



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

Staff Report

DATE: February 24, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Receive a Status Update on the Former Garden Center Building in Work Memorial Park

CEQA: This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an organizational activity of the City that will not result in direct or indirect physical changes in the environment.

Recommendation

Receive a status update regarding the former Garden Center location.

Discussion

Staff will provide a verbal report regarding:

- the status of the Garden Center
- potential economic development opportunities and constraints of the parcel
- interpretation of the deed restriction

Fiscal Impacts

There are no fiscal impacts associated with receiving this report.

Respectfully Submitted,

John Guertin
City Manager

Attachment:

1. 2021 EPS Market Potential & Development Outlook Report

MEMORANDUM

To: John Guertin, City of Del Rey Oaks
From: David Zehnder and Tom Martens
Subject: City of Del Rey Oaks-Owned Property Opportunities and Constraints Review; EPS #212028
Date: December 9, 2021

The Economics of Land Use



Introduction

The City of Del Rey Oaks (City) retained Economic & Planning Systems, Inc. (EPS) and subcontractor Denise Duffy & Associates (DD&A) to assess the market potential and development/reuse outlook for 4 City-owned parcels.

As part of the assessment, EPS has analyzed demand and supply characteristics and trends in the City and surrounding areas to evaluate potential market demand for both residential and nonresidential space. This memorandum includes:

- Assessment of the physical and planning attributes of the sites.
- Assessment of key demographic trends related to demand for housing.
- A review of the existing housing stock in the City and housing market in the City and surrounding areas.
- Assessment of local nonresidential real estate market indicators.
- Estimate of existing retail leakage and implications for additional retail support.
- Identification of potential development options for City and community consideration.

Summary charts and figures are provided in the text of this memorandum; detailed tables are provided in the Appendix and referenced as needed.

*Economic & Planning Systems, Inc.
455 Capitol Mall, Suite 701
Sacramento, CA 95814
916 649 8010 tel
916 649 2070 fax*

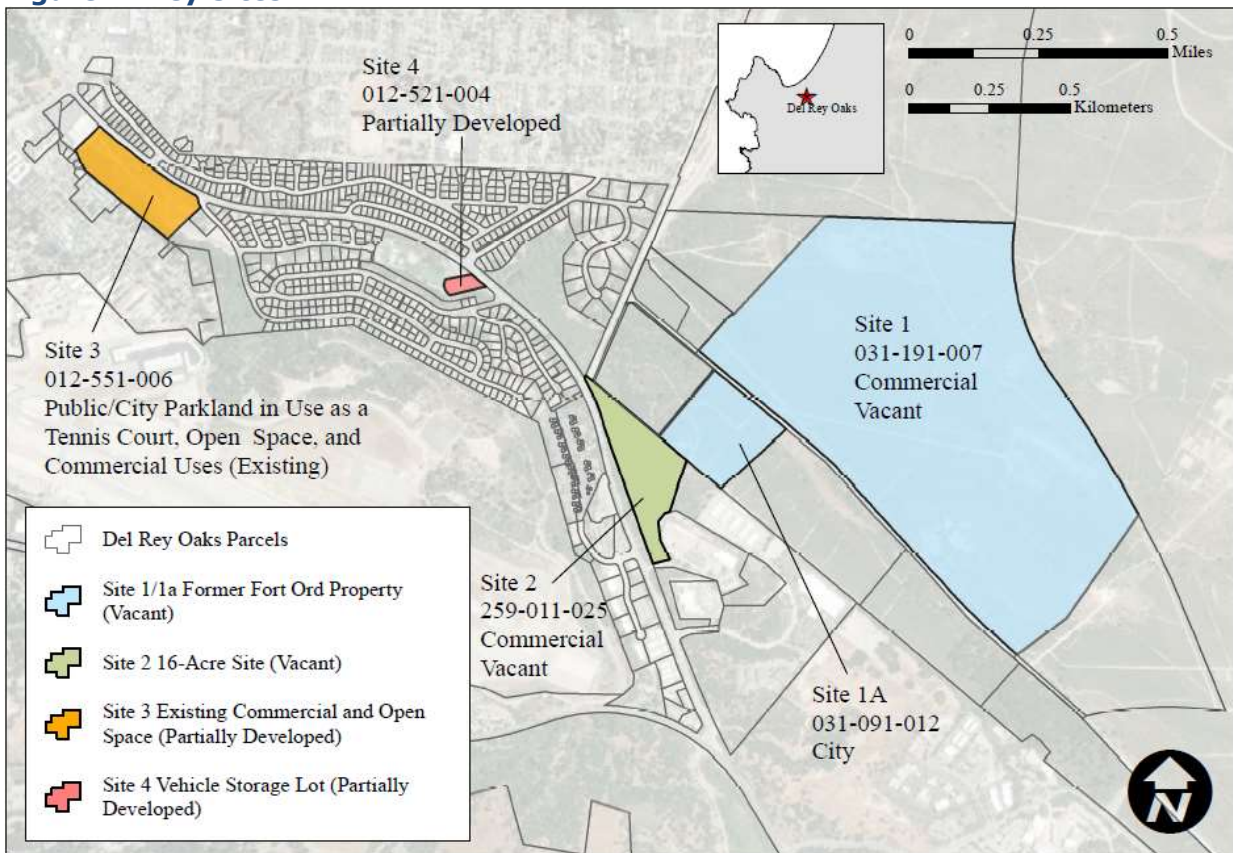
*Oakland
Sacramento
Denver
Los Angeles*

www.epsys.com

Economic Summary, Site Analysis, and Recommendations

The City has the ability to address housing needs and pursue a more balanced community through a strategic approach to the disposition and development of 4 City-owned sites (**Figure 1**). Goals for development may include fiscal sustainability, habitat protection, inclusionary housing, and others. The City has both a resource-constrained situation and an advantageous regional market position, and there is ample ability to use public-private partnerships (P3) in the evaluation and implementation of development on all of its parcels.

Figure 1. Key Sites



Source: Denise Duffy & Associates, Inc.

Based on analysis by DD&A, the following four tables provide an evaluation of the City-owned land assets.

Land Inventory—Site 1

Land Inventory/Summary of Key Sites

Location	1	Summary Description	The site is approximately 232 acres of vacant, undeveloped land with gradual slopes dominated by chaparral and oak trees/oak woodland in the interior of the site. Currently, the City's adopted Redevelopment Plan identifies up to 200 residential units onsite. The City would need to complete a general plan amendment or specific plan and rezoning to specifically allow residential development. The parcel is bordered by the City of Seaside to the north, Fort Ord National Monument to the east, and City of Monterey to the south along South Boundary Road. The site is partially level towards South Boundary Road. Through the Fort Ord Base Reuse Plan Capital Improvement Program, water and sewer is available adjacent to the site along General Jim Moore Blvd. Infrastructure for non-potable water is currently not available; proposed developments relying on the use of non-potable water will be responsible for obtaining delivery of the water to the development site. Supplemental water sources are considered unlikely in the foreseeable future.
Map Designation (2019 HE)	Consistent with 2019 Housing Element (See Figure 4)	Surrounding Land Uses	No developed land uses surround the site. The site is bound by South Boundary Road to the south. An approved RV Resort is planned for the area located directly east of the site. The site is bound on the west by General Jim Moore Boulevard to the southwest, vacant property owned by the Kranyaks further to the north, and Fort Ord National Monument to the northeast.
APN	031-191-026-000	Access/Circulation	The site has current access via a dirt road on the south side of the parcel on South Boundary Road, a two-lane road. General Jim Moore Boulevard, an arterial two-lane road, is can also provide future access to the site.
Acreage	232.03	Infrastructure	<u>Water/Sewer:</u> The site is vacant and has no infrastructure onsite. Underground water, recycled water and wastewater pipeline improvements are located along General Jim Moore Blvd and are planned to continue on South Boundary Road. Water service is provided by the Marina Coast Water District (MCWD). Sanitary sewer is to be provided by the Seaside Sanitation District with connection to regional system. <u>Other Utilities:</u> There are no visible above-ground power lines on site. Energy would be provided by Pacific Gas & Electric (PG&E). Cable, Internet & Phone would be provided by Comcast or AT&T.
Description of Existing Use	The site is currently undeveloped, and a part of former Fort Ord.	Development constraints (environmental, floodplains, etc.)	The site was previously used by former Fort Ord Military Base and portions of the property were found to have Unexploded Ordnances (UXO). Removal of UXO was conducted by the Army. However, in accordance with regulatory restrictions, additional environmental insurance and clearance by Department of Toxic Substances Control (DTSC) regulatory agencies as well as restrictive covenants on use of the site are required consistent with the State requirements.
Land Use Designation	General Commercial – Neighborhood Commercial with Visitor overlay – (GC (C-1-V))	Development Restrictions (easements/covenants)	Covenants and restrictions required per DTSC requirements for residential use.
Zoning	Neighborhood Commercial with Visitor Overlay – (C-1-V)	Monterey County GIS Data/Potential Concerns	Moderate to High Erosion Hazard, within the 660' buffer of Active/Potentially Active Faults, Moderate Archaeological Sensitivity, and Monterey Spineflower Critical Habitat.

Source: Denise Duffy & Associates, Inc.; EPS.

Land Inventory—Site 1A

Land Inventory/Summary of Key Sites

Location	1A	Summary Description	The entire site is approximately 18 acres of undeveloped land with rolling slopes dominated by chaparral and oaks near South Boundary Road. The site is steep along a trail on the south boundary near the City of Monterey storage yard and bordering Site 2 and slopes downward to South Boundary Road. The City would need to designate this site to allow residential use. There are no water or sewer lines serving the site. Site constraints are similar to the Site 1, but fewer issues related to UXO. The site is partially level near South Boundary Road, sloping to the hillside visible from that roadway. A portion of the site slopes steeply toward Highway 218. The site is near a former Fort Ord property owned by the City of Monterey and adjacent to the City of Monterey storage yard.
Map Designation (2019 HE)	Consistent with 2019 Housing Element (See Figure 4)	Surrounding Land Uses	An undeveloped open space/habitat is to the northwest between the site and General Jim Moore Blvd. Further west across Gen Jim Moor Blvd is the Monterey Peninsula Regional Park District (MPRPD) Frog Pond Wetland Preserve. Development near the site is a City of Monterey storage yard to the southeast on Ryan Ranch Road. Undeveloped land is to the north, west, and east of the site.
APN	031-091-027-000, 031-191-028-000	Access/Circulation	Existing access to the site is available via South Boundary Road, on the northern side of the site. There is no direct access to the southern portion of the site from Hy 218.
Acreage	6.03, 11.84	Infrastructure	<u>Water/Sewer:</u> The site is vacant and has no infrastructure onsite. Underground water, recycled water and wastewater pipeline improvements are located along General Jim Moore Blvd and are planned to continue on South Boundary Road. The Water Allocation for the site is 10 acre-feet per year. Water service is provided by the Marina Coast Water District (MCWD). <u>Other Utilities:</u> There are no visible above-ground power lines on site. Energy would be provided by Pacific Gas & Electric (PG&E). Cable, Internet & Phone would be provided by Comcast or AT&T.
Description of Existing Use	The site is currently undeveloped, and a part of former Fort Ord.	Development constraints (environmental, floodplains, etc.)	The primary physical constraint to the site is its sloping grade toward 218. However, approximately half of the site is gently sloping and would be considered developable.
Land Use Designation	General Commercial – Neighborhood Commercial with Visitor overlay – (GC (C-1-V))	Development Restrictions (easements/covenants)	Covenants and restrictions required per DTSC requirements for residential use.
Zoning	Neighborhood Commercial with Visitor Overlay – (C-1-V)	Monterey County GIS Data/Potential Concerns	Moderate to High Erosion Hazard, within the 660' buffer of Active/Potentially Active Faults, possessing Slopes Greater Than 25%, Moderate Archaeological Sensitivity, and Monterey Spineflower Critical Habitat.

Source: Denise Duffy & Associates, Inc.; EPS.

Land Inventory—Site 2

Land Inventory/Summary of Key Sites

Location	2
Map Designation (2019 HE)	Consistent with 2019 Housing Element (See Figure 4)
APN	259-011-025-000
Acreage	17.7
Description of Existing Use	The site is currently undeveloped and not used.
Land Use Designation	General Commercial – Neighborhood Commercial with Visitor overlay – (GC (C-1-V))
Zoning	Neighborhood Commercial with Visitor Overlay – (C-1-V)

Summary Description	The site is approximately 17.7 acres of undeveloped land forested with oaks. Approximately 3 to 4 acres may be considered for development due to natural resource constraints and steep terrain on a portion of the site. There is no existing site access although it is accessible from Hy 218 or its intersection with General Jim Moore Blvd. The viewshed looking southwest from the site would include condominiums, the Monterey Airport, and the Loyal Order of Moose building. The site is owned by the City and zoned for visitor serving uses, per the City's General Plan. Improvements are needed for access from the roadway Canyon Del Rey/Hy 218. Rezoning for residential use would be required. Development onsite is considerably constrained by environmental factors and water availability. The site was the subject of a City RFP, and two submittals were received. Caltrans would require an encroachment permit and upgrade to access would be extensive to meet their standards.
Surrounding Land Uses	An undeveloped open space/habitat is to the northwest. Also, to the northeast is undeveloped Site 1A. To the immediate south are the Monterey Peninsula Unified School District's administrative offices and maintenance yard and the Ryan Ranch Business Park. The Monterey Peninsula Unified School District Services Center and City of Monterey storage yard includes several buildings and parking areas. Residential and some commercial uses border the site across Hy 218 to the west of the site.
Access/Circulation	Access is not currently provided by General Jim Moore Blvd as the subject's frontage is below road grade and within the floodway. The southern boundary fronts along Del Rey Gardens Drive, a private driveway that extends from Canyon Del Rey Blvd to the Monterey City School District's equipment yard. This driveway is a two-lane road with curbs and gutters, and the intersection is improved with a center turn lane. Access from this road is not currently provided and the border is fenced with cyclone fencing. The ability to utilize this driveway for access is limited by the relatively steep topography throughout the southern end of subject's property, which includes slopes greater than 30 percent. Without a title report, it is also unknown if the subject has also rights to this private driveway. The property has 1,900± feet of frontage along the east side of Hy 218/Canyon Del Rey Blvd. There is no existing improved access to the site from 218.
Infrastructure	<u>Water/Sewer:</u> The City's allocation under the Monterey Peninsula Water Management District (MPWMD) and within the CalAm service area. There is a Cal-Am water distribution main in Canyon Del Rey Boulevard; however, a moratorium is currently in effect on new connections within the Cal-Am system. Without prior water usage, it is unlikely that this property would be able to connect to the Cal-Am system in the near term or unless/until a supplemental water source can be secured and permitted. A water source is not developed on the property. Two test wells were drilled over two decades ago. [1] <u>Other Utilities:</u> There are visible above-ground power lines at the northern and southern ends of the site along Hy 218. Cable, Internet & Phone would be provided by Comcast or AT&T.
Development constraints (environmental, floodplains, etc.)	The shape is triangular and narrows at the north end of the property at the Hy 218/General Jim Moore Boulevard intersection. A portion of the site is considered wetlands and within a floodplain. There is also steep terrain and existing trees/forest. The site environmental considerations, access and steep terrain significantly limit developable acreage. Biological and habitat are major constraints to the site as well. Depending on the design and type of development, noise from 218 and Monterey Airport present possible constraints on the portion of the site closest to 218.
Development Restrictions (easements/covenants)	Covenants and restrictions required per DTSC requirements for residential use.
Monterey County GIS Data/Potential Concerns	Low to High Erosion Hazard, Low to High Liquefaction Susceptibility, within the 660' buffer of Active/Potentially Active Faults, Slopes Greater Than 25%, Moderate Archaeological Sensitivity, and Monterey Spineflower Critical Habitat.

