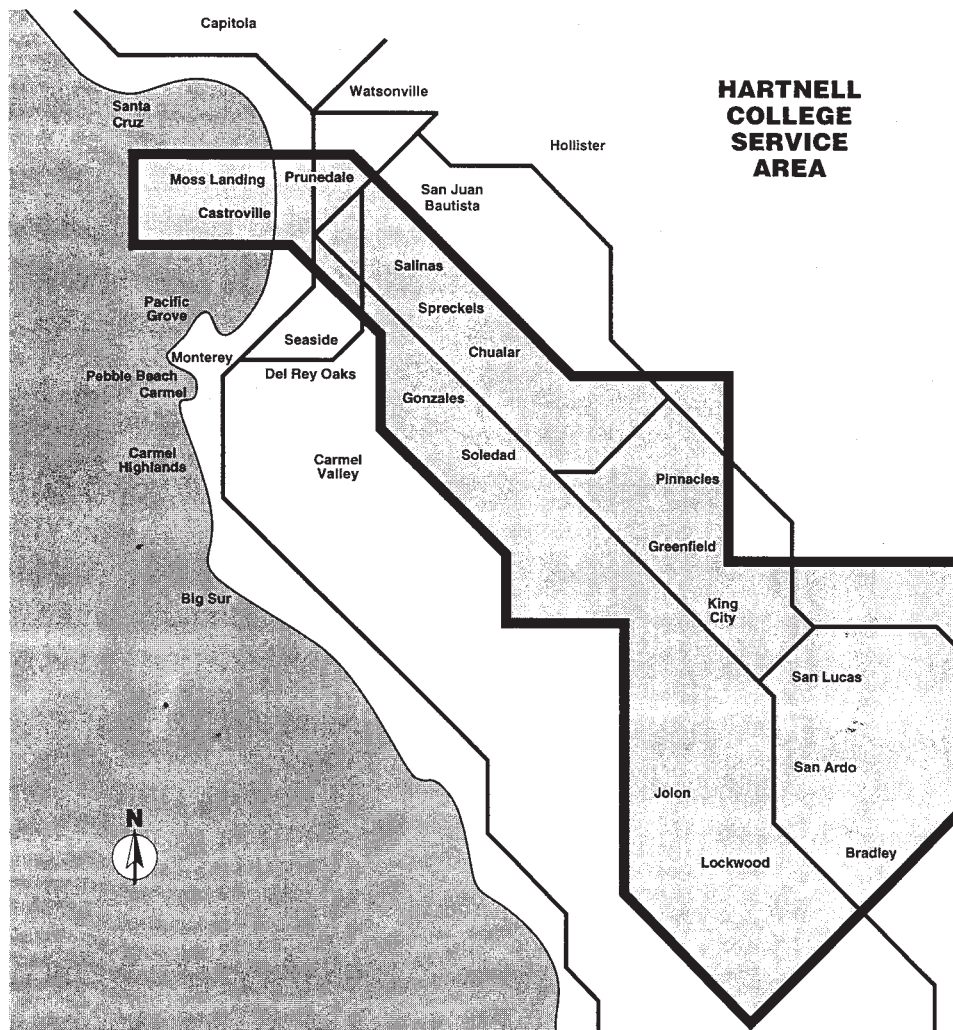


VI. SERVICE AREA

Located in the rural Salinas Valley, the District area consists of approximately 26,333 square miles. It is bounded by the Gabilan Range to the east, the Sierra de Salinas and Santa Lucia Ranges to the west, Monterey Bay at Moss Landing to the north, and the Monterey County line through Camp Roberts to the south. U.S. Highway 101 traverses the center of the District, extending approximately 100 miles from the north to the south. The majority of the District is in Monterey County; the only exception is a small, sparsely populated parcel of San Benito County that is part of the King City Unified School District. Figure 1 outlines the physical boundaries of the service area.

