

City of Salinas

200 Lincoln Ave., Salinas, CA 93901

www.cityofsalinas.org



Meeting Agenda - Final

Tuesday, January 27, 2026

4:00 PM

SALINAS ROTUNDA

City Council

Mayor Dennis Donohue

Councilmembers:

Jose Luis Barajas, District 1 - Tony Barrera, District 2

Margaret D'Arrigo, District 3 - Gloria De La Rosa, District 4

Andrew Sandoval, District 5 - Aurelio Salazar, District 6

Rene Mendez, City Manager

Christopher A. Callihan, City Attorney

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

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PLEDGE OF ALLEGIANCE**ROLL CALL****CITY OF CHAMPIONS**

Aldo Barron

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 and will be entered into the record. 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 Consideration, Public Hearing items, and the Consent Agenda should be held until the items are reached.

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 \$500 (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).

ADMINISTRATIVE REPORTS

[ID#25-525](#) Salinas Youth Council Updates and Comments

Recommendation: No action required. The City of Salinas Youth Council will provide an administrative update to the City Council.

[ID#26-007](#) Artificial Intelligence Technology Update

Recommendation: No action is required. Receive an Administrative Report on Artificial Intelligence (AI) technology.

PUBLIC HEARINGS**[ID#25-598](#) Conditional Use Permit 2025-023; appeal of Planning Commission denial of a request to establish and operate an off-sale alcohol related use (Type 21 ABC License) at a proposed convenience store located at the Laurel West Shopping Center at 1018 North Davis Road in the Commercial Retail (CR) Zoning District.**

Recommendation: Approve a Resolution upholding the Planning Commission's denial of Conditional Use Permit 2025-023, denying a request to establish and operate an off-sale alcohol related use (Type 21 ABC License) at a proposed convenience store located at the Laurel West Shopping Center at 1018 North Davis Road in the Commercial Retail (CR) Zoning District.

[ID#25-607](#) Establishment of a Zone of Benefit in the Central Area of the North of Boronda Future Growth Area - CONTINUED TO FEBRUARY 3, 2026

Recommendation: Approve a Resolution forming a Zone of Benefit in the Central Area of the North of Boronda Future Growth Area.

CONSIDERATION**[ID#25-553](#) Harden Parkway Path and Safe Routes to Schools**

Recommendation: Approve a Resolution approving the Harden Parkway Path and Safe Routes to School Project and finding the Project categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301, Class 1(c).

[ID#26-009](#) Establishment of a First Time Home Buyer Mortgage Down Payment Assistance Program

Recommendation: Approve a Resolution establishing the First Time Home Buyer, Mortgage Down Payment Assistance Program (MDPAP); and increasing the estimated Permanent Local Housing Allocation (PLHA) grant revenue from allocation years 2021 and 2022 by \$1,034,137; and authorizing the City Manager, or designee, to promulgate the MDPAP guidelines, and negotiate and execute all applicable forms, conditional commitment letters, agreements, and subsequent amendments as needed to implement the MDPAP Program.

CONSENT AGENDA

Matters listed under the Consent Agenda may be enacted by one motion unless a member of the Council requests a separate vote or discuss. Members of the public may comment on the Consent Agenda items collectively during their public comment.

[ID#26-001](#) Minutes

Recommendation: Approve minutes of January 13, 2026.

ID#25-620

Amendment No. 2 to Professional Services Agreement with True North Compliance Services, Inc.

Recommendation: Approve a Resolution authorizing the City Manager to execute Amendment No. 2 to the Agreement for Professional Services with True North Compliance Services to increase the amount by \$200,000 for a new not to exceed amount of \$600,000.

ID#25-609

Fire Station Alerting Systems Purchase and CIP Funds Transfer Request

Recommendation: Approve a Resolution authorizing the reallocate budget to CIP 9987 (Fire Station Alerting Systems) in the amount of \$202,464 from CIP 9541 (Fire Station Repairs) and \$133,744 from CIP 9984 (Fire Training Tower); and the Purchasing Agent to complete the direct purchase of five (5) Fire Station Alerting Systems, including equipment and installation from US Digital Designs (Honeywell), in an amount not to exceed \$429,857.10, which includes a 3% contingency, funded from CIP 9987.

CITY MANAGER'S REPORT

Receive brief oral report from the City Manager.

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

Patricia M. Soratos, 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 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 January 22, 2026 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>.



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Legislation Text

File #: ID#25-525, **Version:** 1

Salinas Youth Council Updates and Comments

No action required. The City of Salinas Youth Council will provide an administrative update to the City Council.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JANUARY 27, 2026

DEPARTMENT: ADMINISTRATION

FROM: RENÉ MENDEZ, CITY MANAGER
SOPHIA ROME, COMMUNITY RELATIONS MANAGER
SALINAS YOUTH COUNCIL

TITLE: SALINAS YOUTH COUNCIL UPDATES AND COMMENTS

RECOMMENDED MOTION:

No action required. The City of Salinas Youth Council will provide an administrative update to the City Council.

EXECUTIVE SUMMARY:

The Council approved the establishment of a Youth Council Pilot Program through July 31, 2027. As Youth Councilmembers, they work on community projects and serve as liaisons between the school district, schools, and the City. This Administrative Report is to provide updates on Youth Council activities and provide the Council with comments on agenda items.

BACKGROUND:

On October 22, 2024, the Council approved the establishment of a Youth Council Pilot Program through July 31, 2025. The Pilot Program was extended through July 31, 2027, by Council Resolution on June 17, 2025.

The Youth Council participates in activities like:

- Youth Council representation and participation at City Council meetings
- Regular administrative updates to the SUHSD Board
- Serve as liaisons between the each SUHSD high schools' Associated Student Body (ASB) youth leadership and principals to increase civic engagement and outreach
- Leadership and skill development
- Community service projects

The purpose of the Youth Council is to increase youth representation in civic engagement, provide professional and leadership development opportunities for Salinas youth, and to serve as community connectors representing youth, their school sites, and school district.

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:

Youth and Seniors

- Improve, expand and develop youth and senior facilities and programs

Public Safety

- Increase collaboration with partner agencies to address public safety public health issues

City Services

- Promote equitable access to City services and foster inclusive development
- Engage residents and improve communication with the community

DEPARTMENTAL COORDINATION:

The Youth Council is supported through the City Manager's Office.

FISCAL AND SUSTAINABILITY IMPACT:

<u>Fund</u>	<u>General Ledger Number (Operating/CIP)</u>	<u>General Ledger Account Name</u>	<u>Remaining Budget Appropriation</u>	<u>Amount Requested</u>
N/A	N/A	N/A	N/A	N/A

ATTACHMENTS:

None.



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Legislation Text

File #: ID#26-007, **Version:** 1

Artificial Intelligence Technology Update

No action is required. Receive an Administrative Report on Artificial Intelligence (AI) technology.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JANUARY 27, 2026
DEPARTMENT: FINANCE DEPARTMENT
FROM: SELINA ANDREWS, FINANCE DIRECTOR
BY: CARLOS ORTEGA, INFORMATION SYSTEMS MANAGER
TITLE: ARTIFICIAL INTELLIGENCE TECHNOLOGY UPDATE

RECOMMENDED MOTION:

No action is required. Receive an Administrative Report on Artificial Intelligence (AI) technology.

EXECUTIVE SUMMARY:

The City is committed to responsible AI adoption, mitigating data quality and security risks in compliance with ethical, social, legal, and regulatory standards to support operational efficiencies and improve public service delivery to constituents.

BACKGROUND

On October 14, 2025, staff provided an update on the AI governance and the approval process for the responsible adoption of AI technologies to the Finance Committee.

On January 13, 2026, staff provided an administrative report on AI technology initiatives and timeline for the implementation of AI technology to the Finance Committee.

AI presents unique opportunities for local governments and public organizations to create efficiencies, service delivery, and support decision-making. The Information Technology Division (ITD) plays a crucial role in the implementation of AI applications by ensuring that the technology is integrated effectively into the organization's systems. This involves:

- Data Management
- Integration
- Governance
- Risk Management
- Continuous Learning

Salinas Strategy

The AI application approval process outlines principles, guidelines, and procedures governing the City's acquisition, development, deployment, and adoption of all AI use cases, which includes GovAI Coalition's best practices for assessing AI solutions.

To support efforts and enhance capabilities, ITD participates in organizations such as the GovAI Coalition and the Central Coast IT Leadership Collaborative. With members from the local, state, and federal governments, the GovAI Coalition fosters cross-agency collaboration to protect communities from AI risks and promote responsible and purposeful AI practices.

Additionally, ITD is a founding member of the Central Coast IT Leadership Collaborative, a group of neighboring agencies focused on emerging technologies and knowledge sharing.

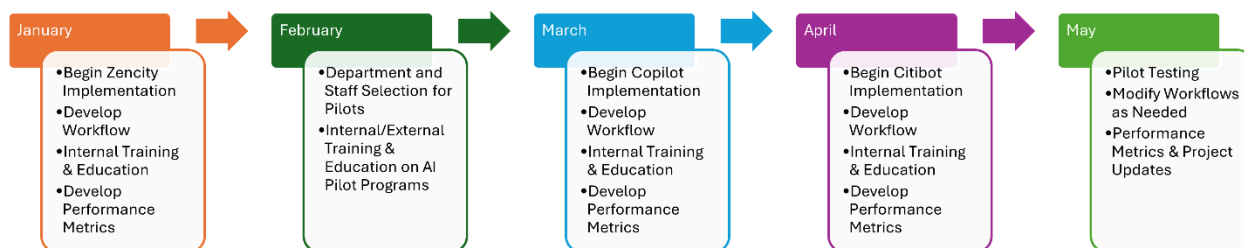
Current Initiatives

- AI Governance and Policy Implementation
- Social Media Management and Sentiment Measuring (Zencity)
- AI Chatbot and Webservices (Citibot)
- Integrated AI Productivity and Assistant (Microsoft Copilot)

Next Steps

Include publishing the AI policy and selecting a department and a group of leaders across the City for the pilot phase of the Citibot and Microsoft Copilot projects.

Timeline



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:

Current City AI initiatives focus on providing equitable access to high-quality services, engaging residents, and improving community communication.

GOVERNMENT CODE SECTION 84308 APLIES:

No.

DEPARTMENTAL COORDINATION:

The Information Technology Governance and Steering Committee (ITGSC) is responsible for reviewing and approving all AI use cases, whether developed internally, hosted on-premises, delivered through a third party, or delivered via a cloud-based service. The committee consists of City department heads, with the Information Systems Manager acting as a facilitator.

FISCAL AND SUSTAINABILITY IMPACT:

There is no direct fiscal impact associated with receiving this Administrative Report.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
n/a	n/a	n/a	n/a	n/a

ATTACHMENTS:

Artificial Intelligence Technology Update Presentation



Artificial Intelligence Technology Update

Carlos Ortega – Information Systems Manager

1/27/2026

City Council Presentation

Agenda

- AI Objectives
- Strategy & Current Initiatives
- AI Implementation Pilots
- Next Steps
- Future AI Opportunities

AI Objectives



INFORMED & ENGAGED COMMUNITY

Leverage technology to inform and engage with our community to foster collaboration and trust.



PURPOSEFUL TOOLS

Implement meaningful solutions built to meet the needs of our community and create organizational efficiencies.



INCLUSIVE ACCESS

Promote solutions and partnerships that provide access to information across the digital landscape.

Strategy & Current Initiatives

Zencity



**Social Media
Management**

Citibot



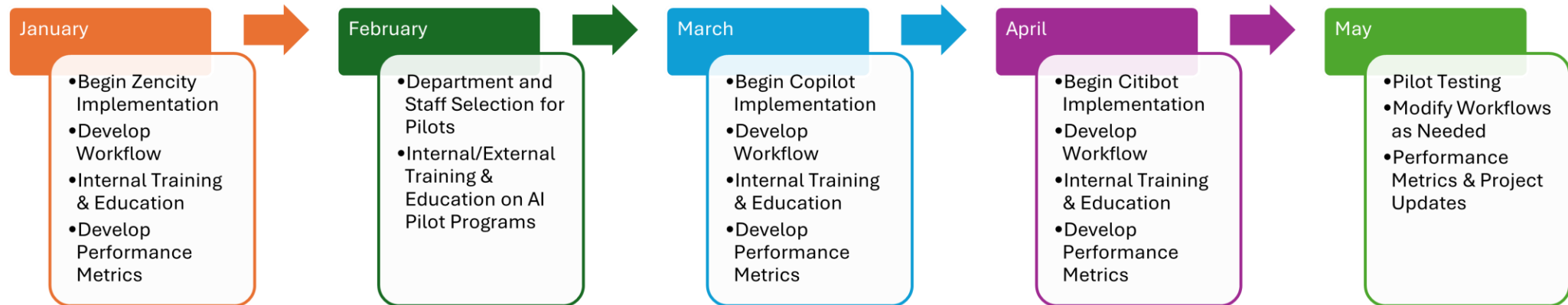
**Chatbot and
Web Services**

**Microsoft
Copilot**



**Integrated
Productivity
Tools**

AI Implementation Pilots - 2026



Next Steps



-
- Zencity Implementation
 - Pilot Testing (Citibot & Copilot)
 - Staff Education & Training
 - Performance Metrics & Project Updates



Future AI Opportunities

- Streamline Requests for Service
- Live Meeting Translations
- Data Analysis, Reporting, and Forecasting
- Connected Mobility Infrastructure
- Report Writing Automation



Questions





Legislation Text

File #: ID#25-598, Version: 1

Conditional Use Permit 2025-023; appeal of Planning Commission denial of a request to establish and operate an off-sale alcohol related use (Type 21 ABC License) at a proposed convenience store located at the Laurel West Shopping Center at 1018 North Davis Road in the Commercial Retail (CR) Zoning District.

Approve a Resolution upholding the Planning Commission's denial of Conditional Use Permit 2025-023, denying a request to establish and operate an off-sale alcohol related use (Type 21 ABC License) at a proposed convenience store located at the Laurel West Shopping Center at 1018 North Davis Road in the Commercial Retail (CR) Zoning District.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JANUARY 27, 2026

DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT

FROM: LISA BRINTON, DIRECTOR

THROUGH: COURTNEY GROSSMAN, PLANNING MANAGER

BY: THOMAS WILES, SENIOR PLANNER

TITLE: **CONDITIONAL USE PERMIT 2025-023; APPEAL OF PLANNING COMMISSION DENIAL OF A REQUEST TO ESTABLISH AND OPERATE AN OFF-SALE ALCOHOL RELATED USE (TYPE 21 ABC LICENSE) AT A PROPOSED CONVENIENCE STORE LOCATED AT THE LAUREL WEST SHOPPING CENTER AT 1018 NORTH DAVIS ROAD IN THE COMMERCIAL RETAIL (CR) ZONING DISTRICT**

RECOMMENDED MOTION:

A motion to approve a resolution upholding the Planning Commission's denial of Conditional Use Permit 2025-023, denying a request to establish and operate an off-sale alcohol related use (Type 21 ABC License) at a proposed convenience store located at the Laurel West Shopping Center at 1018 North Davis Road in the Commercial Retail (CR) Zoning District.

EXECUTIVE SUMMARY:

The Applicant (Simon Maida) submitted a Conditional Use Permit application requesting approval to establish and operate an off-sale alcohol related use (Type 21 Alcoholic Beverage Control (ABC) license – Off-sale beer, wine, and distilled spirits) at a proposed 2,618 square-foot convenience store located in the Laurel West Shopping Center at 1018 North Davis Road. On November 19, 2025, the Planning Commission considered the request and denied the Conditional Use Permit based on findings contained in the attached Planning Commission Resolution 2025-11. The Planning Commission determined that it could not establish a finding of Public Convenience or Necessity which is required to approve an alcohol related use in a census tract that is already undue concentrated for the number of off-sale alcohol licenses. The Planning Commission's findings for denial included proximity to a similar off-sale alcohol related use, proximity to a school, and potential for Driving Under the Influence (DUI) related accidents. On December 1, 2025, the Applicant appealed the Planning Commission decision to deny the Conditional Use Permit. Conditional Use Permit 2025-023 was originally scheduled for City Council consideration on January 13, 2026, but was continued until January 27, 2026.

BACKGROUND:

Simon Maida is requesting approval of a Conditional Use Permit to establish and operate an off-sale alcohol related use (Type 21 ABC license) at proposed 2,618 square-foot convenience store in the Laurel West Shopping Center. The property owner is Rexford Title Incorporated. The new convenience store would be named Clink Liquor Store. The name of the former tenant is LaLa Land Smoke Shop. A Type 21 ABC license includes sales of beer, wine, and distilled spirits for off-site consumption. Refer to the attached Site Plan and Floor Plans for store layout and more information. Should the City Council overturn the Planning Commissions denial of Conditional Use Permit 2025-023, the Applicant would be required to obtain a Type 21 ABC license from the California Department of Alcoholic Beverage Control (ABC) for off-sale alcohol use.

The property is in the CR (Commercial Retail) Zoning District. The following provides an overview of the land uses and zoning districts adjacent to the project site:

North: Retail/Commercial Retail (CR)

South: Residential/Residential Medium Density (R-M-3.6)

East: Residential/Residential Medium Density (R-M-3.6)

West: Retail and Government/Commercial Retail (CR) and Public and Semipublic (PS)

Analysis:

Undue Concentration

Concerning off-sale alcohol-related uses, “undue concentration” is defined per California Business and Professions Code Section 23958.4 as either: (1) the ratio of off-sale retail licenses to population in the census tract or census division in which the premises is located exceeds the ratio of off-sale retail licenses to population in the county in which the premises is located: **or** (2) the premises is located in a crime reporting district that has a twenty percent (20%) greater number of reported crimes (i.e., the most recent yearly compilation by the local law enforcement agency of reported offenses of criminal homicide, forcible rape, robbery, aggravated assault, burglary, larceny, theft, and motor vehicle theft, combined with all arrests for other crimes, both felonies and misdemeanors, except traffic violations) than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency. The proposed location is within Census Tract 18.02 (CT 18.02). Per ABC, there are currently six (6) active off-sale licenses within CT 18.02 which are shown below:

<u>Name of Licensee</u>	<u>Address</u>	<u>Distance from Project site</u>
1. Smart and Final (Type 21)	319 East Market Street	8,712 feet
2. Chin Brothers Grocery & Liquor (Type 21)	132 North Main Street	7,392 feet
3. Hasco Stations, LLC (Type 21)	417 North Main Street	5,914 feet
4. Clearwater Express (Type 20)	306 North Main Street	6,653 feet
5. T-Mart (Type 20)	430 North Main Street	6,125 feet
6. Vallarta Supermarket (Type 21)	1050 North Davis Road	500 feet

Per ABC, five (5) off-sale licenses are authorized in CT 18.02. Currently, the subject CT 18.02 is classified as undue concentration as there are six (6) active off-sale alcohol licenses, which is higher than the five (5) authorized. Approval of the proposed Type 21 off-sale alcohol license would result in seven (7) off-sale alcohol licenses in a census tract that is already undue concentrated for the number of off-sale alcohol licenses. Because the proposed site is located within an area of undue concentration due to number of alcohol licenses in the CT 18.02, a finding that Public Convenience or Necessity is served by approving the off-sale alcohol use is required to approve the CUP. A finding of Public Convenience or Necessity could be determined as customers would be able to complete their shopping needs without having to travel to a range of retail outlets.

The attached Map of Off-sale Alcohol Licenses dated October 2019 shows the location of the proposed off-sale alcohol license to other off-sale alcohol licenses. The closest off-sale license to the project site is located at 1050 North Davis Road (Vallarta Supermarket), which is in CT 18.02 and is approximately 500 feet to the north of the project site in the same shopping center. The average distance to off-sale alcohol outlets in CT 18.02 is 5,883 feet, which is greater than the average of 956 feet for approved off-sale alcohol CUPs in a census tract since 2010. A list of the 61 Conditional Use Permit (CUP) applications for alcohol related uses that have been processed since 2010 is provided as an attachment to this report. Five (5) off-sale alcohol related CUPs located in an area of undue concentration have been required to comply with the City's former One-for-One policy.

Table 1 below provides a comparison to off-sale alcohol CUPs approved since 2010 including Police Reporting District crime rates and distance calculations to other off-sale alcohol CUPs, residences, schools and parks.

Table 1: Comparison to Off-sale Alcohol Conditional Use Permits Since 2010

	Distance to residentially zoned property (feet)	Distance to public schools (feet)	Distance to parks/ playgrounds (feet)	Average Distance to off-sale alcohol outlets in CT (feet)	Average Alcohol outlets in Salinas CT's (% - proposed/ allowed)	Crime rate in PRD's (%) (120% = undue concentration)	Number of crimes reported
Average	484	1,900	1,919	956	119%	146%	73.43
Minimum	0	450	400	1,200	40%	29%	1
Maximum	3,200	5,800	5,400	6,960	800%	386%	261
CUP 2025-023	0	570	2,200	5,883	120% (6/5)	89% (78/88.12) (2024 PRD)	78

Salinas Police Department Comments and Conditions

The project site is in a Police Reporting District (PRD) which does not exceed the threshold average number of reported crimes. As shown on Table 1 above, the average level of undue

concentration for off-sale alcohol Conditional Use Permits processed since 2010 is 119%. The proposed project is below this number (89% vs. 119%). The crime rate for the subject PRD is 57% below the average rate considered as undue concentration for crime (89% vs. 146%).

Salinas Police Department reports an average of 73.43 reported crimes across all PRDs for 2024, the most recent date of PRD records. Adding twenty percent (20%), the formula allows for no more than 88.12 reported crimes within this PRD to avoid the “undue concentration” designation. 2024 Salinas Police Department (SPD) crime statistics show 78 reported crimes in PRD 181, which is below the 88.12 threshold. Therefore, the site is within an area that is not undue concentration due to crime.

Per the Salinas Police Department Memorandum dated August 1, 2025, while an increase in police services for this project is anticipated, the Police Department does not object to the approval of Conditional Use Permit 2025-023 with the conditions of approval stated in the Memorandum, which is provided as Exhibit D to the CUP. Conditions include installation of high-quality surveillance cameras, lighting of exterior entrances and exits to enhance camera visibility, and the posting of no trespassing signage. See draft Conditional Use Permit conditions attached to this report for more detail.

Proximity to Residences, Parks, and Schools

The subject property is located less than the average distance of other CUP applications (approved, denied, or expired) dating back to the year 2010 to residences, residentially zoned properties, parks/playgrounds, and public schools. Two (2) residential units (836 and 838 Howe Drive) are located off site to the south of the property behind a solid wall without direct access to the main entrance of the proposed convenience store. The nearest park is Laurelwood Park (915 Victor Street), which is located approximately 2,200 feet to the southeast of the subject site. The nearest public school is Boronda Meadows Elementary School (915 Larkin Street), which is located approximately 570 feet southwest from the subject site. See Table 1 above.

November 19, 2025, Planning Commission Meeting

On November 19, 2025, the Planning Commission considered and denied CUP 2025-023 by a 3 to 2 vote per the attached Planning Commission Resolution 2025-11 and meeting minutes. The Planning Commission determined that it could not establish a finding of Public Convenience or Necessity which is required to approve an alcohol related use in a census tract that is already undue concentrated for the number of off-sale alcohol licenses in the census tract. The Planning Commission cited the proximity (approximately 500 feet) to a similar off-sale alcohol related use located at 1050 North Davis Road (Vallarta Supermarket), a school located at 915 Larkin Street (Boronda Meadows Elementary School) (approximately 570 feet), and the potential increase in the number of incidents of Driving Under the Influence (DUI) in the surrounding neighborhood.

Appeal of Planning Commission determination

On December 1, 2025, pursuant to Zoning Code Sections 37-60.1290(a) and (b), John L. Bailey, the Attorney for the Applicant (Simon Maida) filed the attached timely appeal of the Planning

Commission's November 19, 2025, denial of CUP 2025-023. Per the attached December 1, 2025 appeal letter, the Applicant's Attorney cites the following pursuant to Zoning Code Section 37-60.1280(a)(1-4)(see attached Applicant Appeal of Planning Commission Decision dated December 1, 2025) (staff responses in italics):

1. *A determination or interpretation that is not in accord with the purposes of this article:*

Applicant response:

The project site is properly zoned for retail commercial uses including convenience stores with alcohol sales. The project site is not located in a crime area, because the Police Reporting District 181 with 78 reported crimes is below the 88.12 threshold for undue concentration. The project site exceeds the average distance to other off-sale alcohol related uses in CT 18.02 (5,883 ft. to other off-sale alcohol related uses in CT 18.02 vs. City average of 956 ft.). The Salinas Police Department in their response does not object to CUP 2025-023 subject to standard security conditions. Finally, Planning staff recommended approval of CUP 2025-023 if all required findings could be made.

Staff Response:

One of the findings for Planning Commission denial of the Conditional Use Permit was that it would be located approximately 500-feet from a similar off-sale alcohol related use in the same shopping center (Vallarta Supermarket). The Planning Commission determined that it could not establish a finding of Public Convenience or Necessity which is required to approve an alcohol related use in a census tract that is already undue concentrated for the number of off-sale alcohol licenses. Refer to the attached Planning Commission Resolution 2025-11 for the basis for denial.

2. *There was an error or abuse of discretion:*

Applicant response:

The Planning Commission disregarded the Salinas Police Department assessment that the location does not present undue public safety concerns. The Planning Commission misapplied "Undue Concentration" standards because even though the number of allowed off-sale licenses exceeds the number of authorized in CT 18.02, the crime rate is significantly below the threshold and distances between outlets are exceptional. The Planning Commission also ignored evidence that customers would benefit from one-stop shopping convenience in established shopping center. Finally, the Planning Commission approved a similar off-sale alcohol related use (Vallarta Supermarket)

approximately 500 feet away in the same shopping center.

Staff Response:

Concerning off-sale alcohol-related uses, “undue concentration” is defined per California Business and Professions Code Section 23958.4 as either: (1) the ratio of off-sale retail licenses to population in the census tract or census division in which the premises is located exceeds the ratio of off-sale retail licenses to population in the county in which the premises is located: or (2) the premises is located in a crime reporting district that has a twenty percent (20%) greater number of reported crimes. In this case, the site is undue concentrated due to the number of outlets. The Planning Commission determined that it could not establish a finding of Public Convenience or Necessity which is required to approve an off-sale alcohol related use in a census tract that is already undue concentrated for the number of off-sale alcohol licenses. As stated in No. 1 above, the Planning Commission denied CUP 2025-023 because it would be located approximately 500-feet from a similar off-sale alcohol related use (Vallarta Supermarket). Refer to the attached Planning Commission Resolution 2025-11 for the basis of denial.

3. *The record includes inaccurate information:*

Applicant response:

One Planning Commissioner stated that the floor plan looks different from her floor plan, suggesting review of incorrect or outdated documents; and asked for DUI statistics which the Salinas Police Department could not provide at the hearing, which could have influenced the Planning Commission’s determination. Finally, there appears to be confusion on whether the liquor store is a part of the convenience store use and whether food would be served, indicating fundamental misunderstanding of the project.

Staff Response:

The Planning Commission was provided with the proposed floor and site plans that were submitted with the Conditional Use Permit application. During the hearing, the Planning Commission was informed that the proposed convenience store use includes sales of food. The Planning Commission findings include potential increase for DUI related accidents. Refer to the attached Planning Commission Resolution 2025-11 for the basis of denial.

4. *A decision is not supported by the record.*

Applicant response:

The Community Development Department staff report recommended approval with detailed findings. The Salinas Police Department had no objection to approval of the CUP as per their Memorandum. The proposed project was recommended for a categorical exemption from the California Environmental Quality Act (CEQA). The Applicant agreed with all 41 proposed conditions of approval of the draft CUP approval document. Finally, the proposed project is consistent with applicable General Plan Goals and Policies.

Staff Response:

While the staff recommendation was to approve the CUP, the Commission ultimately determined otherwise. Refer to the attached Planning Commission Resolution 2025-11 for the basis of denial.

Alternatives Available to the Council:

It is generally typical for staff to support the Planning Commission by carrying forward the Commission's determination. However, should the City Council determine to overturn the Commission's denial of the Conditional Use Permit, the City Council should refer to the attached alternative resolution containing findings overturning the appeal and approving the Conditional Use Permit, including findings with respect to compliance with the California Environmental Quality Act (CEQA). A draft Conditional Use Permit is also attached containing conditions of approval, including the Police Department Recommendations listed above. Should the Council determine to overturn the Planning Commission's denial, the following motion is suggested:

Motion to approve a resolution overturning the Planning Commission's denial of Conditional Use Permit 2025-023, approving a request to establish and operate an off-sale alcohol related use (Type 21 ABC License) at a proposed convenience store located at the Laurel West Shopping Center at 1018 North Davis Road in the Commercial Retail (CR) Zoning District.

Findings:

The City Council may uphold the Planning Commission denial of an application for Conditional Use Permit to establish and operate an off-sale alcohol related use (Type 21 ABC license) for a proposed 2,618 square-foot convenience store (Clink Liquor Store) located at the Laurel West Shopping Center, if all the findings set forth in the draft City Council Resolution for denial are established.

The City Council may also overturn the Planning Commission denial of Conditional Use Permit 2025-023 to establish and operate an off-sale alcohol related use (Type 21 ABC license) for a proposed 2,618 square-foot convenience store (Clink Liquor Store) located at the Laurel West Shopping Center, if all the findings set forth in the draft City Council Resolution for approval are established.

CEQA CONSIDERATION:

The environmental impacts of the project have been analyzed in accordance with the California Environmental Quality Act (CEQA). If the Planning Commission denial of Conditional Use Permit 2025-023 (CUP 2025-023) is upheld, then the project would be determined exempt from the CEQA Section 15270 (Projects Which Are Disapproved).

If the City Council overturns the Planning Commission's denial of CUP 2025-023, and the project is approved by the City Council, the project would be determined to be exempt from CEQA Guidelines Section 15061(b)(3). In this case, the project is exempt because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen 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.

Timing Consideration:

The project was denied by the Planning Commission on November 19, 2025. The appeal of the Planning Commission denial was received by staff on December 1, 2025. Pursuant to Zoning Code Section 37-60.1300(a), an appeal shall be scheduled for a hearing before the appellate body within 60-days of the City's receipt of an appeal. Per the Zoning Code, the deadline for scheduling a public hearing is January 30, 2026, sixty (60) days from the date of receipt of the appeal.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes.

STRATEGIC PLAN INITIATIVE:

If approved, this action supports the Council's Strategic Goals of Economic Development through the support and engagement with both new and established businesses to drive economic growth and job creation.

DEPARTMENTAL COORDINATION:

The proposed project has been discussed among the Current Planning, the City Attorney, and the Police Department.

FISCAL AND SUSTAINABILITY IMPACT:

No significant impacts to the City's General Fund are anticipated with this application.

ATTACHMENTS:

City Council Resolution for Denial
City Council Resolution for Approval

Draft Conditional Use Permit 2025-023 with the following exhibits:

Exhibit "A" Vicinity Map

Exhibit "B" Site Layout (Sheet S1)

Exhibit "C" Floor Plan (Sheet A1)

Exhibit "D" Police Department Memorandum dated August 1, 2025

Planning Commission Resolution 2025-11

Official November 19, 2025, Planning Commission Minutes

Planning Commission Staff Report dated November 19, 2025, without exhibits

Applicant appeal of Planning Commission Decision on CUP 2025-023 dated December 1, 2025

Map of Off-sale Alcohol Licenses in Census Tract 18.02

Map of Off-sale Alcohol Licenses in Salinas

Map of CUP 2025-023 to Park and Schools

List of Conditional Use Permit Applications for Alcohol Related Uses

Cc: Simon Maida, Applicant
Rexford Title Inc., Property Owner
Liliger Damiso
John L. Bailey, Attorney for Applicant
Sgt. Gerardo Magana, Salinas Police Department
Sun Street Centers
Other interested parties

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

A RESOLUTION OF THE SALINAS CITY COUNCIL UPHOLDING THE PLANNING COMMISSION DENIAL OF A CONDITIONAL USE PERMIT TO ESTABLISH AND OPERATE AN OFF-SALE ALCOHOL USE (TYPE 21 ABC LICENSE) AT A PROPOSED CONVENIENCE STORE LOCATED AT THE LAUREL WEST SHOPPING CENTER AT 1018 NORTH DAVIS ROAD IN THE COMMERCIAL RETAIL (CR) ZONING DISTRICT (CUP 2025-023)

WHEREAS, on November 19, 2025, the Salinas Planning Commission, at the request of the Applicant, Simon Maida, held a duly noticed public hearing to consider Conditional Use Permit 2025-023 to establish and operate an off-sale alcohol related use (Type 21 ABC license) at a proposed 2,618 square-foot convenience store located at the Laurel West Shopping Center at 1018 North Davis Road in the Commercial Retail (CR) Zoning District (Assessor's Parcel Number 261-711-070-000); and

WHEREAS, the Planning Commission weighed the evidence presented at said public hearing, including the Staff Report which is on file at the Community Development Department together with the record of environmental review; and

WHEREAS, the Planning Commission expressed concerns with the distance of the project site to a nearby off-sale alcohol related use and a school, a potential increase in the number of incidents of Driving Under the Influence (DUI), and the increase of undue concentration of off-sale alcohol outlets in Census Tract 18.02 (CT 18.02); and

WHEREAS, on November 19, 2025, the Planning Commission voted 3-2 to deny Conditional Use Permit 2025-023 pursuant to Planning Commission Resolution No. 2025-11; and

WHEREAS, on December 1, 2025, pursuant to Zoning Code Sections 37-50.1280 and 37-50.1290, the Applicant (Simon Maida), appealed the Planning Commission denial of Conditional Use Permit 2025-023 to the City Council; and

WHEREAS, the Salinas City Council pursuant to Zoning Code Section 37-60.1300, scheduled a duly noticed public hearing on January 13, 2026; and

WHEREAS, the Salinas City Council continued the public hearing for Conditional Use Permit 2025-023 to January 27, 2026; and

WHEREAS, the City Council weighed the evidence presented at said public hearing, including the Staff Report which is on file at the Community Development Department together with the record of environmental review; and

NOW, THEREFORE, BE IT RESOLVED by the Salinas City Council that it upholds the Planning Commission denial of Conditional Use Permit 2025-023; and

BE IT FURTHER RESOLVED that the Salinas City Council adopts the following findings as the basis for its determination, and that the foregoing recitations are true and correct, and are included herein by reference as findings:

1. ***The project has been found to be Exempt pursuant to Sections 15270(a) of the California Environmental Quality Act (CEQA) Guidelines;***

The project has been determined to be exempt from the California Environmental Quality Act (CEQA) under Section 15270(a) of the CEQA Guidelines. The proposed project is exempt because CEQA does not apply to projects which a public agency rejects or disapproves.

2. ***The proposed location of the use is not in accordance with the objectives of the Salinas General Plan, this Zoning Code and the purposes of the district in which the site is located;***

The site is designated Retail by the 2002 Salinas General Plan. As shown on the official Zoning Map, the site is in the CR (Commercial Retail) Zoning District. Per Zoning Code Section 37-30.190(k)(3), the CR district provides for a range of retail stores, restaurants, hotels and motels, commercial recreation, personal services, business services, offices, financial services, mixed use residential and/or limited residential uses.

Although an off-sales alcohol related use may be considered at the subject site with approval of a Conditional Use Permit (CUP), the City Council determined that due to a lack of demonstrated public convenience or necessity, proximity to schools, and potential for DUI related accidents, retail sales of beer, wine, and distilled spirits for off-site consumption at a proposed convenience store within an existing shopping center would not be in accordance with the objectives of the Zoning Code. Per Section 37-50.030(a), the purpose of Alcohol License Review regulations is to provide for the orderly integration of alcohol-related uses in the City.

Because of the proximity to a similar off-sale alcohol related use located at 1050 North Davis Road (Vallarta Supermarket), and a school located at 915 Larkin Street (Boronda Meadows Elementary School), approval of the alcohol related use would not be in accordance with the objectives of the Zoning Code.

3. ***The proposed location of the conditional use and the proposed conditions under which it would be operated or maintained are not consistent with the Salinas General Plan and will be detrimental to the public health, safety, or welfare of persons residing or working in or adjacent to the neighborhood of such use, and detrimental to properties or improvements in the vicinity or the general welfare of the City of Salinas; and***

The site is designated Retail by the 2002 Salinas General Plan. The City Council determined that due to the lack of demonstrated public convenience or necessity, proximity to schools, and potential DUI related accidents, retail sales of beer, wine,

and distilled spirits for off-site consumption at a proposed convenience store within an existing shopping center would be detrimental to the health, safety and welfare of persons residing or working in or adjacent to the neighborhood of such use, and detrimental to properties or improvements in the vicinity of the project site and the general welfare of the City of Salinas.

4. ***The proposed conditional use will not comply with the provisions of the Salinas Zoning Code, including any specific conditions required for the proposed use.***

This finding is inapplicable because the City Council denied the request for a Conditional Use Permit.

5. ***The Alcohol-Related use will adversely affect the welfare of the area including the surrounding residentially zoned neighborhoods, the proximity of an existing Alcohol-Related use located at 1050 North Davis Road, residentially zoned property, public schools, public playgrounds, and other similar uses; and giving further consideration to crime rates, calls for emergency services, and residential densities in the surrounding area; and***

The proposed location is within Census Tract 18.02 (CT 18.02). Per the California Department of Alcoholic Beverage Control (ABC), there are currently six (6) active off-sale licenses within CT 18.02 which are shown below:

<u>Name of Licensee</u>	<u>Address</u>
1. Smart and Final (Type 21)	319 East Market Street
2. Chin Brothers Grocery & Liquor (Type 21)	132 North Main Street
3. Hasco Stations, LLC (Type 21)	417 North Main Street
4. Clearwater Express (Type 20)	306 North Main Street
5. T-Mart (Type 20)	430 North Main Street
6. Vallarta Supermarket (Type 21)	1050 North Davis Road

Per ABC, five (5) off-sale licenses are authorized in CT 18.02. Currently, the subject CT 18.02 is unduly concentrated for the number of off-sale alcohol licenses (five (5) authorized, six (6) active). Approval of the proposed Type 21 off-sale alcohol license would result in seven (7) off-sale alcohol licenses in a census tract that is already unduly concentrated in terms of the number of off-sale alcohol licenses.

The closest off-sale license to the project site is located at 1050 North Davis Road (Vallarta Supermarket), which is in the same Census Tract (18.02) and is only approximately 500 feet to the north of the project site and is located within the same shopping center (Laurel West Shopping Center). The average distance to the other five (5) off-sale alcohol outlets located in CT 18.02 is 6,959 feet. This distance is greater than the average of 956 feet for approved off-sale alcohol CUPs in a Census Tract since 2010 and are located to the southeast of the project site.

Two (2) residential dwelling units (836 and 838 Howe Drive) are located to the south of the property behind a solid wall without direct access to the main entrance of the

proposed convenience store. The nearest park is Laurelwood Park (915 Victor Street), which is located approximately 2,200 feet to the southeast of the subject site. The nearest public school is Boronda Meadows Elementary School (915 Larkin Street), which is located approximately 570 feet southwest from the subject site.

The subject property is located less than the average distance of similar projects to residences and parks/playgrounds; but is more than the average distance to public schools and other off-sale alcohol related uses in the same Census Tract than other CUP applications (approved, denied, or expired) dating back to the year 2010.

Per the Salinas Police Department Memorandum, the Police Department reports an average of 73.43 reported crimes across all Police Reporting Districts (PRD) for 2024, the most recent date of PRD records. Adding 20%, the formula allows for no more than 88.12 reported crimes within this PRD to avoid the “undue concentration” designation. The 2024 Salinas Police Department (SPD) crime statistics indicate 78 reported crimes in PRD 181, which is above the 73.43 average of reported crimes, but below the 88.12 threshold, indicating that the project site is not located within an area of undue concentration due to crime. Per the Salinas Police Department Memorandum, an increase in police services for this project is anticipated.

The City Council denied the proposed off-sale alcohol related use because it was determined that the increase in the number of active off-sale licenses within CT 18.02 from six (6) to seven (7) would not be appropriate because it would result in an increase proliferation of alcohol related uses in the surrounding neighborhood. Further, the City Council denied the proposed off-sale alcohol use due to its proximity to a school (Boronda Meadows Elementary School), lack of demonstrated public convenience or necessity, and potential DUI related accidents.

6. ***The location of the proposed Off-sale Alcohol-Related use is located within an area of undue concentration (as defined by Business and Professions Code Sections 23958.4 and administered by the State Department of Alcoholic Beverage Control), pursuant to Business and Professions Code Sections 23817.7, the public convenience or necessity would not be served by the issuance of the alcohol license by the ABC.***

The project site is in an area of undue concentration due to the number of off-sale retail licenses within the census tract. The City Council determined that public convenience or necessity would ***not*** be served by the issuance of the license by the ABC because alcohol is already available approximately 500-feet away at the Vallarta Supermarket which is also located within the Laurel West Shopping Center.

PASSED AND ADOPTED this 27th day of January 2026 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

Dennis Donohue, Mayor

ATTEST

Patricia M. Barajas, City Clerk

APPROVED AS TO FORM

Christopher A. Callihan, City Attorney

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

**A RESOLUTION OF THE SALINAS CITY COUNCIL OVERTURNING THE
PLANNING COMMISSION DENIAL AND APPROVING A CONDITIONAL USE
PERMIT TO ESTABLISH AND OPERATE AN OFF-SALE ALCOHOL USE (TYPE 21
ABC LICENSE) AT A PROPOSED CONVENIENCE STORE LOCATED AT THE
LAUREL WEST SHOPPING CENTER AT 1018 NORTH DAVIS ROAD IN THE
COMMERCIAL RETAIL (CR) ZONING DISTRICT
(CUP 2025-023)**

WHEREAS, on November 19, 2025, the Salinas Planning Commission, at the request of the Applicant, Simon Maida, held a duly noticed public hearing to consider Conditional Use Permit 2025-023 to establish and operate an off-sale alcohol related use (Type 21 ABC license) at a proposed 2,618 square-foot convenience store located at the Laurel West Shopping Center at 1018 North Davis Road in the Commercial Retail (CR) Zoning District (Assessor's Parcel Number 261-711-070-000); and

WHEREAS, the Planning Commission weighed the evidence presented at said public hearing, including the Staff Report which is on file at the Community Development Department together with the record of environmental review; and

WHEREAS, the Planning Commission expressed concerns with the distance of the project site to a nearby off-sale alcohol related use and a school, a potential increase in the number of incidents of Driving Under the Influence (DUI), and with the increase of undue concentration of off-sale alcohol outlets in Census Tract 18.02 (CT 18.02); and

WHEREAS, on November 19, 2025, the Planning Commission voted 3-2 to deny Conditional Use Permit 2025-023 pursuant to Planning Commission Resolution No. 2025-11; and

WHEREAS, on December 1, 2025, pursuant to Zoning Code Sections 37-50.1280 and 37-50.1290, the Applicant (Simon Maida), appealed the Planning Commission denial of Conditional Use Permit 2025-023 to City Council; and

WHEREAS, the Salinas City Council pursuant to Zoning Code Section 37-60.1300, scheduled a duly noticed public hearing on January 13, 2026; and

WHEREAS, the Salinas City Council continued the public hearing for Conditional Use Permit 2025-023 to January 27, 2026; and

WHEREAS, the City Council weighed the evidence presented at said public hearing, including the Staff Report which is on file at the Community Development Department together with the record of environmental review; and

NOW, THEREFORE, BE IT RESOLVED by the Salinas City Council that it overturns the Planning Commission denial, finds the project exempt from the California Environmental Quality

Act (CEQA), and approves Conditional Use Permit 2025-023; and

BE IT FURTHER RESOLVED that the Salinas City Council adopts the following findings as the basis for its determination, and that the foregoing recitations are true and correct, and are included herein by reference as findings:

1. ***The project has been found to be Exempt pursuant to Sections 15270(a) of the California Environmental Quality Act (CEQA) Guidelines;***

The project has been determined to be exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) of the CEQA Guidelines. The proposed project is exempt because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen 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.

2. ***The proposed location of the use is in accordance with the objectives of the Salinas General Plan, this Zoning Code and the purposes of the district in which the site is located;***

The site is designated Retail by the 2002 Salinas General Plan. The proposed use is consistent with General Plan Goals and Policies. Retail sales of beer, wine, and distilled spirits for off-site consumption at a proposed convenience store within an existing shopping center would provide City residents in the community with opportunities for jobs and shopping, consistent with Land Use Goal LU-1 and Policy LU-1.1. The proposed off-sale alcohol related use is consistent with Economic Development Element Policy ED-LU-1.17, which identifies and promotes opportunities for new investment in property and land development.

Per Section 37-50.030(a), the purpose of Alcohol License Review regulations is to provide for the orderly integration of alcohol-related uses in the City. In accordance with Section 37-50.030(c), the proposed off-sale alcohol-related use would be regulated by a Conditional Use Permit (CUP). As shown on the official Zoning Map, the site is in the CR (Commercial Retail) Zoning District. Per Zoning Code Section 37-30.190(k)(3), the CR district provides for a range of retail stores, restaurants, hotels and motels, commercial recreation, personal services, business services, offices, financial services, mixed use residential and/or limited residential uses.

3. ***The proposed location of the conditional use and the proposed conditions under which it would be operated or maintained are not consistent with the Salinas General Plan and will be detrimental to the public health, safety, or welfare of persons residing or working in or adjacent to the neighborhood of such use, and detrimental to properties or improvements in the vicinity or the general welfare of the City of Salinas; and***

The site is designated Retail by the 2002 Salinas General Plan. The proposed use is consistent with General Plan Goals and Policies. Retail sales of beer, wine, and

distilled spirits for off-site consumption at the proposed convenience store located within an existing shopping center would provide City residents in the community with opportunities for jobs and shopping, consistent with Land Use Goal LU-1 and Policy LU-1.1. The proposed off-sale alcohol related use is consistent with Economic Development Element Policy ED-LU-1.17, which identifies and promotes opportunities for new investment in property and land development. The project will be required to comply with conditions of approval contained in the Conditional Use Permit, including the Police Department conditions.

4. *The proposed conditional use will not comply with the provisions of the Salinas Zoning Code, including any specific conditions required for the proposed use.*

Conditions have been recommended for this permit to ensure that, when implemented, the project will conform and comply with the provisions of the Salinas Zoning Code. Per Zoning Code Section 37-50.030(f), conditions required for an off-sale alcohol-related use include, but are not limited to, the following: the premises shall be maintained free of litter at all times; and, all business owners and managers shall complete a program certified by the Department of Alcoholic Beverage Control (ABC) as a qualified responsible beverage service (RBS) program prior to the commencement of the use. Additional conditions of approval in the Conditional Use Permit require a digital surveillance system with high quality cameras, ample lighting in the exterior area of entrances/exits, and the posting of trespassing signs.

5. *The Alcohol-Related use will adversely affect the welfare of the area including the surrounding residentially zoned neighborhoods, the proximity of an existing Alcohol-Related use located at 1050 North Davis Road, residentially zoned property, public schools, public playgrounds, and other similar uses; and giving further consideration to crime rates, calls for emergency services, and residential densities in the surrounding area; and*

The proposed location is within Census Tract 18.02 (CT 18.02). Per ABC, there are currently six (6) active off-sale licenses within CT 18.02 which are shown below:

<u>Name of Licensee</u>	<u>Address</u>
1. Smart and Final (Type 21)	319 East Market Street
2. Chin Brothers Grocery & Liquor (Type 21)	132 North Main Street
3. Hasco Stations, LLC (Type 21)	417 North Main Street
4. Clearwater Express (Type 20)	306 North Main Street
5. T-Mart (Type 20)	430 North Main Street
6. Vallarta Supermarket (Type 21)	1050 North Davis Road

Per ABC, five (5) off-sale licenses are authorized in CT 18.02. Currently, the subject CT 18.02 is undue concentrated for the number of off-sale alcohol licenses (five (5) authorized, six (6) active). Approval of the proposed Type 21 off-sale alcohol license would result in seven (7) off-sale alcohol licenses in census tract that is already undue concentrated in terms of the number of off-sale alcohol licenses.

The closest off-sale license to the project site is located at 1050 North Davis Road (Vallarta Supermarket), which is in the same Census Tract (18.02) and is approximately 500 feet to the north of the project site. The average distance to other off-sale alcohol outlets in CT 18.02 is 5,883 feet, which is greater than the average of 956 feet for approved off-sale alcohol CUPs in a Census Tract since 2010.

Two (2) residential units (836 and 838 Howe Drive) are located off site to the south of the property behind a solid wall without direct access to the main entrance of the proposed convenience store. The nearest park is Laurelwood Park (915 Victor Street), which is located approximately 2,200 feet to the southeast of the subject site. The nearest public school is Boronda Meadows Elementary School (915 Larkin Street), which is located approximately 570 feet southwest from the subject site.

The subject property is located less than the average distance of similar projects to residences and parks/playgrounds; but is more than the average distance to public schools and other off-sale alcohol related uses in the same Census Tract than other CUP applications (approved, denied, or expired) dating back to the year 2010. For the above reasons, the proposed project will neither adversely affect the welfare of the area nor of surrounding residentially zoned neighborhoods.

Per the Salinas Police Department memorandum dated August 1, 2025, the Police Department reports an average of 73.43 reported crimes across all Police Reporting Districts (PRD) for 2024, the most recent date of PRD records. Adding 20%, the formula allows for no more than 88.12 reported crimes within this PRD to avoid the “undue concentration” designation. The 2024 Salinas Police Department (SPD) crime statistics indicated 78 reported crimes in PRD 181, which is below the 88.12 threshold, indicating that the project site is not located within an area of undue concentration due to crime. Per the Salinas Police Department memorandum, an increase in police services for this project is anticipated. However, the Salinas Police Department does not object to the approval of Conditional Use Permit 2025-023, if the following recommended conditions, which are included as conditions of approval in the Conditional Use Permit, are met:

1. Digital surveillance system with high quality cameras focused on the points of sales, entrances/exits of the business and the parking lot, with the capability to store the digital images captured. The video/photos must be retained for 30 days and be made available to police upon request.
 2. Ample lighting in the parking lots, exterior area of entrances/exits and situated in areas to enhance video surveillance equipment.
 3. All legal requirements be met so that the business be posted for trespassing and enforceable by the police department for Salinas Code (SCC) 21-35.
6. ***The location of the proposed Off-sale Alcohol-Related use is located within an area of undue concentration (as defined by Business and Professions Code Sections 23958.4 and administered by the State Department of Alcoholic Beverage Control),***

pursuant to Business and Professions Code Sections 23817.7, the public convenience or necessity would not be served by the issuance of the alcohol license by the ABC.

The project site is in an area of undue concentration due to the number of off-sale retail licenses within the census tract and crime within the Salinas Police Reporting District (PRD). The Salinas Police Department does not object to the approval of Conditional Use Permit 2025-023 if the comments stated in their memorandum dated August 1, 2025, are included as conditions of approval in the Conditional Use Permit. Public convenience or necessity would be served by the issuance of the license by the ABC because the issuance of the license would provide a convenience to the public that allows customers to avoid additional trips to other stores to purchase beer, wine, and distilled spirits which minimizes additional trips on the street network. The operator of the proposed off-sale alcohol related use shall be required to obtain a beverage sales license from the State Alcoholic Beverage Control Board (ABC) and comply with all applicable regulations of the state permit, including the terms and conditions of the City of Salinas Conditional Use Permit.

PASSED AND ADOPTED this 27th day of January 2026 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

Dennis Donohue, Mayor

ATTEST

Patricia M. Barajas, City Clerk

APPROVED AS TO FORM

Christopher A. Callihan, City Attorney

DRAFT

When recorded, return to:

CITY OF SALINAS
Community Development Department
65 West Alisal Street, Salinas, CA 93901
Attn: Thomas Wiles, Senior Planner

SPACE ABOVE FOR RECORDER'S USE ONLY

Title of Document

CONDITIONAL USE PERMIT NO. 2025-023

City of Salinas

Community Development Department

WHEREAS, the Salinas City Council, at a public hearing duly noticed and held on January 27, 2026, found that the proposed location of the use is in accord with the objectives of the Salinas Zoning Code and the purposes of the zoning district in which the site is located; that the location of the use and the proposed conditions under which it would be operated and maintained will be consistent with the Salinas General Plan and will not be detrimental to the public health, safety, or welfare of persons residing or working in or adjacent to the neighborhood of such use, nor detrimental to properties or improvements in the vicinity or the general welfare of the City of Salinas; that the use will comply with the provisions of the Salinas Zoning Code, including the specific conditions required for the proposed use; that the proposed off-sale alcohol-related use will neither adversely affect the welfare of the area nor of surrounding residentially zoned neighborhoods, giving due consideration to the distance of the proposed use from other off-sale alcohol-related uses, residentially zoned property, public schools, public playgrounds, and other similar uses; and giving further consideration to crime rates, calls for emergency services, and residential densities in the surrounding area; that although the proposed off-sale alcohol-related use is located within an area of undue concentration (as defined by Business and Professions Code Sections 23958.4 and 23817.5, and administered by the State Department of Alcoholic Beverage Control), pursuant to Business and Professions Code Section 23817.7, the public convenience or necessity would be served by the issuance of the alcohol license by the ABC; and that this conditional use has been reviewed and evaluated in accordance with the California Environmental Quality Act and is considered Exempt to CEQA.

NOW, THEREFORE, the Salinas City Council hereby grants and issues Conditional Use Permit No. 2025-023 pursuant to *Article VI, Division 8: Conditional Use Permits*, of Chapter 37 of the Salinas City Code and upon the following terms and conditions and not otherwise, to wit:

ISSUED TO: Simon Maida, Clink Liquor Store

PROPERTY OWNER: Rexford Title Incorporated

FOR USE: Establish and operate an off-sale alcohol related use (Type 21 ABC license) at a proposed convenience store within the Laurel West Shopping Center.

ON PROPERTY LOCATED AT: 1018 North Davis Road

ASSESSOR'S PARCEL NO.: 261-711-070-000

ZONING DISTRICT: Commercial Retail (CR)

ENVIRONMENTAL REVIEW ACTION & DATE: Exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) on January 27, 2026.

EXPIRATION DATE: None, once properly established, unless the subject off-sale alcohol related use ceases operation for a continuous period of six (6) months or more.

RIGHT TO OPERATE/DEVELOP

1. The Permittee shall have the right to establish and operate an off-sale alcohol related use (Type 21 ABC license) at a proposed 2,618 square-foot convenience store (Clink Liquor Store) located within the Laurel West Shopping Center on the above-described property in accordance with the following exhibits incorporated herein by reference and made a part of this Permit:

Exhibit "A" Vicinity Map

Exhibit "B" Site Plan (Sheet S1)

Exhibit "C" Floor Plan (Sheet A1)

Exhibit "D" Police Department Memorandum dated August 1, 2025

LIMITATIONS ON USE

2. Alcohol shall not be sold between the hours of 10:00 p.m. and 6:00 a.m. Coolers containing alcoholic beverages shall be locked between the hours of 10:00 p.m. and 6:00 a.m.
3. The premises shall be maintained free of litter at all times.
4. No alcoholic beverages shall be consumed on the premises.
5. No sale or distribution of alcoholic beverages shall be made from a drive-up or walk-up window.
6. No display of alcoholic beverages shall be made from an ice tub.
7. No "single-serving" or "one-can" sales of alcoholic beverages shall be made from

the premises. A sign to this effect in English and Spanish shall be maintained at the cashier station at all times.

8. No more than four (4) cooler doors shall be allocated to alcohol sales. Coolers without doors shall be limited to 32 lineal feet.
9. No alcoholic beverage shall be displayed within five feet of the cash register or within five feet of the front door of the permitted premises.
10. No self-illuminated advertising for alcoholic beverages shall be located on buildings or windows.
11. All business owners and managers shall complete a program certified by the Department of Alcoholic Beverage Control (ABC) as a qualified responsible beverage service (RBS) program prior to the commencement of the use. Any business established after the effective date of the ordinance codified in this section shall require such training of all owners and managers within ninety days of ownership transfer or hire. Failure of managers to obtain training shall be the liability of the owner. The owner shall maintain on the premises a file containing the certificates of training and shall present the file and its contents upon request by the City at any time during normal business hours. The provisions of this section regarding responsible beverage training shall be suspended upon a finding by the City Planner that the training is not reasonably available.
12. An electronic age verification scanner shall be installed, maintained, and utilized for all off-sale alcohol sales.
13. Signs shall be posted at the location in English and Spanish with regard to prohibitions of open containers and loitering at the location, and no loitering shall be tolerated.
14. No single 40 oz. containers of beer may be sold from the premises.
15. No malt liquor or fortified wine products (wines with greater than 15% alcohol content) shall be sold.
16. Sales of wine shall be in containers of at least 750 ml.
17. Digital surveillance system shall be provided with high quality cameras focused on the location of the in-store stocked alcohol, at points of sales transactions, at entrance/exits of the store and the parking lot, with the capability to store the digital images captured.
18. Surveillance video/photos shall be made available to police upon request.

19. Ample lighting shall be provided in parking lots, exterior area of entrances/exits and situated in areas to enhance video surveillance equipment.
20. There shall be no coin operated video or arcade games and no adult magazines or videos shall be sold.
21. No pay telephone booths shall be permitted on the premises.
22. Any alcohol license violation and/or suspension by the Alcohol Beverage Control Board or significant criminal activity, in the opinion of the City Police Chief, shall constitute grounds for review and modification or revocation of this use Permit in accordance with *Section 37-60.540: Expiration- transferability; recordation; rescission; revocation*, of the Salinas Zoning Code.
23. The City Planner may conduct a review of this Permit after inauguration, and may require modifications, if appropriate. The City Planner may also schedule a review by the Salinas Planning Commission, at a public hearing, if considered necessary. In the event that a public hearing is necessary, the Permittee shall reimburse the City of Salinas for all costs and expenses required to prepare for and conduct said hearing.
24. If the subject off-sale alcohol related use ceases operation for a continuous period of six (6) months or more, this Conditional Use Permit shall become null and void.
25. No outdoor storage, display, or sale of merchandise of any kind will be permitted except as authorized subject to the issuance of a Temporary Use of Land Permit in accordance with the Salinas Municipal Code.

CRIME PREVENTION REQUIREMENTS

26. The applicant shall comply with all requirements of the Salinas Police Department identified in Exhibit "D".

SIGNS

27. A Sign Permit issued in accordance with *Article V, Division 3: Signs* of the Salinas City Code and the Laurel West Shopping Center Master Sign Plan, shall be required for all signs.
28. No canvas signs, banners, pennants, flags, streamers, balloons or other temporary or wind signs; no mobile, A-frame, or portable signs; no roof or canopy signs extending above a building roof; no signs that resemble any official marker erected by the city, state or any governmental agency, or that by reason of position, shape, color or illumination would conflict with the proper functioning of any traffic sign or signal or would be a hazard to vehicular or pedestrian traffic; no signs which

produce odor, sound, smoke, fire or other such emissions; and no animated, flashing, moving or rotating signs shall be permitted unless permitted in accordance with *Article 5, Division 3: Signs* of the Salinas Zoning Code, as may be amended from time to time.

MAINTENANCE

29. All parking areas, driveways, other paved surfaces, accessways and grounds shall be regularly maintained and kept free of weeds, litter, and debris. All traffic signs and pavement markings shall be clear and legible at all times. All landscaped areas shall be maintained free of weeds, trash, and debris, and all plant material shall be continuously maintained in a healthy, growing condition. All exterior building and wall surfaces shall be regularly maintained, and any damage caused by weathering, vandalism, or other factors shall be repaired in conformance with the terms and conditions of this Permit.
30. The Permittee shall eradicate graffiti painted or marked on the facility within seventy-two (72) hours of occurrence pursuant to Municipal Code Section 5-03.19(a)(4).

PERMIT NOT TO SUPERSEDE OTHER REQUIRED LICENSING OR PERMITS

31. The issuance of this Permit is required in addition to the issuance of an alcoholic beverage sales license from the State Alcoholic Beverage Control Board.
32. The issuance of this Permit shall not relieve the Permittee of any requirement to obtain permits or licensing from any county, regional, state or federal agencies. If applicable, a City Business License shall be obtained prior to commencement of use.

MODIFICATION OF APPROVED USE AND PLANS

33. Any modification to the terms and conditions of this Permit are subject to the issuance of a new Permit. The City Planner may approve minor modifications to this Permit if the City Planner finds the modification to be in substantial compliance with the original approval.

VIOLATION; REVOCATION

34. Use of the property shall be conducted in such a way that it does not constitute a nuisance to the use and enjoyment of surrounding properties or the City. Any permittee, person, firm, corporation, whether as principal, agent, employee or otherwise, violating, causing or maintaining the violation of any of the provision of this Permit shall be guilty of a misdemeanor or an infraction, as charged. Alternatively, any violation of this Permit may be prosecuted administratively

pursuant to the City's Administrative Remedies Ordinance and/or other applicable laws, regulations or codes. Upon determination by the City Planner that there are reasonable grounds for revocation of this Permit, a revocation hearing shall be set to be heard before the Salinas Planning Commission in accordance with *Article VI, Division 18: Enforcement and Penalties* of the Salinas Zoning Code or such codes as may be subsequently adopted.

SUBSTANTIAL ACTION TIME LIMIT

35. This Permit shall expire one year after its effective date unless:
- a. The use is established in conformance with the provisions of the Zoning Code; or
 - b. The City Planner determines that substantial action has commenced to carry out the terms and intent of the Conditional Use Permit.

PERMIT VALIDATION

36. Pursuant to Zoning Code Section 37-60.530, this Permit shall be null and void and all terms and conditions shall have no force or effect unless this Permit is signed by the Permittee(s) and returned to City of Salinas Community Development Department within 90 days of approval. ***It is the applicant's responsibility to track the 90-day expiration date. No notice will be sent.***

STANDARD CONDITIONS

37. Pursuant to **Salinas City Code Section 1-8.1: Civil action enforcement**, and **Section 1-8.2: Liability for costs**, permittee shall reimburse the City of Salinas for all costs and expenses (including but not limited to fees and charges of architects, engineers, attorneys, and other professionals, and court costs) incurred by the City in enforcing the provisions of this Permit.
38. The Permittee shall defend, indemnify, and hold harmless the City of Salinas and any of its boards, commissions, agents, officers, and employees from any claim, action or proceeding against the City, its boards, commissions, agents, officers, or employees to attack, set aside, void, or annul, the approval of this project/use. For Tentative Maps, this shall also apply when such claim or action is brought within the time period provided for in applicable state and/or local statutes. The City shall promptly notify the applicant(s) of any such claim, action, or proceeding. The City shall cooperate in the defense. Nothing contained in this condition shall prohibit the City from participation in a defense of any claim, action, or proceeding if the City bears its own attorney's fees and costs, and the City defends the action in good faith.
39. Notwithstanding any of the provisions in this permit, all improvements and uses

shall comply with all other ordinances and regulations of the City of Salinas and all local, state and federal laws and regulations.

40. No further development other than that shown on this permit or attached exhibits shall be allowed unless or until an amendment to this permit has been approved. Requests for a minor modification of an approved permit may be granted by the City Planner provided the modification is substantially in compliance with the original approval and conditions.

NOTICE OF CHALLENGE LIMITATIONS

41. Code of Civil Procedure Section 1094.6 requires all Court challenges to the decision to grant this Permit be initiated within 90 days of the final decision of the City in this matter.

EXECUTIONS

THIS CONDITIONAL USE PERMIT *was approved by action of the Salinas City Council on January 27, 2026, and shall become effective immediately:*

Effective Date: January 27, 2026

Courtney Grossman
Planning Manager, City of Salinas

(Signatures Listed Below on Pages 8 through 9 Must Be Notarized)

THIS CONDITIONAL USE PERMIT is hereby accepted upon the express terms and conditions hereof, and the undersigned Permittee agrees to strictly conform to and comply with each and all of this Permit's terms and conditions.

Dated: _____

Simon Maida, Clink Liquor Store
Permittee

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
--

STATE OF CALIFORNIA
COUNTY OF MONTEREY

On _____ 202__, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

CONSENT is hereby granted to the Permittee to carry out the terms and conditions of this Conditional Use Permit.