[1] Two test wells were drilled over two decades ago; however, the wells were never completed. During an RFP process for use of this property, one of the wells on the property was located (1999 well) and results of a December 1999 test for water capacity and quality was found. According to the document, the well produced a sustainable discharge rate of about 10 gallons per minute and the quality was determined to be quite poor due to high salinity. New tests and well expansion/updates would be needed to confirm yield from the well and the water would need to be treated to meet county standards, assuming MPWMD allowed use of this well on the site.

Source: Denise Duffy & Associates, Inc.; EPS.

Land Inventory—Site 3

Land Inventory/Summary of Key Sites

Location	3	Summary Description The area focus for this study is between Wilson Drive behind the Safeway on the west edge of the parcel to the cul-de-sac below the Church of the Oaks to the east, which is approximately 13.5 acres. There are two existing buildings on the site and the surrounding grounds are used to serve the retail business. Canyon del Rey Creek runs along the southern portion of the property and a portion of the site is floodplain, between the west boundary of the site (potentially out of the floodplain) and the garden center to the east. The site is in a small depression and a row of trees, and an uphill slope separates the site from housing to the south. The property is accessed off Angelus Way to the south of Canyon Del Rey Road (Hy 218) where it meets Rosita Road. There is some availability of land outside the existing development and resource constraints; water, floodplain and creek resources are constraints to any development in the vacant area or land near the creek. FORTAG has proposed a trail segment through the site to separate active transportation from Hy 218. A secondary driveway access is available on the western side of the property behind Safeway and the commercial center and would require further circulation improvements. The site was previously used as a golf driving range.
Map Designation (2019 HE)	Consistent with 2019 Housing Element (See Figure 4)	
APN	012-551-006-000	
Acreage	13.5	
Description of Existing Use	Portion of interest currently used as open space. Other existing uses of the site include Hana Gardens Del Rey Oaks garden center and public tennis courts.	
Land Use Designation	Public/Quasi-Public – P	
Zoning	City Parkland – (C-1-V)	
Surrounding Land Uses	Residential neighborhoods are situated to the north across Hy 218, to the east, and along the south perimeter of the property, behind a buffer of trees; a large commercial shopping center with parking, restaurants, grocery store, and gas station, sits approximately ¼-mile to the west of the site; the Hana Gardens Del Rey Oaks garden center and Church of the Oaks are located east of the site on Angelus Way.	
Access/Circulation	There are two ways to access the site: Angelus Way to the east by the garden center, and off of Hy 218 to the west behind the Safeway grocery.	
Infrastructure	<p><u>Water/Sewer:</u> Water is currently provided to the building(s) through California American Water (Cal-Am). Future expansion of water service for development would depend upon water availability, including existing restrictions of water allocations being lifted and extension of utility service. While the property has an on-site well, it is not known if this may be repurposed for development use (subject to MWPM and State Division of Drinking Water and local environmental health requirements).</p> <p><u>Other Utilities:</u> All other services are currently provided on the site.</p>	
Development constraints (environmental, floodplains, etc.)	The site contains a flood zone along Canyon del Rey Creek in the southern portion of the site. Constraints also include wetlands/ riparian vegetation growing on most of the site. The site is downgrade from neighboring parcels on all sides.	
Development Restrictions (easements/covenants)	Part of a larger parcel which include portions of the City Work Memorial Park. The parcel was dedicated to the City and there may be restrictions on use based upon dedication/covenant on the site.	
Monterey County GIS Data/Potential Concerns	Monterey County GIS lists Low to High Variable Liquefaction Susceptibility, within the 660' buffer of Active/Potentially Active Faults, featuring Slopes Greater Than 25%, and being within a Flood Zone/Floodway.	

[1] A nearby small, triangular, City-owned parcel was omitted from those identified for analysis by the City for this study as it was deemed too small and irregular to support development.

Source: Denise Duffy & Associates, Inc.; EPS.

Land Inventory—Site 4

Land Inventory/Summary of Key Sites

Location	4	Summary Description	The area of interest is approximately 1.5 acres of developed land on the east side of Del Rey Park. The site is currently a flat, paved parking lot used for City of Del Rey Oaks vehicles. It is downslope from Hy 218 and the Del Rey Oaks City Hall as well as downslope from housing separated by trees and greenspace south of the site along Via Verde. A Fort Ord Regional Trail and Greenway (FORTAG) trail has been proposed along the south boundary the site, following the existing service road and would cross Hy 218. The site has been previously developed and likely has existing utility access. There is a potential hazard for road noise from Hy 218 as well as hazardous cleanups due to the current use as a vehicle storage lot.
Map Designation (2019 HE)	Consistent with 2019 Housing Element (See Figure 4)	Surrounding Land Uses	Adjacent and nearby land uses include residences and park space. To the west of the site is Del Rey Park as well as residential housing separated from the site by a wall of trees and an uphill grade. To the east across Hy 218 is the Monterey Peninsula Regional Park District (MPRPD) Frog Pond Wetland Preserve.
APN	012-521-004-000	Access/Circulation	Current access is from Hy 218 to the east. Potential access from the west via existing gated service road south of the site, which connects Hy 218 and Angelus Way/parking for Del Rey Park.
Acreage	10.33	Infrastructure	<u>Water/Sewer</u> : Water is provided via an existing well. <u>Other Utilities</u> : There is existing electricity service. Cable, Internet & Phone would be provided by Comcast or AT&T.
Description of Existing Use	The portion of interest is currently a fenced paved parking lot for the City of Del Rey Oaks. Del Rey Park comprises the rest of the parcel.	Development constraints	Although the southern edge of the site borders Canyon del Rey Creek and is within its Flood Zone/Floodway, the creek appears to be deep and narrow and poses less of a developmental constraint compared to Site 3.
Land Use Designation	Public/Quasi-Public – P	Development Restrictions (easements/covenants)	Part of a larger parcel which include portions of the City Work Memorial Park. The parcel was dedicated to the City and there may be restrictions on use based upon dedication/covenant on the site.
Zoning	City Parkland – (C-1-V)	Monterey County GIS Data/Potential Concerns	Low, Moderate, High Erosion Hazard; Low to High Liquefaction Susceptibility; Slopes Greater Than 25%; and within the 660' buffer of Active/Potentially Active Faults.

Source: Denise Duffy & Associates, Inc.; EPS.

Summary of Findings

Market Context

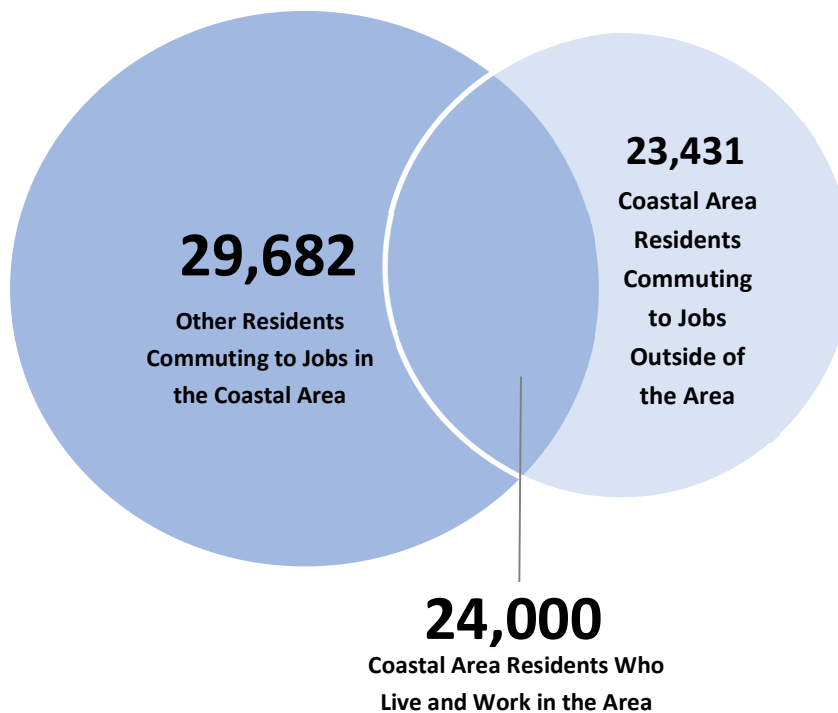
The population of Del Rey Oaks is older, wealthier, more educated, and less diverse than in the surrounding areas, although these contrasts are decreasing. With the exception of former Fort Ord land, the City is mostly built out and has not increased its housing supply significantly in the last 30 years. The City's housing prices, while higher than the immediate surrounding area, are typical for the coastal Monterey County cities between Marina and Carmel-by-the-Sea.

The local economy of coastal Monterey continues to be heavily reliant on tourism, with more than a quarter of current jobs in the area in accommodation and food services, although there is a growing health care and social assistance sector. In the immediate areas around the City, there has also been strong growth in the professional, scientific, and technical services sector. The growth in these sectors combined with high occupancy rates in newer, quality office and flex spaces indicate potential demand for additional workspace development. However, rents have not increased to the level that would likely support construction of new speculative space without a primary tenant identified. More than 55 percent of employees in the coastal cities in Monterey County live outside the area, commuting in for work and residing in communities that are more affordable. The current draft Regional Housing Needs Allocation calls for 396 housing units across 4 affordable income categories to be added in the City between 2023 to 2031.

The City's small size and somewhat peripheral location limit the potential for additional retail space. Existing shopping nodes outside the City that are able to capture a significant share of regional household spending are expected to continue to dominate brick-and-mortar spending for comparison shopping goods, such as apparel and home furnishings. However, the City currently captures significantly more grocery sales than supported by its residents because of the existing Safeway pulling household grocery spending from surrounding communities. In addition, the City receives an influx of restaurant spending because of a handful of high-volume establishments that are able to capitalize on the visibility and accessibility to motorists entering and exiting the area on Monterey-Salinas Highway (SR 68). Specific findings include:

- **Static population and household growth despite great need.** Housing production in Del Rey Oaks has been minimal. Moderately rising incomes, in the 2- and 3-mile radius of Del Rey Oaks, point to continued growth in demand for new housing, while a growing cohort of seniors in the City points to a potential need for specialized housing types and health and social services to support this population. However, incomes in the surrounding areas are likely not high enough to support the purchase of new construction of high-end housing, although estate or executive housing could be feasible, given the views available from the sites to the northeast of SR 218. There is an inflow/outflow ratio of about 230 percent, with more than half of the employees in the coastal cities living outside the area, many likely living in a "drive until you qualify" market that offers housing opportunities more accessible to low-income earners. See **Figure 2**.
- **Ability to capture tourism and visitor-based sectors.** These are key economic drivers in the broader area. Although the City is generally insulated from most of the tourism and visitor-related activity, it is well-positioned to capture spending from visitors and commuters

Figure 2. Monterey County Coastal Cities Inflow/Outflow Commute Patterns



Source: U.S. Census OnTheMap 2019; EPS.

accessing the area via SR 68, as well as WeatherTech Raceway Laguna Seca crews and spectators. In addition, there could be an opportunity to capitalize on existing nearby military and educational sectors or capture some of the growth in health care and professional, scientific, and technical services employment.

- **Mid-range residential price niche.** Del Rey Oaks provides a middle-ground alternative to the very affluent Monterey Peninsula communities to the west and the less affluent cities along the southern Monterey Bay shoreline, with relatively moderate housing prices overall compared with the region. However, the lack of significant housing production throughout the region suggests that housing prices, both regionally and in the City, will continue to rise.
- **Slow and deliberate performance in the Commercial Real Estate (CRE) sector.** Strong occupancy has not yet led to significant rent growth to support new construction across the general commercial real estate market. Higher occupancy rates and rents in newer buildings built since 1990 suggest additional demand for new-construction commercial space. However, rents have not increased to the level that would likely support construction of new speculative space without a primary tenant identified.
- **For hotels, the Monterey-Seaside area consistently performed strongly before the pandemic-induced downturn.** Occupancy levels have improved significantly since the depth of the pandemic but not fully to their pre-pandemic levels, likely because of reduced

business travel. Despite the moderated occupancy recovery, recent average room rates have surpassed their pre-pandemic levels.

