



FORT ORD REUSE AUTHORITY

920 2nd Avenue, Suite A, Marina, CA 93933

Phone: (831) 883-3672 | Fax: (831) 883-3675 | www.fora.org

ADMINISTRATIVE COMMITTEE MEETING

8:30 a.m. Wednesday, February 17, 2016

920 2nd Avenue, Suite A, Marina CA 93933 (FORA Conference Room)

AGENDA

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

March 7, 2016 4:30 PM: Special Board Meeting presentation of Draft Regional Urban Design Guidelines

4. PUBLIC COMMENT PERIOD

Members of the public wishing to address the Board on matters within its jurisdiction, but not on this agenda, may do so for up to 3 minutes. Comments on agenda items are heard under the item.

5. APPROVAL OF MEETING MINUTES

ACTION

a. February 3, 2016 Minutes

6. FOLLOW UP - FEBRUARY 12, 2016 BOARD MEETING

INFORMATION/ACTION

a. Economic & Planning Systems, Inc. (EPS) Contract Amendment #10
for Biennial Formulaic Fee Review

7. BUSINESS ITEMS

a. Fort Ord Reuse Authority Prevailing Wage Program Update

INFORMATION/ACTION

b. Water Augmentation: Pipeline Financing Commitment

INFORMATION/ACTION

c. Capital Improvement Program Development Forecasts
and Schedule Update

INFORMATION

8. ITEMS FROM MEMBERS

9. ADJOURNMENT

NEXT MEETING: MARCH 2, 2016

For information regarding items on this agenda or to request disability related modifications and/or accommodations please contact the Deputy Clerk 48 hours prior to the meeting.

Agendas are available on the FORA website at www.fora.org.



FORT ORD REUSE AUTHORITY
ADMINISTRATIVE COMMITTEE REGULAR MEETING MINUTES
8:30 a.m., Wednesday, February 3, 2016 | FORA Conference Room
920 2nd Avenue, Suite A, Marina CA 93933

1. CALL TO ORDER

Chair Dawson called the meeting to order at 8:30 a.m. The following were present:

**voting members, AR = arrived after call to order*

Daniel Dawson, City of Del Rey Oaks	Lyle Shurtleff, BRAC	FORA Staff:
Craig Malin, City of Seaside*	Wendy Elliott, MCP	Michael Houlemard Jr.
Layne Long, City of Marina* AR	Don Hofer, MCP	Steve Endsley
Melanie Beretti, Monterey County*	Diana Ingersoll, City of Seaside	Jonathan Brinkmann
Elizabeth Caraker, City of Monterey*	Rick Reidl, City of Seaside	Robert Norris
Mike Lerch, CSUMB	Kathleen Lee, Sup. Potter	Ted Lopez
Chris Placco, CSUMB	Andy Sterbenz, Schaat & Wheeler	Peter Said
Steve Matarazzo, UCSC	Brian Boudreau, Monterey Downs	Mary Israel
Graham Bice, MBEST	Bob Shaffer	Maria Buell
Vicki Nakamura, MPC	Kathleen Lee, Sup Potter (County)	
Mike Zeller, TAMC	Paul Sciuto, MPRWRD	
Lisa Reinheimer, MST	Mike Wesley, MCWD	
	Keith Van Der Maaten, MCWD	

2. PLEDGE OF ALLEGIANCE

Pledge of allegiance was led by Kathleen Lee.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Mr. Houlemard announced Helen Rodriguez was hired as the Controller and joins FORA March 1st.

4. PUBLIC COMMENT PERIOD

None.

5. APPROVAL OF MEETING MINUTES (no minutes were approved)

a. January 13, 2016 Administrative Committee Minutes

MOTION: Chris Placco moved, seconded by Steve Matarazzo to approve the January 13, 2016 Administrative Committee minutes as presented.

MOTION PASSED UNANIMOUSLY

The committee received comments from members.