Dated: _____

Mark Leekley, Vice President
Rexford Title Inc., Property Owner

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF MONTEREY

On _____ 202__, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____



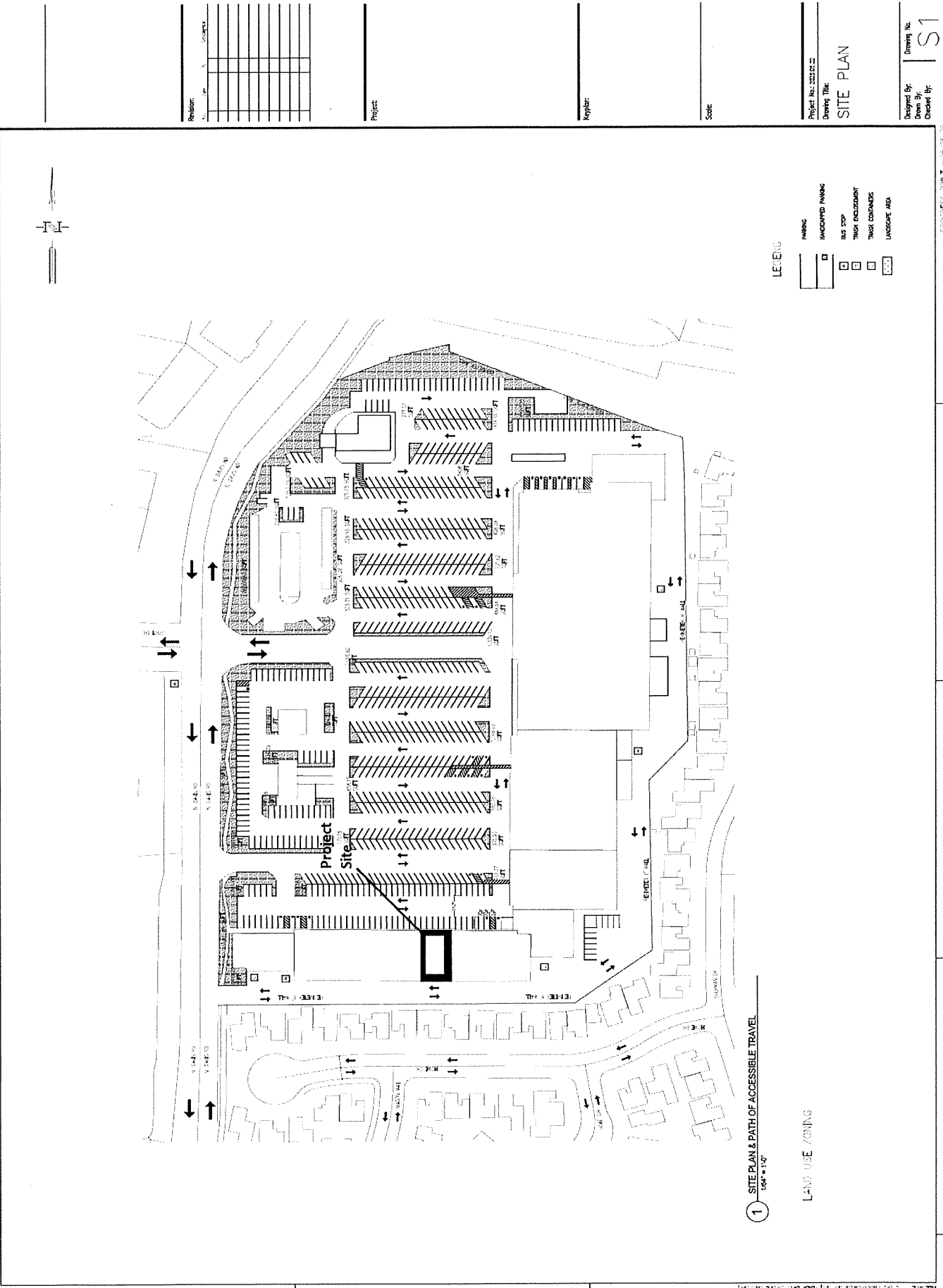
North

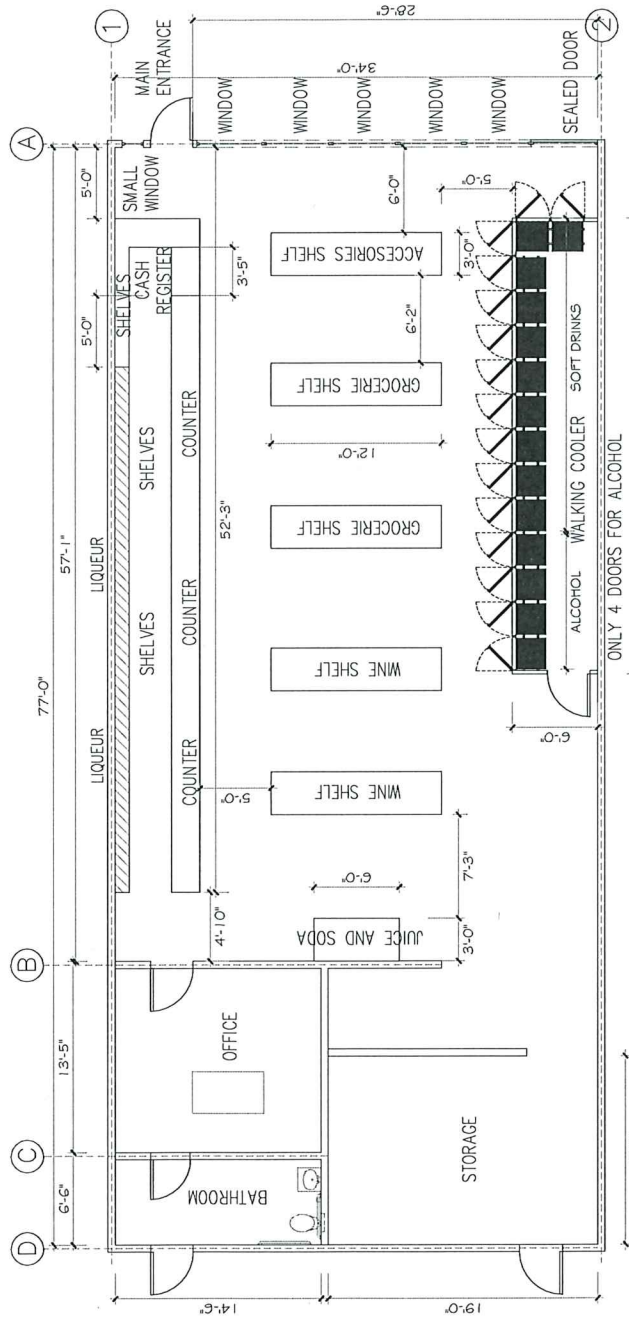
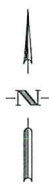
Vicinity Map



CONDITIONAL USE PERMIT 2025-023
1018 North Davis Road

Exhibit A





1 FLOOR PLAN
1/4" = 1'-0"

AREAS:

BATHROOM	92.00 S.F.T
OFFICE	197.00 S.F.T
STORAGE	378.00 S.F.T
DISPLAY AND SALES	1,850.00 S.F.T
TOTAL	2,617.00 S.F.T

- LEGEND
- EXISTING INTERIOR PARTITION
 - EXISTING CONCRETE WALL
 - EXISTING DOOR TO REMAIN

Revised:	No.	Date	By	Description

Project: CLINK LIQUOR STORE
1010 N DAVIS ROAD
SALINAS, CA 93907

Keynote:
Scale:

Project No.: 2025.05.22
Drawing Title: FLOOR PLAN

Designed By: A1
Drawn By: A1
Checked By: A1

PROGRESS PRINT - 11/04/25





CITY OF SALINAS

POLICE DEPARTMENT

MEMORANDUM

DATE: August 1, 2025

TO: Tom Wiles, Senior Planner

FROM: Gerardo Magana, Sergeant

SUBJECT: CUP 2025-023 1018 N. Davis Rd.

I have reviewed the provided information regarding CUP 2025-023, proposed alcohol license type 21 off sale alcohol sales for a new 2,618 square-foot convenience store located in the Laurel West Shopping Center at 1018 North Davis Road.

This location is in Police Reporting District (PRD) #181. The police department's statistics office provided me with an overall 2024 average crime rate of 73.43 per PRD. According to the police department's statistics office, the crime statistics for 2024 for PRD #181 is 78, which is above the PRD average.

City of Salinas PRD #181	
Year 2024	
Murder	1(Attempted)
Robbery	3
Burglary	9
Rape	0
Aggravated Assault	7
Simple Assault	20
Stolen Vehicles	9
Larceny	18
Part Two Crimes	10
Arson	1
TOTAL	78
***all charges include attempted**	

PRD #181 is located in the Laurel West Shopping Center. 1018 North Davis Road is currently Lala Land Smoke Shop. A majority of the crimes that occur in this area are Part II crimes which consists of a variety of crimes such as Forgery, Embezzlement, Fraud, Vandalism, Theft, Drug Abuse, fights, DUI, Public Intoxication, Loitering, and others.

Exhibit



It is my opinion that there may be an increase for police services for this project based on the fact PRD #181 has a higher-than-average crime rate in the City of Salinas.

The Salinas Police Department does not object to the approval of CUP 2025-023, subject to the following recommendations:

- Digital surveillance system with **high quality** cameras focused on the points of sales, entrances/exits of the store and the parking lot, with the capability to store the digital images captured. The video/photos must be retained for 30 days and be made available to police upon request.
- Ample lighting in the exterior area of entrances/exits and situated in areas to enhance video surveillance equipment.
- All legal requirements be met so that the business be posted for trespassing and enforceable by the police department for Salinas City Code (SCC) 21-35.

Sec. 21-35. - Trespass—Prohibited on posted land.

It shall be unlawful for any person to enter or go upon or pass over or remain upon any land of another where the owner of such property, or the person entitled to the possession thereof for the time being, or the authorized agent of either, has posted or caused to be posted upon the land printed notices that the land is private property and warning all persons from trespassing thereon.

**SALINAS PLANNING COMMISSION
RESOLUTION NO. 2025-11**

**A RESOLUTION DENYING A CONDITIONAL USE PERMIT TO ESTABLISH AND
OPERATE AN OFF-SALE ALCOHOL USE (TYPE 21 ABC LICENSE) AT A
PROPOSED CONVENIENCE STORE LOCATED AT THE LAUREL WEST
SHOPPING CENTER AT 1018 NORTH DAVIS ROAD IN THE COMMERCIAL
RETAIL (CR) ZONING DISTRICT
(CUP 2025-023)**

WHEREAS, on November 19, 2025, the Salinas Planning Commission, at the request of the Applicant, Simon Maida, held a duly noticed public hearing to consider Conditional Use Permit 2025-023 to establish and operate an off-sale alcohol related use (Type 21 ABC license) at a proposed 2,618 square-foot convenience store located at the Laurel West Shopping Center at 1018 North Davis Road in the Commercial Retail (CR) Zoning District (Assessor's Parcel Number 261-711-070-000); and

WHEREAS, the Planning Commission weighed the evidence presented at said public hearing, including the Staff Report which is on file at the Community Development Department together with the record of environmental review; and

NOW, THEREFORE, BE IT RESOLVED by the Salinas Planning Commission that the Commission denies Conditional Use Permit 2025-023; and

BE IT FURTHER RESOLVED that the Salinas Planning Commission adopts the following findings as the basis for its determination, and that the foregoing recitations are true and correct, and are included herein by reference as findings:

1. *The project has been found to be Exempt pursuant to Sections 15270(a) of the California Environmental Quality Act (CEQA) Guidelines;*

The project has been determined to be exempt from the California Environmental Quality Act (CEQA) under Section 15270(a) of the CEQA Guidelines. The proposed project is exempt because CEQA does not apply to projects which a public agency rejects or disapproves.

2. *The proposed location of the use is not in accordance with the objectives of the Salinas General Plan, this Zoning Code and the purposes of the district in which the site is located;*

The site is designated Retail by the 2002 Salinas General Plan. As shown on the official Zoning Map, the site is in the CR (Commercial Retail) Zoning District. Per Zoning Code Section 37-30.190(k)(3), the CR district provides for a range of retail stores, restaurants, hotels and motels, commercial recreation, personal services, business services, offices, financial services, mixed use residential and/or limited residential uses.

Although an off-sales alcohol related use may be considered at the subject site with approval of a Conditional Use Permit (CUP), the Planning Commission determined that due to a lack of demonstrated public convenience or necessity, proximity to schools, and potential DUI related accidents, retail sales of beer, wine, and distilled

spirits for off-site consumption at a proposed convenience store within an existing shopping center would not be in accordance with the objectives of the Zoning Code Per Section 37-50.030(a), the purpose of Alcohol License Review regulations is to provide for the orderly integration of alcohol-related uses in the City.

Because of the close proximity to a similar off-sale alcohol related use located at 1050 North Davis Road (Vallarta Supermarket), and a school located at 915 Larkin Street (Boronda Meadows Elementary School), approval of the alcohol related use would not be in accordance with the objectives of the Zoning Code.

3. ***The proposed location of the conditional use and the proposed conditions under which it would be operated or maintained are not consistent with the Salinas General Plan and will be detrimental to the public health, safety, or welfare of persons residing or working in or adjacent to the neighborhood of such use, and detrimental to properties or improvements in the vicinity or the general welfare of the City of Salinas; and***

The site is designated Retail by the 2002 Salinas General Plan. The Planning Commission determined that due to the lack of demonstrated public convenience or necessity, proximity to schools, and potential DUI related accidents, retail sales of beer, wine, and distilled spirits for off-site consumption at a proposed convenience store within an existing shopping center would be detrimental to the health, safety and welfare of persons residing or working in or adjacent to the neighborhood of such use, and detrimental to properties or improvements in the vicinity of the project site and the general welfare of the City of Salinas.

4. ***The proposed conditional use will not comply with the provisions of the Salinas Zoning Code, including any specific conditions required for the proposed use.***

This finding is inapplicable because the Planning Commission denied the request for a Conditional Use Permit.

5. ***The Alcohol-Related use will adversely affect the welfare of the area including the surrounding residentially zoned neighborhoods, the proximity of an existing Alcohol-Related use located at 1050 North Davis Road, residentially zoned property, public schools, public playgrounds, and other similar uses; and giving further consideration to crime rates, calls for emergency services, and residential densities in the surrounding area; and***

The proposed location is within Census Tract 18.02 (CT 18.02). Per the California Department of Alcoholic Beverage Control (ABC), there are currently six (6) active off-sale licenses within CT 18.02 which are shown below:

<u>Name of Licensee</u>	<u>Address</u>
1. Smart and Final (Type 21)	319 East Market Street

- | | | |
|----|--|-----------------------|
| 2. | Chin Brothers Grocery & Liquor (Type 21) | 132 North Main Street |
| 3. | Hasco Stations, LLC (Type 21) | 417 North Main Street |
| 4. | Clearwater Express (Type 20) | 306 North Main Street |
| 5. | T-Mart (Type 20) | 430 North Main Street |
| 6. | Vallarta Supermarket (Type 21) | 1050 North Davis Road |

Per ABC, five (5) off-sale licenses are authorized in CT 18.02. Currently, the subject CT 18.02 is unduly concentrated for the number of off-sale alcohol licenses (five (5) authorized, six (6) active). Approval of the proposed Type 21 off-sale alcohol license would result in seven (7) off-sale alcohol licenses in a census tract that is already unduly concentrated in terms of the number of off-sale alcohol licenses.

The closest off-sale license to the project site is located at 1050 North Davis Road (Vallarta Supermarket), which is in the same Census Tract (18.02) and is only approximately 500 feet to the north of the project site and is located within the same shopping center (Laurel West Shopping Center). The average distance to the other five (5) off-sale alcohol outlets located in CT 18.02 is 6,959 feet. This distance is greater than the average of 956 feet for approved off-sale alcohol CUPs in a Census Tract since 2010 and are located to the southeast of the project site.

Two (2) residential dwelling units (836 and 838 Howe Drive) are located to the south of the property behind a solid wall without direct access to the main entrance of the proposed convenience store. The nearest park is Laurelwood Park (915 Victor Street), which is located approximately 2,200 feet to the southeast of the subject site. The nearest public school is Boronda Meadows Elementary School (915 Larkin Street), which is located approximately 570 feet southwest from the subject site.

The subject property is located less than the average distance of similar projects to residences and parks/playgrounds; but is more than the average distance to public schools and other off-sale alcohol related uses in the same Census Tract than other CUP applications (approved, denied, or expired) dating back to the year 2010.

Per the Salinas Police Department Memorandum, the Police Department reports an average of 73.43 reported crimes across all Police Reporting Districts (PRD) for 2024, the most recent date of PRD records. Adding 20%, the formula allows for no more than 88.12 reported crimes within this PRD to avoid the “undue concentration” designation. The 2024 Salinas Police Department (SPD) crime statistics indicate 78 reported crimes in PRD 181, which is above the 73.43 average of reported crimes, but below the 88.12 threshold, indicating that the project site is not located within an area of undue concentration due to crime. Per the Salinas Police Department Memorandum, an increase in police services for this project is anticipated.

The Planning Commission denied the proposed off-sale alcohol related use because

Planning Commission Resolution 2025-11
 Conditional Use Permit 2025-023
 Page 4 of 4

it was determined that the increase in the number of active off-sale licenses within CT 18.02 from six (6) to seven (7) would not be appropriate because it would result in an increase proliferation of alcohol related uses in the surrounding neighborhood. Further, the Planning Commission denied the proposed off-sale alcohol use due to its close proximity to a school (Boronda Meadows Elementary School), lack of demonstrated public convenience or necessity, and potential DUI related accidents.

6. *The location of the proposed Off-sale Alcohol-Related use is located within an area of undue concentration (as defined by Business and Professions Code Sections 23958.4 and administered by the State Department of Alcoholic Beverage Control), pursuant to Business and Professions Code Sections 23817.7, the public convenience or necessity would not be served by the issuance of the alcohol license by the ABC.*

The project site is in an area of undue concentration due to the number of off-sale retail licenses within the census tract. The Planning Commission determined that public convenience or necessity would **not** be served by the issuance of the license by the ABC because alcohol is already available approximately 500-feet away at the Vallarta Supermarket which is also located within the Laurel West Shopping Center.

PASSED AND APPROVED this 19th day of November 2025, by the following vote:

AYES: Commissioners Meeks, Purnell, Wruck
 NOES: Chairperson McKelvey Day, Commissioner Rocamora
 ABSTAIN: None
 ABSENT: Commissioners Almanza-Larios, Gutierrez

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 November 19, 2025, and that said Resolution has not been modified, amended, or rescinded, and is now in full force and effect.

SALINAS PLANNING COMMISSION

Date: 1/16/26


 Courtney Grossman
 Secretary

**OFFICIAL MINUTES
OF THE
SALINAS PLANNING COMMISSION
November 19, 2025**

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 Purnell, Meeks, Wruck, and Rocamora

ABSENT: Commissioners Almanza-Larios and Gutierrez

STAFF: Community Development Director, Lisa Brinton; Planning Manager, Courtney Grossman; Senior Planner, Thomas Wiles; Management Analyst, Kirsten Zehring; and Administrative Aide, Brisa Salcedo.

COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA

Chairperson McKelvey Daye opened for public comment at 4:02 p.m.

No public comments were received.

Chairperson McKelvey Daye closed for public comment at 4:03 p.m.

CONSENT

ID#25-530 Approval of the Minutes: November 5, 2025

Chairperson McKelvey Daye expressed concern that reasoning behind votes on DA2025-001 was not reflected in the minutes or in the Resolution forwarded for City Council consideration. The Chairperson additionally recommended that the minutes include a reference directing the public to the meeting recording on YouTube at The Salinas Channel.

Commissioners Meeks and Purnell agreed that comments explaining votes should be included in the minutes.

Upon motion by Commissioner Purnell, and a second by Commissioner Rocamora, the minutes of November 19, 2025, were approved as amended. The motion carried by the following vote:

AYES: Chairperson McKelvey Daye, and Commissioners Purnell, Meeks, Wruck and Rocamora.

NOES: None

ABSTAIN: None

ABSENT: Commissioners Almanza-Larios and Gutierrez

ID#25-531 Approval of the Minutes: June 10, 2025 - Joint Salinas City Council and Salinas Planning Commission Special Meeting

Chairperson McKelvey Daye expressed concern about the use of action minutes and the role of the individual responsible for determining what information is included, as some important details had been omitted. The Chairperson also stated that she would like the minutes to include a reference to The Salinas Channel on YouTube or a transcript of the meeting.

Upon motion by Commissioner Wruck, and a second by Commissioner Purnell, the minutes of June 10, 2025, were approved as amended. The motion carried by the following vote:

AYES: Commissioners Purnell, Meeks, Wruck and Rocamora.

NOES: Chairperson McKelvey Daye

ABSTAIN: None

ABSENT: Commissioners Almanza-Larios and Gutierrez

ADMINISTRATIVE REPORTS

ID#25-518 Study Session on Zoning Code Update Visioning and Required Phase One Housing Amendments

Continued to the December 3rd Planning Commission meeting.

PUBLIC HEARINGS

ID#25-528 Conditional Use Permit 2025-023; Request to Establish and Operate an Off-Sale Alcohol Related Use (Type 21 ABC License) at a Proposed Convenience Store Located Within the Laurel West Shopping Center at 1018 North Davis Road in The Commercial Retail (CR) Zoning District

Tom Wiles, Senior Planner, presented a PowerPoint on this item to the Planning Commission.

Commissioner comments and discussion included the following:

- Commissioner Wruck noted that the floor plan she had previously received appeared different to the floor plan being presented.
 - *Senior Planner, Tom Wiles, provided a brief explanation of the floor plan diagram being presented and confirmed convenience store use.*
- Commissioner Wruck also expressed concern regarding the number of active alcohol licenses in the area and undue concentration, noting that another licensed establishment is less than 500 feet away. Commissioner Wruck also inquired about the number of DUI-related accidents in the area.
 - *Sergeant Gerardo Magana stated that he would provide DUI statistics after the meeting.*
- Commissioner Purnell asked about the geographic dimensions of the Census Tract 18.02, whether a city ordinance limits the amount of alcohol licenses in proximity to a school, the proposed hours of operation, and clarification of the current use. Commission Purnell also asked for the number of Census Tracts (CT) over concentration.
 - *Mr. Wiles referred to the map in the presentation to outline the dimensions of the Census Tract 18.02 and confirmed that the current facility is a smoke shop that will be converted into a convenience store. He added that the proposed hours of operation are 8:00 a.m. to 10:00 p.m.*
 - *Planning Manager, Courtney Grossman, highlighted Page 6 on the staff report, which includes a table compiling all Conditional Use Permits (CUPs) processed since 2010. Mr. Grossman described that the table provides an analysis of the zoning code alcohol requirements regarding proximity to residential properties, public schools, parks/playgrounds, distance to off-sale alcohol outlets and other alcohol outlets in the same CT, crime rates in the PRD, and number of reported crimes. This table provides an average minimum, and maximum comparison of the subject CUP to each CUP processed since 2010. For the subject CUP, the analysis indicates the following:*

proximity to a residential property – 0 ft; proximity to a school – 570 ft (average 1,900 ft); undue concentration: 120% (average 119%).

- The Chairperson requested clarification about the Salinas Police Department’s position on this item and the basis for no objection.
 - *Sergeant Gerardo Magana shared that the average Police Reporting District Statistics for 2024 was 73.43% while for this location is 78%, indicating the potential for increased calls for police service.*
- Commissioner Meeks inquired about a city ordinance limiting alcohol sales in relation to the proximity to a church.
 - *Staff responded that the distance to a church for a proposed alcohol related use is not required for Zoning Code review and that it is applicable for Commercial Cannabis Permits.*

Response from City staff included the following information:

Public comment included the following:

- A question regarding whether a city ordinance restricts the distribution of flavored tobacco.
- Concern about the process to ensure the facility will not sell alcohol or tobacco to underage customers and how authorities respond to incidents of that nature.

Commissioner Wruck commented that the proposed Conditional Use Permit is too close to a school, other off-sale alcohol outlets, and incidents already occurring including bike and pedestrian accidents.

Commissioner Meeks commented that there is a church nearby.

Commission Wruck made a motion of denial, which was seconded by Commissioner Purnell. Before the call for vote on the motion, staff requested clarification of findings that would be included in a resolution for denial of public convenience or necessity for the proposed project. Staff also noted that the CUP would not be brought back to the Commission. If appealed, the CUP would go the City Council for final determination.

A roll call vote was then taken on the motion of denial by Commissioner Wruck, and a second by Commissioner Purnell, Conditional Use Permit 2025-023; request to establish and operate an off-sale Alcohol Related Use (Type 21 ABC License) at a proposed convenience store located within the Laurel West Shopping Center at 1018 North Davis Road in the proximity of the Commercial Retail (CR) zoning district was denied as presented due to undue concentration, lack of demonstrated public convenience or necessity, proximity to schools, and potential DUI related accidents. The Planning

Commission directed staff to prepare a denial resolution reflecting the Planning Commission determination. The motion carried by the following vote:

AYES: Commissioners Purnell, Meeks, and Wruck.
NOES: Chairperson McKelvey Daye and Commissioner Rocamora
ABSTAIN: None
ABSENT: Commissioners Almanza-Larios and Gutierrez

ID#25-505 Zoning Code Amendment 2025-001; Rescind Section 37-50.250 (Accessory Dwelling Units) of Chapter 37 of the Salinas Municipal Code (Zoning Code), remove and modify applicable Zoning Code Accessory Dwelling Unit (ADU) definitions and development regulations and apply applicable State ADU Law for the processing of ADU applications

Senior Planner, Tom Wiles, presented a power point on this item to the Planning Commission.

Commissioner comments and discussion included the following:

- Commissioner Meeks inquired about the inconsistencies between the City Code and State law.
 - *Senior Planner, Tom Wiles, shared that the Zoning Code was updated in 2019, and since then the State has enacted several new laws. The State recommended that the City update its code to align with current State requirements.*
- Commissioner Purnell asked about the consequences of not updating the current City Code.
 - *Staff indicated that the city intends to comply with the State's recommendation by the end of the year.*
- Commissioner Meeks also requested clarification on whether the updated code would affect individuals who are complying with the existing code.
 - *CDD Director, Lisa Brinton, clarified that individuals following current code will not be affected. The update is intended to ensure that new applicants comply with both City and State regulations.*
- Commissioner Rocamora agreed with the comment from Jose G. emphasizing the need for additional code enforcement staff in the city.

- Chairperson McKelvey Daye commented about Planning Commission's role in considering the update prior to its adoption.

Public comment included the following:

- Jose G. expressed concern that updating the code might not be effective if the City is not actively monitoring construction activities to ensure compliance with the regulations.

Upon motion by Commissioner Wruck, and a second by Commissioner Rocamora, the recommendation to City Council to find Zoning Code Amendment 2025-001 categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15305 and adopt an ordinance amending Chapter 37 of the Salinas Municipal Code (Zoning Code) to rescind Section 37-50.250 (Accessory Dwelling Units), remove and modify Accessory Dwelling Unit (ADU) definitions of Section 37-10.250 ("A" definitions), modify the ADU development regulations of Sections 37-30.020, 37-30-060, 37-30-110, 37-30.160, 37-30.390, and 37-30.430, and apply applicable State ADU Law for the processing of ADU applications, was approved. The motion carried by the following vote:

AYES: Chairperson McKelvey Daye and Commissioners Purnell, Meeks, Wruck and Rocamora.

NOES: None

ABSTAIN: None

ABSENT: Commissioners Almanza-Larios and Gutierrez

OTHER BUSINESS

No other business was presented.

FOLLOW-UP REPORTS

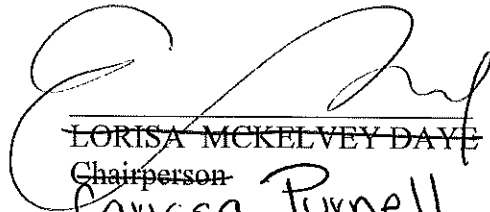
No follow-up reports were presented.

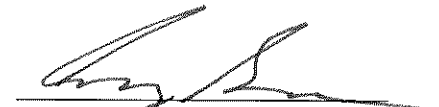
FUTURE AGENDA ITEMS

Planning Manager, Courtney Grossman, shared that there will be a revision of the Study Session training calendar, and a presentation from that calendar will be added to the agenda for the next meeting.

ADJOURNMENT

Chairperson McKelvey Daye verified for quorum for the December 3rd meeting and adjourned the meeting at 4:59 p.m.


~~LORISA MCKELVEY DAYE~~
~~Chairperson~~
Carissa Purnell
Vice - Chair


COURTNEY GROSSMAN
Executive Secretary

All past Planning Commission meetings may also be viewed on the Salinas Channel on YouTube at <http://www.youtube.com/thesalinaschannel>



CITY OF SALINAS PLANNING COMMISSION REPORT

DATE: NOVEMBER 19, 2025

TO: PLANNING COMMISSION

FROM: COURTNEY GROSSMAN, PLANNING MANAGER

BY: THOMAS WILES, SENIOR PLANNER

TITLE: **CONDITIONAL USE PERMIT 2025-023; REQUEST TO ESTABLISH AND OPERATE AN OFF-SALE ALCOHOL RELATED USE (TYPE 21 ABC LICENSE) AT A PROPOSED CONVENIENCE STORE LOCATED AT THE LAUREL WEST SHOPPING CENTER AT 1018 NORTH DAVIS ROAD IN THE COMMERCIAL RETAIL (CR) ZONING DISTRICT**

RECOMMENDED MOTION:

A motion to approve a resolution finding the project exempt pursuant to Section 15061(b)(3) of the CEQA Guidelines, affirming the findings, and approving Conditional Use Permit 2025-023.

EXECUTIVE SUMMARY:

Simon Maida is requesting approval of a Conditional Use Permit to establish and operate an off-sale alcohol related use (Type 21 Alcoholic Beverage Control (ABC) license – Off-sale beer, wine, and distilled spirits) at a proposed 2,618 square-foot convenience store located in the Laurel West Shopping Center at 1018 North Davis Road.

DISCUSSION:

Background:

Simon Maida is requesting approval of a Conditional Use Permit to establish and operate an off-sale alcohol related use (Type 21 ABC license) at proposed 2,618 square-foot convenience store in the Laurel West Shopping Center. The property owner is Rexford Title Incorporated. The new convenience store would be named Click Liquor Store. The name of the former tenant is LaLa Land Smoke Shop. A Type 21 ABC license includes sales of beer, wine, and distilled spirits for off-site consumption. Refer to the attached Site Plan and Floor Plans for more information. Upon approval of the Conditional Use Permit, the Applicant would be required to obtain a Type 21 ABC

license from the California Department of Alcoholic Beverage Control (ABC).

The property is located in the CR (Commercial Retail) Zoning District. The following provides an overview of the land uses and zoning districts adjacent to the project site:

North:	Retail/Commercial Retail (CR)
South:	Residential/Residential Medium Density (R-M-3.6)
East:	Residential/Residential Medium Density (R-M-3.6)
West:	Retail and Government/Commercial Retail (CR) and Public and Semipublic (PS)

Analysis:

Undue Concentration

Concerning off-sale alcohol-related uses, “undue concentration” is defined per California Business and Professions Code Section 23958.4 as either: (1) the ratio of off-sale retail licenses to population in the census tract or census division in which the premises is located exceeds the ratio of off-sale retail licenses to population in the county in which the premises is located: or (2) the premises is located in a crime reporting district that has a twenty percent (20%) greater number of reported crimes (i.e., the most recent yearly compilation by the local law enforcement agency of reported offenses of criminal homicide, forcible rape, robbery, aggravated assault, burglary, larceny, theft, and motor vehicle theft, combined with all arrests for other crimes, both felonies and misdemeanors, except traffic violations) than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency.

The proposed location is within Census Tract 18.02 (CT 18.02). Per ABC, there are currently six (6) active off-sale licenses within CT 18.02 which are shown below:

<u>Name of Licensee</u>	<u>Address</u>	<u>Distance from Project site</u>
1. Smart and Final (Type 21)	319 East Market Street	8,712 feet
2. Chin Brothers Grocery & Liquor (Type 21)	132 North Main Street	7,392 feet
3. Hasco Stations, LLC (Type 21)	417 North Main Street	5,914 feet
4. Clearwater Express (Type 20)	306 North Main Street	6,653 feet
5. T-Mart (Type 20)	430 North Main Street	6,125 feet
6. Vallarta Supermarket (Type 21)	1050 North Davis Road	500 feet

Per ABC, five (5) off-sale licenses are authorized in CT 18.02. Currently, the subject CT 18.02 is classified as undue concentration as there are six (6) active off-sale alcohol licenses, which is higher than the five (5) authorized. Approval of the proposed Type 21 off-sale alcohol license would result in seven (7) off-sale alcohol licenses in a census tract that is already undue concentrated for the number of off-sale alcohol licenses.

The attached Map of off-sale Alcohol Licenses dated October 2019 shows the location of the proposed off-sale alcohol license to other off-sale alcohol licenses. The closest off-sale license to the project site is located at 1050 North Davis Road (Vallarta Supermarket), which is in CT 18.02 and is approximately 500 feet to the north of the project site in the same shopping center. The average distance to off-sale alcohol outlets in CT 18.02 is 5,883 feet, which is greater than the average of 956 feet for approved off-sale alcohol CUPs in a CT since 2010. Table 1 below lists the 61 Conditional Use Permit (CUP) applications for alcohol related uses that have been processed since 2010. Five (5) off-sale alcohol related CUPs located in an area of undue concentration have been required to comply with the City's former One-for-One policy. Table 2 below provides a comparison to Off-sale Alcohol Conditional Use Permits approved since 2010 including average distance calculations to other off-sale alcohol CUPs, schools and parks.

Because the proposed site is located within an area of undue concentration due to number of alcohol licenses in the CT 18.02, a finding that Public Convenience or Necessity is served by approving the off-sale alcohol use is required should the Planning Commission determine to approve the CUP. A finding of Public Convenience or Necessity could be determined as customers would be able to complete their shopping needs without having to travel to a range of retail outlets.

Table 1: Conditional Use Permit Applications for Alcohol Related Uses

No.	Project Number	Status	Type	Address	Approval Date	Approval Body	1:1 Req?	Off-sale?
1.	CUP 2010-004	Approved	Off-Sale Alcohol	970 Work St.	4/19/2011	City Council	Yes	Yes
2.	CUP 2010-006	Expired	Off-Sale Alcohol	1532 N. Main St.	6/14/2011	City Council	Yes	Yes
3.	CUP 2010-007	Approved	Off-Sale Alcohol	615 W. Laurel Dr.	6/6/2010	Planning Commission	Yes	Yes
4.	CUP 2010-013	Approved	Off-Sale Alcohol	306 N. Main St.	10/12/2010	City Planner	No	Yes
5.	CUP 2010-018	Approved	On Site Alcohol	242 Williams Rd.	8/2/2011	City Planner		No
6.	CUP 2011-005	Denied	Off-Sale Alcohol	575 N. Sanborn Rd.	N/A			
7.	CUP 2011-009	Approved	Off-Sale Alcohol	1375 N. Davis Rd.	6/1/2011	Planning Commission	Yes	Yes
8.	CUP 2011-010	Approved	Off-Sale Alcohol	1800 N. Main St.	6/14/2011	City Council	Yes	Yes
9.	CUP 2011-022	Approved	On-Sale Alcohol	1730 N. Main St.	10/10/2011	City Planner		No
10.	CUP 2011-023	Withdrawn	Off-Sale Alcohol	1730 N. Main St.	N/A			
11.	CUP 2012-001	Approved	On-Sale Alcohol	1391 N. Davis Rd.	2/12/2012	City Planner		No
12.	CUP 2012-003	Approved	On-Sale Alcohol	1748 N. Main St.	3/27/2012	City Planner		No
13.	CUP	Denied	Off-Sale	8 Williams	N/A			

	2012-005		Alcohol	Rd.				
14.	CUP 2013-003	Approved	Off-Sale Alcohol	1045 N. Main St.	9/24/2013	City Council	No	Yes
15.	CUP 2013-006	Approved	On-Sale Alcohol	1988 N. Main St.	7/1/2013	City Planner		No
16.	CUP 2014-004	Withdrawn	On-Sale Alcohol	242 Williams Rd.	N/A			
17.	CUP 2014-025	Denied	Off-Sale Alcohol	1532 N. Main St.	N/A			
18.	CUP 2015-004	Approved	On-Sale Alcohol	124 Abbott St.	8/4/2015	City Planner		No
19.	CUP 2015-011	Approved	On-Sale Alcohol	1938 N Main St.	6/9/2015	City Planner		No
20.	CUP 2015-016	Approved	Off-Sale Alcohol	215 E. Alisal St.	9/16/2015	Planning Commission	No	Yes
21.	CUP 2015-023	Denied	Off-Sale Alcohol	602 Williams Rd.	N/A			
22.	CUP 2015-034	Denied	Off-Sale Alcohol	170 E. Laurel Dr.	N/A			
23.	CUP 2016-002	Withdrawn	On-Sale Alcohol	242 Williams Rd.	N/A			
24.	CUP 2016-005	Approved	On-Sale Alcohol	66 W. Alisal St.	6/7/2016	City Planner		No
25.	CUP 2016-006	Approved	Off-Sale Alcohol	150 Main St.	6/24/2016	City Planner		N/A
26.	CUP 2016-013	Withdrawn	Off-Sale Alcohol	1000 Market St.	N/A			
27.	CUP 2016-019	Approved	Off-Sale Alcohol	201 Monterey St.	03/21/2017	City Council	No	
28.	CUP 2016-020	Approved	On-Sale Alcohol	1000 Davis Rd.	12/12/2016	City Planner		No
29.	CUP 2017-003	Approved	On-Sale Alcohol	350 Northridge Mall	04/07/2017	City Planner		No
30.	CUP 2017-005	Withdrawn	Off-Sale (Type 20 To 21)	980 Acosta Plaza.	N/A			
31.	CUP 2017-014	Withdrawn	On-Sale Alcohol	309 Williams Rd.	N/A			
32.	CUP 2018-001	Approved	On-Sale Alcohol	1600 Northridge Mall	02/27/2018	City Planner		No
33.	CUP 2018-002	Approved	On-Sale Alcohol	723 Alisal St.	10/12/2018	City Planner		No
34.	CUP 2018-003	Expired	On-Sale Alcohol	1220 S. Main St.	02/26/2018	City Planner		No
35.	CUP 2018-005	Approved	Off-Sale Alcohol	1764 N. Main St.	10/02/2019	Planning Commission	No	Yes

36.	CUP 2018-008	Expired	Off-Sale Alcohol	1438 S. Main St.	N/A			
37.	CUP 2018-012	Withdrawn	On-Sale Alcohol	1366 s. Main St.	N/A			
38.	CUP 2018-023	Approved	On-Sale Alcohol	309 Williams Rd.	01/09/2019	City Planner		No
39.	CUP 2018-024	Approved	On-Sale Alcohol	213 Monterey St.	11/27/2018	City Planner		No
40.	CUP 2018-025	Approved	On-Sale Alcohol	242 Williams Rd.	04/30/2019	City Planner		No
41.	CUP 2018-029	Approved	On-Sale Alcohol	1790 Northridge Mall	02/20/2029	City Planner		No
42.	CUP 2019-009	Approved	On-Sale Alcohol	210 Main St.	08/22/2019	City Planner		Not determined
43.	CUP 2019-020	Approved	On-Sale Alcohol	1582 Constitution Blvd.	01/07/2020	City Planner		No
44.	CUP 2020-015	Approved	Off-Sale Alcohol	1264 De La Torre	10/23/2020	City Planner	No (Not Und.)	Yes
45.	CUP 2021-008	Approved	On-Sale Alcohol	1220 S. Main St.	04/02/2021	City Planner		No
46.	CUP 2021-022	Approved	Off-Sale Alcohol	1640 N. Main St.	09/15/2021	Planning Commission	No	Yes
47.	CUP 2021-025	Approved	On-Sale Alcohol	835 S. Main St.	12/15/2021	Planning Commission		No
48.	CUP 2021-029	Approved	On-Sale Alcohol	822 E. Alisal St.	01/03/2022	City Planner		No
49.	CUP 2021-030	Approved	On-Sale Alcohol	1259 De La Torre St.	12/20/2021	City Planner		No
50.	CUP 2022-017	Approved	On-Sale Alcohol	216 John St.	04/01/2022	City Planner		No
51.	CUP 2022-026	Approved	On-Sale Alcohol	66 W. Alisal St.	05/06/2022	City Planner		No
52.	CUP 2022-030	Approved	On-Sale Alcohol	215 Monterey St.	08/15/2022	City Planner		No
53.	CUP 2022-054	Approved	Off-Sale Alcohol	933 W. Alisal St.	12/21/2022	Planning Commission	No	Yes
54.	CUP 2022-061	Approved	On-Sale Alcohol	344 Main St.	02/28/2023	City Planner		No
55.	CUP 2023-017	Approved	Off-Sale Alcohol	1050 N. Davis Rd.	10/04/2023	Planning Commission	No	Yes
56.	CUP 2023-038	Approved	On-Sale Alcohol	1447 N. Main St.	09/09/2024	City Planner		No
57.	CUP 2023-047	Approved	On-Sale Alcohol	1002 Del Monte Ave. Ste. A	09/17/2024	City Planner		No
58.	CUP	Approved	On-Sale	66 W. Alisal	10/01/2024	City Planner		No

	2024-054		Alcohol	St.				
59.	CUP 2024-022	Approved	Off-Sale Alcohol	1012 Abbott St.	11/19/2024	Planning Commission	No	Yes
60.	CUP 2024-058	Denied	Off-Sale Alcohol	695 East Alisal Street	N/A	City Council		
61	CUP 2024-065	Approved	Off-Seal Alcohol	201 Monterey St.	08/06/2025	Planning Commission	No	Yes

Salinas Police Department Comments and Conditions

The project site is in a Police Reporting District (PRD) which does not exceed the threshold average number of reported crimes. As shown on Table 2 below, the average level of undue concentration for Conditional Use Permits processed since 2010 is 119%. The proposed project is below this number (89% vs. 119%). The crime rate for the subject PRD is 57% below the average rate considered as undue concentration for crime (89% vs. 146%).

Salinas Police Department reports an average of 73.43 reported crimes across all PRD's for 2024, the most recent date of PRD records. Adding twenty percent (20%), the formula allows for no more than 88.12 reported crimes within this PRD to avoid the "undue concentration" designation. 2024 Salinas Police Department (SPD) crime statistics show 78 reported crimes in PRD 181, which is below the 88.12 threshold, which places the site within an area that is not undue concentration due to crime.

Table 2: Comparison to Off-sale Alcohol Conditional Use Permits Since 2010

	Distance to residentially zoned property (feet)	Distance to public schools (feet)	Distance to parks/ playgrounds (feet)	Average Distance to off-sale alcohol outlets in CT (feet)	Average Alcohol outlets in Salinas CT's (% proposed/ allowed	Crime rate in PRD's (%) (120% = undue concentration	Number of crimes reported
Average	484	1,900	1,919	956	119%	146%	73.43
Minimum	0	450	400	1,200	40%	29%	1
Maximum	3,200	5,800	5,400	6,960	800%	386%	261
CUP 2025-023	0	570	2,200	5,883	120% (6/5)	89% (78/88.12) (2024 PRD)	78

Per the Salinas Police Department Memorandum dated August 1, 2025, while an increase in police services for this project is anticipated, the Police Department does not object to the approval of Conditional Use Permit 2025-023 with the conditions of approval stated in the Memorandum, which is provided as Exhibit D to the CUP. Conditions include installation of high-quality surveillance cameras, lighting of exterior entrances and exits to enhance camera visibility, and the posting of no trespassing signage. See Conditions section of this report for more detail.

Proximity to Residences, Parks, and Schools

The subject property is located less than the average distance of other similar projects to residences, residentially zoned properties, parks/playgrounds, and other public schools than other CUP applications (approved, denied, or expired) dating back to the year 2010. Two (2) residential units (836 and 838 Howe Drive) are located off site to the south of the property behind a solid wall without direct access to the main entrance of the proposed convenience store. The nearest park is Laurelwood Park (915 Victor Street), which is located approximately 2,200 feet to the southeast of the subject site. The nearest public school is Boronda Meadows Elementary School (915 Larkin Street), which is located approximately 570 feet southwest from the subject site. See Table 2 above.

Conditions of Approval

The City generally requires a CUP for alcohol-related uses (Salinas City Code §37-50.030) and may lawfully regulate through its land use and zoning authority the potentially negative social and environmental effects of alcohol serving businesses. In this regard, the City's Zoning Code imposes a variety of specific requirements for alcohol-related uses and for all alcohol-related uses located in areas of undue concentration, which are discussed in turn below.

Pursuant to Zoning Code Section 37-50.030(f), if the Planning Commission determines that public convenience or necessity would be served by the approval of the CUP and the subsequent issuance of an alcohol license by ABC, the CUP would contain the following conditions of approval:

1. Alcohol shall not be sold between the hours of 10:00 p.m. and 6:00 a.m. Coolers containing alcoholic beverages shall be locked between the hours of 10:00 p.m. and 6:00 a.m.
2. The premises shall be maintained free of litter at all times.
3. No sale or distribution of alcoholic beverages shall be made from a drive-up or walk-up window.
4. No display of alcoholic beverages shall be made from an ice tub.
5. No "single-serving" or "one-can" sales of alcoholic beverages shall be made from the premises. A sign to this effect in English and Spanish shall be maintained at the cashier station at all times.
6. No more than four (4) cooler doors shall be allocated to alcohol sales. Coolers without doors shall be limited to 32 lineal feet.
7. No alcoholic beverage shall be displayed within five feet of the cash register or the front door of the premises unless displayed in a permanently affixed cooler.

8. No self-illuminated advertising for alcoholic beverages shall be located on buildings or windows.
9. All business owners and managers shall complete a program certified by the Department of Alcoholic Beverage Control (ABC) as a qualified responsible beverage service (RBS) program prior to the commencement of the use. Any business established after the effective date of the ordinance codified in this section shall require such training of all owners and managers within ninety days of ownership transfer or hire. Failure of managers to obtain training shall be the liability of the owner. The owner shall maintain on the premises a file containing the certificates of training and shall present the file and its contents upon request by the City at any time during normal business hours. The provisions of this section regarding responsible beverage training shall be suspended upon a finding by the City Planner that the training is not reasonably available.
10. An electronic age verification scanner shall be installed, maintained, and utilized for all off-sale alcohol sales.
11. Signs shall be posted at the location in English and Spanish with regard to prohibitions of open containers and loitering at the location, and no loitering will be tolerated.
12. No single 40 oz. containers of beer may be sold from premises.
13. No malt liquor or fortified wine products (wines with greater than 15% alcohol content) shall be sold.
14. Sales of wine shall be in containers of at least 750 ml.
15. No coin operated video or arcade games and no adult magazines or videos shall be sold.
16. No pay telephone booths shall be permitted on the premises.
17. Any alcohol license violation and/or suspension by the Alcohol Beverage Control Board or significant criminal activity, in the opinion of the City Police Chief, shall constitute grounds for review and modification or revocation of this use Permit in accordance with Section 37-60.640: Expiration- transferability; recordation; rescission; revocation, of the Salinas Zoning Code.

Additional conditions could be added, including those recommended by the Salinas Police Department per the attached comments dated August 1, 2025 (Exhibit “D” of CUP 2025-023):

1. Digital surveillance system with high quality cameras focused on the points of sales, entrances/exits of the business and the parking lot, with the capability to store the digital images captured. The video/photos must be retained for 30 days and be made available to Police upon request.
2. Ample lighting in the parking lots, exterior area of entrances/exits and situated in areas to enhance video surveillance equipment.
3. All legal requirements be met so that the business be posted for trespassing and enforceable by the police department for Salinas Code (SCC) 21-35.

Findings:

The Planning Commission may approve an application for Conditional Use Permit to establish and operate an Off-sale alcohol related use (Type 21 ABC license) for a proposed 2,618 square-foot convenience store (Clink Liquor Store) located at the Laurel West Shopping Center, if all the findings set forth in the proposed Planning Commission Resolution are established.

CEQA CONSIDERATION:

The environmental impacts of the project have been analyzed in accordance with the California Environmental Quality Act (CEQA). The project has been determined to be exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) of the CEQA Guidelines. The proposed project is exempt because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen 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.

TIME CONSIDERATION:

The project was deemed complete on October 22, 2025. Final action is required by December 21, 2025, pursuant to the Permit Streamlining Act.

ALTERNATIVES AVAILABLE TO THE COMMISSION:

The Planning Commission has the following alternatives:

1. Affirm the findings set forth in the attached Resolution, find the application exempt from the California Environmental Quality Act (CEQA), and approve Conditional Use Permit 2025-023 with modifications; or
2. Find that the proposal is not appropriate and establish findings at the public hearing stating the reasons for not approving Conditional Use Permit 2025-023.

ATTACHMENTS:

Proposed Planning Commission Resolution

Draft Conditional Use Permit 2025-023 with the following exhibits:

Exhibit "A" Vicinity Map

Exhibit "B" Site Layout (Sheet S1)

Exhibit "C" Floor Plan (Sheet A1)

Exhibit "D" Police Department Memorandum dated August 1, 2025

Map of Off-sale Alcohol Licenses in Census Tract 18.02

Map of Off-sale Alcohol Licenses in Salinas

Map of CUP 2025-023 to Park and Schools

Cc: Simon Maida, Applicant
Rexford Title Inc., Property Owner
Liliger Damiso
Sgt. Gerardo Magana, Salinas Police Department
Sun Street Centers
Other interested parties

I:\ComDev\Planning Share Space\Conditional Use Permits\2025 CUP's\CUP 2025-023 - 1018 N Davis Rd\CUP 2025-023 PC Staff Report.docx



ALTERNATIVE DISPUTE RESOLUTION
A PROFESSIONAL LAW CORPORATION
60 WEST ALISAL STREET, SUITE 101
SALINAS, CALIFORNIA 93901
POST OFFICE BOX 1411
SALINAS, CALIFORNIA 93902

JOHN L. BAILEY
E-MAIL John@BaileyADR.com
AREA CODE 831
TELEPHONE 783-0779
FACSIMILE 422-0180

December 1, 2025

Hand Delivered, and sent Via Email: currplanwebmail@ci.salinas.ca.us

City of Salinas
Community Development Department
Attn: Tom Wiles, Senior Planner
65 West Alisal Street, 2nd Floor
Salinas, CA 93901



Re: Development Review Application - Appeal of Planning Commission
Decision - UP 2025-023 - Applicant: Simon Maida

Dear Mr. Wiles:

I am writing as legal counsel for Simon Maida to formally submit this Development Review Application for an appeal of the Planning Commission's decision regarding Use Permit Application UP 2025-023, rendered on November 19, 2025.

This appeal is timely filed pursuant to Zoning Code Section 37-60.1290(a), as it is being submitted within the 10-day appeal period, with today, December 1, 2025, being the deadline as calculated under Section 37-60.1290(b).

In accordance with Zoning Code Section 37-60.1280(a), this appeal is based upon the following grounds:

1. Error or Abuse of Discretion [Section 37-60.1280(a)(2)]: The Planning Commission erred in its interpretation and application of the relevant zoning standards to the facts presented in this case.
2. Decision Not Supported by the Record [Section 37-60.1280(a)(4)]: The Planning Commission's findings and conclusions are not supported by substantial evidence in the administrative record, and the decision fails to adequately address evidence favorable to the applicant's position.

3. Determination Not in Accord with the Purposes of the Zoning Article [Section 37-60.1280(a)(1)]: The Commission's determination conflicts with the stated purposes and intent of the applicable zoning provisions.

Enclosed with this cover letter are:


- Completed Development Review Application form
- Processing fee of \$972.30 (payable to "City of Salinas")
- Detailed statement of appeal grounds with supporting documentation

We respectfully request that this matter be scheduled for hearing before the City Council at the earliest available date. We are prepared to provide any additional information or documentation that may be required to process this appeal.

Please confirm receipt of this appeal application and advise regarding the anticipated hearing schedule.

Thank you for your attention to this matter.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "John L Bailey", with a long, sweeping horizontal line extending to the right.

John Leonard Bailey

Attorney for Applicant Simon Maida

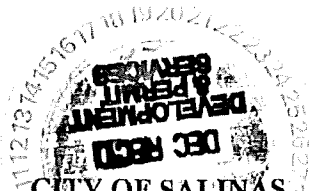
SBN252783

cc: Simon Maida, Applicant

Fee: _____

Planner: _____

Official Use Only


CITY OF SALINAS
 Community Development Department
 65 West Alisal Street
 Salinas, CA 93901
 (831) 758-7206

Permit No.: _____

Date Received: _____

Official Use Only

DEVELOPMENT REVIEW APPLICATION

- | | |
|---|---|
| <input type="checkbox"/> Site Plan Review | <input type="checkbox"/> General Plan Amendment |
| <input type="checkbox"/> Conditional Use Permit | <input type="checkbox"/> Master Sign Plan |
| <input type="checkbox"/> Rezoning | <input type="checkbox"/> Subdivision Map (TM, Parcel, LLA, etc.) |
| <input type="checkbox"/> Planned Unit Development | <input checked="" type="checkbox"/> Other (Please specify) <u>Appeal of PC Decision Re: UP 2025-023</u> |

APPLICANT INFORMATION

Simon Maida

Name

1018 North Davis Road.

Address

Salinas CA 93907

City

State

Zip

(831) 783-0779

Phone

Fax

JOHN@BaileyADR.com

E-mail

Signature*

John L. Bailey

Printed Name

PROJECT DESCRIPTION

1018 N. Davis Rd.

Site Address

261-711-070-000

Assessor's Parcel Number

Description of Proposal:

Appeal of PC Decision
Re UP 2025-023

PROPERTY OWNER INFORMATION

Rexford Title Inc.

Name

1018 N. Davis Rd

Address

Salinas CA 93907

City

State

Zip

E-mail

Signature*

Printed Name

RELATED FILES

COMMENTS

Official Use Only

* I/we declare under penalty of perjury that the information contained in this Application, including any plans and documents submitted herewith, are true and correct to the best of my/our knowledge. I/we further declare that I/we agree to the Standard Permit Conditions shown on the reverse side. I/we recognize that this application(s) may be subject to the California Environmental Quality Act, §21000 et seq. of the Public Resources Code.

APPEAL OF PLANNING COMMISSION DECISION

CONDITIONAL USE PERMIT 2025-023

TO THE SALINAS CITY COUNCIL

PROJECT INFORMATION

Applicant: Simon Maida

Property Owner: Rexford Title Incorporated

Location: 1018 North Davis Road (Laurel West Shopping Center)

Proposed Use: 2,618 square foot convenience store with Type 21 ABC License (Off-sale beer, wine, and distilled spirits)

Business Name: Click Liquor Store

Date of Planning Commission Decision: November 19, 2025

Appeal Filing Deadline: December 1, 2025

GROUND FOR APPEAL

This appeal is filed pursuant to Salinas Zoning Code Section 37-60.1280 on all four statutory grounds:

1. The determination is not in accord with the purposes of the Zoning Code;
2. There was an error or abuse of discretion;
3. The record includes inaccurate information;
4. The decision is not supported by the record.

DETAILED ARGUMENTS

I. THE DETERMINATION IS NOT IN ACCORD WITH THE PURPOSES OF THE ZONING CODE

The Planning Commission's denial contradicts the fundamental purposes of the Zoning Code's alcohol license review regulations. Section 37-50.030(a) states the purpose is to 'provide for the orderly integration of alcohol-related uses in the City.' The proposed convenience store meets all objective criteria and operational standards required by the

Code.

Key Facts Supporting Approval:

- **Location in Commercial Retail (CR) Zone:** The site is properly zoned for retail commercial uses, including convenience stores with alcohol sales.
- **Not in Crime Area:** The site is located in PRD 181 with 78 reported crimes in 2024, which is below the 88.12 threshold for undue concentration (89% vs. 120% required for undue concentration).
- **Exceptional Distance from Other Outlets:** The average distance to other off-sale outlets in CT 18.02 is 5,883 feet, far exceeding the 956-foot average for approved CUPs since 2010.
- **Police Department Support:** The Salinas Police Department explicitly stated it 'does not object to the approval of CUP 2025-023' subject to standard security conditions.
- **Staff Recommendation:** Planning staff recommended approval, finding all required findings could be made.

II. THERE WAS AN ERROR OR ABUSE OF DISCRETION

The Planning Commission abused its discretion by denying a permit that meets all objective standards and has support from both staff and police. The denial appears to be based on subjective concerns not supported by evidence in the record.

Errors in the Commission's Decision:

1. **Disregarding Police Analysis:** The Commission ignored the Police Department's professional assessment that the location does not present undue public safety concerns.
2. **Misapplying 'Undue Concentration' Standard:** While CT 18.02 has 6 licenses (one over the 5 authorized), the Commission failed to properly weigh that the crime rate is significantly below the threshold and distances between outlets are exceptional.
3. **Failure to Find Public Convenience or Necessity:** The Commission ignored evidence that customers would benefit from one-stop shopping convenience in an established shopping center.
4. **Inconsistent Application of Standards:** The Commission approved Vallarta Supermarket's Type 21 license (CUP 2023-017) just 500 feet away in the same shopping center under similar circumstances.

III. THE RECORD INCLUDES INACCURATE INFORMATION

Based on the transcript excerpt, Commissioner Wruck's questions reveal confusion and potentially inaccurate understanding of key facts:

1. **Floor Plan Confusion:** Commissioner Wruck stated the 'floor plan looks different than her floor plan,' suggesting review of incorrect or outdated documents.

2. DUI Statistics Request: Commissioner Wruck asked for DUI statistics that the Police Sergeant could not provide, yet this unavailable information may have influenced the decision despite not being part of the required analysis under the Code.

3. Misunderstanding of Use: There appears to be confusion about whether the liquor store is 'part of the convenience store use' and whether food would be served, indicating fundamental misunderstanding of the proposal.

IV. THE DECISION IS NOT SUPPORTED BY THE RECORD

The evidentiary record overwhelmingly supports approval of this permit. Every objective criterion and professional analysis favors approval:

Evidence Supporting Approval:

- **Planning Staff Analysis:** 10-page staff report recommending approval with detailed findings
- **Police Department Memorandum:** No objection to approval (August 1, 2025)
- **CEQA Exemption:** Project found exempt under Section 15061(b)(3)
- **Compliance with All Conditions:** Applicant agreed to all 41 conditions of approval
- **General Plan Consistency:** Site designated Retail, consistent with Land Use Goal LU-1 and Policy LU-1.1
- **Economic Development:** Consistent with Policy ED-LU-1.17 promoting new investment

Evidence Against Approval:

The record contains no substantial evidence against approval. The only potential negative factor - being in CT 18.02 with 6 existing licenses versus 5 authorized - is mitigated by:

- Crime rate well below threshold (89% vs. 120%)
- Exceptional distances between outlets (5,883 feet average)
- Police Department's non-objection
- Previous approval of similar use 500 feet away is a large store, not a convenience store, and the one stop shopping in a convenience store is necessary for the success of the business.

COMPARATIVE ANALYSIS TO APPROVED PERMITS

This project compares favorably to the 61 alcohol-related CUPs processed since 2010:

Distance Comparisons:

- To other outlets: 5,883 feet (this project) vs. 956 feet (average)
- To schools: 570 feet (this project) vs. 1,900 feet (average) - still exceeds 600-foot state minimum
- To parks: 2,200 feet (this project) vs. 1,919 feet (average)

Crime Rate Comparison:

- This project: 89% (below threshold)
- Average approved: 146% (above threshold)

The Commission has approved permits with significantly worse metrics than this application, including locations with crime rates as high as 386% and with existing alcohol outlet concentrations as high as 800%.

PUBLIC CONVENIENCE OR NECESSITY FINDING

Public convenience and necessity would be served by this permit because:

- 1. One-Stop Shopping Convenience:** Customers can complete shopping needs without multiple trips, reducing traffic and emissions.
- 2. Established Shopping Center Location:** The Laurel West Shopping Center is designed for retail uses and has adequate parking and infrastructure.
- 3. Enhanced Security Measures:** Applicant commits to high-quality surveillance, enhanced lighting, and all Police Department recommendations.
- 4. Responsible Operator:** All owners and managers will complete ABC-certified responsible beverage service training.
- 5. Economic Benefits:** Creates jobs and generates tax revenue for the City.
- 6. Distance from Other Outlets:** At 5,883 feet average distance, this location serves an underserved area of the census tract.

REQUESTED RELIEF

For the foregoing reasons, Appellant respectfully requests that the City Council:

1. REVERSE the Planning Commission's denial of Conditional Use Permit 2025-023;
2. FIND that the project is exempt from CEQA pursuant to Section 15061(b)(3);

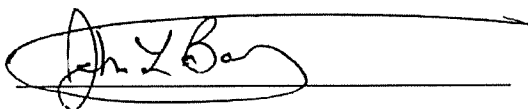
3. MAKE all required findings for approval as detailed in the staff report;
4. FIND that public convenience or necessity would be served; and
5. APPROVE Conditional Use Permit 2025-023 with the conditions recommended by staff and the Police Department.

CONCLUSION

This is not a close case. Every objective measure, every professional analysis, and every comparable precedent supports approval. The Planning Commission's denial represents an arbitrary departure from established standards and precedent. The City Council should correct this error and approve the permit with appropriate conditions.

The applicant has demonstrated full compliance with all applicable regulations, has agreed to comprehensive conditions of approval, and has the support of both professional planning staff and law enforcement. Denial under these circumstances constitutes an abuse of discretion that should be reversed.

Respectfully submitted,

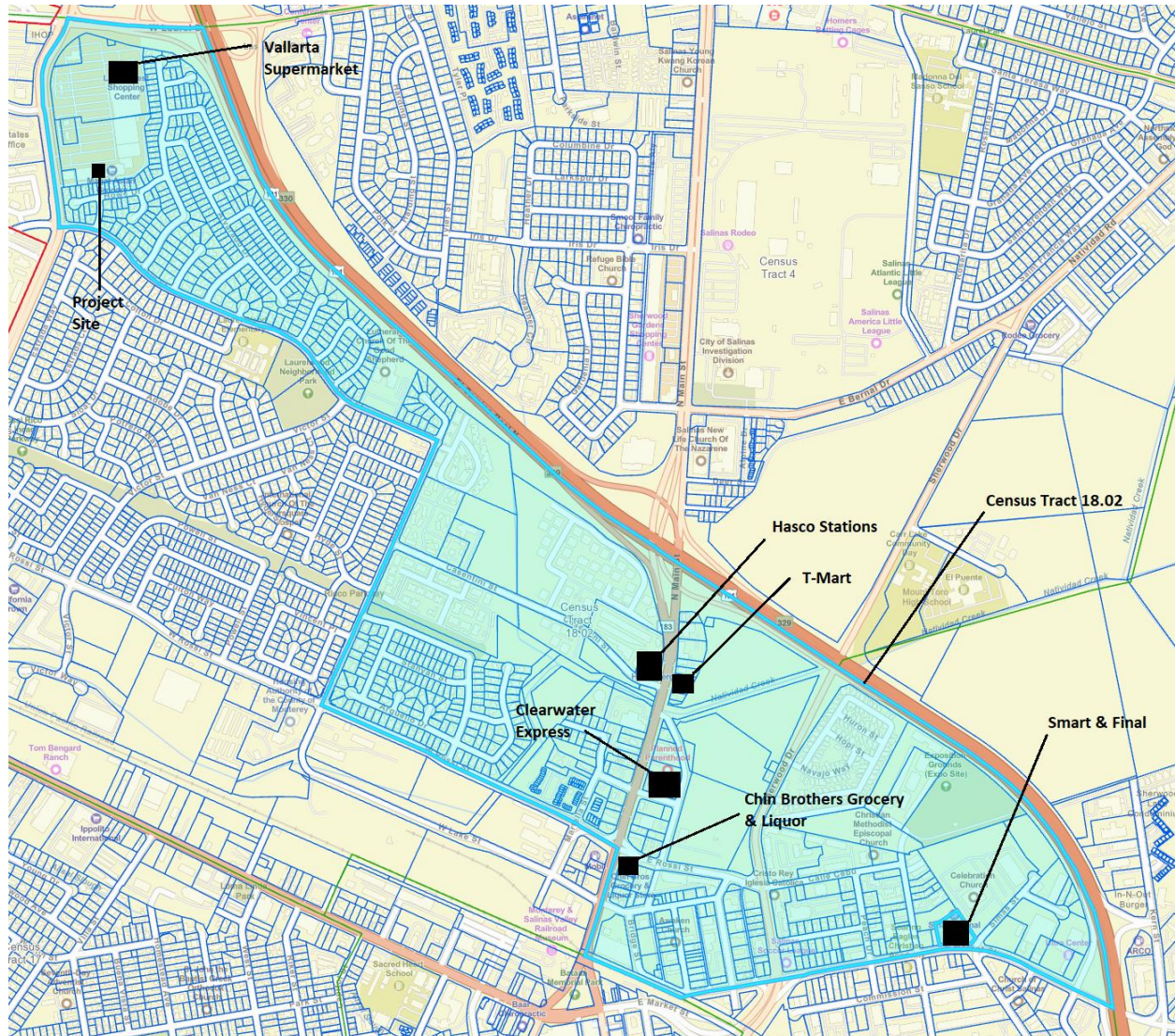
A handwritten signature in black ink, appearing to read "John L Bailey", is written over a horizontal line. The signature is stylized with a large initial "J" and a long horizontal stroke extending to the right.

