web Sites; EPS.

**Table A-14**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Inflation Method Comparison**

Year	CPI [1]			CPI - Less Shelter	
	Total	Annual Change		Total	Change
		60% CPI	80% CPI		
2014	240.215			226.976	
2015	243.015	0.70%	0.93%	226.12	-0.38%
2016	247.705	1.16%	1.54%	226.814	0.31%
2017	254.738	1.70%	2.27%	230.467	1.61%
2018	263.263	2.01%	2.68%	236.871	2.78%
2019	270.350	1.62%	2.15%	240.92	1.71%
2020	275.057	1.04%	1.39%	243.674	1.14%
2021	287.494	2.71%	3.62%	257.523	5.68%
2022	310.509	4.80%	6.40%	280.63	8.97%
2023	323.834	2.57%	3.43%	288.792	2.91%
2024 [2]	331.933	1.50%	2.00%	294.262	1.89%
<b>Total Change (2014-2024)</b>		22.91%	30.55%		29.64%

Source: Bureau of Labor Statistics; and EPS.

[1] Consumer Price Index for All Urban Consumers (CPI-U), West Region.

[2] Values for 2024 indicate calendar year average through June.

**Table A-15**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Household Operations and Furnishings Price Index Change**

Year	Index Change from Previous Year		
	HIOC	COICOP 05	CPI
2014	-1.38%	-1.45%	-0.86%
2015	-0.43%	-0.74%	0.48%
2016	-0.86%	-1.16%	-0.18%
2017	-0.77%	-0.90%	-0.53%
2018	0.72%	0.55%	1.25%
2019	1.75%	1.75%	2.30%
2020	1.50%	1.75%	3.08%
2021	4.49%	4.41%	3.29%
2022	9.03%	9.16%	8.82%
2023	2.93%	2.63%	2.86%
<b>Total Change (2014-2023)</b>	<b>19.47%</b>	<b>18.38%</b>	<b>23.16%</b>
<b>CAGR (2014-2023)</b>	<b>1.63%</b>	<b>1.55%</b>	<b>1.98%</b>

Source: Bureau of Labor Statistics; and EPS.

[1] Consumer Price Index for All Urban Consumers (CPI-U), West Region.

[2] Values for 2024 indicate calendar year average through June.



**Table A-16**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Median Operating Expenses by Property Type (2011-2022)**