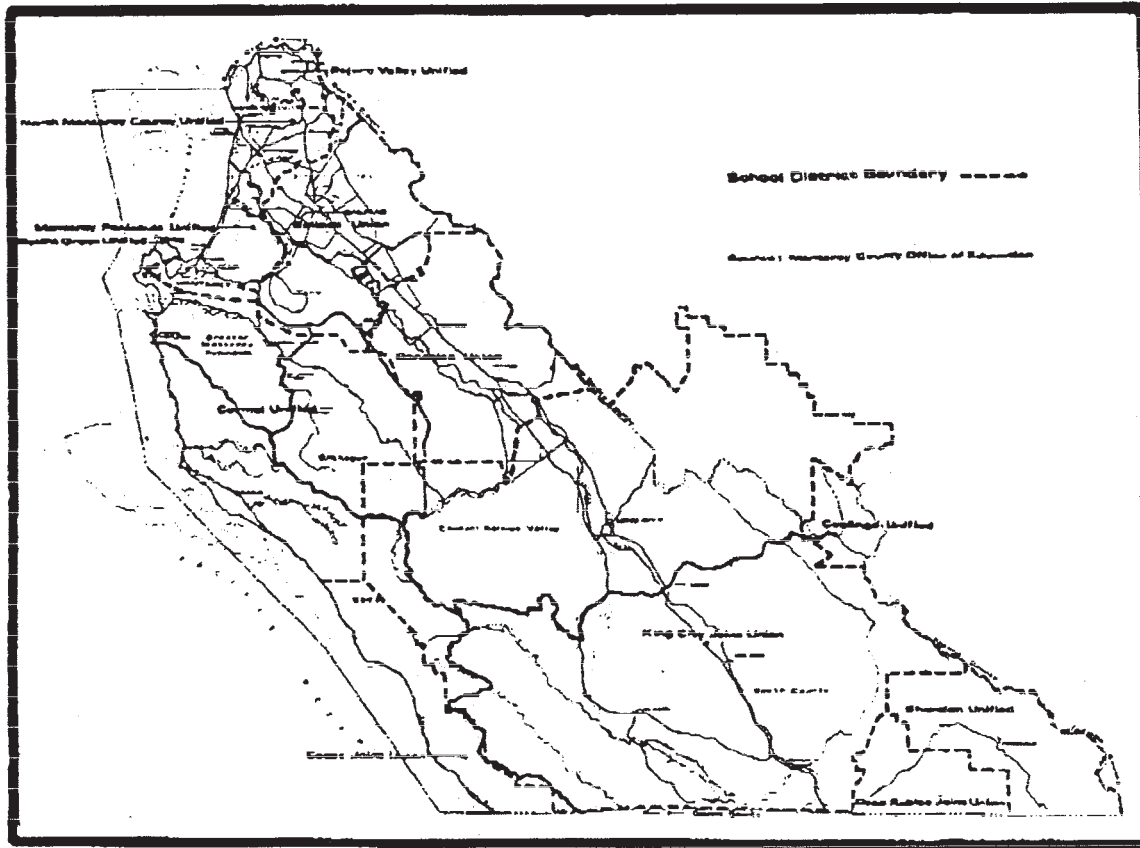
**FIGURE 1 - DISTRICT BOUNDARIES
HARTNELL COMMUNITY COLLEGE DISTRICT**



The Hartnell Community College District is comprised of the contiguous boundaries of the following public high school districts:

- Salinas Union
- Gonzales Union
- King City Joint Union
- North Monterey County Unified

FIGURE 2 - HIGH SCHOOL DISTRICTS METES AND BOUNDS



POPULATION:

Census data show that 255,458 persons resided in the Hartnell College service area in 2000. This population base is projected to increase to 304,962 by the year 2010. Twenty-six percent of the population lives in the unincorporated areas of Monterey County with the remainder in the major cities in the area.

The following information is from the “Monterey Country Economic Forecast 2001-2002,” prepared by Stephen A. Nukes & Associates and are reprinted here with permission of Stephen A. Nukes & Associates, 1250 Peach Street, Suite B1, San Luis Obispo, California, 93401-2870. They address the description, economic trends, demographic background, and development of the following cities and communities in the service area: Chualar, Gonzales, Greenfield, King City, Moss

Landing, Prunedale, Salinas, and Soledad

1. CITY OF CHUALAR

DESCRIPTION AND LOCATION:

Chualar is a burgeoning residential community, but vacant lands are primarily slated for agricultural development, specifically the production of asparagus, artichokes, broccoli and lettuce. There are also several nurseries and ranches in the area.