Site Recommendations

Site 1 (Main Fort Ord Parcel). The primary use being considered for this parcel, from an economic development feasibility perspective, is residential.¹ Accordingly, the City has issued a Request for Qualifications (RFQ) and has qualified two competing development entities, with the developer selection process expected to culminate in 2022. Although, the adopted Redevelopment Plan allocated 200 units to the site, market changes transpiring in the interim have eliminated golf course resort uses from consideration, with primary focus on a variety of residential prototypes. Current Marina Coast Water District (MCWD)² water demand factors indicate potential for more than 200 units, though this and other assumptions for development and disposition will be vetted through a detailed due diligence phase by the selected site developer. The location of development will be driven by the approvals already granted by Department of Toxic Substances Control (DTSC) relating to the Army's area of remediation. At this stage, topics for City/community consideration include:

- **Range of development prototypes and amount of affordable housing.** The site has the capacity to accommodate a wide variety of residential unit types. Overall preferences for single-family versus multifamily products, the importance of creating a robust mix to help meet Regional Housing Needs Allocation (RHNA) figures, and community preferences may influence the degree to which various categories of affordable housing are sought within the overall development envelope.
- **Activating commercial uses.** As discussed below, other nearby parcels may have the ability to house various facets of commercial development sought by existing and new residents of Del Rey Oaks. These uses may be located off-site or on the Fort Ord parcel.
- **Open space, parks, and community amenities.** Beyond the planned Fort Ord Regional Trail and Greenway (FORTAG) trail, the City has the ability to influence the type and magnitude of recreational, civic, and cultural amenities to be included on the site.

Sites 1A and 2 ("18-acre parcel" and "17-acre parcel"). These parcels are being considered as a potential regional park, with early discussions revolving around the potential sale to habitat interests. As an option, and dependent on the resolution of the Cal-Am moratorium, these sites each have the ability to also include some modicum of commercial development, potentially positioned as a way to offset or help fund the improvement and maintenance of the sites. The late Don Orosco developed a project vision for the site, included in **Appendix Figure A-8**, illustrating one approach that could be taken to activating and adding value to these

¹ The topography of the site, in combination with market factors, makes large-scale commercial uses very unlikely to be feasible. Detailed feasibility metrics are not appropriate for this memorandum, as it is anticipated the City will enter into negotiations with a qualified development entity, where land price and other transaction terms will be negotiated.

² MCWD currently provides water services; Seaside County Sanitation is the current provider of wastewater services.

sites as a potential additional source of City cash flow. As discussed in the market review, a small hotel, coupled with select retail and commercial enterprises, could be a viable concept if skillfully implemented. The combination of habitat, recreation, and experiential retail and accommodations could be a compelling adjunct to the City and substantially improve the City's budget. For example, a 50-room hotel could provide annual transient occupancy tax (TOT) exceeding \$200,000 per annum, assuming average room rates of \$160 per night or higher and 70 percent occupancy.

Site 3 (old driving range behind Safeway). This 13.5-acre parcel is being positioned to accommodate a creative proposal to create a high-end boutique garden center, potentially activated with cafés and other commercial uses along the FORTAG trail. With all services available, assuming the on-site well is viable, this site has an unusual combination of an excellent regional retail location—the only parcel owned by the City to have that—combined with very challenging and unique development conditions. The adjacent Safeway, at some point, may be up for revisioning/repositioning, at which time potential exists to “think big” about a larger mixed-use concept. In the foreseeable future, the City may want to retain control of the parcel by extending a shorter term ground lease, while it explores the ultimate development/disposition strategy for this site and this important entry to Del Rey Oaks.

Site 4 (RV storage behind City Hall). This 1.5-acre parcel is situated behind the City Hall building and has all infrastructure on site. It is well-situated to house industrial and storage uses not dependent on large traffic volumes. This parcel has been considered for small-scale cannabis businesses in the past as a potential ground lease. The site is also an attractive near-term sale option in its as-is state. Specific attention will need to be paid to the interface between potential industrial uses and the FORTAG trail.

Supporting Analysis: Demographic and Market Conditions

Key demographic findings and real estate market conditions are presented below. For several topics, Esri's Business Analyst was used to compare the City's demographics with those of the surrounding areas, using 2-mile and 3-mile rings from the center of the City.³ As shown in **Figure 3**, the 2-mile circle contains nearly the entire City and a significant portion of Seaside, north of Del Rey Oaks. The 3-mile circle contains nearly all of Seaside and a portion of southeast Monterey, as well as portions of unincorporated Monterey County. Detailed demographic trends are summarized in **Table A-1**.

³ These areas are defined as a circle with a radius of 2 miles or 3 miles as measured from a point at the intersection of Canyon Del Rey Boulevard (State Route 218) and Work Avenue. This geography is used for demographic analyses throughout this report. Except as noted, the larger geographies include the smaller geographies.

Figure 3. Demographic Study Areas



Population and Households

The overall number of City residents has been relatively stable since 2010. Current population estimates show that the City lost residents between 2010 and 2021, although the overall change (-0.2 percent) is negligible. These trends hold for the surrounding areas as well. The areas within the 2-mile and 3-mile rings experienced population growth rates of 0.1 percent or less. The City also lost households over this timeframe, going from 701 households in 2010 to an estimated 689 in 2021. The areas within the 2-mile and 3-mile rings experienced negligible household growth during this period. One area where the City does differ significantly from the surrounding area is in the average household size. Del Rey Oaks' average household size of 2.3 people is notably lower than the surrounding area, with average household sizes of 2.8 to 2.9 persons. These trends—stable or declining population and household growth and a smaller average household size than the surrounding area—are projected to continue through 2026.

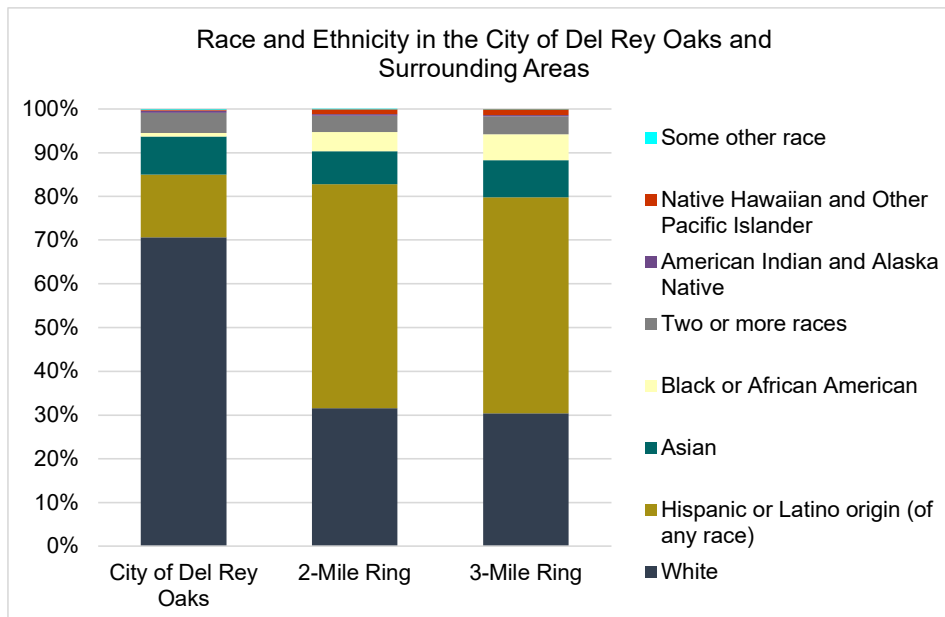
The City's lower average household size is driven by a large share of 1- and 2-person households compared to the surrounding area. Households with 2 people or fewer make up 71.7 percent of all households in the City, compared to just 57.2 percent of households within 2 miles of the City.

In addition, Del Rey Oaks has a much smaller concentration of larger (4 or more people) households. Households with 4 or more people are only 15.5 percent of all households in Del Rey Oaks, compared to 26.5 percent of households in the 2-mile ring surrounding the City. Lastly, Del Rey Oaks has a higher concentration of seniors living alone (15.5 percent of all households) than the area within 2 miles of the City (11.4 percent of all households).

Race

Mirroring trends occurring through metropolitan areas in California,⁴ the City is becoming more racially and ethnically diverse. Between 2010 and 2021, the share of residents identifying as non-Hispanic White fell from 76.2 percent to 70.7 percent, as shown in **Figure 4**. Over the same time period, the share of Hispanic or Latino residents increased from 10.4 percent to 14.3 percent. The significant growth in the Hispanic or Latino population was accompanied by more modest growth in the Asian and multiracial population. These trends in racial and ethnic change are comparable to trends occurring in the surrounding areas. However, the City has a much larger share of White residents and a much smaller share of Hispanic or Latino and Black residents than the surrounding area. For example, the area within 3 miles of the City is 49.4 percent Hispanic or Latino, while the City is 14.3 percent Hispanic or Latino. The difference in the share of non-White residents between the City and surrounding areas has been decreasing over time. Between 2010 and 2021, the share of Hispanic or Latino residents in the City increased by 37.6 percent. Over the same time period, the share of Hispanic or Latino residents in the area within 3 miles of the City increased by only 14.7 percent.

Figure 4. Race and Ethnicity in the City of Del Rey Oaks and Surrounding Areas

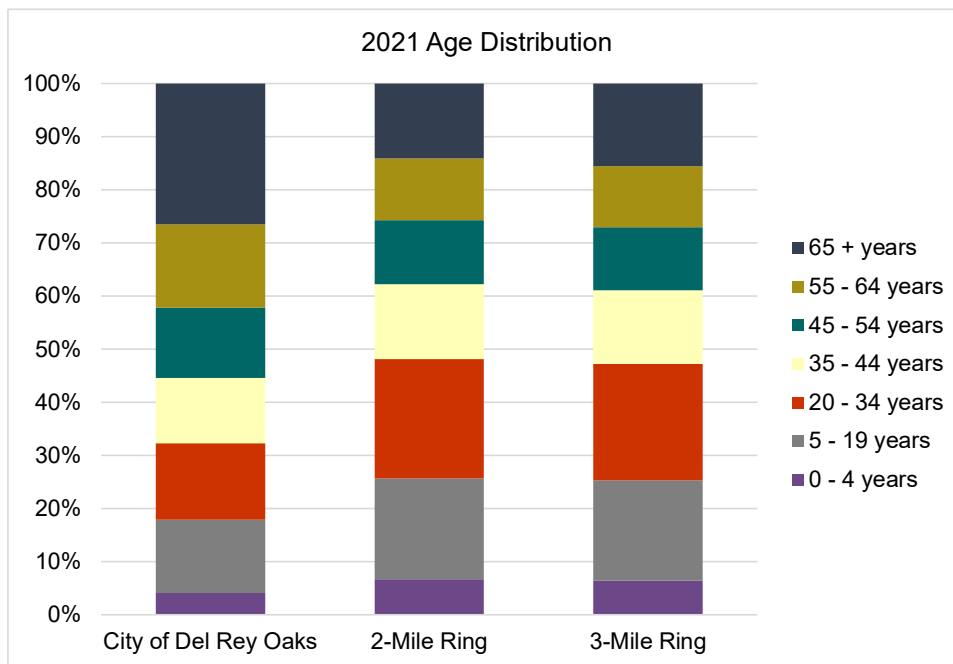


⁴ https://bayareaequityatlas.org/sites/default/files/Final_9_County_BayAreaProfile_0.pdf

Age

As shown in **Table A-1**, the median age of residents in Del Rey Oaks increased from 46.0 to 49.4 between 2010 and 2021. Previous research on other jurisdictions in the United States suggests that this increase is the result of existing residents aging in place, rather than the in-migration of older residents.^{5 6} Del Rey Oaks’ median age is also significantly higher than the surrounding area—the area within 2 miles of the City has a median age of 36.3, and the area within 3 miles of the City has a median age of 36.9. As shown in **Figure 5**, the increase in Del Rey Oaks’ median age is largely driven by a significant growth in the share of residents aged 65 and older, which increased from 19.0 percent in 2010 to 26.6 percent in 2021. This cohort of residents was the only age group to increase their relative share of Del Rey Oaks’ residents over this time period. The areas surrounding the City also saw significant growth in their 65 and older population, although both the growth rate and relative share of this population is lower in surrounding areas than in the City.

Figure 5. Age Distribution in the City of Del Rey Oaks and Surrounding Areas



Educational Attainment

As shown in **Figure 6**, Del Rey Oaks’ population is more highly educated than the surrounding area. While only 24.7 percent of adults in Monterey County have a bachelor’s degree or higher,⁷ 55.9 percent of Del Rey Oaks residents have a bachelor’s degree, including the 22.6 percent of the City’s population that has a graduate or professional degree. Similarly, the share of residents

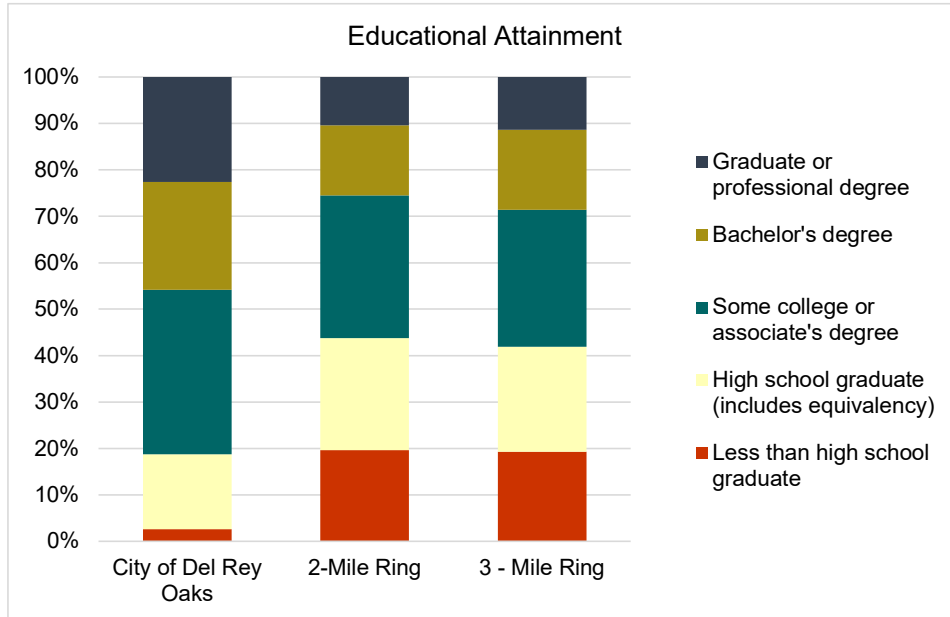
5 <https://www.huduser.gov/publications/pdf/hud-11687.pdf>

6 <https://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2016/06/20/can-car-centric-suburbs-adjust-to-aging-baby-boomers>

7 <https://www.ppic.org/blog/geography-of-educational-attainment-in-california/>

who have not graduated high school is much lower in the City (2.4 percent) than the area within 2 miles of the City (18.0 percent).