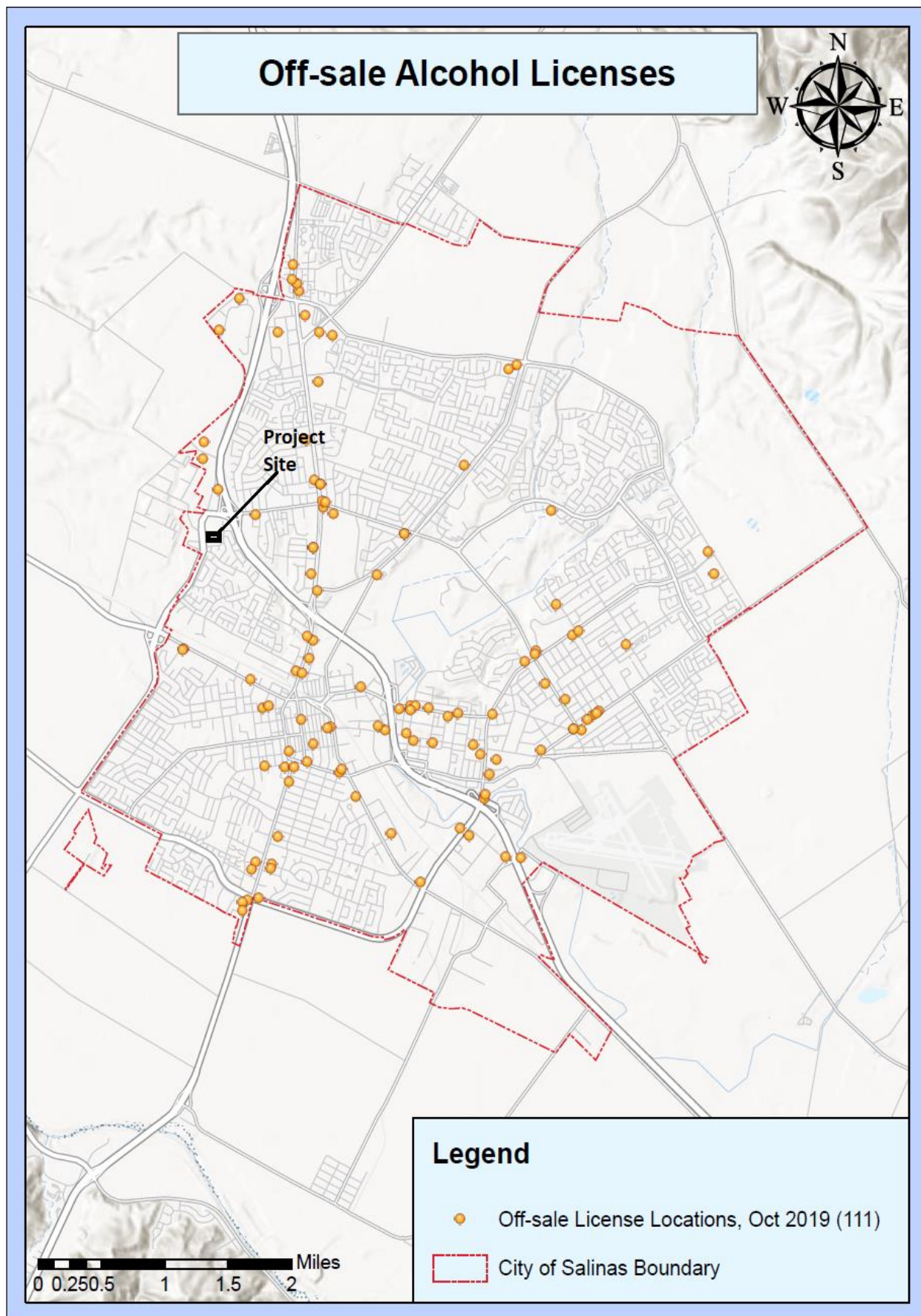
John Leonard Bailey

Attorney for Appellant Simon Maida

Date: December 1, 2025

OFF-SALE ALCOHOL LICENSES IN CENSUS TRACT 18.02





Map of CUP 2025-023 (1018 North Davis Road) to Park and Schools



List of Conditional Use Permit Applications for Alcohol Related Uses

No.	Project Number	Status	Type	Address	Approval Date	Approval Body	1:1 Req?	Off-sale?
1.	CUP 2010-004	Approved	Off-Sale Alcohol	970 Work St.	4/19/2011	City Council	Yes	Yes
2.	CUP 2010-006	Expired	Off-Sale Alcohol	1532 N. Main St.	6/14/2011	City Council	Yes	Yes
3.	CUP 2010-007	Approved	Off-Sale Alcohol	615 W. Laurel Dr.	6/6/2010	Planning Commission	Yes	Yes
4.	CUP 2010-013	Approved	Off-Sale Alcohol	306 N. Main St.	10/12/2010	City Planner	No	Yes
5.	CUP 2010-018	Approved	On Site Alcohol	242 Williams Rd.	8/2/2011	City Planner		No
6.	CUP 2011-005	Denied	Off-Sale Alcohol	575 N. Sanborn Rd.	N/A			
7.	CUP 2011-009	Approved	Off-Sale Alcohol	1375 N. Davis Rd.	6/1/2011	Planning Commission	Yes	Yes
8.	CUP 2011-010	Approved	Off-Sale Alcohol	1800 N. Main St.	6/14/2011	City Council	Yes	Yes
9.	CUP 2011-022	Approved	On-Sale Alcohol	1730 N. Main St.	10/10/2011	City Planner		No
10.	CUP 2011-023	Withdrawn	Off-Sale Alcohol	1730 N. Main St.	N/A			
11.	CUP 2012-001	Approved	On-Sale Alcohol	1391 N. Davis Rd.	2/12/2012	City Planner		No
12.	CUP 2012-003	Approved	On-Sale Alcohol	1748 N. Main St.	3/27/2012	City Planner		No
13.	CUP 2012-005	Denied	Off-Sale Alcohol	8 Williams Rd.	N/A			
14.	CUP 2013-003	Approved	Off-Sale Alcohol	1045 N. Main St.	9/24/2013	City Council	No	Yes
15.	CUP 2013-006	Approved	On-Sale Alcohol	1988 N. Main St.	7/1/2013	City Planner		No
16.	CUP 2014-004	Withdrawn	On-Sale Alcohol	242 Williams Rd.	N/A			
17.	CUP 2014-025	Denied	Off-Sale Alcohol	1532 N. Main St.	N/A			
18.	CUP 2015-004	Approved	On-Sale Alcohol	124 Abbott St.	8/4/2015	City Planner		No
19.	CUP 2015-011	Approved	On-Sale Alcohol	1938 N Main St.	6/9/2015	City Planner		No
20.	CUP 2015-016	Approved	Off-Sale Alcohol	215 E. Alisal St.	9/16/2015	Planning Commission	No	Yes
21.	CUP 2015-023	Denied	Off-Sale Alcohol	602 Williams Rd.	N/A			
22.	CUP 2015-034	Denied	Off-Sale Alcohol	170 E. Laurel Dr.	N/A			
23.	CUP 2016-002	Withdrawn	On-Sale Alcohol	242 Williams Rd.	N/A			

24.	CUP 2016-005	Approved	On-Sale Alcohol	66 W. Alisal St.	6/7/2016	City Planner		No
25.	CUP 2016-006	Approved	Off-Sale Alcohol	150 Main St.	6/24/2016	City Planner		N/A
26.	CUP 2016-013	Withdrawn	Off-Sale Alcohol	1000 Market St.	N/A			
27.	CUP 2016-019	Approved	Off-Sale Alcohol	201 Monterey St.	03/21/2017	City Council	No	
28.	CUP 2016-020	Approved	On-Sale Alcohol	1000 Davis Rd.	12/12/2016	City Planner		No
29.	CUP 2017-003	Approved	On-Sale Alcohol	350 Northridge Mall	04/07/2017	City Planner		No
30.	CUP 2017-005	Withdrawn	Off-Sale (Type 20 To 21)	980 Acosta Plaza.	N/A			
31.	CUP 2017-014	Withdrawn	On-Sale Alcohol	309 Williams Rd.	N/A			
32.	CUP 2018-001	Approved	On-Sale Alcohol	1600 Northridge Mall	02/27/2018	City Planner		No
33.	CUP 2018-002	Approved	On-Sale Alcohol	723 Alisal St.	10/12/2018	City Planner		No
34.	CUP 2018-003	Expired	On-Sale Alcohol	1220 S. Main St.	02/26/2018	City Planner		No
35.	CUP 2018-005	Approved	Off-Sale Alcohol	1764 N. Main St.	10/02/2019	Planning Commission	No	Yes
36.	CUP 2018-008	Expired	Off-Sale Alcohol	1438 S. Main St.	N/A			
37.	CUP 2018-012	Withdrawn	On-Sale Alcohol	1366 s. Main St.	N/A			
38.	CUP 2018-023	Approved	On-Sale Alcohol	309 Williams Rd.	01/09/2019	City Planner		No
39.	CUP 2018-024	Approved	On-Sale Alcohol	213 Monterey St.	11/27/2018	City Planner		No
40.	CUP 2018-025	Approved	On-Sale Alcohol	242 Williams Rd.	04/30/2019	City Planner		No
41.	CUP 2018-029	Approved	On-Sale Alcohol	1790 Northridge Mall	02/20/2020	City Planner		No
42.	CUP 2019-009	Approved	On-Sale Alcohol	210 Main St.	08/22/2019	City Planner		Not determined
43.	CUP 2019-020	Approved	On-Sale Alcohol	1582 Constitution Blvd.	01/07/2020	City Planner		No
44.	CUP 2020-015	Approved	Off-Sale Alcohol	1264 De La Torre	10/23/2020	City Planner	No (Not Und.)	Yes
45.	CUP 2021-008	Approved	On-Sale Alcohol	1220 S. Main St.	04/02/2021	City Planner		No
46.	CUP	Approved	Off-Sale	1640 N.	09/15/2021	Planning	No	Yes

	2021-022		Alcohol	Main St.		Commission		
47.	CUP 2021-025	Approved	On-Sale Alcohol	835 S. Main St.	12/15/2021	Planning Commission		No
48.	CUP 2021-029	Approved	On-Sale Alcohol	822 E. Alisal St.	01/03/2022	City Planner		No
49.	CUP 2021-030	Approved	On-Sale Alcohol	1259 De La Torre St.	12/20/2021	City Planner		No
50.	CUP 2022-017	Approved	On-Sale Alcohol	216 John St.	04/01/2022	City Planner		No
51.	CUP 2022-026	Approved	On-Sale Alcohol	66 W. Alisal St.	05/06/2022	City Planner		No
52.	CUP 2022-030	Approved	On-Sale Alcohol	215 Monterey St.	08/15/2022	City Planner		No
53.	CUP 2022-054	Approved	Off-Sale Alcohol	933 W. Alisal St.	12/21/2022	Planning Commission	No	Yes
54.	CUP 2022-061	Approved	On-Sale Alcohol	344 Main St.	02/28/2023	City Planner		No
55.	CUP 2023-017	Approved	Off-Sale Alcohol	1050 N. Davis Rd.	10/04/2023	Planning Commission	No	Yes
56.	CUP 2023-038	Approved	On-Sale Alcohol	1447 N. Main St.	09/09/2024	City Planner		No
57.	CUP 2023-047	Approved	On-Sale Alcohol	1002 Del Monte Ave. Ste. A	09/17/2024	City Planner		No
58.	CUP 2024-054	Approved	On-Sale Alcohol	66 W. Alisal St.	10/01/2024	City Planner		No
59.	CUP 2024-022	Approved	Off-Sale Alcohol	1012 Abbott St.	11/19/2024	Planning Commission	No	Yes
60.	CUP 2024-058	Denied	Off-Sale Alcohol	695 East Alisal Street	N/A	City Council		
61.	CUP 2024-065	Approved	Off-Sale Alcohol	201 Monterey St.	08/06/2025	Planning Commission	No	Yes
62.	CUP 2025-023	Denied (In appeal)	Off-Sale Alcohol	1018 North Davis Road	11/19/2025	Planning Commission	No	Yes



CONDITIONAL USE PERMIT 2025-023; APPEAL OF
PLANNING COMMISSION DENIAL OF AN OFF-SALE
ALCOHOL RELATED USE (TYPE 21 ABC LICENSE)
LOCATED AT THE LAUREL WEST SHOPPING CENTER AT
1018 NORTH DAVIS ROAD

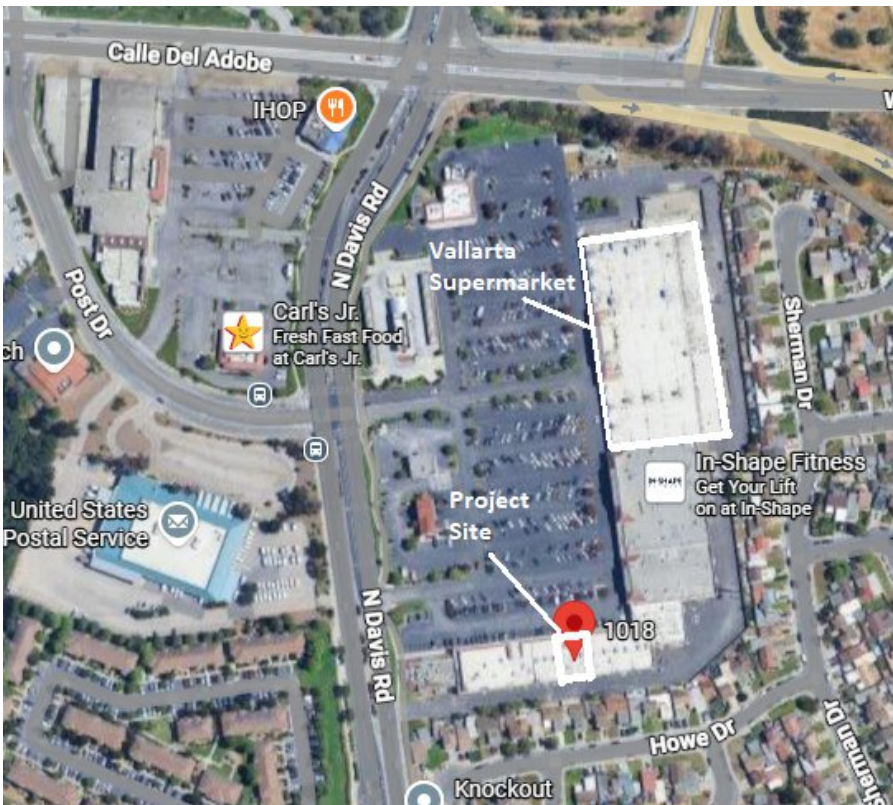
Tuesday, January 27, 2026

City Council

Thomas Wiles, Senior Planner

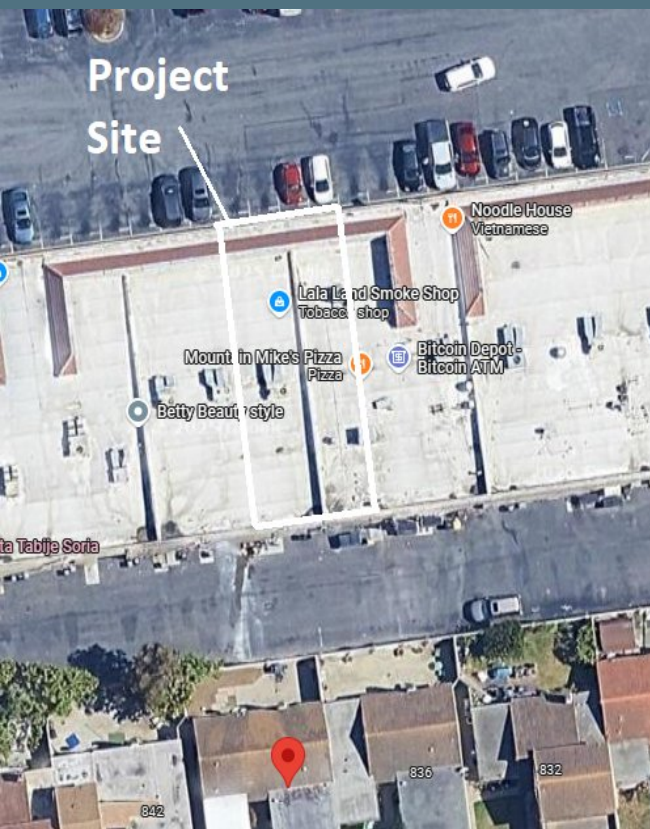
Community Development Department

Executive Summary



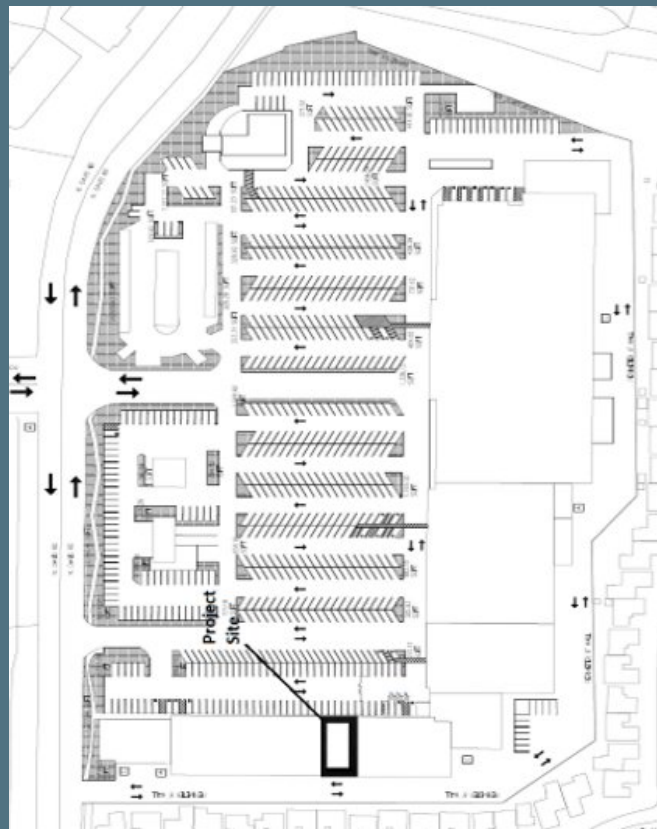
- Applicant: Simon Maida
- Rexford Title Inc., Property Owner
- Use: Off-sale alcohol
 - Type 21 ABC license – Beer, Wine, & Distilled Spirits
- Laurel West Shopping Center
 - Existing 2,618 sf. space
 - Clink Liquor Store

Background



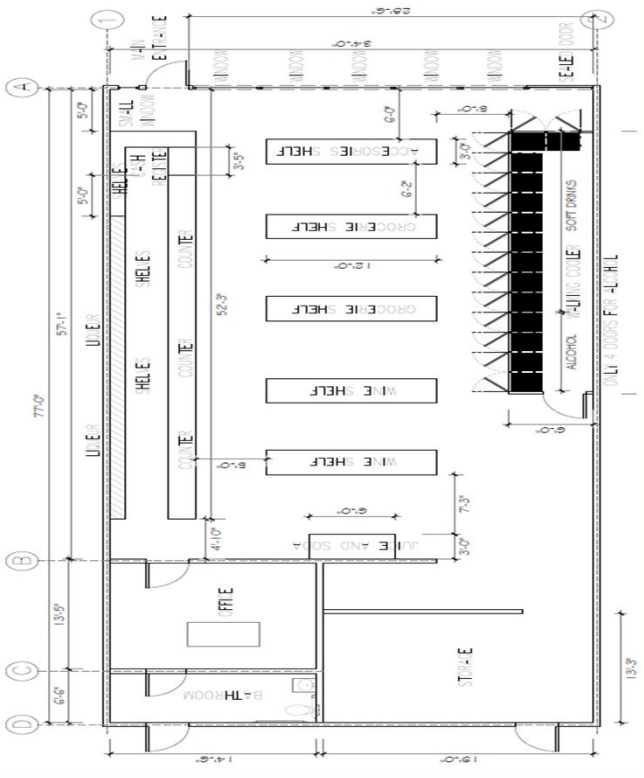
- Zone: Commercial Retail (CR)
- Surrounding uses:
 - Commercial,
 - Government, &
 - Residential

Background (cont.)



- November 19, 2025 – Planning Commission denied CUP
 - December 1, 2025 - Applicant appealed CUP denial
- January 13, 2026 - Original City Council Hearing date, and continued to January 27, 2026
- Public Notice:
 - December 19, 2025 – Mailed and posted on-site, City Hall, and Permit Center
 - December 25, 2025 – Published in the Monterey County Weekly

Discussion



- Undue Concentration
 - Number of Outlets in CT 18.02
 - Five (5) Allowed
 - Six (6) Active
 - Seven (7) if CUP approved
- Crime
 - PRD does not exceed undue concentration
- Salinas Police Department does not object
 - Anticipated increase in Police services

Planning Commission Denial/Appeal

- November 19, 2025 – Planning Commission denied the CUP
 - 3-2 vote
 - Finding of Public Convenience or Necessity was not established:
 - Too close to a similar off-sale alcohol related use
 - Too close to a school
 - Concerns of increased DUI accidents

Planning Commission Denial/Appeal (Cont.)

- Applicant's appeal cites Zoning Code Section 37-60-1280(a)(1-4):
 - (1) A determination or interpretation that is not in accord with the purposes of this article;
 - (2) There was an error or abuse of discretion;
 - (3) The record includes inaccurate information; or
 - (4) A decision is not supported by the record.

Conclusion

- Alternatives Available to Council
 - Uphold appeal and CUP remains denied
 - Overturn appeal and approve the CUP
- CEQA Determination:
 - If appeal upheld - Section 15270
 - If appeal overturned – Section 15061(b)(3)



Questions?



City of Salinas

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

Legislation Text

File #: ID#25-607, **Version:** 1

**Establishment of a Zone of Benefit in the Central Area of the North of Boronda Future Growth Area -
CONTINUED TO FEBRUARY 3, 2026**

Approve a Resolution forming a Zone of Benefit in the Central Area of the North of Boronda Future Growth Area.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JANUARY 13, 2026

DEPARTMENT: ADMINISTRATION

FROM: LISA MURPHY, ASSISTANT CITY MANAGER

TITLE: ESTABLISHMENT OF A ZONE OF BENEFIT IN THE CENTRAL AREA OF THE NORTH OF BORONDA FUTURE GROWTH AREA

RECOMMENDED MOTION:

A motion to approve a resolution forming a Zone of Benefit in the Central Area of the North of Boronda Future Growth Area.

EXECUTIVE SUMMARY:

On June 3, 2014, the City Council adopted Ordinance No. 2549, which ordinance was subsequently amended by Ordinance No. 2590 adopted by the City Council on February 21, 2017, (collectively the “Ordinance”) to establish a method by which developers and property owners may be reimbursed for certain costs associated with the annexation and pre-development of the North of Boronda Future Growth Area (“FGA”). Pursuant to the Ordinance, on August 7, 2024, East Boronda, LLC first submitted an application for establishment of a Zone of Benefit within the Central Area of the FGA to establish the reimbursement methodology for the Central Area. Following completion of the review process outlined in the Ordinance, the proposed Zone of Benefit is now being presented to the City Council for consideration.

BACKGROUND:

The of North Boronda Future Growth Area (FGA) consists of approximately 2,388 acres of land within the city of Salinas. The FGA is planned for up to 11,485 dwelling units and up to 3,992 million square feet of commercial/retail/mixed use and public uses. There are four planning areas within the FGA: a) West Area; b) Central Area; c) East Area; and d) portions of the West Area included within the adopted Gateway Center Specific Plan. Specific Plans have been approved and Final Environmental Impact Reports certified for the West Area, Central Area, and Gateway Specific Plan Area. The City is in the process of preparing a specific plan and associated environmental review for the East Area.

The Ordinance, attached to this Report as Attachment 1, establishes a system by which a “Sponsor” – in this case East Boronda, LLC—may get reimbursed for costs it incurred during the annexation and pre-development entitlement processes for the Central Area by the other property owners within the Central Area who have benefitted from the Sponsor’s work. By forming a “Zone of

Benefit,” the City can ensure that property owners who benefited from the Sponsor’s payment of annexation and entitlement costs, pay their proportional share to reimburse the Sponsor as required by the Ordinance.

East Boronda, LLC (Sponsor) for the Central Area submitted an application for formation of a Zone of Benefit in order to establish the framework by which it may be reimbursed for the costs it incurred in association with the annexation and pre-development of the Central Area.

In accordance with the Ordinance, upon receipt of the Application and the City’s determination that the Application was complete, the City hired Willdan Financial Services to serve as the Analyst to review the Application and to prepare a report with their recommendations to the City Council. (A copy of Willdan’s Analyst’s Report is included as Attachment 2). The Analyst’s Report verified the costs claimed by the Sponsor and determined their consistency with the Ordinance. The City has verified and approves the request for reimbursement and, therefore pursuant to the Ordinance, has forwarded the Analyst’s Report to the City Council for consideration.

Consistent with the Ordinance, notice of the proposed Zone of Benefit was published in the newspaper and mailed to all of the property owners within the proposed Zone of Benefit. No costs and expenses may be passed on to any property owner within the proposed Zone of Benefit unless it has been considered and approved at a public hearing before the City Council. The Ordinance provides an opportunity for affected property owners to protest the proposed imposition of costs and expenses at the public hearing. If a written protest against the proposed Reimbursement Charge is presented by a majority (greater than 50%) of the owners of the identified parcels of land within the proposed Zone of Benefit, the City shall not establish the Zone of Benefit or levy the Reimbursement Charge against the parcels within the proposed Zone of Benefit.

At the public hearing on the proposed Zone of Benefit, the City Council will consider the Sponsor’s application, the Analyst’s Report, and all written protests against establishment of the Zone of Benefit.

The property owners were provided notice and a ballot to protest the establishment of the Zone of Benefit.

As of the publishing of this staff report, the City has received two ballots. Property owners had up to 4:00pm on January 13th, 2026, to submit their protest.

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:

The City Council's consideration of this item supports the City Council's Housing Goal.

DEPARTMENTAL COORDINATION:

The City Manager's Department worked in collaboration with the Finance Department and City Attorney's office to review the Zone of Benefit Application, preparation of the Analyst's Report, and this report.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
NA	NA	NA	NA	NA

ATTACHMENTS:

1. Resolution Establishing a Zone of Benefit
2. Ordinance Nos. 2549 and 2590
3. Application (Updated)
4. Willdan (Analyst) Report

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

**A RESOLUTION ESTABLISHING A ZONE OF BENEFIT IN THE CENTRAL AREA
OF THE NORTH OF BORONDA FUTURE GROWTH AREA**

WHEREAS, on June 3, 2014, the City Council adopted Ordinance No. 2549 to provide for the establishment of a “Zone of Benefit” and reimbursement for costs incurred in connection with the annexation and entitlement of lands in the North of Boronda Future Growth Area (“FGA”). On February 21, 2017, the City Council adopted Ordinance No. 2590 amending Ordinance No. 2549 to clarify the methodology by which the proportionate share of developable lands within the FGA shall be calculated. Ordinance 2549, as amended by Ordinance No. 2590, is referred to herein as the “Reimbursement Ordinance”; and

WHEREAS, the Reimbursement Ordinance provides for the reimbursement of Annexation Costs (costs actually incurred and paid by a Sponsor in connection with the preparation, processing, and certification of environmental and other documentation necessary to allow for the annexation of the FGA into the city of Salinas), Entitlement Costs (all costs actually incurred and paid by a Sponsor in connection with the preparation, processing, and approval of a Specific Plan for land within the FGA and documentation required to comply with the California Environmental Quality Act), and City Costs (all Annexation Costs and Entitlement Costs actually incurred and paid by the City in association with the annexation of the FGA and the entitlement of lands within the FGA); along with interest on said costs expended by a Sponsor, from Non-Participating Owners and affected properties and

WHEREAS, the FGA consists of four planning areas, namely (1) West Area, (2), Central Area, (3) East Area, and (4) the Gateway Center Specific Plan (which lies within portions of the West Area); and

WHEREAS, pursuant to Section 4 of the Reimbursement Ordinance, on August 7, 2024, East Boronda, LLC (the “Sponsor”) submitted an application to the City requesting the City Council form a Zone of Benefit to cover the entire Central Area with a map of the Affected Properties, as shown on the Central Area Map attached hereto (Zone of Benefit Area) and establish the Reimbursement Charges. The Sponsor’s application includes, among other information, a detailed accounting of all Sponsor costs associated with annexation and entitlement of the Central Area, as well as a detailed accounting of interest for which the Sponsor seeks reimbursement from Non-Participating Owners of Affected Properties within the Zone of Benefit Area (Responsible Owners), and

WHEREAS, pursuant to Section 5 of the Reimbursement Ordinance, the City Manager selected Willdan Financial Services to review the Application and to prepare an Analyst’s Report; and

WHEREAS, in June of 2025 the city received the initial Analysts report from Willdan, then a revised Analyst’s report in November of 2025, containing the Analyst’s recommendations on the cost allocation and Reimbursement Charges to the City Council for consideration. A copy of the November 2025 Report, including a boundary diagram/map of the area to which the Zone of Benefit applies, is attached to this Resolution. The Analyst’s Report confirms the Sponsor has

incurred and expended the costs for which the Sponsor seeks reimbursement and confirms the costs were incurred and expended in furtherance of the annexation and entitlement of the properties within the proposed Zone of Benefit. The Analyst's Report also provides a recommendation of the amount of costs to be reimbursed by each property owner (Responsible Property Owner) within the proposed Zone of Benefit, considering the factors outlined in Section 5(d) of the Reimbursement Ordinance; and

WHEREAS, for purposes of allocating costs and expenses to Responsible Property Owners within the proposed Zone of Benefit, all costs and expenses have been separated into two periods: (1) Pre-2011, and (2) from 2011 to the present, to account for the period of time prior to 2011 when the Sponsor was party to an option agreement for the property now owned by the Hartnell College Foundation; and

WHEREAS, the Central Area comprises both "chargeable" and "non-chargeable" parcels totaling roughly 776.73 acres, benefiting from, or otherwise subject to the Annexation Costs and Entitlement Costs (Reimbursable Costs) for which the Sponsor seeks reimbursement. Reimbursable Costs are distributed on a pro-rata basis. The total amount of chargeable acreage is 776.75 total acres less 225.72 acres of roads, drainage, school sites, and open space for a net chargeable acreage of 551.03 acres. Using net developable (i.e., chargeable) acres as the divisor ensures that only land that can be subdivided, entitled, and ultimately developed bears the reimbursement burden (Reimbursement Charge), which satisfies the proportional-benefit standard. The net-acre basis also establishes a clear, measurable relationship between the costs incurred and the parcels that directly benefit from the costs; and

WHEREAS, prior to submitting the Application, in 2008, the Sponsor received partial reimbursement for annexation and entitlement costs and expenses from Harrod Construction Company (on behalf of the Christensen Trust). This partial reimbursement will be credited toward that owner's Reimbursement Charge; and

WHEREAS, pursuant to Section 6 of the Reimbursement Ordinance, the City Manager had notice of a public hearing on the proposed Zone of Benefit, set for January 13, 2026, published in a newspaper of general circulation and provided notice directly to the Sponsor and to all other Responsible Property owners within the proposed Zone of Benefit; and

WHEREAS, prior to the date set for the public hearing, the Sponsor met with owners of property within the proposed Zone of Benefit to discuss the Application and the property owners' proportionate share of the annexation costs and entitlement costs as described in the Analyst's Report; and

WHEREAS, the City Clerk has considered all written protests submitted against establishment of the Zone of Benefit and has determined that the written protests received are less than fifty percent (50%) of the identified parcels of land within the proposed Zone of Benefit.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF SALINAS AS FOLLOWS:

1. The above recitals are found to be true and correct and by this reference are fully incorporated herein.
2. A Zone of Benefit is hereby established within the Central Area of the North of Boronda Future Growth Area to include the following properties:

Owner	APNs
East Boronda LLC	153-091-023; 153-091-024; 153-091-022
Christensen Trust	153-091-018-000; 153-091-019-000; 153-091-020-000; 153-091-021-000
Hartnell College Foundation	153-091-017-000; 153-091-008-000; 153-091-009-000; 153-091-010-000
Scagliotti	153-071-034-000; 153-071-035-000; 153-071-036-000; 153-071-011-000
Natividad	211-013-012-000
Noon	153-091-003-000

3. The Reimbursement Charges are hereby approved as follows: The Sponsor shall be reimbursed for the actual and estimated Annexation Costs and Entitlement Costs, along with interest (as defined in the Reimbursement Ordinance and as described in the Analyst's Report) by each of the property owners within the Zone of Benefit, as follows (the "Reimbursement Charge):

Owners ¹	Eligible Acres	Percent Allocation	Charge per Acre	Total Charge	Amount to City (0.4%)	Amount to Sponsor
Christensen Trust	139.25	25.27%	\$7,352	\$1,023,817	\$4,095	\$1,019,721
Hartnell College Foundation	162.21	29.44%	\$7,925	\$1,285,519	\$5,142	\$1,280,377
Scagliotti	32.37	5.87%	\$20,909	\$676,817	\$2,707	\$674,110
Natividad	25.42	4.61%	\$20,909	\$531,501	\$2,126	\$529,375
Noon	8.07	1.46%	\$20,909	\$168,734	\$675	\$168,059
Total	367.32	100.00%	\$10,036	\$3,686,387	\$14,746	\$3,671,642

4. The methodology used to calculate the Reimbursement Charge owed by each Responsible Property Owner is based on a pro-rata developable acreage basis. The total amount of acreage within the Zone of Benefit is 776.75 less 225.72 acres of roads, drainage, school sites, and open space for a net developable acreage of 551.03.

¹ APNs shown in Paragraph 2, above.

5. The Reimbursement Charge established pursuant to this Resolution shall be paid by a Responsible Owner as a precondition to making application for the first City approval for any of the following: (i) a statutory development agreement for any portion of their property within the Zone of Benefit; (ii) a tentative subdivision map or parcel map to subdivide any portion of their property within the Zone of Benefit; (iii) any permit or land use entitlement for the development of any portion of their property within the Zone of Benefit. A Responsible Owner of property within the Zone of Benefit shall have no obligation to pay the City unless and until the owner of such property or a representative of such owner, applies to obtain approval from the City to develop their property within the Zone of Benefit or to obtain approval as set out in this section.
6. The City shall maintain a separate account for collection of the Reimbursement Charges and shall immediately pay to Sponsor a percentage of the amount so collected as specified in this Resolution until the full reimbursement of the amount of Reimbursement Charge specified in this Resolution has been paid.
7. Responsible Owners shall receive credit against the Reimbursement Charge levied against their property pursuant to this Resolution for costs which the Responsible Owner has actually paid through the Zone of Benefit or other verifiable means.
8. Whenever a Reimbursement Charge obligation of the Responsible Owner has been paid in full and permanently satisfied, the City shall prepare and record a Notice of Release of Reimbursement Lien identifying by assessor's parcel number and Responsible Owner's property being released.
9. The Sponsor's right to the Reimbursement Charge reimbursement is assignable and transferable, including but not limited to collateral assignment to the Sponsor's lender, after written notice is delivered to the City advising the City to whom future payments are to be made and after the City has given its written consent to such assignment or transfer, which consent will not be unreasonably withheld or conditioned.
10. Reimbursement Charges shall mature and become due and payable in full by Responsible Owners on or before January 13, 2036, (ten (10) years after the adoption of this Resolution, establishing the Reimbursement Charges).
11. Reimbursement Charges shall be collected by the City for a period of 20 years. If the Sponsor has not recovered its share of the Reimbursement Charges, the Sponsor may request that the City continue to collect the Reimbursement Charges for an additional 10 years. Such request shall be made in writing to the City Manager at least 120 days prior to the expiration of the 20-year period.

12. Collection of the Reimbursement Charges shall cease when the Sponsor has recovered its full share of the Reimbursement Charges or a period of 20 years has lapsed (or 30 years if extended as provided for above), whichever occurs first.
13. The Zone of Benefit and Reimbursable Charges owed to a Sponsor by the Responsible Property Owners runs with the land and shall be binding on all successors in interest and assigns of any of the Responsible Property Owner of property with the Zone of Benefit.
14. The City Manager shall cause a certified copy of this Resolution to be recorded in the office of the County Recorder for Monterey County, reflecting the amount levied against each Responsible Owner's Affected Property within the Zone of Benefit.
15. Upon approval of this Resolution, the City Manager shall cause a certified copy of this Resolution to be sent by the City by certified mail to the Sponsor and to all property owners affected by the Zone of Benefit.

PASSED AND APPROVED this 13th day of January 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Soratos, City Clerk

Attachments: November 2025 Report, Willdan Financial Services

ORDINANCE NO. 2590 (N.C.S.)

**AN ORDINANCE AMENDING ORDINANCE NO. 2549 REGARDING THE
ESTABLISHMENT OF A ZONE OF BENEFIT AND REIMBURSEMENT OF COSTS
INCURRED IN CONNECTION WITH THE ANNEXATION AND THE ENTITLEMENT OF
LANDS IN THE NORTH OF BORONDA FUTURE GROWTH AREA**

WHEREAS, on June 3, 2014, the Salinas City Council adopted an ordinance (Ordinance No. 2549) that establishes the method to reimburse a person or the City for financing certain costs and expenses related to the annexation and the entitlement of lands in the North of Boronda Future Growth Area ("FGA"); and

WHEREAS, the FGA consists of four planning areas for the purposes of preparing and processing specific plans and environmental review, namely (1) the West Area, being portions of the FGA lying between San Juan Grade Road and Natividad Road; (2) the Central Area, being portions of the FGA lying between Natividad Road and the extension of Constitution Boulevard; (3) the East Area, consisting of the portions of the FGA lying between the extension of Constitution Boulevard and Williams Road; and (4) the portions of the West Area included within the adopted Gateway Center Specific Plan; and

WHEREAS, each of the three of the planning areas (the West, the Central, and the East) includes areas which were either not annexed into the City when the FGA was annexed to the City in 2007 or which have no feasible development opportunities given their shape, size, topography, designation for use as a school site, or location within the planning area relative to the uses planned within the planning areas ("undevelopable areas"); and

WHEREAS, the undevelopable areas will not participate in sharing on a proportionate basis their fair share of the Annexation Costs and the City Costs, as those terms are defined in Ordinance No. 2549; and

WHEREAS, the Salinas City Council finds that given the undevelopable areas will not share in the Annexation Costs and the City Costs, the undevelopable areas should not be included when calculating the fair share of the Annexation Costs and the City Costs to be borne on a proportionate basis by each Sponsor, as that term is defined in Ordinance No. 2549; and

WHEREAS, in order to exclude the undevelopable areas from the calculation of the fair share costs, Ordinance No. 2549 must be amended; and

WHEREAS, the Salinas City Council finds and declares that the adoption of this Ordinance and the implementation of this Ordinance are exempt from the provisions of the California Environmental Quality Act in that it can be seen with certainty that there is no possibility that the adoption and the implementation of this Ordinance may have a significant effect on the environment. [CEQA Guidelines Section 15061(b)(3)].

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF SALINAS that Ordinance No. 2549 shall be amended as follows:

SECTION 1. Subdivision (8) of Section 3 shall be amended in its entirety to read as follows:

"(8) Proportionate Share. A percentage derived from a fraction in which the denominator shall be the total number of Developable Acres in the Zone of Benefit and the numerator shall be the number acres within the Zone of Benefit owned by an Owner."

SECTION 2. Subdivision (15) shall be added to Section 3 and shall read as follows:

"(15) Developable Acres. Land which was annexed to the City in 2007 as a part of the North of Boronda Future Growth Area which may be feasibly developed and which is not otherwise restricted from development because of its shape, size, topography, designation for use as a school site, or location within the planning area relative to the uses planned within the planning areas."

SECTION 3. 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 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.

PASSED AND ADOPTED this 21st day of February, 2017, by the following vote:

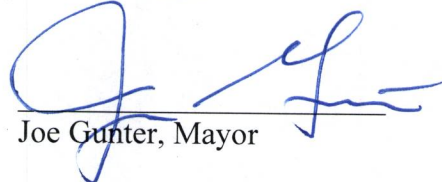
AYES: Councilmembers: Barrera, Craig, Davis, De La Rosa, McShane, Villegas and Mayor Gunter

NOES: None

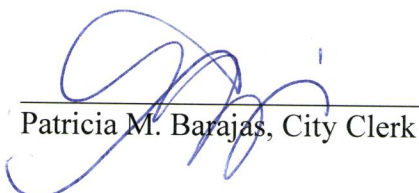
ABSENT: None

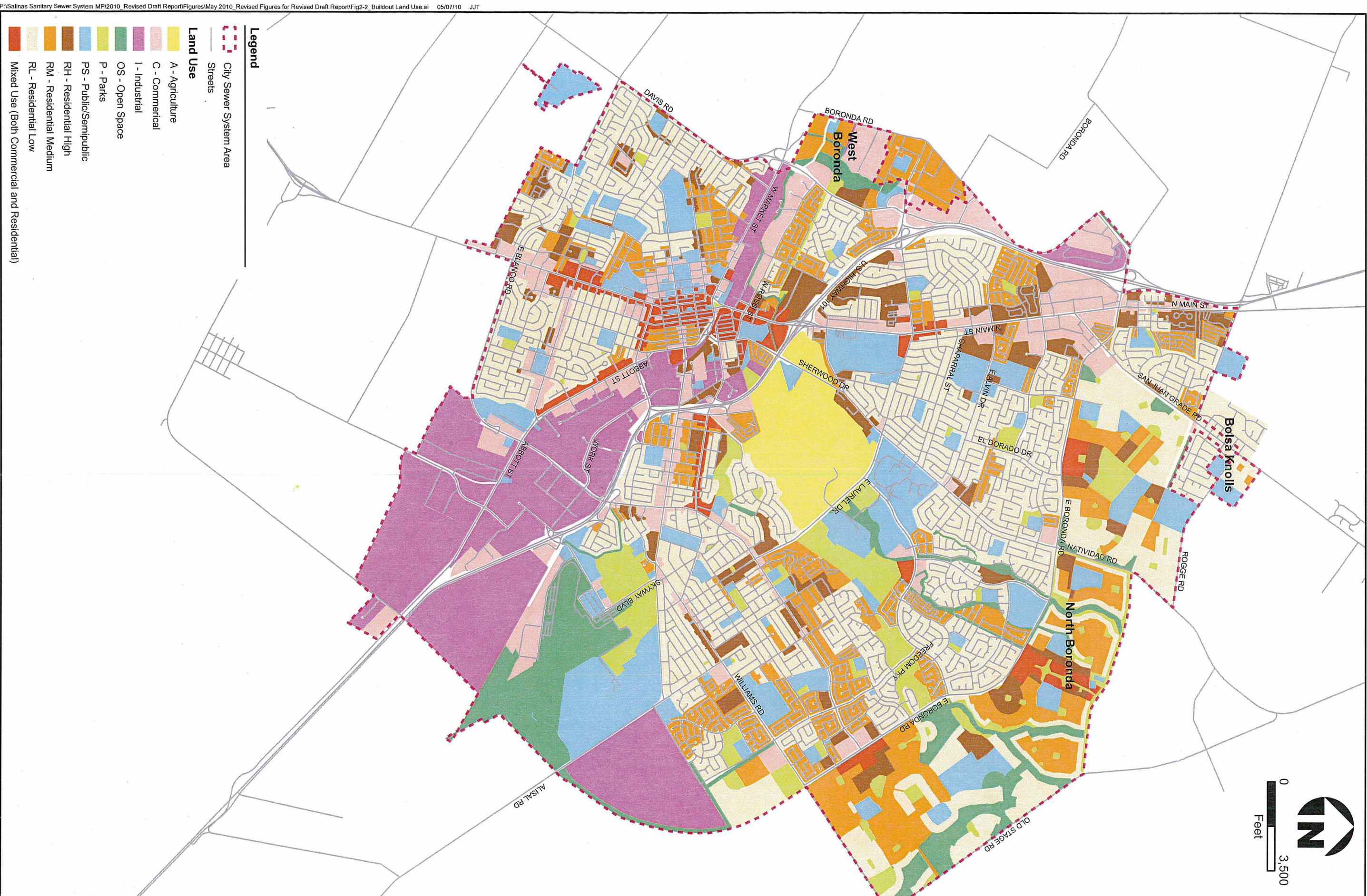
ABSTAIN: None

APPROVED:


Joe Gunter, Mayor

ATTEST:

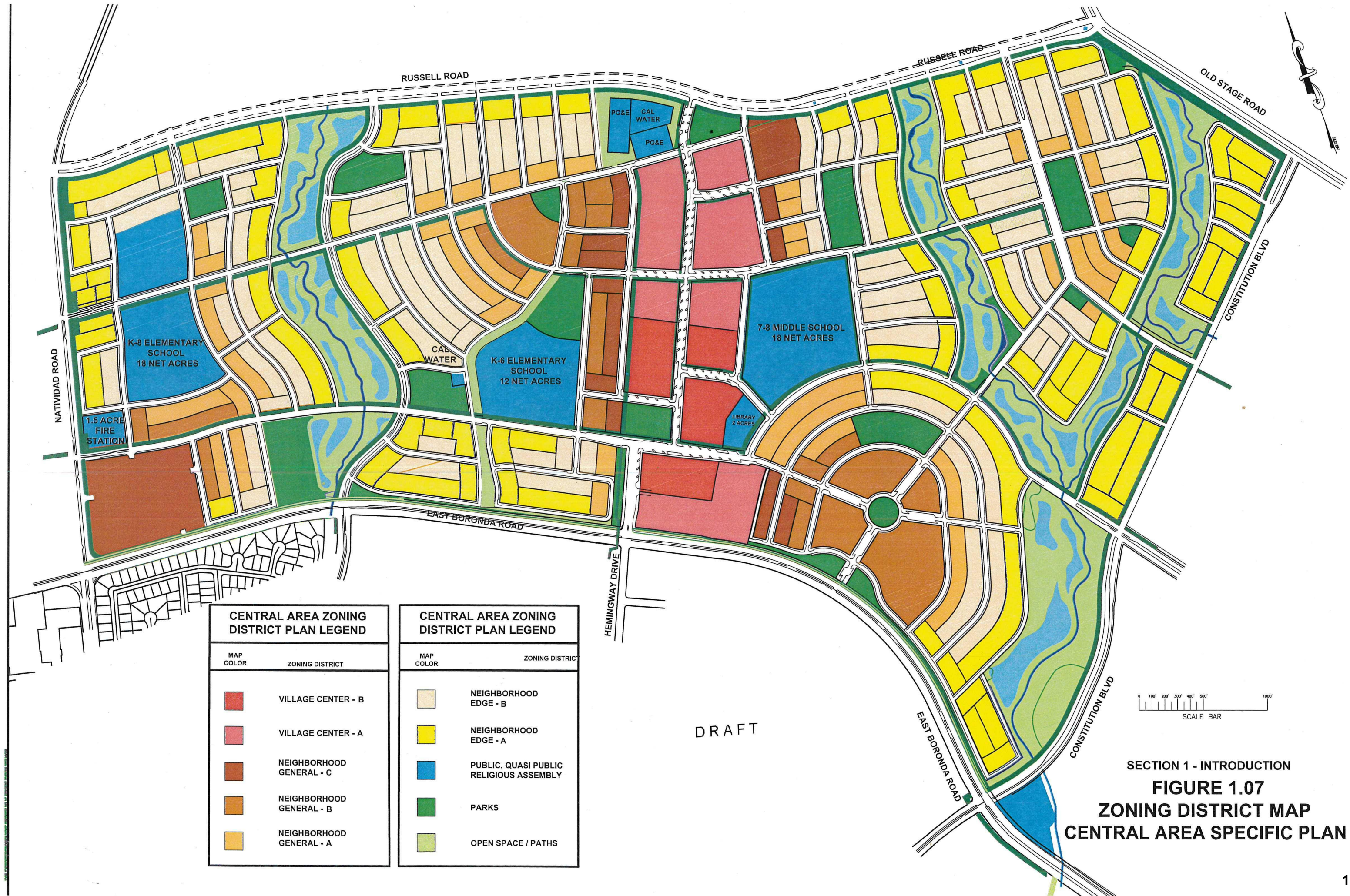

Patricia M. Barajas, City Clerk





West Area Specific Plan





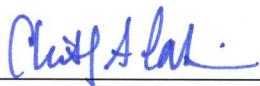
CENTRAL AREA ZONING DISTRICT PLAN LEGEND	
MAP COLOR	ZONING DISTRICT
[Red Box]	VILLAGE CENTER - B
[Pink Box]	VILLAGE CENTER - A
[Brown Box]	NEIGHBORHOOD GENERAL - C
[Orange Box]	NEIGHBORHOOD GENERAL - B
[Yellow Box]	NEIGHBORHOOD GENERAL - A

CENTRAL AREA ZONING DISTRICT PLAN LEGEND	
MAP COLOR	ZONING DISTRICT
[Light Yellow Box]	NEIGHBORHOOD EDGE - B
[Yellow Box]	NEIGHBORHOOD EDGE - A
[Blue Box]	PUBLIC, QUASI PUBLIC RELIGIOUS ASSEMBLY
[Green Box]	PARKS
[Light Green Box]	OPEN SPACE / PATHS

DRAFT

SECTION 1 - INTRODUCTION
FIGURE 1.07
ZONING DISTRICT MAP
CENTRAL AREA SPECIFIC PLAN

APPROVED AS TO FORM:



Christopher A. Callihan, City Attorney

ORDINANCE NO. 2549 (N.C.S.)

**AN ORDINANCE PROVIDING FOR THE ESTABLISHMENT OF A ZONE OF BENEFIT
AND REIMBURSEMENT FOR COSTS INCURRED IN CONNECTION WITH THE
ANNEXATION AND ENTITLEMENT OF LANDS IN THE NORTH OF BORONDA
FUTURE GROWTH AREA**

WHEREAS, the North of Boronda Future Growth Area (the "FGA") consists of approximately 2,388 acres of land within the city limits of the City of Salinas. The FGA is bounded on the south and southeasterly side by East Boronda Road between San Juan Grade Road and Williams Road; on the west side by San Juan Grade Road; and on the southeasterly side by Williams Road. The northerly boundary of the FGA is the northern and northeasterly boundary of the City of Salinas Sphere of Influence between San Juan Grade Road and Williams Road as adopted by the Monterey County Local Agency Formation Commission on May 19, 2008 by Resolution No. 08-09. The boundaries of the FGA are depicted on Exhibit "A" attached, and includes the Monterey County Assessor Parcels listed in Exhibit "B" attached; and

WHEREAS, the FGA is planned for up to 11,485 dwelling units and up to 3,992 million square feet of commercial/retail/mixed use and public and semi-public uses; and

WHEREAS, planning for the FGA was initiated with the adoption of the City's General Plan. An environmental impact report (the "EIR") was prepared and certified in connection with the adoption of the General Plan. The City's Sphere of Influence ("SOI") was amended to include the FGA, and the FGA was annexed to the City in 2007. A supplemental environmental impact report (the "SEIR") to the Salinas General Plan Final Program EIR was prepared and certified in connection with the SOI amendment and the annexation; and

WHEREAS, the preparation and certification of the SEIR, the SOI amendment and the annexation of the FGA benefitted all of the lands within the FGA; and

WHEREAS, the costs of the SOI amendment, the annexation procedures and SEIR (the "Annexation Costs") were paid by some, but not all, of the owners of the lands within the FGA and the city of Salinas; and

WHEREAS, the City incurred costs and expenses related to the preparation and certification of the SEIR, the SOI amendment and the annexation of the FGA (the "City Costs"), which efforts benefitted all of the lands and the property owners and developers within the FGA, which costs and expenses should be paid by the property owners and the developers; and

WHEREAS, the Annexation Costs and the City Costs should be borne fairly and proportionately by the owners of the property within the FGA annexed to the City and benefitted thereby; and

WHEREAS, the FGA is zoned New Urbanism Interim (NI) to provide a transitional zone for the future growth of the City; and

WHEREAS, all development within the FGA requires the preparation and adoption of statutory specific plans providing for the systematic implementation of the City's general plan within the FGA (Article 8 of Chapter 3 of the California Government code, commencing with Section 65450), and prepared in accordance with the New Urbanism design standards contained in the Salinas Zoning Code (Article 6, Division 15 of the Salinas Zoning Code, commencing with Section 37-60.1150); and

WHEREAS, the City has determined that the adoption of specific plans within the FGA will require compliance with the provisions of the California Environmental Quality Act (CEQA) (Public Resources Code 21000-21177) and the CEQA Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387); and

WHEREAS, the City has determined that the FGA shall consist of four (4) planning areas for the purposes of preparation and processing of specific plans and environmental review: a) the West Area, being portions of the FGA lying between San Juan Grade Road and Natividad Road; b) the Central Area, being the portions of the FGA lying between Natividad Road and the extension of Constitution Boulevard; c) the East Area, consisting of the portions of the FGA lying between the extension of Constitution Boulevard and Williams Road; and d) the portions of the West Area included within the adopted Gateway Center Specific Plan; and

WHEREAS, the costs incurred within each planning area associated with preparation of the specific plans and compliance with the provisions of CEQA, as well as the City Costs, should be borne fairly and proportionately by the owners of property within each planning area; and

WHEREAS, the City proposes to establish a system to implement and enforce such reimbursement.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF SALINAS as follows:

SECTION 1. Adoption of Recitals. The City Council finds and declares that the foregoing recitals are true and correct.

SECTION 2. Purpose. This ordinance establishes the method to reimburse a person or the City for financing the City Costs, the Annexation Costs, and the Entitlement Costs. It is intended to be used to mitigate the cost of financing such activities by distributing those costs fairly and proportionately among the owners of property within the FGA, at the time those benefitted property owners exercise their development rights under one of the specific plans or otherwise make use of the preparation and approval of any of the specific plans.

SECTION 3. Definitions.

(1) Annexation. The annexation of approximately 2,388 acres to the City of Salinas and the Monterey Regional County Sanitation District as approved by the Local Agency Formation Commission of Monterey County on May 19, 2008.

(2) Annexation Costs. All costs actually incurred and paid in connection with the preparation, processing, and certification of the SEIR, the adoption of the SOI Amendment, the annexation of the FGA to the City, and the rezoning of the FGA, including, without limitation, staff, consultant, and CEQA costs.

(3) City Costs. All Annexation Costs and Entitlement Costs actually incurred, supported by invoice and cancelled check, and paid by the City including, without limitation, any interest charges imposed by the City, compliance with the provisions of CEQA and the CEQA Guidelines and costs incurred for City staff time and for consultants.

(4) Entitlement Costs. All costs actually incurred, supported by invoice, cancelled check, and paid in connection with the preparation, processing, and approval of any of the specific plans for lands within the FGA and compliance with the provisions of CEQA and the CEQA Guidelines in connection therewith.

(5) Non-Participating Owner. An owner of land within a Zone of Benefit who did not pay any of its Proportionate Share of the Annexation Costs or the Entitlement Costs, or paid less than its Proportionate Share of such costs.

(6) Owner. A Person owning land within a Zone of Benefit.

(7) Person. An individual or any legal entity, including the City.

(8) Proportionate Share. A percentage derived from a fraction in which the denominator shall be the total number of acres in the Zone of Benefit and the numerator shall be the number of acres within the Zone of Benefit owned by an Owner.

(9) Reimbursement. Payment to the City and to Persons who actually incurred and paid Annexation Costs and Entitlement Costs from Reimbursement Charges collected from property owners within a Zone of Benefit established pursuant to this ordinance. In the case of the City, Reimbursements shall be 100% of the City Costs. In the case of other Persons, Reimbursements shall be in an amount equal to the Annexation Costs and Entitlement Costs actually incurred and paid by the Person being reimbursed in excess of that Person's Proportionate Share of such costs as determined pursuant to Sections 7 and 8 of this Ordinance.

(10) Reimbursement Charge. The amount of reimbursement to be paid by a non-participating owner as determined pursuant to Sections 7 and 8 of this Ordinance. The Reimbursement Charge is not intended to limit or replace, and is an addition to, any other development fees or charges imposed by the City or any assessment that may be levied by any assessment district.

(11) SEIR. The Supplement to the Salinas General Plan Final Program EIR certified by the Salinas City Council on December 11, 2007.

(12) SOI Amendment. The Comprehensive Amendment to Update the Spheres of Influence of the City of Salinas and the Monterey Regional Sanitation District approved by the Local Agency Formation Commission of Monterey County on May 19, 2008.

(13) Sponsor. A Person who has paid more than its Proportionate Share of the Annexation Costs or the Entitlement Costs, and who joins in initiating a Zone of Benefit pursuant to this Ordinance.

(14) Zone of Benefit. The area benefitted by the SOI Amendment, the Annexation, or the preparation, processing, and approval of any of the specific plans for lands within the FGA and compliance with the provisions of CEQA and the CEQA Guidelines in connection therewith.

SECTION 4. Initiation of Proceedings.

(1) Any Person seeking to prepare and process a specific plan within one of the FGA planning areas (the "Sponsor") may apply to the City to form a Zone of Benefit covering that planning area.

(2) An application to form a Zone of Benefit shall include the following:

(a) Annexation Costs. A detailed accounting of the Annexation Costs including, but not limited to, (i) the costs of preparation and processing of the SEIR, the SOI

Amendment and the Annexation proceedings, (ii) fees, costs and reimbursements paid to the City in connection with the processing of the SEIR, the SOI amendment and the Annexation of the FGA, (iii) costs incurred by the Sponsor for preparation of technical documents and studies, legal, engineering, planning, fiscal, and other consultants, interest as provided herein, and all other costs in connection with the SOI Amendment and Annexation of the FGA. All Annexation Costs requested for reimbursement are subject to verification and approval by the City.

(b) Entitlement Costs. A detailed accounting of the Entitlement Costs already paid or incurred, including time records of the Sponsor's employees for which reimbursement is claimed, together with a detailed estimate of Entitlement Costs yet to be incurred and paid, including, but not limited to (i) the costs of preparation and processing of a specific plan for all or a portion of the proposed Zone of Benefit, (ii) the cost of preparing and processing the environmental impact report or other environmental document in connection with a specific plan for all or a portion of the proposed Zone of Benefit, (iii) fees, costs and reimbursements paid or to be paid to the City in connection with the processing of the specific plan, and the related environmental impact report or other environmental document, (iv) costs incurred by the Sponsor for preparation of technical documents and studies, legal, engineering, planning, fiscal, and other consultants, interest as provided herein, and all other costs in connection with the preparation and processing of the specific plan and the environmental impact report or other environmental document in connection with the specific plan for all or part of the proposed Zone of Benefit (the "Cost Estimate"). All Entitlement Costs requested for reimbursement are subject to verification and approval by the City.

(c) Interest. A detailed accounting of interest for which the Sponsor seeks reimbursement. Annexation Costs and Entitlement Costs approved for reimbursement pursuant to this Ordinance shall, at the option of the Sponsor, bear interest at six percent (6%) per annum simple interest from the date such costs were actually expended, to the date of the adoption of the resolution provided in Section 8 of this ordinance. The amount of Annexation Costs and Entitlement Costs subsequently authorized for reimbursement by the resolution adopted pursuant to Section 8 of this ordinance shall thereafter bear interest at the rate of eight percent (8%) per annum simple interest from the date of adoption of the resolution. All interest requested for reimbursement is subject to verification and approval by the City.

(d) A narrative explaining why the Sponsor believes the costs included in the Cost Estimate are eligible for reimbursement pursuant to this ordinance.

(e) Documentation showing that the Sponsor informed the other property owners within the planning area of the actual costs incurred and/or anticipated to be incurred, that

the Sponsor attempted to gain financial participation from the other owners within the planning area, and that the Sponsor intends to seek reimbursement pursuant to the provisions of this ordinance.

(f) A map showing the properties to be included in the proposed Zone of Benefit, together with a list of the names, addresses, parcel number, and approximate acreage of all of the owners of lands within the proposed Zone of Benefit as shown on the latest equalized assessment roll.

(g) A narrative explaining how the Annexation Costs, the Entitlement Costs, and the City Costs shall be spread among the properties within the Zone of Benefit on an acreage basis, or on some other basis that the Sponsor believes will fairly and proportionately spread the Annexation Costs, the Entitlement Costs, and the City Costs among the properties within the Zone of Benefit (the "Methodology"), which is deemed to fairly and proportionately represent the benefit rendered to such properties by the expenditure of such costs.

(h) The extent to which the Annexation Costs and the Entitlement Costs has relieved or will relieve other property owners or developers within the proposed Zone of Benefit of the need to obtain an SOI amendment, annexation, rezoning, prepare or process specific plans, environmental impact reports or other environmental documents, and whether or not the properties within the proposed Zone of Benefit would be required, in order to receive approval for future development, to annex their property to the City, obtain rezoning, prepare specific plans, environmental impact reports or other environmental documents in connection with such approvals;

(i) The name and address of the Person(s) to be reimbursed, and the amount of reimbursement claimed by each as of the date of submittal.

The City may request the submittal of any additional information it determines to be relevant and necessary. The City shall have no obligation to review or to process such application until it determines that the application includes all information required by this Section 4, including such additional information it reasonably determines to be relevant and necessary as provided herein.

SECTION 5. Analyst's Report.

(1) Upon receipt of a Zone of Benefit application, the City Engineer or other qualified person selected by the City Manager ("Analyst") shall review the application for the establishment of a Zone of Benefit. Within thirty (30) days after receipt of the application, the Analyst shall determine whether the application is complete and notify the City Manager in writing either that the application is complete, or describe the specific information needed

to complete the application. The City Manager shall thereupon promptly notify the Sponsor of the Analyst's determination. Within sixty (60) days after the application is found complete, the Analyst shall prepare and submit a report (the "Analyst's Report") containing the Analyst's recommendations to the City Council for consideration. If the Analyst is a City employee, the costs of the Analyst's services shall be paid by the City, subject to reimbursement pursuant to this ordinance. If the Analyst is an outside consultant not an employee of the City, the costs of the Analyst's services shall be paid by the Sponsor, subject to reimbursement pursuant to this ordinance. The Analyst's Report shall include the following information:

(a) Confirmation that i) the Sponsor has or has not incurred and expended the costs for which the Sponsor seeks reimbursement, and ii) the costs were incurred and expended in furtherance of the annexation and entitlement of the properties within the Zone of Benefit;

(b) A detailed accounting of the City Costs to be reimbursed;

(c) A verification of the Cost Estimate and the portion of the Cost Estimate for which each Sponsor (including the City) should be reimbursed in accordance with this ordinance;

(d) The Analyst's recommendation, based upon the Methodology, of the amount of costs to be reimbursed by each property owner within the Zone of Benefit to each Sponsor, including the City, considering the following factors:

- i. The total amount of Annexation Costs allocated to each Sponsor;
- ii. The total amount of Entitlement Costs allocated to each Sponsor;
- iii. The total amount of City Costs to be reimbursed to the City;
- iv. The amount by which the Annexation Costs and Entitlement Costs incurred by each Sponsor exceeds that Sponsor's fair share of such costs;
- v. The total amount of reimbursement to be charged each Non-Participating Owner within the Zone of Benefit;
- vi. Any prior contributions by the Non-participating Owners that should be credited against their proposed reimbursement obligation;
- vii. The amount of each Non-Participating Owner's reimbursement obligation to each Sponsor expressed as a dollar amount and as a percentage of that Non-Participating Owner's total reimbursement obligation;
- viii. An explanation of any differences between the Sponsor's proposal and the Analyst's recommendations.