ECONOMIC TRENDS:

The Chualar School District serves approximate 310 students from elementary school through junior high. Last year, the school district submitted a grant proposal to proceed with the Healthy Start Program. This program will help provide better social services to the community, such as childcare and welfare, a neighbor-hood watch and a police Activities League.

Chualar has also developed a Cal Serve program with CSU Monterey Bay. The program will be a partnership between the teachers of Chualar School district and university student interns. The two groups will collaborate on an updated more comprehensive curriculum for the school.

DEMOGRAPHIC BACKGROUND:

Chualar's population is estimated at about 750 residents.

DEVELOPMENTS:

Rancho Chualar, a recent residential development by Priske Development, was completed in May 1996. This 87-unit residential unit project is only Phase I of many to follow. Phase II is currently in the planning stages, with 735-860 single-family and multi-family housing units combined.

The 50-acre Salinas Valley Industrial Park will be located on the west side of Highway 101. Developer Merrill Farms has not confirmed all the tenants, but plans are to include several restaurants, a hotel and a truck stop.

2. CITY OF GONZALES

DESCRIPTION AND LOCATION:

The City of Gonzales is a family-oriented agricultural community in the heart of the 90-mile long Salinas Valley. It is approximately midway between the Sierra de Salinas and Gabilan Mountain Ranges. It is home to several major agricultural employers and six of the finest wineries in California, including Riverland Vineyard Canandaigua Wine Co., General Vineyard Services, Gonzales Packing

Company, Silva Farms, and the Seminis Vegetable Seed Company. The Gonzales Unified School District provides an additional employment base.

ECONOMIC TRENDS:

Agricultural employers in Gonzales such as Fresh West Harvesting, Silva Farms, Dole Carrots Co., Gonzales Packing Co., Jackpot Harvesting Co., Riverland Vineyard, Seminis Vegetable Seeds and General Vineyard Services benefit from the rich Salinas Valley soil, plentiful land and adequate water to reap their share of the County's multi-billion dollar fruit and vegetable crop. Tourism is focused on winery and vineyard tours and retail sales were \$20,690,000 for January 2000, up 18.9% from January 1999 retail sales of \$13,908,000. This represented the second largest retail sales growth in the county, after Soledad at 21.8%. Gonzales' location on the main highway and popular wineries like the newly reopened Riverland Vineyards, which offers a full slate of events such as tasting room, jazz concerts and other community events are reaching a growing share of the tourist dollar. Riverland Vineyards is largely credited with boosting the local economy. The City has focused on revitalizing the downtown area under the Revitalization Plan and will rehabilitate existing residential structures with a Community Development Block Grant. New residential development is on going with many residents moving in from surrounding cities. People are attracted by lower housing prices, great amenities, low crime rates and the sense of the family-oriented community. Housing prices are stable and are considered more affordable than surrounding communities to the north. Buyers of new homes are generally young, first-time home buyers taking advantage of the affordable housing found in Gonzales and are commuting to work in the nearby Monterey Peninsula, Salinas, Gilroy, and to some extent, San Jose. Gonzales has seen mostly residential construction since 1996; 101 building permits were issued in 2000 with a valuation of approximately \$20 million. That is an increase from 26 in 1999 valued at \$4.61 million or 412%.

DEMOGRAPHIC BACKGROUND:

With a current population of 7,159, Gonzales grew by 4.15% in 2000. Large employers include the Dole Carrot Co., Riverland Vineyard, Jackpot Packing Co., Gonzales Packing Company and Seminis Vegetable Seed Company.

DEVELOPMENTS:

Jackpot Packing Company recently completed a major expansion of its facility. The Canyon Creek subdivision received approval in 1998 for the construction of 224 single family residences and the models and Phase I construction are underway. A 36-unit multi-family facility is also part of this development and will be constructed in Phase III of the project. Prices range from \$250,000 to \$350,000 and are 1,600 to 2,500 square feet. There are several large commercial and industrial sites being actively marketed including sites from several thousand square feet to a 20-acre industrial site. Infrastructure improvements are planned to support business development.