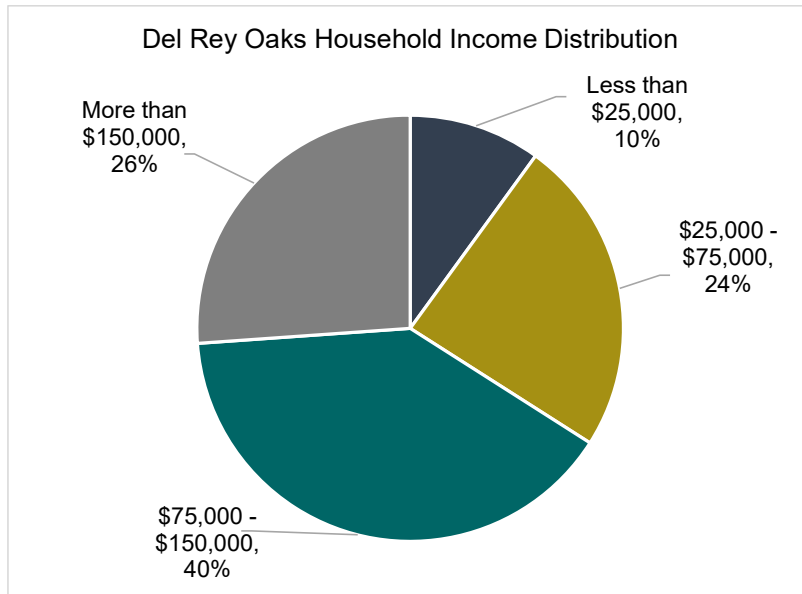
Figure 6. Educational Attainment in Del Rey Oaks and Surrounding Areas



Income

The City’s median household income is also much higher than the surrounding area. Between 2010 and 2021, the median household income grew by \$6,420, adjusting for inflation, as shown in **Table A-1**. The estimated 2021 median household income for Del Rey Oaks of \$103,703 is 48 percent higher than the median household income for the area within 2 miles of the City, which is \$70,066. As shown in **Figure 7**, more than a quarter of the City’s households have incomes above \$150,000, while just 10 percent of households earn under \$25,000.

Figure 7. City of Del Rey Oaks Household Income Distribution



Conclusions from Demographic Analysis

Population and household growth, combined with moderately rising incomes, in the 2- and 3-mile radius of Del Rey Oaks point to continued growth in demand for new housing, while a growing cohort of seniors in the City points to a potential need for specialized housing types and health and social services to support this population. However, incomes in the surrounding areas are likely not high enough to support the purchase of new construction of high-end housing, although estate or executive housing could be feasible, given the views available from the sites to the northeast of SR 218.

Key Economic Trends

Employment

As Del Rey Oaks is largely composed of residential land uses, employment in the City is limited. The Census Bureau's OnTheMap service estimated that in 2018, the latest year for which data are available, there were approximately 290 jobs within the city limits, as shown in **Table A-3**. The largest group of jobs in the City is in the retail trade sector, which includes workers employed at grocery stores, gas stations, and pharmacies. Within a 3-mile radius of the City, where there were 23,867 jobs in 2018, the largest sectors are retail trade, professional, scientific, and technical services, health care and social assistance, and accommodation and food services. Retail Trade jobs experienced little growth in this time, growing only 6.6 percent, but Health Care and Social Assistance jobs grew by more than 70 percent, and professional, scientific, and technical services jobs grew by more than 30 percent. Educational services, which was a significant source of jobs in 2010 in this geography, lost nearly one-fifth of its jobs between 2010 and 2018.

In the larger South Monterey Bay Cities⁸ geography, accommodation and food services, which make up more than a quarter of all jobs, experienced 37.3 percent growth between 2010 and 2018, highlighting the recovery of the tourism industry following the recession. Retail trade jobs also experienced stronger growth in this geography compared to the City and immediate surroundings. **Figure 8** illustrates the change in employment by sector between 2010 and 2018 for the larger South Monterey Bay area.

Figure 8. South Monterey Bay Cities Employment by Sector, 2010 & 2018

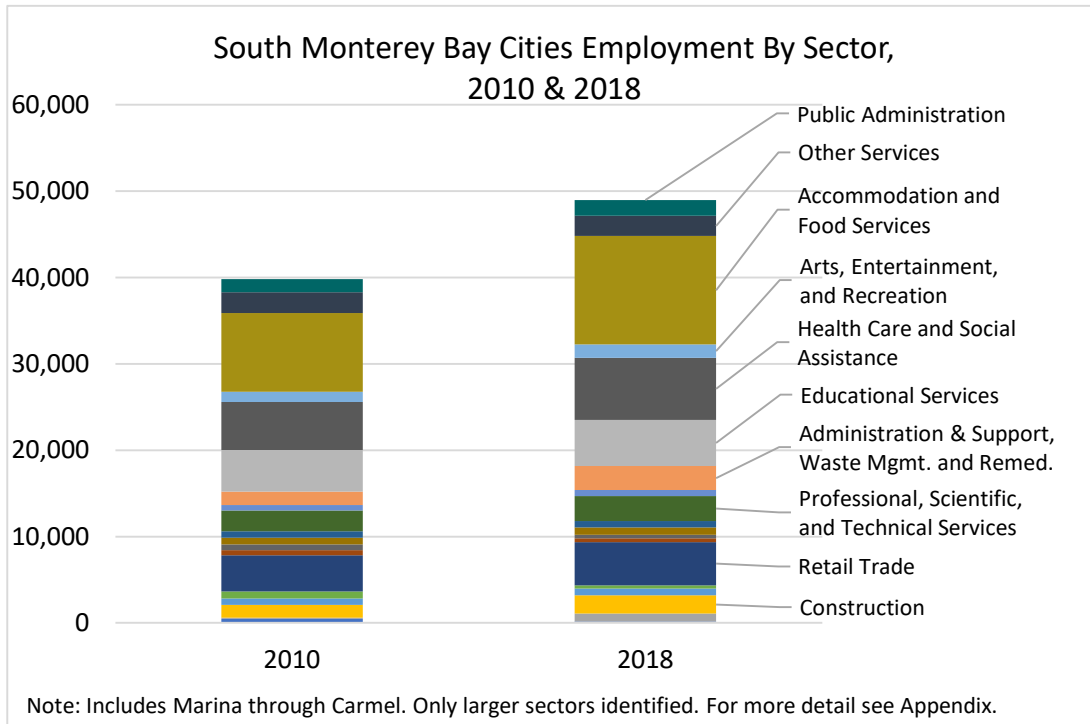


Table 1 shows employment projections by industry for Monterey County. Both educational, health care, and social assistance services and leisure and hospitality are projected to have double-digit growth between 2018 and 2028. As these industries represent a significant share of total employment in the vicinity of the City, as well as the larger South Monterey Bay Cities area, strong primary employment growth in these sectors is expected for these areas.

⁸ Includes the Cities of Marina, Seaside, Sand City, Del Rey Oaks, Monterey, Pacific Grove, Carmel by-the-Sea, and the Census Designated Place of Del Monte.

Table 1. Employment Projections for Monterey County, 2018–2028

Item	2018		2028		Growth 2018 - 2028
	Total	Share	Total	Share	
Mining and Logging	200	0%	200	0%	0%
Total Farm	55,000	28%	61,400	29%	12%
Construction	6,400	3%	7,100	3%	11%
Manufacturing	5,400	3%	5,300	2%	-2%
Trade, Transportation, and Utilities	26,700	13%	27,700	13%	4%
Information	1,000	1%	1,000	0%	0%
Financial Activities	4,500	2%	4,400	2%	-2%
Professional and Business Services	14,000	7%	14,900	7%	6%
Educational Services (Private), Health Care, and Social Assist.	19,900	10%	23,400	11%	18%
Leisure and Hospitality	25,300	13%	28,100	13%	11%
Other Services (excludes 814-Private Household Workers)	5,100	3%	5,300	2%	4%
Government	34,500	17%	35,700	17%	3%
Total Employment	198,000		214,500		8%

Source: State of California Economic Development Department Local Employment Projections

Retail Spending

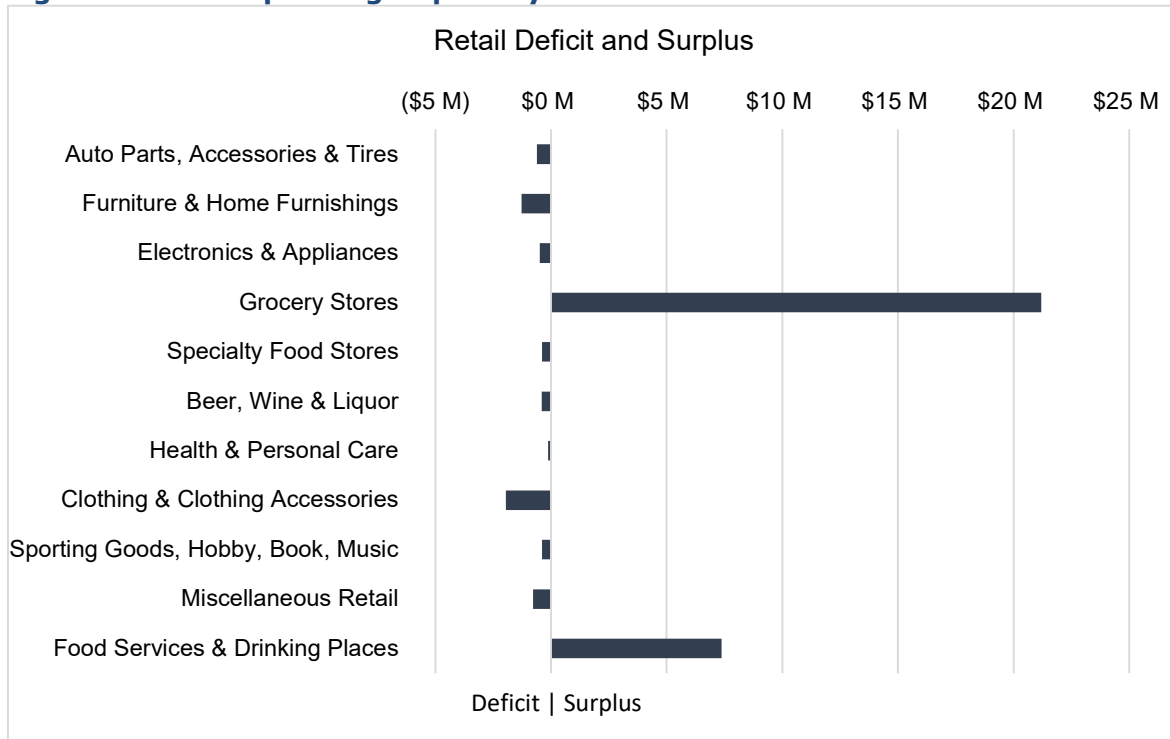
Figure 9 illustrates the relative alignment of potential retail spending by Del Rey Oaks households and the captured retail spending in the City.⁹ Spending categories in which the City captures greater spending than its population would support are depicted as a retail surplus; those in which greater spending flows out of the City are depicted as deficits (i.e., gaps). The most notable characteristic of retail spending is the large amount of grocery spending in the city limits that comes from outside Del Rey Oaks. This large grocery surplus is driven by the Safeway at the corner of N Fremont Street and Canyon Del Rey Boulevard, which attracts the bulk of its shoppers from outside the City and benefits from its location at the corner of two major thoroughfares.

Large retail gaps are noted both in the City and surrounding areas in the furniture and home furnishings, clothing and clothing accessories, and sporting goods, hobby, book, and music categories. These types of goods tend to be purchased at big box stores or large regional shopping malls with good access to regional/subregional trade area households, or online. The City’s current retail voids would not necessarily support additional retailers in those categories; however, any strong retail concept that is well executed and able to pull spending from the larger area (i.e., a destination retailer) could potentially succeed, assuming adequate access and visibility. Additional household spending from new residential development on the Fort Ord site and beyond could help support additional specialty grocery retail, particularly if it is positioned to

⁹ Retail gap analysis based on Esri Business Analyst estimates, which are based on Bureau of Labor Statistics (BLS) spending estimates and household characteristics from the Census Bureau. Esri is a highly regarded national GIS-based data provider that compiles source data from numerous government and other sources, which are then estimated to the current date and projected forward for user-selected geographies using proprietary algorithms.

also draw additional shoppers seeking specialty items from beyond Del Rey Oaks. The detailed retail spending data are located in **Table A-2**.

Figure 9. Retail Spending Gap Analysis



Source: Esri; EPS.

Conclusions from Economic Trends

Tourism and visitor-based sectors are key economic drivers in the broader area. The City is generally insulated from most of the tourism and visitor-related activity. However, the City is well-positioned to capture spending from visitors and commuters accessing the area via SR 68, as well as WeatherTech Raceway Laguna Seca crews and spectators. In addition to potential TOT, visitor spending on prepared meals and other retail goods can add significant sales tax revenues. In addition, as evidenced by activity in Ryan Ranch, there could be an opportunity to capture some of the growth in health care and social services and professional, scientific, and technical services employment.