(2) The costs to be reimbursed to each Sponsor shall be limited to that portion of the following costs that exceeds the Sponsor's fair share of such costs: (i) the actual costs of preparation and processing of the SEIR, the SOI Amendment and the Annexation proceedings, (ii) the actual costs of preparation and processing of a specific plan for the Zone of Benefit, (iii) the actual cost of preparing and processing the environmental impact report or other environmental document in connection with the specific plan for the Zone of Benefit, (iv) the actual costs and reimbursements paid or to be paid to the City in connection with the preparation and processing of the SEIR, the SOI Amendment and the Annexation of the FGA, the specific plan and the environmental impact report for the Zone of Benefit, (v) actual costs incurred by the Sponsor for legal, engineering, planning, fiscal and other consultants in connection with the SEIR, the SOI Amendment and the Annexation of the FGA and the preparation and processing of a Specific Plan for the Zone of Benefit, the environmental impact report or other environmental document in connection with the specific plan for the Zone of Benefit, and for City staff time charged in connection with such matters, (vi) the cost of accounting for such costs, and (viii) interest as provided in Section 4(2)(c) of this ordinance on each Non-Participating Owner's share of the reimbursable costs.

SECTION 6: Formation of Zone of Benefit.

(1) Upon the City Manager's receipt of the Analyst's Report, the City shall set a public hearing before the City Council to consider the application and the Analyst's Report. The procedure for establishing the Zone of Benefit shall be as set forth in the Municipal Improvement Act of 1913 (Streets & Highways Code Section 10000, *et seq.*) and shall include the procedures set forth in this ordinance. Not less than forty-five (45) days before the hearing, notice of the hearing shall be: (1) published in a newspaper of general circulation, and (2) mailed by regular mail to the Sponsor and to all property owners within the proposed Zone of Benefit as shown on the latest equalized assessment role in the County Assessor's office. Notice shall be deemed effective on the date of mailing. Failure to receive notice by the Sponsor or affected property owners shall not invalidate or otherwise affect formation of the Zone of Benefit.

(2) The notice shall:

(a) State that a Zone of Benefit has been proposed that includes the property of the person receiving notice;

(b) Briefly describe the Zone of Benefit, the amount (or estimated amount) of costs to be reimbursed; the reason for the reimbursement of the costs; and the circumstances under which the costs must be reimbursed;

(c) Set the time, date, and location of the hearing; and

(d) Include such other information as may be required by the City or in the noticing required under the Municipal Improvement Act of 1913 for the establishment of an assessment district, including provisions for a majority protest.

SECTION 7. Hearing.

At the hearing, the City Council shall consider:

(1) The Sponsor's application;

(2) The Analyst's Report;

(3) The proper boundaries for the Zone of Benefit, taking particular consideration of all properties contiguous to or otherwise located so as to directly benefit from the Annexation Costs and the Entitlement Costs, but excluding lands located outside the FGA as described in this Ordinance;

(4) The actual and estimated costs for which the Sponsor may be reimbursed pursuant to this Ordinance. The Sponsor shall not be entitled to reimbursement for any costs in excess of actual costs incurred and paid by the Sponsor. If the Zone of Benefit is formed before actual costs are known, the Reimbursement Charge may be based on estimated costs. If estimated costs are used, the resolution adopting the Reimbursement Charge shall provide for a recalculation of the Reimbursement Charge within six (6) months following final approval of the specific plan and the expiration of all applicable statutes of limitation to reflect the actual costs, whether less than or more than the estimated costs; and

(5) All written protests against establishment of the Zone of Benefit and/or levying of the Reimbursement Charge. If a written protest against a proposed fee or charge is presented by owners of a majority (greater than 50%) of the identified parcels of land within the proposed Zone of Benefit, the City shall not establish the Zone of Benefit or levy the Reimbursement Charge against the parcels within the Zone of Benefit.

SECTION 8. Resolution.

(1) If the Council determines that formation of a Zone of Benefit is appropriate, the Council shall establish that Zone of Benefit by resolution (the "Resolution"). The Resolution shall:

(a) Establish the area of the Zone of Benefit, a listing by assessor's parcel number of all properties within the Zone of Benefit and the Owner thereof as established by the latest equalized assessment role in the County Assessor's office, the Zone of Benefit formation date, and the date when the right of reimbursement ends.

(b) Set forth the actual and estimated cost of the Annexation Costs and the Entitlement Costs for which the Sponsor shall be reimbursed by each Non-Participating Owner.

(c) Set forth the actual and estimated cost of the City Costs for which the City shall be reimbursed by each Owner.

(d) Establish the Reimbursement Charge methodology and show an example of the methodology used to calculate the Reimbursement Charge. The City Council may confirm, amend, alter, modify or correct the Analyst's Methodology.

(e) Establish the amount of each Owner's reimbursement obligation to each Sponsor and to the City (the "Reimbursement Charge") expressed as a dollar amount and as a percentage of that property owner's total reimbursement obligation.

(f) Specify a maturity date ten (10) years from the date of adoption of the Resolution.

(2) Upon adoption of the Resolution, a certified copy of the Resolution shall be sent by the City by certified mail to the Sponsor and to all affected Owners, and recorded in the office of the County Recorder to provide notice to potential purchasers of property within the Zone of Benefit. Failure to make such a recording shall not affect the legality of the formation of the Zone of Benefit or the obligation to pay the Reimbursement Charge. The Sponsor shall be responsible for paying all recording and mailing costs incurred by the City.

SECTION 9. Post-Resolution Entitlement Costs

(1) The Resolution shall be amended from time to time, but not more frequently than annually, upon application of a Sponsor to provide for reimbursement of Entitlement Costs incurred subsequent to the initial adoption of the Resolution.

(2) An application for amendment of the Resolution as provided in this Section 9 shall include the information required by sub-sections (2)(b) through (h) of Section 4 of this ordinance.

(3) Adoption of an amendment to the Resolution shall require review and recommendation by an Analyst as required by Section 5 of this ordinance, notice and hearing as required by Sections 6 and 7 of this ordinance, and adoption and recordation of the amended Resolution as provided in Section 8 of this ordinance.

(4) A final amendment of the Resolution reflecting all Entitlement Costs for the Zone of Benefit shall be adopted pursuant to the provisions of this Section 9 upon the final approval of the specific plan for the Zone of Benefit, the expiration of all applicable statutes of limitation for legal challenge to such approval, and the entry of final judgment in any legal action challenging the approval of the specific plan.

SECTION 10. Non-Participating Owner Becoming a Sponsor.

(1) At any time prior to the adoption of the final amendment of the Resolution, a Non-Participating Owner may become a Sponsor by (1) submitting an application to the City to become a Sponsor, (2) paying to the City all Reimbursement Charges levied against the applicant by the latest amendment of the Resolutions, including accrued interest, in full, (3) payment to the City for reimbursement to the then-existing Sponsors of a Proportionate Share of the Reimbursement Charges attributable to Non-Participating Owners in the Zone of Benefit, including accrued interest; and (4) providing a written undertaking to assume responsibility for payment of a Proportionate Share of any subsequently incurred Entitlement Costs for the Zone of Benefit. Upon receipt of such payments from the applicant, the city shall promptly disburse the funds received as provided in sub-section (2) of Section 12 of this Ordinance.

(2) Upon a Non-Participating Owner becoming a Sponsor as provided in this Section 10, the City shall adopt and record an amended Resolution reflecting all payments, credits and adjustments to the Reimbursement Charges resulting therefrom.

SECTION 11. Legal Challenge.

Any legal action intended to challenge or contest the formation of the Zone of Benefit, the methodology, the amount of the Reimbursement Charge or any person's obligation to reimburse costs as set out in this ordinance shall be commenced within thirty (30) days after the adoption of the Resolution establishing the Zone of Benefit, as provided in California Code of Civil Procedure Section 329.5. The Sponsor(s) of a Zone of Benefit shall have the obligation to defend, indemnify, and hold the City and its officers and employees harmless from any and all claims or expenses arising out of the City's action to form a Zone of Benefit as set forth in this ordinance.

SECTION 12. Payment.

(1) An Owner of property within any Zone of Benefit ("Affected Property") shall pay the City, in addition to any other applicable fees and charges, the Reimbursement Charge established by the City pursuant to this ordinance as a precondition to making application for the first City approval for any of the following: (i) a statutory development agreement for any portion of the Affected Property; (ii) a tentative subdivision map or parcel map to subdivide any portion of the Affected Property; (iii) any permit or land use entitlement for the development of any portion of the Affected Property. An owner of Affected Property shall have no obligation to pay the City unless and until the owner of such Affected Property, or a representative of such owner, applies to obtain approval from the City to develop the Affected Property or to obtain approval as set out in this section.

(2) Reimbursement Charges shall be collected by the City from the owner or developer of the Affected Property. The City shall then immediately pay to the Sponsor a percentage of the amount so collected as specified in the Resolution until the full reimbursement of the amount of reimbursement specified in the Resolution (as most recently amended) has been paid.

(3) Owners shall receive credit against the reimbursement obligation levied against their property pursuant to this ordinance for costs included in the Reimbursement Charge which owner has actually paid through an assessment district, payment of an impact fee, or other verifiable means.

(4) Whenever a reimbursement obligation of an Owner has been paid in full and permanently satisfied, the City shall prepare and record a Notice of Release of Reimbursement Lien identifying by assessor's parcel number and Owner the property being released.

(5) The Sponsor's right to reimbursement is assignable and transferable, including but not limited to collateral assignment to the Sponsor's lender, after written notice is delivered to the City advising the City to whom future payments are to be made and after the City has given its written consent to such assignment or transfer, which consent will not be unreasonably withheld or conditioned.

(6) Collection of the Reimbursement Charge shall cease when all Sponsors have recovered their total share of the Reimbursement Charges.

(7) Notwithstanding anything to the contrary contained herein, Reimbursement Charges shall mature and become due and payable in full by Non-Participating Owners ten (10) years after the date of adoption of the Resolution establishing the Reimbursement Charges,

whereupon the Reimbursement Charges may be enforced against the Non-Participating Owners by any Sponsor.

(8) Reimbursement Charges shall be collected by the City for a period of 20 years. If the Sponsor has not recovered its share of the Reimbursement Charges, the Sponsor may request that the City continue to collect the Reimbursement Charges for an additional 10 years. Such request shall be made in writing to the City Manager at least 120 days prior to the expiration of the 20-year period.

(9) Collection of the costs shall cease when the Sponsor has recovered its share of the development costs or a period of 20 years has lapsed (or 30 years if extended as provided for above), whichever occurs first.

SECTION 13. Partial Invalidity

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 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 14. Environmental Determination

The City Council finds and declares that the adoption and the implementation of this ordinance are exempt from the provisions of the California Environmental Quality Act in that it can be seen with certainty that there is no possibility that the adoption and the implementation of this ordinance may have a significant effect on the environment. [CEQA Guidelines Section 15061(b)(3)]

SECTION 15. Effective Date

This ordinance shall take effect thirty (30) days from and after its adoption.

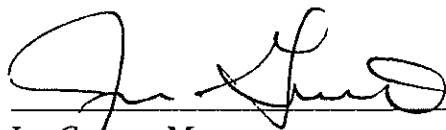
This ordinance was introduced and read on the 20th day of May, 2014, and passed and adopted on the 3rd day of June, 2014, by the following vote:

AYES: Councilmembers: Barrera, Castañeda, Craig, De La Rosa, McShane, and Mayor Gunter

NOES: None

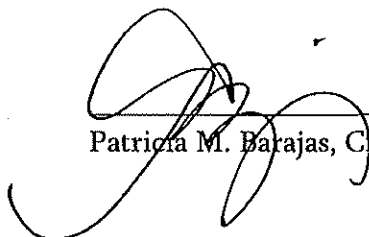
ABSENT: Councilmember Lutes

ABSTAIN: None




Joe Gunter, Mayor

ATTEST:

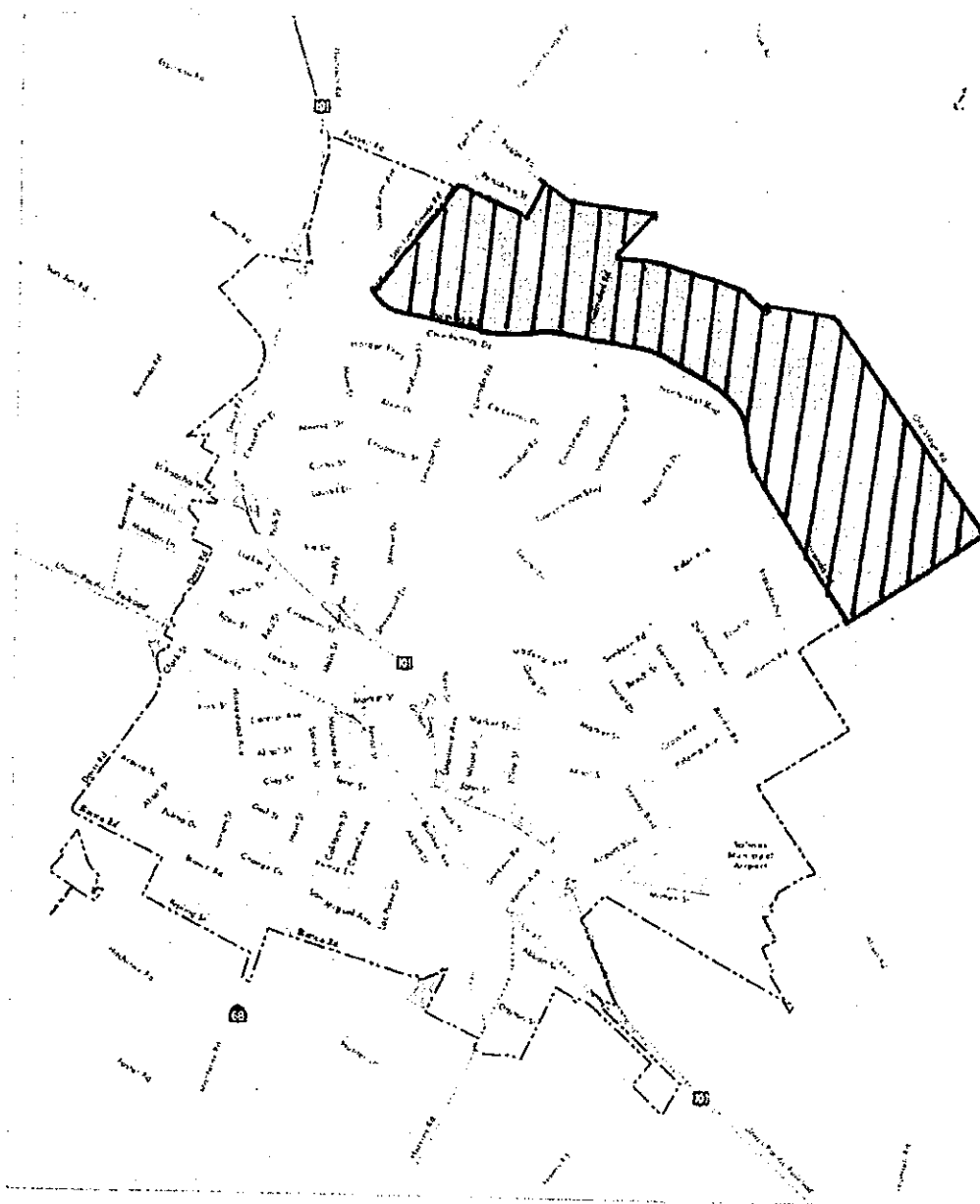


Patricia M. Barajas, City Clerk

APPROVED AS TO FORM:



Christopher A. Callihan, City Attorney



Legend



FGA

EXHIBIT "A"

MONTEREY COUNTY ASSESSOR PARCELS IN FGA

153-101-08, 211-231-12, 153-111-07, 153-091-01, 153-111-03,
153-071-35, 153-071-34, 153-111-06, 211-011-10, 211-231-12, 211-231-13,
153-111-04, 153-091-05, 153-091-03, 153-071-36, 153-071-11, 153-111-05,
211-231-16, 211-011-03, 211-011-09, 153-091-09, 153-091-08, 153-091-10,
153-091-07, 211-011-08, 211-011-02, 153-091-06, 211-231-59, 211-231-60,
211-231-61, 153-101-05, 211-013-04, 211-011-11, 211-011-01, 153-101-06,
153-101-07, 153-111-08, 153-111-09, 153-111-02, 153-111-01, 153-210-24,
153-210-12, 153-011-062, 153-011-064, 153-011-006, 153-011-005, 153-021-
011, 153-021-026, 153-021-019, 153-011-043, 153-021-017, 153-021-090,
153-021-016, 153-011-008, 153-011-009, 153-011-042

EXHIBIT 'B'



City of Salinas

North of Boronda FGA Central Area

Zone of Benefit Application Analyst Report

November 2025

27368 Via Industria
Suite 200
Temecula, CA 92590
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**CITY OF SALINAS
NORTH OF BORONDA FGA CENTRAL AREA
ZONE OF BENEFIT APPLICATION
ANALYST REPORT**



Prepared for

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Prepared by

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- B. PAST REIMBURSEMENTS AND CREDITS

II. SUMMARY OF COSTS

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- A. ALLOCATION METHDOLOGY
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- C. REIMBURSEMENT CHARGES FOR OWNERS

CONCLUSIONS AND RECOMMENDATIONS

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EXHIBITS

- EXHIBIT A: ZONE OF BENEFIT APPLICATION
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INTRODUCTION

The information provided in this report is derived primarily from the City of Salinas (“City”) Ordinance No. 2549, Ordinance No. 2590, and East Boronda LLC’s (the “Sponsor’s”) submitted Zone of Benefit (ZOB) Application.

The North of Boronda Future Growth Area (FGA) consists of four planning areas for the purposes of preparing and processing specific plans and environmental review, namely (1) the West Area, being portions of the FGA lying between San Juan Grade Road and Natividad Road; (2) the Central Area, being portions of the FGA lying between Natividad Road and the extension of Constitution Boulevard; (3) the East Area, consisting of the portions of the FGA lying between the extension of Constitution Boulevard and Williams Road; and (4) the portions of the West Area included within the adopted Gateway Center Specific Plan. This ZOB analysis is related to the Central Area.

The costs incurred within each planning area associated with preparation of the specific plans and compliance with the provisions of CEQA, as well as the City Costs, should be borne fairly and proportionately by the owners of property within each planning area. The City established a system to implement and enforce such a reimbursement via Ordinance No. 2549 which requires the formation of a ZOB covering the relevant planning area. The City has received such an application from the Sponsor and selected Willdan Financial Services to serve as the “Analyst”. The Analyst shall review the application and prepare a report (the “Analyst Report”) with the Analysts’ recommendations to the City Council.

A. ORDINANCE AUTHORITY

Ordinance No. 2549 was introduced and read on the 20th day of May 2014 and passed and adopted on the 3rd day of June 2014. On February 21st, 2017, Ordinance No. 2590 was adopted and amended Ordinance No. 2549 to exclude undevelopable areas from the calculation of the fair share costs.

B. ZOB BOUNDARIES AND DEVELOPMENT SUMMARY

The Future Growth Area (FGA) in Salinas comprises approximately 2,388 acres within the City limits, generally bounded on the south and southeast by East Boronda Road, on the west by San Juan Grade Road, and on the northeast by Williams Road. Its northern limit follows the City’s Sphere of Influence as adopted by the Monterey County Local Agency Formation Commission (LAFCO) in Resolution No. 08-09 (May 19, 2008).

Within the FGA, the Sponsor’s ZOB Application focuses on the Central Area, specifically the portion lying between Natividad Road and the extension of Constitution Boulevard. According to the Sponsor’s attached map (see Application Attachment C), the Central Area comprises both “chargeable” and “non-

chargeable” parcels totaling roughly 776.73 acres, benefiting from, or otherwise subject to, the annexation and entitlement costs for which the Sponsor seeks reimbursement. These boundaries correspond to the parcels listed in the Application ledger and have been submitted to the City as the proposed ZOB.

The full FGA is planned for up to 11,485 dwelling units and 3.992 million square feet of commercial/retail/mixed-use and public/semi-public development. The Central Area specifically will accommodate a portion of that buildout under its own specific plan and CEQA documentation, consistent with the City’s phased approach to FGA planning.

By forming a Zone of Benefit in this Central Area, the City can ensure that property owners who benefited from the Sponsor’s annexation and entitlement efforts pay their proportional share, as required under Ordinance Nos. 2549 and 2590 (collectively, the “Ordinances”).

I. CONFIRMATION OF EXPENDITURES

This section reviews the costs incurred by the Sponsor(s), verifying (1) that each claimed item was indeed paid, (2) that it is consistent with Ordinance Nos. 2549 and 2590, and (3) that it qualifies as a necessary Annexation Cost, Entitlement Cost, or City-Incurred Cost (as defined in the Ordinances).

A. DOCUMENTATION OF COSTS

The Sponsor provided a comprehensive ledger of allocated internal and consultant costs, invoices and proof-of-payment records as part of their ZOB Application, attached as **Exhibit A**. Attachments were not included in Exhibit A but are on file with the City and the Analyst. These line items fall primarily into (1) Pre-Annexation Engineering, (2) Environmental Documents for CEQA compliance, (3) Legal Defense of EIR challenges, and (4) City-incurred application fees. The Analyst reviewed these materials according to the reasonableness standard to confirm each cost was actually paid by the Sponsor on or about the date stated.

After review, we as the Analyst have determined that \$33,854.27 in ineligible political and marketing expenses had been included. The Sponsor provided an updated ledger with those costs removed.

B. PAST REIMBURSEMENTS AND CREDITS

Prior to submitting this Zone of Benefit (ZOB) application, the Sponsor received one partial reimbursement of \$297,841 from Harrod Construction Company (Christensen Trust) in 2008. These amounts will be credited toward that owner’s final Reimbursement Charge. All other Non-Participating Owners have no recorded payments and are thus credited \$0.

Additionally, in January 2001, Hartnell/Matsui entered into an option agreement with CreekBridge Homes/East Boronda LLC for the property described in this report as belonging to Hartnell. The contract granted CreekBridge Homes/East Boronda an initial five-year purchase option, renewable for up to ten one-year extensions, in exchange for annual option payments. Section 4.2 of this agreement assigns CreekBridge Homes/East Boronda LLC “sole responsibility” for obtaining and paying all subdivision mapping, environmental review and other costs related to development entitlements incurred during the option term.

II. SUMMARY OF COSTS

A. SUMMARY OF SPONSOR COSTS

The following table summarizes the costs incurred by the Sponsor for the annexation and entitlement of the ZOB.

Cost Category	Amount
Architectural Renderings	\$2,814.75
Market Studies & Reports	3,246.31
Lead Agency Processing Fees	3,532.01
Blueprints, Reprographics & Shipping	7,433.75
In-House Architect	10,958.89
SWPPP Preparation & Compliance	11,246.00
Financing Plan Consultant	11,629.59
Environmental Impact Report	18,875.56
Preliminary Architecture	24,859.52
Concept Landscape Architecture	27,743.84
Preliminary Geotechnical Investigations (Phase 1)	27,958.94
Preliminary Biological / Biotic Studies	42,714.89
Application & Filing Fees	63,275.28
Survey & Mapping	74,361.77
Geotechnical Engineering	99,437.83
Community Design Charrette	109,810.09
School Facilities Consultant	124,662.67
Preliminary Traffic Consultant	214,965.49
Land Planning Consultant	254,258.38
Legal Services – Entitlements	588,240.12
Legal Services – School District Litigation	638,288.92
City of Salinas Fees & Charges	643,944.77
Preliminary Civil Engineering	1,153,703.05
Project Design (Civil & Infrastructure)	1,551,143.02
Interest Accrued	1,624,587.86
Total	\$7,333,693.30

Interest is added to each sponsor-paid invoice to reflect the time value of money between the date of payment and the date the reimbursement is made. Consistent with best practices and the Ordinances, simple interest is applied monthly at an annual rate of six percent (6%) through the date of adoption of the Resolution creating the ZOB, and eight percent (8%) thereafter. Incorporating interest places early-year expenditures on equal footing with recent ones and provides a fair return to the Sponsors until their costs are recovered.

B. SUMMARY OF CITY COSTS

The City has incurred \$11,140 in consultant costs thus far and expects to incur an additional \$3,000 in consultant costs before the ZOB charge goes into effect. These costs have been incorporated into the analysis.

III. COST ALLOCATION AND ANALYSIS

A. ALLOCATION METHODOLOGY

Reimbursable costs are distributed on a pro-rata developable acreage basis as mandated by Ordinances 2549 and 2590. The total amount of chargeable acreage is 776.75 total acres less 225.72 acres of roads, drainage, school sites and open space for net chargeable acreage of 551.03.

For purposes of allocating expenditures to owners within the ZOB, all invoices have been divided into two periods: (1) Pre-2011 (the span during which the Option Agreement was in force, and (2) from 2011 to the present. During the Pre-2011 period, amounts that would have been charged to Hartnell properties have been assigned to East Boronda LLC.

Using net developable (i.e., chargeable) acres as the divisor ensures that only the land that can be subdivided, entitled, and ultimately developed bears the reimbursement burden, which satisfies the proportional-benefit standard set out in Ordinances 2549 and 2590. By removing rights-of-way, drainage corridors, open-space dedications, and other permanently undevelopable parcels from the denominator, the methodology (1) aligns each dollar of cost with property that will realize an increase in value from the Annexation and Specific Plan work, (2) avoids over-charging the developable acreage to subsidize land that confers a public benefit but yields no private development potential, and (3) mirrors the approach recommended in the aforementioned ordinances, thereby promoting consistency and administrative simplicity. This net-acre basis also conforms to Government Code nexus principles by establishing a clear, measurable relationship between the costs incurred and the parcels that directly benefit from those costs.

In reviewing the original application, Willdan pointed out that some of the gross acreages of the Assessor's Parcels were inconsistent with the data from the Monterey County Assessor. The Sponsor has corrected these inconsistencies. Since the actual number of net acres will not be finalized until a final map is recorded for the properties, the net acreages used for this analysis are subject to change.

The net acreage by owner data is provided in the table below.

ZOB Owner	Eligible Acres	Percent Allocation
East Boronda LLC	183.71	33.34%
Christensen Trust	139.25	25.27%
Hartnell	162.21	29.44%
Scagliotti	32.37	5.87%
Natividad	25.42	4.61%
Noon	8.07	1.46%
Total	551.03	100.00%

B. AGGREGATE COSTS AND ALLOCATION

The following table summarizes the Aggregate Annexation and Entitlement costs incurred by the Sponsor and allocated to each landowner in the ZOB according to the methodology in Section III.A above for the pre-2011 Option Period.

Central Area Specific Plan Costs (Pre-2011)
Reconciliation of Amounts Owed to East Boronda LLC and City of Salinas

Line Item	City of Salinas	East Boronda	Christensen Trust	Hartnell	Scagliotti	Natividad	Noon	Total
Total Costs Paid	\$ -	\$ 3,100,126.77	\$ 289,788.19	\$ -	\$ -	\$ -	\$ -	\$ 3,389,914.96
Interest on Costs Paid	-	981,414.16	137,596.05	-	-	-	-	1,119,010.21
Total Costs Paid	\$ -	\$ 4,081,540.93	\$ 427,384.24	\$ -	\$ -	\$ -	\$ -	\$ 4,508,925.17
Share of City Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Share of Sponsor Costs	-	2,128,086.28	856,660.54	-	199,138.97	156,382.84	49,646.32	3,389,914.96
Interest Owed on East Boronda Costs	-	-	567,783.92	-	203,297.66	159,649.31	50,683.27	981,414.16
Interest Owed on Harrod Homes Costs	-	101,285.27	-	-	17,846.49	14,014.80	4,449.49	137,596.05
Subtotal	\$ -	\$ 2,229,371.55	\$ 1,424,444.46	\$ -	\$ 420,283.12	\$ 330,046.95	\$ 104,779.08	\$ 4,508,925.17
Share of Costs	\$ -	\$ 2,128,086.28	\$ 856,660.54	\$ -	\$ 199,138.97	\$ 156,382.84	\$ 49,646.32	\$ 3,389,914.96
Share of Interest	-	101,285.27	567,783.92	-	221,144.15	173,664.11	55,132.76	1,119,010.21
Costs Paid	-	(3,100,126.77)	(289,788.19)	-	-	-	-	(3,389,914.96)
Interest to E.Boronda	-	(981,414.16)	-	-	-	-	-	(981,414.16)
Interest to Harrod Homes	-	-	(137,596.05)	-	-	-	-	(137,596.05)
Subtotal	\$ -	\$ (1,852,169.38)	\$ 997,060.22	\$ -	\$ 420,283.12	\$ 330,046.95	\$ 104,779.08	\$ 0.00
Less Payments To Date	-	297,841.00	(297,841.00)	-	-	-	-	-
Total Costs (Overpaid)/Underpaid	\$ -	\$ (1,554,328.38)	\$ 699,219.22	\$ -	\$ 420,283.12	\$ 330,046.95	\$ 104,779.08	\$ 0.00

The following table summarizes the Aggregate Annexation and Entitlement costs incurred by the Sponsor and allocated to each landowner in the ZOB according to the methodology in Section III.A above for the period during which the option was not in force.

Central Area Specific Plan Costs (2011 On)
Reconciliation of Amounts Owed to East Boronda LLC and City of Salinas

Line Item	City of Salinas	East Boronda	Christensen Trust	Hartnell	Scagliotti	Natividad	Noon	Total
Total Costs Paid	\$ 14,140.00	\$ 2,608,978.67	\$ 494,110.88	\$ -	\$ -	\$ -	\$ -	\$ 3,117,229.55
Interest on Costs Paid	-	643,173.70	212,867.83	-	-	-	-	856,041.53
Total Costs Paid	\$ 14,140.00	\$ 3,252,152.37	\$ 706,978.71	\$ -	\$ -	\$ -	\$ -	\$ 3,973,271.08
Share of City Costs	\$ -	\$ 4,714.19	\$ 3,573.30	\$ 4,162.48	\$ 830.65	\$ 652.30	\$ 207.08	\$ 14,140.00
Share of Sponsor Costs	-	1,034,550.90	784,177.30	913,475.05	182,289.55	143,151.07	45,445.68	3,103,089.55
Interest Owed on East Boronda Costs	-	-	243,825.40	284,028.15	56,679.94	44,509.87	14,130.34	643,173.70
Interest Owed on Harrod Homes Costs	-	94,968.31	-	83,853.68	16,733.56	13,140.87	4,171.41	212,867.83
Subtotal	\$ -	\$ 1,134,233.40	\$ 1,031,576.00	\$ 1,285,519.35	\$ 256,533.69	\$ 201,454.12	\$ 63,954.51	\$ 3,973,271.08
Share of Costs	\$ -	\$ 1,039,265.09	\$ 787,750.60	\$ 917,637.52	\$ 183,120.19	\$ 143,803.38	\$ 45,652.76	\$ 3,117,229.55
Share of Interest	-	94,968.31	243,825.40	367,881.83	73,413.50	57,650.74	18,301.75	856,041.53
Costs Paid	(14,140.00)	(2,608,978.67)	(494,110.88)	-	-	-	-	(3,117,229.55)
Interest to E.Boronda	-	(643,173.70)	-	-	-	-	-	(643,173.70)
Interest to Harrod Homes	-	-	(212,867.83)	-	-	-	-	(212,867.83)
Subtotal	\$ (14,140.00)	\$ (2,117,918.97)	\$ 324,597.29	\$ 1,285,519.35	\$ 256,533.69	\$ 201,454.12	\$ 63,954.51	\$ -
Less Payments To Date	-	-	-	-	-	-	-	-
Total Costs (Overpaid)/Underpaid	\$ (14,140.00)	\$ (2,117,918.97)	\$ 324,597.29	\$ 1,285,519.35	\$ 256,533.69	\$ 201,454.12	\$ 63,954.51	\$ -

And finally, the following table represents the combination of the above analyses, assigning the costs attributable to the Hartnell property during the option period to East Boronda LLC.

Central Area Specific Plan Costs (Cumulative Totals)
Reconciliation of Amounts Owed to East Boronda LLC and City of Salinas

Line Item	City of Salinas	East Boronda	Christensen Trust	Hartnell	Scagliotti	Natividad	Noon	Total
Total Costs Paid	\$ 14,140.00	\$ 5,709,105.44	\$ 783,899.07	\$ -	\$ -	\$ -	\$ -	\$ 6,507,144.51
Interest on Costs Paid	-	1,624,587.86	350,463.88	-	-	-	-	1,975,051.74
Total Costs Paid	\$ 14,140.00	\$ 7,333,693.30	\$ 1,134,362.95	\$ -	\$ -	\$ -	\$ -	\$ 8,482,196.25
Share of City Costs	\$ -	\$ 4,714.19	\$ 3,573.30	\$ 4,162.48	\$ 830.65	\$ 652.30	\$ 207.08	\$ 14,140.00
Share of Sponsor Costs	-	3,162,637.18	1,640,837.85	913,475.05	381,428.52	299,533.92	95,092.00	6,493,004.51
Interest Owed on East Boronda Costs	-	-	811,609.32	284,028.15	259,977.60	204,159.18	64,813.61	1,624,587.86
Interest Owed on Harrod Homes Costs	-	196,253.58	-	83,853.68	34,580.05	27,155.67	8,620.90	350,463.88
Subtotal	\$ -	\$ 3,363,604.95	\$ 2,456,020.46	\$ 1,285,519.35	\$ 676,816.82	\$ 531,501.07	\$ 168,733.60	\$ 8,482,196.25
Share of Costs	\$ -	\$ 3,167,351.37	\$ 1,644,411.14	\$ 917,637.52	\$ 382,259.17	\$ 300,186.22	\$ 95,299.09	\$ 6,507,144.51
Share of Interest	-	196,253.58	811,609.32	367,881.83	294,557.65	231,314.85	73,434.51	1,975,051.74
Costs Paid	(14,140.00)	(5,709,105.44)	(783,899.07)	-	-	-	-	(6,507,144.51)
Interest to E.Boronda	-	(1,624,587.86)	-	-	-	-	-	(1,624,587.86)
Interest to Harrod Homes	-	-	(350,463.88)	-	-	-	-	(350,463.88)
Subtotal	\$ (14,140.00)	\$ (3,970,088.35)	\$ 1,321,657.51	\$ 1,285,519.35	\$ 676,816.82	\$ 531,501.07	\$ 168,733.60	\$ 0.00
Less Payments To Date	-	297,841.00	(297,841.00)	-	-	-	-	-
Total Costs (Overpaid)/Underpaid	\$ (14,140.00)	\$ (3,672,247.35)	\$ 1,023,816.51	\$ 1,285,519.35	\$ 676,816.82	\$ 531,501.07	\$ 168,733.60	\$ 0.00

C. REIMBURSEMENT CHARGES FOR OWNERS

The following table summarizes the Acreage attributable to each non-participating owner, expresses the ZOB charge on a per acre basis, and also shows the total amount owed for the underlying land. Additionally, the table shows how much will be retained by the City and how much will be allocated to the Sponsor as reimbursement for costs incurred.

Non-Participating Owner	Eligible Acres	Charge per Acre	Total Charge	Amount to City (0.4%)	Amount to Sponsor (99.6%)
Christensen Trust	139.25	\$7,352	\$1,023,817	\$4,095	\$1,019,721
Hartnell	162.21	\$7,925	\$1,285,519	\$5,142	\$1,280,377
Scagliotti	32.37	\$20,909	\$676,817	\$2,707	\$674,110
Natividad	25.42	\$20,909	\$531,501	\$2,126	\$529,375
Noon	8.07	\$20,909	\$168,734	\$675	\$168,059
Total	367.32	\$10,036	\$3,686,387	\$14,746	\$3,671,642

CONCLUSIONS AND RECOMMENDATIONS

A. CONCLUSIONS

- After excluding political and marketing expenditures, all remaining sponsor and City costs have been verified as eligible, yielding a gross eligible cost total of about \$8.5 million with approximately \$3.7 million owed to the City and the Sponsor in reimbursements.
- Allocating those costs over 551.03 developable acres produces a charge per acre of \$20,909 for most owners, \$7,925 for Hartnell, and \$7,352 for Christensen Trust.
- For each payment made, 0.4% will be retained by the City and 99.6% will be remitted to the Sponsor.
- Simple interest accrues on sponsor advances at six percent (6%) per year until the ZOB ordinance is adopted, and at eight percent (8%) thereafter, as specified in Ordinance 2549 § 4(2)(c).

B. RECOMMENDATIONS

We recommend that the City adopt a Resolution forming the Central Area ZOB, accepting the verified cost schedule and establishing the reimbursement methodology described above and record it as a Reimbursement Lien against all chargeable properties within the area.

EXHIBIT A

ZONE OF BENEFIT APPLICATION

ZONE OF BENEFIT APPLICATION

City of Salinas Ordinance No. 2549 and Ordinance No. 2590

1. Name and address of Sponsor:

East Boronda LLC (including all predecessors thereof)
c/o Robert Bikle
1975 W. El Camino Real, Ste. 100
Mountain View, CA 94040

2. Zone of Benefit Area:

Central Area - North of Boronda Future Growth ("FGA") Planning Area.

3. Annexation Costs for which Sponsor seeks reimbursement:

See **Attachment A** – East Boronda LLC (and all predecessors thereof) Sponsor costs incurred and cost reimbursement sought as of April 30, 2024. Sponsor will submit additional reimbursable costs as incurred.

4. Entitlement Costs for which Sponsor seeks reimbursement:

See **Attachment A** - East Boronda LLC (and all predecessors thereof) Sponsor costs incurred and cost reimbursement sought as of April 30, 2024. Sponsor will submit additional reimbursable costs as incurred.

5. Interest to be charged and reimbursed:

Six percent (6%) per annum simple interest for all costs approved for reimbursement from the date such costs were actually expended to the date of the adoption of the Resolution provided in Section 8 of Ordinance 2549.

As of the date of adoption of the Resolution provided in Section 8 of Ordinance 2549, all outstanding unreimbursed costs approved by said Resolution, shall accrue interest at the rate of eight percent (8%) per annum simple interest.

6. Cost Estimates are eligible for reimbursement pursuant to the Ordinance because:

The expenses sought for reimbursement through April 30, 2024 were paid by Sponsor (or its predecessors) for work related to the Central Area pre-zoning, annexation, Specific Plan, and related land use entitlements, as well as, the legal defense of the City's CASP entitlements, which costs benefited other the owners within the CASP by securing land use entitlements for their properties.

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7. **Confirmation that the Sponsor informed the other property owners within the planning area of (i) the actual costs incurred and/or anticipated to be incurred; (ii) that the Sponsor attempted to gain financial participation from the other owners within the planning area; and (iii) that the Sponsor intends to seek reimbursement pursuant to the provisions in this ordinance:**

CASP Notice to Owners of Owner's Reimbursement Costs owed Sponsor was sent on May 17, 2017 and April 30, 2024. See **Attachment B**. Sponsor will Notice and seek additional reimbursable costs as incurred.

8. **Map showing the properties to be included in the Zone of Benefit, together with a list of the names, addresses, parcel number, and approximate acreage of all the owners of land within the proposed Zone of Benefit as shown on the latest equalized assessment roll:**

See **Attachment C**.

9. **Annexation Costs, the Entitlement Costs, and the City Costs shall be spread among the properties within the Zone of Benefit as follows:**

For purposes of reimbursement of costs, costs were allocated among the Participating and Non-Participating owners of the 551.05 acres of chargeable lands. The 225.70 acres of the non-chargeable land (SUHSD, AUSD, Settrini, Igaz, Garcia, Helmers, and Open Space) were either not annexed in to the City, have no developable land, or is land purchased by or reserved for public schools, which is not be included in the acreage when calculating the reimbursement due from Non-Participating Owners as set forth in the amended Reimbursement Ordinance 2590. Sponsor will submit additional reimbursable costs as incurred See **Attachment D**.

10. **The extent to which the Annexation Costs and Entitlement Costs has relieved or will relieve other property owners or developers within the proposed Zone of Benefit of the need to obtain an SOI amendment, annexation, rezoning, prepare or process specific plans, environmental impact reports or other environmental documents, and whether or not the properties within the Zone of Benefit would be required to take such steps in order to receive approval for future development:**

As of April 30, 2024 Sponsor East Boronda, LLC (and its predecessors), along with Harrod Construction Company, on behalf of Participating Owner the Christensen Trust, have collectively spent, a total of no less than **\$9,168,900** in costs, (East Boronda LLC **\$7,997,903** and Harrod/Christensen **\$1,170,997**) as shown on **Attachments A, B and D**, which costs have not been paid by the other Non-Participating Owners in the Central Area, but which costs were critical to completing the required CASP area rezoning, annexation, environmental review, Specific Plan preparation, and other related land use entitlements, as well as, paying for the legal defense of the City's CASP entitlements for the Central Area, all of which costs and entitlements benefited all of the

Owners with developable land within the Central Area, who's land is now subject to and enjoys the benefits of these land use entitlements. Sponsor will submit additional reimbursable costs as incurred.

Harrod/Christensen Trust is given credit for their costs paid in the amount of \$1,170,997, as shown on **Attachments A and D**, but Harrod/Christensen Trust still owes Sponsor, East Boronda LLC, for Harrod/Christensen Trust's additional proportion of the total costs paid by East Boronda LLC through April 30, 2024.

11. The following individual(s) are to be reimbursed:

East Boronda LLC
c/o Ghandi Macachor, Controller
1975 W. El Camino Real, Ste. 100
Mountain View, CA 94040

\$5,384,115 as of April 30, 2024 - See Attachments A, B and D
Sponsor will submit additional reimbursable costs as incurred.

Attachments:

Attachment A – East Boronda LLC (and its predecessor's) Sponsor Costs
Attachment B – Reimbursement Notices Sent to Central Area Owners
Attachment C - Map of Zone of Benefit Area and list of Owners and Acreages
Attachment D – Owner Reimbursement Cost Allocation



UPDATED ZONE OF BENEFIT APPLICATION
City of Salinas Ordinance No. 2549 and Ordinance No. 2590

Application updated based on Willdan November 2025 Analyst Report confirming Verified Sponsor Reimbursable Costs and Reimbursement Charges as of October 31, 2025.

1. Name and address of Sponsor:

East Boronda LLC (including all predecessors thereof)
c/o Robert Bikle
1975 W. El Camino Real, Ste. 100
Mountain View, CA 94040

2. Zone of Benefit Area:

Central Area - North of Boronda Future Growth ("FGA") Planning Area.

3. Annexation Costs for which Sponsor seeks reimbursement:

See Amended Attachment A – East Boronda LLC (and all predecessors thereof) Sponsor costs incurred and cost reimbursement sought as of October 31, 2025. Sponsor will submit additional reimbursable costs as incurred.

4. Entitlement Costs for which Sponsor seeks reimbursement:

See Amended Attachment A - East Boronda LLC (and all predecessors thereof) Sponsor costs incurred and cost reimbursement sought as of October 31, 2025. Sponsor will submit additional reimbursable costs as incurred.

5. Interest to be charged and reimbursed:

Six percent (6%) per annum simple interest for all costs approved for reimbursement from the date such costs were actually expended to the date of the adoption of the Resolution provided in Section 8 of Ordinance 2549.

As of the date of adoption of the Resolution provided in Section 8 of Ordinance 2549, all outstanding unreimbursed costs approved by said Resolution, shall accrue interest at the rate of eight percent (8%) per annum simple interest.

6. Cost Estimates are eligible for reimbursement pursuant to the Ordinance because:

The expenses sought for reimbursements through October 31, 2025 set forth in the **Amended Attachment A and Amended Attachment D** reflect the Entitlement and Annexation Costs paid by Sponsor (or its predecessors) as verified by the Analyst Report, for work related to the Central Area pre-zoning, annexation, Specific Plan, and related land use entitlements, as well as, the legal defense of the City's CASP entitlements, which costs benefited other the owners within the CASP by securing land use entitlements for their properties.

7. Confirmation that the Sponsor informed the other property owners within the planning area of (i) the actual costs incurred and/or anticipated to be incurred; (ii) that the Sponsor attempted to gain financial participation from the other owners within the planning area; and (iii) that the Sponsor intends to seek reimbursement pursuant to the provisions in this ordinance:

CASP Notice to Owners of Owner's Reimbursement Costs owed Sponsor was sent on May 17, 2017 and April 30, 2024. See **Attachment B**. Sponsor will Notice and seek additional reimbursable costs as incurred.

8. Map showing the properties to be included in the Zone of Benefit, together with a list of the names, addresses, parcel number, and approximate acreage of all the owners of land within the proposed Zone of Benefit as shown on the latest equalized assessment roll:

See **Attachment C**.

9. Annexation Costs, the Entitlement Costs, and the City Costs shall be spread among the properties within the Zone of Benefit as follows:

For purposes of reimbursement of costs, costs were allocated among the Participating and Non-Participating owners of the 551.05 acres of chargeable lands. The 225.70 acres of the non-chargeable land (SUHSD, AUSD, Settrini, Igaz, Garcia, Helmers, and Open Space) were either not annexed in to the City, have no developable land, or is land purchased by or reserved for public schools, which is not be included in the acreage when calculating the reimbursement due from Non-Participating Owners as set forth in the amended Reimbursement Ordinance 2590. Sponsor will submit additional reimbursable costs as incurred See **Amended Attachment D**.

10. The extent to which the Annexation Costs and Entitlement Costs has relieved or will relieve other property owners or developers within the proposed Zone of Benefit of the need to obtain an SOI amendment, annexation, prezoning, prepare or process specific plans, environmental impact reports or other environmental documents, and whether or not the properties within the Zone of Benefit would be required to take such steps in order to receive approval for future development:

As of October 31, 2025, Sponsor East Boronda, LLC (and its predecessors), along with Harrod Construction Company, on behalf of Participating Owner the Christensen Trust, have collectively spent, a total of no less than the verified costs shown **Amended Attachments A and D** which costs have not been paid by the other Non-Participating Owners in the Central Area, but which costs were critical to completing the required CASP area pre-zoning, annexation, environmental review, Specific Plan preparation, and other related land use entitlements, as well as, paying for the legal defense of the City's CASP entitlements for the Central Area, all of which costs and entitlements benefited all of the Owners with developable land within the Central Area, who's land is now subject to and enjoys the benefits of these land use entitlements. Sponsor will submit additional reimbursable costs as incurred.

Harrod/Christensen Trust is given credit for their costs paid in as reflected on **Amended Attachment D**, but Harrod/Christensen Trust still owes Sponsor, East Boronda LLC, for Harrod/Christensen Trust's additional proportion of the total costs paid by East Boronda LLC through October 31, 2025.

11. The following individual(s) are to be reimbursed:

East Boronda LLC
c/o Ghandi Macachor, Controllor
1975 W. El Camino Real, Ste. 100
Mountain View, CA 94040

\$3,671,642 as of October 31, 2025 - See Amended Attachment D
Sponsor will submit additional reimbursable costs as incurred.

Attachments:

Amended Attachment A – East Boronda LLC (and its predecessor's) Verified Sponsor Costs as of October 31, 2025

Attachment B – Reimbursement Notices Sent to Central Area Owners

Attachment C - Map of Zone of Benefit Area and list of Owners and Acreages

Amended Attachment D – Verified Sponsor Costs with Owner Reimbursement Cost Allocation as of October 31, 2025

Amended Attachment A

East Boronda LLC & its Verified Sponsor Costs

II. SUMMARY OF COSTS

A. SUMMARY OF SPONSOR COSTS

The following table summarizes the costs incurred by the Sponsor for the annexation and entitlement of the ZOB.

Cost Category	Amount
Architectural Renderings	\$2,814.75
Market Studies & Reports	3,246.31
Lead Agency Processing Fees	3,532.01
Blueprints, Reprographics & Shipping	7,433.75
In-House Architect	10,958.89
SWPPP Preparation & Compliance	11,246.00
Financing Plan Consultant	11,629.59
Environmental Impact Report	18,875.56
Preliminary Architecture	24,859.52
Concept Landscape Architecture	27,743.84
Preliminary Geotechnical Investigations (Phase 1)	27,958.94
Preliminary Biological / Biotic Studies	42,714.89
Application & Filing Fees	63,275.28
Survey & Mapping	74,361.77
Geotechnical Engineering	99,437.83
Community Design Charrette	109,810.09
School Facilities Consultant	124,662.67
Preliminary Traffic Consultant	214,965.49
Land Planning Consultant	254,258.38
Legal Services – Entitlements	588,240.12
Legal Services – School District Litigation	638,288.92
City of Salinas Fees & Charges	643,944.77
Preliminary Civil Engineering	1,153,703.05
Project Design (Civil & Infrastructure)	1,551,143.02
Interest Accrued	1,624,587.86
Total	\$7,333,693.30

Attachment B

**Reimbursement
Notices Sent to
Central Area Owners**

Notice to Owners Regarding Sponsor Reimbursement for Central Area - Future Growth Area Costs

Pursuant to Salinas City Ordinance 2549 and Amendments Thereto.

May 31, 2017*

Pursuant to Salinas City Ordinance 2549, and Amendments thereto, Sponsors, **Thrust IV, Inc. and Harrod Construction Company** (collectively “Sponsors”) hereby notify the below Owners that:

1. As of May 31, 2017, Sponsors, including any and all predecessors, have incurred, or anticipate incurring, \$4,807,517.31 in costs for annexation, entitlement, and other related costs for land use entitlements as described in Ordinance 2549, and Amendments thereto, for the Central Area of the Future Growth Area as set forth herein* (“Sponsor Costs”).
2. The below Owners owe Sponsors the proportionate share of Sponsors’ Costs in the amounts set forth below, plus interest from date of expenditure to date of reimbursement*. Sponsors hereby request financial participation from the below Owners.
3. Sponsors are initiating proceedings with the City of Salinas to form a Zone of Benefit pursuant to City Ordinance 2549 for the Central Area of the Future Growth Area to seek reimbursement from the below Owners for the their unpaid Owners’ proportionate share of Sponsors’ Costs as set forth herein, plus interest from date of expenditure to date of reimbursement*.

Sponsor Costs Paid or Anticipated to be Paid As of May 31, 2017*

Thrust IV, Inc.
c/o Hugh Bikle
1975 W. El Camino Real, Ste 100
Mountain View, CA 94040

Costs \$3,728,207.71*

Harrod Construction Company
c/o Ray Harrod, Jr.
365 Victor Street, Suite S
Salinas, CA 93907

Costs \$1,079,309.60*

*Anticipated future Sponsor Costs are estimates and subject to change when actual costs are known. City costs maybe be updated as the City goes through its records re expenses incurred. The above amounts do not include interest owed and such interest will be calculated at the time of payment. If an owner does not participate now, reimbursement will be collected by the City at the time an owner applies for development.

**Owners' Required Reimbursement
As of May 31, 2017* - Allocation Sheet Attached**

Scagliotti Richard & Joann M. Scaggliotti Romans 2000 Trust Pura 2006 Trust 117 N. 1 st Street King City, CA 93930 APNs: 153-071-011 153-071-036 153-071-035 153-071-034 Owes \$306,043.40*	Matsui Andrew Toshikkiyo Matsui Matsui 2010 Trust 1645 Old Stage Road Salinas, CA 93908 APNs: 153-091-010 153-091-009 153-091-008 153-091-017 Owes \$1,454,264.60*
Natividad Road, Salinas LLC 1521 Westbranch Dr. #200 Mc Lean, VA 22102 Prior APN: 211-013-004 (New APN: 211-013-013) Owes \$205,428.84*	Noon Larry Noon Harrett Mannina, Jr. 510 N 1 st Street #110 San Jose, CA 95112 APN: 153-091-003 Owes \$74,165.26*
Probert/Cordioli Danny Probert Milton Codioli 73668 Imnaha Hwy Joseph, OR 97846 APN: 153-091-015 Owes \$1,641,554.23*	Helmerts George Helmerts 1188 Padre Dr., #101 Salinas, CA 93901 APN: 153-101-005 Owes \$66,748.73*
	Christensen Trust Joseph P. Ferry, Trustee Charitable Trust under the Julia Christensen 1995 Trust, dated July 24, 1995 P. O. Box 222021 Carmel, CA 93922 Prior APNs: 153-091-005 & 153-091-001 (New APNs: 153-091-018; 153-091-019; 153-091-020; & 153-091-021) Owes \$1,059,312.25*

*Anticipated future Sponsor Costs are estimates and subject to change when actual costs are known. City costs maybe be updated as the City goes through its records re expenses incurred. The above amounts do not include interest owed and such interest will be calculated at the time of payment. If an owner does not participate now, reimbursement will be collected by the City at the time an owner applies for development.

Worksheet All Owner's Share of Costs*

May 31, 2017

(Acres per RJA Assoc., Civil Engineers, Gilroy, CA)

Owners	APN	Acres	% Share	Costs Paid as of May 31, 2017	Share Of Costs Owed	Costs Overpaid (Underpaid)
Participating Owners						
Probert Thrust and Codioli Trust	153-091-015	214.64				
Alisal Elem. School District		-12.01				
Salinas High School District		-15.68				
Open Space		-3.24				
Total Probert and Codioli Trusts		183.71	34.15%	\$ 3,728,207.71	\$ 1,641,554.23	\$ 2,086,653.48
Christensen Trust	153-091-005	73.40				
Christensen Trust	153-091-001	76.20				
Santa Rita Elem. School District		-11.40				
Open Space		-19.65				
Total Christensen Trust		118.55	22.03%	\$ 1,079,309.60	\$ 1,059,312.25	\$ 19,997.35
Chargeable Owners Not Participating						
Matsui Trust	153-091-010	89.60				
Matsui Trust	153-091-009	40.08				
Matsui Trust	153-091-008	40.00				
Matsui Trust	153-091-017	50.05				
Salinas High School District		-4.40				
Open Space		-52.58				
Total Matsui Trust		162.75	30.25%	\$ -	\$ 1,454,264.60	\$ (1,454,264.60)
Scagliotti	153-071-011	8.43				
Scagliotti	153-071-036	5.00				
Scagliotti	153-071-035	20.86				
Scagliotti	153-071-034	3.29				
Open Space		-3.33				
Total Scagliotti		34.25	6.37%	\$ -	\$ 306,043.40	\$ (306,043.40)
Natividad Road, Salinas, LLC		25.42				
Open Space		-2.43				
Total Natividad Road, Salinas, LLC	211-013-004	22.99	4.27%		\$ 205,428.84	\$ (205,428.84)
Noon	153-091-003	9.05				
Open Space		-0.75				
Total Noon		8.30	1.54%	\$ -	\$ 74,165.26	\$ (74,165.26)
Helmers	153-101-005	19.30				
Open Space		-11.83				
Total Helmers		7.47	1.39%	\$ -	\$ 66,748.73	\$ (66,748.73)
Total Private Chargeable Lands		538.02	100.00%	\$ 4,807,517.31	\$ 4,807,517.31	\$ (0.00)
Lands NOT Chargeable						
Salinas High School District	211-013-004	4.40				
Salinas High School District	153-091-006	15.68				
Alisal Elem. School District	153-091-007	12.01				
Future Santa Rita Elem. School District (Currently Bruce Richardson Trust)	153-091-005	11.40				
Ignaz Ranches, LLC	211-013-010-					
Settrini Ranches, LLC	211-013-011-	84.61				
Garcia	211-013-007-	0.51				
Open Space Within Chargeable Owners' Lands		93.81				
Total Lands Not Chargeable		222.42				
Total Acres Within Central Area Specific Plan		760.44				

FGA

CASP COSTS 1-1-2001 THRU 8-31-13 ALL OWNERS 5-31-17

*Anticipated future Sponsor Costs are estimates and subject to change when actual costs are known. City costs maybe be updated as the City goes through its records re expenses incurred. The above amounts do not include interest owed and such interest will be calculated at the time of payment. If an owner does not participate now, reimbursement will be collected by the City at the time an owner applies for development.

**NOTICE TO OWNERS REGARDING SPONSOR REIMBURSEMENT
FOR CENTRAL AREA - FUTURE GROWTH AREA COSTS Pursuant to
Salinas City Ordinance 2549 and Amendments Thereto**

April 30, 2024

Pursuant to Salinas City Ordinance 2549, and amendments thereto, Sponsor, **East Boronda, LLC (“Sponsor”)** hereby notifies the below Owners that:

1. As of April 30, 2024, Sponsor and its predecessors, and Harrod Construction Company, on behalf of a Participating Owner, (“HCC”), have incurred \$9,168,900.32 in costs for annexation, entitlement, and other related costs for land use entitlements as described in Ordinance 2549, and amendments thereto, for the Central Area of the Future Growth Area, also known as the Central Area Specific Plan area (CASP), as set forth herein (“CASP Costs”).
2. The below Participating and Non-Participating Owners owe Sponsor and HCC a proportionate share of the CASP Costs in the amounts set forth below, plus interest from the date of expenditure to the date of reimbursement. Sponsor hereby requests reimbursement from the Owners.
3. Sponsor is initiating proceedings with the City of Salinas to form a Zone of Benefit pursuant to City Ordinance 2549, and amendments thereto, for the Central Area of the Future Growth Area to seek reimbursement from the Owners for their unpaid proportionate share of CASP Costs.

**Sponsor and Participating Owner CASP Costs Paid As of
April 30, 2024**

East Boronda, LLC c/o
Robert Bikle 1975 W. El
Camino Real, Ste. 100
Mountain View, CA 94040

Harrod Construction Company
c/o Ray Harrod, Jr. 365 Victor
Street, Suite S
Salinas, CA 93907

Costs \$7,997,903.20

Costs \$1,170,997.12

TOTAL CASP COSTS PAID: \$9,168,900.32

4. CASP Costs and Interest will continue to accrue until such time Owner pays their reimbursement in full and elects to pay all future charges upon invoice. Owners have the right to pay a reimbursement any time prior to the date due. All outstanding unreimbursed CASP Costs shall be due and payable for each Owner's property upon the earlier of (i) a development application for the said Owner's property or (ii) the tenth anniversary following the adoption by the City of the Zone of Benefit Resolution.
5. The CASP Costs identified in this Notice only include interest owed through April 30, 2024. Interest shall continue to accrue and will be calculated at the time of reimbursement payment.
6. City and Sponsor reserve the right to amend CASP Costs from time to time as a result of City review of expenses.

**Owners' Share of CASP Cost Allocation & Required Reimbursement
As of April 30, 2024 - Allocation Sheet Attached**

East Boronda, LLC		
1975 W. El Camino Real, Ste. 100		
Mountain View CA 94040		
 Prior APN:153-091-015		
New APNs: 153-091-022; 153-091-023; 153-091-024		
Share	\$ 2,315,947.10	
Paid	\$ 7,997,903.20	Overpaid \$ 5,384,115.10

Christensen Trust

Joseph P. Ferry, Trustee
Charitable Trust under the Julia Christensen
1995 Trust, dated July 24, 1995
P. O. Box 222021,
Carmel, CA 93922

Prior APNs: 153-091-005 & 153-091-001
New APNs: 153-091-018; 153-091-019;
153-091-020; & 153-091-021

Share \$ 2,342,707.20

Paid \$ 1,170,997.12 (by Harrod)

Owes \$873,869.08

Scagliotti

Richard & JoAnn M. Scagliotti
Romans 2000 Trust / Pura 2006 Trust
PO Box 705
King City CA 93930

APNs: 153-071-011; 153-071-036;
153-071-035; 153-071-034

Owes \$639,688.12

Hartnell College Foundation

PO Box 2258,
Salinas CA 93902

APNs: 153-091-010; 153-091-009;
153-091-008; 153-091-017

Owes \$3,207,338.89

Natividad Road Salinas LLC

1521 Westbranch Dr. #200
Mc Lean, VA 22102

Prior APN: 211-013-004
New APN: 211-013-013

Owes \$502,654.41

Noon

Larry Noon & Harrett Mannina, Jr.
510 N 1st Street #110 San Jose, CA 95112

APN: 153-091-003

Owes \$160,564.61

**Central Area Specific Plan Zone of Benefit
Annexation and Entitlement Costs
East Boronda and Christensen (Harrod) Are Only Participating Owners**

April 30, 2024

(Acres per RJA Assoc., Civil Engineers, Gilroy, CA)

<u>Owners</u>	<u>APN</u>	<u>Acres</u>	<u>% Share</u>	<u>Costs + Interest</u>	<u>Share Of Costs Owed</u>	<u>Calculated Interest Owed</u>	<u>Reimbs to Date</u>	<u>Costs Overpaid (Underpaid)</u>
<u>Participating Owners</u>								
East Boronda, LLC	153-091-022	214.64						
East Boronda, LLC	153-091-023							
East Boronda, LLC	153-091-024							
Alisal Elem. School District		-12.01						
Salinas High School District		-15.68						
Open Space		-3.24						
Total East Boronda, LLC		183.71	33.34%	\$ 7,997,903.20	\$ 2,143,258.90	\$ 172,690.20	\$ 297,841.00	\$ 5,384,115.10
Christensen Trust / Harrod Homes	153-091-018	45.55						
Christensen Trust / Harrod Homes	153-091-019	31.52						
Christensen Trust / Harrod Homes	153-091-020	50.52						
Christensen Trust / Harrod Homes	153-091-021	30.90						
		0.00						
Open Space		-19.24						
Total Christensen Trust		139.25	25.27%	\$ 1,170,997.12	\$ 1,624,563.30	\$ 718,143.90	\$ (297,841.00)	\$ (873,869.08)
<u>Chargeable Owners Not Participating</u>								
Hartnell	153-091-010	89.60						
Hartnell	153-091-009	40.08						
Hartnell	153-091-008	40.00						
Hartnell	153-091-017	50.05						
Salinas High School District		-4.40						
Open Space		-53.13						
Total Hartnell		162.20	29.43%	\$ -	\$ 1,892,310.00	\$ 1,315,028.89	\$ -	\$ (3,207,338.89)
Scagliotti	153-071-011	8.43						
Scagliotti	153-071-036	5.00						
Scagliotti	153-071-035	20.86						
Scagliotti	153-071-034	3.29						
Open Space		-5.23						
Total Scagliotti		32.35	5.87%	\$ -	\$ 377,412.01	\$ 262,276.11	\$ -	\$ (639,688.12)
Natividad Road, Salinas, LLC	211-013-013	25.42						
Open Space		0.00						
Total Natividad Road, Salinas, LLC		25.42	4.61%		\$ 296,563.01	\$ 206,091.40	\$ -	\$ (502,854.41)
Noon	153-091-003	9.05						
Open Space		-0.93						
Total Noon		8.12	1.47%	\$ -	\$ 94,732.17	\$ 65,832.44	\$ -	\$ (160,564.61)
Total Private Chargeable Lands		551.05	100.00%	\$ 9,168,900.32	\$ 8,428,837.38	\$ 2,740,062.94	\$ -	\$ (0.00)
<u>Lands NOT Chargeable</u>								
Salinas High School District	211-013-004	4.40						
Salinas High School District	153-091-006	15.60						
Alisal Elem. School District	153-091-007	12.01						
	153-091-005							
	153-091-001							
Ignaz Ranches, LLC	211-013-010-							
Settrini Ranches, LLC	211-013-011-	84.61						
Garcia	211-013-007-	0.51						
Helmers	153-101-005	11.83						
Open Space Within Chargeable Owners' Lands		96.74						
Total Lands Not Chargeable		225.70						
Total Acres Within Central Area Specific Plan		776.75						

Attachment C

Map of Zone of Benefit Area and list of Owners and Acreages



CHARGEABLE OWNERS	
East Boronda, LLC 1975 W. El Camino Real, Suite 100 Mountain View, CA 94040 Prior APN: 153-091-015 New APNs: 153-091-022; 153-091-023; 153-091-024 Acres: 183.71	Hartnell College Foundation PO Box 2258 Salinas, CA 93902 APNs: 153-091-010; 153-091-009; 153-091-008; 153-091-017 Acres: 162.20
Scagliotti Richard & JoAnn M. Scagliotti Romans 2000 Trust / Pura 2006 Trust PO Box 705 King City CA 93930 APNs: 153-071-011; 153-071-036; 153-071-035; 153-071-034 Acres: 32.35	Natividad Road Salinas LLC 1521 Westbranch Dr. #200 Mc Lean, VA 22102 Prior APN: 211-013-004 New APN: 211-013-013 Acres: 25.42
Noon Larry Noon & Harrett Mannina, Jr. 510 N 1 st Street #110 San Jose, CA 95112 APN: 153-091-003 Acres: 8.12	Christensen Trust Joseph P. Ferry, Trustee Charitable Trust under the Julia Christensen 1995 Trust, dated July 24, 1995 P. O. Box 222021, Carmel, CA 93922 Prior APNs: 153-091-005 & 153-091-001 New APNs: 153-091-018; 153-091-019; 153-091-020; & 153-091-021 Acres: 139.25
OWNERS NOT CHARGEABLE	
Salinas Union High School District 431 W Alisal Street Salinas, CA 93901 Prior APNs: 153-091-006; 211-013-004 New APNs: 153-091-014; 153-091-016 Acres: 20	Alisal Elementary School District 1205 E Market Street Salinas, CA 93905 Prior APNs: 153-091-001; 153-091-005; 153-091-007 New APN: 153-091-011 Acres: 12.01

Garcia 256 Natividad Road Salinas, CA 93906 APN: 211-013-007 Acres: 0.51	Helmerts 25015 Boots Road Monterey, CA 93940 APN: 153-101-005 Acres: 11.83
	Settrini 250 Natividad Road Salinas, CA 93906 APNs: 211-013-003; 211-013-011 Acres: 84.61
OPEN SPACE WITHIN CHARGEABLE LANDS	
Acres: 96.74	

Amended Attachment D

Verified Costs & Allocations

AMENDED ATTACHMENT D

Responsible Owners ¹	Eligible Acres	Percent Allocation	Charge per Acre	Total Charge	Amount to City (0.4%)	Amount to Sponsor
Christensen Trust	139.25	25.27%	\$7,352	\$1,023,817	\$4,095	\$1,019,721
Hartnell College Foundation	162.21	29.44%	\$7,925	\$1,285,519	\$5,142	\$1,280,377
Scagliotti	32.37	5.87%	\$20,909	\$676,817	\$2,707	\$674,110
Natividad	25.42	4.61%	\$20,909	\$531,501	\$2,126	\$529,375
Noon	8.07	1.46%	\$20,909	\$168,734	\$675	\$168,059
Total	367.32	100.00%	\$10,036	\$3,686,387	\$14,746	\$3,671,642

¹ APNs shown in Paragraph 2, above.