Item	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Mid Rise</b>												
Administration	\$668	\$647	\$643	\$602	\$627	\$720	\$688	\$813	\$836	\$785	\$855	\$887
Repairs and Maintenance	\$1,067	\$1,042	\$1,031	\$1,135	\$1,106	\$1,259	\$1,263	\$1,349	\$1,480	\$1,481	\$1,741	\$1,829
Utilities	\$833	\$782	\$838	\$923	\$871	\$919	\$928	\$927	\$1,022	\$1,103	\$1,020	\$1,202
Payroll	\$1,298	\$1,347	\$1,360	\$1,380	\$1,299	\$1,471	\$1,429	\$1,455	\$1,553	\$1,658	\$1,655	\$1,837
Management Fee	\$485	\$460	\$491	\$497	\$422	\$535	\$523	\$629	\$708	\$764	\$778	\$695
Property Insurance	\$288	\$298	\$306	\$286	\$262	\$239	\$224	\$332	\$324	\$421	\$560	\$739
<b>Total Mid Rise [1]</b>	<b>\$4,639</b>	<b>\$4,576</b>	<b>\$4,669</b>	<b>\$4,823</b>	<b>\$4,587</b>	<b>\$5,143</b>	<b>\$5,055</b>	<b>\$5,505</b>	<b>\$5,923</b>	<b>\$6,212</b>	<b>\$6,609</b>	<b>\$7,189</b>
<b>Low Rise</b>												
Administration	\$557	\$620	\$594	\$580	\$631	\$612	\$588	\$711	\$744	\$755	\$741	\$852
Repairs and Maintenance	\$839	\$838	\$917	\$964	\$974	\$1,037	\$1,075	\$1,103	\$1,236	\$1,202	\$1,308	\$1,650
Utilities	\$694	\$725	\$775	\$811	\$793	\$804	\$793	\$844	\$876	\$946	\$966	\$1,043
Payroll	\$1,075	\$1,101	\$1,132	\$1,172	\$1,239	\$1,228	\$1,274	\$1,336	\$1,423	\$1,482	\$1,489	\$1,639
Management Fee	\$392	\$406	\$421	\$431	\$420	\$436	\$443	\$519	\$589	\$673	\$707	\$672
Property Insurance	\$229	\$250	\$265	\$275	\$272	\$281	\$282	\$311	\$346	\$395	\$515	\$528
<b>Total Low Rise [1]</b>	<b>\$3,786</b>	<b>\$3,940</b>	<b>\$4,104</b>	<b>\$4,233</b>	<b>\$4,329</b>	<b>\$4,398</b>	<b>\$4,455</b>	<b>\$4,824</b>	<b>\$5,214</b>	<b>\$5,453</b>	<b>\$5,726</b>	<b>\$6,384</b>
<b>Single-family, Duplex and Townhomes</b>												
Administration	\$505	\$525	\$575	\$552	\$595	\$659	\$657	\$681	\$769	\$753	\$737	\$787
Repairs and Maintenance	\$840	\$908	\$961	\$1,000	\$1,022	\$1,119	\$1,145	\$1,131	\$1,243	\$1,253	\$1,375	\$1,554
Utilities	\$669	\$694	\$749	\$758	\$800	\$780	\$750	\$891	\$912	\$995	\$872	\$972
Payroll	\$1,006	\$1,074	\$1,116	\$1,091	\$1,280	\$1,203	\$1,376	\$1,416	\$1,473	\$1,625	\$1,461	\$1,605
Management Fee	\$364	\$335	\$330	\$328	\$454	\$438	\$481	\$679	\$729	\$762	\$705	\$683
Property Insurance	\$258	\$293	\$329	\$309	\$262	\$258	\$243	\$265	\$348	\$318	\$497	\$542
<b>Total Single-family, Duplex and Townhomes [1]</b>	<b>\$3,642</b>	<b>\$3,829</b>	<b>\$4,060</b>	<b>\$4,038</b>	<b>\$4,413</b>	<b>\$4,457</b>	<b>\$4,652</b>	<b>\$5,063</b>	<b>\$5,474</b>	<b>\$5,706</b>	<b>\$5,647</b>	<b>\$6,143</b>
<b>Average All</b>												
Administration	\$577	\$597	\$604	\$578	\$618	\$664	\$644	\$735	\$783	\$764	\$778	\$842
Repairs and Maintenance	\$915	\$929	\$970	\$1,033	\$1,034	\$1,138	\$1,161	\$1,194	\$1,320	\$1,312	\$1,475	\$1,678
Utilities	\$732	\$734	\$787	\$831	\$821	\$834	\$824	\$887	\$937	\$1,015	\$953	\$1,072
Payroll	\$1,126	\$1,174	\$1,203	\$1,214	\$1,273	\$1,301	\$1,360	\$1,402	\$1,483	\$1,588	\$1,535	\$1,694
Management Fee	\$414	\$400	\$414	\$419	\$432	\$470	\$482	\$609	\$675	\$733	\$730	\$683
Property Insurance	\$258	\$280	\$300	\$290	\$265	\$259	\$250	\$303	\$339	\$378	\$524	\$603
<b>Total Average All</b>	<b>\$4,022</b>	<b>\$4,115</b>	<b>\$4,278</b>	<b>\$4,365</b>	<b>\$4,443</b>	<b>\$4,666</b>	<b>\$4,721</b>	<b>\$5,131</b>	<b>\$5,537</b>	<b>\$5,790</b>	<b>\$5,994</b>	<b>\$6,572</b>
<b>Year-Over-Year Change (Average All Types)</b>												
Administration		3.58%	1.12%	(4.30%)	6.86%	7.45%	(2.91%)	14.07%	6.53%	(2.38%)	1.74%	8.27%
Repairs and Maintenance		1.53%	4.34%	6.53%	0.10%	10.09%	1.99%	2.87%	10.49%	(0.58%)	12.40%	13.77%
Utilities		0.23%	7.31%	5.50%	(1.12%)	1.58%	(1.28%)	7.73%	5.56%	8.33%	(6.11%)	12.56%
Payroll		4.23%	2.44%	0.97%	4.80%	2.20%	4.54%	3.14%	5.75%	7.10%	(3.36%)	10.34%
Management Fee		(3.22%)	3.41%	1.13%	3.18%	8.72%	2.70%	26.26%	10.89%	8.54%	(0.41%)	(6.39%)
Property Insurance		8.52%	7.02%	(3.33%)	(8.51%)	(2.26%)	(3.73%)	21.23%	12.11%	11.39%	38.62%	15.08%
<b>Total Year Over Year Change</b>		<b>2.30%</b>	<b>3.95%</b>	<b>2.03%</b>	<b>1.79%</b>	<b>5.02%</b>	<b>1.17%</b>	<b>8.69%</b>	<b>7.92%</b>	<b>4.58%</b>	<b>3.52%</b>	<b>9.64%</b>
<b>Compound Annual Growth Rate (2014-2020)</b>												
Administration		3.50%										
Repairs and Maintenance		5.66%										
Utilities		3.53%										
Payroll		3.78%										
Management Fee		4.67%										
Property Insurance		8.01%										
<b>Total</b>		<b>4.56%</b>										

Source: Novogradac, 2023. Low-Income Housing Tax Credit Income and Operating Expenses Report.