6. FEBRUARY 12, 2016 BOARD MEETING AGENDA REVIEW

a. Fort Ord Reuse Authority Prevailing Wage Program

Mr. Houlemard briefly reviewed the agenda and referenced the resolution prepared for immediate past City Manager of Seaside, John Dunn. He discussed the items on the consent agenda and their relation to work at FORA: Item 7d, the Habitat Conservation Plan; Item 8b, Prevailing Wage: He said correspondence was sent to each City Manager of FORA jurisdictions along with the Resolution amending the Master Resolution related to compliance of prevailing wage. He also said the Board took action to approve the resolution requiring contractors to comply with DIR requirements. Item 8c. Finance Committee provided their review and adjustments will be made pertaining the close of escrow on Preston Park, that the registration of income on Capital Improvement Projects is on target

with all permit projections and developer fees. Item 8d will be heard at Joint Committee today; and Item 8e was requested be moved to March Board agenda. On Executive Officers items, he said more detail and next steps in getting Regional Urban Design Guidelines to adoption will soon follow.

Committee members provided comments/questions relating to the type of support to be provided to jurisdictions after FORA goes away; suggested to have discussions with jurisdictions to avoid duplication of efforts so they understand its implementation; how would this software be available; should all contractors registered with DIR have to integrate with ELATION software; and, that DIR was rolling back due to challenges on getting information from consultants and proceed with this registration requirement.

Mr. Houlemard said staff proposed multiple actions last year but Board chose the one being reviewed. Robert Norris supports orientation to jurisdictions on Prevailing Wage program for ELATION (compliance specific software) which interfaces with all existing accounts and items required such as certified payrolls, etc., and would help those contractors/subs who do not have experience with Prevailing Wage rules compliance. He added this software is used in San Francisco. Mr. Houlemard said Finance Committee will review this request and provide a recommendation to Board if financing is available.

The committee received public comment.

7. BUSINESS ITEMS

a. Fort Ord Reuse Authority 2020 Sunset / Transition Plan

Mr. Houlemard introduced this item and added the Finance Committee received this presentation at their monthly meeting. It was well received and they are aware of the contracts issues affected by sunset in 2020. Steve Endsley provided a presentation to committee and asked their help in designing the best way to present it to Board and stakeholders in order to understand the obligations, responsibilities and resources FORA has and what might be a way to undertake those obligations once FORA goes away. A series of meetings will be created with Local Agency Formation Commission (LAFCO) regarding FORA's future.

The committee received comments from members: would a Community Facilities District (CFD) continue if FORA goes away; a request to add funding sources on the table, identify the funding source and its relationship to the obligations; show the agencies' responsibilities and break them apart (each has its own); a la Carte option, show underlying jurisdictions next to land allocations; how much representation will be needed in the new entity as new responsibilities are given; provide guidance to CFD as to what components should be shifted to local jurisdictions and which are overarching; and, add a statement that "responsibilities will continue with jurisdictions and if they fail, they fail for everyone."

Mr. Houlemard said if FORA continues, then yes a CFD could exist and that it is being explored. But if CFD goes away, CEQA also goes away, but it would require a vote of the people in those jurisdictions. He explained that some funds come with restrictions and its already in the Capital Improvement Program. Steve Endsley said the Memo will be expanded to include looking at CFD, expectations in the next 4 years, how it might be lowered and what the revenues would be.

b. Capital Improvement Program (CIP) 2016 Schedule & Development Forecast

Jonathan provided a PowerPoint presentation to committee. Peter Said presented a 2016 schedule: fee formula and stated it is going to Board for consideration. He added that the CIP forecast is the first step in the process, Admin Committee reviews and then conforms it. He added Transportation Agency of Monterey County (TAMC) will have new data in June and might impact the study in September.

c. Post-Base Reuse Plan Reassessment Work Plan Update

Jonathan Brinkmann provided a power point presentation to members and answered their questions.

The committee received public comment.

8. ADJOURN TO JOINT ADMIN/WWOC COMMITTEE

Meeting adjourned at 9:51 a.m. and continued as Joint Water-Wastewater Oversight Committee meeting.

DRAFT



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MEMORANDUM

TO: Administrative Committee

FROM: Peter Said, Project Specialist

RE: Item 6a: Economic & Planning Systems, Inc. (EPS) Contract
Amendment #10 for Biennial Formulaic Fee Review INFORMATION/ACTION

DATE: February 17, 2016

Fort Ord Reuse Authority (FORA) Resolution 12-5 and FORA's Jurisdictions Implementation Agreement amendments guide FORA to update the formulaic fee starting 2014 and biennially thereafter. Economic & Planning Systems, Inc. (EPS) has performed this review during Phase I-III which has resulted in Fee Reductions.