Residential Real Estate Market

Housing Stock

According to the California Department of Finance, Del Rey Oaks’ housing stock consists of 741 units, with no units produced or demolished since 2010, as shown in **Table 2**. Of those 741 units, the vast majority (79 percent) are single-family detached units, while all multifamily housing represents less than a fifth (18 percent) of housing units. **Table 3** shows that nearly all housing units in Del Rey Oaks were built before 1985, with nearly three quarters (74 percent) being built before 1965. Building permit data from the City confirm that no new units were built

between 2015 and 2019, as shown in **Table 4**. However, the City did permit one new housing unit, an accessory dwelling unit, in 2020. Among its neighbors, the City has the lowest absolute and population-adjusted housing production numbers between 2015 and 2019.

Table 2. Units in Structure—City of Del Rey Oaks

Item Item	Total Housing Units	Single Detached	Single Attached	Two to Four	Five Plus	Mobile Homes
2010	741	79%	3%	3%	15%	0%
2021	741	79%	3%	3%	15%	0%

Source: California Department of Finance E-5 Series; EPS.

Note: California Department of Finance estimate does not include the Accessory Dwelling Unit that the City of Del Rey Oaks permitted in 2020.

Table 3. Units by Age of Structure

Age of Structure	Total Units [1]	Percent
Less than 10 years	3	0%
10 - 19 years	0	0%
20 - 29 years	17	2%
30 - 39 years	116	16%
40 - 49 years	59	8%
50 or more years	550	74%
Total	745	100%

Source: American Community Survey 5-Years Estimates 2015 - 2019 Table B25034; EPS.

[1] American Community Survey estimates for total unit count are not consistent with California Department of Finance estimates. This table provides a reasonable estimate of the proportion of units within various age categories, not an exact count.

Table 4. Housing Units Permitted by Year, 2015–2020

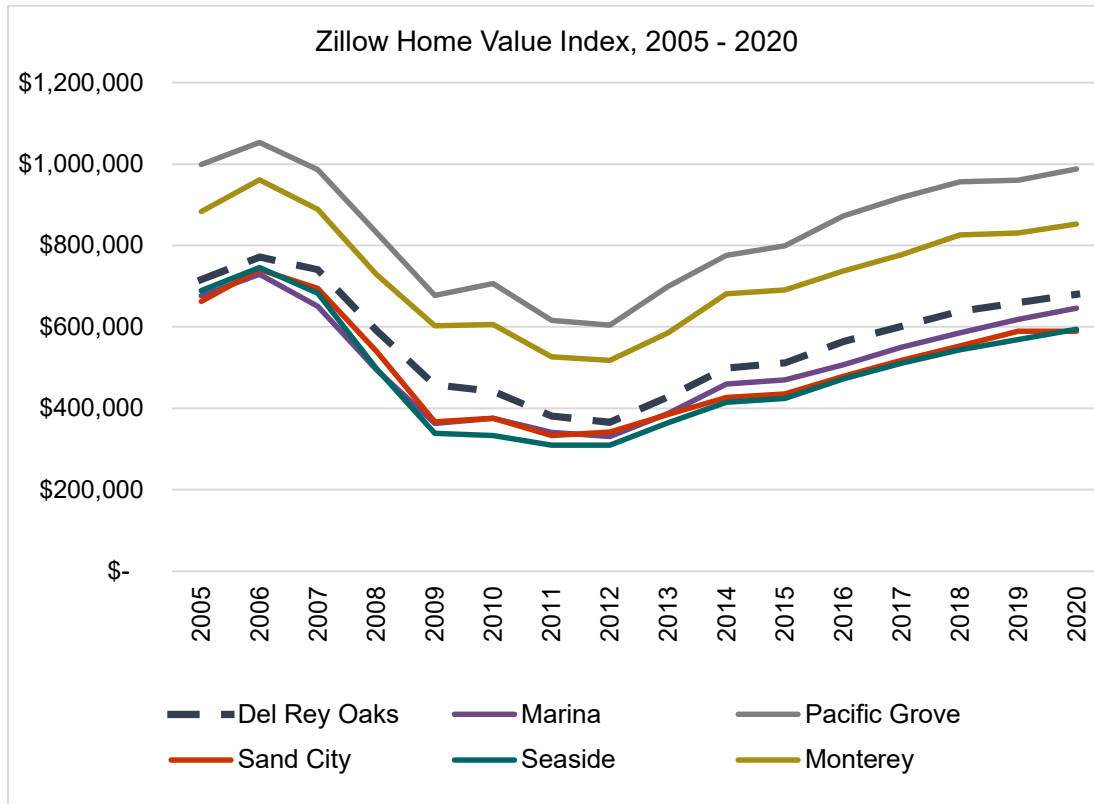
Item	2015	2016	2017	2018	2019	2020	Total 2015 - 2020	2010 Population	Units per 1,000 residents
Del Rey Oaks	0	0	0	0	0	1	1	1,624	0.6
Carmel	0	0	0	7	0	0	7	3,722	1.9
Marina	61	74	217	121	76	75	624	19,718	31.6
Pacific Grove	25	4	1	13	5	33	81	15,041	5.4
Sand City	0	0	0	0	4	0	4	334	12.0
Seaside	1	1	1	3	5	238	249	33,025	7.5
Salinas	53	93	78	166	108	210	708	150,441	4.7
Monterey	57	2	29	4	3	13	108	27,810	3.9

Source: California Department of Housing and Community Development 5th Cycle Housing Element Annual Progress Report; 2010 Decennial Census; EPS.

Housing Price

Since 2005, overall trends in housing price in Del Rey Oaks have been comparable to the surrounding cities, as shown in **Figure 10**. As recorded by the Zillow Home Value Index (ZHVI), which measures the typical value for homes in the 35th to 65th percentile of a given geography, home prices experienced steadily increasing growth from 2005 to 2006. After peaking in 2006, home prices declined rapidly during the Great Recession, reaching their nadir in 2012. As of 2020, the latest year for which the ZHVI data are available, home prices in Del Rey Oaks and surrounding cities still had not reached their inflation-adjusted peak prices of 2006.

Figure 10. Zillow Home Value Index, 2005–2020



As shown in **Table 5**, Del Rey Oaks’ housing prices and price growth have consistently been towards the median when compared to neighboring coastal cities in Monterey County, including Marina, Pacific Grove, Sand City, Seaside, and Monterey.

Table 5. Zillow Home Value Index by Year, 1996-2020

City Item	1996	2000	2005	2010	2015	2020	% Growth (2010 - 2020)
Del Rey Oaks	\$ 218,450	\$ 333,517	\$ 715,988	\$ 442,138	\$ 511,931	\$ 680,763	54%
Marina	\$ 196,149	\$ 293,690	\$ 676,689	\$ 375,342	\$ 469,975	\$ 646,310	72%
Pacific Grove	\$ 341,061	\$ 539,225	\$ 998,878	\$ 706,077	\$ 799,069	\$ 987,793	40%
Sand City	\$ 190,682	\$ 301,346	\$ 662,171	\$ 375,447	\$ 434,894	\$ 589,636	57%
Seaside	\$ 184,170	\$ 284,715	\$ 689,450	\$ 333,056	\$ 423,678	\$ 594,220	78%
Monterey	\$ 293,446	\$ 466,961	\$ 883,392	\$ 606,453	\$ 690,654	\$ 853,196	41%

Source: Zillow; EPS.

[1] The Zillow Home Value Index reflects the typical value for homes in the 35th to 65th percentile range.

[2] All values in nominal dollars.

Conclusions from Residential Real Estate Market

Del Rey Oaks provides a middle-ground alternative to the very affluent Monterey Peninsula communities to the west and the less affluent cities along the southern Monterey Bay shoreline,

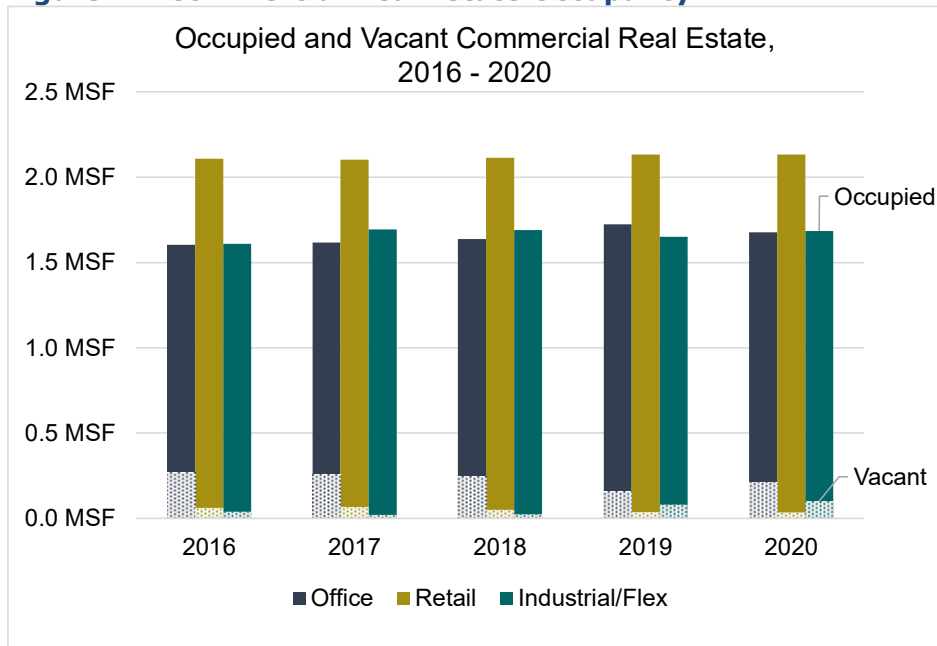
with relatively moderate housing prices overall compared with the region. However, the lack of significant housing production throughout the region suggests that housing prices, both regionally and in the City, will continue to rise.

Commercial Real Estate Market

Table A-4 shows trends in the commercial real estate market in the 2-mile radius around the City between 2010 and 2019. The retail space market has been extremely tight, with occupancy above 97 percent every year since 2015 and only 5,800 square feet of new space coming onto the market in that same time. Usually, this low level of vacancy would drive significant price increases for retail space, followed by new construction to capture these higher rents. Rents increased notably between 2015 and 2017 but have not increased significantly since 2017 and are not high enough to support new construction. The stability of retail rent levels could be a function of the quality of space available or long-term leases that stabilize rents at the time of lease signings. Indeed, when examining commercial real estate buildings constructed after 1990, as shown in **Table A-5**, which are presumed to be of higher quality than the average retail space, rents are approximately \$6 per square foot higher than the general sample. However, even among those spaces, rents stabilized after 2018.

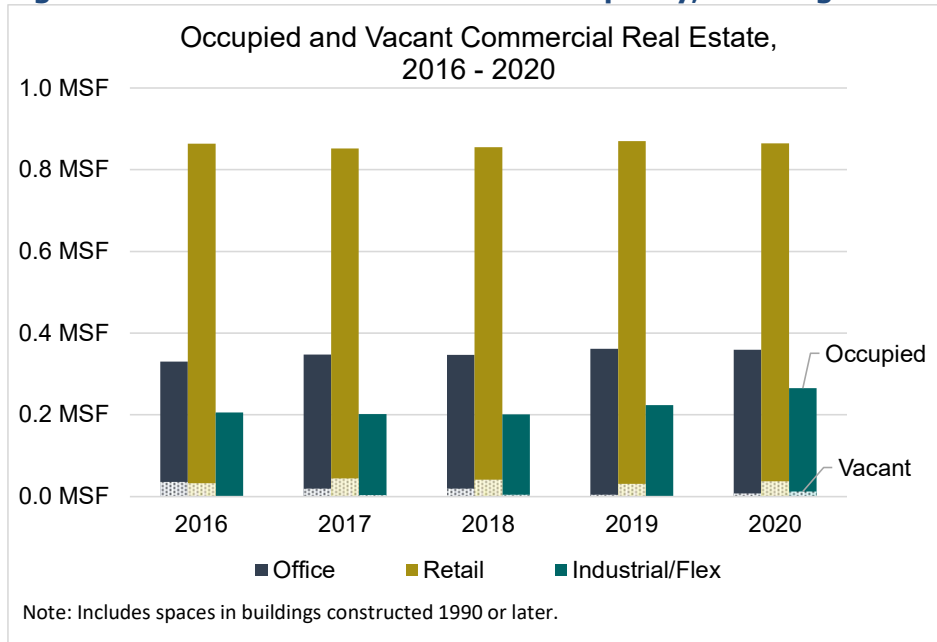
Among all office spaces, significant vacancy rates have been the most noteworthy trend between 2010 and 2020. Since 2014, the occupancy rate has not exceeded 92 percent, as shown in **Figure 11**. However, higher quality office space built since 1990 has had occupancy rates above 98 percent for the past 2 years, as shown in **Figure 12**, and data from 2021 show that rents have increased significantly since 2018.

Figure 11. Commercial Real Estate Occupancy



Source: Costar; EPS.

Figure 12. Commercial Real Estate Occupancy, Buildings Constructed Since 1990



Source: Costar; EPS.

Relative to office and retail space, there is a lower supply of industrial space in the 2-mile radius around Del Rey Oaks, with the total inventory of industrial space being approximately 55 percent of the total retail space. Occupancy was strong above 98 percent between 2015 and 2018, even with the delivery of 65,000 square feet of new space in 2017. However, the addition of approximately 18,000 square feet in 2019 combined with another approximately 18,000 square feet of negative net absorption in 2020 and 2021 has pushed the current occupancy rate down to 93 percent. Rents for industrial space did increase from \$13.14 per square foot to \$16.56 per square foot since 2016, even with the higher vacancy rate over the last 2 years. Only 77,342 square feet of industrial space has been constructed since 1990, and rents are not significantly higher for newer industrial space. The map in **Figure 13** illustrates the locations of industrial properties in the area that are included in the Costar data accessed for this analysis.