## APPENDIX B:

### Financial Analysis Support Tables

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**Appendix Table B-1**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Rent Stabilized Annual Cash Flow Estimate - Market Rate Base Case**

Item	Assumptions	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Market Rent Increase	3.35%							
Allowed Rent Increase (% of CPI)	na							
CPI (Inflation)	3.00%							
Operating Expense Growth	3.00%							
Gross Rental Revenue		\$2,388,000	\$2,468,043	\$2,550,768	\$2,636,267	\$2,724,631	\$2,815,957	\$3,320,609
Less Vacancy Loss	@ 3.00%	(\$71,640)	(\$74,041)	(\$76,523)	(\$79,088)	(\$81,739)	(\$84,479)	(\$99,618)
<b>Net Rental Revenue</b>	-	<b>\$2,316,360</b>	<b>\$2,394,001</b>	<b>\$2,474,245</b>	<b>\$2,557,179</b>	<b>\$2,642,892</b>	<b>\$2,731,478</b>	<b>\$3,220,991</b>
Less Operations & Maintenance [1]	@ 30.00%	(\$694,908)	(\$715,755)	(\$737,228)	(\$759,345)	(\$782,125)	(\$805,589)	(\$933,898)
<b>Net Operating Income (NOI)</b>	-	<b>\$1,621,452</b>	<b>\$1,678,246</b>	<b>\$1,737,017</b>	<b>\$1,797,834</b>	<b>\$1,860,767</b>	<b>\$1,925,890</b>	<b>\$2,287,092</b>
Capitalization Rate	6.00%							
<b>Building Value</b>		<b>\$27,024,200</b>	<b>\$27,970,769</b>	<b>\$28,950,289</b>	<b>\$29,963,899</b>	<b>\$31,012,782</b>	<b>\$32,098,158</b>	<b>\$38,118,207</b>
<b>Annual Change in Value</b>			3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
<b>10-Year Average Annual Appreciation Rate</b>	3.50%							
<b>Return on Investment (ROI)</b>	10-yr = 41.05%		3.50%	7.13%	10.88%	14.76%	18.78%	41.05%
<b>Hypothetical Acquisition</b> (Plus Acq. Cost)	@ 4.00%	(\$28,105,168)						
<b>Net Operating Income</b>			\$1,678,246	\$1,737,017	\$1,797,834	\$1,860,767	\$1,925,890	\$2,287,092
<b>Reversion Value</b> (Less Marketing Cost)	@ 4.00%							\$36,593,478
<b>Net Cash Flow</b>		<b>(\$28,105,168)</b>	<b>\$1,678,246</b>	<b>\$1,737,017</b>	<b>\$1,797,834</b>	<b>\$1,860,767</b>	<b>\$1,925,890</b>	<b>\$38,880,571</b>
<b>Unleveraged IRR</b>	<b>8.84%</b>							
<b>Leveraged IRR</b>								
Initial Equity Investment @	30%	-\$8,431,550						
Net Operating Income			\$1,678,246	\$1,737,017	\$1,797,834	\$1,860,767	\$1,925,890	\$2,287,092
Debt Service - Principal (25-yr) @	6.00%		-\$358,585	-\$380,101	-\$402,907	-\$427,081	-\$452,706	-\$605,823
Debt Service - Interest (25-yr) @	6.00%		-\$1,180,417	-\$1,158,902	-\$1,136,096	-\$1,111,921	-\$1,086,297	-\$933,180
Reversion								\$36,593,478
Less Remaining Principal								-\$14,947,176
<b>Net Proceeds to Developer Equity</b>		<b>(\$8,431,550)</b>	<b>\$139,244</b>	<b>\$198,015</b>	<b>\$258,831</b>	<b>\$321,764</b>	<b>\$386,887</b>	<b>\$22,394,392</b>
<b>Leveraged IRR</b>	<b>12.88%</b>							

Source: CoStar; EPS.

[1] For market-rate base case example, op ex as percentage of rental income applied across all years.