The City is also promoting new commercial and industrial development. A 3.57 acre lot adjacent to the Fifth Street highway off ramp is being marketed for commercial development by the owner. Two industrial parcels were annexed in early 1998 from unincorporated areas of Monterey County. The

two lots total 7.4 acres and include 5 small industrial sites.

3. CITY OF GREENFIELD

DESCRIPTION AND LOCATION:

Greenfield is a farming community along Highway 101 in the heart of the soil-rich Salinas Valley, between King City and Soledad. The community is 95 miles south of San Jose and 60 miles north of Paso Robles. Greenfield is 1.2 square-miles in area, and major industries are agriculture and public administration. To the north, the City of Salinas acts as the major urban center for a number of rapidly growing communities along Highway 101. Dubbed the “Salad Bowl of the World,” Greenfield is one of the most productive agricultural areas in the world. Local tourism is on the increase, and the area is becoming well known as a premier wine grape-growing region.

ECONOMIC TRENDS:

Greenfield contributes significantly to Monterey County’s total broccoli crop revenue of \$186.58 million. Retail sales continue to grow with the rest of the county, \$43.01 million for January 2000, an increase of \$4.75 million or 16.5% over 1999. In an effort to foster a positive business environment, the city encourages entrepreneurs. About 85% of the city’s business license holders are smaller, family-owned businesses. An ideal environment for corporate and residential consumers, vendors, business associates and the significant labor pool in the Salinas Valley, the local economy is stable and productive while the city continues to support new economic growth. The affordability of homes in the area coupled with the high-tech employment opportunities to the north in the Silicon Valley draws a large commuter population to Greenfield.

DEMOGRAPHIC BACKGROUND:

Greenfield’s population is growing gradually each year. In 2000, the city’s population reached 10,750, an increase of 400 people from 1999. Major employers are Greenfield Union School District, SoMoCo Labor Supply, Azcona Harvesting, and A Lopez and Son.

DEVELOPMENTS:

The cities of Gonzales and Soledad to the north and King City to the south have shown significant increases in population. Construction of new single-family homes continues to rise at a steady pace as new developments continue to emerge. Five single-family residential permits with total valuation of \$572,600 were issued in 2000. The new Greenfield High School is symbolic of the trend towards positive economic growth. The new Mee Memorial Greenfield Clinic is a 7,000 square-foot facility and offers a wide range of state of the art medical care services to the community as well as enhancement to the city’s main thoroughfare.

Two projects, Camino El Parais (94 dwelling units) and Green Leaf Estates (75 dwelling units), approved in 1998 are nearing completion. Other elements encouraging positive economic development

include the landscaping of Highway 101 from Walnut Avenue to Oak Avenue. The City has taken preliminary steps in the design of a new police building and continues to aggressively pursue improvements to its infrastructure for the purpose of supporting growth into the year 2001.

4. CITY OF KING CITY

DESCRIPTION AND LOCATION:

Located where the Salinas River passes through the fertile fields of the Salinas Valley, King City's historical agricultural strengths are obvious to visitors. The city lies on Highway 101, approximately 150 miles south of San Francisco and 270 miles north of Los Angeles. The 2.5 square-mile city also has a golf course, a 42-bed hospital, an airport and rail and truck access. Travelers are drawn to local museums, camping at San Lorenzo Park, and water sports at nearby Lake Nacimiento and Lake San Antonio. Primary sources of employment are the packaging, processing and shipping of vegetables. The city also hosts the Salinas Valley Fair in May.