Legislation Text

File #: ID#25-553, **Version:** 1

Harden Parkway Path and Safe Routes to Schools

Approve a Resolution approving the Harden Parkway Path and Safe Routes to School Project and finding the Project categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301, Class 1(c).



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JANUARY 27, 2026

DEPARTMENT: PUBLIC WORKS DEPARTMENT

FROM: DAVID JACOBS P.E., L.S., PUBLIC WORKS DIRECTOR

BY: ADRIANA ROBLES PE, CFM, CITY ENGINEER
GERARDO RODRIGUEZ, ASSISTANT ENGINEER

TITLE: HARDEN PARKWAY PATH AND SAFE ROUTES TO SCHOOL

RECOMMENDED MOTION:

A motion to approve a Resolution approving the Harden Parkway Path and Safe Routes to School Project and finding the Project categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301, Class 1(c).

EXECUTIVE SUMMARY:

On December 6, 2022, City Council adopted the Salinas Safe Routes to Schools Plan as a key strategic planning document. At its May 16, 2023, meeting, City Council accepted \$8 million in Active Transportation Program (ATP) grant funds for the Harden Parkway Path and Safe Routes to School Project ("Project"). The proposed improvements include a road diet, roundabout at the Harden Parkway/McKinnon St. intersection and bike and pedestrian improvements along McKinnon St and Westminster Dr. Improvements are proposed within the existing right of way and are minor based on the preliminary environmental study (PES).

Staff is requesting City Council approve the proposed Harden Parkway Path and Safe Routes to School Project and find the Project categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301, Class 1(c) for minor alterations to existing roadway facilities.

BACKGROUND:

Salinas Safe Routes to Schools Plan

On December 6, 2022, the City of Salinas adopted the Salinas Safe Routes to Schools Plan as a strategic planning document by Resolution No. 22533. Public input was the foundation of the process of creating the Safe Routes to Schools Plan. Staff developed an outreach plan and sought input from community members to understand school transportation needs and barriers and refine the draft recommendations. Parent and student surveys, presentations at parent meetings, and walking audits with school staff all contributed input on the barriers to walking and biking to schools in Salinas and the types of improvements that community members would like to see.

According to the 2021 Citywide Safe Routes to Schools survey, the top barriers to children walking and bicycling in Salinas are “driver behavior” and “traffic speed”. These concerns have been validated through school site audits, speed surveys and photos. The feedback from the parent community clearly expresses a need for routes with slower traffic or more space and protection from motorized vehicles. This means that on certain streets, bicycle lanes are not comfortable enough to encourage children and less confident riders to take the trip by bicycle instead of by car.

Harden Parkway/McKinnon St Existing Conditions

Harden Parkway and McKinnon Street both currently have bicycle lanes and sidewalks but have safety concerns that need to be addressed to encourage higher levels of cycling and walking. Harden Parkway provides access to the Harden Ranch Plaza and Northridge Mall, major shopping and employment hubs on North Main Street, a 6-lane arterial street which runs north-south through the community. Just a 10-minute bike ride to the south is the Sherwood Park neighborhood. In combination with several other streets and paths, Harden Parkway and McKinnon Street provide one of the only routes for students and residents of the Sherwood Park neighborhood and Harden Plaza affordable housing complex to access Harden Middle School, North Salinas High School and the Northridge Mall while minimizing travel on North Main Street.

The intersection of Harden Parkway and McKinnon Street is currently controlled by an all-way stop with crosswalks on three approaches. During school hours, the intersection is congested with both vehicular traffic and students crossing the intersection. In 2020, City staff presented an intersection priority list to the City Council. The City Council approved Resolution No. 21915 prioritizing the intersection of Harden Parkway at McKinnon Street for improvements. The City conducted an Intersection Control Evaluation to test the benefit and cost performance of different intersection improvements for Harden Parkway at McKinnon Street over a 20-year period. The analysis found a roundabout-controlled intersection would be the preferred alternative.

Pop Up Demonstration Project

In April 2022, as part of the Safe Routes to Schools planning effort, the City implemented a pop-up demonstration project for Harden Middle School. The pop-up event temporarily installed cost-effective infrastructure recommendations from the Safe Routes to School Plan. This event was an opportunity for the community to try out recommendations from the Safe Routes to Schools Plan and provide feedback, before the City takes steps to install permanent improvements. Feedback from the community was used to help refine the recommendations in the Safe Routes to School Plan, before taking the Plan to City Council for adoption. After the pop-up demonstration project, the team conducted a survey (Attachment 2) and found that 60% of the respondents wanted to see the changes made permanent, 9% wanted to see the changes made permanent with some changes, 20% did not support the changes, and 11% were undecided. Additionally, students from California State University Monterey Bay (CSUMB) conducted a study (Attachment 3) to analyze how the pop-up demonstration project influenced student behavior. The study found that the pop-up demonstration project increased overall pedestrian traffic during the month the temporary improvements were installed. The data suggests that with the improvements more students would feel safe and comfortable walking to school, which could encourage more active and sustainable transportation behaviors.

Harden Parkway Path and Safe Routes to School Project

The Salinas Safe Routes to Schools Project includes a 0.77-mile multi-use path with a road diet on Harden Parkway from El Dorado Drive to Regency Circle. The new configuration will transform a 4-lane roadway to a 2-lane roadway with a roundabout at McKinnon Street, 2-way bike path separated by a planted median, accessible sidewalks and stormwater improvements. Connecting to Harden Parkway, the Project includes safe routes to school improvements on McKinnon Street including protected bike lanes connecting the proposed multiuse path on Harden Parkway to bike facilities on East Alvin Drive, high-visibility crosswalk in front of Harden Middle School and curb extensions along Westminster Drive connecting McKinnon Street to El Dorado Park.

Attachment 1 provides an exhibit of the proposed improvements.

CEQA Findings

Consistent with regulations of the Active Transportation Program, a Preliminary Environmental Study (PES) was conducted and submitted to Caltrans. The study analyzed the impacts of Air Quality, Water Quality, Biological Resources, Hazardous Materials/Hazardous Waste, Noise, Traffic, Visual Impacts, Land Use, and Federal Highway Administration Section 4(f) (historic sites and publicly owned public parks).

The proposed improvements are located within the existing right-of-way and constructed roadway facilities; it proposes minimal impactful land disturbance and was found to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301, Class 1(c).

Project Outreach and Coordination

Kimley-Horn began work on the Project in June 2025. As part of the design development, City staff and Kimley-Horn have met with the Fire Department, Monterey Salinas Transit, and Salinas Unified School District to provide an overview on the Project and to explore road cross section alternatives for Harden Parkway. A community meeting was hosted on October 30, 2025 where the Project was presented to the community along with roundabout safety information. A survey was released to gather community input and receive feedback on the proposed improvements for the Project. Links to the survey are provided below:

<https://tinyurl.com/HardenSRTS-Survey>
<https://tinyurl.com/HardenSRTS-Encuesta>

A second community meeting is anticipated for March 2026, along with a presentation to TAMC's Pedestrian and Bike Committee, to continue informing the community about the Project and its next steps.

CEQA CONSIDERATION:

The City of Salinas has determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines (Section 15301, Class 1(c)) because the project proposes minor operations and alterations of an existing City street. A notice of exemption has been prepared and will be filed with the County Clerk's office.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No

STRATEGIC PLAN INITIATIVE:

This action supports the Council's Goal of Infrastructure and Public Safety by enhancing bicycle and pedestrian facilities as well as improving traffic flow along Harden parkway.

DEPARTMENTAL COORDINATION:

The Public Works Department and Finance Department manage the project accounting. The Public Works Department manages engineering services and construction contracts, inspection, and final acceptance of construction projects. Design has been coordinated with the Fire Department and external agencies like MST and TAMC.

FISCAL AND SUSTAINABILITY IMPACT:

This action has no direct fiscal impact to the General Fund.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
N/A	N/A	N/A	N/A	N/A

ATTACHMENTS:

Resolution - Harden Parkway Path and Safe Routes to Schools

Attachment 1 Project Improvements Map

Attachment 2 Summary Report of Bicycle & Pedestrian Counts for Temporary Installations on McKinnon Street & Westminster Drive

Attachment 3 Temporary Demonstration Survey Results

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

HARDEN PARKWAY PATH AND SAFE ROUTES TO SCHOOL

WHEREAS, in December 2022, the City Council approved by Resolution No. 22533 a Safe Routes to Schools Plan over a three-year process involving extensive community outreach and public engagement; and

WHEREAS, Harden Parkway and McKinnon Street both have bicycle lanes and sidewalks but have safety concerns that need to be addressed to encourage higher levels of cycling and walking; and

WHEREAS, a temporary pop-up demonstration, in April 2022, found that the majority of respondents wanted to see changed made permanent. A CSUMB study analyzed the influence of student behavior with the pop-up demonstration and found that over pedestrian traffic increased during the month the temporary demonstration was installed; and

WHEREAS, The Salinas Safe Routes to Schools Project includes a 0.77-mile multi-use path with a road diet on Harden Parkway from El Dorado Drive to Regency Circle. The new configuration will transform a 4-lane roadway to a 2-lane roadway with a roundabout at McKinnon Street, 2-way bike path separated by a planted median, accessible sidewalks and stormwater improvements.; and

WHEREAS, the Project was analyzed to study the impacts it would have based on CEQA criteria and was found to have minimal impacts; and

WHEREAS, the City of Salinas has determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines (Section 15301, Class 1(c)) because the project proposes minor operations and alterations of an existing City street; and

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council approves Harden Parkways Path and Safe Routes to School Project; and

BE IF FURTHER RESOLVED that the Salinas City Council finds the Project categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301, Class 1(c).

PASSED AND APPROVED this 27th day of January, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Soratos, City Clerk



Source: ESRI, 2025

Figure 3: Project Improvements Map

Harden Parkway Path & Safe Routes to School Project
City of Salinas



Not to scale

APPENDIX D

MCKINNON STREET TEMPORARY DEMONSTRATION



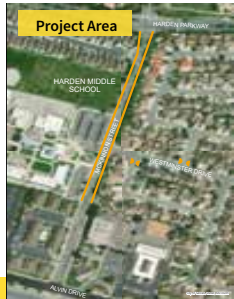
Coming Soon

Temporary Protected Walking and Biking Installation

At McKinnon Street and Westminster Drive
April 20th - May 18th



The bike lanes on McKinnon Street between Harden Parkway and Harden Middle School will be temporarily changed to separated bikeways, and temporary curb extensions will be added on Westminster Drive. The goal of these changes is to improve safety and get feedback from the community.



GET INVOLVED

Learn more about the project and make sure your voice is heard.

- 1 Attend a virtual community meeting**
April 7th 6-7:30pm. Scan the QR code below for details.
- 2 Try walking or biking**
through this temporary project.
- 3 Use the QR code, link, or phone number below**
to take the survey.

LEARN MORE

- » Call (831) 515-1364
- » Scan the QR code

» Visit <https://saferoutesmonterey.org/planning-salinas>



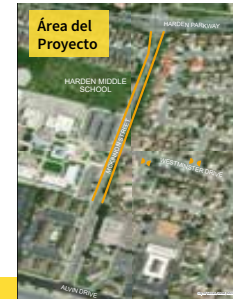
Viene Próximamente

Proyecto Temporal Para Caminar y Andar en Bicicleta de Manera Protegida

a McKinnon Street y Westminster Drive
20 de abril - 18 de mayo



Las vías ciclistas sobre McKinnon Street entre Harden Parkway y Harden Middle serán cambiadas temporalmente a vías ciclistas separadas, y además, extensiones de acera serán instaladas sobre Westminster Drive. La meta de estos cambios es mejorar la seguridad y obtener comentario público.



PARA INVOLUCRARSE

Obtenga más información sobre el proyecto y asegúrese de que se escuche su voz.

- 1 Asista a una junta virtual**
7 de Abril de 6-7:30pm.
Para más información, use el código QR.
- 2 Intenta caminar o andar**
en bicicleta usando este proyecto temporal.
- 3 Use el código QR, el enlace**
o el número de teléfono para tomar la encuesta.

APRENDE MÁS

- » Llámenos al (831) 515-1364
- » Escanear el código QR
- » Visítenos en nuestro sitio web

<https://saferoutesmonterey.org/planningsalinas-spanish/>





Viene Próximamente

**Instalación Temporal Para
Caminar y Andar en Bicicleta
de Manera Protegida
a McKinnon Street y
Westminster Drive**

20 de abril - 18 de mayo



COUNTY OF MONTEREY
HEALTH DEPARTMENT



Safe Routes
to School



PARA INVOLUCRARSE

- 1** Intenta caminar o andar en bicicleta usando este proyecto temporal.
- 2** Tome la encuesta para decírnos su opinión.



<https://saferoutesmonterey.org/planning-salinas/>
(831) 515-1364



Coming Soon

**Protected Walking
and Biking Installation
to McKinnon Street
and Westminster Drive**

April 20th - May 18th



COUNTY OF MONTEREY
HEALTH DEPARTMENT



Safe Routes
to School



GET INVOLVED

- 1** Try walking or biking through this temporary project.
- 2** Use the QR code, link, or phone number below to take the survey.



<https://saferoutesmonterey.org/planning-salinas/>
(831) 515-1364

The bike lanes on McKinnon Street between Harden Parkway and Harden Middle School will be temporarily changed to separated bikeways, and temporary curb extensions will be added on Westminster Drive. The goal of these changes is to improve safety and get feedback from the community.

WHAT TO EXPECT

- » There may be traffic delays on McKinnon Street on April 18th and 19th while the temporary installation is being installed. **Please allow extra time to drive through this area.**
- » There may be more people walking and biking on McKinnon Street and Westminster Drive during the temporary installation. **When you are driving, please slow down and watch for people walking and biking.**

LEARN MORE

For more information about the Safe Routes to School Plan, scan the QR code, visit <https://saferoutesmonterey.org/planning-salinas/>, or call (831) 515-1364.



Las vías ciclistas sobre McKinnon Street entre Harden Parkway y Harden Middle serán cambiadas temporalmente a vías ciclistas separadas, y además, extensiones de acera serán instaladas sobre Westminster Drive. La meta de estos cambios es mejorar la seguridad y obtener comentario público.

QUE SE PUEDE ESPERAR

- » Puede haber retrasos por el tráfico sobre la calle McKinnon Street durante los días de instalación que serán el 18 y 19 de Abril. **Favor de darse más tiempo para manejar por esta área.**
- » Puede que vea más gente caminando o andando en bicicleta sobre las calles McKinnon St y Westminster Drive durante esta instalación. **Cuando maneje por favor disminuya su velocidad y esté atento de más gente que ande caminando y andando en bicicleta.**

MANTENGASE INFORMADO

Para más información sobre el Plan de Rutas Seguras a la Escuela, haga scan al código QR o visítenos en <https://saferoutesmonterey.org/planningsalinas-spanish/>, o llámenos al (831) 515-1364



PRSR STD
ECRWSS
U.S.POSTAGE
PAID
EDDM Retail

Local Postal Customer

NOTICE:

Temporary Protected Walking and Biking Installation Coming to McKinnon Street and Westminster Drive

April 20th – May 18th

You are invited to walk and bike on McKinnon Street and Westminster Drive during the installation to see what a permanent project could look like.

AVISO:

Instalación Temporal Para Caminar y Andar en Bicicleta de Manera Protegida Viene a McKinnon Street y Westminster Drive
20 de abril - 18 de mayo

¡Le Escuchamos!

Le invitamos a que camine o ande en bicicleta sobre las calles McKinnon Street y Westminster Drive durante esta instalación para que vea lo que pudiera ser un proyecto permanente.

Virtual Community Meeting

April 7th 6:00 - 7:30pm.

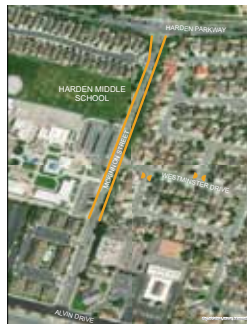
Scan the QR code for details



Junta Comunitaria Virtual

7 de Abril de 6:00 – 7:30pm.

Para más información, use el código QR



Project Area
Área del Proyecto



Example of Temporary Separated Bikeway
Ejemplo de los Vías Ciclistas Separadas



Example of Curb Extension
Ejemplo de las Extensiones de Acera



Safe Routes
to School



COUNTY OF MONTEREY
HEALTH DEPARTMENT



Outreach Materials - Mailer



COMING SOON!

Temporary Protected Walking and Biking Installation

At McKinnon Street and Westminster Drive
April 20th – May 18th



Possible Traffic Impacts

The installation will include barriers between the bike lane and the motor vehicle lane, so you will not be able to drop-off or pick up students on McKinnon Street during the demonstration. This may cause additional traffic in the school drop-off loop. Thank you for your patience with any additional traffic during this project.

How Can My Student Get to School During the Demonstration?

1. **Walk or Bike to School.** Students are encouraged to walk or bike during the installation, and will be entered in a raffle to win prizes if they log their trips through the Move It Monterey County Challenge. Learn more at <https://rb.gy/2pwefn>
2. **Drop-off in Church Parking Lot (5-minute walk).** You can drop off or pick up students in the parking lot of the Church of Latter Day Saints, located at 255 E Alvin Dr. (see map above)
3. **Drop-off Circle (15+ minutes):** The drop-off circle will remain open but may take 15+ minutes to get through. If enough students walk or bike to school or are dropped off in the church parking lot, it will take less time to get through the drop-off loop.

Why Redesign McKinnon Street?

The temporary installation is designed with students in mind. The project will include barriers between the bike lane and the motor vehicle lane, which makes it safer for students to bike to Harden Middle School and North Salinas High School.

LEARN MORE:

For more information, scan the QR code
visit <https://saferoutesmonterey.org/planning-salinas>,
or call (831) 515-1364.



VIENE PRÓXIMAMENTE

Instalación Temporal para Caminar y Andar en Bicicleta de Manera Protegida

En las calles McKinnon Street y Westminster Drive
20 de April – 18 de Mayo



Posible Impacto al Tráfico Normal

La instalación incluirá barreras entre la vía ciclista y la vía de autos, así que no será posible parar para dejar o recoger a su estudiante sobre la calle McKinnon Street durante el mes de demostración. Esto puede que cause tráfico adicional en el área de descenso a la par del estacionamiento escolar. Le agradecemos su paciencia por el tráfico adicional durante este proyecto.

Maneras que su estudiante puede llegar a la escuela durante la demostración:

1. **Caminando o en bicicleta.** Animamos a que estudiantes caminen o vayan a la escuela en bicicleta durante el mes de la demostración. Estudiantes que usen este método podrán grabar sus viajes a la escuela por medio del programa Move It Monterey County Challenge y participar en una rifa para ganar premios. Para más informes puede ir a la página web <https://rb.gy/2pwefn>
2. **Puede dejar su estudiante en el estacionamiento de la iglesia (requiere caminar al campo escolar que toma 5 minutos).** Usted podrá dejar y recoger a su estudiante de la iglesia Church of Latter Day Saints, localizada en el 255 E. Alvin Dr. (refiera al mapa arriba)
3. **Puede dejar su estudiante en el área de ascenso cerca del estacionamiento escolar (15+ minutos):** El área de ascenso se mantendrá abierto durante la demostración, pero puede que le tome más de 15 minutos para usarla. Si suficientes estudiantes caminan o van a la escuela en bicicleta, o son dejados en el estacionamiento de la iglesia, puede ser que pasar por el área de ascenso sea más rápido.

¿Porque el rediseño de la calle McKinnon Street??

La instalación temporal está diseñada con estudiantes en mente. El proyecto incluirá barreras entre las vías ciclistas y las vías de autos para aumentar la seguridad de estudiantes que andan en bicicleta hacia las escuelas Harden Middle y North Salinas High.

PARA MAS INFORMACION:

Para más información, haga scan el código QR o visítenos en la página web:
<https://saferoutesmonterey.org/planningsalinas-spanish/>, o llámenos al (831) 515-1364.





Safe Routes to School

What do these colors mean?

Green means space
for biking



Barriers protect people
walking and biking from
cars



Temporary Installation

April 20th – May 18th

Protected Walking and Biking Installation
Coming to McKinnon Street



<https://saferoutesmonterey.org/planning-salinas>

¿Qué significan estos colores?

El cuadro verde es un
espacio para bicicletas.

Estas barreras protegen del
tráfico de carros a personas
caminando o en bicicleta.

Proyecto Temporal

20 de Abril - 18 de Mayo

Instalación Para Caminar y Andar en Bicicleta de
Manera Protegida Viene a la Calle McKinnon


Safe Routes to School

TAMC
 TRANSPORTATION AGENCY FOR MONTGOMERY COUNTY

Temporary Walking and Biking Installation Coming to McKinnon Street and Westminster Drive

April 20th - May 18th

Here's a few examples of what you will see



Temporary Separated Bikeway



Temporary Curb Extensions

Social Media Graphic #1 English


Safe Routes to School

TAMC
 TRANSPORTATION AGENCY FOR MONTGOMERY COUNTY

Instalación Temporal Para Caminar y Andar en Bicicleta de Manera Protegida

Viene a McKinnon Street y Westminster Drive

20 de abril - 18 de mayo

Este es un ejemplo de lo que verá





Vías Ciclistas Separadas




Extensiones de Acera

Social Media Graphic #1 Spanish


Safe Routes to School

TAMC
 TRANSPORTATION AGENCY FOR MONTGOMERY COUNTY

Have you tried the protected walking and biking installation on McKinnon Street and Westminster Drive?



Social Media Graphic #2 English


Safe Routes to School

TAMC
 TRANSPORTATION AGENCY FOR MONTGOMERY COUNTY

Ha probado la instalación para caminar o andar en bicicleta de manera protegida sobre las calles McKinnon Street y Westminster Drive?



Social Media Graphic #2 Spanish



**Safe Routes
to School**

McKinnon Street Temporary Installation Participant Survey

Encuesta para Participante sobre la Instalación Temporal en la Calle McKinnon

1. How did you experience the temporary installation? Select all that apply/ *¿Cómo uso el espacio de instalación temporal? Selección todas las respuestas que se aplica para usted.*
 - ☐ Walking / *caminando*
 - ☐ Biking / *por bicicleta*
 - ☐ Driving / *maneja*
2. How would you describe your experience using this space? For each feature, place a check in the box that best describes your experience. / *¿Cómo calificaría su experiencia usando este espacio? Por favor indique cómo se siente con cada una de las instalaciones en la siguiente lista. Para cada instalación indique la casilla que mejor describa su experiencia.*

a. Curb extension / *Extensión de acera/banqueta*



I love it / *Me encanta*



I like it / *Me gusta*



I'm neutral / *Neutral*



I don't like it/ *No me gusta*



I hate it / *No me gusta para nada*

I did not use it/ *No la use*



b. Protected bicycle lanes / *Instalación ciclista con barrera protegida*I love it / *Me encanto*I like it / *Me gusto*I'm neutral / *Neutral*I don't like it/ *No me gusto*I hate it / *No me gusto para nada*I did not use it/ *No la use*

3. Did you walk or bike more because of the temporary installation? / *¿Caminó o anduvo en bicicleta usted más ahora porque está la instalación temporal?*

☐ Yes / *Si*

☐ No / *No*

4. Would you like to see the temporary improvements made permanent? / *¿Le gustaría ver estos mejoramientos temporales convertidas a instalaciones permanentes?*

☐ Yes / *Si*

☐ No / *No*

☐ Undecided/ *Indeciso(a)*

☐ Maybe - with some changes / *Tal vez - con ciertos cambios*

5. How likely would you be to walk or bike through this area if the changes became permanent? / *¿Cuál sería la probabilidad que usted usaría esta instalaciones para andar en bicicleta o caminar si estos cambios se hicieran permanentes?*

☐ Not at all likely / *No usaría este espacio para nada*

☐ Not likely / *Pienso que no lo usaría*

☐ Likely / *Pienso que si lo usaría*

☐ Definitely / *Definitivamente lo usaría*

6. What is your favorite part about the temporary installation? / *¿Cuál es su parte favorita de la instalación temporal?*



7. What would you change about the temporary installation? / *¿Que sería una cosa que cambiaría de la instalación temporal?*

8. Have you ever felt unsafe walking or riding a bike at the intersection of Harden Parkway and McKinnon Street? / *¿Alguna vez se ha sentido inseguro al caminar o andar en bicicleta en la intersección de Harden Parkway y McKinnon St?*

9. Please describe any traffic incidents you've seen (near misses) or of which you have heard about involving people walking, biking, or driving at the intersection of Harden Parkway and McKinnon Street. / *Describe cualquier incidente de tráfico que haya visto (casi accidentes) o de los que haya oído hablar de personas que caminan, andan en bicicleta o conducen en la intersección de Harden Parkway y McKinnon Street.*

10. Do you have any additional comments? / *¿Tiene algún otro comentario adicional?*

Optional Questions / Preguntas Opcionales:

1. Do you have a child or children that attend any of the following schools? (select all that apply) / *¿Tiene usted estudiantes que van a las siguientes escuelas? (seleccione todas que apliquen):*
 - ☐ Harden Middle
 - ☐ North Salinas High
 - ☐ Natividad Elementary
 - ☐ McKinnon Elementary
 - ☐ No



2. What is your ZIP code? / *Indique su código postal.*

- ☐ 93905
☐ 93906
☐ 93907

- ☐ 93901
☐ 93908
☐ Other / *Otro:* _____

3. What is your age? / *Marque la casilla que indique su edad.*

- ☐ Under 18 / *Menos de 18*
☐ 18 – 35
☐ 36 – 50
☐ 51 – 65
☐ 65+

4. What is your gender? / *¿Cuál es su género?*

- ☐ Man/ *hombre*
☐ Woman/ *mujer*
☐ Other/ *otro*
☐ Prefer not to say / *prefiero no decir*

5. What is your race/ethnicity? / *Cuál es su raza/etnicidad?*

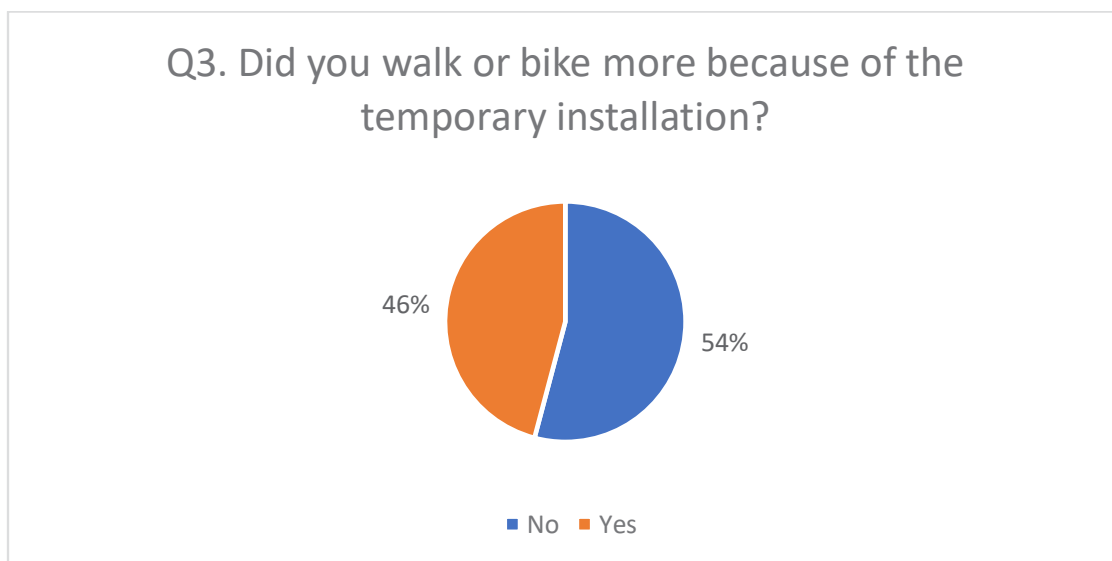
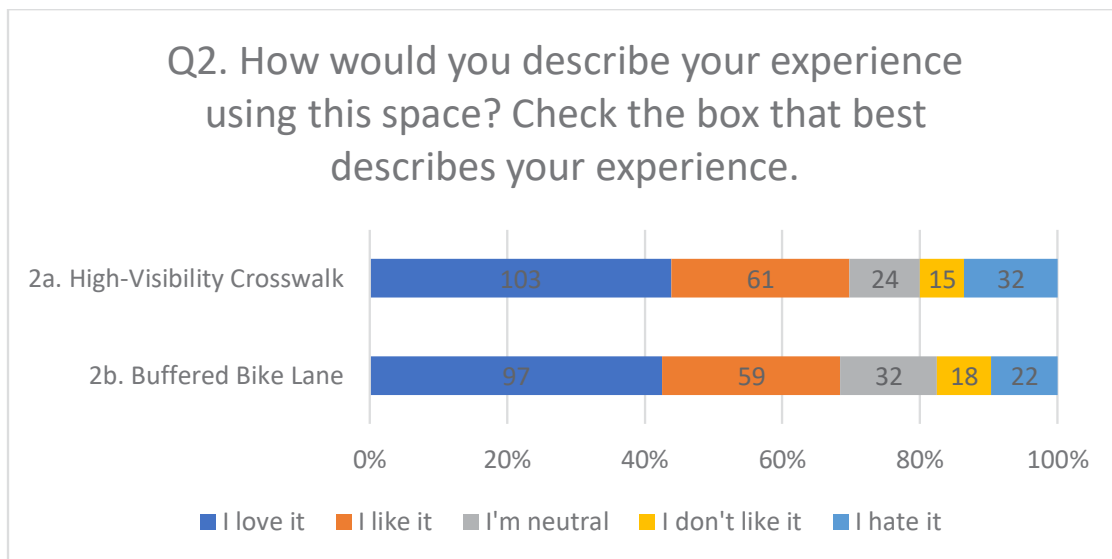
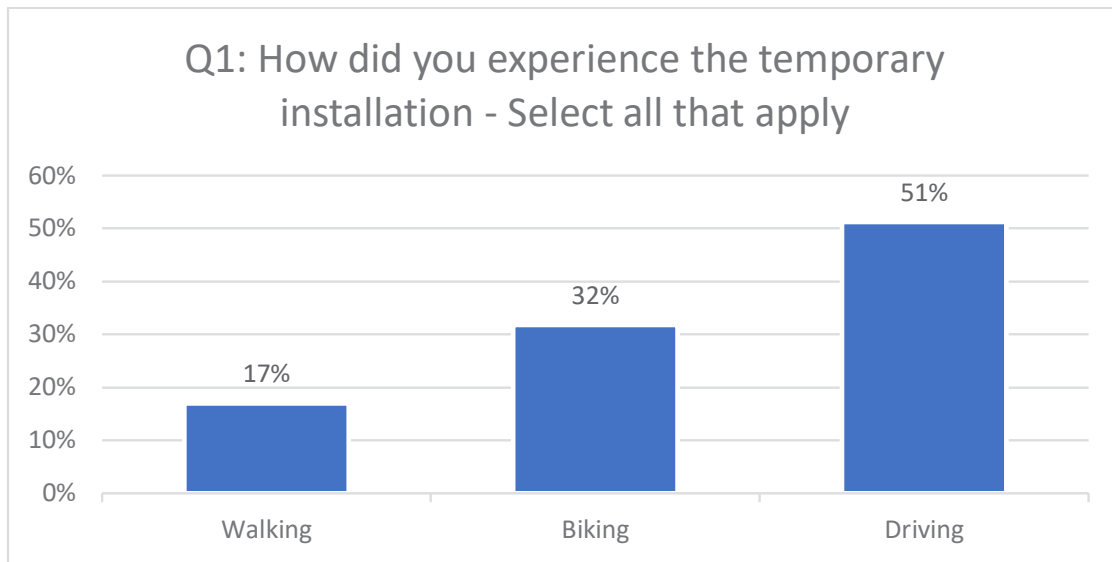
- ☐ Black/African American / *Afro Americano*
☐ Hispanic/Latinx / *Hispano/Latinx*
☐ White/Caucasian / *Blanco/Anglo*
☐ Asian / *Asiático*
☐ Native American / *Americano Nativo*
☐ Mixed ethnicity / *Etnicidad mixta*
☐ Other / *Otra*
☐ Prefer not to say / *Prefiero no decir*

6. We are raffling off two bicycles for survey respondents! If you would like to enter the raffle, enter your name and contact info (phone number or email) below. / *¡Estaremos sorteando dos bicicletas para participantes de esta encuesta! Si le gustaría participar, incluya su nombre y número de teléfono o email en el área abajo.*

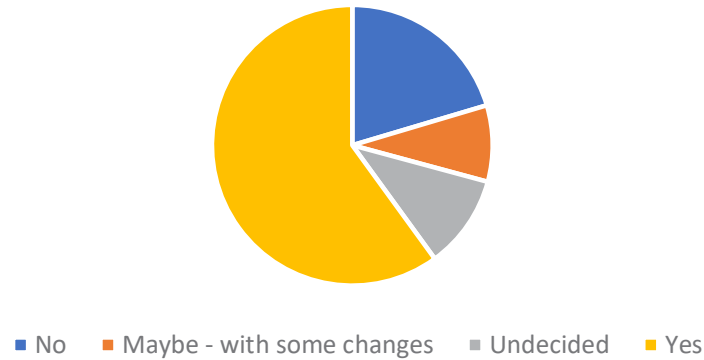
Thank you for your participation!! / *¡Gracias por su participación!*



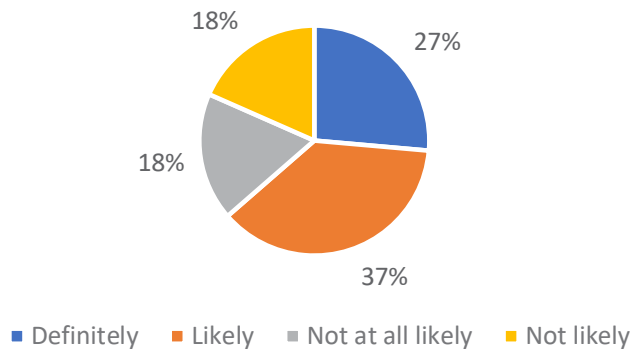
McKinnon Street Temporary Installation Survey Responses



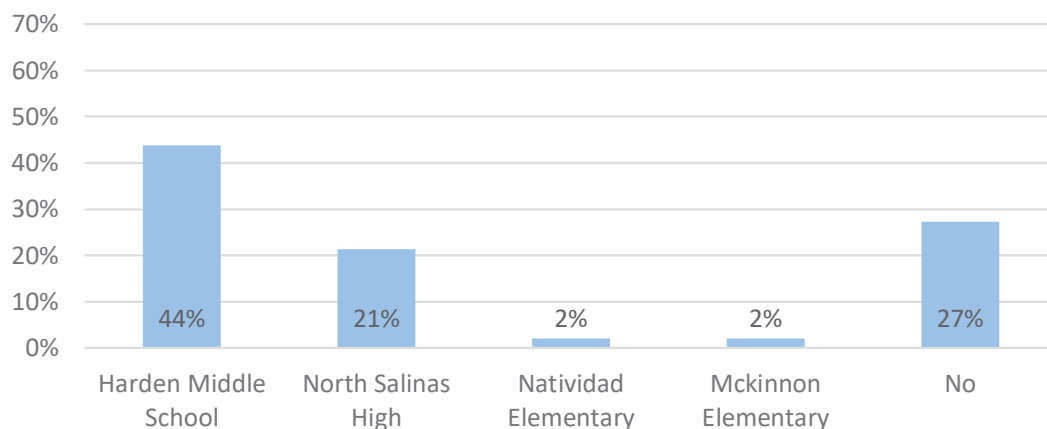
Q4. Would you like to see the temporary improvements made permanent?



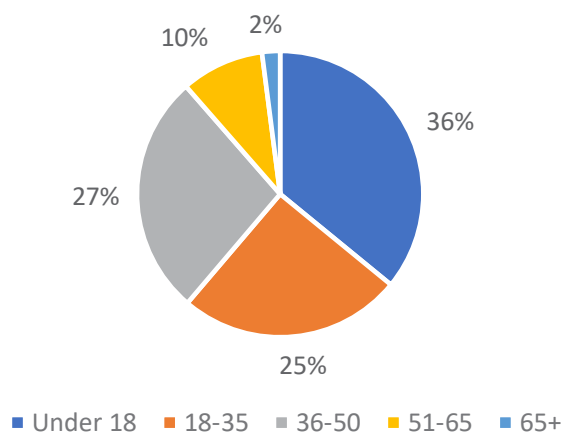
Q5. How likely would you be to walk or bike through this area if the changes became permanent?



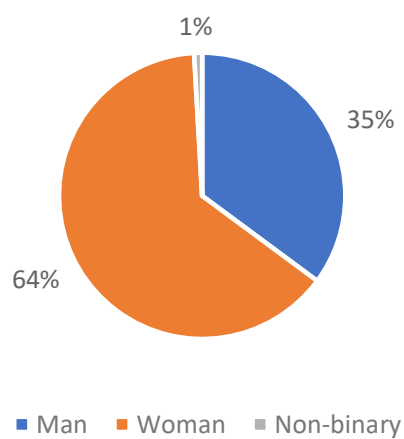
Q6. Do you have children in the following schools? Check all that apply.



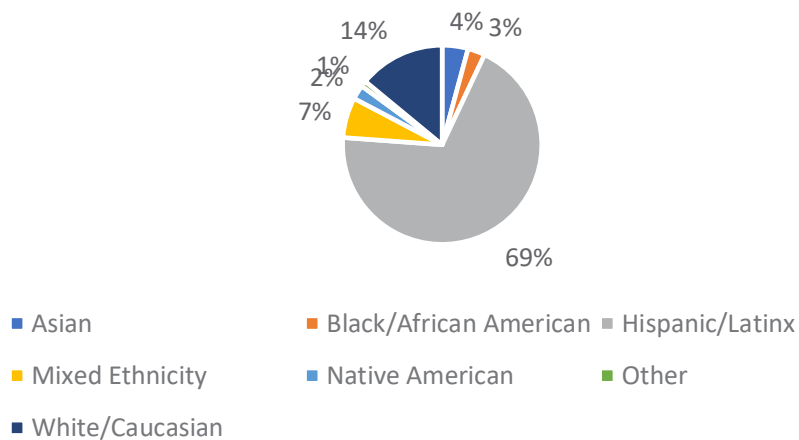
Q7. What is your age?



Q8. What is your gender?



Q9. What is your race/ethnicity?



CSU Monterey Bay Class: ENSTU 376

-

Summary Report of Bicycle & Pedestrian Counts for Temporary Installations on McKinnon Street & Westminster Drive, Salinas CA

Written by: Mollie Brogdon

June 24, 2022

Abstract

To ensure the safety for children and all community members in Monterey County, as part of the Salinas Safe Routes to School Program, The Transportation Agency for Monterey County installed temporary safety measures in front of Harden Middle School located in Salinas, CA. With help from the Sustainable City Year Program and CSUMB students, a study on the temporary installations was conducted to assess their effectiveness in increasing pedestrians and bicyclist traffic, as well as improving their overall safety. Each movement an individual made across the intersection of McKinnon Street and Westminster Drive was recorded during four designated days and time frames both before and after the temporary safety measures were installed. When it was observed, additional documentation concerning dangerous behavior was made. This study concluded that the temporary installations did increase the safety of bicyclists and pedestrians. However, pedestrians may still be subject to unsafe conditions due to the speed of vehicular traffic, and children bicyclists remain susceptible to injury from the lack of prevalent helmet use. Pedestrian activity had a notable increase following the installations, whereas bicyclist activity decreased. It was also found that the temporary installations did not encourage bicyclists to travel in the protected bike lanes. This study argues that an additional speed survey is necessary to better assess the severity of speeding in the area. Education on proper bike lane use for child bicyclists is also recommended. Finally, stronger enforcement of helmet use for minors is imperative. A program to connect the children with such safety gear is advised.

Background & Purpose

All children should be able to make their way to school safely. The Transportation Agency for Monterey County (TAMC) is working to ensure children's safety through various Safe Routes to School projects and programs across Monterey County. TAMC is aware that the majority of children in Monterey County are driven to school. This is one of the leading causes of traffic congestion on local roads during the morning and afternoon. This chaotic drop-off traffic in front of schools creates an unsafe environment for children who walk and bike. TAMC is making an effort to bring forth a community approach to achieving a deep and comprehensive impact for children's safety through the Safe Routes to School Program. One specific project that TAMC employed took place in front of Harden Middle School and was made possible through the Sustainable City Year Program. The Sustainable City Year Program is a connection made by universities and communities to assist with local needs. The program is intended to assist local municipalities with sustainability-related projects that they would like to take on but may not have the resources to do so. For this project, an Environmental Studies class focusing on infrastructure at California State University, Monterey Bay, collaborated with TAMC to collect bicycle and pedestrian count data and assess the effectiveness of the project.

The project in front of Harden Middle School was focused on the intersection of McKinnon Street and Westminster Drive, with the goal of getting feedback from the community and improving safety. TAMC added temporary curb extensions on Westminster Drive and changed bike lanes to protected bikeways with a barrier from cars on McKinnon Street. Examples of these temporary installation are found below in **Figure 1**. To properly evaluate the effectiveness of these temporary measures, CSUMB students were tasked with counting the movements of pedestrians and bicyclists across the entire intersection. The counts were primarily intended to answer the following question: How do the temporary installations impact pedestrian

and bicyclists' behaviors? Questions of more specific interest include, Do the temporary installations improve safety for pedestrians? Do the temporary installations improve safety for bicyclists? Do the temporary installations encourage more pedestrian and bicyclist activity? Recording the activity within the intersections through pedestrian and bicyclist counts allowed for a comprehensive investigation to answer the questions of interest.



Figure 1. Temporary Bike Lane Separations on McKinnon Street

Methodology

The counts were recorded by CSUMB students, whose role included observing and tallying the movements of pedestrians and bicyclists across the McKinnon and Westminster intersection. An example of how the intersection was labeled for the purpose of counting can be seen in **Figure 2** below. These counts were taken from 7-9am and 2:30-4:30pm on Tuesday April 5th and Thursday April 7th before the installations. After the installation of the curb extensions and separate bikeways, counts were taken during the same time frames on Tuesday April 26th and Thursday April 28th.

During the counts, students recorded the number of individual movements people made at any of the four crossings, as well as turns they made on corners of the street. Counters specified if the pedestrians or bicyclists were adults or children, if the crossings were considered

safe, if child bicyclists were wearing helmets or not, and if bicyclists were traveling on the sidewalk or street. A safe crossing was one in which a pedestrian or bicyclists used the designated pathways and did not have a dangerous interaction with the vehicular traffic.

Additional notes were recorded if dangerous or unusual behavior was observed. Counters also recorded the opinions and input from community members as well as teachers from Harden Middle School that approached them about the study. To account for other variables impacting the results, the temperature and weather conditions during each count were also documented. Weather during every count was mild; no rain, extreme heat, cold, or wind was recorded. It is likely that the weather did not impact the results of this study.

Within the collected data, there is some information regarding bicyclists that is incomplete or was entered incorrectly. The data is concerned with helmet use by child bicyclists and if the bicyclists were traveling on the sidewalk or street. The findings and conclusions further explain in detail the impact of this on the study.

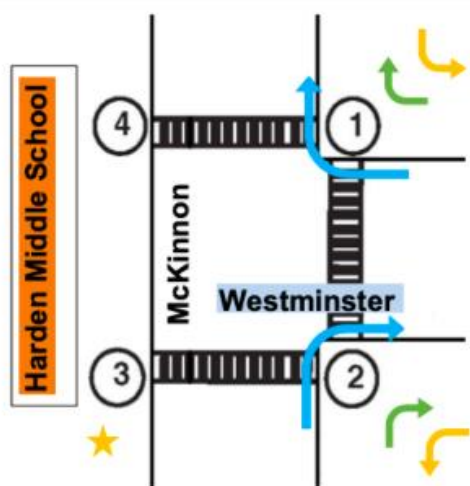


Figure 2. Labeled Intersection for Counting

Findings:

To gain a better understanding of the results of this project, an overview of three themes within the findings will be presented. These include results relating to pedestrians, bicyclists, and dangerous behaviors. These findings will relay comparative information and data from before and after the temporary installations.

Pedestrians

Figure 3 below displays several findings from the study. Within the graphs, categories of “In” signifies that the crossing took place within a designated pathway and that the crossing was considered safe from vehicular traffic. On the other hand, those that say “Out” indicate that the crossing took place outside of the crossway and was considered an unsafe crossing. “Before” signifies the count data prior to the installation of the temporary safety measures and “After” signifies the data that was collected following the installation of temporary street improvements. Since the before and after counts for Tuesday and Thursday were generally comparable to each other, the data from the two days was compiled into sum totals.

As seen in the graphs, movements of children were far more frequent than adults at almost every crossing. In the morning, the most frequently crossed pathways were from 2→1 with 48 children inside the crosswalk before and 44 after, 3→4 with 13 children before and 21 after, 4→3 with 164 children before and 228 after, and 1→4 with 159 children before and 175 after. Likewise, in the evening, the most frequent crossings for children included: 1→2 with 40 before and 72 after, 2→1 with 63 before and 49 after, 3→4 with 307 before and 435 after, 4→3 with 35 before and 70 after, 1→4 with 19 before and 47 after, 4→1 with 215 before and 248 after, and finally Corner 2 where there were 44 turns before and 54 turns after the pop-ups.

The main pathways traveled by children are the crossings between locations 4 and 3 as well as the between locations 1 and 4. Both were traveled in high frequency in the morning and

afternoon, just in the opposite direction. In the morning, children typically traveled sequentially from 1→4 then, from 4→3. In the afternoon, they typically travel from 3→4 then, from 4→1.

The graphs further demonstrate that there is more pedestrian traffic during the afternoons than there is in the mornings. Moreover, there are more children crossings that took place outside of the crosswalks during the afternoon. It is important to note that one of the most frequent crosswalks that children traveled outside of was 3→4 in the afternoon. This pathway is not an actual street crossing, but a sidewalk where the large bins were added as a barrier between the bike lane and the street. The data is unclear whether the pedestrians were traveling behind these bins in the bike lane, or in front of the bins in the street.

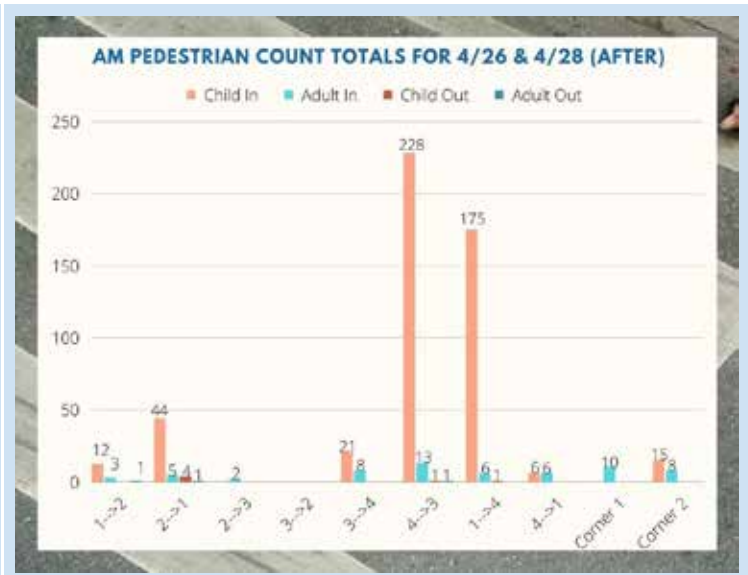
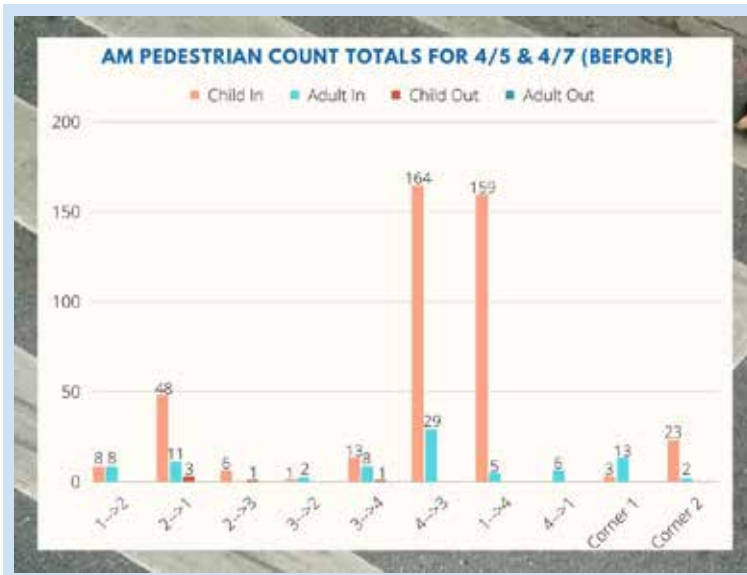




Figure 3. Pedestrian Count Graphs

Bicyclists

Similar to **Figure 3**, **Figure 4** also displays compiled data from two data collection days to best showcase the findings. **Figure 4** shows that in the mornings of the pre-counts, there were a total of 94 bicyclists. Within this, 40 were children, 38 of which, traveled on the sidewalk. In the afternoon of the pre-counts, there were 37 bicyclists. 22 out of the 37 bicyclists were children with 18 traveling on the sidewalks. After the temporary measures were installed, post-counts revealed that in the morning there were a total of 35 bicyclists. 28 of these bicyclists were children, with 25 of them traveling on sidewalks. Likewise, the afternoon post-counts totaled 49 bicyclists. Out of the 49 bicyclists, there were 41 children. The data that was collected during these time frames does not indicate whether these children traveled on the sidewalk or the street.

Cumulatively, **Figure 5** reveals that there was a total of 131 bicyclist movements during the pre-count, and 84 bicyclist movements observed during the post-count. This is a 35.9% overall decrease in bicyclist traffic. In the mornings, bicyclist traffic decreased by 62.7%.

However, in the afternoon, bicyclist traffic increased by 32.4%. Overall, the number of bicyclists decreased following the installation of the temporary measures.

Lack of helmet use by children bicyclists proved to be a significant finding within the study. The data collected on helmet use may not be reflective of the precise percentage of children that wore helmets due to data entry errors. However, based on substantial observational data, it can be concluded that there were very few children who wore helmets. The vast majority of children bicyclists did not wear helmets. A change in the frequency of helmet use by children bicyclists was not observed following the installations.

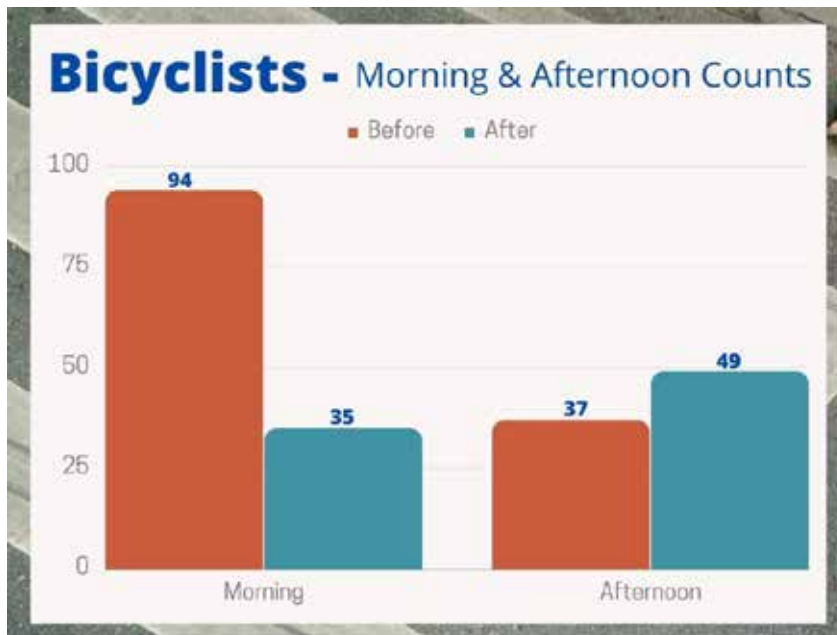


Figure 4. Morning & Afternoon Counts of Bicyclists Graph

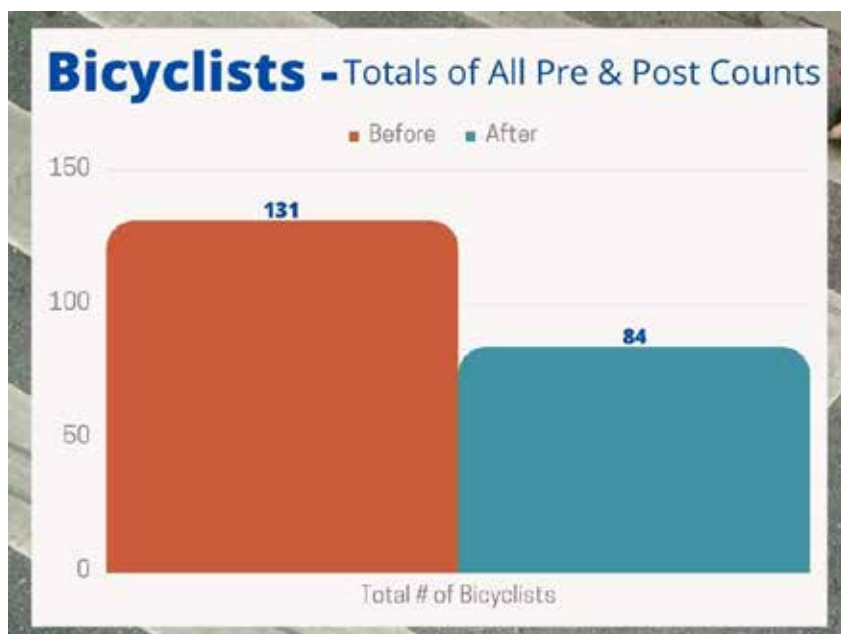


Figure 5. Totals of Before & After Counts Graph

Dangerous Behaviors

Based on observational data collected during the study, vehicular traffic was a significant contributor to dangerous behaviors within the intersection. Prior to the installations, cars commonly pulled into the unprotected bike lanes on McKinnon Street to drop-off or pick-up children. **Figure 6** below provides an example of this frequent occurrence. Following the installation of the temporary bike lane barriers, cars were no longer able to make this maneuver. Instead, they then opted to park in the residential streets down Westminster Drive. These locations down Westminster became crowded and cars ended up blocking intersections, parking in front of driveways, and in fire lanes as they waited to pick their children up. One CSUMB student counter reported on the deeper implications that could arise as a result of vehicles blocking intersections:

“During [a post-count] count on Thursday April 28, multiple cars were parked, blocking the fire lanes where Westminster opens onto McKinnon (in the 1→2/2→1 crossing, see Figure 1). A few minutes later, I observed an ambulance and fire engine responding to a

medical emergency on Tynan Court, which intersects Westminster near the count site. If those cars had been blocking the lanes, neither emergency vehicle would have been able to access the street without driving over a planted center divider and knocking over a sign. This is the only major drawback I can see with the installation: as parking opportunities are limited on McKinnon to create safer conditions for pedestrians, drivers are routed onto residential streets, causing potential issues for emergency and residential access to the neighborhood. Granted, this problem only arises during school pickup hours, but it is still a concerning possibility.”

After the temporary installations were put in place, it was observed that the number of children who were dropped off in the morning within the intersection significantly decreased. More specifically, there were fewer cars that stopped to drop off children in front of the crossing between locations 3 and 4. Prior to the installation, this was a popular spot for cars to stop and drop off children.

Another frequent dangerous behavior observation made by counters relates to the speed of vehicular traffic. Before and after the installations, multiple counters noted that the speed vehicles were traveling down McKinnon was a concern. Although the actual speed of vehicles was not recorded in the study, it was evident that they were traveling at a speed that was unsafe for pedestrians. One observation of particular importance deals with the crosswalk between locations 1 and 4. During the morning counts, both before and after the installations, it was recorded that a child was almost hit by a vehicle in the middle of this crosswalk. In both instances, the children had to make abrupt stops in the middle of the crossing to avoid being hit by a car.



Figure 6. Cars Parked in Bike Lane on McKinnon Street

Conclusions

The purpose of this study was to gain insight into the following questions: How do the temporary installations impact pedestrian and bicyclists' behaviors? Do the temporary installations encourage more pedestrian and bicyclist activity? Do the temporary installations improve safety for pedestrians and bicyclists?

It is concluded that overall pedestrian traffic increased following the addition of the temporary street improvements. Almost every route during the post-installation counts had a notable increase. It is also clear that the main routes traveled by children are the crossings between locations 4 and 3 as well as the crossing between locations 1 and 4. Both of these were traveled in high frequency in the morning and afternoon, just in the opposite direction. From this, it can be assumed that many children are being picked up in the same places that they are dropped off for school or that they live in the neighborhoods accessed by Westminster Drive. It was also observed that children traveled outside of the crosswalks more frequently in the afternoon than in the morning. This is likely a result of a rush of students being released from

school at the same time and the resulting crowding on the sidewalks in front of Harden Middle School. Since the children are traveling outside of the pathways during these times, the bins that were set up in front of the 3 \leftrightarrow 4 crossing are likely providing a necessary safety barrier to protect the child pedestrians from vehicular traffic.

This temporary barrier bins in front of locations 3 and 4 proved to be advantageous for bicyclists who utilize the bike lane as well. They actively assisted in inhibiting cars from entering and parking in the bike lane to drop-off or pick-up children. The bins, along with the other temporary installations that created protected bikeways, allows for bicyclists to safely travel in the bike lane without the risk of interference from vehicles. Despite the fact that the protected bikeways are making traveling in the bike lane safer, they did not encourage bicyclists to travel in the bike lanes themselves. Although it cannot be concluded with full certainty due to missing data during the afternoon post-counts on whether the bicyclists were traveling on or off the sidewalks, the data that is available during the morning counts indicates that there was no change in bicyclists traveling on the streets instead of the sidewalk. Bicyclists continued to travel on the sidewalks.

As it has been presented, there was an 35.9% overall decrease in bicyclist traffic following the installations. In the mornings, there was a decrease of 62.7%. Only during the afternoon was there an 32.4% increase in bicyclists traffic following the installations.

Although the temporary installations were not created with the intention of improving this observation, one of the main concerns that became evident within the study is the lack of helmet use in child bicyclists. Very few, if any, children wore helmets while riding their bikes. This is a significant safety risk for children.

An additional safety concern for both pedestrian and bicyclists is the speed of vehicular traffic on McKinnon Street. The installations did not appear to significantly lower the speed that

vehicles are traveling. Pedestrians and bicyclists continue to be at risk from speeding cars. While this study reported only two “close-calls” events where children were almost struck by motorists in a designated crosswalk, other stakeholders such as Harden Middle School teachers, have reported that it is a common occurrence.

In all, the temporary installations did increase the safety of bicyclists and pedestrians by providing a safety barrier from motorists. However, pedestrians are still subject to unsafe conditions due to the speed of vehicular traffic, and children bicyclists remain susceptible to injury from the lack of prevalent helmet use. Pedestrian activity had a notable increase following the installations, whereas bicyclist activity decreased. The temporary installations did not encourage bicyclists to travel in the protected bike lanes.

Recommendations

To address the safety concerns that this study has uncovered, a few recommendations for infrastructure improvements and programming should be taken into consideration. First, to make a more accurate assessment on the speed of vehicular traffic within the area, an additional speed survey is recommended. Once the severity of speeding is recorded, it would allow for a better examination of pedestrian and bicyclist safety. Then, applicable recommendations on how to decrease the speed of traffic can be made.

An additional recommendation is to better educate child bicyclists on using the bike lanes. Child bicyclists may not be aware that using sidewalks while traveling on bikes is unsafe and that the street bike lanes is where they should travel instead. Sufficient education on bicycle policies for children will enhance safety for all. It may also encourage more children to bike to school after they have had the opportunity to become more familiar and confident about biking.

However, if measures continue to be taken to encourage children to bike to school, helmet enforcement for children under the age of 18 must also take effect. Whether this be through actions Harden Middle School takes to regulate helmet use, through local law enforcement, or even through a program that allows children to gain access to safety gear such as helmets, intervention is necessary.



Legislation Text

File #: ID#26-009, **Version:** 1

Establishment of a First Time Home Buyer Mortgage Down Payment Assistance Program

Approve a Resolution establishing the First Time Home Buyer, Mortgage Down Payment Assistance Program (MDPAP); and increasing the estimated Permanent Local Housing Allocation (PLHA) grant revenue from allocation years 2021 and 2022 by \$1,034,137; and authorizing the City Manager, or designee, to promulgate the MDPAP guidelines, and negotiate and execute all applicable forms, conditional commitment letters, agreements, and subsequent amendments as needed to implement the MDPAP Program.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JANUARY 27, 2026

DEPARTMENT: COMMUNITY DEVELOPMENT

FROM: LISA BRINTON, DIRECTOR

THROUGH: ORLANDO REYES, ASSISTANT DIRECTOR

BY: VINCENT MONTGOMERY, PLANNING MANAGER;
ERIC SOTELO, COMMUNITY DEVELOPMENT ANALYST;
FRANCISCO BRAMBILA, MANAGEMENT ANALYST; MONICA
FLORES-PONCE, COMMUNITY DEVELOPMENT ANALYST

TITLE: ESTABLISHMENT OF A FIRST TIME HOME BUYER
MORTGAGE DOWN PAYMENT ASSISTANCE PROGRAM

RECOMMENDED MOTION:

A motion to approve a Resolution:

1. Establishing the First Time Home Buyer, Mortgage Down Payment Assistance Program (MDPAP); and
2. Increasing the estimated Permanent Local Housing Allocation (PLHA) grant revenue from allocation years 2021 and 2022 by \$1,034,137; and
3. ; and
4. Authorizing the City Manager, or designee, to promulgate the MDPAP guidelines, and negotiate and execute all applicable forms, conditional commitment letters, agreements, and subsequent amendments as needed to implement the MDPAP Program.

EXECUTIVE SUMMARY:

The City of Salinas is proposing a First-Time Home Buyer Mortgage Down Payment Assistance Program (MDPAP) to expand housing affordability and promote long-term housing stability in alignment with the 2023–2031 Housing Element. Using approximately \$1.034 million in available Permanent Local Housing Allocation (PLHA) funds, the program will provide income-eligible first-time homebuyers earning up to 150% of Area Median Income with down payment assistance through deferred payment loans of up to \$125,000. The program will be administered by the Community Development Department in partnership with lenders and community organizations, with implementation anticipated in Fiscal Year 2026–27.

DISCUSSION:

The 2023-2031 Salinas Housing Element prioritizes the advancement of housing affordability and opportunities at all income levels (Goal 4). The City has demonstrated a continued commitment to housing affordability and stability through the implementation of multiple initiatives, including the Rent Stabilization Ordinance, the Pilot Rental Assistance Program, Emergency Solutions Grant (ESG) funded homelessness services (including street outreach and emergency shelter), and Affordable Housing Development Partnerships that leverage state and federal resources to expand the supply of affordable units. To build upon these efforts and implement Housing Element, the Community Development Department (CDD) is developing a First Time Home Buyer, Mortgage Down Payment Assistance Program (MDPAP) to expand housing access and affordability for Salinas residents. The proposed program is intended to complement existing rental assistance and housing stabilization initiatives and to serve as part of a comprehensive housing strategy that addresses both immediate rental needs and long-term pathways to homeownership.