**Appendix Table B-2**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Rent Stabilized Annual Cash Flow Estimate - 100% of CPI**

Item	Assumptions	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Market Rent Increase	3.35%							
Allowed Rent Increase (% of CPI)	100.00%							
CPI (Inflation)	3.00%							
Operating Expense Growth	3.00%							
Gross Rental Revenue		\$2,388,000	\$2,460,562	\$2,536,178	\$2,614,897	\$2,696,778	\$2,781,881	\$3,258,336
Less Vacancy Loss	@ 3.00%	(\$71,640)	(\$73,817)	(\$76,085)	(\$78,447)	(\$80,903)	(\$83,456)	(\$97,750)
<b>Net Rental Revenue</b>	-	<b>\$2,316,360</b>	<b>\$2,386,745</b>	<b>\$2,460,092</b>	<b>\$2,536,450</b>	<b>\$2,615,874</b>	<b>\$2,698,425</b>	<b>\$3,160,586</b>
Less Operations & Maintenance [1]	Yr 0 @ 30.00%	(\$694,908)	(\$715,755)	(\$737,228)	(\$759,345)	(\$782,125)	(\$805,589)	(\$933,898)
<b>Net Operating Income (NOI)</b>	-	<b>\$1,621,452</b>	<b>\$1,670,990</b>	<b>\$1,722,864</b>	<b>\$1,777,106</b>	<b>\$1,833,749</b>	<b>\$1,892,836</b>	<b>\$2,226,688</b>
Capitalization Rate	6.00%							
<b>Building Value</b>		<b>\$27,024,200</b>	<b>\$27,849,834</b>	<b>\$28,714,406</b>	<b>\$29,618,425</b>	<b>\$30,562,487</b>	<b>\$31,547,270</b>	<b>\$37,111,462</b>
<b>Annual Change in Value</b>			3.06%	3.10%	3.15%	3.19%	3.22%	3.35%
<b>10-Year Average Annual Appreciation Rate</b>	3.22%							
<b>Return on Investment (ROI)</b>	10-yr = 37.33%		3.06%	6.25%	9.60%	13.09%	16.74%	37.33%
<b>Hypothetical Acquisition</b> (Plus Acq. Cost)	@ 4.00%	(\$28,105,168)						
<b>Net Operating Income</b>			\$1,670,990	\$1,722,864	\$1,777,106	\$1,833,749	\$1,892,836	\$2,226,688
<b>Reversion Value</b> (Less Marketing Cost)	@ 4.00%							\$35,627,003
<b>Net Cash Flow</b>		<b>(\$28,105,168)</b>	<b>\$1,670,990</b>	<b>\$1,722,864</b>	<b>\$1,777,106</b>	<b>\$1,833,749</b>	<b>\$1,892,836</b>	<b>\$37,853,691</b>
<b>Unleveraged IRR</b>	<b>8.54%</b>							
<b>Leveraged IRR</b>								
Initial Equity Investment @	30%	-\$8,431,550						
Net Operating Income			\$1,670,990	\$1,722,864	\$1,777,106	\$1,833,749	\$1,892,836	\$2,226,688
Debt Service - Principal (25-yr) @	6.00%		-\$358,585	-\$380,101	-\$402,907	-\$427,081	-\$452,706	-\$605,823
Debt Service - Interest (25-yr) @	6.00%		-\$1,180,417	-\$1,158,902	-\$1,136,096	-\$1,111,921	-\$1,086,297	-\$933,180
Reversion								\$35,627,003
Less Remaining Principal								-\$14,947,176
<b>Net Proceeds to Developer Equity</b>		<b>(\$8,431,550)</b>	<b>\$131,987</b>	<b>\$183,862</b>	<b>\$238,103</b>	<b>\$294,747</b>	<b>\$353,834</b>	<b>\$21,367,513</b>
<b>Leveraged IRR</b>	<b>12.20%</b>							

Source: CoStar; EPS.

[1] After Year 0 for rent stabilization examples, operations and maintenance expenses increase at the rate of CPI.

