

# FORT ORD REUSE AUTHORITY BOARD REPORT

## OLD BUSINESS

**Subject:** FY 2013/14 Capital Improvement Program

**Meeting Date:** June 21, 2013

**Agenda Number:**

**INFORMATION/ACTION**

### **RECOMMENDATION:**

Adopt the Fiscal Year 2013/14 (FY 13/14) Fort Ord Reuse Authority (FORA) Capital Improvement Program (CIP), **Attachment A**.

### **BACKGROUND/DISCUSSION:**

At the May 2013 FORA Board meeting, staff presented key elements of the FORA CIP. Those elements include: 1) Transportation/Transit; 2) Water Augmentation; 3) Habitat Management; 4) Fire Fighting Enhancement; and, 5) Building Removal. Tables outlining expected revenue and expenditure streams based on forecasts received from the land use jurisdictions and their developers were provided. Board members had questions regarding the following topics:

**Eastside Parkway:** Remains the number one FORA Board priority transportation project, however, is not feasible to receive funding at this time due to several factors:

1. The roadway lies within land that is part of the Environmental Services Cooperative Agreement (ESCA). Construction cannot begin until that land has been approved for transfer by State regulatory agencies. This is not projected to occur until 2014/15.
2. FORA does not foresee collecting \$16.8M to fund construction in the next fiscal year.
3. Eastside Parkway connectivity is dependent on an overall traffic network including Inter-Garrison Road, Eucalyptus Road and a portion of Gigling Road. Collective project costs exceed \$25M.

Once the ESCA is complete, and a substantial portion of the project cost has been collected, FORA would proceed with the California Environmental Quality Act (CEQA) process. FORA will not prepare the CEQA documents until the project is construction ready to ensure the documents remain current and do not expire. It is for these reasons funding for the next FY has been programmed to:

1. Davis Road Bridge Replacement – Monterey County has secured a grant for this project and the programmed funds serve as a local match, and
2. South Boundary Road – Project cost is within grant range and projections forecast collecting the amount of funding needed for a local match. Early funding for this project includes grant application preparation. Construction would not occur until the Habitat Conservation Plan is near finalization.

**Eighth Street:** FORA is not the lead agency for this project. The City of Marina assumed lead agency status through a 2007 reimbursement agreement with FORA. The nearly \$6M project, as assigned by TAMC, includes upgrading/constructing a two-lane arterial (Eighth Street) from 2<sup>nd</sup> Avenue to Inter-Garrison Road. FORA staff has requested a meeting with Marina staff to determine progress to date and how to meet concerns moving forward.

**Property Management/Caretaker Costs:** The land use jurisdictions are responsible for maintaining over 1,200 acres, with few resources available for management. Through a combination of the contingency line item “Additional CIP Costs” and land sales revenue (should it be received), staff and consultants are comfortable that FORA can contribute

toward these potential costs. Funding will be programmed once actual costs have been demonstrated. At this time, annual amounts are not known.

**Building Removal:** It is not incumbent on FORA to determine which City of Seaside Surplus II buildings are selected for removal. The FORA Board established criteria to address how the building removal program would proceed. Within Economic Development Conveyance parcels, select building removal (required for redevelopment) is a basewide cost. Building removal required for Surplus II redevelopment *and* buildings not programmed for reuse in the Surplus II area (along Gigling Road) potentially fit the criteria. When the City of Seaside, working with any developer, determines which buildings should be removed, FORA would likely forego a portion of the land sale proceeds in an amount commensurate with the actual costs, or up to \$4M.

**Monterey-Salinas Transit (MST):** The MST representative requested that funding be advanced to the Transit Vehicle Purchase/Replace obligation to meet the growing need for transit service to former Fort Ord developments. Upon FORA Board direction, and actual fee collection, the request can be accommodated through reductions toward the other projects programmed for funding in FY 13/14 and FY 14/15 (Davis Road Bridge Replacement and South Boundary Road).

Additionally, at their May meeting, the FORA Board enacted a developer fee reduction based on the formulaic approach. The fee reduction, to \$26,440, will remain in place until July 1, 2013, when a 2.38% increase (based on the Engineering News Record Construction Cost Index) will be applied. The indexed developer fee on July 1 will be \$27,069.

**FISCAL IMPACT:**

Reviewed by FORA Controller \_\_\_\_\_

Staff time for this item is included in the approved annual budget. Actual expenditures will not occur until developer fees are actually collected.

**COORDINATION:**

CIP Committee, Administrative Committee, Executive Committee.

Prepared by \_\_\_\_\_ Reviewed by \_\_\_\_\_  
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