Figure 13. Industrial Properties Within 3-Mile Radius of Del Rey Oaks



Source: Costar.

(Note: Blue pins indicate properties known to be actively leasing or selling.)

Flex space is the smallest category of commercial space examined in this report, with fewer than 600,000 square feet of total space across the 2-mile radius. Rent levels have been volatile, spiking to \$18.55 per square foot in 2015 before dropping to \$13.80 the very next year. Since 2018, rents have steadily increased each year to their current level of \$18.30. Much of this volatility likely is due to the small sample size of flex space, whereby one or two lease signings can greatly impact the average rent for the overall category of space. Occupancy has been mostly stable since 2015, never dipping below 95 percent in this time frame. In 2020, approximately 54,000 square feet of new construction became available and was leased, pushing the average rent for post-1990 constructed flex space to \$27.60 per square foot.

Hotel Market

The Monterey-Seaside area hotel market consistently performed strongly before the pandemic-induced downturn. Occupancy levels have improved significantly since the depth of the pandemic but not fully to their pre-pandemic levels, likely because of reduced business travel. Despite the moderated occupancy recovery, recent average room rates have surpassed their pre-pandemic levels as demand for drive-to destinations has increased. **Figures 14** and **15** illustrate the local area hotel occupancy and room rate trends.

Figure 14. Hotel Occupancy

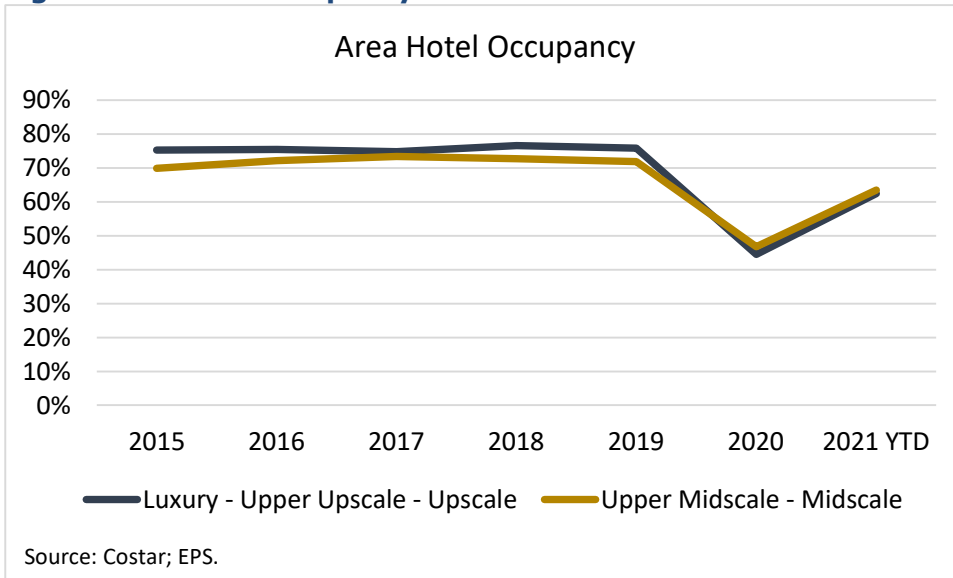
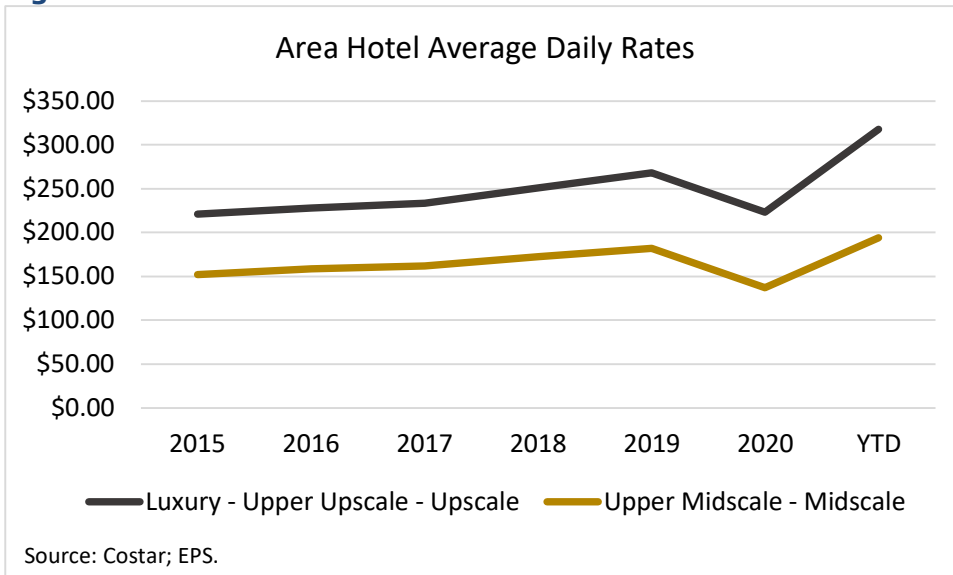


Figure 15. Hotel Room Rates



Comparable Land Sales

Analysis completed in 2019 for potential industrial use of the public works site identified several industrial or flex use comparable land sales with a per-acre value averaging about \$400,000. More recent land sales in the area indicate a wide range of potential value, based on specific location and intended land use, with prime retail and hotel sites garnering more than \$1 million per acre. Less well-located commercial sites have seen sales in the \$200,000 to \$400,000 per-acre range. The most recent comparable sales data for nearby Ryan Ranch were in the \$200,000 range; however, several years have elapsed since any land sales occurred in the project.

Table 6 summarizes the comparable land sales data identified.

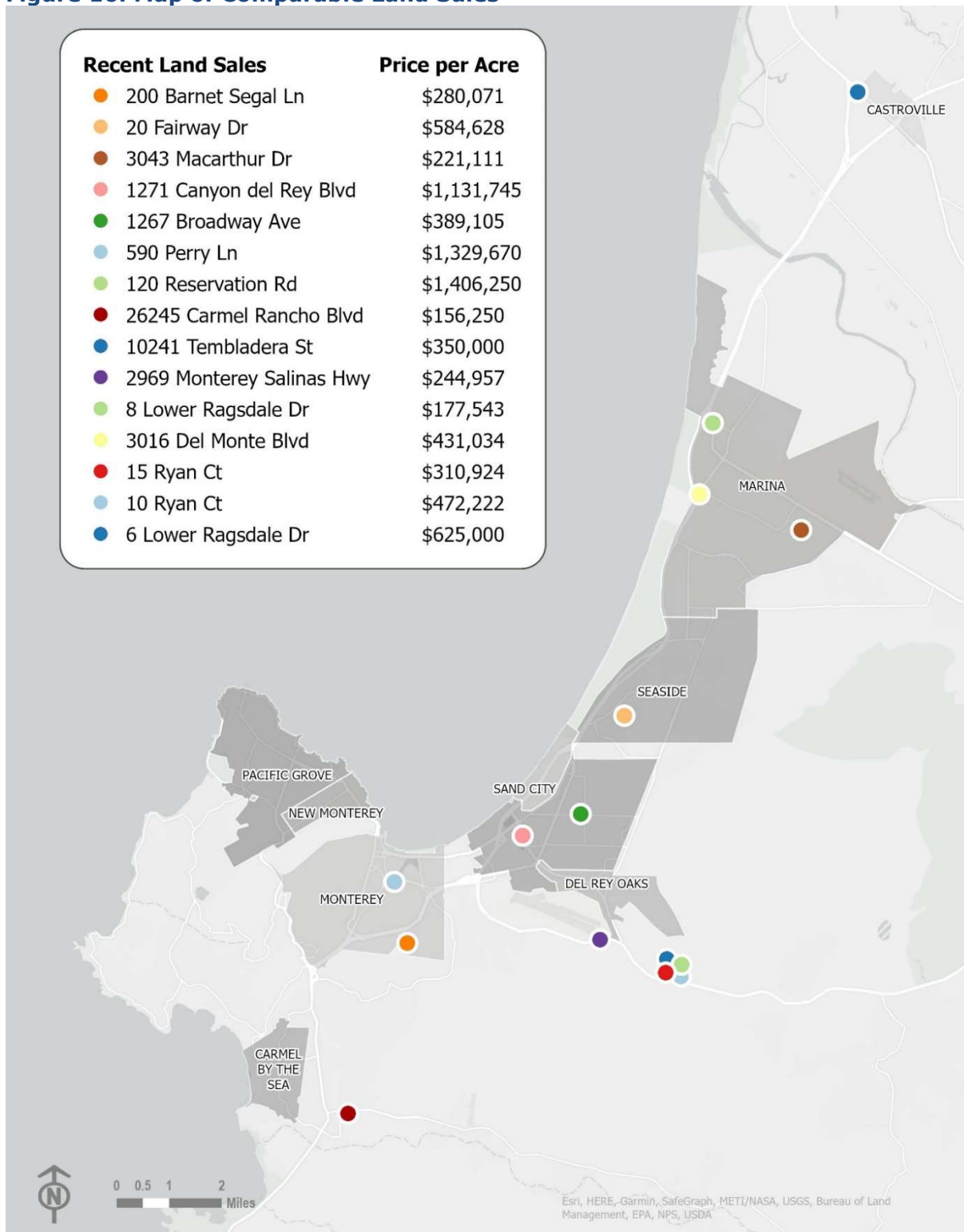
Table 6. Comparable Land Sales

Sale Date	City	Address	Sale Price	Acres	Price per Acre	On Market	Proposed Use
Sales Since 2019							
5/11/21	Monterey	200 Barnet Segal Ln	\$ 4,750,000	16.96	\$ 280,071	649 days	Commercial/PUD
10/2/20	Seaside	Fairway Dr & Fairway Ct	\$ 7,150,000	12.23	\$ 584,628	NA	SF Residential
9/30/20	Marina	3043 MacArthur Dr	\$ 17,114,000	77.40	\$ 221,111	NA	SF Residential
8/11/20	Seaside	1271 Canyon Del Rey	\$ 1,063,840	0.94	\$ 1,131,745	1,439 days	Retail - Hold
7/14/20	Seaside	Broadway Ave	\$ 1,000,000	2.57	\$ 389,105	1,405 days	Commercial
5/19/20	Monterey	590 Perry Ln	\$ 2,420,000	1.82	\$ 1,329,670	NA	"Redevelopment"/Hold
12/20/19	Marina	120 Reservation Rd	\$ 2,700,000	1.92	\$ 1,406,250	NA	Hotel
Average of per Acre Sale Price					\$ 763,226		
Weighted Average Sale Price per Acre					\$ 317,971		
Ryan Ranch Sales							
3/16/18	Monterey	8 Lower Radsdale Dr	\$ 2,200,000	14.08	\$ 156,250	268 days	Commercial/Medical
8/5/17	Monterey	15 Ryan Ct	\$ 350,000	1.00	\$ 350,000	316 days	Office
3/17/16	Monterey	10 Ryan Ct	\$ 1,700,000	6.94	\$ 244,957	NA	Commercial
8/24/15	Monterey	6-8 Lower Ragsdale Dr	\$ 1,850,000	10.42	\$ 177,543	426 days	Office/Medical
Average of per Acre Sale Price					\$ 232,187		
Weighted Average Sale Price per Acre					\$ 188,039		
2018 Industrial Analysis							
12/21/18	Carmel Valley	00 Carmel Valley Rd	\$ 2,500,000	5.80	\$ 431,034		
8/13/18	Monterey	2969 Monterey Salinas Hwy	\$ 1,850,000	5.95	\$ 310,924		
8/15/18	Castroville	10241 Tembladera St	\$ 850,000	1.80	\$ 472,222		
12/29/17	Marina	3016 Del Monte Blvd	\$ 550,000	0.88	\$ 625,000		
8/5/17	Monterey	15 Ryan Ct	\$ 350,000	1.00	\$ 350,000		
Average of per Acre Sale Price					\$ 437,836		
Weighted Average Sale Price per Acre					\$ 395,334		

Source: Costar; EPS.

Locations of the identified land sales are shown in **Figure 16**.

Figure 16. Map of Comparable Land Sales



Conclusions from Commercial Real Estate Market

Strong occupancy has not yet led to significant rent growth to support new construction across the general commercial real estate market. Higher occupancy rates and rents in newer buildings built since 1990 suggest additional demand for new-construction commercial space. However, rents have not increased to the level that would likely support construction of new speculative space without a primary tenant secured.

The hotel market in the area has exhibited consistently solid performance in the years leading up to the pandemic and appears on course to return to a similar level of performance. While hotel sector performance has been strong, historic occupancy rates do not indicate a significant under-supply of rooms. Therefore, hotel sizing should respond to localized demand factors. A moderate sized mid-range hotel in Del Rey Oaks could be positioned to capitalize on WeatherTech Raceway event attendees and other visitors to the Monterey Region, particularly those entering the area via SR 68.

A combination of limited supply and limited demand have historically resulted in a low volume of land sale activity in the area. Sales prices vary considerably depending on location and proposed use, with prime retail, hotel, and residential sites garnering the highest sales values.