**Appendix Table B-3**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Hypothetical Rent Stabilized Gross Rent Roll Estimate - 100% of CPI**

Item	Assumptions	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Assumed Units	100											
Year 0 Average Rent	\$1,990											
Year 0 Vacancy Decontrol Rent	\$1,990											
Average Number Years in Unit	9.11											
Turnover	11.0%											
Market Rent Increase	3.35%											
Allowed Rent Increase (% CPI)	100.00%											
CPI Inflation	3.00%											
<b>Gross Units by Occupancy Date</b>												
Year 0 (or before)		100.0	89.0	79.3	70.6	62.8	55.9	49.8	44.3	39.5	35.1	31.3
Year 1		-	11.0	9.8	8.7	7.7	6.9	6.1	5.5	4.9	4.3	3.9
Year 2		-	-	11.0	9.8	8.7	7.7	6.9	6.1	5.5	4.9	4.3
Year 3		-	-	-	11.0	9.8	8.7	7.7	6.9	6.1	5.5	4.9
Year 4		-	-	-	-	11.0	9.8	8.7	7.7	6.9	6.1	5.5
Year 5		-	-	-	-	-	11.0	9.8	8.7	7.7	6.9	6.1
Year 6		-	-	-	-	-	-	11.0	9.8	8.7	7.7	6.9
Year 7		-	-	-	-	-	-	-	11.0	9.8	8.7	7.7
Year 8		-	-	-	-	-	-	-	-	11.0	9.8	8.7
Year 9		-	-	-	-	-	-	-	-	-	11.0	9.8
Year 10		-	-	-	-	-	-	-	-	-	-	11.0
<b>Total Units</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average Rent by Occupancy Date</b>												
Year 0 (or before)		\$1,990	\$2,050	\$2,111	\$2,175	\$2,240	\$2,307	\$2,376	\$2,447	\$2,521	\$2,596	\$2,674
Year 1		-	\$2,057	\$2,118	\$2,182	\$2,247	\$2,315	\$2,384	\$2,456	\$2,529	\$2,605	\$2,684
Year 2		-	-	\$2,126	\$2,189	\$2,255	\$2,323	\$2,392	\$2,464	\$2,538	\$2,614	\$2,693
Year 3		-	-	-	\$2,197	\$2,263	\$2,331	\$2,401	\$2,473	\$2,547	\$2,623	\$2,702
Year 4		-	-	-	-	\$2,271	\$2,339	\$2,409	\$2,481	\$2,555	\$2,632	\$2,711
Year 5		-	-	-	-	-	\$2,347	\$2,417	\$2,490	\$2,564	\$2,641	\$2,720
Year 6		-	-	-	-	-	-	\$2,425	\$2,498	\$2,573	\$2,650	\$2,730
Year 7		-	-	-	-	-	-	-	\$2,507	\$2,582	\$2,659	\$2,739
Year 8		-	-	-	-	-	-	-	-	\$2,591	\$2,668	\$2,748
Year 9		-	-	-	-	-	-	-	-	-	\$2,677	\$2,758
Year 10		-	-	-	-	-	-	-	-	-	-	\$2,767
<b>Gross Rent</b>		<b>\$2,388,000</b>	<b>\$2,460,562</b>	<b>\$2,536,178</b>	<b>\$2,614,897</b>	<b>\$2,696,778</b>	<b>\$2,781,881</b>	<b>\$2,870,277</b>	<b>\$2,962,038</b>	<b>\$3,057,244</b>	<b>\$3,155,980</b>	<b>\$3,258,336</b>

Source: US Census; Costar; EPS.

**Appendix Table B-4**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Rent Stabilized Annual Cash Flow Estimate - 80% of CPI**