ECONOMIC TRENDS:

King City has a large and diversified pool of skilled labor from throughout Monterey County. The top reasons businesses give for relocating to King City are the good business climate and the high quality office and site availability 37.8% of local businesses are in the services sector, 25.9% are in the retail trade sector and 6.6% are in the wholesale trade sector. While tourism is still primarily directed to the Monterey attractions of Cannery Row, the Monterey Bay Aquarium and golf courses, there is an increasing effort to promote inland areas as well. Tourists are drawn to the National Steinbeck Center in Salinas, and the growing number of wineries and tasting rooms in the area. These include the Lockwood Vineyard in the hills of the Santa Lucia Mountains, Schied Vineyards to the north, Jeke Vineyards near Greenfield and Boyer Winery. King City employs an aggressive marketing program to identify and capitalize on emerging opportunities. East Ranch Business Park on nearly 100 acres is a municipally owned industrial park anchored by Basic Vegetable Products' 400,000 square-foot warehouse and distribution center. Total projected building area from all projects exceeds 750,000 square feet. A municipal Revolving Loan Fund is available to assist with financing new business and development within the City's Redevelopment Area. Retail sales for January 2000 reached \$81,004,000, up 30.2% from 1999 totals of \$62,195,000.

DEMOGRAPHIC BACKGROUND:

King City's population reached 10,850 in 2000, growing by 450 persons since 1999 or 4.33%. The largest employers are Basic Vegetable Products, Rio Farms/Gill Onions, San Berbabé Vineyards and Mee Memorial Hospital.

DEVELOPMENTS:

King City offers several privately owned properties for development. Silva Property is a full-service 60-acre business park. The land is zoned M-2, which permits a broad range of land uses.

The Airport Business Park is a five-acre parcel adjacent to King City Airport. The land is zoned M-2 and municipal services are planned to be extended to the location. The East Ranch Business Park offers lot sizes range from one to 15 acres. Other East Ranch development projects include the L.A. Hearne Company expansion (100,000 square feet), Spanish Peaks Brewing (15,000 square feet), Bassetti Custom Farming (9,000 square feet), Aircraft Manufacturing (16,000 square feet) and Chris Madson Constructions (12,000 square feet). South County Lumber and Supplies acquired a site to develop a 15,000 square-foot facility and Ron's RV Supplies and Service acquired a 4.8-acre site to accommodate a new 42,000 square-foot facility. Amfit, Inc. has proposed to construct a 20,000 square-foot building for manufacturing, office and warehouse uses in the East Ranch Business Park.

The City's small business incubator (KCSBC) assists new businesses and entrepreneurs. Business counseling and affordable space with a wide range of support services are available from the KCSBC to tenants as well as area businesses. Eight tenants currently occupy space. The new \$12 million Town Square with includes such confirmed tenants as a new Hartnell College campus, and three-screen movie theater, a child care facility, restaurant, and various retail uses.

5. MOSS LANDING

DESCRIPTION AND LOCATION:

Moss Landing is a small, historic fishing village on the north coast of Monterey County. It is conveniently located near Highway 1 and spans approximately four square-miles. The population remains near 520 and is not expected to increase within the next few years. Factors limiting new construction include the proximity of the estuary, the importance of local agriculture, and the sewer system's full capacity.

Moss Landing is primarily concerned with improving local marine research opportunities and preserving the surrounding rare estuarine environment. The Monterey Bay Aquarium Research Institute (MBARI) established in 1987 and funded by the Hewlett Packard Company, has already attracted marine research to the area. The Moss Landing Marine Laboratories (MLML) is also located here and contributes to the City becoming a center for international marine research.

ECONOMIC TRENDS:

Tourism is not a major industry for Moss Landing, but people are attracted to the area for a variety of reasons, including the beautiful coast and numerous antique shops. The Moss Landing Antique Street Fair held the last Sunday in July, attracts more than 300 vendors from California and the West Coast as well as thousands of antique shoppers. The Elkhorn Slough National Estuarine Research Reserves, and the Monterey Bay Bird Festival it sponsors the first weekend of October, also attract tourists. This coastal wetland is home to a wide variety of birds, fish sea otters and seals. Many visitors enjoy the local scenic State Beaches, state wildlife areas, and federal wildlife refuge. Walking, surfing, shore fishing and horseback riding are popular beach activities. Wildlife areas offer nature study in marshes and sand dunes.