APPENDIX

Table A-1 Demographic Assessment: Key Characteristics – City of Del Rey Oaks, 1-Mile Ring, and 2-Mile Ring

Item Category	Census/ACS 2010	Estimated 2021	Projected 2026	Estimated Change 2010-2021	Average Annual Rate of Change 2010-2021	Projected Change 2020-2026	Average Annual Rate of Change 2020-2026
<i>City of Del Rey Oaks</i>							
Population	1,624	1,585	1,575	(39)	-0.2%	(10)	-0.1%
Households	701	689	686	(12)	-0.2%	(3)	-0.1%
Average Household Size	2.32	2.30	2.30	(0.02)	-0.1%	0.00	0.0%
Percent Owner-Occupied Units	73.8%	77.4%	77.7%	3.6%	0.4%	0.3%	0.1%
Median Age	46.0	49.4	49.4	3.4	0.7%	0.0	0.0%
Median Household Income - nominal\$	\$81,154	\$103,703	\$108,378	\$22,549	2.3%	\$4,675	0.9%
Median Household Income - 2021\$ [3]	\$97,283	\$103,703	\$99,311	\$6,420	0.6%	-\$4,392	-0.9%
<i>2-Mile Ring [1]</i>							
Population	15,981	16,152	16,257	171	0.1%	105	0.1%
Households	5,518	5,628	5,675	110	0.2%	47	0.2%
Average Household Size	2.9	2.8	2.8	(0.03)	-0.1%	0.00	0.0%
Percent Owner-Occupied Units	46.3%	50.6%	50.7%	4.2%	0.8%	0.1%	0.0%
Median Age	35.0	36.3	36.8	1.3	0.3%	0.5	0.3%
Median Household Income - nominal\$	N/A	\$70,066	\$80,119	N/A	N/A	\$10,053	2.7%
Median Household Income - 2021\$ [3]	N/A	\$70,066	\$73,416	N/A	N/A	\$3,350	0.9%
<i>3-Mile Ring [1]</i>							
Population	34,589	34,694	34,859	105	0.0%	165	0.1%
Households	11,947	12,074	12,145	127	0.1%	71	0.1%
Average Household Size	2.9	2.9	2.9	(0.02)	-0.1%	0.00	0.0%
Percent Owner-Occupied Units	48.1%	52.4%	52.8%	4.3%	0.8%	0.3%	0.1%
Median Age	35.5	36.9	37.6	1.4	0.4%	0.7	0.4%
Median Household Income - nominal\$	N/A	\$73,547	\$82,918	N/A	N/A	\$9,371	2.4%
Median Household Income - 2021\$ [3]	N/A	\$73,547	\$75,981	N/A	N/A	\$2,434	0.7%

Source: Esri; EPS.

[1] Based on a central point at the intersection of Canyon Del Rey Boulevard (State Route 218) and Work Avenue.

[2] Esri household income forecasts adjusted to 2021\$ based on annual average CPI change from 2015-2020 for West region urban workers in metros of 2.5 million or less. Median income shown for 2010 is 2011 figure from previous study, inflated/deflated per CPI change from 2011-2020.

Table A-2 Retail Demand and Supply – City of Del Rey Oaks, 2-Mile Ring and 3-Mile Ring

Item Retail Industry Group [1]	Demand	Supply	Retail Gap / (Surplus)	Leakage/ (Surplus) Factor	Number of Businesses
City of Del Rey Oaks					
Auto Parts, Accessories & Tires	\$608,712	\$0	\$608,712	100.0	0
Furniture & Home Furnishings	\$1,270,683	\$0	\$1,270,683	100.0	0
Electronics & Appliances	\$1,234,942	\$757,672	\$477,270	24.0	2
Grocery Stores	\$4,634,705	\$25,822,970	(\$21,188,265)	(69.6)	2
Specialty Food Stores	\$382,350	\$0	\$382,350	100.0	0
Beer, Wine & Liquor	\$409,052	\$0	\$409,052	100.0	0
Health & Personal Care	\$2,380,268	\$2,250,353	\$129,915	2.8	1
Clothing & Clothing Accessories	\$2,377,524	\$417,730	\$1,959,794	70.1	1
Sporting Goods, Hobby, Book & Music	\$1,057,905	\$669,883	\$388,022	22.5	1
Miscellaneous Retail	\$1,281,209	\$510,629	\$770,580	43.0	1
Food Services & Drinking Places	\$3,654,220	\$11,031,030	(\$7,376,810)	(50.2)	9
Subtotal [1]	\$19,291,570	\$41,460,267	(\$22,168,697)	NA	17
2 - Mile Ring [2]					
Auto Parts, Accessories & Tires	\$3,323,322	\$3,771,207	(\$447,885)	(6.3)	4
Furniture & Home Furnishings	\$6,734,090	\$3,006,849	\$3,727,241	38.3	4
Electronics & Appliances	\$6,777,436	\$8,700,006	(\$1,922,570)	(12.4)	7
Grocery Stores	\$26,477,189	\$39,551,000	(\$13,073,811)	(19.8)	12
Specialty Food Stores	\$2,205,770	\$6,234,080	(\$4,028,310)	(47.7)	3
Beer, Wine & Liquor	\$2,283,788	\$1,305,380	\$978,408	27.3	2
Health & Personal Care	\$12,768,054	\$9,450,197	\$3,317,857	14.9	4
Clothing & Clothing Accessories	\$13,728,654	\$3,153,928	\$10,574,726	62.6	8
Sporting Goods, Hobby, Book & Music	\$6,004,005	\$4,673,442	\$1,330,563	12.5	5
Miscellaneous Retail	\$6,845,815	\$10,640,939	(\$3,795,124)	(21.7)	10
Food Services & Drinking Places	\$20,579,445	\$29,732,591	(\$9,153,146)	(18.2)	34
Subtotal [1]	\$107,727,568	\$120,219,619	(\$12,492,051)	NA	93
3 - Mile Ring [2]					
Auto Parts, Accessories & Tires	\$7,294,090	\$24,127,391	(\$16,833,301)	(53.6)	19
Furniture & Home Furnishings	\$14,822,381	\$10,575,482	\$4,246,899	16.7	15
Electronics & Appliances	\$14,939,007	\$23,733,370	(\$8,794,363)	(22.7)	13
Grocery Stores	\$57,290,628	\$118,028,649	(\$60,738,021)	(34.6)	28
Specialty Food Stores	\$4,764,003	\$16,567,040	(\$11,803,037)	(55.3)	8
Beer, Wine & Liquor	\$4,987,767	\$2,292,523	\$2,695,244	37.0	4
Health & Personal Care	\$27,980,375	\$34,312,807	(\$6,332,432)	(10.2)	14
Clothing & Clothing Accessories	\$29,960,892	\$11,648,777	\$18,312,115	44.0	20
Sporting Goods, Hobby, Book & Music	\$13,081,279	\$12,021,444	\$1,059,835	4.2	15
Miscellaneous Retail	\$14,978,950	\$47,702,007	(\$32,723,057)	(52.2)	36
Food Services & Drinking Places	\$44,782,955	\$87,243,047	(\$42,460,092)	(32.2)	113
Subtotal [1]	\$234,882,327	\$388,252,537	(\$153,370,210)	NA	285

Source: Esri; EPS.

[1] Excludes auto dealers and repair shops, gasoline stations, and nonstore retailers.

[2] Based on a central point at the intersection of Canyon Del Rey Boulevard (State Route 218) and Work Avenue.

Table A-3 Employment by Industry for Del Rey Oaks and Surrounding Areas

Item	City of Del Rey Oaks			2-Mile Radius [1]			3-Mile Radius [1]			South Monterey Bay Cities		
	2010	2018	Change (2010 to 2018)	2010	2018	Change (2010 to 2018)	2010	2018	Change (2010 to 2018)	2010	2018	Change (2010 to 2018)
	Total	Total		Total	Total		Total	Total		Total	Total	
Agriculture, Forestry, Fishing and Hunting	0	0	-	90	67	(25.6%)	101	345	241.6%	457	174	(61.9%)
Mining, Quarrying, and Oil and Gas Extraction	0	0	-	0	0	-	0	0	-	0	0	-
Utilities	0	0	-	59	465	688.1%	66	465	604.5%	164	898	447.6%
Construction	25	18	(28.0%)	759	1,119	47.4%	849	1,251	47.3%	1,469	2,135	45.3%
Manufacturing	0	0	-	725	541	(25.4%)	782	718	(8.2%)	719	765	6.4%
Wholesale Trade	0	0	-	397	182	(54.2%)	732	361	(50.7%)	815	423	(48.1%)
Retail Trade	25	113	352.0%	2,180	2,256	3.5%	2,467	2,629	6.6%	4,239	4,980	17.5%
Transportation and Warehousing	0	0	-	885	926	4.6%	918	993	8.2%	603	446	(26.0%)
Information	0	2	-	826	250	(69.7%)	847	271	(68.0%)	653	404	(38.1%)
Finance and Insurance	17	8	(52.9%)	325	506	55.7%	593	735	23.9%	777	847	9.0%
Real Estate and Rental and Leasing	1	0	(100.0%)	171	168	(1.8%)	417	466	11.8%	718	744	3.6%
Professional, Scientific, and Technical Services	10	7	(30.0%)	1,268	1,715	35.3%	1,715	2,259	31.7%	2,425	2,895	19.4%
Management of Companies and Enterprises	0	0	-	361	582	61.2%	406	671	65.3%	623	680	9.1%
Administration & Support, Waste Mgmt. and Remed.	9	7	(22.2%)	715	783	9.5%	1,133	899	(20.7%)	1,572	2,793	77.7%
Educational Services	0	0	-	1,013	696	(31.3%)	2,033	1,645	(19.1%)	4,777	5,318	11.3%
Health Care and Social Assistance	9	26	188.9%	907	2,008	121.4%	1,765	3,002	70.1%	5,580	7,205	29.1%
Arts, Entertainment, and Recreation	0	0	-	106	233	119.8%	387	636	64.3%	1,162	1,555	33.8%
Accommodation and Food Services	19	44	131.6%	2,102	2,195	4.4%	3,653	4,430	21.3%	9,140	12,549	37.3%
Other Services (excluding Public Administration)	35	50	42.9%	715	1,153	61.3%	1,246	1,590	27.6%	2,412	2,319	(3.9%)
Public Administration	0	15	-	265	475	79.2%	311	501	61.1%	1,511	1,810	19.8%
Total Jobs	150	290	93.3%	13,869	16,320	17.7%	20,421	23,867	16.9%	39,816	48,940	22.9%

Source: US Census OnTheMap; EPS.

[1] Based on a central point at the intersection of Canyon Del Rey Boulevard (State Route 218) and Work Avenue.

[2] Includes the cities of Marina, Seaside, Sand City, Del Rey Oaks, Monterey, Pacific Grove, Carmel By-the-Sea, and the Census Designated Place of Del Monte Forest

Table A-4 Commercial Real Estate Market Summary: 2-Mile Radius – All Building Ages

Item Category	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 YTD	2015-20 Absolute Change	2015-20 Annual Rate of Change	Notes
<i>Retail</i>															
Inventory (Sq Ft)	2,120,548	2,150,820	2,155,576	2,168,576	2,168,576	2,168,576	2,168,576	2,169,476	2,163,664	2,168,564	2,168,564	2,168,564	(12)	0%	
Occupancy (Percent)	95%	95%	96%	96%	96%	97%	97%	97%	98%	98%	98%	99%	2%	NA	
Net Absorption Sq Ft (Total)	(39,741)	16,461	20,510	19,318	7,357	13,953	6,090	(5,599)	13,377	17,334	1,553	9,834	(12,400)	NA	
Deliveries (Sq Ft)	-	30,272	6,000	13,000	-	-	-	900	-	4,900	-	-	-	NA	
NNN Rent (Overall)	\$22.36	\$19.33	\$20.16	\$19.25	\$17.15	\$15.66	\$19.48	\$22.17	\$23.84	\$22.67	\$21.41	\$21.50	\$5.75	8%	
<i>Office</i>															
Inventory (Sq Ft)	1,874,928	1,874,928	1,874,928	1,874,928	1,874,928	1,874,928	1,874,928	1,874,928	1,884,659	1,884,659	1,884,659	1,884,659	9,731	0%	
Occupancy (Percent)	91%	94%	92%	93%	90%	91%	86%	86%	87%	92%	89%	90%	-2%	NA	
Net Absorption Sq Ft (Total)	(3,525)	43,488	(32,386)	21,788	(52,024)	5,634	(97,656)	15,213	19,499	86,127	(46,217)	9,091	(51,851)	NA	
Deliveries (Sq Ft)	-	-	-	-	-	-	-	-	9,731	-	-	-	-	NA	
NNN Rent (Overall)	\$21.08	\$20.37	\$20.74	\$21.88	\$21.00	\$21.75	\$21.41	\$21.21	\$21.54	\$21.50	\$22.17	\$22.03	\$0.42	0%	
<i>Industrial</i>															
Inventory (Sq Ft)	1,105,917	1,105,917	1,107,558	1,107,558	1,107,558	1,107,558	1,107,558	1,172,558	1,172,558	1,190,542	1,190,542	1,190,542	82,984	2%	
Occupancy (Percent)	94%	96%	98%	97%	96%	98%	98%	99%	100%	95%	94%	93%	-4%	NA	
Net Absorption Sq Ft (Total)	21,385	17,292	28,951	(11,867)	(16,505)	24,972	(1,264)	80,942	3,592	(37,616)	(12,621)	(9,059)	(37,593)	NA	
Deliveries (Sq Ft)	-	-	7,631	-	-	-	-	65,000	-	17,984	-	-	-	NA	
NNN Rent (Overall)	\$8.39	\$8.52	\$8.50	\$10.71	\$11.53	-	\$13.14	\$12.85	\$15.10	\$13.68	\$15.60	\$16.56	-	8%	[1]
<i>Flex</i>															
Inventory (Sq Ft)	539,982	539,982	539,982	539,982	539,982	539,982	539,982	539,982	539,982	539,982	593,934	593,934	53,952	2%	
Occupancy (Percent)	92%	91%	92%	94%	94%	96%	98%	98%	97%	97%	95%	95%	-1%	NA	
Net Absorption Sq Ft (Total)	(10,154)	(6,250)	5,236	13,926	(929)	11,020	7,707	4,604	(8,306)	(1,469)	45,250	(940)	34,230	NA	
Deliveries (Sq Ft)	-	-	-	-	-	-	-	-	-	-	53,952	-	-	NA	
NNN Rent (Overall)	\$13.20	\$13.20	\$12.56	\$15.00	\$17.06	\$18.55	\$13.80	-	\$15.89	\$17.40	\$18.30	\$18.30	(\$0.25)	0%	

Source: CoStar; EPS.

[1] Industrial NNN Rent Growth measures 2014 - 2020 growth due to lack of data for 2015.