Item	Assumptions	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Market Rent Increase	3.35%							
Allowed Rent Increase (% of CPI)	80.00%							
CPI (Inflation)	3.00%							
Operating Expense Growth	3.00%							
Gross Rental Revenue		\$2,388,000	\$2,447,807	\$2,511,406	\$2,578,768	\$2,649,874	\$2,724,718	\$3,155,573
Less Vacancy Loss	@ 3.00%	(\$71,640)	(\$73,434)	(\$75,342)	(\$77,363)	(\$79,496)	(\$81,742)	(\$94,667)
<b>Net Rental Revenue</b>	-	<b>\$2,316,360</b>	<b>\$2,374,372</b>	<b>\$2,436,064</b>	<b>\$2,501,405</b>	<b>\$2,570,377</b>	<b>\$2,642,976</b>	<b>\$3,060,905</b>
Less Operations & Maintenance [1]	Yr 0 @ 30.00%	(\$694,908)	(\$715,755)	(\$737,228)	(\$759,345)	(\$782,125)	(\$805,589)	(\$933,898)
<b>Net Operating Income (NOI)</b>	-	<b>\$1,621,452</b>	<b>\$1,658,617</b>	<b>\$1,698,836</b>	<b>\$1,742,060</b>	<b>\$1,788,252</b>	<b>\$1,837,387</b>	<b>\$2,127,007</b>
Capitalization Rate	6.00%							
<b>Building Value</b>		<b>\$27,024,200</b>	<b>\$27,643,618</b>	<b>\$28,313,934</b>	<b>\$29,034,334</b>	<b>\$29,804,206</b>	<b>\$30,623,123</b>	<b>\$35,450,120</b>
<b>Annual Change in Value</b>			2.29%	2.42%	2.54%	2.65%	2.75%	3.09%
<b>10-Year Average Annual Appreciation Rate</b>	2.75%							
<b>Return on Investment (ROI)</b>	10-yr = 31.18%		2.29%	4.77%	7.44%	10.29%	13.32%	31.18%
<b>Hypothetical Acquisition</b> (Plus Acq. Cost)	@ 4.00%	(\$28,105,168)						
<b>Net Operating Income</b>			\$1,658,617	\$1,698,836	\$1,742,060	\$1,788,252	\$1,837,387	\$2,127,007
<b>Reversion Value</b> (Less Marketing Cost)	@ 4.00%							\$34,032,115
<b>Net Cash Flow</b>		<b>(\$28,105,168)</b>	<b>\$1,658,617</b>	<b>\$1,698,836</b>	<b>\$1,742,060</b>	<b>\$1,788,252</b>	<b>\$1,837,387</b>	<b>\$36,159,122</b>
<b>Unleveraged IRR</b>	<b>8.01%</b>							
<b>Leveraged IRR</b>								
Initial Equity Investment @	30%	-\$8,431,550						
Net Operating Income			\$1,658,617	\$1,698,836	\$1,742,060	\$1,788,252	\$1,837,387	\$2,127,007
Debt Service - Principal (25-yr) @	6.00%		-\$358,585	-\$380,101	-\$402,907	-\$427,081	-\$452,706	-\$605,823
Debt Service - Interest (25-yr) @	6.00%		-\$1,180,417	-\$1,158,902	-\$1,136,096	-\$1,111,921	-\$1,086,297	-\$933,180
Reversion								\$34,032,115
Less Remaining Principal								-\$14,947,176
<b>Net Proceeds to Developer Equity</b>		<b>(\$8,431,550)</b>	<b>\$119,615</b>	<b>\$159,833</b>	<b>\$203,057</b>	<b>\$249,250</b>	<b>\$298,385</b>	<b>\$19,672,944</b>
<b>Leveraged IRR</b>	<b>11.02%</b>							

Source: CoStar; EPS.

[1] After Year 0 for rent stabilization examples, operations and maintenance expenses increase at the rate of CPI.

**Appendix Table B-5**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Hypothetical Rent Stabilized Gross Rent Roll Estimate - 80% of CPI**

Item	Assumptions	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Assumed Units	100											
Year 0 Average Rent	\$1,990											
Year 0 Vacancy Decontrol Rent	\$1,990											
Average Number Years in Unit	9.11											
Turnover	11.0%											
Market Rent Increase	3.35%											
Allowed Rent Increase (% CPI)	80.00%											
CPI Inflation	3.00%											
<b>Gross Units by Occupancy Date</b>												
Year 0 (or before)		100.0	89.0	79.3	70.6	62.8	55.9	49.8	44.3	39.5	35.1	31.3
Year 1		-	11.0	9.8	8.7	7.7	6.9	6.1	5.5	4.9	4.3	3.9
Year 2		-	-	11.0	9.8	8.7	7.7	6.9	6.1	5.5	4.9	4.3
Year 3		-	-	-	11.0	9.8	8.7	7.7	6.9	6.1	5.5	4.9
Year 4		-	-	-	-	11.0	9.8	8.7	7.7	6.9	6.1	5.5
Year 5		-	-	-	-	-	11.0	9.8	8.7	7.7	6.9	6.1
Year 6		-	-	-	-	-	-	11.0	9.8	8.7	7.7	6.9
Year 7		-	-	-	-	-	-	-	11.0	9.8	8.7	7.7
Year 8		-	-	-	-	-	-	-	-	11.0	9.8	8.7
Year 9		-	-	-	-	-	-	-	-	-	11.0	9.8
Year 10		-	-	-	-	-	-	-	-	-	-	11.0
<b>Total Units</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average Rent by Occupancy Date</b>												
Year 0 (or before)		\$1,990	\$2,038	\$2,087	\$2,137	\$2,188	\$2,241	\$2,294	\$2,349	\$2,406	\$2,464	\$2,523
Year 1		-	\$2,057	\$2,106	\$2,157	\$2,208	\$2,261	\$2,316	\$2,371	\$2,428	\$2,486	\$2,546
Year 2		-	-	\$2,126	\$2,177	\$2,229	\$2,282	\$2,337	\$2,393	\$2,451	\$2,510	\$2,570
Year 3		-	-	-	\$2,197	\$2,250	\$2,304	\$2,359	\$2,416	\$2,473	\$2,533	\$2,594
Year 4		-	-	-	-	\$2,271	\$2,325	\$2,381	\$2,438	\$2,496	\$2,556	\$2,618
Year 5		-	-	-	-	-	\$2,347	\$2,403	\$2,461	\$2,520	\$2,580	\$2,642
Year 6		-	-	-	-	-	-	\$2,425	\$2,483	\$2,543	\$2,604	\$2,667
Year 7		-	-	-	-	-	-	-	\$2,507	\$2,567	\$2,628	\$2,691
Year 8		-	-	-	-	-	-	-	-	\$2,591	\$2,653	\$2,716
Year 9		-	-	-	-	-	-	-	-	-	\$2,677	\$2,742
Year 10		-	-	-	-	-	-	-	-	-	-	\$2,767
<b>Gross Rent</b>		<b>\$2,388,000</b>	<b>\$2,447,807</b>	<b>\$2,511,406</b>	<b>\$2,578,768</b>	<b>\$2,649,874</b>	<b>\$2,724,718</b>	<b>\$2,803,306</b>	<b>\$2,885,654</b>	<b>\$2,971,789</b>	<b>\$3,061,747</b>	<b>\$3,155,573</b>