Moss Landing is home to two major industrial complexes. Mighty Moss is the Duke Energy Power Services' electricity generation steam turbine plant. The plant's two large stacks serve as a landmark for the town. National Refractories & Minerals produces tirebricks, magnesia chemicals and other refractory specialties. Fishing is the community's primary local industry. Moss Landing fishermen sell most of their harvest to one major buyer, Del Mar Seafoods, Inc., which freezes the salmon for sale to Japan and other overseas markets. Agriculture is one of the largest businesses outside of downtown Moss Landing, the main products being cauliflower, spinach, broccoli, Brussels sprouts, strawberries, artichokes and squash. The small amount of available land is mostly being sold for increased agricultural production rather than housing.

DEVELOPMENTS:

Recent investments in the community have focused on commuter safety and traffic management, commercial development and harbor refurbishment. A \$500,000 Block grant was awarded to focus on the area's commercial development and economic maintenance. The State granted Moss Landing \$82,000 to fund the Clean Vessel Act, which will provide a portable, pump station for the harbor.

6. PRUNEDALE

DESCRIPTION AND LOCATION:

Convenient to San Benito, Santa Clara, Santa Cruz and Monterey Counties, Prunedale is an unincorporated bedroom community in a peaceful, rural, wooded area with abundant wildlife. It is eight miles north of Salinas and 55 miles south of San Jose, seven miles east of Moss Landing and the Pacific Ocean. The main industry is agriculture and the largest business is Monterey Mushroom, which grows, harvests and cans mushrooms for both domestic and international markets.

ECONOMIC TRENDS:

Commuters discovered Prunedale during the mid-1980's and demand continues to exceed supply. Home prices have been rising rapidly and construction of new homes is accelerating. There is a wide variety of housing, apartments, small starter homes and substantial homes in gated subdivisions and on small ranches. Prunedale offers residents a quality of life not found in more crowded cities to the north and provides convenience to resources such as shopping and good schools. Apartment and house rents are about \$1.00 per square foot per month and home prices range from \$150,000 to more than \$500,000. The two major shopping centers serving residents are the Prunedale Center and the Prune Tree Center.

DEMOGRAPHIC BACKGROUND:

The recent median income is \$56,000 and the average age of residents is 33.7 years. The median house value is \$233,000.

DEVELOPMENTS:

Cal Trans is currently in the process of making improvements to Highway 101 by San Miguel Road. The primary goal of the project is to improve traffic circulation and to reduce the potential for accidents at the intersection of HWY 101 and San Miguel Canyon Road. Cal Trans is eliminating the left-hand turn across 101 onto San Miguel Canyon Road. It will be replaced by an overpass, which will be quicker and eliminate traffic conflicts experienced at the intersection.

7. CITY OF SALINAS

DESCRIPTION AND LOCATION:

Salinas is Monterey County's largest urban center. The City serves as Monterey County's agricultural, industrial, financial and government center. The 18.6 square-mile city is 100 miles south of San Francisco and 350 miles north of Los Angeles. Highway 101 offers quick access to Northern and Southern California. The City can also be reached from the Monterey Peninsula on Highway 68 East.

ECONOMIC TRENDS:

As the business center for the multi-billion dollar Monterey County agricultural industry, Salinas processes and ships millions of tons of lettuce, strawberries, broccoli, spinach, tomatoes and other vegetables throughout the nation and overseas. The Salinas agricultural industry has also pioneered the research, technology and production of pre-packaged salads and pre-cut vegetables, a product category that grew 73% between 1997 and 1998. With over one-third of the city's workforce employed in agriculture, Salinas' portion of the region's \$2.44 billion agricultural sector provides the City's strongest industry base. Agricultural industries in Salinas also support retail, service, government, housing and other industries.

Retail sales increased 29.2% for January 2000 to \$1.562 billion, from \$1.209 billion for January 1999. Salinas continues to remain the leading revenue generation with 41% of the total retail sales generated in Monterey County. 581 building permits were issued for single-family residential units in Salinas in 2000 with total valuations of \$110,995,000. This is a 23.8% decrease in the number of single-family permits issued and a 14.8% decrease in single-family valuations from 1999 to 2000.