The proposed MDPAP program compliments the City's current housing initiatives by providing mortgage down payment assistance and home buyer education to eligible first-time home buyers. Consistent with PLHA goals, the program is designed to assist households earning up to 150% of the Area Median Income (AMI) transition from rental housing into sustainable homeownership, thereby strengthening neighborhood stability and promoting generational wealth-building.

Approximately \$1.034 million in Permanent Local Housing Allocation (PLHA) from years 2021 and 2022 are currently available for homeownership opportunities. Based on current funding availability, staff anticipates assisting at least 10 households during the initial phase. Loan repayments will be structured to recycle funds back into the program, creating a revolving loan fund to support ongoing program sustainability. Future funding may be pursued through subsequent PLHA cycles and other state and federal funding sources, including Community Development Block Grant (CDBG) and HOME Investment Partnerships Program funds. The table below summarizes the breakdown per grant year.

Mortgage Down Payment Assistance Program	
2021 Permanent Local Housing Allocation (PLHA)	\$688,872
2022 Permanent Local Housing Allocation (PLHA)	\$345,265
Funds For MDPAP	\$1,034,137

It is important to note that this allocation of PLHA funds is required to be used for home ownership opportunities and must be requested from the State by March 1, 2026.

Target Population and Eligibility Criteria

Table 1: Eligibility Criteria and Program Framework
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Target Population	Household earning up to 150% AMI, City of Salinas residents and/or employed within the city of Salinas (minimum of 2 years)
Eligibility Criteria	First-time home buyers (including displaced homemakers, single parents, and households with non-compliant housing)
Eligible Properties	Single Family residences, condominiums, and manufactured housing in owner-occupied parks within the city of Salinas
Type of Assistance	Downpayment Assistance
Assistance Amount	Loans of up to \$125,000 or 17% of purchase price, whichever is less; deferred loan payment, 3% simple interest, forgivable interest if original home buyer/borrower remains in the property for the duration of the 30-year loan term.
Duration of Assistance	One time assistance
Application Intake Window	Queue-Based: Applicants are served on first come, first-served basis.
Education Requirement	Mandatory 8-Hour HUD-approved homebuyer education course

Administration and Partnership Development

Current City Housing staff will operate the program in conjunction with external partners. The City will establish partnerships with key stakeholders to support program delivery and outreach. These partners are expected to include participating lenders, the California Mortgage Association, community-based organizations such as Central Coast Alliance United for a Sustainable Economy (CCA), Monterey Bay Economic Partnership (MBEP), and Building Healthy Communities (BHC), as well as local Realtors and affordable housing developers. These partnerships will help facilitate access to mortgage products, homebuyer education, and identification of qualified program participants.

Outreach and Marketing Strategy

CDD will implement a targeted outreach and marketing strategy to ensure broad awareness of the program among income-eligible households. Outreach efforts will include advertising through social media platforms, public notices, informational workshops, and collaboration with housing service providers and community organizations to reach historically underserved populations.

Implementation Timeline

Attached are the preliminary draft guidelines which will continue to be refined prior to submitting to the California Department of Housing and Community Development (HCD) by January 31, 2026. After approval, City staff will submit a request for funds to HCD by the deadline March 1, 2026. Consecutively, staff will initiate the outreach and marketing implementation phase of the MDPAP. Staff anticipates receiving program applications

by the beginning year of Fiscal Year 2026-2027. All program funds must be spent by the PLHA expenditure deadline of June 30, 2030.

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.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

The use of state funds to establish a MDPAP Program is supportive of the 2025-2028 City of Salinas Strategic Plan Goals and Strategies relative to Housing and furthers implementation of 2023-2031 Housing Element policies and programs under Goal 4: Advance Housing Affordability and Opportunities at all Income Levels, which calls for the re-establishment of a First Time Home Buyer Program (Program 13) The MDPAP Program also complements the Pilot Rental Assistance Program and the Affordable Housing Development conditional funding awards, programs which holistically advance housing initiative to address immediate housing needs while creating long-term opportunities for stability and equity.

DEPARTMENTAL COORDINATION:

The MDPAP Program is being developed by the Community Development Department in coordination with the City Attorney and Finance Department.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
2951	12.2010	Loan Rec		\$1,034,137
2951	30.3240-Revenue Account PLHA Grant			\$1,034,137

ATTACHMENTS:

Resolution

Draft Guidelines
MDPAP PowerPoint Presentation

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

**A RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A FIRST TIME
HOMEBUYER MORTGAGE DOWN PAYMENT ASSISTANCE PROGRAM**

WHEREAS, the 2023-2031 Salinas Housing Element (Housing Element) prioritizes the advancement of housing affordability and opportunities at all income levels (Goal 4); and

WHEREAS, the City of Salinas has demonstrated an ongoing commitment to housing affordability and stability through the adoption and implementation of multiple housing initiatives, including the Rent Stabilization Ordinance, rental assistance programs, homelessness services, and partnerships to expand affordable housing development; and

WHEREAS, to build upon these efforts and implement Housing Element, the Community Development Department has developed a proposed First-Time Home Buyer Mortgage Down Payment Assistance Program (MDPAP) (“Program”) intended to assist eligible households in transitioning from rental housing to homeownership; and

WHEREAS, \$1,034,137 in PLHA grant funds from allocation years 2021 and 2022 are available to support homeownership opportunities; and

WHEREAS, the proposed Program would provide down payment assistance to eligible households earning up to 150% Area Median Income (AMI) in the form of a deferred payment loan of up to \$125,000 or 17% of the sales price, whichever is less; and

WHEREAS, staff is required to submit draft program guidelines to the California Department of Housing and Community Development (HCD) for review and approval by January 31, 2026, and request the funds by March 1, 2026; and

WHEREAS, all PLHA program funds must be expended by June 30, 2030; and

WHEREAS, on January 20, 2026, the Housing and Land Use Committee recommended that the City Council approve a resolution establishing the Program; 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 City Council hereby approves the establishment of the First Time Home Buyer Mortgage Down Payment Assistance Program; and

BE IT FURTHER RESOLVED the City Council hereby approves an increase to estimated Permanent Local Housing Allocation (PLHA) grant revenue from allocation years 2021 and 2022 by \$1,034,137 for the purpose of implementing the Program; and

BE IT FURTHER RESOLVED that the City Council authorizes the City Manager, or designee, to promulgate the MDPAP guidelines, and negotiate and execute all applicable forms, conditional commitment letters, agreements, and subsequent amendments as needed to implement the Program.

PASSED AND APPROVED this 27th day of January 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Barajas, City Clerk



FIRST TIME HOME BUYER MORTGAGE DOWN PAYMENT ASSISTANCE PROGRAM

GUIDELINES

**AS FUNDED BY PERMANENT LOCAL
HOUSING ALLOCATION (PLHA)**



COMMUNITY DEVELOPMENT DEPARTMENT HOUSING DIVISION

**FIRST TIME HOME BUYER
MORTGAGE DOWN PAYMENT ASSISTANCE PROGRAM GUIDELINES
AS FUNDED BY: PERMANENT LOCAL HOUSING ALLOCATION (PLHA)**

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FIRST TIME HOME BUYER MORTGAGE DOWN PAYMENT ASSISTANCE PROGRAM GUIDELINES AS FUNDED BY PERMANENT LOCAL HOUSING ALLOCATION (PLHA)

A. PROGRAM OVERVIEW

The City of Salinas First Time Home Buyer, Mortgage Down Payment Assistance Program (MDPAP) was approved by City Council on January 27, 2026, and provides mortgage assistance in the form of a down payment loan for the purchase of a home and associated non-recurring loan closing costs for qualified moderate-income families purchasing their first home within the City of Salinas limits. The household must have sufficient income, assets and credit worthiness to obtain mortgage financing to make a minimum down payment of 3% of the purchase price.

MDPAP bridges the gap between the total purchase price, inclusive of eligible closing costs, and the amount of the buyer's first mortgage loan (the maximum loan for which the buyer qualifies). The City offers a silent second mortgage loan (second lien position) in the form of a 30-year Deferred Payment Loan (DPL) of up to \$125,000 or 17% of the purchase price, whichever is less, with a three percent (3%) simple interest rate. Accrued interest is forgivable after the 30-year loan period, if the property remains occupied by the borrower for the duration of the loan term.

This DPL does not require monthly payment; however, the full loan amount becomes due at the end of the 30-year loan term. Principal loan amount plus any accrued interest becomes due upon; sale, transfer of title, or if the property ceases to be owner-occupied during the period of affordability, as defined in the MDPAP guidelines, whichever comes first. The continuation of the program is subject to availability of funding. The City retains the discretion to update the MDPAP guidelines.

B. BORROWER ELIGIBILITY

1. Income

Income eligibility is based on the gross projected income of all household members, over the age of 18, who will live in the home. For households with multiple family members on title, income from all sources for each family member must be verified. This gross projected income may not exceed 150% of the Area Median Income (AMI), adjusted for household size, for Salinas as published by the Department of Housing and Community Development (HCD). A

prior year's tax return does not establish projected income; current pay stubs must be submitted. Income verification documents must be no older than six months at the time of loan funding. It will be assumed that the applicant's current income circumstances will continue for the next 12 months unless there is verifiable evidence to the contrary. When collecting income verification documentation any known or upcoming changes in income must be considered. Gross income from ALL sources must be included, even if the primary lender excluded an income source. This includes but is not limited to:

- a. Overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services (before any payroll deductions).
- b. If an upcoming raise is noted on the Verification of Employment, income will be calculated based on the raise.
- c. Wages from a second job, even if the borrower has not been employed long enough for FHA underwriting guidelines to consider it.
- d. The regular periodic payments such as Social Security, Supplemental Security Income (SSI), annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar sources, including lump-sum payment for the delayed start of a periodic payment.
- e. Payments in lieu of earnings, including unemployment, disability compensation, worker's compensation, and severance pay.
- f. Periodic and determinable allowances such as alimony, child support, and regular contributions or gifts from persons not residing in the household to the extent that such payments are reasonably expected to continue.
- g. For purposes of this Program, the following types of assets shall be considered in determining eligibility:
- h. Cash savings;
- i. Marketable securities, stocks, bonds, and other forms of capital investment, including tax exempt securities other than Individual Retirement or KEOGH plans;
- j. Inheritance and lump-sum insurance payments received within the last three years;
- k. Settlements for personal or property damage received within the last three years;
- l. Equity in real estate, except as stated below;
- m. Accounts receivable of a business utilizing a cash bookkeeping system; and,
- n. Other personal property which is readily convertible into cash.
- o. The following are not considered assets:
 - Ordinary household effects, including furniture, fixtures, and personal property;
 - Automobiles used for personal use; and

- Depreciable property used in a business that generates a significant proportion of household income.
 - p. Interest, dividends, retirement accounts available to applicants, and other net income from personal property. If the household net assets exceed \$5,000, gross income includes the greater of:
 - q. The actual income derived from all assets; or
 - r. 2.5% of the total value of all assets.
 - s. **Self-Employed person:** Income qualification is based on prior year income tax returns. Net income plus depreciation from business or professional operations will be used.
 - t. Seasonal Employees with fluctuating incomes: Income averaging is allowed.
- Income limits issued by HCD can be found at the following link:
<https://www.hcd.ca.gov/funding/income-limits>

2. Household Size

For qualification purposes, “**household size**” is determined as follows:

- a. Immediate household members and dependents must be verified using the prior year Federal Income Tax Return and the Household Composition Form. Any change in household members must be supported with verifiable documentation demonstrating that the new household member will live with the applicant.
- b. If the borrower’s spouse is not shown on the tax return (e.g., the borrower filed Head of Household), the spouse’s tax return or a signed affidavit must be provided, even if the borrower is taking title as a sole and separate borrower. Any income from the spouse must be included, and the spouse will be counted as part of the household.
- c. Families who do not file Federal Income Tax Returns must verify dependents through acceptable documentation such as:
 - d. Child support orders or payment records
 - e. Temporary Aid for Needy Families (TANF) eligibility documents
 - f. Social Security eligibility letters
 - g. Birth certificates
 - h. Other verifiable records

To add a member, documentation must prove that the individual is a supportive, needy family member who will live in the home.

When determining family size, the following individuals should not be counted:

- a. Foster children
- b. Unborn children
- c. Children for whom legal custody is being pursued but who are not currently

living in the home.

3. First-Time Home Buyer

To be eligible, the borrower must be a first-time Home Buyer, *defined as* someone who has not owned a home during the three-year period immediately prior to purchase under the Program. Four other types of households qualify even though they may have owned a home within the three-year period. They are: displaced homemaker; single parent who owned a home when married; an owner of a home that is not permanently affixed to a permanent foundation in accordance with local code; or, an owner of a home that is not in compliance with applicable codes, and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure. However, previous participation in any City of Salinas Home Buyer assistance program renders the borrower ineligible for MDPAP, even if they no longer have ownership interest in the property. For example, if the borrower previously received a Down Payment Assistance Program (DAP) loan or a Lower Income Home Buyer Program (LIHP) loan, whether as a primary borrower or a co-borrower, they are not eligible for MDPAP.

Note: The First Time Home Buyer, MDPAP Home Buyer offered by the City of Salinas, are considered a one-time opportunity (maximum award per applicant one MDPAP loan), regardless of the borrower's role in the transaction.

4. Non- Occupying Co-Borrowers

Non-occupying co-borrowers or co-owners are not permitted under the First Time Home- Buyer Program (MDPAP). All borrowers listed on the loan and title must intend to occupy the property as their primary residence.

5. Home Purchase Loan

The borrower must be prequalified for a home purchase mortgage loan through a participating lender. The base loan amount must reflect the maximum loan for which the borrower qualifies, based on the lender's underwriting criteria.

6. Buyer's Contribution

Household shall have sufficient assets to provide a minimum down payment equal to 3% of the purchase price.

7. Home Buyer's Education Class

Taking an 8-hour Home Buyer Education class early in the homebuying process is required. All borrower(s) are required to complete a HUD-approved Home Buyer education course and include a certificate of completion with their MDPAP closing application package. The certificate of completion included in the MDPAP closing application package must be dated within six months of proposed escrow closing date, but no more than a year old at the time of submission.

The Home Buyer education curriculum must cover the following topics:

- Preparing for homeownership
- Available financing and credit analysis
- Loan closing and Home Buyer responsibilities
- Home maintenance and loan servicing

Note: The City does not offer these courses directly. However, they are available through various local organizations. A recommended provider is the Eden Council for Hope & Opportunity (ECHO). For class schedules and registration information contact (510) 628-6124, hbe@echofairhousing.org, or visit [Home Buyer Education - Eden Council for Hope and Opportunity](#).

8. Other Requirements

Household shall reside within the City Salinas limits or at least one member of the household shall be employed in Salinas for a period of not less than two years prior to application submittal. Migrant workers shall be deemed to meet this requirement if they reside or are employed in Salinas for a minimum of eight (8) months out of the year for a period of not less than three years prior to acquisition of property. Residence can be validated through a rental agreement, utility bills, employment verification such as paystubs.

C. APPLICATION PROCESS

1. Applicant(s) complete the required 8-hour Home Buyer education class and provide a certificate of completion. The certificate must be dated within six months of closing, but no more than a year old at the time of submission.
2. Mortgage Down Payment Assistance Program (MDPAP) applicant(s) to receive pre-approval for a First Mortgage from a participating lender or mortgage broker prior to applying.
3. The lender or mortgage broker assists the MDPAP applicant in determining the amount of City funds they are eligible for and the price range of homes they may purchase.
4. A completed initial application packet (Document Checklist in the Eligibility Worksheet for required documents) is submitted to the City by the lender or mortgage broker. MDPAP applications are processed on a first-come, first-served basis. An Incomplete application packet is returned to the submitting lender or mortgage broker. The City will timestamp the received MDPAP application, once deemed complete by city staff.
5. The property intended for purchase must pass property inspection by City staff. The inspection will observe lead-based paint hazards, building, health, and safety code deficiencies.
6. Approval of the first mortgage lender does not guarantee eligibility for the City's MDPAP loan. The City will conduct an extensive review of all necessary documentation to determine eligibility. Both the applicant and the lender or mortgage broker must verify that the minimum eligibility requirements are met. Failure to meet these requirements can result in the loan application being declined.
7. The City's loan approval process may take up to 30 days. The City will provide a pre-approval letter if deemed eligible. Applicants will be given six months to close escrow from date of pre-approval letter. Should additional time be required, applicant may submit an extension request in writing to Housing Planning Manager.
8. Once the applicant(s) signs a Purchase Contract and opens escrow, the closing date is defined. At this time, the Closing Application will be required to approve the City loan.
9. After approval of Closing Application, City funds and loan documents will be deposited

into escrow prior to closing.

10. After close of escrow, title company will record required documents and provide original copies to the City.

D. PROPERTY ELIGIBILITY

To qualify for the Mortgage Down Payment Assistance Program (MDPAP), the property must meet the following criteria:

1. Owner-Occupancy

The home must be the applicant's principal place of residence.

2. Property Type

The Property must be a single-family residence, condominium, or manufactured housing within an owner-occupied park. Properties with mother-in-law units, guest quarters, or any structures intended for rental use are not eligible.

- a. Any attached room that cannot be accessed from inside the home is considered a separate unit and disqualifies the property.
- b. Home Buyer s may purchase homes within newly constructed subdivisions; however, First Time Home Buyer, Mortgage Down Payment Assistance funding may not be authorized for any residence that has not received "Final Inspection and Certificate of Occupancy ".
- c. All properties acquired under this Program must be owner-occupied, vacant, or occupied by the program participant prior to making an initial purchase offer. Properties that are currently being rented to a private household may not be purchased as it will cause renters to be displaced.
- d. Additionally, all properties acquired under this Program must be appropriate in size for the number of household members planning to occupy the property as established by the 2021 International Property Maintenance Code.

3. Location

The property must be located within the City of Salinas limits

4. Inspection Requirements

The property to be acquired must meet the Section 8 Housing Quality Standards (HQS) at time of initial occupancy by the First Time Home Buyer. The property must be inspected by a licensed and certificated inspector. This requirement may incur an additional cost and can be satisfied by:

- An FHA appraisal and inspection
- A Fannie Mae appraisal and inspection
- City-approved inspection

For homes built before 1978, the appraiser report must include a statement regarding "chipping or peeling paint" The appraiser must clearly state on an addendum whether there "is" or "is not" chipping or peeling paint on the interior or exterior.

If “chipping or peeling paint” is noted, the issue must be corrected before loan approval.

5. Lead-Based Paint Disclosure

Buyers of homes built before to 1978 must receive a copy of the *EPA’s Protect Your Family From Lead in Your Home* guide, available at: <https://www.epa.gov/node/5197>

On September 15, 2000, the United States Department of Housing and Urban Development Lead-Base Regulations took effect. The new lead-based paint regulations require any deteriorated paint that is found during a property visual assessment to be treated using “standard treatments” (repair, safe paint removal, and or repainting) before federal funds are dispersed. EPA certified workers/supervisors must complete this treatment. Additionally, after the paint treatment, the property must pass a clearance test by a certified clearance technician to ensure that the unit is safe for occupancy.

Participants in the City’s FTHB program who submit a purchase contract to the City for the purchase of a house built prior to 1978 must complete a visual assessment for deteriorated paint on the subject property. Although the City may perform a Housing Quality Standard Inspection which includes a visual assessment of the paint, the City recommends that prospective Home Buyer acquire the services of a professional home inspector for a thorough home inspection including a visual assessment of the paint.

Prior to entering into the purchase agreement, the buyer or buyer’s agent shall include contingencies in the contract for lead-based paint. This will give the buyer the option to void the contract based on the results to the lead-based paint assessment/evaluation.

E. ELIGIBLE COSTS

MDPAP funding may be used for mortgage down payment assistance, including non-recurring closing cost, up to \$125,000 or 17% of the purchase price, whichever is less. Dependent upon the borrower’s need and availability of funding. Ineligible costs include the borrower’s outstanding debts, liens or judgements.

F. UNDERWRITING REQUIREMENTS

1. Loan Amounts and Use of Funds

- Up to \$125,000 or 17% of purchase price, whichever is less is available for mortgage assistance and non-recurring loan closing costs.
- Assistance is calculated as the difference between the purchase price (plus eligible closing cost) and the sum of the maximum first mortgage loan and buyer’s contribution, if any.
- MDPAP funds cannot be used to pay off any portion of a borrower’s consumer debt, liens or judgements.

2. Debt-to-Income (D/I) Ratios

- The standard maximum front-end (housing) ratio is 35%. Housing ratio is the percentage of the gross monthly income that goes toward housing expenses including principal, interest, taxes, Homeowners Association fees, and insurance.
- The standard maximum back-end (total debt) ratio is 43%. Total debt is defined as all debt the buyer has, inclusive of the debt necessary to consummate the purchase

of the home. For illustrative purpose additional debt such as vehicle loans and other reoccurring payments would be included as total debt.

- Two exceptions allow the front-end ratio to exceed 35%, but not more than 38%, if either of the following conditions are met:
 - The borrower has demonstrated, for at least 12 consecutive months, the ability to pay housing costs equal to or greater than the anticipated new housing cost.
 - The borrower's new monthly housing expense will not increase more than 5% over their current housing expense.

3. Primary Loan Requirements

The borrower must qualify for and obtain a first mortgage loan for the maximum amount they are eligible for. MDPAP ratios are based on the primary lender's standards, with the following guidelines:

The front-end (housing) ratio may not exceed 35% unless an exception applies; the back-end (total debt) ratio may not exceed 43%. Upon City discretion and senior lender approval exceptions may be granted to exceed the back-end ratio. The amount of the City's MDPAP assistance may not exceed the amount of the primary mortgage.

4. Creditworthiness Requirements

Borrowers must demonstrate the ability to responsibly manage debt. At the time the MDPAP package is submitted:

- No past due or collection accounts may be present
- No unpaid liens or judgments may exist
- Any bankruptcy must have been discharged at least three years prior to application.

5. Loan Type Restrictions

- Only fixed-rate mortgages with equal monthly payments over the full term are allowed. A Qualified Mortgage, which can include government backed loans guaranteed or insured by the Department of Housing and Urban Development (HUD)/ Federal Housing Administration (FHA), the U.S. Department of Agriculture (USDA), and the Department of Veterans Affairs (VA).
- The following loan types are NOT permitted:
 - Adjustable-rate mortgages (ARMs)
 - Graduated payment mortgages (GPMs)
 - Negative amortization loans
 - Ballon payments
 - Deferred interest loans

6. Loan Documentation and Terms

- Only full documentation loans are eligible; must be FHA or Fannie Mae approved

- Sub-prime loans are not allowed
- Temporary buy-down are not permitted
- A permanent loan interest-rate buy-down is allowed, if the cost does not exceed 1% of the loan amount excluding third party fees.

7. Cash Out of Escrow

Borrowers may only receive cash back from escrow equal to any funds they personally deposited and that are not needed for any lender-required minimum down payment.

8. Title Insurance Requirement

An ALTA Lender's Policy must be obtained for the full amount of the MDPAP loan at close of escrow.

9. Insurance Requirements

- Borrowers must maintain hazard insurance (and flood insurance, if applicable) for at least the replacement value of the home improvements.
- The City of Salinas must be named as additional loss payee on the hazard insurance policy.

Loss Payee Clause:

City of Salinas
Community Development Department
200 Lincoln Ave.
Salinas, California 93901
Loan #: XXXX

G. PRIMARY MORTGAGE (FIRST LOAN) REQUIREMENTS

1. Loan Term

The primary mortgage must have a minimum term of 30 years.

2. Interest Rate

The loan must carry a market-rate or below-market interest rate.

3. Loan Type

Only fixed-rate mortgages with consistent monthly payments over the life of the loan are permitted. Adjustable-rate mortgages (ARM's) and graduated payment mortgages (GPM's) are not allowed.

4. Loan Structure

Loans must be fully documented and conform to FHA or Fannie Mae standards. Sub-prime loans are not permitted. The following features are also prohibited:

- Temporary buy-down
- Negative amortization
- Principal increases

- Balloon payments
- Deferred interest provisions

A permanent interest rate buy-down is permitted, provided the cost does not exceed 1% of the loan amount excluding third party fees.

5. Impound Account

Primary lender must establish and maintain an impound account for property taxes, assessments, and insurance payments for the life of the mortgage.

H. LOAN-TO-VALUE LIMITS

The combined loan-to-value ratio for a MDPAP loan, including all other secured debt on the property, must not exceed 100% of the sales price.

I. MDPAP LOAN TERMS

1. Loan Security and Position

The MDPAP loan will be secured by a Promissory Note and Deed of Trust for up to \$125,000 and will be subordinate only to the primary mortgage lender (i.e., second lien position).

2. Loan Structure and Forgiveness

The MDPAP loan is a 30-Year Deferred Payment Loan (DPL). In the event the purchaser remains in the property for the 30-year loan term, all accrued interest will be forgiven, and the loan repayment will be based on the principal amount of the loan only. The principal balance plus accrued interest becomes due in full upon:

- Sale, transfer, or conveyance of the property or title
- Default of the loan
- Ceases to be owner-occupied prior to the expiration of the 30-year loan term
- Cash-Out refinancing of the primary mortgage. Cash-out refinancing of the MDPAP loan is NOT permitted.

Transfers to a joint tenant may be allowed without repayments, subject to restrictions. If the primary mortgage is refinanced and includes “cash out”, the MDPAP loan must be repaid in full.

3. Repayment Terms

- No monthly payments required
- Three percent (3%) simple interest. Accrued Interest is forgivable after 30-year period, if the property remains occupied by the borrower for the duration of the loan term.
- No prepayment penalties
- No loan fees
- MDPAP loans are not assumable.

4. Refinance and Subordinations

Refinancing shall be allowed where the borrower will repay, in full, the principal and interest on

the First Time Home Buyer , Mortgage Down Payment Assistance Program loan; or the amount to be refinanced is limited to the principal amount of the first mortgage and reasonable closing costs i.e. escrow costs, points, and other direct loan costs resulting in a reduced house payment (Rate and Term). Refinancing to provide "cash out" or remove or encumber equity from the property shall not be authorized. The new primary loan must be fully amortized and have no balloon payments or call dates.

5. Sale or Transfer During Affordability Period

The property may be sold during the 30-year loan term, however, if the owner sells, transfers title or stops using the property as their principal residency for any reason during this time, the City of Salinas will cause the MDPAP loan and accrued interest to be due and payable, in accordance with the terms of the MDPAP (PLHA) Promissory Note. This recapture must occur before the owner receives any return from the sale.

The recapture amount is limited to the net proceeds available from the sale or foreclosure.

- a. If the property has appreciated in value, the borrower may retain any net proceeds exceeding the PLHA assistance amount.
- b. Amounts repaid to the City shall be deposited into the City's PLHA account and reused for additional First Time Home Buyer Mortgage Down Payment Assistance consistent with PLHA Regulations and HCD Guidelines. If, at any point prior to full repayment of the PLHA deed, the property is no longer the homeowner's primary residence due to sale, transfer, lease, or any other reason, repayment will be subject to Section 302(c)(6) of the PLHA Guidelines. In such cases, the City of Salinas shall ensure compliance through a recorded deed restriction requiring one of the following actions, unless doing so conflicts with another public funding source or law:
 - i. Repayment of the PLHA loan and any accrued interest to the City's PLHA account, with all repayments reused in accordance with PLHA Eligible Activities;
 - ii. Sale of the home at an affordable housing cost to a qualified Lower- Income or Moderate-Income household;
 - iii. Execution of an equity-sharing agreement between the homeowner and the City, with proceeds reused consistent with PLHA requirements.
- c. If the property has depreciated or is sold under foreclosure, and the net proceeds are insufficient to cover the full PLHA assistance amount, recapture limits to the amount of net proceeds remaining after all senior debts have been paid.

6. Ownership Transfer

If ownership of the property changes during the 30-year affordability period, the entire PLHA grant becomes immediately due and payable to the City of Salinas.

A transfer of ownership includes, but not limited to:

- The sale of the property
- The conveyance of any legal, beneficial or equitable, interest in the property, whether voluntary or involuntary, or by any method
- The death of the borrower during the 30-year affordability period, even if the

property passes to a successor or beneficiary in accordance with state law.

J. MONITORING

The City of Salinas will conduct annual monitoring on all MDPAP loans for a period of thirty (30) years from the date of escrow closing, or until the home is no longer the borrower's principal residence, whichever comes first. Monitoring may include an annual verification letter requiring the borrower to confirm the property remains their primary residence, or other verification methods as determined by the City. As part of the monitoring process, The City of Salinas shall be named as a beneficiary on the hazard and flood insurance policies and shall be notified of modifications or cancellations of insurance coverage. Evidence of property tax payments will be required. Lender shall provide City with a recorded Request for Notice of Default on mortgages or taxes. Borrowers are required to cooperate fully with the City's monitoring procedures. Failure or refusal to comply will be considered a material breach of the loan agreement between the borrower and the City.

K. APPEALS

Any applicant or other person whose interests are adversely affected by any determination or requirement of City staff regarding the requirements of this Program may appeal to the City Manager or designated delegate of the City of Salinas. The appeal shall set forth specifically wherein the action fails to conform to the provisions of this Program. Such appeal shall be filed in the office of the City Clerk. The City Manager or designated delegate may reverse or modify any determination if he/she makes the finding that the action under appeal does not conform to the provisions of the Program.

L. AMENDMENTS TO PROGRAM RULES

The Salinas City Manager, or designated representative(s), may amend program requirements as needed to meet program goals and objectives. All amendments must remain consistent with the overarching Program guidelines.

M. LENDER OR MORTGAGE BROKER PARTICIPATION AND LOAN PROCESSING GUIDELINES

1. Letter of Participation

The lender or mortgage broker must submit an original signed Letter of Participation to the City of Salinas, confirming their willingness to comply with all program rules as outlined in the letter.

2. Prequalification

The lender or mortgage broker is responsible for prequalifying the borrower for a mortgage loan to purchase an eligible home.

3. Cash Requirements Determination

The lender or mortgage broker must determine the borrower's required cash contribution, beyond the lender's loan amount, needed to complete the home purchase.

4. Eligibility Worksheet Completion

Using the City-provided *Home Buyer Assistance Program Eligibility Worksheet*, the lender or mortgage broker must verify:

- The borrower's income is eligible for the MDPAP loan;
- The eligibility of the property and sales price; and
- The estimated amount of the MDPAP loan.

5. Certification of Eligibility

An authorized representative of the lender or mortgage broker must sign the *Certification of Eligibility*, confirming both the borrower's and the property's eligibility.

6. Submission of Initial Application Documents

The lender or mortgage broker must submit the initial application and required documents to the City of Salinas.

Submit in person or mail:

City of Salinas
Housing Division, Community Development Department
Attention: Housing Planning Manager
65 W Alisal Street, 2nd Floor
Salinas, California 93901

Submit Electronically:

City of Salinas, Housing Division, housingwebmail@salinas.gov

Electronic applications are allowed, but legal signatures must be provided via DocuSign or another approved, trusted e-signature platform.

The City will review all submitted documents for accuracy and completeness, including the lender's certification of borrower eligibility. Upon approval, the City will provide pre-approval letter to applicant and be given six months to close escrow from date of letter. Should additional time be required, applicant may submit an extension request in writing to Housing Planning Manager.

7. Closing Application and Post-Closing Requirements

Upon receipt of the Purchase Contract and open of escrow applicant must submit closing application and required documentation to the City. After approval of Closing Application, the City will work with Title Company to deposit funds into escrow account designated by the lender. Disbursement occurs upon closing of escrow. The City's loan documents, including the Promissory Note, Deed of Trust with Deed Restriction, and Truth-in-Lending Disclosure Statement) will be sent to escrow along with instructions for execution.

The City will review the estimated settlement statement before loan disbursement to confirm compliance with MDPAP guidelines. After closing:

- All original City loan documents and final settlement statement must be returned directly to the City.
- The City will perform a review of the final settlement statement
- If discrepancies are found, the City will issue a request for return of funds to the escrow company, with copies to the borrower and lender or mortgage broker.

- Upon return of funds, the borrower's MDPAP loan amount will be adjusted accordingly.
-

DRAFT

Exhibit A – Program Initial and Closing Applications

DRAFT

Exhibit B – Sample of Promissory Note

DRAFT

Exhibit C - Sample of Deed of Trust and Deed Restriction

DRAFT

Exhibit D – Sample of Truth in Lending Disclosure Statement

DRAFT



First Time Home Buyer, Mortgage Down Payment Assistance Program

January 27, 2026

City Council

Orlando Reyes,
Assistant Director



Discussion

- Establishment of First Time Homebuyer, Mortgage Down Payment Assistance Program (MDPAP)
- Implements 2023-2031 Housing Element - Expands housing affordability and opportunities
- Complements rental assistance and housing stabilization programs
- Draft presented to City Council for authorization to submit to HCD and launch MDPAP

Expanding Housing Affordability and Stability

Rental Assistance Program – providing direct support to households facing housing insecurity.

Emergency Solutions Grant (ESG) Program – supporting homeless services and shelter operations.

Affordable Housing Development Partnerships – leveraging state and federal resources to expand the supply of affordable units.



First Time Homebuyer, Mortgage Down Payment Assistance Program Proposal

The Mortgage Downpayment Assistance Program will:

- Provide eligible moderate-income families and individuals with a low interest, deferred payment loan for the purchase of their first home to utilize as their principal place of residence.
- Support transition from renting to homeownership
- Continue to evolve based on:
 - Applicant feedback
 - Market conditions
 - Emerging best practices
 - Funding availability
 - City priorities

Key Program Components

Target Population:

- Salinas Resident/Employees for at least 2 years
- Moderate-Income Households ($\leq 150\%$ AMI)

Eligible Properties:

- Single-family residences
- Condominiums
- Manufactured housing within an owner-occupied park

Down Payment Assistance



**Loans of up to \$125,000
or 17% of sales price**
Deferred payment



3% Simple Interest



30 Year Loan Term

Key Program Components Contd.

Funding Sources

- Permanent Local Housing Allocation (PLHA)
 - \$1.034 M Available
- Other sources based on availability

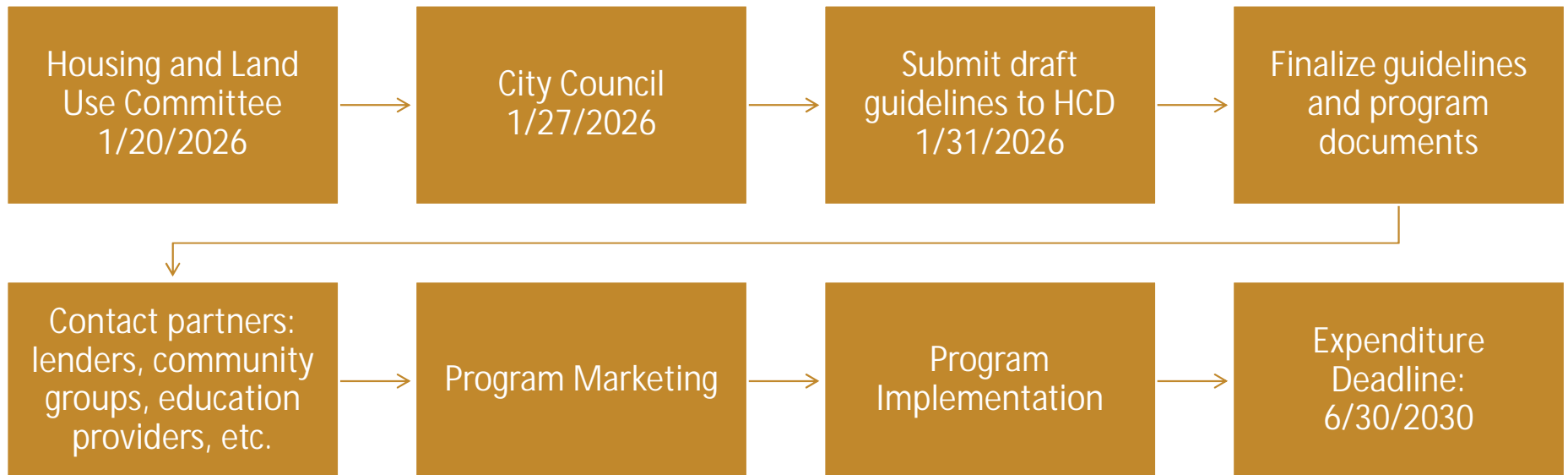
Education Requirements:

- HUD-approved, 8-hour homebuyer education course

Partnerships / Outreach

- Lenders & Mortgage Associations
- Realtors & Developers
- Community Organizations
- Service Providers

Implementation Timeline



CEQA Consideration

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). Any subsequent discretionary projects resulting from this action will be assessed for CEQA and NEPA applicability.

Strategic Plan Initiative

- Advance Housing Affordability and Opportunities at all Income Levels

Fiscal and Sustainability Impact

- ☐ No General Fund Impact
- ☐ Project will be funded through the PLHA program
- ☐ No additional staffing requested

Recommended Motion

A motion to approve a Resolution

- Establishing the First Time Home Buyer, Mortgage Down Payment Assistance Program (MDPAP); and
- Increasing the estimated Permanent Local Housing Allocation (PLHA) grant revenue from allocation years 2021 and 2022 by \$1,034,137; and
- Authorizing the City Manager, or designee, to promulgate the MDPAP guidelines, and negotiate and execute all applicable forms, conditional commitment letters, agreements, and subsequent amendments as needed to implement the MDPAP Program.



Questions?

For more information, contact the CDD Housing Division at
(831) 758-7334

<https://www.cityofsalinas.org/Your-Government/Departments/Community-Development>



City of Salinas

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

Legislation Text

File #: ID#26-001, **Version:** 1

Minutes

Approve minutes of January 13, 2026.



Legislation Text

File #: ID#25-620, **Version:** 1

Amendment No. 2 to Professional Services Agreement with True North Compliance Services, Inc.

Approve a Resolution authorizing the City Manager to execute Amendment No. 2 to the Agreement for Professional Services with True North Compliance Services to increase the amount by \$200,000 for a new not to exceed amount of \$600,000.



**CITY OF SALINAS COUNCIL
STAFF REPORT**

DATE: JANUARY 27, 2026

DEPARTMENT: COMMUNITY DEVELOPMENT

FROM: LISA BRINTON, DIRECTOR

BY: ANGELINE ANZINI, CHIEF BUILDING OFFICIAL
ODED ZALMANOVITCH, MANAGEMENT ANALYST

TITLE: AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT
WITH TRUE NORTH COMPLIANCE SERVICES, INC.

RECOMMENDED MOTION:

A motion to approve a resolution authorizing the City Manager to execute Amendment No. 2 to the Agreement for Professional Services with True North Compliance Services to increase the amount by \$200,000 for a new not to exceed amount of \$600,000.

EXECUTIVE SUMMARY:

The Permit Services Division relies on True North Compliance Services, Inc., as one of five consultants, to supplement City staff in plan review, permitting, and inspection services, ensuring a consistent and timely level of customer service without replacing City employees. Contracting with True North allows the City to respond efficiently to increases in development applications. The proposed Amendment No. 2 requests an increase of \$200,000, bringing the total cumulative not to exceed compensation to \$600,000 for Fiscal Years 2025-26 and 2026-27. Funding for this amendment will be fully covered through the Permit Services Enterprise Fund using plan check and inspection fees collected prior to requesting professional services.

BACKGROUND:

In 2024, the City conducted a Request for Qualifications to identify qualified consultants. True North Compliance Services, along with 4LEAF, Shums Coda Associates, Willdan Engineering, and TRB and Associates, demonstrated extensive experience providing technical services to building departments across California. Based on the RFQ results, the City Council approved an On-Call List for permit services in July 2024 and authorized execution of Agreements for Professional Services with each firm for Fiscal Years 2024-25 through 2026-27. True North Compliance Services was recognized for its certified staff, technical expertise, and proven ability to deliver timely, high-quality, and cost-effective services that support the City's operational needs.

The original compensation amount was \$150,000. As permit volumes increased and staffing shortages persisted, the Permit Center required additional technical support to sustain service levels. Amendment No. 1 to the Professional Services Agreement with True North Compliance Services, approved on October 8, 2024, authorized the use of True North’s technical staff to address staffing shortfalls and rising workload. This amendment increased total not to exceed compensation to \$400,000 dollars.

Due to continued growth in permit applications and the need to provide timely and consistent plan reviews while balancing staff workload, further consultant assistance is required. Amendment No. 2 to the Agreement for Professional Services requests an increase of \$200,000 dollars, bringing total cumulative not to exceed compensation to \$600,000 dollars. The original and both amended Agreement not to exceed compensation amounts is provided in the table below. Consultant services are billed on a time and materials basis, according to the rates of compensation set in Exhibit B to the Agreement, which is provided in Attachment 4 of this report. Funding will be fully covered by plan check and inspection fees through the Permit Services Enterprise Fund.

Not to Exceed Compensation	Original	Amendment #1	Amendment #2
True North Compliance Services	\$ 150,000	\$ 400,000	\$ 600,000

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). Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes.

STRATEGIC PLAN INITIATIVE:

The proposed Amendment supports the City of Salinas Strategic Plan 2025-2028 Goals and Strategies by advancing economic development and housing through timely review of projects that expand the economic base and increase housing supply. It strengthens infrastructure planning through consistent, efficient permit processing. Enhancing the Permit Center’s capacity also improves overall City services. By supporting safe, compliant construction, the Amendment contributes to public safety. These improvements ultimately benefit youth and seniors by promoting well-planned, accessible community development.

DEPARTMENTAL COORDINATION:

This item was prepared by the Community Development Department, in collaboration with the City Attorney’s Office and the Finance Department.

FISCAL AND SUSTAINABILITY IMPACT:

There is no impact to the General Fund. The additional cost of \$200,000 for increased services will be covered by the collection of permitting fees through the Permit Center Enterprise Fund.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
6900	30.3350-63.5010	Outside Services Professional Services	\$228,021	\$200,000

ATTACHMENTS:

1. Resolution authorizing the City Manager to execute Amendment No. 2 to Agreement for Professional Services with True North Compliance, Inc.
2. Amendment No. 2 to True North Compliance, Inc. Agreement for Professional Services.
3. Amendment No. 1 to True North Compliance, Inc. Agreement for Professional Services
4. Agreement for Professional Services with True North Compliance Services, Inc.

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

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT
NO. 2 TO AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN CITY OF
SALINAS AND TRUE NORTH COMPLIANCE SERVICES, INC.**

WHEREAS, the Permit Services Division relies on outside technical professionals to assist with plan review, permitting, and inspection services, particularly for more complicated development projects; and

WHEREAS, contracting for these services allows for the scaling up of experienced technical staffing resources to be able to respond in a timely manner to increases in the number of development applications due to economic growth, while maintaining the City's workforce; and

WHEREAS, through a Request for Qualifications process, True North Compliance Services, 4LEAF, Shums Coda Associates, Willdan Engineering, and TRB and Associates demonstrated extensive knowledge and experience in providing technical services to building departments for multiple jurisdictions in California and employ staff that have the requisite certification, training, and experience to perform the technical work required to meet the City's needs and have a demonstrated record of quality performance in a timely and cost-effective manner; and

WHEREAS, in July 2024, based on RFQ recommendations, the City Council approved an On-Call List for permit services and authorized the execution of separate Agreements for Professional Services with True North Compliance Services, 4LEAF, Shums Coda Associates, Willdan Engineering, and TRB and Associates for plan review, permitting, and inspection services, for Fiscal Year 2024-25 through Fiscal Year 2026-27; and

WHEREAS, subsequently, the number of permits being processed has increased and there is a need to provide timely and consistent plan reviews, while balancing staff workload, additional outside professional services are needed to review and process these applications; and

WHEREAS, on October 8, 2024, the City Council approved Resolution No. 23126 (N.C.S.), authorizing execution of Amendment No. 1 to the Agreement for Professional Services to increase the total compensation to be paid under the Agreement to the amount not to exceed \$400,000; and

WHEREAS, the total increased cost of two hundred thousand dollars (\$200,000) associated with the proposed Amendment No. 2 will be fully covered by the collection of plan check and inspection fees through the Permit Services Enterprise Fund prior to initiating a request for services with the consultants; 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). Any subsequent projects resulting from this action will be assessed for CEQA

applicability.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council authorizes the City Manager to execute Amendment No. 2 of the Agreement for Professional Services with True North Compliance to increase the amount by two hundred thousand dollars (\$200,000) for a new not to exceed amount of six hundred thousand dollars (\$600,000); and

BE IT FURTHER RESOLVED, that the City Manager is authorized to take whatever additional action may be necessary to effectuate the intent of this resolution.

PASSED AND APPROVED this 27th day of January 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Barajas, City Clerk

**AGREEMENT —AMENDMENT NO. 2 TO
AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN
CITY OF SALINAS AND TRUE NORTH COMPLIANCE SERVICES, INC.**

This Amendment No. 2 to the Agreement for Professional Services (the “Amendment”) is entered into this 27th day of January 2026, by and between the City of Salinas (the “City”) and True North Compliance Services, Inc. (the “Consultant”). City and Consultant may be individually referred to herein as a “Party” and collectively the City and Consultant may be referred to as the “Parties.”

RECITALS

WHEREAS, the City and Consultant first entered into an Agreement for Professional Services effective July 1st, 2024, pursuant to which Consultant agreed to act as and provide certain services to the City for compensation (the “Agreement”); and

WHEREAS, on the 8th day of October 2024, the City Council approved Resolution No. 23126 (N.C.S.), approving Amendment No. 1 to the Agreement for Professional Services to increase the total compensation to be paid under the Agreement to the amount not to exceed \$400,000; and

WHEREAS, the City and Consultant desire to further amend the Agreement for Professional Services to increase the City’s capacity to complete plan review, permitting, and inspections for all projects in a timely manner.

NOW, THEREFORE, in mutual consideration of the terms and conditions set forth below, the Parties agree as follows:

TERMS

1. Section 3 of the Agreement is further amended in its entirety to read as follows:

Compensation. City hereby agrees to pay Consultant for services rendered the City pursuant to this Agreement on a time and materials basis according to the rates of compensation set forth in **Exhibit B**. The total amount of compensation to be paid under this Agreement shall not exceed \$600,000.

2. 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 Consultant have entered into this Agreement as of the date first written above.

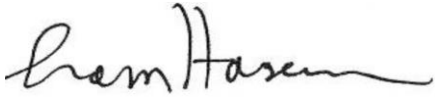
CITY OF SALINAS

René Mendez, City Manager

APPROVED AS TO FORM:

☐ Christopher A. Callihan, City Attorney
☐ Rhonda Combs, Assistant City Attorney

True North Compliance Services, Inc.

A handwritten signature in black ink, appearing to read "Isam Hasenin". The signature is fluid and cursive, with a long horizontal stroke at the end.

Isam Hasenin, MSCE, P.E., CBO, President and CEO

**AGREEMENT —AMENDMENT NO. 1 TO
AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN
TRUE NORTH COMPLIANCE SERVICES, INC. AND CITY OF SALINAS**

This Amendment No. 1 to the Agreement for Professional Services (the “Amendment”) is entered into this 8th day of October 2024, by and between the City of Salinas (the “City”) and True North Compliance Services, Inc., (the “Consultant”) City and Consultant may be individually referred to herein as a “Party” and collectively the City and Consultant may be referred to as the “Parties.”

RECITALS

WHEREAS, the City and Consultant first entered into an Agreement for Professional Services effective July 1st, 2024, pursuant to which Consultant agreed to act as and provide certain services to the City for compensation (the “Agreement”); and

WHEREAS, the City and Consultant desire to amend the Agreement to increase the City’s capacity to complete plan review, permitting, and inspections for all projects in a timely manner.

NOW, THEREFORE, in mutual consideration of the terms and conditions set forth below, the Parties agree as follows:

TERMS

1. The Agreement, 3.Compensation section, is amended to the following:

Compensation. City hereby agrees to pay Consultant for services rendered the City pursuant to this Agreement on a time and materials basis according to the rates of compensation set forth in **Exhibit B**. The total amount of compensation to be paid under this Agreement shall not exceed \$400,000.

2. 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.

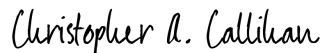
IN WITNESS WHEREOF, the undersigned, as authorized representatives of the City and Consultant have entered into this Agreement as of the date first written above.

CITY OF SALINAS

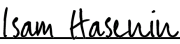
DocuSigned by:

49009F9344B0408...
Rene Mendez, City Manager

APPROVED AS TO FORM:

Signed by:

DF000E02871844E...
☐ Christopher A. Callihan, City Attorney
☐ Rhonda Combs, Assistant City Attorney

True North Compliance Services, Inc.

DocuSigned by:

Isam Hasenin, MSCE, P.E., CBO, President and CEO

AGREEMENT
FOR PROFESSIONAL SERVICES
BETWEEN
THE CITY OF SALINAS AND TRUE
NORTH COMPLIANCE SERVICES, INC.



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**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
THE CITY OF SALINAS AND TRUE NORTH COMPLIANCE SERVICES, INC.**

This Agreement for Professional Services (the “Agreement” and/or “Contract”) is made and entered into this 11th day of June 2024, between the **City of Salinas**, a California Charter city and municipal corporation (hereinafter “City”), and **True North Compliance Services, Inc.** a California corporation (hereinafter “Consultant”).

RECITALS

WHEREAS, Consultant represents that he, she, or it is specially trained, experienced, and competent to perform the special services which will be required by this Agreement; and

WHEREAS, Consultant is willing to render such professional services, as hereinafter defined, on the following terms and conditions.

NOW, THEREFORE, City and Consultant agree as follows:

TERMS

1. **Scope of Service.** The project contemplated and the scope of Consultant’s services are described in **Exhibit B**, attached hereto and incorporated herein by reference.
2. **Term; Completion Schedule.** This Agreement shall commence on July 1, 2024, and shall terminate on June 30, 2027, unless extended in writing by either party upon (30) days written notice. 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.
3. **Compensation.** City hereby agrees to pay Consultant for services rendered the City pursuant to this Agreement on a time and materials basis according to the rates of compensation as set forth in **Exhibit B**. The total amount of compensation to be paid under this Agreement shall not exceed **\$150,000**.
4. **Billing.** Consultant shall submit to City an itemized invoice, prepared in a form satisfactory to City, describing its services and costs for the period covered by the invoice. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person. Consultant’s bills shall include the following information to which such services cost or pertain:
 - (A) A brief description of services performed;
 - (B) The date the services were performed;
 - (C) The number of hours spent and by whom;
 - (D) A brief description of any costs incurred; and
 - (E) The Consultant’s signature.

Any such invoices shall be in full accord with any and all applicable provisions of this Agreement.

City shall make payment on each such invoice within thirty (30) days of receipt; provided, however, that if Consultant submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this Agreement, City shall not be obligated to process any payment to Consultant until thirty (30) days after a correct and complying invoice has been submitted by Consultant. The City shall process undisputed portion immediately.

5. Meet & Confer. Consultant 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 the City to ensure timely and adequate performance of the Agreement.

6. Additional Copies. If City requires additional copies of reports, or any other material which Consultant is required to furnish as part of the services under this Agreement, Consultant shall provide such additional copies as are requested, and City shall compensate Consultant for the actual costs related to the production of such copies by Consultant.

7. Responsibility of Consultant. By executing this Agreement, Consultant agrees that the services to be provided and work to be performed under this Agreement shall be performed in a fully competent manner. By executing this Agreement, Consultant further agrees and represents to City that the Consultant possesses, or shall arrange to secure from others, all of the necessary professional capabilities, experience, resources, and facilities necessary to provide the City the services contemplated under this Agreement and that City relies upon the professional skills of Consultant to do and perform Consultant's work. Consultant further agrees and represents that Consultant shall follow the current, generally accepted practices in this area to the profession to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding the projects for which the services are rendered under this Agreement.

8. Responsibility of City. To the extent appropriate to the projects to be completed by Consultant pursuant to this Agreement, City shall:

(A) Assist Consultant by placing at its disposal all available information pertinent to the projects, including but not limited to, previous reports and any other data relative to the projects. Nothing contained herein shall obligate City to incur any expense in connection with completion of studies or acquisition of information not otherwise in the possession of City.

(B) Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents presented by Consultant, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.

(C) David Gonzalves, Community Development Assistant Director, shall act as City's representative with respect to the work to be performed under this Agreement. Such person shall have the complete authority to transmit instructions, receive information, interpret

and define City's policies and decisions with respect to materials, equipment, elements, and systems pertinent to Consultant's services. City may unilaterally change its representative upon notice to the Consultant.

(D) Give prompt written notice to Consultant whenever City observes or otherwise becomes aware of any defect in a project.

9. Acceptance of Work Not a Release. Acceptance by the City of the work to be performed under this Agreement does not operate as a release of Consultant from professional responsibility for the work performed.

10. Indemnification and Hold Harmless.

Consultant shall defend, indemnify, and hold harmless the City and its officers, officials, employees, volunteers, and agents from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Consultant's performance of work hereunder, including the performance of work of any of Consultant's subcontractors or agents, or Consultant's failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City.

11. Insurance. Consultant shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in **Exhibit A** hereto.

12. Access to Records. Consultant shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials including but not limited to calculation and survey notes relating to work performed for the City under this Agreement on file for at least three (3) years following the date of final payment to Consultant by City. Any duly authorized representative(s) of City shall have access to such records for the purpose of inspection, audit, and copying at reasonable times during Consultant's usual and customary business hours. Consultant shall provide proper facilities to City's representative(s) for such access and inspection.

13. Non-Assignability. It is recognized by the parties hereto that a substantial inducement to City for entering into this Agreement was, and is, the professional reputation and competence of Consultant. This Agreement is personal to Consultant and shall not be assigned by it without express written approval of the City.

14. Changes to Scope of Work. City may at any time, and upon a minimum of ten (10) days written notice, seek to modify the scope of services to be provided for any project to be completed under this Agreement. Consultant shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify City in writing. Upon agreement between City and Consultant as to the extent of said impacts to time and compensation, an amendment to this Agreement shall be prepared describing such changes. Execution of the amendment by City and Consultant shall constitute the Consultant's notice to proceed with the changed scope.

15. Ownership of Documents. Title to all final documents, including drawings, specifications, data, reports, summaries, correspondence, photographs, computer software (if purchased on the City's behalf), video and audio tapes, software output, and any other materials with respect to work performed under this Agreement shall vest with City at such time as City has compensated Consultant, as provided herein, for the services rendered by Consultant in connection with which they were prepared. City agrees to hold harmless and indemnify the Consultant against all damages, claims, lawsuits, and losses of any kind including defense costs arising out of any use of said documents, drawings, and/or specifications on any other project without written authorization of the Consultant.

16. Termination.

(A) City shall have the authority to terminate this Agreement, upon ten days written notice to Consultant, as follows:

(1) If in the City's opinion the conduct of the Consultant is such that the interest of the City may be impaired or prejudiced, or

(2) For any reason whatsoever.

(B) Upon termination, Consultant shall be entitled to payment of such amount as fairly compensates Consultant for all work satisfactorily performed up to the date of termination based upon the Consultant's rates shown in **Exhibit B** and/or Section 3 of this Agreement, except that:

(1) In the event of termination by the City for Consultant's default, City shall deduct from the amount due Consultant the total amount of additional expenses incurred by City as a result of such default. Such deduction from amounts due Consultant are made to compensate City for its actual additional costs incurred in securing satisfactory performance of the terms of this Agreement, including but not limited to, costs of engaging another consultant(s) for such purposes. In the event that such additional expenses shall exceed amounts otherwise due and payable to Consultant hereunder, Consultant shall pay City the full amount of such expense.

(C) In the event that this Agreement is terminated by City for any reason, Consultant shall:

(1) Upon receipt of written notice of such termination promptly cease all services on this project, unless otherwise directed by City; and

(2) Deliver to City all documents, data, reports, summaries, correspondence, photographs, computer software output, video and audio tapes, and any other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement. Such material is to be delivered to City in completed form; however,

notwithstanding the provisions of Section 15 herein, City may condition payment for services rendered to the date of termination upon Consultant's delivery to the City of such material.

(D) In the event that this Agreement is terminated by City for any reason, City is hereby expressly permitted to assume the projects and complete them by any means, including but not limited to, an agreement with another party.

(E) The rights and remedy of the City and Consultant provided under this Section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other section of this Agreement.

17. Compliance with Laws, Rules, and Regulations. Services performed by Consultant pursuant to this Agreement shall be performed in accordance and full compliance with all applicable federal, state, and City laws and any rules or regulations promulgated thereunder.

18. Exhibits Incorporated. All exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of this Agreement and any of the terms of any exhibit to the Agreement, the terms of the Agreement shall control the respective duties and liabilities of the parties.

19. Independent Contractor. It is expressly understood and agreed by both parties that Consultant, while engaged in carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and not an employee of the City. Consultant expressly warrants not to represent, at any time or in any manner, that Consultant is an employee or servant of the City.

20. Integration and Entire Agreement. This Agreement represents the entire understanding of City and Consultant as 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 both parties.

21. Jurisdiction and Venue. 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. 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.

22. Severability. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

23. Notices.

(A) Written notices to the City hereunder shall, until further notice by City, be addressed to:

Community Development Assistant Director
City of Salinas
65 W. Alisal Street
Salinas, California 93901

With a copy to:

City Attorney
City of Salinas
200 Lincoln Avenue
Salinas, California 93901

(B) Written notices to the Consultant shall, until further notice by the Consultant, be addressed to:

Isam Hasenin
President and CEO
3939 Atlantic Ave, #224
Long Beach, CA 90807
Isam@tncservices.com (858) 260-0495

(C) The execution of any such notices by the Assistant Director shall be effective as to Consultant as if it were by resolution or order of the City Council, and Consultant shall not question the authority of the City Manager to execute any such notice.

(D) All such notices shall either be delivered personally to the other party's designee named above, or shall be deposited in the United States Mail, properly addressed as aforesaid, postage fully prepaid, and shall be effective the day following such deposit in the mail.

24. Nondiscrimination. During the performance of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability. Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability.

25. Conflict of Interest. Consultant warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this Agreement a violation

of any applicable local, state or federal law. Consultant further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereinafter arise, Consultant shall promptly notify City of the existence of such conflict of interest so that City may determine whether to terminate this Agreement. Consultant further warrants its compliance with the Political Reform Act (Government Code section 81000 et seq.) and Salinas City Code Chapter 2A that apply to Consultant as the result of Consultant's performance of the work or services pursuant to the terms of this Agreement.

26. Headings. The section headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions of this Agreement.

27. Attorneys' Fees. In case suit shall be brought to interpret or to enforce this Agreement, or because of the breach of any other covenant or provision herein contained, the prevailing party in such action shall be entitled to recover their reasonable attorneys' fees in addition to such costs as may be allowed by the Court. City's attorneys' fees, if awarded, shall be calculated at the market rate.

28. Non-Exclusive Agreement. This Agreement is non-exclusive and both City and Consultant expressly reserves the right to contract with other entities for the same or similar services.

29. 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.

30. Licenses. If a license of any kind, which term is intended to include evidence of registration, is required of Consultant, its representatives, agents or subcontractors by federal, state or local law, Consultant warrants that such license has been obtained, is valid and in good standing, and that any applicable bond posted in accordance with applicable laws and regulations.

31. 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.

32. Legal Representation. Each party affirms that it has been represented, if it so chose, by legal counsel of its own choosing regarding the preparation and the negotiation of this Agreement and the matters and claims set forth herein, and that each of them has read this Agreement and is fully aware of its contents and its legal effect. Neither party is relying on any statement of the other party outside the terms set forth in this Agreement as an inducement to enter into this Agreement.

33. Joint Representation. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any party. No presumptions or rules of interpretation based upon the identity of the party preparing or drafting the Agreement, or any part thereof, shall be applicable or invoked.

34. Warranty of Authority. Each party represents and warrants that it has the right, power, and authority to enter into this Agreement. Each party further represents and warrants that it has given any and all notices, and obtained any and all consents, powers, and authorities, necessary to permit it, and the persons entering into this Agreement for it, to enter into this Agreement.

35. No Waiver of Rights. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement. The failure to provide notice of any breach of this Agreement or failure to comply with any of the terms of this Agreement shall not constitute a waiver thereof. Failure on the part of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision. A waiver by the City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the date first written above.

CITY OF SALINAS

DocuSigned by:
Rene Mendez
49009F9344B6488...

Rene Mendez
City Manager

APPROVED AS TO FORM:

DocuSigned by:
Rhonda Combs
47E1DC47F6EE4DD...

☐ Christopher A. Callihan, City Attorney, or
☒ Rhonda Combs, Assistant City Attorney

CONSULTANT

Isam Hasenin

By: Isam Hasenin, MSCE, P.E., CBO
Its: President and CEO

Exhibit A- Insurance Requirements

Insurance Requirements

Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Consultant, his agents, representatives, employees, or subcontractors. With respect to General Liability and Professional Liability, coverage should be maintained for a minimum of five (5) years after Agreement completion.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

- (A) **Commercial General Liability** (“CGL”): Insurance Services Office Form (“ISO”) 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 **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
- (B) **Automobile Liability**: ISO Form CA 0001 covering any auto, or if Consultant has no owned autos, hired and non-owned, with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
- (C) **Workers’ Compensation** insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with a limit of no less than **\$1,000,000** per accident for bodily injury or disease.
- (D) **Professional Liability** (also known as Errors and Omissions) insurance appropriate to the work being performed, with limits no less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate per policy period of one year.

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

OTHER INSURANCE PROVISIONS

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

Additional Insured Status

The City of Salinas, 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 Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant’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).

Primary Coverage

For any claims related to this Agreement or the project described within this Agreement, the **Consultant's insurance coverage shall be primary coverage** at least as broad as ISO Form 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 Consultant's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.

Waiver of Subrogation

Consultant hereby grants to City a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Salinas for all work performed by the Consultant, its employees, agents, and subcontractors.

Self-Insured Retentions

Self-insured retentions must be declared by Consultant to and approved by the City. At the option of the City, Consultant shall provide coverage to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the consultant shall provide evidence satisfactory to the City guaranteeing payment of losses and related investigations, claim administrations, 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.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of this Agreement or the beginning of Agreement work.
2. Insurance must be maintained and evidence of insurance must be provided ***for at least five (5) years after completion of the Agreement of work.***
3. If coverage is canceled or non-renewed, and not ***replaced with another claims-made policy form with a Retroactive Date*** prior to the Agreement effective date, the Consultant must purchase "extended reporting" coverage for a minimum of ***five (5) years*** after completion of Agreement work.
4. A copy of the claims reporting requirements must be submitted to the City for review.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable insurance language effecting coverage required by this Agreement. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant'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

Consultant shall require and verify that all sub-consultants and/or subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that Entity is an additional insured on insurance required from such sub-consultants and/or subcontractors.

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.