Source: US Census; Costar; EPS.

**Appendix Table B-6**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Rent Stabilized Annual Cash Flow Estimate - 60% of CPI**

Item	Assumptions	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Market Rent Increase	3.35%							
Allowed Rent Increase (% of CPI)	60.00%							
CPI (Inflation)	3.00%							
Operating Expense Growth	3.00%							
Gross Rental Revenue		\$2,388,000	\$2,435,051	\$2,486,771	\$2,543,027	\$2,603,707	\$2,668,724	\$3,056,973
Less Vacancy Loss	@ 3.00%	(\$71,640)	(\$73,052)	(\$74,603)	(\$76,291)	(\$78,111)	(\$80,062)	(\$91,709)
<b>Net Rental Revenue</b>	-	<b>\$2,316,360</b>	<b>\$2,361,999</b>	<b>\$2,412,168</b>	<b>\$2,466,736</b>	<b>\$2,525,596</b>	<b>\$2,588,662</b>	<b>\$2,965,264</b>
Less Operations & Maintenance [1]	Yr 0 @ 30.00%	(\$694,908)	(\$715,755)	(\$737,228)	(\$759,345)	(\$782,125)	(\$805,589)	(\$933,898)
<b>Net Operating Income (NOI)</b>	-	<b>\$1,621,452</b>	<b>\$1,646,244</b>	<b>\$1,674,940</b>	<b>\$1,707,391</b>	<b>\$1,743,471</b>	<b>\$1,783,073</b>	<b>\$2,031,366</b>
Capitalization Rate	6.00%							
<b>Building Value</b>		<b>\$27,024,200</b>	<b>\$27,437,403</b>	<b>\$27,915,664</b>	<b>\$28,456,517</b>	<b>\$29,057,852</b>	<b>\$29,717,886</b>	<b>\$33,856,095</b>
<b>Annual Change in Value</b>			1.53%	1.74%	1.94%	2.11%	2.27%	2.85%
<b>10-Year Average Annual Appreciation Rate</b>	2.28%							
<b>Return on Investment (ROI)</b>	10-yr = 25.28%		1.53%	3.30%	5.30%	7.53%	9.97%	25.28%
<b>Hypothetical Acquisition</b> (Plus Acq. Cost)	@ 4.00%	(\$28,105,168)						
<b>Net Operating Income</b>			\$1,646,244	\$1,674,940	\$1,707,391	\$1,743,471	\$1,783,073	\$2,031,366
<b>Reversion Value</b> (Less Marketing Cost)	@ 4.00%							\$32,501,852
<b>Net Cash Flow</b>		<b>(\$28,105,168)</b>	<b>\$1,646,244</b>	<b>\$1,674,940</b>	<b>\$1,707,391</b>	<b>\$1,743,471</b>	<b>\$1,783,073</b>	<b>\$34,533,217</b>
<b>Unleveraged IRR</b>	<b>7.49%</b>							
<b>Leveraged IRR</b>								
Initial Equity Investment @	30%	-\$8,431,550						
Net Operating Income			\$1,646,244	\$1,674,940	\$1,707,391	\$1,743,471	\$1,783,073	\$2,031,366
Debt Service - Principal (25-yr) @	6.00%		-\$358,585	-\$380,101	-\$402,907	-\$427,081	-\$452,706	-\$605,823
Debt Service - Interest (25-yr) @	6.00%		-\$1,180,417	-\$1,158,902	-\$1,136,096	-\$1,111,921	-\$1,086,297	-\$933,180
Reversion								\$32,501,852
Less Remaining Principal								-\$14,947,176
<b>Net Proceeds to Developer Equity</b>		<b>(\$8,431,550)</b>	<b>\$107,242</b>	<b>\$135,937</b>	<b>\$168,388</b>	<b>\$204,469</b>	<b>\$244,071</b>	<b>\$18,047,039</b>
<b>Leveraged IRR</b>	<b>9.79%</b>							