Local tourism is sustained by local wineries, Old Town Salinas and the 37,000 square-foot, \$10.3 million National Steinbeck Center. Visitors also enjoy events such as the California Rodeo, the Steinbeck Festival, and the International Air Show.

DEMOGRAPHIC BACKGROUND:

The population grew at about 3.78% in 2000, increasing from 129,800 in 1999 to 134,700. Salinas

ranked 10th in the State in terms of numeric change in population from 1999 to 2000. County government was the biggest single employer with 3,600 employees, followed closely by the Dole Fresh Vegetable Company employing 3,000 people. Other large companies employing over 1,000 are Household Credit Service followed by Tanimura and Antle, D' Arrigo Bros. and Salinas Valley Memorial Hospital. Salinas is home to around 100 businesses employing more than 100 workers.

DEVELOPMENTS:

Numerous residential developments continue to flourish throughout the City. These included: the Arcadia Development (200 dwelling units), Harden Ranch (1000 dwelling units), and Williams Ranch (1,500 dwelling units). Additional projects include the Creekbridge development (1,980 dwelling units) and the David/Rossi development (95 dwelling units). The Auto Mall in Shaker Square is located on 100 acres and will house 14 dealers.

Additionally, other projects in Salinas include the annexation of the Westbridge Center, with 650,000 square-feet of commercial space including a WalMart, OfficeMax, Applebee's and Albertson's. Three million dollars were recently allocated for a new intermodal transportation project at the Salinas Amtrak station. This project complements the National Steinbeck Center and the Salinas Old Town. The nearby rodeo grounds have been expanded for year-round sports, with an arena seating capacity of 17,500 and a new 500-seat banquet hall underneath the main grandstands.

Monterey County transportation officials are moving forward with the possibility of commuter train service to Salinas. The Caltrain commuter extension will be-funded in part with federal transportation money and is expected to extend service to Monterey County from Gilroy and would include Castroville and Pajaro. It would be one to two years before service is operational. Future growth concerns are focused on providing affordable housing and preserving farmland with urban boundaries to direct development inward to the City; also, requiring that services such as schools, parks and fire and police protection be in place before new housing developments are built. The long term general plan for the city is soliciting input from all residents. Additionally, residents and city planners are concerned about the pressure on the local economy from the influx of Silicon Valley commuters.

8. CITY OF SOLEDAD

DESCRIPTION AND LOCATION:

In the center of the Salinas Valley of the agriculturally dominated South Monterey County Region, Soledad is surrounded by panoramic foothills and nestled amongst prime farmland. The City houses 4,000 inmates at the Salinas Valley State Prison, and approximately 7,000 at the Soledad State Correctional Training Facility. The City is 3.9 square-miles in area, about mid-way between Salinas to the north and King City to the south. Los Angeles is 330 miles south and San Francisco is 130 miles north. The region is rich in wine grapes, with several premier wineries such as Chalone Vineyards and Smith & Hook Winery located on the outskirts of town.

ECONOMIC TRENDS:

With an annual budget of \$410.5 million, the City of Soledad plans infrastructure improvements and the construction of a new shopping center and high school to accommodate the growing population. The number of single-family permits issued in 2000 reached 120 with a total valuation of \$19,174,400. Retail sales totals in January 2000 were \$29.41 million, a 10.4% increase over 1999 retail sales of \$26.64 million.

DEMOGRAPHIC BACKGROUND:

The population of Soledad grew 3.46% in 2000, from 23,100 in 1999 to 23,900. Although the inmate population from the two correctional facilities accounts for total population increases, the growth in Soledad's household population can be assumed to be due to new home construction. The prison population grew over 1,000 additional people in 1998 and slowed in 1999 with only 300 additional people.

DEVELOPMENTS:

Development projects under construction in the City include, California Highlands consisting of 28 dwelling units, Las Jicamas which is 53 dwelling units and Vista Soledad Community Projects, a development of 636 dwelling units. There is also one other development project pending approval, the Miravale Development project, which is composed of 878 dwelling units. A three-acre shopping center will accompany the Vista Soledad development. A new \$15 million high school is complete and will have 90,000 square-feet of space including a library and amphitheater, with student capacity of 1,250.