Table A-5 Commercial Real Estate Market Summary: 2-Mile Radius – Buildings Constructed Since 1990

Item Category	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 YTD	2015-19 Absolute Change	2015-19 Annual Rate of Change	Notes
<i>Retail</i>															
Inventory (Sq Ft)	846,266	876,538	882,538	895,538	895,538	895,538	895,538	896,438	896,438	901,338	901,338	901,338	5,800	0%	
Occupancy (Percent)	92%	93%	95%	96%	97%	97%	96%	95%	95%	97%	96%	98%	-2%	NA	
Net Absorption Sq Ft (Total)	(45,002)	31,112	28,415	21,096	2,256	7,004	(8,427)	(11,043)	2,259	14,916	(5,093)	21,321	(12,097)	NA	
Deliveries (Sq Ft)	-	30,272	6,000	13,000	-	-	-	900	-	4,900	-	-	-	NA	
NNN Rent (Overall)	\$17.69	\$25.33	\$24.81	\$22.36	\$24.25	\$21.43	\$23.29	\$24.85	\$27.04	\$28.13	\$28.29	\$27.68	\$6.86	7%	
<i>Office</i>															
Inventory (Sq Ft)	366,233	366,233	366,233	366,233	366,233	366,233	366,233	366,233	366,233	366,233	366,233	366,233	0	0%	
Occupancy (Percent)	94%	92%	91%	93%	94%	92%	90%	95%	95%	99%	98%	98%	6%	NA	
Net Absorption Sq Ft (Total)	(283)	(5,163)	(4,318)	8,284	3,277	(8,120)	(7,256)	17,420	(420)	14,570	(2,539)	(1,911)	5,581	NA	
Deliveries (Sq Ft)	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	
NNN Rent (Overall)	\$19.42	\$21.37	\$21.60	\$22.19	\$20.92	\$21.39	\$21.28	\$20.57	\$19.80	\$23.45	\$23.14	\$28.44	\$1.75	2%	
<i>Industrial</i>															
Inventory (Sq Ft)	51,727	51,727	59,358	59,358	59,358	59,358	59,358	59,358	59,358	77,342	77,342	77,342	17,984	7%	
Occupancy (Percent)	93%	93%	93%	93%	100%	100%	100%	95%	93%	100%	89%	94%	-11%	NA	
Net Absorption Sq Ft (Total)	11,000	200	7,331	-	4,000	-	-	(3,200)	(1,200)	22,384	(8,407)	3,607	-	NA	
Deliveries (Sq Ft)	-	-	7,631	-	-	-	-	-	-	17,984	-	-	-	NA	
NNN Rent (Overall)	-	-	\$15.00	\$12.58	\$10.79	-	\$15.00	-	\$15.60	\$16.80	\$15.60	\$15.60	-	10%	[1]
<i>Flex</i>															
Inventory (Sq Ft)	145,796	145,796	145,796	145,796	145,796	145,796	145,796	145,796	145,796	145,796	199,748	199,748	53,952	8%	
Occupancy (Percent)	95%	95%	95%	95%	95%	97%	100%	100%	100%	100%	98%	99%	1%	NA	
Net Absorption Sq Ft (Total)	-	(625)	-	575	-	2,550	4,375	-	-	-	50,485	584	47,935	NA	
Deliveries (Sq Ft)	-	-	-	-	-	-	-	-	-	-	53,952	-	-	NA	
NNN Rent (Overall)	\$13.20	\$13.20	\$11.88	\$15.00	\$16.20	\$16.20	-	-	-	-	\$27.60	-	\$11.40	14%	

Source: CoStar, EPS.

[1] Industrial NNN Rent Growth measures 2014 - 2019 growth due to lack of data for 2015.

Table A-6 Hotel Performance Trend Metrics

Item [1]	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 YTD	Difference (2011-2021) [2]	Average Annual Change (2011-2021)	
													Total	%
Inventory (Rooms)														
Luxury - Upper Upscale - Upscale	3,783	3,783	3,783	3,783	3,781	3,775	3,810	3,810	3,810	3,820	3,814	31	3	0.1%
Upper Midscale - Midscale	1,172	1,172	1,172	1,172	1,155	1,156	1,165	1,165	1,165	1,165	1,165	(7)	(1)	(0.1%)
Inventory (Buildings)														
Luxury - Upper Upscale - Upscale	23	23	23	23	23	23	23	23	23	23	23	-	-	0.0%
Upper Midscale - Midscale	26	26	26	26	25	25	25	25	25	25	25	(1)	(0)	(0.4%)
Occupancy Rate (Percentage)														
Luxury - Upper Upscale - Upscale	67.2%	70.7%	72.0%	74.1%	75.3%	75.5%	74.8%	76.6%	75.9%	44.5%	62.5%	-5%	(0)	-
Upper Midscale - Midscale	60.5%	62.6%	64.1%	66.8%	69.9%	72.2%	73.4%	72.8%	71.9%	46.7%	63.5%	3%	0	-
Average Daily Rate														
Luxury - Upper Upscale - Upscale	\$184.74	\$193.42	\$198.75	\$209.38	\$220.92	\$227.85	\$233.32	\$250.87	\$267.90	\$223.11	\$317.76	\$38.37	\$4.26	-
Upper Midscale - Midscale	\$124.37	\$130.78	\$135.55	\$142.01	\$151.80	\$158.68	\$161.91	\$172.44	\$182.05	\$137.10	\$194.24	\$12.73	\$1.41	-

Source: CoStar data retrieved November 2021; EPS.

[1] Reflects hotels in the cities of Monterey, Seaside, Pacific Grove, Pebble Beach, and Sand City. Unless otherwise noted, data is for each year ending in December.

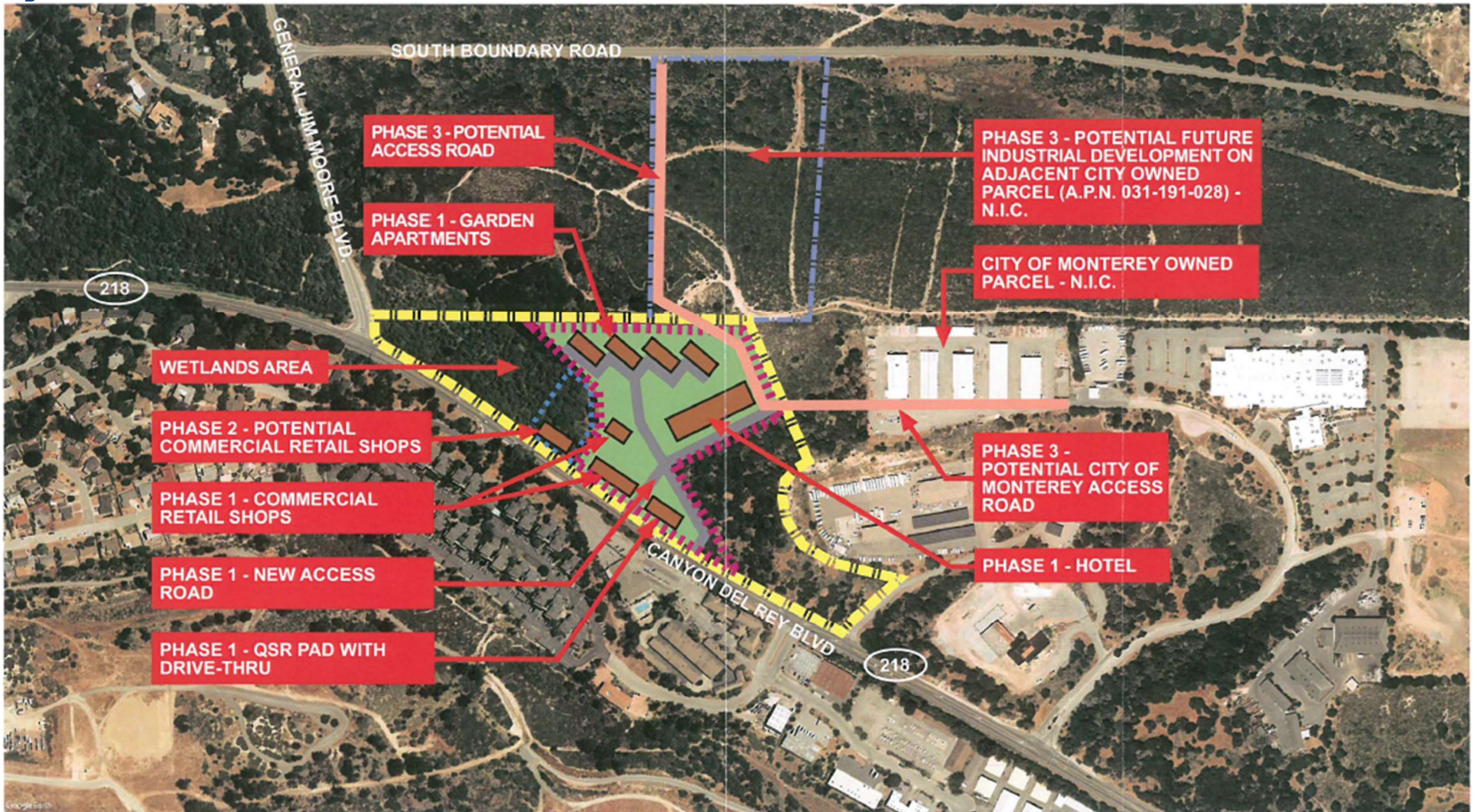
[2] YTD Rev PAR difference is for 2011-2020 as data for 2021 is not yet available.

Table A-7 Included Hotel Inventory

Hotels by Class and Location	Address	Year Built / Renovated	No. of Rooms	Hotels by Class and Location	Address	Year Built / Renovated	No. of Rooms	
Luxury - Upper Upscale - Upscale				Upper Midscale - Midscale				
Monterey				Monterey				
Hotel Abrego	755 Abrego St	2012	93	Best Western Plus Monterey Inn	825 Abrego St	1937	80	
Hilton Garden Inn Monterey	1000 Aguajito Rd	2006	204	Monterey Bay Lodge	1042 Del Monte Ave	1967	45	
Portola Hotel & Spa At Monterey	271 Alvarado St	2006	379	Hotel 1110	1110 Del Monte Ave	1929	15	
Marriott Monterey	350 Calle Principal	2005	341	Cannery Row Inn	200 Foam St	1987	32	
Monterey Plaza Hotel	400 Cannery Row	1985	290	Blu Pacific Hotel	2050 Fremont St	1968	47	
Spindrift Inn	648-654 Cannery Row	1984	45	Ramada Monterey	2058 Fremont St	1978	47	
InterContinental The Clement Monterey	750 Cannery Row	2008	208	Quality Inn Monterey	2075 Fremont St	1977	42	
The Casa Munras Hotel & Spa	700 Munras Ave	1948	154	Best Western De Anza Inn	2141 Fremont St	1979	43	
Hyatt Regency	1 Old Golf Course Rd	2012	560	The Stevenson Monterey	675 Munras Ave	1962	51	
Hotel Pacific	300 Pacific St	2006	105	Munras Inn	1010 Munras Ave	1980	29	
Monterey Tides	2600 Sand Dunes Dr	2001	196	Best Western Park Crest Inn	1100 Munras Ave	1954	53	
Wave Street Inn	571-585 Wave St	1988	32	Comfort Inn Monterey Peninsula Airport	1200 Olmsted Rd	1981	46	
Monterey Bay Inn	242 Cannery Row	1984	49	Merritt House Inn	386 Pacific St	1979	25	
Mariposa Inn & Suites	1386 Munras Ave	1982	50	Colton Inn	707 Pacific St	1979	50	
Bide-A-Wee Inn & Cottages	221 Asilomar Ave	2002	18	Holiday Inn Express Monterey Cannery Row	443 Wave St	1995	43	
Pacific Grove				Pacific Grove				
Asilomar Conference Center	800 Asilomar Blvd	1915	312	Hampton Inn Monterey	2401 Del Monte Ave	1986	49	
Gosby House Inn	643 Lighthouse Ave	1887	22	Victorian Inn	487 Foam St	1976	70	
Martine Inn	255 Ocean View Blvd	1900	25	Avid Monterey	2113 N Fremont St	2022	42	
Green Gables Inn	301 Ocean View Blvd	1960	11	Red Lion Hotel Monterey	1425 Munras Ave	1967	80	
Pebble Beach				Pebble Beach				
The Inn At Spanish Bay	2700 17 Mile Dr	1987	269	Butterfly Grove Inn	1073 Lighthouse Ave	1959	31	
Casa Palmero Pebble Beach	1518 Cypress Dr	1999	24	Seven Gables Inn	555 Ocean View Blvd	2000	25	
Lodge at Pebble Beach	17 Mile Dr	1919	202	Rosedale Inn	775 Asilomar Blvd	1989	19	
Sand City				Sand City				
Courtyard By Marriott Salinas Seaside	705 Tioga Ave	2023	126	Best Western The Inn & Suites Pacific Grove	660 Dennett St	1981	30	
Seaside				Seaside				
Embassy Suites by Hilton Monterey Bay Seaside	1441 Canyon del Rey Blvd	1995	225	Clarion Collection Hotel Pacific Grove	1038 Lighthouse Ave	1953	25	
Cambria Hotels & Suites Seaside	Lightfighter Dr	2023	138	Sea Breeze Inn and Cottages	1100 Lighthouse Ave	1937	45	
Residence Inn Salinas Seaside	740 Tioga Ave	2023	90	Seaside				
Average				Average				
		1983	160	Holiday Inn Express At Monterey Bay		1400 Del Monte Blvd	1983	143
Total				Total				
			4,168				1,207	

Source: Costar; EPS.

Figure A-8



SOUTHEAST CORNER OF CANYON DEL REY BOULEVARD & GENERAL JIM MOORE BOULEVARD
 DEL REY OAKS, CALIFORNIA



REQUEST FOR DEVELOPMENT PROPOSAL FOR PARCEL APN 259-011-025
 FEBRUARY 23, 2018

PRELIMINARY PROJECT VISION PHASES ONE, TWO & THREE

A-MP 1.3