Attachment A provides the scope for Contract Amendment #10.

Fort Ord Reuse Authority
Developer Fee and CFD Special Tax Biennial Update
DRAFT Scope of Work

Project Approach

Economic & Planning Systems, Inc. (EPS) appreciates the opportunity to assist the Fort Ord Reuse Authority (FORA) with the continued evaluation and update of basewide funding strategies as development continues on the former Fort Ord Army Base.

To fund basewide infrastructure and capital facilities needed to accommodate reuse of the former Fort Ord Army Base and to maintain FORA's ability to meet required California Environmental Quality Act (CEQA) mitigation measures, FORA has instituted a one-time Development Fee and Community Facilities District (CFD) Special Tax. In 2012, FORA adopted a Development Fee and CFD Special Tax formula that took into account all potential revenue sources and costs in establishing the rates. Under the formula, authorized capital improvement program (CIP) improvements are funded by the Development Fee and CFD Special Taxes after applying all available property tax revenues, grant funds, and land sales and lease proceeds. The FORA Board periodically will adjust the Development Fee and CFD Special Tax following a comprehensive review of all potential costs and revenues, with the goal of establishing a process and formula that is defined, predictable, and transparent to all stakeholders.

This Scope of Work describes EPS's proposed work plan to prepare the biennial update of the FORA Development Fee and CFD Special Tax. EPS will prepare an update to the Development Fee and CFD Special Tax that relies on the formulaic approach developed and applied under prior phases of EPS's work on the basewide financing strategy. Key elements considered for the update will include expected timing and pace of new development, associated capital and operations costs, and other potential funding sources. In coordination with FORA staff, EPS's update will include targeted stakeholder outreach to ensure coordination with key stakeholders regarding included analysis elements and key methodological approaches.

Scope of Work

Task 1: Refine FORA Development Outlook

- Review and update development projections developed by FORA in coordination with the FORA jurisdictions.
- Review any implications for major capital projects, operations and management, FORA policies (e.g., affordable housing), and other related issues.

Task 2: Identify FORA Buildout Cost Expectations

Subtask 2.1: Review Probable Costs by Category

- Meet with FORA engineering staff to discuss capital costs and potential changes to roadway infrastructure costs based studies currently underway by the Transportation Agency for Monterey County (TAMC) to evaluate FORA's contribution to regional infrastructure improvements.
- Meet with TAMC staff to understand FORA's fee reallocation study process and any other issues surrounding transportation project costs and contingencies.
- For early iterations of the technical analysis, incorporate upper and lower bound estimates for roadway infrastructure improvements to understand the impact of a range of potential roadway costs on the formula outcomes.
- Meet with FORA staff to determine levels of ongoing administrative activity, staffing, etc.
- Incorporate work completed under separate contract evaluating and establishing the Habitat Conservation Plan Financing Strategy.
- Review status of building deconstruction program by jurisdiction and related cost estimates.
- Confirm applicable construction cost indices for future application (e.g., Bay Area average versus 20-City average).
- Identify potential areas of refinement, and recommend any engineering review(s) of unit costs.

Subtask 2.2: Establish Probable Cost Timeline

- Establish working assumptions for timing of above-referenced capital and operations costs, taking into consideration the timing and pace of anticipated development activity.

Task 3: Project FORA Buildout Revenue

Subtask 3.1: Project Land Sales

- Update analysis of comparable land sales to include any new or unaccounted transactions.
- In coordination with FORA staff and stakeholder input, consider revisions to land sale revenue methodology, which may include the following considerations:
 - Review updated developer financial feasibility analyses and supporting market information.
 - Conduct targeted, supplemental market review as necessary to confirm revenue assumptions and understand development risks.
 - Review other variables driving residual land value.
- Update and refine projected land sales revenues through buildout based on refined valuation assumptions and projected land transactions provided by FORA staff.

Subtask 3.2: Project Property Tax Revenue

- Update projected property tax revenue as appropriate based on policy assumptions, development outlook, and probable development values.

Subtask 3.3: Incorporate Other Sources of Funds

- Incorporate other sources of funding as provided by FORA staff, including fund balances, grant monies, or California State University mitigation fees.