Maintenance of Insurance

Maintenance of insurance by Consultant as specified shall in no way be interpreted as relieving Consultant of its indemnification obligations or any responsibility whatsoever and the Consultant may carry, at its own expense, such additional insurance as it deems necessary.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/15/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Risk Strategies Company 2040 Main Street, Suite 450 Irvine, CA 92614 www.risk-strategies.com	CONTACT NAME: Risk Strategies Company PHONE (A/C, No, Ext): 949-242-9240 FAX (A/C, No): E-MAIL ADDRESS: syoung@risk-strategies.com <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A: Citizens Insurance Company of America</td> <td>31534</td> </tr> <tr> <td>INSURER B: The Hanover American Insurance Company</td> <td>36064</td> </tr> <tr> <td>INSURER C: Travelers Casualty and Surety Co of America</td> <td>31194</td> </tr> <tr> <td>INSURER D: Allmerica Financial Benefit Insurance Co</td> <td>41840</td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Citizens Insurance Company of America	31534	INSURER B: The Hanover American Insurance Company	36064	INSURER C: Travelers Casualty and Surety Co of America	31194	INSURER D: Allmerica Financial Benefit Insurance Co	41840	INSURER E:		INSURER F:	
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INSURED True North Compliance Services, Inc. 3939 Atlantic Avenue, Suite 224 Long Beach CA 90807 CA DOI License No. 0F06675															

COVERAGES**CERTIFICATE NUMBER:** 80001648**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS														
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AGGREGATE	\$2,000,000																				
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B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	<input checked="" type="checkbox"/>	WZ3J114000	8/27/2023	8/27/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>E.L. EACH ACCIDENT</td><td>\$1,000,000</td></tr> <tr><td>E.L. DISEASE - EA EMPLOYEE</td><td>\$1,000,000</td></tr> <tr><td>E.L. DISEASE - POLICY LIMIT</td><td>\$1,000,000</td></tr> </table>	E.L. EACH ACCIDENT	\$1,000,000	E.L. DISEASE - EA EMPLOYEE	\$1,000,000	E.L. DISEASE - POLICY LIMIT	\$1,000,000								
E.L. EACH ACCIDENT	\$1,000,000																				
E.L. DISEASE - EA EMPLOYEE	\$1,000,000																				
E.L. DISEASE - POLICY LIMIT	\$1,000,000																				
C	Professional Liability Full Prior Acts			107683951	8/27/2023	8/27/2024	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Per Claim</td><td>\$2,000,000</td></tr> <tr><td>Aggregate</td><td>\$4,000,000</td></tr> </table>	Per Claim	\$2,000,000	Aggregate	\$4,000,000										
Per Claim	\$2,000,000																				
Aggregate	\$4,000,000																				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Projects as on file with the insured.
 The City of Salinas, its officers, officials, employees, and volunteers are named as additional insureds and primary/non-contributory clause applies to the general liability policy and a waiver of subrogation applies to the general, auto and work comp policies. 30-day notice for non-renewal & cancellation, 10-day notice for non-payment applies.
 Professional Liability Retro Date: Full Prior Acts; Deductible: \$10,000 per claim.

CERTIFICATE HOLDER**CANCELLATION**

City of Salinas
 200 Lincoln Ave.
 Salinas CA 93901

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

RSC Insurance Brokerage

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ACORD 25 (2016/03)

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Architects and Engineers

The following policy language is from Businessowners General Liability Coverage Part

NAMED INSURED: True North Compliance Services, Inc. **POLICY NUMBER:** OB3J114022

The following are mandatory forms on the policy identified on the Certificate of Insurance:

391-1586 (08-16) BUSINESSOWNERS GENERAL LIABILITY SUPPLEMENTARY ENDORSEMENT
Additional Insured by Contract, Agreement or Permit

A. **Section II – Liability, C** – Who is an insured is amended to include as an additional insured any person or organization with whom you agreed in a written contract, written agreement or permit but only respect to liability for “bodily injury”, “property damage” or “personal and advertising injury” caused, in whole or in part, by your acts or omissions; or the acts or omissions of those acting on your behalf, but only with respect to:

- (i) **“Your work”** for the additional insured(s) designated in the contract, agreement or permit including "bodily injury" or "property damage" included in the "products - completed operations hazard" only if this Coverage Part provides such coverage;
- (ii) Premises you own, rent, lease, or occupy; or
- (iii) Your maintenance, operation or use of equipment leased to you.

*Definition: **“Your work”** a. Means: (1) Work or operations performed by you or on behalf; and (2) materials, parts or equipment furnished in connection with such work or operations; b. Includes (1) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “your work”; and (2) the providing of or failure to provide warnings or instructions.

This provision does not apply:

- (1) Unless the written contract or written agreement has been executed or permit has been issued prior to the "bodily Injury", "property damage", "personal injury" or "advertising injury".
- (2) To any person or organization Included as an Insured by an endorsement Issued by us and made part of this Coverage Part.
- (3) To any lessor of equipment (a) After the equipment lease expires; or (b) If the "bodily Injury", "property damage", "personal injury" or "advertising Injury" arises out of sole negligence of the lessor.
- (4) To any: (a) Owners or other Interests from whom land has been leased which takes place after the lease for the land expires; or (b) Managers or lessors of premises if: (i) The occurrence takes place after you cease to be a tenant in that premises; or (ii) The “bodily injury”, “property damage”, “personal injury” or “advertising injury” arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.
- (5) To “bodily injury”, “property damage” or “personal and advertising injury” arising out of the rendering of or failure to render any professional services.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" or the offense which caused the "personal and advertising injury" involved the rendering of or failure to render any professional services by or for you.

Other Insurance Primary & Non-Contributory

The following paragraph is added to **SECTION III – COMMON POLICY CONDITIONS, H – Other Insurance: Additional Insured – Primary and Non-Contributory**. If you agree in a written contract, written agreement or permit that the insurance provided to any person or organization included as an Additional Insured under **SECTION II – Liability, C. Who is an Insured** is primary and non-contributory, the following applies: If other valid and collectible insurance is available to the Additional Insured for a loss covered under **SECTION II – LIABILITY** of this Coverage Part, our obligations are limited as follows:

- (1) **Primary Insurance:** This insurance is primary to other insurance that is available to the Additional Insured which covers the Additional Insured as a Named Insured. We will not seek contribution from any other insurance available to the Additional Insured except: **(a)** For the sole negligence of the Additional Insured; **(b)** When the Additional Insured is an Additional Insured under another primary liability policy; or **(c)** When **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary.
- (2) **Excess Insurance:**
 - (a)** This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i)** That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii)** That is Fire insurance for premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner;

No coverage is provided by this Notice, nor can it be construed to replace any provisions of the policy (including its endorsements). If there is any conflict between this Notice and the policy (including the endorsements), the provisions of the policy (including its endorsements) shall prevail.

- (iii) That is insurance purchased by the Additional Insured to cover the Additional Insured's liability as a tenant for "property damage" to premises rented to the Additional Insured or temporarily occupied by the Additional with permission of the owner; or
- (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of **SECTION II - LIABILITY. B. Exclusions, 1. Applicable to Business Liability Coverage.**
- (v) That is insurance available to you for your participation in any past or present "unnamed joint venture".
- (vi) That is any insurance you may have that provides coverage for your professional services.

(b) When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(c) When this insurance is excess over other Insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (i) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (ii) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage part.

(3) Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

Per Project Aggregate

The following changes are made to **SECTION II - LIABILITY**:

1. The following is added to **SECTION II - LIABILITY, D. Liability and Medical Expenses Limits of Insurance**, paragraph 4:
The Aggregate Limits of Insurance apply separately to each of "your projects" or each "location" listed in the Declarations.
2. For the purpose of coverage provided by this endorsement only, the following is added to **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions**:
 1. "Your project" means:
 - a. Any premises, site or "location" at, on, or in which "your work" is not yet completed; and
 - b. Does not include any "location" listed in the Declarations.
 2. "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies: **a.** As if each Named Insured were the only Named Insured; and, **b.** Separately to each insured against whom claim is made or "suit" is brought.

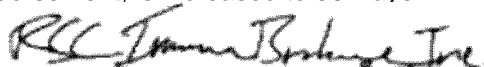
Waiver Of Subrogation

The **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section IV – COMMERCIAL GENERAL LIABILITY CONDITIONS)** is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization *where required by written contract* because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization *where required by written contract*.

Notice Of Cancellation

For any statutorily permitted reason other than non-payment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to **30 Days**.



AUTHORIZED REPRESENTATIVE

**From Hanover Forms: 391-1003 (08/16); 391-1445 (08/16); 391-1586 (08/16), 391-1003 (08/16)*

No coverage is provided by this Notice, nor can it be construed to replace any provisions of the policy (including its endorsements). If there is any conflict between this Notice and the policy (including the endorsements), the provisions of the policy (including its endorsements) shall prevail.

14. AUTO LOAN PHYSICAL DAMAGE EXTENSION

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

When a "loss" results in a total loss to a covered auto you own for which a Loss Payee is designated in this policy, the most we will pay for "loss" in any one "accident" is the greater of:

1. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
2. The outstanding balance of the initial loan, less any amounts for taxes, overdue payments, overdue payment charges, penalties, interest, any charges for early termination of the loan, costs for Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan, and carry-over balances from previous loans.

15. AUTO LEASE PHYSICAL DAMAGE EXTENSION

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

If, because of damage, destruction or theft of a covered "auto", which is a long-term leased "auto", the lease agreement between you and the lessor is terminated, "we" will pay the difference between the amount paid under paragraph **C. LIMIT OF INSURANCE 1. or 2.** and the amount due at the time of "loss" under the terms of the lease agreement applicable to the leased "auto" which you are required to pay: less any fees to dispose of the auto; any overdue payments; financial penalties

imposed under a lease for excessive use, abnormal wear and tear or high mileage; security deposits not refunded by the lessor; cost for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan; and carry over balances from previous leases.

This coverage applies only to the initial lease for the covered "auto" which has not previously been leased. This coverage is excess over all other collectible insurance.

SECTION IV - CONDITIONS

16. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The following is added to **SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit Or Loss**:

- d. Knowledge of any "accident", claim, "suit" or "loss" will be deemed knowledge by you when notice of such "accident", claim, "suit" or "loss" has been received by:
 - (1) You, if you are an individual;
 - (2) Any partner or insurance manager if you are a partnership; or
 - (3) An executive officer or insurance manager if you are a corporation.

17. BLANKET WAIVER OF SUBROGATION

Paragraph **5. Transfer Of Rights Of Recovery Against Others To Us, SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions** is replaced by the following:

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461-0155 (9-97)

**5. Transfer Of Rights Of Recovery
Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, which have not been waived through the execution of an "insured contract", written agreement, or permit, prior to the "accident" or "loss" giving rise to the payment, those rights to recover damages from another are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after the "accident" or "loss" to impair them.

**18. UNINTENTIONAL FAILURE TO
DISCLOSE INFORMATION**

The following is added to **SECTION IV - BUSINESS AUTO CONDITIONS. B. General Conditions**, paragraph 2. **Concealment, Misrepresentation Or Fraud:**

Your unintentional error in disclosing, or failure to disclose, any material fact existing after the effective date of this Coverage Form shall not prejudice your rights under this Coverage Form. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

**19. HIRED AUTO - WORLDWIDE
COVERAGE**

The following is added to **SECTION IV - Business Auto Conditions, B. General Conditions**, paragraph 7. **Policy Period, Coverage Territory** provision:

- e. Outside the coverage territory described in a., b., c., and d. above for an "accident" or "loss" resulting from the use of a covered "auto" you hire, without a driver, or your employee hires without a driver, at your direction, for the purpose of conducting your business, for a period of 30 days or less, provided the suit is brought within The United States of America or its territories or possessions.

SECTION V - DEFINITIONS

20. MENTAL ANGUISH

Paragraph **C. "Bodily injury"**, **SECTION V - DEFINITIONS** is replaced by the following:

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death or mental anguish resulting from any of these.

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461-0155 (9-97)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT-CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2 % of the California workers' compensation premium otherwise due on such remuneration.

Schedule

Person or Organization	Job Description
APPLIES AS BLANKET WAIVER FOR THOSE HAVING A WRITTEN CONTRACT WITH THE POLICY- HOLDER REQUIRING WOS FOR WC POLICYHOLDER EMPLOYEES.	

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated. (The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 08/27/2023 Policy No. WZ3J114000
Insured True North Compliance Services, Inc.
Insurance Company THE HANOVER AMERICAN INSURANCE COMPANY

Endorsement No.



Countersigned By _____

Fee Structure

PLAN REVIEW SERVICES

True North proposes to charge 55% of the Plan Check Fees collected by the City of Salinas. Our fee covers the initial review, and two recheck cycles, as well as all shipping and delivery of plans to/from City Hall

- Structural-Only Reviews: 40% of the City’s Plan Check Fee.
- Revisions/Deferred Submittals/RFIs will be billed using the hourly rate table below.
- Expedited Service: 140% of our proposed fees above.

Additional Services: The following hourly rate table applies to on-site staffing services and/or additional services included in our Scope of Services that may be required by the City of Salinas. Our hourly rates are all-inclusive and include salaries, overhead, benefits, PTO, etc.

Hourly Rates for Additional Services

Position	Hourly Rate
Interim Certified Building Official	\$160.00
Plan Review Engineer	\$135.00
Senior Plan Review Engineer	\$150.00
Structural Engineer I	\$145.00
Structural Engineer II	\$160.00
Certified Engineering Geologist/Geotechnical Engineer	\$155.00
Licensed Fire Protection Engineer	\$155.00
Certified Plans Examiner I	\$115.00
Certified Plans Examiner II	\$130.00
Building/Housing Inspector I	\$105.00
Building/Housing Inspector II	\$120.00
Senior Building/Housing Inspector	\$130.00
CASp Plan Reviewer/Inspector	\$135.00
Fire Plan Reviewer/Inspector I	\$120.00

Fire Plan Reviewer/Inspector II	\$135.00
Grading/Public Improvements Plan Review Engineer I	\$140.00
Grading/Public Improvements Plan Review Engineer II	\$155.00
Permit Technician I	\$75.00
Permit Technician II	\$85.00
Administrative Assistant	\$65.00

- On-Site services (plan review, permit technician, inspections) will be provided in eight (8) hour segments.
- Overtime for on-site staffing will be charged at 140% of the rates above.
- Mileage for tasks related to requested scope such as inspections or site visits will be charged at the current IRS mileage rate measured from City Hall.
- Inspections outside of the City's business hours will be charged at 140% of rates above with a 4-hour minimum.
- Incidental expenses will be charged at cost.



Legislation Text

File #: ID#25-609, **Version:** 1

Fire Station Alerting Systems Purchase and CIP Funds Transfer Request

Approve a Resolution authorizing the reallocate budget to CIP 9987 (Fire Station Alerting Systems) in the amount of \$202,464 from CIP 9541 (Fire Station Repairs) and \$133,744 from CIP 9984 (Fire Training Tower); and the Purchasing Agent to complete the direct purchase of five (5) Fire Station Alerting Systems, including equipment and installation from US Digital Designs (Honeywell), in an amount not to exceed \$429,857.10, which includes a 3% contingency, funded from CIP 9987.



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JANUARY 27, 2026

DEPARTMENT: FIRE DEPARTMENT

FROM: SAMUEL KLEMEK, FIRE CHIEF

TITLE: FIRE STATION ALERTING SYSTEMS PURCHASE AND CIP FUNDS TRANSFER REQUEST

RECOMMENDED MOTION:

A motion to approve a resolution authorizing:

1. The reallocate budget to CIP 9987 (Fire Station Alerting Systems) in the amount of \$202,464 from CIP 9541 (Fire Station Repairs) and \$133,744 from CIP 9984 (Fire Training Tower).
2. The Purchasing Agent to complete the direct purchase of five (5) Fire Station Alerting Systems, including equipment and installation from US Digital Designs (Honeywell), in an amount not to exceed \$429,857.10, which includes a 3% contingency, funded from CIP 9987.

EXECUTIVE SUMMARY:

The Salinas Fire Department relies on fire station alerting systems to ensure immediate, clear, and reliable notification of emergency incidents. The current station alerting infrastructure is outdated, lacks redundancy, and does not meet current operational or safety standards. Approval of this purchase will modernize alerting capabilities across fire stations 2 through 6, reduce response delays, and enhance operational reliability using funds already approved in the Capital Improvement Program.

The Fire Station Alerting Systems project is a priority public safety initiative and requires additional funding to be completed. Approval of the accompanying resolution will authorize the transfer of available Capital Improvement Program funds to fully fund the project and proceed with procurement.

BACKGROUND:

Fire station alerting systems are critical infrastructure that support timely emergency response. The Salinas Fire Department's existing alerting systems are aging and no longer provide the level of reliability and backup needed for modern emergency operations. This increases the risk of missed

or delayed alerts, particularly during overnight hours or in high-noise station environments. The Salinas Fire Department received a quote from US Digital Designs in the amount of \$417,336.99.

The proposed system provides clear, immediate alerts with battery backup and built-in safeguards to ensure continued operation during power or network interruptions. Standardizing alerting systems across multiple fire stations improves consistency and maintains efficiency. Modern features, including visual message displays, room-level alerts, and Flex Alert devices, enhance situational awareness for on-duty personnel. Replacing outdated equipment reduces the risk of system failure during critical emergency responses.

The purchase will be made through Sourcewell cooperative purchasing, which satisfies competitive procurement requirements and is authorized pursuant to Salinas Municipal Code Section 12-25.

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:

Yes

STRATEGIC PLAN INITIATIVE:

This agenda item supports the City Council's Public Safety goal by strengthening the reliability of response operations and ensuring consistent emergency services for the community.

DEPARTMENTAL COORDINATION:

The Fire Department will coordinate with the Finance, Legal and Administration Departments through the purchasing process and to ensure alignment with City priorities.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
1200	45.9987-66.5400	Capital Outlays Equipment	\$93,615	\$429,857.10
1100	45.9541-66.3010	Capital Outlays Remodeling & Alteration	\$296,463	(\$202,464)
1000	45.9984-63.6010	Capital Outlays Outside Services Other Outside Services	\$100,000	(\$100,000)

1200	45.9984-63.6010	Capital Outlays Outside Services Other Outside Services	\$33,743	(\$33,744)
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The total cost of the Fire Station Alerting Systems project is \$417,336.99. A 3% contingency in the amount of \$12,520.11 is included, resulting in a total not-to-exceed amount of \$429,857.10.

To fully fund this priority project, the Fire Department is requesting approval to reallocate \$202,464 from CIP 9541 (Fire Station Repairs) and \$133,744 from CIP 9984 (Fire Training Tower) to CIP 9987 (Fire Station Alerting Systems). These transfers will provide sufficient funding to complete the project.

ATTACHMENTS:

Resolution
Quote

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALINAS APPROVING
THE PURCHASE OF FIRE STATION ALERTING SYSTEMS AND TRANSFER OF
CIP FUNDS**

WHEREAS, the Salinas Fire Department has identified the replacement of Fire Station Alerting Systems as a priority public safety project necessary to ensure reliable, timely, and effective emergency response operations; and

WHEREAS, the existing fire station alerting systems are outdated and no longer meet current operational and safety standards; and

WHEREAS, the total cost of the Fire Station Alerting Systems project is \$417,336.99, and a 3% contingency is recommended, resulting in a total not-to-exceed amount of \$429,857.10; and

WHEREAS, sufficient funding is not currently available in CIP 9987 to fully fund the project; and

WHEREAS, CIP 9541 (Fire Station Repairs) and CIP 9984 (Fire Training Tower) have available appropriations that can be reallocated to support completion of this priority project without additional General Fund impact; and

WHEREAS, the purchase will be made through Sourcewell cooperative purchasing, consistent with Salinas Municipal Code Section 12-25;

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council:

1. Budget in the amount of \$202,464 is hereby transferred from CIP 9541 (Fire Station Repairs) and \$133,744 from CIP 9984 (Fire Training Tower) to CIP 9987 (Fire Station Alerting Systems).
2. The Purchasing Agent is authorized to complete the direct purchase of five (5) Fire Station Alerting Systems, including equipment and installation, from US Digital Designs (Honeywell), in an amount not to exceed \$429,857.10, which includes a 3% contingency.

PASSED AND APPROVED this 27th day of January 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Soratos, City Clerk

US DIGITAL DESIGNS

by Honeywell

1150 W Grove Pkwy St #110

Tempe, AZ 85283



US DIGITAL DESIGNS

by Honeywell

Author: JA

Date: 11/14/2025

Expires: 12/31/2025

Proposal: CA_SLNA006 v3

Quotation to:

City of Salinas, CA Salinas Fire Department

Project:

G2 Fire Station Alerting System Five (5) Station Systems & Six (6) Flex Alert Devices

Pricing pursuant to the Master Price Agreement entered into between League of Oregon Cities (LOC) and USDD, and made available to members of the National Purchasing Partners, LLC, dba Public Safety GPO, dba Law Enforcement GPO, and dba NPPgov - Contract #PS20350. More information available at: <https://nppgov.com/contract/honeywell/>

Salinas Fire Department is a member: M-5713511

Paul Gyore

Principal Territory Manager

(602)-828-0287

(602)-687-1730

Paul.Gyore@honeywell.com

stationalerting.com

Installation by:

Tech Electric

This proposal is subject to corrections due to errors or omissions



STATION 02

USDD Design Referenced:
USDD.CA_SLNA.ALL_STATIONS.FSA.2024.12.12

STATION SYSTEM LICENSES

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
G2-VA	G2 VoiceAlert - Single Station License	1	\$ 1,433.25	\$ 1,289.93	\$ 1,289.93
G2-APP-DLA	G2 Mobile FSAS App	24	\$ 15.00	\$ 13.50	No Charge

STATION SYSTEM CONTROLLER

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
ATX	G2 ATX Station Controller	1	\$ 23,272.50	\$ 20,945.25	\$ 20,945.25
UPS-STD	ATX UPS, Standard	1	\$ 1,017.64	\$ 915.88	\$ 915.88
UPS-WMB	Wall-Mount for UPS (Shelf/Bracket)	1	\$ 77.25	\$ 69.53	\$ 69.53

STATION SYSTEM PERIPHERAL COMPONENTS

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
TV-R	G2 HDTV Remote	2	\$ 1,121.50	\$ 1,009.35	\$ 2,018.70
MR-2	G2 Message Remote 2	2	\$ 1,753.75	\$ 1,578.38	\$ 3,156.76
USDD-LCD-SIGN	G2 LCD Message Sign	2	\$ 3,000.00	\$ 2,700.00	\$ 5,400.00
MS-MNT	MS Mount - Articulating	2	\$ 390.00	\$ 351.00	\$ 702.00
RR-2	G2 Room Remote 2	1	\$ 2,275.35	\$ 2,047.82	\$ 2,047.82
SPK-LED-FM	G2 Speaker - LED Illuminated, Flush Mount	7	\$ 374.00	\$ 336.60	\$ 2,356.20
SPK-OAS	G2 Speaker - OmniAlertStrobe	2	\$ 1,575.00	\$ 1,417.50	\$ 2,835.00
SPK-STD-FM	Speaker - Standard, Flush Mount	1	\$ 132.30	\$ 119.07	\$ 119.07
SPK-W-SM	Speaker - Weatherized, Surface Mount	2	\$ 373.75	\$ 336.38	\$ 672.76

STATION SYSTEM SERVICES

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
ST-INST	Station Installation by: Tech Electric	1	\$ 34,940.40	\$ 31,446.36	\$ 31,446.36
ST-SU	Station Configuration & Commissioning	1	\$ 2,750.00	\$ 2,475.00	\$ 2,475.00
ST-PM	Station Project Management	1	\$ 1,500.00	\$ 1,350.00	\$ 1,350.00
ST-ES	Station Engineering & Design Services	1	\$ 750.00	\$ 675.00	\$ 675.00
FREIGHT-CHARGES	Shipping	1	\$ 766.00	\$ 766.00	\$ 766.00

STATION SYSTEM WARRANTY & OPTIONAL RECURRING ANNUAL SUPPORT

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
RS-1YR-STD	[STANDARD] 1st Year Warranty & Support - Included with Initial Purchase				
	Technical phone support Monday through Friday from 08:00 to 17:30 MST, excluding USDD holidays;	1.0	\$	4,725.43	\$
	Remote access support Monday through Friday from 08:00 to 17:30 MST, excluding USDD holidays;			4,252.89	No Charge

STATION 02

Equipment Only:		\$	42,528.90
System:	\$	78,475.26	
Shipping:	\$	766.00	
Warranty & Support:	\$	-	
Estimated Tax:	\$	3,933.92	
Station Subtotal:	\$	83,175.18	



STATION 03

USDD Design Referenced:
USDD.CA_SLNA.ALL_STATIONS.FSA.2024.12.12

STATION SYSTEM LICENSES

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
G2-VA	G2 VoiceAlert - Single Station License	1	\$ 1,433.25	\$ 1,289.93	\$ 1,289.93
G2-APP-DLA	G2 Mobile FSAS App	24	\$ 15.00	\$ 13.50	No Charge

STATION SYSTEM CONTROLLER

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
ATX	G2 ATX Station Controller	1	\$ 23,272.50	\$ 20,945.25	\$ 20,945.25
UPS-STD	ATX UPS, Standard	1	\$ 1,017.64	\$ 915.88	\$ 915.88
UPS-WMB	Wall-Mount for UPS (Shelf/Bracket)	1	\$ 77.25	\$ 69.53	\$ 69.53

STATION SYSTEM PERIPHERAL COMPONENTS

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
TV-R	G2 HDTV Remote	1	\$ 1,121.50	\$ 1,009.35	\$ 1,009.35
PB-B	Push Button, Standard (Black)	1	\$ 126.50	\$ 113.85	\$ 113.85
PB-R	Push Button, Emergency (Red)	1	\$ 126.50	\$ 113.85	\$ 113.85
USDD-LCD-SIGN	G2 LCD Message Sign	1	\$ 3,000.00	\$ 2,700.00	\$ 2,700.00
MS-MNT	MS Mount - Articulating	1	\$ 390.00	\$ 351.00	\$ 351.00
RR-2	G2 Room Remote 2	2	\$ 2,275.35	\$ 2,047.82	\$ 4,095.64
SPK-LED-FM	G2 Speaker - LED Illuminated, Flush Mount	11	\$ 374.00	\$ 336.60	\$ 3,702.60
SPK-OAS	G2 Speaker - OmniAlertStrobe	1	\$ 1,575.00	\$ 1,417.50	\$ 1,417.50
SPK-STD-FM	Speaker - Standard, Flush Mount	3	\$ 132.30	\$ 119.07	\$ 357.21
SPK-W-SM	Speaker - Weatherized, Surface Mount	2	\$ 373.75	\$ 336.38	\$ 672.76
XFMR	Transformer, 8ohm to 70V, External	1	\$ 74.20	\$ 66.78	\$ 66.78

STATION SYSTEM SERVICES

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
ST-INST	Station Installation by: Tech Electric	1	\$ 38,667.20	\$ 34,800.48	\$ 34,800.48
ST-SU	Station Configuration & Commissioning	1	\$ 2,750.00	\$ 2,475.00	\$ 2,475.00
ST-PM	Station Project Management	1	\$ 1,500.00	\$ 1,350.00	\$ 1,350.00
ST-ES	Station Engineering & Design Services	1	\$ 750.00	\$ 675.00	\$ 675.00
FREIGHT-CHARGES	Shipping	1	\$ 772.00	\$ 772.00	\$ 772.00

STATION SYSTEM WARRANTY & OPTIONAL RECURRING ANNUAL SUPPORT

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
RS-1YR-STD	[STANDARD] 1st Year Warranty & Support - Included with Initial Purchase				
	Technical phone support Monday through Friday from 08:00 to 17:30 MST, excluding USDD holidays;	1.0	\$	4,202.35	\$
	Remote access support Monday through Friday from 08:00 to 17:30 MST, excluding USDD holidays;			3,782.11	No Charge

STATION 03	
Equipment Only:	\$ 37,821.13
System:	\$ 77,121.61
Shipping:	\$ 772.00
Warranty & Support:	\$ -
Estimated Tax:	\$ 3,498.45
Station Subtotal:	\$ 81,392.06



STATION 04

USDD Design Referenced:
USDD.CA_SLNA.ALL_STATIONS.FSA.2024.12.12

STATION SYSTEM LICENSES

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
G2-VA	G2 VoiceAlert - Single Station License	1	\$ 1,433.25	\$ 1,289.93	\$ 1,289.93
G2-APP-DLA	G2 Mobile FSAS App	24	\$ 15.00	\$ 13.50	No Charge

STATION SYSTEM CONTROLLER

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
ATX	G2 ATX Station Controller	1	\$ 23,272.50	\$ 20,945.25	\$ 20,945.25
UPS-STD	ATX UPS, Standard	1	\$ 1,017.64	\$ 915.88	\$ 915.88
UPS-WMB	Wall-Mount for UPS (Shelf/Bracket)	1	\$ 77.25	\$ 69.53	\$ 69.53

STATION SYSTEM PERIPHERAL COMPONENTS

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
TV-R	G2 HDTV Remote	1	\$ 1,121.50	\$ 1,009.35	\$ 1,009.35
PB-B	Push Button, Standard (Black)	1	\$ 126.50	\$ 113.85	\$ 113.85
PB-R	Push Button, Emergency (Red)	1	\$ 126.50	\$ 113.85	\$ 113.85
MR-2	G2 Message Remote 2	1	\$ 1,753.75	\$ 1,578.38	\$ 1,578.38
USDD-LCD-SIGN	G2 LCD Message Sign	1	\$ 3,000.00	\$ 2,700.00	\$ 2,700.00
MS-MNT	MS Mount - Articulating	1	\$ 390.00	\$ 351.00	\$ 351.00
RR-2	G2 Room Remote 2	2	\$ 2,275.35	\$ 2,047.82	\$ 4,095.64
SPK-LED-FM	G2 Speaker - LED Illuminated, Flush Mount	8	\$ 374.00	\$ 336.60	\$ 2,692.80
SPK-OAS	G2 Speaker - OmniAlertStrobe	1	\$ 1,575.00	\$ 1,417.50	\$ 1,417.50
SPK-STD-FM	Speaker - Standard, Flush Mount	5	\$ 132.30	\$ 119.07	\$ 595.35
SPK-W-SM	Speaker - Weatherized, Surface Mount	2	\$ 373.75	\$ 336.38	\$ 672.76

STATION SYSTEM SERVICES

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
ST-INST	Station Installation by: Tech Electric	1	\$ 40,064.93	\$ 36,058.44	\$ 36,058.44
ST-SU	Station Configuration & Commissioning	1	\$ 2,750.00	\$ 2,475.00	\$ 2,475.00
ST-PM	Station Project Management	1	\$ 1,500.00	\$ 1,350.00	\$ 1,350.00
ST-ES	Station Engineering & Design Services	1	\$ 750.00	\$ 675.00	\$ 675.00
FREIGHT-CHARGES	Shipping	1	\$ 767.00	\$ 767.00	\$ 767.00

STATION SYSTEM WARRANTY & OPTIONAL RECURRING ANNUAL SUPPORT

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
RS-1YR-STD	[STANDARD] 1st Year Warranty & Support - Included with Initial Purchase				
	Technical phone support Monday through Friday from 08:00 to 17:30 MST, excluding USDD holidays;	1.0	\$	4,284.56	\$
	Remote access support Monday through Friday from 08:00 to 17:30 MST, excluding USDD holidays;			3,856.11	No Charge

STATION 04

Equipment Only:		\$	38,561.07
System:	\$	79,119.51	
Shipping:	\$	767.00	
Warranty & Support:	\$	-	
Estimated Tax:	\$	3,566.90	
Station Subtotal:	\$	83,453.41	



STATION 05

USDD Design Referenced:
USDD.CA_SLNA.ALL_STATIONS.FSA.2024.12.12

STATION SYSTEM LICENSES

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
G2-VA	G2 VoiceAlert - Single Station License	1	\$ 1,433.25	\$ 1,289.93	\$ 1,289.93
G2-APP-DLA	G2 Mobile FSAS App	24	\$ 15.00	\$ 13.50	No Charge

STATION SYSTEM CONTROLLER

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
ATX	G2 ATX Station Controller	1	\$ 23,272.50	\$ 20,945.25	\$ 20,945.25
UPS-STD	ATX UPS, Standard	1	\$ 1,017.64	\$ 915.88	\$ 915.88
UPS-WMB	Wall-Mount for UPS (Shelf/Bracket)	1	\$ 77.25	\$ 69.53	\$ 69.53

STATION SYSTEM PERIPHERAL COMPONENTS

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
TV-R	G2 HDTV Remote	1	\$ 1,121.50	\$ 1,009.35	\$ 1,009.35
PB-B	Push Button, Standard (Black)	1	\$ 126.50	\$ 113.85	\$ 113.85
PB-R	Push Button, Emergency (Red)	1	\$ 126.50	\$ 113.85	\$ 113.85
MR-2	G2 Message Remote 2	1	\$ 1,753.75	\$ 1,578.38	\$ 1,578.38
USDD-LCD-SIGN	G2 LCD Message Sign	1	\$ 3,000.00	\$ 2,700.00	\$ 2,700.00
MS-MNT	MS Mount - Articulating	1	\$ 390.00	\$ 351.00	\$ 351.00
RR-2	G2 Room Remote 2	4	\$ 2,275.35	\$ 2,047.82	\$ 8,191.28
SPK-LED-FM	G2 Speaker - LED Illuminated, Flush Mount	12	\$ 374.00	\$ 336.60	\$ 4,039.20
SPK-OAS	G2 Speaker - OmniAlertStrobe	1	\$ 1,575.00	\$ 1,417.50	\$ 1,417.50
SPK-STD-FM	Speaker - Standard, Flush Mount	6	\$ 132.30	\$ 119.07	\$ 714.42

STATION SYSTEM SERVICES

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
ST-INST	Station Installation by: Tech Electric	1	\$ 45,422.67	\$ 40,880.40	\$ 40,880.40
ST-SU	Station Configuration & Commissioning	1	\$ 2,750.00	\$ 2,475.00	\$ 2,475.00
ST-PM	Station Project Management	1	\$ 1,500.00	\$ 1,350.00	\$ 1,350.00
ST-ES	Station Engineering & Design Services	1	\$ 750.00	\$ 675.00	\$ 675.00
FREIGHT-CHARGES	Shipping	1	\$ 852.00	\$ 852.00	\$ 852.00

STATION SYSTEM WARRANTY & OPTIONAL RECURRING ANNUAL SUPPORT

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
RS-1YR-STD	[STANDARD] 1st Year Warranty & Support - Included with Initial Purchase				
	Technical phone support Monday through Friday from 08:00 to 17:30 MST, excluding USDD holidays;	1.0	\$	4,827.71	\$
	Remote access support Monday through Friday from 08:00 to 17:30 MST, excluding USDD holidays;			4,344.94	No Charge

STATION 05

Equipment Only:		\$	43,449.42
System:	\$	88,829.82	
Shipping:	\$	852.00	
Warranty & Support:	\$	-	
Estimated Tax:	\$	4,019.07	
Station Subtotal:	\$	93,700.89	



STATION 06

USDD Design Referenced:
USDD.CA_SLNA.ALL_STATIONS.FSA.2024.12.12

STATION SYSTEM LICENSES

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
G2-VA	G2 VoiceAlert - Single Station License	1	\$ 1,433.25	\$ 1,289.93	\$ 1,289.93
G2-APP-DLA	G2 Mobile FSAS App	24	\$ 15.00	\$ 13.50	No Charge

STATION SYSTEM CONTROLLER

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
ATX	G2 ATX Station Controller	1	\$ 23,272.50	\$ 20,945.25	\$ 20,945.25
UPS-STD	ATX UPS, Standard	1	\$ 1,017.64	\$ 915.88	\$ 915.88
UPS-WMB	Wall-Mount for UPS (Shelf/Bracket)	1	\$ 77.25	\$ 69.53	\$ 69.53

STATION SYSTEM PERIPHERAL COMPONENTS

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
PB-B	Push Button, Standard (Black)	1	\$ 126.50	\$ 113.85	\$ 113.85
PB-R	Push Button, Emergency (Red)	1	\$ 126.50	\$ 113.85	\$ 113.85
MR-2	G2 Message Remote 2	1	\$ 1,753.75	\$ 1,578.38	\$ 1,578.38
USDD-LCD-SIGN	G2 LCD Message Sign	1	\$ 3,000.00	\$ 2,700.00	\$ 2,700.00
MS-MNT	MS Mount - Articulating	1	\$ 390.00	\$ 351.00	\$ 351.00
RR-2	G2 Room Remote 2	1	\$ 2,275.35	\$ 2,047.82	\$ 2,047.82
SPK-LED-FM	G2 Speaker - LED Illuminated, Flush Mount	6	\$ 374.00	\$ 336.60	\$ 2,019.60
SPK-OAS	G2 Speaker - OmniAlertStrobe	1	\$ 1,575.00	\$ 1,417.50	\$ 1,417.50
SPK-STD-FM	Speaker - Standard, Flush Mount	3	\$ 132.30	\$ 119.07	\$ 357.21
SPK-W-SM	Speaker - Weatherized, Surface Mount	2	\$ 373.75	\$ 336.38	\$ 672.76

STATION SYSTEM SERVICES

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
ST-INST	Station Installation by: Tech Electric	1	\$ 33,954.80	\$ 30,559.32	\$ 30,559.32
ST-SU	Station Configuration & Commissioning	1	\$ 2,750.00	\$ 2,475.00	\$ 2,475.00
ST-PM	Station Project Management	1	\$ 1,500.00	\$ 1,350.00	\$ 1,350.00
ST-ES	Station Engineering & Design Services	1	\$ 750.00	\$ 675.00	\$ 675.00
FREIGHT-CHARGES	Shipping	1	\$ 663.00	\$ 663.00	\$ 663.00

STATION SYSTEM WARRANTY & OPTIONAL RECURRING ANNUAL SUPPORT

Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
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STATION 06

Equipment Only: \$ 34,592.56

System:	\$	69,651.88
Shipping:	\$	663.00
Warranty & Support:	\$	-
Estimated Tax:	\$	3,199.81
Station Subtotal:	\$	73,514.69

Warranty & Support Notes:

Customer must elect to choose any coverage they require beyond initial warranty period, or USDD will not be authorized to provide any service or support. Mobile Smart Phone Alerting App and Mapping Services only available to customer while under warranty or elected recurring annual support. Support Agreements subject to change if system design is modified. For additional details, please review current USDD Warranty Statement and Service Agreement. USDD cannot warrant nor support any system configuration that deviates from this specific proposal's documented station system design file number. USDD cannot warrant nor support any system not using USDD-approved UPS Battery Backup. USDD cannot warrant nor support any system not installed by G2 Trained & Certified Installation technician (installer). If customer intends to tie this system into any 3rd-party system or devices, USDD will be unable to warrant or support the system until we've had a chance to review documented engineering assumptions and approve system integrity, performance and reliability expectations.

For FSaaS Program: The cost of service and support beyond initial warranty period is included in the FSaaS Program for a total of 5 years. The service and support includes Mobile Smart Phone Alerting App and Mapping Services. Please see the FSaaS Subscription Agreement for more information concerning the service and support provided by USDD. USDD cannot warrant nor support any system not using USDD-approved UPS Battery Backup. USDD cannot warrant nor support any system not installed by G2 Trained & Certified Installation technician (installer). If customer intends to tie this system into any 3rd-party system or devices, USDD will be unable to warrant or support the system until we've had a chance to review documented engineering assumptions and approve system integrity, performance and reliability expectations.

Station System Installation Notes:

- 01 - Unless specifically detailed in this proposal, no installation by USDD or it's subcontractors is assumed or provided.
- 02 - Because these are mission-critical systems, USDD can only warrant and support systems installed by G2 Trained and Certified Contractors.
- 03 - USDD can source, qualify, train and certify Local Licensed Regional Subcontractors where needed.
- 04 - Installation warranted by installation contractor - G2 FSAS warranted, serviced and supported by USDD.
- 05 - Unless specifically detailed in this proposal, installation to be performed during normal working hours.
- 06 - Unless specifically detailed in this proposal, no permit fees or material charges have been included.
- 07 - Unless specifically detailed in this proposal, no removal or remediation has been assumed or included.
- 08 - Unless specifically detailed in this proposal, no bonds of any type (performance, bid) have been assumed, included or budgeted for in this proposal.
- 09 - USDD FSAS Equipment to be made available by owner to Installation Contractor prior to on-site arrival.
- 10 - Structural backing for system devices and other millwork (not specifically detailed) by others.
- 11 - If applicable, Gas Control Shutoff Valve Addendum (to USDD and installation contractor) must be signed prior to installation.
- 12 - All electrical power, including (but not limited to) raceway, conduit, backboxes, service panels, high-voltage wiring and fixtures by others.
- 13 - All communications pathway infrastructure (network, radio, etc.) by others unless specifically detailed in this proposal.
- 14 - USDD cannot warrant nor support any owner-furnished (3rd-Party) system or component we are required to integrate with. USDD cannot warrant nor support any system or component it has not proofed engineering for and has not specifically authorized for use within public safety environments.
- 15 - Any misuse, unauthorized modification, improper installation, excessive shock, attempted repair, accident, or improper or negligent use, storage, transportation, or handling by any party other than USDD shall render this limited warranty null, void and of no further effect

Quote Submitted To:
City of Salinas, CA
Salinas Fire Department



Date: 11/14/2025
Expires: 2/12/2026
Proposal: CA_SLNA006 v3

FLEX ALERT

FLEX ALERT COMPONENTS

SAP Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
USDD-FLEX	Flex Alert Device - Requires USDD-FLEX-APP annual recurring subscription	6	\$ 277.78	\$ 250.00	\$ 1,500.00

FLEX ALERT SUBSCRIPTION OPTIONS

SAP Part No.	Description	Quantity	US List Unit	Unit Price	Extended Price
USDD-FLEX-APP	Flex Alert Annual Recurring Subscription - Requires USDD-FLEX ALERT device to receive alerts	6	\$ 66.67	\$ 60.00	\$ 360.00

USDD-FLEX	\$	1,500.00
USDD-FLEX-APP	\$	360.00
Shipping	\$	102.00
Estimated Tax:	\$	138.75
Flex Alert Subtotal	\$	2,100.75



Section Totals

Unless Otherwise Noted, All Prices are \$USD

STATION 02 SYSTEM:	\$	79,241.26
STATION 02 WARRANTY & SUPPORT:	\$	-
STATION 02 ESTIMATED TAX:	\$	3,933.92
STATION 03 SYSTEM:	\$	77,893.61
STATION 03 WARRANTY & SUPPORT:	\$	-
STATION 03 ESTIMATED TAX:	\$	3,498.45
STATION 04 SYSTEM:	\$	79,886.51
STATION 04 WARRANTY & SUPPORT:	\$	-
STATION 04 ESTIMATED TAX:	\$	3,566.90
STATION 05 SYSTEM:	\$	89,681.82
STATION 05 WARRANTY & SUPPORT:	\$	-
STATION 05 ESTIMATED TAX:	\$	4,019.07
STATION 06 SYSTEM:	\$	70,314.88
STATION 06 WARRANTY & SUPPORT:	\$	-
STATION 06 ESTIMATED TAX:	\$	3,199.81
Notes: Five (5) Station Systems currently included in this proposal with installation provided by Tech Electric.		
Station-Level Subtotal:	\$	415,236.24

FLEX ALERT DEVICE	\$	1,602.00
ANNUAL RECURRING SUBSCRIPTION	\$	360.00
FLEX ALERT ESTIMATED TAX:	\$	138.75
Flex Alert Subtotal:	\$	2,100.75

Equipment & Warranty Total:	\$	398,980.08
Tax Total:	\$	18,356.91
US Digital Designs System Total:	\$	417,336.99

(TBD By Customer) Customer must elect to choose any coverage they require beyond initial warranty period, or USDD will not be authorized to provide any service or support. Mobile Smart Phone Alerting App and Mapping Services only available to customer while under warranty or elected recurring annual support. Support Agreements subject to change if system design is modified. For additional details, please review current USDD Warranty Statement and Service Agreement

Dispatch or station level training is not included in this proposal. Contact your Regional Territory Manager to schedule additional training if needed

TERMS AND CONDITIONS OF HONEYWELL PRODUCT SALES

These terms and conditions of sale ("Terms and Conditions") are adopted effective January 1, 2023 (the "Terms and Conditions Effective Date"), and supersede all prior versions covering the sale of products and related services (collectively, "Products", as defined more specifically below) by Honeywell International Inc., through its US Digital Designs group ("Honeywell"). References to "Customer", "you", or "your" all pertain to the purchaser of Products. These Terms and Conditions, together with any separate agreement you may have with Honeywell that specifically references these Terms and Conditions (collectively, the "Agreement") set forth the entire agreement between the parties relating to your purchase of Honeywell Products. The Agreement may only be modified by an authorized representative of each party in a signed writing.

1. **ORDERS.** Orders (including any revised and follow-on orders) (each, an "Order") for Honeywell Products are non-cancelable, except as expressly set forth herein, and will be governed by the terms of the Agreement. All Orders are subject to acceptance by Honeywell and shall include the following information: purchase order number; customer's legal name and billing address; Customer's shipping address; and a list of the Products and quantities for each different type of Product Customer wishes to order. Honeywell's acknowledgment of its receipt of an Order shall not constitute acceptance of such Order.
 - 1.1 **No Returns.** Because of the nature of System and its Products, Honeywell cannot accept returns of Product for refund, credit, exchange or any other purpose. Notwithstanding, defective Products may be returned as provided for under Section 9.4 – Return Material Authorization Process. Customer must thoroughly assess its requirements and specifications prior to ordering.
2. **REMITTANCES.** All invoices shall be due and payable upon receipt in United States currency, free of exchange or any other charges, or as otherwise agreed in writing by Honeywell.
3. **QUOTE PRICING.** This proposal expires 30 days after its date. Prices are subject to correction for error. Prices, terms, conditions, and Product or Service specifications are subject to change without notice. Pricing is subject to immediate change upon announcement of Product discontinuance.
4. **PAYMENT.**
 - 4.1. **Invoicing & Payment.** Honeywell reserves the right to invoice Customer monthly for all materials delivered. Invoices are due thirty (30) days from the date of the invoice, unless prepayment is required in the quote. If the Customer becomes overdue in any progress payment, Honeywell shall be entitled to suspend further shipments, shall be entitled to interest at the annual rate of 18%, or the maximum amount allowed by law, and shall also be entitled to avail itself of any other legal or equitable remedies. Customer agrees that it will pay and/or reimburse Honeywell for any and all reasonable attorneys' fees and costs which are incurred by Honeywell in the collection of amounts due and payable hereunder.
 - 4.2. **Payment Disputes.** Any disputes must be provided to Honeywell as soon as possible and must be accompanied by detailed supporting information. Disputes as to invoices are deemed waived fifteen (15) days following the invoice date. In the event that any portion of an invoice is undisputed, such undisputed amount must be paid by no later than the invoice due date.
 - 4.3. **No Set Off.** Neither Customer nor any related entities (or representatives or agents thereof) shall attempt to set off or recoup any invoiced amounts or any portion thereof against other amounts that are due or may become due from Honeywell, its parent, affiliates, subsidiaries or other legal entities, business divisions, or units.
 - 4.4. **Credit Card Payments.** All Honeywell quotes are developed for the Customer with the understanding that any purchase of the Products listed thereon will facilitated using to Honeywell's standard Purchase Order and Invoice process. If Customer would rather seek to use a Credit Card for purchase, then said order would be subject to a 4% credit card surcharge.
5. **SURCHARGES.**
 - 5.1. For avoidance of doubt, Orders placed prior to the Terms and Conditions Effective Date which have not been delivered, including those on backlog or which requested delivery more than twelve (12) months from the date of Order, are subject to Surcharges.
 - 5.2. Honeywell will invoice Customer, and Buyer agrees to pay for any Surcharges pursuant to the standard payment terms in these Terms and Conditions. If a dispute arises with respect to Surcharges and that dispute remains open for more than fifteen (15) days, Honeywell may, in its sole discretion, withhold performance or future shipments, or combine any other rights and remedies under this Agreement or permitted by law, until the dispute is resolved. The terms of this Section shall prevail in the event of inconsistency with any other terms in these Terms and Conditions. Any Surcharges, as well as the timing, effectiveness, and method of determination thereof, will be separate from and in addition to any changes to pricing that are affected by any other provisions in these Terms and Conditions.
6. **CANCELLATION AND SUSPENSION.** Any Order resulting from this proposal is subject to cancellation or instructions to suspend work by the Customer only upon agreement to pay Honeywell for all work in progress, all inventoried or ordered project parts and materials, and all other costs incurred by Honeywell related to the Order.
7. **TAXES.** Honeywell's pricing excludes all taxes (including but not limited to sales, use, excise, value-added, and other similar taxes), tariffs and duties (including, but not limited to, amounts imposed upon the Product(s) or bill of material thereof under any Trade Act, including, but not limited to, the Trade Expansion Act, section 232 and the Trade Act of 1974, section 301) and charges (collectively "Taxes"). All Taxes of any kind levied by any federal, state, municipal or other governmental authority, which tax Honeywell is required to collect or pay with respect to the production, sale, or delivery of products sold to Customer, shall be the responsibility of and be invoiced to Customer, unless, at the time of Order placement, Customer furnishes Honeywell with a valid exemption certificate or other documentation sufficient to verify exemption from Taxes, including, but not limited to, a direct pay permit. Customer agrees to pay all such Taxes and further agrees to reimburse Honeywell for any such payments made by Honeywell.
8. **SHIPPING/DELIVERY/RISK OF LOSS.**

- 8.1. Delivery Liability.** Delivery and shipment dates for Products are estimates only. Deliveries may be made in partial shipments. Honeywell and its affiliated entities are not liable, either directly or indirectly, for delays of carriers or delays in connection with any Force Majeure Event (as defined in Section 17 below), and the estimated delivery date shall be extended accordingly.
- 8.2. Future Delivery and Repricing.** Honeywell will schedule delivery in accordance with its standard lead times unless the Order states a later delivery date or the parties otherwise agree in writing. Honeywell will accept Orders with a future ship date of up to eighteen (18) months from the date of the entry of the Order. Customer agrees that in the event an Order is scheduled to be delivered more than six (6) months from the date of the entry of the Order, Honeywell may, in its sole determination and at each six (6) month anniversary of the date of the entry of the Order, adjust the pricing of the Order to conform to the then-current prices of the Honeywell Products included in the Order. Honeywell will include any repricing in its final invoice related to the Order.
- 8.3. Storage Fees.** If delivery takes place more than six (6) months from the date of the entry of the Order, Customer agrees to pay Honeywell a storage fee (the "Storage Fee"), as set forth in the quote, for each month after six (6) months from the date of the entry of the Order. Customer has not taken delivery of the Products in the Order. Honeywell will separately invoice any storage fees owed under this Section at the end of each month for which the storage fees are owed.
- 8.4. Title & Risk of Loss.** Unless otherwise specifically detailed in this quote, delivery terms for Products (excluding software and services) are (i) EX Works (EXW Incoterms 2020) Honeywell's point of shipment ("Honeywell Dock") for all shipments (except that Honeywell is responsible for obtaining any export license), and (ii) F.O.B. Honeywell Dock for all domestic shipments. For shipments from a Honeywell Dock to a Buyer location within the same country, the import/export provisions of the INCOTERMS do not apply. Honeywell shall be responsible for obtaining insurance on each shipment to Customer for the full value of the shipment. Shipment shall be to a single point of delivery.
- 9. LIMITED WARRANTY.** CUSTOMER'S EXCLUSIVE REMEDIES AND HONEYWELL'S SOLE LIABILITY AS TO ANY WARRANTY CLAIM ON ANY PRODUCT SOLD IN CONNECTION WITH THIS QUOTE IS AS SET FORTH IN THIS SECTION. SUCH REMEDIES ARE IN LIEU OF ANY OTHER LIABILITY OR OBLIGATION OF HONEYWELL, INCLUDING WITHOUT LIMITATION ANY LIABILITY OR OBLIGATION FOR DAMAGE, LOSS, OR INJURY (WHETHER DIRECT, INDIRECT, EXEMPLARY, SPECIAL, CONSEQUENTIAL, PUNITIVE OR INCIDENTAL) ARISING OUT OF OR IN CONNECTION WITH THE DELIVERY, USE, OR PERFORMANCE OF THE PRODUCTS. CREDIT, REPAIR OR REPLACEMENT (AT HONEYWELL'S OPTION) IS THE SOLE REMEDY PROVIDED HEREUNDER. NO EXTENSION OF THIS WARRANTY WILL BE BINDING UPON HONEYWELL UNLESS SET FORTH IN WRITING AND SIGNED BY A HONEYWELL AUTHORIZED REPRESENTATIVE.
- 9.1. Product Warranty Terms.** Subject to the terms, conditions and limitations contained herein, and unless Honeywell has otherwise provided an alternative written warranty (in which case the terms of such warranty will control), Honeywell warrants and guarantees its products will be free from defects in workmanship and materials (collectively, "Defects") for 12 months from Customer's the "Go Live Date" ("Warranty Period"). This limited warranty does not cover defects caused by normal wear and tear or maintenance. For purposes of subparagraph, "Go-Live Date" shall mean means the date on which an authorized Honeywell technician has inspected and approved installations, confirmed that all connections and start-up configurations are properly working, and confirming the System can send and receive alerts through the configured communication pathways.
- 9.2. Product Defects.** If a Defect with a Product arises and a valid claim is made within the Warranty Period, Customer shall initiate the RMA process as described below. Upon approval, Honeywell at its option, will either (1) repair the Product defect at no charge, using new parts or parts equivalent to new in performance and reliability or (2) exchange the Product with a Product that is new or equivalent to new in performance and reliability and is at least functionally equivalent to the original Product. Any replacement Product or part, including a user-installable part that has been installed in accordance with instructions provided by Honeywell, shall remain under warranty during the Warranty Period or for ninety (90) days from the date of repair, whichever is longer. When a Product or part is exchanged, any replacement item becomes the Customer's property and the replaced item becomes the property of Honeywell. Parts provided by Honeywell in fulfillment of its warranty obligation must be used in the same Honeywell Fire Station Alerting System for which the warranty claim is made.
- 9.3. Procedure for Warranty Claims.**
- 9.3.1.** Prior to making a Warranty claim, Customer is encouraged to review Honeywell's online help resources. Thereafter, to make a valid claim hereunder, Customer must contact Honeywell technical support and describe the problem or defect with specificity. The first such contact must occur during the Warranty Period. Honeywell's technical support contact information can be found on Honeywell's web site at <https://buildings.honeywell.com/us/en/brands/our-brands/usdd>. Customer must use its best efforts to assist in diagnosing defects, follow Honeywell's technical instructions, and fully cooperate in the diagnostic process. Failure to do so shall relieve Honeywell of any further obligation hereunder.
- 9.3.2.** If a defect with the Hardware arises and Customer makes a valid Support Service Request within the Warranty Period, Customer shall initiate the RMA process as described below. Upon approval, Honeywell will cause shipment of a replacement Hardware component to Customer prior to the defective Hardware component being returned to Honeywell for repair. The replacement Hardware will be new or equivalent to new in performance and reliability and at least functionally equivalent to the original Hardware. When Hardware is exchanged, any replacement item becomes the Customer's property and the replaced item becomes the property of Honeywell. Replaced Hardware provided by Honeywell in fulfillment of the Support Services must be used in the System to which this Agreement applies.

9.4. Return Material Authorization Process. If a Customer makes a claim for an advanced replacement of a Hardware component during the Warranty Period, Customer must initiate an RMA request. As part of this RMA process, the Customer shall provide Honeywell with the Hardware, model, serial number, and a description of the Hardware's failure to initiate the RMA process. Upon Honeywell's issuance of the RMA, Honeywell will send the replacement Hardware, shipped postage paid, ground shipping, to the address provided by Customer. RMA requests approved between 12:00 a.m. and 2:00 p.m. Mountain Standard Time are shipped on the same business day. After 2:00 p.m. Mountain Standard Time, the replacement Hardware will be shipped on the next business day. All RMA requests are processed on the business day on which the request was received, excluding holidays. Included with the shipped package will be return shipment instructions and a pre-paid return shipping label for the Hardware that the Customer is returning. The original Hardware must be returned in the shipping box provided by Honeywell. No goods will be accepted for exchange or return without a pre-approved RMA number, nor will goods which have not been properly packaged in Honeywell's shipping box, as proper packaging ensures that goods are not damaged during the shipping process. The original Hardware must be shipped back within 10 days of receiving the replacement Hardware. Failure to return the original Hardware or failure to return the original Hardware in an appropriate manner will cause Customer to incur a replacement charge equal to full market value of the replacement Hardware.

9.5. No Fault Found. Customer understands that this fee is intended to discourage return of Products prior to proper troubleshooting or return because the product is "old." Product returns will not be allowed if, upon examination of the returned Product, it is determined that the Product was subjected to accident, misuse, neglect, alteration, improper installation, unauthorized repair, improper testing, or poor packaging upon return. In such event, Honeywell shall invoice Customer for the full market value of the replacement Product.

9.6. WARRANTY EXCLUSIONS & DISCLAIMERS.

9.6.1. Honeywell does not warrant that the operation of its Products or any related peripherals will be uninterrupted or error-free. Honeywell further does not warrant nor support any system configuration that deviates from this specific quote's documented station system design file number.

9.6.2. Honeywell does not warrant or support any system not installed by G2 Trained & Certified Installation technician (installer). If Customer intends to tie this system into any 3rd-party system or devices, Honeywell will be unable to warrant or support the Products unless Honeywell has had a chance to review documented engineering assumptions and approve system integrity, performance, and reliability expectations.

9.6.3. Honeywell is not responsible for damage arising from Customer's failure to follow instructions relating to the use of the Products. This Warranty does not apply to any Products, including the hardware or software, not used for its intended purpose.

9.6.4. Honeywell cannot warrant nor support any system not using Honeywell-approved Uninterruptable Power Supply Battery Backup. This Warranty does not apply to monitors or televisions manufactured by third parties. Repair or replacement of such components shall be subject exclusively to the manufacturer's warranty, if any. Recovery and reinstallation of hardware and user data (including passwords) are not covered under this Warranty.

9.6.5. This Warranty does not apply: (a) to consumable parts, such as batteries, unless damage has occurred due to a defect in materials or workmanship; (b) to cosmetic damage, including but not limited to scratches, dents and broken plastic on ports; (c) to damage caused by use with non-Honeywell products; (d) to damage caused by accident, abuse, misuse, flood, lightning, fire, earthquake or other external causes; (e) to damage caused by operating the Product outside the permitted or intended uses described by Honeywell; (f) to damage or failure caused by installation or service (including upgrades and expansions) performed by anyone who is not a representative of Honeywell or a Honeywell authorized installer or service provider; (g) to a Product or part that has been modified to alter functionality or capability without the written permission of Honeywell; (h) to Software (as defined below); (i) to any other damage caused by an event or action outside of Honeywell's control, including, without limitation, Customer's failure to apply required or recommended updates or patches to any Software or Product; or (h) if any serial number has been removed or defaced.

10. LIMITATIONS OF LIABILITY. TO THE EXTENT PERMITTED BY LAW, THE LIMITED WARRANTY IN SECTION 9 OF THESE TERMS AND CONDITIONS AND ANY OTHER REMEDIES SET FORTH ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, REMEDIES AND CONDITIONS, WHETHER ORAL OR WRITTEN, STATUTORY, EXPRESS OR IMPLIED, AS PERMITTED BY APPLICABLE LAW, **HONEYWELL SPECIFICALLY DISCLAIMS ANY AND ALL STATUTORY OR IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES AGAINST HIDDEN OR LATENT DEFECTS.** If Honeywell cannot lawfully disclaim statutory or implied warranties, then to the extent permitted by law, all such warranties shall be limited in duration to the duration of this express Warranty and to repair or replacement service as determined by Honeywell in its sole discretion. No reseller, agent, or employee is authorized to make any modification, extension, or addition to this Warranty. If any term is held to be illegal or unenforceable, the legality or enforceability of the remaining terms shall not be affected or impaired.

EXCEPT AS PROVIDED IN THE LIMITED WARRANTY IN SECTION 9 OF THESE TERMS AND CONDITIONS, AND TO THE EXTENT PERMITTED BY LAW, HONEYWELL IS NOT RESPONSIBLE FOR INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY BREACH OF WARRANTY OR CONDITION, OR UNDER ANY OTHER LEGAL THEORY, INCLUDING BUT NOT LIMITED TO LOSS OF USE; LOSS OF REVENUE; LOSS OF THE USE OF MONEY; LOSS OF ANTICIPATED SAVINGS; LOSS OF GOODWILL; LOSS OF REPUTATION; AND LOSS OF, DAMAGE TO OR CORRUPTION OF DATA. HONEYWELL IS NOT RESPONSIBLE FOR ANY INDIRECT LOSS OR DAMAGE HOWSOEVER CAUSED, INCLUDING THE REPLACEMENT OF EQUIPMENT AND PROPERTY, ANY COSTS OF RECOVERING PROGRAMMING OR REPRODUCING ANY PROGRAM OR DATA STORED OR USED WITH HONEYWELL PRODUCTS, AND ANY FAILURE TO MAINTAIN THE CONFIDENTIALITY OF DATA STORED ON THE PRODUCT.

L PRODUCT CLAIMS ARE LIMITED TO THOSE EXCLUSIVE REMEDIES SET FORTH IN THE LIMITED WARRANTY IN SECTION 9 OF THESE TERMS AND CONDITIONS. HONEYWELL'S AGGREGATE LIABILITY IN CONNECTION WITH THEREWITH SHALL NOT EXCEED THE PURCHASE PRICE OF THE PRODUCTS PAID BY CUSTOMER TO HONEYWELL FOR THE PRODUCTS GIVING RISE TO THE CLAIM. Honeywell disclaims any representation that it will be able to repair any Hardware under this Warranty or make a product exchange without risk to or loss of the programs or data stored thereon.

11. SERVICE AGREEMENT. The Product being purchased hereunder is not subject to any post-Warranty service agreement or maintenance program unless specifically contracted for between Honeywell and Customer. Honeywell offers a comprehensive post-Warranty Service Agreement at additional cost. Customer should contact Honeywell regarding its Service Agreement and costs associated therewith.

12. **SOFTWARE PRODUCTS.** All software Products delivered by Honeywell to Customer or for which Honeywell provides access, including, without limitation, Honeywell's mobile application software and Products with embedded software or firmware (collectively, "Software") are not sold and are licensed. At all times that Customer is in compliance with the terms of these Terms and Conditions and any other agreement between the parties, Customer shall have a non-exclusive, non-transferable, fully paid license to use the Software, but only in conjunction with the Products provided by Honeywell and Customer's fire station alerting system (the "License"). The terms of such Software License may be set forth in a separate software license agreement or end user license agreement provided by Honeywell with such Software. In no event shall Customer have any right to (or authorize or allow any third party to) distribute, sell, lend, rent, transfer, or convey the Software; grant any sublicense, lease, or other rights in the Software; decompile, disassemble, reverse engineer, or otherwise attempt to reconstruct, identify, or discover any source code, underlying user interface architecture or techniques, or algorithms of the Software by any means; or take any action that would cause the Software or any portion of it to be placed in the public domain. In the event of a conflict between the terms of any Software license terms provided upon download or purchase a purchase and these Terms and Conditions, the relevant Software license terms shall control solely with respect to such Software.
13. **INTELLECTUAL PROPERTY:** Customer hereby agrees and acknowledges that Honeywell owns all rights, title, and interest in and to the Intellectual Property (as defined below). Customer agrees to not remove, obscure, or alter Honeywell's or any third party's copyright notice, trademarks, or other proprietary rights notices affixed to or contained within or accessed in conjunction with or through Honeywell's Product (as defined below). Nothing herein shall be deemed to give, transfer, or convey to Customer any rights in the Intellectual Property other than the License, as set forth above. For purposes of this Section, "Intellectual Property" means any and all rights of Honeywell related to Honeywell's Products existing from time to time under patent law, copyright law, trade secret law, trademark law, unfair competition law, and any and all other proprietary rights, and any and all derivative works, work product, applications, renewals, extensions and restorations thereof, now or hereafter in force and effective worldwide.
14. **FIRST ARRIVING MOBILE APP.** If Customer wishes to use its First Arriving Mobile App ("First Arriving") with the System being acquired from Honeywell, Customer agrees to the following:
- 14.1 Customer acknowledges that it bears full responsibility for complying with applicable law and regulations, including all privacy requirements, and for providing any required notices and obtaining all required consents in order for Honeywell to transmit alert to First Arriving. Customer also acknowledges that Honeywell bears no responsibility for any service failure by First Arriving, nor is Honeywell responsible for supporting First Arriving's services or platform. Honeywell is offering to transmit alerts that are transmitted through its Honeywell service to First Arriving merely as a courtesy to Customer.
- 14.2 IN NO EVENT SHALL HONEYWELL BE LIABLE TO CUSTOMER FOR ANY CLAIMS, WHETHER ARISING FROM ANY INDEMNIFICATION OBLIGATION HONEYWELL MAY HAVE OR THAT ARISE FROM A BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), OPERATION OF LAW, OR OTHERWISE, AND EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF THE LIABILITY OR THE LIABILITY IS OTHERWISE FORESEEABLE, FOR ANY LOST PROFITS OR REVENUE, SPECIAL, INCIDENTAL, INDEIRECT, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES OF ANY KIND (INCLUDING ALL DAMAGES DUE TO BUSINESS INTERRUPTION, LOSS OR CORRUPTION OF DATA, OR LOST USE OF ANY PROPERTY OR CAPITAL) THAT RELATE TO OR ARISE OUT OF HONEYWELL'S TRANSMISSION OF ALERTS TO FIRST ARRIVING. FURTHER HONEYWELL'S AGGREGATE LIABILITY IN CONNECTION WITH ITS TRANSMISSION OF ALERTS TO FIRST ARRIVING WILL BE LIMITED TO THE GREATER OF THE AMOUNT PAID BY CUSTOMER TO HONEYWELL IN ORDER FOR HONEYWELL TO TRANSMIT ALERTS TO FIRST ARRIVING OR \$100.
15. **REMOTE ACCESS TO THE SYSTEM.**
- 15.1 **Remote Access.** Honeywell requires remote network access to the Customer's Products through Secure Shell (SSH) to perform implementation and support tasks under this Agreement. To enable remote network access, the Customer will provide Honeywell support personnel VPN or similar remote network access to the Products for Honeywell support personnel ("**Customer Support**") to effectively troubleshoot critical or complex problems and to expedite resolution of such issues. Remote network access is also used to install core software upgrades and customized software. Honeywell will only access Customer's Products with the knowledge and consent of Customer. Honeywell will not access any other systems or data.
- 15.2. **Alternative to Network Access.** If the Customer elects not to provide remote network access to the Products, then Honeywell may not be able to perform some support functions. Customers that elect not to routinely provide network access may temporarily reinstate this access to allow Honeywell to perform the above services. The following services will not be performed without this access: Product software upgrades; Product software customization; Network troubleshooting assistance including packet capture and network monitoring on Honeywell devices; Detailed log analysis; Bulk updates to certain Product database tables; Troubleshooting that requires low-level system access or large file transfer.
- 15.3. **Timely Access.** Customers must ensure that remote access is available prior to notifying Honeywell of a support request. In the event that the Customer is unable to provide remote access, Honeywell will not be required to provide support outside those tasks that do not require remote access, and any corresponding resolution response times will not apply.
- 15.4. **Physical Security Tokens.** Honeywell has multiple software engineers that provide after-hours support and these engineers do not typically take security tokens from the Honeywell office. If the customer requires the use of physical security tokens, this may delay after hours service.
16. **GOVERNING LAW.** This proposal and any contract or agreement resulting therefrom will be governed by and construed according to the laws of the State of Arizona without regard to its conflicts of law principles.
17. **DISPUTE RESOLUTION/ARBITRATION.** Before either Honeywell or Customer initiate any dispute resolution process related to the Agreement, they must schedule an executive resolution conference to be held within thirty (30) days of receipt of the other party's written request. The conference must be attended by at least one executive from each party. At the conference, each party will present its view of the dispute in detail and the executives will enter into good faith negotiations in an attempt to resolve the dispute. If the dispute is not resolved within fifteen (15) days of the end of the conference or if one party refuses to attend the executive resolution conference, then Honeywell and Customer further agree that any remaining dispute between them arising out of or relating to this Agreement will be settled by litigation with jurisdiction being Maricopa County, Arizona.