Source: CoStar; EPS.

[1] After Year 0 for rent stabilization examples, operations and maintenance expenses increase at the rate of CPI.



**Appendix Table B-7**  
**City of Salinas**  
**Rent Stabilization Analysis**  
**Hypothetical Rent Stabilized Gross Rent Roll Estimate - 60% of CPI**

Item	Assumptions	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Assumed Units	100											
Year 0 Average Rent	\$1,990											
Year 0 Vacancy Decontrol Rent	\$1,990											
Average Number Years in Unit	9.11											
Turnover	11.0%											
Market Rent Increase	3.35%											
Allowed Rent Increase (% CPI)	60.00%											
CPI Inflation	3.00%											
<b>Gross Units by Occupancy Date</b>												
Year 0 (or before)		100.0	89.0	79.3	70.6	62.8	55.9	49.8	44.3	39.5	35.1	31.3
Year 1		-	11.0	9.8	8.7	7.7	6.9	6.1	5.5	4.9	4.3	3.9
Year 2		-	-	11.0	9.8	8.7	7.7	6.9	6.1	5.5	4.9	4.3
Year 3		-	-	-	11.0	9.8	8.7	7.7	6.9	6.1	5.5	4.9
Year 4		-	-	-	-	11.0	9.8	8.7	7.7	6.9	6.1	5.5
Year 5		-	-	-	-	-	11.0	9.8	8.7	7.7	6.9	6.1
Year 6		-	-	-	-	-	-	11.0	9.8	8.7	7.7	6.9
Year 7		-	-	-	-	-	-	-	11.0	9.8	8.7	7.7
Year 8		-	-	-	-	-	-	-	-	11.0	9.8	8.7
Year 9		-	-	-	-	-	-	-	-	-	11.0	9.8
Year 10		-	-	-	-	-	-	-	-	-	-	11.0
<b>Total Units</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average Rent by Occupancy Date</b>												
Year 0 (or before)		\$1,990	\$2,026	\$2,062	\$2,099	\$2,137	\$2,176	\$2,215	\$2,255	\$2,295	\$2,337	\$2,379
Year 1		-	\$2,057	\$2,094	\$2,131	\$2,170	\$2,209	\$2,249	\$2,289	\$2,330	\$2,372	\$2,415
Year 2		-	-	\$2,126	\$2,164	\$2,203	\$2,243	\$2,283	\$2,324	\$2,366	\$2,408	\$2,452
Year 3		-	-	-	\$2,197	\$2,236	\$2,277	\$2,318	\$2,359	\$2,402	\$2,445	\$2,489
Year 4		-	-	-	-	\$2,271	\$2,311	\$2,353	\$2,395	\$2,438	\$2,482	\$2,527
Year 5		-	-	-	-	-	\$2,347	\$2,389	\$2,432	\$2,476	\$2,520	\$2,566
Year 6		-	-	-	-	-	-	\$2,425	\$2,469	\$2,513	\$2,559	\$2,605
Year 7		-	-	-	-	-	-	-	\$2,507	\$2,552	\$2,598	\$2,644
Year 8		-	-	-	-	-	-	-	-	\$2,591	\$2,637	\$2,685
Year 9		-	-	-	-	-	-	-	-	-	\$2,677	\$2,726
Year 10		-	-	-	-	-	-	-	-	-	-	\$2,767
<b>Gross Rent</b>		<b>\$2,388,000</b>	<b>\$2,435,051</b>	<b>\$2,486,771</b>	<b>\$2,543,027</b>	<b>\$2,603,707</b>	<b>\$2,668,724</b>	<b>\$2,738,005</b>	<b>\$2,811,499</b>	<b>\$2,889,170</b>	<b>\$2,970,997</b>	<b>\$3,056,973</b>

Source: US Census; Costar; EPS.