18. **FORCE MAJEURE.** Except for Customer's duty to pay sums due hereunder, neither party will be liable to the other for any failure to meet its obligations due to any Force Majeure Event. As used herein, a "Force Majeure Event" is one that is beyond the reasonable control of the non-performing party and may include, but is not limited to: (a) delays or refusals to grant an export license or the suspension or revocation thereof, (b) embargoes, blockages, seizure or freeze of assets, or any other acts of any government that would limit a party's ability to perform the Contract, (c) fires, earthquakes, floods, tropical storms, hurricanes, tornadoes, severe weather conditions, or any other acts of God, (d) quarantines, pandemics, or regional medical crises, (e) labor strikes, lockouts, or pandemic worker shortages, (f) riots, strife, insurrection, civil disobedience, landowner disturbances, armed conflict, terrorism or war, declared or not (or impending threat of any of the foregoing, if such threat might reasonably be expected to cause injury to people or property), and (g) shortages or inability to obtain materials or components. The party unable to fulfill its obligations due to Force Majeure will promptly (i) Notify the other in writing of the reasons for its failure to fulfill its obligations and the effect of such failure; and (ii) Use all reasonable efforts to avoid or remove the cause and perform its obligations.

If a Force Majeure Event results in a delay, then the date of performance will be extended by the period of time that the non-performing party is actually delayed or for any other period as the parties may agree in writing. In the event that a Force Majeure Event is ongoing for a period of time which is sixty (60) days or longer, Honeywell may provide notice to Customer that it is cancelling its Order.

19. **ACCEPTANCE OF TERMS.** This proposal shall become a binding contract between the Customer and Honeywell when accepted in writing by the Customer. Without limiting the foregoing, issuance by Customer of a purchase order to Honeywell for any of the goods or services herein described shall constitute acceptance.
20. **SEVERABILITY.** In the event any provision or portion of a provision herein is determined to be illegal, invalid, or unenforceable, the validity and enforceability of the remaining provisions shall not be affected and, in lieu of such provision, a provision as similar in terms as may be legal, valid, and enforceable shall be added hereto.
21. **WAIVER.** The failure of either party to insist upon strict performance of any provision of these Terms and Conditions, or to exercise any right provided for herein, shall not be deemed to be a waiver for the future of such provision or right, and no waiver of any provision or right shall affect the right of the waiving party to enforce any provision or right herein.
22. **NO JOINT VENTURE.** The parties acknowledge that they are independent entities and nothing contained in these Terms and Conditions shall be construed to constitute either party hereto as the partner, joint venturer, employee, agent, servant, franchisee, or other representative of the other party hereto, and neither party has the right to bind or obligate the other, except as otherwise provided herein. Furthermore, nothing contained in these Terms and Conditions shall be construed to constitute Customer as an exclusive purchaser of the Products in any respect.

THIS QUOTE SUBJECT TO REVIEW FOR ERRORS AND OMISSIONS.

FLEX-ALERT SUBSCRIPTION SERVICE AGREEMENT

This Flex-Alert Subscription Service Agreement ("Agreement") is entered into by and between Honeywell International Inc., through its US Digital Designs group ("Honeywell") located at 1150 W. Grove Parkway, Tempe, Arizona 85283, and the following entity ("Customer") (each a "Party" and collectively, the "Parties"):

RECITALS

WHEREAS, Honeywell offers a product designed to provide alerting to Fire/EMS/Public Safety personnel when not present in their Fire/EMS Station ("Flex Alert" as more specifically defined below.)

WHEREAS, Customer is a member of a Fire/EMS/Public Safety organization using the Phoenix G2 Fire Station Alerting System providing automated alerting ("Dispatching Agency").

WHEREAS, Customer wishes to use Flex Alert and subscribe to the services provided by Flex Alert. Honeywell agrees to provide, both a license to access and use Flex Alert on a term basis during the Subscription Term (as those terms are defined below).

THEREFORE, in consideration of the forgoing, and for other good and valuable consideration, the Parties hereby agree to the terms set forth in this Agreement.

PLEASE NOTE: FLEX ALERT IS INTENDED TO BE USED TO SUPPLEMENT CUSTOMER'S DISPATCHING AND RESPONSE SYSTEM AND IS NOT DESIGNED TO BE USED AS THE PRIMARY ALERTING PATH BECAUSE A VARIETY OF FACTORS BEYOND HONEYWELL'S CONTROL (SUCH AS NETWORK AVAILABILITY WHICH CAN AFFECT THE FUNCTIONALITY OF THE APP AND FLEX ALERT). AS SUCH, USERS SHOULD NOT RELY SOLELY ON FLEX ALERT FOR CRITICAL DISPATCH ALERTS, AND HONEYWELL DISCLAIMS ALL LIABILITY ASSOCIATED WITH THE USE OF FLEX ALERT

1. Definitions.

- a. "Application" or "App" shall mean the Phoenix G2 FSAS Mobile Application for iOS and Android mobile devices, which is used to control the Flex Alert Device.

- b. "Communications Gateway" shall mean the software or firmware licensed to Customer's Dispatch Agency that functions as the master communications hub for, and sends information to, individual USDD alerting systems either installed at fire stations, through radio channels, or through the App, including Flex Alert.

- c. "Flex Alert" shall mean the hardware and software provided by Honeywell to enable Customer to receive automated alerts from Communications Gateway and shall include App functionality to allow receipt of alerts and a physical alerting device.

- d. "Flex Alert Device" or "Device" shall mean the physical hardware that receives the alert from the Communications Gateway and transmits the alert to Customer using visuals and VoiceAlert.

"Intellectual Property" shall mean all proprietary rights of Honeywell related to Honeywell's products (including Flex Alert), services, know-how, and business, which may exist, from time to time, under

- e. patent law, copyright law, trade secret law, trademark law, unfair competition law, and any and all other proprietary rights, and any and all derivative works, work product, applications, renewals, extensions, and restorations thereof, now or hereafter in force and effect worldwide.

"Quote" means the document attached as Exhibit A. If there is any conflict between the terms and

- f. conditions set forth in the Quote and this Agreement, the terms and conditions of this Agreement shall prevail.

"Subscription Term" shall mean the period of time during this this Agreement is in effect, as further

- g. defined in Section 4 below.
- h. "VoiceAlert" shall mean the automated voice generated by the Communications Gateway upon an alert and transmitted through the Flex Alert Device.

- i. Undefined technical terms, specifications and acronyms used throughout this Agreement shall have the meanings generally attributed to them in the in the fire station alerting industry.

- 2. **Subscription Services.** Customer subscribes to the USDD-FLEX-APP annual subscription. Customer has or will purchase the Flex Alert Device in accordance with the Quote provided by Honeywell to Customer. Customer enters into this Agreement to subscribe for use of the software required to receive alerts through the Communications Gateway and transmit alerts to the Flex Alert Device.

Exhibit B attached hereto reflects the quantity of Flex Alert Devices that Customer is acquiring through the subscription services referenced above, and the Subscription Term therefor. Exhibit B may be amended reflect additional Flex Alert Devices and subscriptions ordered by Customer as provided in Section 7 below

- 3. **Customer Obligations.** In order to use Flex Alert, Customer must provide or ensure that Customer has access to the following:
 - a. A license for the App.
 - b. A mobile device compatible with the App and is Bluetooth enabled.
 - c. Reliable cellular or similar network services.

4. **Subscription Term & Termination.**

The initial Subscription Term of this Agreement shall begin on the date Honeywell provides Customer with the Flex Alert Device (the "Commencement Date") and shall continue for twelve (12) months from

- a. the "**Commencement Date**" (the "**Initial Subscription Term**"). Each Subscription Term thereafter shall automatically renew for additional successive 12-month terms unless either party provides written notice to the other party that it does not intend to renew.

- Notwithstanding the foregoing, Customer may elect to have the Initial Subscription Term to align with Customer's fiscal year or other billing dates for services provided by Honeywell. In such case, the Initial Subscription Term shall commence on the Commencement Date and end on the date selected by Customer (but no more than 12 months from the Commencement Date). The Subscription Fee for the
- b. Initial Subscription Term shall be pro-rated to reflect the actual dates of the Initial Subscription Term. Thereafter the Subscription Term shall automatically renew as of the anniversary date of the expiration of the Initial Subscription Term. If the Initial Subscription Term is less than 12 months, Customer agrees that Customer will renew for at least one additional Subscription Term.

- This Agreement may be terminated by Honeywell in the event Honeywell no longer offers the Flex Alert as part of its product offerings. In such event, USDD shall provide Customer with no less than one
- c. hundred eighty (180) days' written notice that USDD intends to discontinue its Flex Alert subscription offering.

- Honeywell may terminate this Agreement for any breach hereof upon Customer's failure to cure such breach within thirty (30) days from USDD providing written notice of the same. The notice shall specify the nature of the breach. Notwithstanding the foregoing, USDD may terminate this Agreement
- d. immediately upon non-payment of any sum due from Customer under this Agreement or any other contract. Upon termination of this Agreement, all sums previously paid to Honeywell shall be nonrefundable.

5. **Fees and Payment.** In consideration for the license grant and services set forth herein, Customer shall pay the fees set forth in the Quote (the "Subscription Fee").

- The first payment of the Subscription Fee shall be due and payable within 30 days of Honeywell sending an invoice to Customer. Thereafter, Subscription Fees will be invoiced annually at the then
- a. current Subscription Fee rates. Honeywell shall invoice for the Subscription Fees 45 days prior to the start of each renewal period. Payments shall be made in United States currency, free of exchange, or any other charges, or as otherwise agreed upon and set forth in writing by Honeywell.

- Notwithstanding the above, Customer may elect to pre-pay Subscription Fees for multiple Additional
- b. Subscription Terms (but no more than five (5) Additional Subscription Terms) in advance at the then current Subscription Fee. Payment terms described in (a) above shall apply.

- Subscription Fees will be unconditional and absolute and shall not be subject to any set-off, defense, counterclaim, or recoupment for any reason whatsoever. Invoices unpaid for thirty (30) days are
- c. subject to interest at the greater of eighteen percent (18%) per annum, or the maximum amount Allowable by law.

Restrictions. Customer shall not, and shall not permit any third party to: (i) modify or create any derivative works based on the Flex Alert Module; (ii) sublicense, distribute, sell, lend, rent, lease, transfer, or grant any rights in or to all or any portion of the Flex Alert Module and App (including, without limitation, providing access to third parties who do not utilize Customer's dispatch center); (iii) decompile, disassemble, reverse engineer, reverse assemble, analyze or otherwise examine, prepare derivative works of, modify, or attempt to derive source code from the Flex Alert Module and App; (iv) remove, modify, alter, destroy, or obscure any of the logos, trademarks, patent or copyright notices, confidentiality or proprietary legends or other notices or markings on the Flex Alert Module; (v) add any logos, proprietary marks or other notices or markings on the Flex Alert Module; (vi) use Flex Alert other than as permitted under this Agreement; or (vii) use Flex Alert or the support to develop, have developed, or assist in the development of any product or service competitive with Honeywell.

6.

Additional Equipment and Services. If, during the Subscription Term, Customer determines it requires additional Flex Alert Modules and subscription services, Customer may acquire such equipment and subscription services from Honeywell, which shall be added to this Agreement. Customer shall pay a pro-rated Subscription Fee from date of acquisition to the date of the next Subscription Fee invoice.

7.

Delivery and Acceptance. Honeywell shall cause any Flex Alert Module to be delivered to Customer at the location specified by Customer in writing, with any shipping costs to be included in the Quote. In addition, Honeywell shall provide Customer with link to enable Customer to access the App and configure the Flex Alert module for operation. Unless Customer notifies Honeywell that the Flex Alert Module is not operational within five (5) days of delivery of Flex Alert Module to Customer, Honeywell shall deem Customer to have acknowledged receipt of and accepted the Flex Alert Module.

8.

Intellectual Property. Customer hereby agrees and acknowledges that Honeywell owns all rights, title, and interest in and to the Intellectual Property. Customer agrees to not remove, obscure, or alter Honeywell's or any third party's copyright notice, trademarks, or other proprietary rights notices affixed to or contained within or accessed in conjunction with or through Flex Alert. Nothing herein shall be deemed to give, transfer, or convey to Customer any rights in the Intellectual Property other than the license to use Flex Alert and all related equipment and software as set forth in this Agreement.

9.

LIMITED WARRANTY. CUSTOMER'S EXCLUSIVE REMEDIES AND HONEYWELL'S SOLE LIABILITY AS TO ANY WARRANTY CLAIM ON FLEX ALERT IS SET FORTH IN THIS SECTION. SUCH REMEDIES ARE IN LIEU OF ANY OTHER LIABILITY OR OBLIGATION OF HONEYWELL, INCLUDING WITHOUT LIMITATION ANY LIABILITY OR OBLIGATION FOR DAMAGE, LOSS, OR INJURY (WHETHER DIRECT, INDIRECT, EXEMPLARY, SPECIAL, CONSEQUENTIAL, PUNITIVE OR INCIDENTAL) ARISING OUT OF OR IN CONNECTION WITH THE DELIVERY, USE, OR PERFORMANCE OF FLEX ALERT. CREDIT, REPAIR OR REPLACEMENT (AT HONEYWELL'S OPTION) IS THE SOLE REMEDY PROVIDED HEREUNDER. NO EXTENSION OF THIS WARRANTY WILL BE BINDING UPON USDD UNLESS SET FORTH IN WRITING AND SIGNED BY A HONEYWELL AUTHORIZED REPRESENTATIVE.

10.

Warranty Terms. Subject to the terms, conditions and limitations contained herein, and unless Honeywell has otherwise provided an alternative written warranty (in which case the terms of such warranty will control), USDD

a. warrants and guarantees its products will be free from defects in workmanship and materials (collectively, "Defects") for 12 months from the date of shipment to Customer ("Warranty Period"). This limited warranty does not cover defects caused by normal wear and tear or maintenance.

Defects. If a Defect with Flex Alert Module arises and a valid claim is made within the Warranty Period, Customer shall initiate the RMA process as described below. Upon approval, Honeywell, at its option, will either (1) repair the Flex Alert Module defect at no charge, using new parts or parts equivalent to new in performance and reliability or (2) exchange the Flex Alert Module with a Flex Alert Module that is new or equivalent to new in

- b. performance and reliability and is at least functionally equivalent to the original Flex Alert Module. Any replacement Module, including a user-installable part that has been installed in accordance with instructions provided by Honeywell shall remain under warranty during the Warranty Period or for ninety (90) days from the date of repair, whichever is longer. When a Flex Alert Module or part is exchanged, any replacement item becomes the Customer's property and the replaced item becomes the property of Honeywell.

Claims. Prior to making a Warranty claim or requesting support services, Customer is encouraged to review Honeywell's online help resources. Thereafter, to make a valid claim hereunder, Customer must contact Honeywell technical support and describe the problem or defect with specificity. The first such contact must

- c. occur during the Warranty Period. Honeywell's technical support contact information can be found on Honeywell's web site at <http://stationalerting.com/service-support/>. Customer must use its best efforts to assist in diagnosing defects, follow Honeywell's technical instructions, and fully cooperate in the diagnostic process. Failure to do so shall relieve Honeywell of any further obligation hereunder.

Return Material Authorization Process. If a Customer makes a claim for an advanced replacement of Flex Alert Module during the Warranty Period, Customer must initiate an RMA request. As part of this RMA process, the Customer shall provide Honeywell with the Module's serial number, and a description of the Module's failure to initiate the RMA process. Upon Honeywell's issuance of the RMA, Honeywell will send the replacement Flex Alert Module, shipped postage paid, ground shipping, to the address provided by Customer. RMA requests approved between 12:00 a.m. and 2:00 p.m. Mountain Standard Time are shipped on the same business day. After 2:00 p.m. Mountain Standard Time, the replacement Hardware will be shipped on the next business day. All RMA

- d. requests are processed on the business day on which the request was received, excluding holidays. Included with the shipped package will be return shipment instructions and a pre-paid return shipping label for the Flex Alert Device that the Customer is returning. The original Flex Alert Device must be returned in the shipping box provided by Honeywell. No goods will be accepted for exchange or return without a pre-approved RMA number, nor will goods which have not been properly packaged in Honeywell's shipping box, as proper packaging ensures that goods are not damaged during the shipping process. The original Flex Alert Device must be shipped back within 10 days of receiving the replacement Device. Failure to return the original Module or failure to return the original Module in an appropriate manner will cause Customer to incur a replacement charge equal to full market value of the replacement Module.

Honeywell reserves the right to charge 50% of the standard repair price if the returned Flex Alert Module is found to have no defect under the Warranty. Customer understands that this fee is intended to discourage return of Modules prior to proper troubleshooting or because the Module is "old." Flex

- e. Alert Module returns will not be allowed if, upon examination of the returned Module, it is determined that the Module was subjected to accident, misuse, neglect, alteration, improper installation, unauthorized repair, or improper testing. In such event, Honeywell shall invoice Customer for the full market value of the replacement Flex Alert Module.

Use of Flex Alert / Risk of Loss. Customer shall operate Flex Alert according to Honeywell's specifications and documented instructions. Customer agrees not make changes or alterations to the Flex Alert module(s) subject to this Agreement without the prior written consent of Honeywell. Customer assumes risks and liabilities directly related to loss, theft, damage, or destruction to the Flex Alert module. No loss, theft, damage, or destruction of the Flex Alert module shall relieve Customer of the obligation to pay the Subscription Fee or any other obligation under this Agreement. In the event the Flex Alert module is lost, stolen, damaged or destroyed, Honeywell shall replace the lost, stolen, damaged or destroyed Equipment. Customer agrees to pay Honeywell's list price for the replacement Equipment then in effect at the time of the replacement.

11.

Limitations to Support Services. Honeywell does not warrant that the operation of the Flex Alert will be uninterrupted or error-free. Honeywell's Support does not create any additional warranties, nor does it apply to any equipment, hardware, or peripherals not included in the Quote. Specifically, Support expressly excludes: (1) any repair, software installation, update, or other service that is necessitated by the Customer's misuse or neglect of the Flex Alert Module; (2) damage arising from Customer's failure to follow instructions relating to Flex Alert's use or damage caused by operating Flex Alert outside the permitted or intended uses described by USDD; (3) cosmetic damage, including but not limited to scratches, dents and broken plastic on ports, consumable parts, such as batteries, unless damage has occurred due to a defect in materials or workmanship; (4) alterations or repairs to the Flex Alert Module made by any person other than an authorized USDD representative; (5) damage or failure caused by installation or service (including upgrades and expansions) performed by anyone who is not a representative of Honeywell or service provider otherwise authorized by USDD; (6) failure of environmental controls or improper environmental conditions; (7) modification to alter functionality or capability without the written permission of Honeywell; (8) any damage caused by fire, flood, vandalism, terrorism, riot, storm, lightning, or other acts of nature or civil unrest. Honeywell shall not be liable to provide Support at any time when Customer is in breach of any obligation to USDD under this Agreement.

12.

Warranty Disclaimer. TO THE EXTENT PERMITTED BY LAW, THIS AGREEMENT AND THE REMEDIES SET FORTH ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, REMEDIES AND CONDITIONS, WHETHER ORAL OR WRITTEN, STATUTORY, EXPRESS, OR IMPLIED. AS PERMITTED BY APPLICABLE LAW, USDD SPECIFICALLY DISCLAIMS ANY AND ALL STATUTORY OR IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES AGAINST HIDDEN OR LATENT DEFECTS. If Honeywell cannot lawfully disclaim statutory or implied warranties then to the extent permitted by law, all such warranties shall be limited in duration to the duration of this express warranty and to repair or replacement service as determined by USDD in its sole discretion. If any term is held to be illegal or unenforceable, the legality or enforceability of the remaining terms shall not be affected or impaired.

13.

Limitation of Liability. EXCEPT AS PROVIDED IN THIS AGREEMENT AND TO THE EXTENT PERMITTED BY LAW, HONEYWELL IS NOT RESPONSIBLE FOR DIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY BREACH OF THIS AGREEMENT OR UNDER ANY OTHER LEGAL THEORY, INCLUDING BUT NOT LIMITED TO: LOSS OF USE; LOSS OF REVENUE; LOSS OF THE USE OF MONEY; LOSS OF ANTICIPATED SAVINGS; LOSS OF GOODWILL; LOSS OF REPUTATION; AND LOSS OF, DAMAGE TO OR CORRUPTION OF DATA. USDD IS NOT RESPONSIBLE FOR ANY INDIRECT LOSS OR DAMAGE HOWSOEVER CAUSED, INCLUDING THE REPLACEMENT OF EQUIPMENT AND PROPERTY, ANY COSTS OF RECOVERING PROGRAMMING OR REPRODUCING ANY PROGRAM OR DATA STORED OR USED WITH USDD PRODUCTS, AND ANY FAILURE TO MAINTAIN THE CONFIDENTIALITY OF DATA STORED ON USDD'S AGGREGATE LIABILITY IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED THE LESSER OF THE AGGREGATE AMOUNTS PAID BY CUSTOMER TO HONEYWELL UNDER THIS AGREEMENT. CUSTOMER SHALL NOT BRING A LEGAL OR EQUITABLE ACTION AGAINST HONEYWELL MORE THAN ONE YEAR AFTER THE FIRST EVENT GIVING RISE TO A CAUSE OF ACTION, UNLESS A SHORTER LIMITATIONS PERIOD IS PROVIDED BY APPLICABLE LAW. Honeywell disclaims any representation that it will be able to repair any flex Alert Module under this Agreement or make a product exchange without risk to or loss of the programs or Customer data stored thereon.

14.

15. **Assignment.**

Customer may not assign or transfer any of its subscription rights and interest under this Agreement to another fire, rescue, EMT, dispatch agency, or any other person, company, or government entity ("Assignee") absent Honeywell's written consent, along with Honeywell's determination, in its sole discretion, that Assignee has sufficient infrastructure and financial means to perform under this Agreement. Assignee shall not have any right to extend or modify the Term or payment options provided hereunder. Assignee shall accept in writing to be bound to all the terms and conditions of

a.

- b. Honeywell may transfer its rights under this Agreement in the event of a sale or transfer of all or substantially all of its assets or stock.

- 16. Compliance Obligations.** Customer acknowledges and agrees that it shall comply with all applicable laws, rules, regulations, decrees, and other requirements relating to or affecting the Agreement and the products provided hereunder, including but not limited to all economic sanctions laws administered by the Office of Foreign Assets Control, other U.S. regulatory agencies, the European Union and its Member States, the United Kingdom, and the United Nations, any applicable export control, import control, and economic sanction laws and regulations of any country or countries, and the United States Foreign Corrupt Practices Act, along with all other applicable anti-bribery and anti-corruption legislation.

- 17. Force Majeure.** Except for Customer's duty to pay sums due hereunder, neither Party will be liable to the other for any failure to meet its obligations due to any Force Majeure Event. As used herein, a "Force Majeure Event" is one that is beyond the reasonable control of the non-performing Party and may include, but is not limited to: (a) delays or refusals to grant an export license or the suspension or revocation thereof; (b) embargoes, blockages, seizure or freeze of assets, or any other acts of any government that would limit a Party's ability to perform the Contract; (c) fires, earthquakes, floods, tropical storms, hurricanes, tornadoes, severe weather conditions, or any other acts of God; (d) quarantines, pandemics, or regional medical crises; (e) labor strikes, lockouts, or pandemic worker shortages; (f) riots, strife, insurrection, civil disobedience, landowner disturbances, armed conflict, terrorism or war, declared or not (or impending threat of any of the foregoing, if such threat might reasonably be expected to cause injury to people or property); and (g) shortages or inability to obtain materials or components. The Party unable to fulfill its obligations due to Force Majeure will immediately:

- a. Notify the other in writing of the reasons for its failure to fulfill its obligations and the effect of such failure; and

Use all responsible endeavors to avoid or remove the cause and perform its obligations. If a Force Majeure Event results in a delay, then the date of performance will be extended by the period of time

- b. that the non-performing Party is actually delayed or for any other period as the Parties may agree in writing. In the event that a Force Majeure Event is ongoing for a period of time which is sixty (60) days or longer, Honeywell may provide notice to Customer that it is cancelling this Agreement.

Dispute Resolution/Arbitration. Before the Parties initiate any dispute resolution process related to this Agreement, other than for injunctive relief, the Parties must schedule a mandatory executive resolution conference to be held within thirty (30) days of receipt of the other Party's written request. The conference must be attended by at least one executive from each Party. At the conference, each Party will present its view of the dispute in detail and the executives will enter into good faith negotiations in an attempt to resolve the dispute. If the dispute is not resolved within fifteen (15) days of the end of the conference or if one Party refuses to attend the executive resolution conference, then the Parties further agree that any remaining dispute between them arising out of or relating to this Agreement, other than claims related to Honeywell's Intellectual Property rights (or those of any of its licensors, affiliates and partners), will be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, to the extent such rules are no inconsistent with this Section, in the AAA's regional Phoenix office and by single arbitrator. Discovery may be conducted either upon mutual consent of the Parties, or by order of the arbitrator upon good cause being shown. In ruling on motions pertaining to discovery, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of disputes, and the arbitrator shall limit discovery whenever appropriate to ensure that this purpose is preserved. The arbitrator shall permit dispositive motions and issue a written decision sufficient to explain the essential findings and conclusions and may award damages. Any award rendered by the arbitrator will be final and binding upon the Parties, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. The Parties hereto expressly and irrevocably consent to the jurisdiction of the Maricopa County Superior Court of Arizona for such purpose. In the event a dispute is submitted to arbitration pursuant to this Section, the prevailing Party shall be entitled to the payment of its reasonable attorneys' fees and costs, including expert witness fees and costs, as determined by the arbitrator. Each of the Parties shall keep all disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

18.

Images and Testimonials. During the Subscription Term, Customer agrees that Honeywell may take, make, or obtain images, pictures, photographs, commentary, and video and audio recordings of Flex Alert and reproductions of the same in whole or in part, either digitally or in any other medium now known or later discovered (collectively "Images"). In addition, Honeywell may request Customer to provide testimonials, endorsements, feedback or other written or oral comments concerning Customer's experience with Flex Alert (collectively "Testimonials"). Customer consents to Honeywell's use of such Images and Testimonials for verification, training, and promotional purposes in Honeywell's sole discretion and agrees that all such Images and Testimonials shall remain the property of Honeywell and may be used and exploited in any media format.

19.

Notices. Whenever any provision of this Agreement requires the giving of written notice, it shall be deemed to have been validly given if delivered (i) in person, (ii) by registered mail, postage pre-paid, (iii) by a nationally recognized overnight courier service, or (iv) electronically via facsimile copy or email, provided that the sender obtains confirmation of transmission, to the following:

20.

If to Customer:

Customer Name

Customer Address 1

Customer Address 2

Telephone:

Email:

Honeywell International Inc., through its

US Digital Designs group

Attn: Sales

1150 W. Grove Parkway, Suite 110

Tempe, Arizona 85283

Telephone: (602) 687-1730

Email: usddsales@honeywell.com

- Headings and Usage.** The headings, captions, and section numbers contained herein are provided for convenience only and are not part of the terms of this Agreement. When the context of the words used in this Agreement indicate that such is the intent, words in the singular shall include the plural, and vice versa, and the references to the masculine, feminine or neuter shall be construed as the gender of the person, persons, entity, or entities actually referred to require.
- Waiver.** No failure or delay, in any one or more instances, to enforce or require strict compliance with any term of this Agreement shall be deemed to be a waiver of such term nor shall such failure or delay be deemed a waiver of any other breach of any other term contained in this Agreement.
- Governing Law.** This Agreement will be governed by and construed according to the laws of the State of Arizona without regard to conflicts of law principles.
- Execution in Counterparts.** This Agreement may be executed in counterparts, all of which taken together shall be deemed one original. The date of this Agreement shall be the latest date on which any Party executes this Agreement.
- Entire Agreement.** This Agreement contains the entire understanding between the Parties and supersedes any prior understandings and agreements between or among them with respect to the subject matter hereof. This Agreement supersedes and replaces the "terms and conditions" section set forth in the Quote, if any. This Agreement may not be amended, altered, or changed except by the express written agreement of the Parties.
- Review.** The Parties acknowledge that they have had an adequate opportunity to review this Agreement, as well as the opportunity to consult legal counsel regarding this Agreement. Accordingly, the Parties agree that the rule of construction that a contract be construed against the drafter, if any, shall not be applied in the interpretation and construction of this Agreement.
- Savings Clause.** In the event any part, provision, or term of this Agreement is deemed to be illegal or unenforceable, this Agreement shall be construed as if such unenforceable part, provision, or term had not been included herein. Such illegal or unenforceable part, provision, or term shall be deemed revised to the extent necessary to cure its defect and such revision and the remainder of the Agreement shall be and remain in full force and effect.
- Customer Representative.** The undersigned representative of Customer hereby represents and warrants that s/he has the authority to bind Customer and that the execution, delivery and performance by Customer under this Agreement will not violate the provisions of any law, rule, regulation, or policy, and will not conflict with or result in the breach or termination or constitute a default under any agreement or instrument to which Customer is a party.
- Incorporation of all Exhibits.** All exhibits, addenda, schedules, and other documents referenced herein and attached hereto are hereby fully incorporated and made a part hereof by this reference as if the terms and content thereof had been fully set forth in the body of this Agreement.



US DIGITAL DESIGNS
by Honeywell

Honeywell International Inc.
through its US Digital Designs group
1150 W. Grove Parkway, Suite 110
Tempe, Arizona 85283
Phone: (602) 687-1730

January 2, 2026

City of Salinas
Salinas Fire Department
200 Lincoln Avenue
Salinas, CA 93901

RE: Phoenix G2 - Station Alerting System – Sole Source Manufacturer Statement

To Whom it may Concern:

The City of Salinas and its Fire Department (“City”) are dispatched by the Monterey County Emergency Communications Center (“County”). County has adopted the Phoenix G2 Fire Station Alerting System (the “System”) to provide fast, reliable and concise fire and medical emergency alerts to the fire and emergency services dispatched by County including City. This benefits the City and its residents by providing cost effect and efficient public safety services.

Honeywell International Inc., through its US Digital Designs group, is the sole manufacturer of the Phoenix G2 Fire Station Alerting system. All design, manufacturing, service and support originates from our Tempe, Arizona location. No other company can provide a compatible system capable of being implemented in parallel with the City’s current system. Moreover, as the manufacturer, Honeywell is able to offer the lowest factory-direct pricing to the City. No distributor of the Phoenix G2 System is able to provide pricing at a lower price. In addition, with the exception of certified installation companies authorized to perform “installation only” services, no other organization or entity is able or authorized to service and/or support our station alerting systems.

Please let me know if I may answer any additional questions. Thank you for the opportunity to support your community.

Sincerely,

Susheel Tenguria
VP / General Manager – BTI Fire America

AGREEMENT
FOR PROFESSIONAL SERVICES
BETWEEN
THE CITY OF SALINAS AND TRUE
NORTH COMPLIANCE SERVICES, INC.



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**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
THE CITY OF SALINAS AND TRUE NORTH COMPLIANCE SERVICES, INC.**

This Agreement for Professional Services (the “Agreement” and/or “Contract”) is made and entered into this 11th day of June 2024, between the **City of Salinas**, a California Charter city and municipal corporation (hereinafter “City”), and **True North Compliance Services, Inc.** a California corporation (hereinafter “Consultant”).

RECITALS

WHEREAS, Consultant represents that he, she, or it is specially trained, experienced, and competent to perform the special services which will be required by this Agreement; and

WHEREAS, Consultant is willing to render such professional services, as hereinafter defined, on the following terms and conditions.

NOW, THEREFORE, City and Consultant agree as follows:

TERMS

1. **Scope of Service.** The project contemplated and the scope of Consultant’s services are described in **Exhibit B**, attached hereto and incorporated herein by reference.
2. **Term; Completion Schedule.** This Agreement shall commence on July 1, 2024, and shall terminate on June 30, 2027, unless extended in writing by either party upon (30) days written notice. 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.
3. **Compensation.** City hereby agrees to pay Consultant for services rendered the City pursuant to this Agreement on a time and materials basis according to the rates of compensation as set forth in **Exhibit B**. The total amount of compensation to be paid under this Agreement shall not exceed **\$150,000**.
4. **Billing.** Consultant shall submit to City an itemized invoice, prepared in a form satisfactory to City, describing its services and costs for the period covered by the invoice. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person. Consultant’s bills shall include the following information to which such services cost or pertain:
 - (A) A brief description of services performed;
 - (B) The date the services were performed;
 - (C) The number of hours spent and by whom;
 - (D) A brief description of any costs incurred; and
 - (E) The Consultant’s signature.

Any such invoices shall be in full accord with any and all applicable provisions of this Agreement.

City shall make payment on each such invoice within thirty (30) days of receipt; provided, however, that if Consultant submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this Agreement, City shall not be obligated to process any payment to Consultant until thirty (30) days after a correct and complying invoice has been submitted by Consultant. The City shall process undisputed portion immediately.

5. Meet & Confer. Consultant 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 the City to ensure timely and adequate performance of the Agreement.

6. Additional Copies. If City requires additional copies of reports, or any other material which Consultant is required to furnish as part of the services under this Agreement, Consultant shall provide such additional copies as are requested, and City shall compensate Consultant for the actual costs related to the production of such copies by Consultant.

7. Responsibility of Consultant. By executing this Agreement, Consultant agrees that the services to be provided and work to be performed under this Agreement shall be performed in a fully competent manner. By executing this Agreement, Consultant further agrees and represents to City that the Consultant possesses, or shall arrange to secure from others, all of the necessary professional capabilities, experience, resources, and facilities necessary to provide the City the services contemplated under this Agreement and that City relies upon the professional skills of Consultant to do and perform Consultant's work. Consultant further agrees and represents that Consultant shall follow the current, generally accepted practices in this area to the profession to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding the projects for which the services are rendered under this Agreement.

8. Responsibility of City. To the extent appropriate to the projects to be completed by Consultant pursuant to this Agreement, City shall:

(A) Assist Consultant by placing at its disposal all available information pertinent to the projects, including but not limited to, previous reports and any other data relative to the projects. Nothing contained herein shall obligate City to incur any expense in connection with completion of studies or acquisition of information not otherwise in the possession of City.

(B) Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents presented by Consultant, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.

(C) David Gonzalves, Community Development Assistant Director, shall act as City's representative with respect to the work to be performed under this Agreement. Such person shall have the complete authority to transmit instructions, receive information, interpret

and define City's policies and decisions with respect to materials, equipment, elements, and systems pertinent to Consultant's services. City may unilaterally change its representative upon notice to the Consultant.

(D) Give prompt written notice to Consultant whenever City observes or otherwise becomes aware of any defect in a project.

9. Acceptance of Work Not a Release. Acceptance by the City of the work to be performed under this Agreement does not operate as a release of Consultant from professional responsibility for the work performed.

10. Indemnification and Hold Harmless.

Consultant shall defend, indemnify, and hold harmless the City and its officers, officials, employees, volunteers, and agents from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Consultant's performance of work hereunder, including the performance of work of any of Consultant's subcontractors or agents, or Consultant's failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City.

11. Insurance. Consultant shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in **Exhibit A** hereto.

12. Access to Records. Consultant shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials including but not limited to calculation and survey notes relating to work performed for the City under this Agreement on file for at least three (3) years following the date of final payment to Consultant by City. Any duly authorized representative(s) of City shall have access to such records for the purpose of inspection, audit, and copying at reasonable times during Consultant's usual and customary business hours. Consultant shall provide proper facilities to City's representative(s) for such access and inspection.

13. Non-Assignability. It is recognized by the parties hereto that a substantial inducement to City for entering into this Agreement was, and is, the professional reputation and competence of Consultant. This Agreement is personal to Consultant and shall not be assigned by it without express written approval of the City.

14. Changes to Scope of Work. City may at any time, and upon a minimum of ten (10) days written notice, seek to modify the scope of services to be provided for any project to be completed under this Agreement. Consultant shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify City in writing. Upon agreement between City and Consultant as to the extent of said impacts to time and compensation, an amendment to this Agreement shall be prepared describing such changes. Execution of the amendment by City and Consultant shall constitute the Consultant's notice to proceed with the changed scope.

15. Ownership of Documents. Title to all final documents, including drawings, specifications, data, reports, summaries, correspondence, photographs, computer software (if purchased on the City's behalf), video and audio tapes, software output, and any other materials with respect to work performed under this Agreement shall vest with City at such time as City has compensated Consultant, as provided herein, for the services rendered by Consultant in connection with which they were prepared. City agrees to hold harmless and indemnify the Consultant against all damages, claims, lawsuits, and losses of any kind including defense costs arising out of any use of said documents, drawings, and/or specifications on any other project without written authorization of the Consultant.

16. Termination.

(A) City shall have the authority to terminate this Agreement, upon ten days written notice to Consultant, as follows:

(1) If in the City's opinion the conduct of the Consultant is such that the interest of the City may be impaired or prejudiced, or

(2) For any reason whatsoever.

(B) Upon termination, Consultant shall be entitled to payment of such amount as fairly compensates Consultant for all work satisfactorily performed up to the date of termination based upon the Consultant's rates shown in **Exhibit B** and/or Section 3 of this Agreement, except that:

(1) In the event of termination by the City for Consultant's default, City shall deduct from the amount due Consultant the total amount of additional expenses incurred by City as a result of such default. Such deduction from amounts due Consultant are made to compensate City for its actual additional costs incurred in securing satisfactory performance of the terms of this Agreement, including but not limited to, costs of engaging another consultant(s) for such purposes. In the event that such additional expenses shall exceed amounts otherwise due and payable to Consultant hereunder, Consultant shall pay City the full amount of such expense.

(C) In the event that this Agreement is terminated by City for any reason, Consultant shall:

(1) Upon receipt of written notice of such termination promptly cease all services on this project, unless otherwise directed by City; and

(2) Deliver to City all documents, data, reports, summaries, correspondence, photographs, computer software output, video and audio tapes, and any other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement. Such material is to be delivered to City in completed form; however,

notwithstanding the provisions of Section 15 herein, City may condition payment for services rendered to the date of termination upon Consultant's delivery to the City of such material.

(D) In the event that this Agreement is terminated by City for any reason, City is hereby expressly permitted to assume the projects and complete them by any means, including but not limited to, an agreement with another party.

(E) The rights and remedy of the City and Consultant provided under this Section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other section of this Agreement.

17. Compliance with Laws, Rules, and Regulations. Services performed by Consultant pursuant to this Agreement shall be performed in accordance and full compliance with all applicable federal, state, and City laws and any rules or regulations promulgated thereunder.

18. Exhibits Incorporated. All exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of this Agreement and any of the terms of any exhibit to the Agreement, the terms of the Agreement shall control the respective duties and liabilities of the parties.

19. Independent Contractor. It is expressly understood and agreed by both parties that Consultant, while engaged in carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and not an employee of the City. Consultant expressly warrants not to represent, at any time or in any manner, that Consultant is an employee or servant of the City.

20. Integration and Entire Agreement. This Agreement represents the entire understanding of City and Consultant as 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 both parties.

21. Jurisdiction and Venue. 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. 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.

22. Severability. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

23. Notices.

(A) Written notices to the City hereunder shall, until further notice by City, be addressed to:

Community Development Assistant Director
City of Salinas
65 W. Alisal Street
Salinas, California 93901

With a copy to:

City Attorney
City of Salinas
200 Lincoln Avenue
Salinas, California 93901

(B) Written notices to the Consultant shall, until further notice by the Consultant, be addressed to:

Isam Hasenin
President and CEO
3939 Atlantic Ave, #224
Long Beach, CA 90807
Isam@tncservices.com (858) 260-0495

(C) The execution of any such notices by the Assistant Director shall be effective as to Consultant as if it were by resolution or order of the City Council, and Consultant shall not question the authority of the City Manager to execute any such notice.

(D) All such notices shall either be delivered personally to the other party's designee named above, or shall be deposited in the United States Mail, properly addressed as aforesaid, postage fully prepaid, and shall be effective the day following such deposit in the mail.

24. Nondiscrimination. During the performance of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability. Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability.

25. Conflict of Interest. Consultant warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this Agreement a violation

of any applicable local, state or federal law. Consultant further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereinafter arise, Consultant shall promptly notify City of the existence of such conflict of interest so that City may determine whether to terminate this Agreement. Consultant further warrants its compliance with the Political Reform Act (Government Code section 81000 et seq.) and Salinas City Code Chapter 2A that apply to Consultant as the result of Consultant's performance of the work or services pursuant to the terms of this Agreement.

26. Headings. The section headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions of this Agreement.

27. Attorneys' Fees. In case suit shall be brought to interpret or to enforce this Agreement, or because of the breach of any other covenant or provision herein contained, the prevailing party in such action shall be entitled to recover their reasonable attorneys' fees in addition to such costs as may be allowed by the Court. City's attorneys' fees, if awarded, shall be calculated at the market rate.

28. Non-Exclusive Agreement. This Agreement is non-exclusive and both City and Consultant expressly reserves the right to contract with other entities for the same or similar services.

29. 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.

30. Licenses. If a license of any kind, which term is intended to include evidence of registration, is required of Consultant, its representatives, agents or subcontractors by federal, state or local law, Consultant warrants that such license has been obtained, is valid and in good standing, and that any applicable bond posted in accordance with applicable laws and regulations.

31. 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.

32. Legal Representation. Each party affirms that it has been represented, if it so chose, by legal counsel of its own choosing regarding the preparation and the negotiation of this Agreement and the matters and claims set forth herein, and that each of them has read this Agreement and is fully aware of its contents and its legal effect. Neither party is relying on any statement of the other party outside the terms set forth in this Agreement as an inducement to enter into this Agreement.

33. Joint Representation. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any party. No presumptions or rules of interpretation based upon the identity of the party preparing or drafting the Agreement, or any part thereof, shall be applicable or invoked.

34. Warranty of Authority. Each party represents and warrants that it has the right, power, and authority to enter into this Agreement. Each party further represents and warrants that it has given any and all notices, and obtained any and all consents, powers, and authorities, necessary to permit it, and the persons entering into this Agreement for it, to enter into this Agreement.

35. No Waiver of Rights. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement. The failure to provide notice of any breach of this Agreement or failure to comply with any of the terms of this Agreement shall not constitute a waiver thereof. Failure on the part of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision. A waiver by the City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the date first written above.

CITY OF SALINAS

DocuSigned by:
Rene Mendez
49009F9344B6488...

Rene Mendez
City Manager

APPROVED AS TO FORM:

DocuSigned by:
Rhonda Combs
47E1DC47F6EE4DD...

☐ Christopher A. Callihan, City Attorney, or
☒ Rhonda Combs, Assistant City Attorney

CONSULTANT

Isam Hasenin

By: Isam Hasenin, MSCE, P.E., CBO
Its: President and CEO

Exhibit A- Insurance Requirements

Insurance Requirements

Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Consultant, his agents, representatives, employees, or subcontractors. With respect to General Liability and Professional Liability, coverage should be maintained for a minimum of five (5) years after Agreement completion.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

- (A) **Commercial General Liability** (“CGL”): Insurance Services Office Form (“ISO”) 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 **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
- (B) **Automobile Liability**: ISO Form CA 0001 covering any auto, or if Consultant has no owned autos, hired and non-owned, with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
- (C) **Workers’ Compensation** insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with a limit of no less than **\$1,000,000** per accident for bodily injury or disease.
- (D) **Professional Liability** (also known as Errors and Omissions) insurance appropriate to the work being performed, with limits no less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate per policy period of one year.

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

OTHER INSURANCE PROVISIONS

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

Additional Insured Status

The City of Salinas, 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 Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant’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).

Primary Coverage

For any claims related to this Agreement or the project described within this Agreement, the **Consultant's insurance coverage shall be primary coverage** at least as broad as ISO Form 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 Consultant's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.

Waiver of Subrogation

Consultant hereby grants to City a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Salinas for all work performed by the Consultant, its employees, agents, and subcontractors.

Self-Insured Retentions

Self-insured retentions must be declared by Consultant to and approved by the City. At the option of the City, Consultant shall provide coverage to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the consultant shall provide evidence satisfactory to the City guaranteeing payment of losses and related investigations, claim administrations, 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.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of this Agreement or the beginning of Agreement work.
2. Insurance must be maintained and evidence of insurance must be provided ***for at least five (5) years after completion of the Agreement of work.***
3. If coverage is canceled or non-renewed, and not ***replaced with another claims-made policy form with a Retroactive Date*** prior to the Agreement effective date, the Consultant must purchase "extended reporting" coverage for a minimum of ***five (5) years*** after completion of Agreement work.
4. A copy of the claims reporting requirements must be submitted to the City for review.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable insurance language effecting coverage required by this Agreement. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant'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

Consultant shall require and verify that all sub-consultants and/or subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that Entity is an additional insured on insurance required from such sub-consultants and/or subcontractors.

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.

Maintenance of Insurance

Maintenance of insurance by Consultant as specified shall in no way be interpreted as relieving Consultant of its indemnification obligations or any responsibility whatsoever and the Consultant may carry, at its own expense, such additional insurance as it deems necessary.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/15/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Risk Strategies Company 2040 Main Street, Suite 450 Irvine, CA 92614 www.risk-strategies.com	CONTACT NAME: Risk Strategies Company PHONE (A/C, No, Ext): 949-242-9240 FAX (A/C, No): E-MAIL ADDRESS: syoung@risk-strategies.com <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A: Citizens Insurance Company of America</td> <td>31534</td> </tr> <tr> <td>INSURER B: The Hanover American Insurance Company</td> <td>36064</td> </tr> <tr> <td>INSURER C: Travelers Casualty and Surety Co of America</td> <td>31194</td> </tr> <tr> <td>INSURER D: Allmerica Financial Benefit Insurance Co</td> <td>41840</td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Citizens Insurance Company of America	31534	INSURER B: The Hanover American Insurance Company	36064	INSURER C: Travelers Casualty and Surety Co of America	31194	INSURER D: Allmerica Financial Benefit Insurance Co	41840	INSURER E:		INSURER F:	
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INSURER E:															
INSURER F:															
INSURED True North Compliance Services, Inc. 3939 Atlantic Avenue, Suite 224 Long Beach CA 90807 CA DOI License No. 0F06675															

COVERAGES**CERTIFICATE NUMBER:** 80001648**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS														
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: </div> <div> <input checked="" type="checkbox"/> </div> </div>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OB3J114022	8/27/2023	8/27/2024	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>EACH OCCURRENCE</td><td>\$2,000,000</td></tr> <tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td>\$1,000,000</td></tr> <tr><td>MED EXP (Any one person)</td><td>\$5,000</td></tr> <tr><td>PERSONAL & ADV INJURY</td><td>\$2,000,000</td></tr> <tr><td>GENERAL AGGREGATE</td><td>\$4,000,000</td></tr> <tr><td>PRODUCTS - COMP/OP AGG</td><td>\$4,000,000</td></tr> <tr><td></td><td>\$</td></tr> </table>	EACH OCCURRENCE	\$2,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$1,000,000	MED EXP (Any one person)	\$5,000	PERSONAL & ADV INJURY	\$2,000,000	GENERAL AGGREGATE	\$4,000,000	PRODUCTS - COMP/OP AGG	\$4,000,000		\$
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EACH OCCURRENCE	\$2,000,000																				
AGGREGATE	\$2,000,000																				
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B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	<input checked="" type="checkbox"/>	WZ3J114000	8/27/2023	8/27/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>E.L. EACH ACCIDENT</td><td>\$1,000,000</td></tr> <tr><td>E.L. DISEASE - EA EMPLOYEE</td><td>\$1,000,000</td></tr> <tr><td>E.L. DISEASE - POLICY LIMIT</td><td>\$1,000,000</td></tr> </table>	E.L. EACH ACCIDENT	\$1,000,000	E.L. DISEASE - EA EMPLOYEE	\$1,000,000	E.L. DISEASE - POLICY LIMIT	\$1,000,000								
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E.L. DISEASE - EA EMPLOYEE	\$1,000,000																				
E.L. DISEASE - POLICY LIMIT	\$1,000,000																				
C	Professional Liability Full Prior Acts			107683951	8/27/2023	8/27/2024	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Per Claim</td><td>\$2,000,000</td></tr> <tr><td>Aggregate</td><td>\$4,000,000</td></tr> </table>	Per Claim	\$2,000,000	Aggregate	\$4,000,000										
Per Claim	\$2,000,000																				
Aggregate	\$4,000,000																				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Projects as on file with the insured.
 The City of Salinas, its officers, officials, employees, and volunteers are named as additional insureds and primary/non-contributory clause applies to the general liability policy and a waiver of subrogation applies to the general, auto and work comp policies. 30-day notice for non-renewal & cancellation, 10-day notice for non-payment applies.
 Professional Liability Retro Date: Full Prior Acts; Deductible: \$10,000 per claim.

CERTIFICATE HOLDER**CANCELLATION**
 City of Salinas
 200 Lincoln Ave.
 Salinas CA 93901

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

RSC Insurance Brokerage

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ACORD 25 (2016/03)

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Architects and Engineers

The following policy language is from Businessowners General Liability Coverage Part

NAMED INSURED: True North Compliance Services, Inc. **POLICY NUMBER:** OB3J114022

The following are mandatory forms on the policy identified on the Certificate of Insurance:

391-1586 (08-16) BUSINESSOWNERS GENERAL LIABILITY SUPPLEMENTARY ENDORSEMENT
Additional Insured by Contract, Agreement or Permit

A. **Section II – Liability, C** – Who is an insured is amended to include as an additional insured any person or organization with whom you agreed in a written contract, written agreement or permit but only respect to liability for “bodily injury”, “property damage” or “personal and advertising injury” caused, in whole or in part, by your acts or omissions; or the acts or omissions of those acting on your behalf, but only with respect to:

- (i) **“Your work”** for the additional insured(s) designated in the contract, agreement or permit including “bodily injury” or “property damage” included in the “products - completed operations hazard” only if this Coverage Part provides such coverage;
- (ii) Premises you own, rent, lease, or occupy; or
- (iii) Your maintenance, operation or use of equipment leased to you.

*Definition: **“Your work”** a. Means: (1) Work or operations performed by you or on behalf; and (2) materials, parts or equipment furnished in connection with such work or operations; b. Includes (1) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “your work”; and (2) the providing of or failure to provide warnings or instructions.

This provision does not apply:

- (1) Unless the written contract or written agreement has been executed or permit has been issued prior to the “bodily Injury”, “property damage”, “personal injury” or “advertising injury”.
- (2) To any person or organization Included as an Insured by an endorsement Issued by us and made part of this Coverage Part.
- (3) To any lessor of equipment (a) After the equipment lease expires; or (b) If the “bodily Injury”, “property damage”, “personal injury” or “advertising Injury” arises out of sole negligence of the lessor.
- (4) To any: (a) Owners or other Interests from whom land has been leased which takes place after the lease for the land expires; or (b) Managers or lessors of premises if: (i) The occurrence takes place after you cease to be a tenant in that premises; or (ii) The “bodily injury”, “property damage”, “personal injury” or “advertising injury” arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.
- (5) To “bodily injury”, “property damage” or “personal and advertising injury” arising out of the rendering of or failure to render any professional services.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the “occurrence” which caused the “bodily injury” or “property damage” or the offense which caused the “personal and advertising injury” involved the rendering of or failure to render any professional services by or for you.

Other Insurance Primary & Non-Contributory

The following paragraph is added to **SECTION III – COMMON POLICY CONDITIONS, H – Other Insurance: Additional Insured – Primary and Non-Contributory**. If you agree in a written contract, written agreement or permit that the insurance provided to any person or organization included as an Additional Insured under **SECTION II – Liability, C. Who is an Insured** is primary and non-contributory, the following applies: If other valid and collectible insurance is available to the Additional Insured for a loss covered under **SECTION II – LIABILITY** of this Coverage Part, our obligations are limited as follows:

- (1) **Primary Insurance:** This insurance is primary to other insurance that is available to the Additional Insured which covers the Additional Insured as a Named Insured. We will not seek contribution from any other insurance available to the Additional Insured except: **(a)** For the sole negligence of the Additional Insured; **(b)** When the Additional Insured is an Additional Insured under another primary liability policy; or **(c)** When **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary.
- (2) **Excess Insurance:**
 - (a)** This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i)** That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for “your work”;
 - (ii)** That is Fire insurance for premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner;

No coverage is provided by this Notice, nor can it be construed to replace any provisions of the policy (including its endorsements). If there is any conflict between this Notice and the policy (including the endorsements), the provisions of the policy (including its endorsements) shall prevail.

- (iii) That is insurance purchased by the Additional Insured to cover the Additional Insured's liability as a tenant for "property damage" to premises rented to the Additional Insured or temporarily occupied by the Additional with permission of the owner; or
- (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of **SECTION II - LIABILITY. B. Exclusions, 1. Applicable to Business Liability Coverage.**
- (v) That is insurance available to you for your participation in any past or present "unnamed joint venture".
- (vi) That is any insurance you may have that provides coverage for your professional services.

(b) When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(c) When this insurance is excess over other Insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (i) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (ii) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage part.

(3) Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

Per Project Aggregate

The following changes are made to **SECTION II - LIABILITY**:

1. The following is added to **SECTION II - LIABILITY, D. Liability and Medical Expenses Limits of Insurance**, paragraph 4:
The Aggregate Limits of Insurance apply separately to each of "your projects" or each "location" listed in the Declarations.
2. For the purpose of coverage provided by this endorsement only, the following is added to **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions**:
 1. "Your project" means:
 - a. Any premises, site or "location" at, on, or in which "your work" is not yet completed; and
 - b. Does not include any "location" listed in the Declarations.
 2. "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies: **a.** As if each Named Insured were the only Named Insured; and, **b.** Separately to each insured against whom claim is made or "suit" is brought.

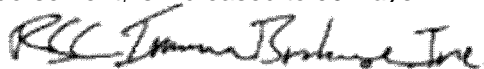
Waiver Of Subrogation

The **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section IV – COMMERCIAL GENERAL LIABILITY CONDITIONS)** is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization *where required by written contract* because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization *where required by written contract*.

Notice Of Cancellation

For any statutorily permitted reason other than non-payment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to **30 Days**.



AUTHORIZED REPRESENTATIVE

**From Hanover Forms: 391-1003 (08/16); 391-1445 (08/16); 391-1586 (08/16), 391-1003 (08/16)*

No coverage is provided by this Notice, nor can it be construed to replace any provisions of the policy (including its endorsements). If there is any conflict between this Notice and the policy (including the endorsements), the provisions of the policy (including its endorsements) shall prevail.

14. AUTO LOAN PHYSICAL DAMAGE EXTENSION

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

When a "loss" results in a total loss to a covered auto you own for which a Loss Payee is designated in this policy, the most we will pay for "loss" in any one "accident" is the greater of:

1. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
2. The outstanding balance of the initial loan, less any amounts for taxes, overdue payments, overdue payment charges, penalties, interest, any charges for early termination of the loan, costs for Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan, and carry-over balances from previous loans.

15. AUTO LEASE PHYSICAL DAMAGE EXTENSION

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

If, because of damage, destruction or theft of a covered "auto", which is a long-term leased "auto", the lease agreement between you and the lessor is terminated, "we" will pay the difference between the amount paid under paragraph **C. LIMIT OF INSURANCE 1. or 2.** and the amount due at the time of "loss" under the terms of the lease agreement applicable to the leased "auto" which you are required to pay: less any fees to dispose of the auto; any overdue payments; financial penalties

imposed under a lease for excessive use, abnormal wear and tear or high mileage; security deposits not refunded by the lessor; cost for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan; and carry over balances from previous leases.

This coverage applies only to the initial lease for the covered "auto" which has not previously been leased. This coverage is excess over all other collectible insurance.

SECTION IV - CONDITIONS

16. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The following is added to **SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit Or Loss**:

- d. Knowledge of any "accident", claim, "suit" or "loss" will be deemed knowledge by you when notice of such "accident", claim, "suit" or "loss" has been received by:
 - (1) You, if you are an individual;
 - (2) Any partner or insurance manager if you are a partnership; or
 - (3) An executive officer or insurance manager if you are a corporation.

17. BLANKET WAIVER OF SUBROGATION

Paragraph **5. Transfer Of Rights Of Recovery Against Others To Us, SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions** is replaced by the following:

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461-0155 (9-97)

**5. Transfer Of Rights Of Recovery
Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, which have not been waived through the execution of an "insured contract", written agreement, or permit, prior to the "accident" or "loss" giving rise to the payment, those rights to recover damages from another are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after the "accident" or "loss" to impair them.

**18. UNINTENTIONAL FAILURE TO
DISCLOSE INFORMATION**

The following is added to **SECTION IV - BUSINESS AUTO CONDITIONS. B. General Conditions**, paragraph 2. **Concealment, Misrepresentation Or Fraud:**

Your unintentional error in disclosing, or failure to disclose, any material fact existing after the effective date of this Coverage Form shall not prejudice your rights under this Coverage Form. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

**19. HIRED AUTO - WORLDWIDE
COVERAGE**

The following is added to **SECTION IV - Business Auto Conditions, B. General Conditions**, paragraph 7. **Policy Period, Coverage Territory** provision:

- e. Outside the coverage territory described in a., b., c., and d. above for an "accident" or "loss" resulting from the use of a covered "auto" you hire, without a driver, or your employee hires without a driver, at your direction, for the purpose of conducting your business, for a period of 30 days or less, provided the suit is brought within The United States of America or its territories or possessions.

SECTION V - DEFINITIONS

20. MENTAL ANGUISH

Paragraph **C. "Bodily injury"**, **SECTION V - DEFINITIONS** is replaced by the following:

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death or mental anguish resulting from any of these.

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WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT-CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2 % of the California workers' compensation premium otherwise due on such remuneration.

Schedule

Person or Organization	Job Description
APPLIES AS BLANKET WAIVER FOR THOSE HAVING A WRITTEN CONTRACT WITH THE POLICY- HOLDER REQUIRING WOS FOR WC POLICYHOLDER EMPLOYEES.	

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated. (The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 08/27/2023 Policy No. WZ3J114000
Insured True North Compliance Services, Inc.
Insurance Company THE HANOVER AMERICAN INSURANCE COMPANY

Endorsement No.



Countersigned By _____

Fee Structure

PLAN REVIEW SERVICES

True North proposes to charge 55% of the Plan Check Fees collected by the City of Salinas. Our fee covers the initial review, and two recheck cycles, as well as all shipping and delivery of plans to/from City Hall

- Structural-Only Reviews: 40% of the City’s Plan Check Fee.
- Revisions/Deferred Submittals/RFIs will be billed using the hourly rate table below.
- Expedited Service: 140% of our proposed fees above.

Additional Services: The following hourly rate table applies to on-site staffing services and/or additional services included in our Scope of Services that may be required by the City of Salinas. Our hourly rates are all-inclusive and include salaries, overhead, benefits, PTO, etc.

Hourly Rates for Additional Services

Position	Hourly Rate
Interim Certified Building Official	\$160.00
Plan Review Engineer	\$135.00
Senior Plan Review Engineer	\$150.00
Structural Engineer I	\$145.00
Structural Engineer II	\$160.00
Certified Engineering Geologist/Geotechnical Engineer	\$155.00
Licensed Fire Protection Engineer	\$155.00
Certified Plans Examiner I	\$115.00
Certified Plans Examiner II	\$130.00
Building/Housing Inspector I	\$105.00
Building/Housing Inspector II	\$120.00
Senior Building/Housing Inspector	\$130.00
CASp Plan Reviewer/Inspector	\$135.00
Fire Plan Reviewer/Inspector I	\$120.00

Fire Plan Reviewer/Inspector II	\$135.00
Grading/Public Improvements Plan Review Engineer I	\$140.00
Grading/Public Improvements Plan Review Engineer II	\$155.00
Permit Technician I	\$75.00
Permit Technician II	\$85.00
Administrative Assistant	\$65.00

- On-Site services (plan review, permit technician, inspections) will be provided in eight (8) hour segments.
- Overtime for on-site staffing will be charged at 140% of the rates above.
- Mileage for tasks related to requested scope such as inspections or site visits will be charged at the current IRS mileage rate measured from City Hall.
- Inspections outside of the City's business hours will be charged at 140% of rates above with a 4-hour minimum.
- Incidental expenses will be charged at cost.

**AGREEMENT —AMENDMENT NO. 1 TO
AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN
TRUE NORTH COMPLIANCE SERVICES, INC. AND CITY OF SALINAS**

This Amendment No. 1 to the Agreement for Professional Services (the “Amendment”) is entered into this 8th day of October 2024, by and between the City of Salinas (the “City”) and True North Compliance Services, Inc., (the “Consultant”) City and Consultant may be individually referred to herein as a “Party” and collectively the City and Consultant may be referred to as the “Parties.”

RECITALS

WHEREAS, the City and Consultant first entered into an Agreement for Professional Services effective July 1st, 2024, pursuant to which Consultant agreed to act as and provide certain services to the City for compensation (the “Agreement”); and

WHEREAS, the City and Consultant desire to amend the Agreement to increase the City’s capacity to complete plan review, permitting, and inspections for all projects in a timely manner.

NOW, THEREFORE, in mutual consideration of the terms and conditions set forth below, the Parties agree as follows:

TERMS

1. The Agreement, 3.Compensation section, is amended to the following:

Compensation. City hereby agrees to pay Consultant for services rendered the City pursuant to this Agreement on a time and materials basis according to the rates of compensation set forth in **Exhibit B**. The total amount of compensation to be paid under this Agreement shall not exceed \$400,000.

2. 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 Consultant have entered into this Agreement as of the date first written above.

CITY OF SALINAS

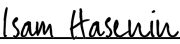
DocuSigned by:

49009F9344B0408...
Rene Mendez, City Manager

APPROVED AS TO FORM:

Signed by:

DF000E02871844E...
☐ Christopher A. Callihan, City Attorney
☐ Rhonda Combs, Assistant City Attorney

True North Compliance Services, Inc.

DocuSigned by:

Isam Hasenin, MSCE, P.E., CBO, President and CEO