Task 4: Conduct Sensitivity Analysis

The formulaic approach relies on several key variables that are subject to change. Working with FORA staff, under this Optional task, EPS will identify an approach to test key assumptions to understand the influence of changes to these variables and to bracket the range of probable outcomes. Subject to further discussions and coordination with FORA staff, this sensitivity analysis could include such techniques as the Monte Carlo analysis or other industry-accepted approaches.

Task 5: Refine Capital Funding Mix and Attend Meetings

- Using the FORA Board-adopted formula, apply revised one-time CFD special tax rate to projected development based on revised development and funding assumptions.
- EPS will provide an initial technical table set to FORA staff for their review and comment. Following incorporation of FORA staff comments and resolution of all outstanding issues, EPS will produce an Administrative Draft Report for FORA staff and stakeholder review. After incorporating any needed revisions, EPS will prepare an updated Draft Report for presentation to the Administrative, Executive, and Finance Committees. Based on the outcomes of these meetings and any updates needed, EPS will produce a Final Draft Report for presentation to the FORA Board. Upon approval of the Final Draft Report by FORA's board, EPS will provide a Final Report.
- EPS will coordinate with FORA staff on an ongoing basis, with regular phone meetings, to discuss needed data and information, any issues identified, and EPS's progress and initial results.
- Finalizing this analysis is based on the assumption EPS will attend two stakeholder meetings, one Administrative Committee meeting, one Executive and Finance Committee meeting, and one FORA Board meeting, as well as two additional meetings held in reserve if needed (through completion of all tasks).

Staffing, Budget, and Schedule

All tasks will be overseen by Managing Principal David Zehnder. Executive Vice President Ellen Martin will serve as Project Manager and will be responsible for the day-to-day work associated with this assignment. Other EPS staff will assist with research and technical analysis.

The estimated budget for all tasks is estimated to be **\$75,000**. As described in **Task 5**, this budget is based on the assumption EPS will attend 2 stakeholder meetings and 4 public meetings, as well as 2 additional meetings held in reserve if needed through the completion of all tasks. Based on prior experience, EPS recommends including an additional meeting contingency of \$10,000. EPS charges for its services on a direct-cost (hourly billing rates plus direct expenses), not-to-exceed basis; therefore, you will be billed only for the work completed up to the authorized budget amount. EPS's Hourly Billing Rates are attached as part of this Scope of Work.

2016 HOURLY BILLING RATES

Sacramento Office

Managing Principal	\$250-\$280
Senior Principal	\$300
Principal	\$225-\$240
Executive/Senior Vice President	\$220
Vice President	\$200
Senior Technical Associate	\$185
Senior Associate	\$170
Associate	\$150
Research Analyst II	\$105
Research Analyst I	\$85
Production and Administrative Staff	\$80

Billing rates updated annually.





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MEMORANDUM

TO: Administrative Committee

FROM: Peter Said, Project Specialist

RE: Item 7c: Capital Improvement Program Development Forecasts INFORMATION
and Schedule Update

DATE: February 17, 2016

Fort Ord Reuse Authority (FORA) assesses the CIP Budget on an annual basis, in conjunction with the Biennial Formulaic Fee Review.

FORA has received the Development Forecasts used as the basis for this approach from the jurisdictions, and is providing the updates in **Attachment A** (Residential) and **Attachment B** (Commercial) for the Administrative Committee's Review.

Appendix B
FY 2016/17 through Post-FORA Development Forecasts_DRAFT

Land Use Type	Jurisdiction	Built	Forecast plus built	DRAFT					DRAFT					
				2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22				
New Residential														
Marina Heights (Entitled)	MAR		1,050		76	144	180	186	180	284				
The Promontory (Entitled)	MAR	261	1,237		30	90	90	90	50	626				
Dunes (Entitled)	MAR		200											
TAMC (Planned)	MAR		2,487											
Marina Subtotal														
CSUMB (Planned)	CSU					150	150	150	42					
UC (Planned)	UC		240					110	110	20				
East Garrison I (Entitled)	MCO	319	1,470		160	140	120	100	100	531				
Seaside Highlands (Entitled)	SEA	152	152											
Seaside Resort (Entitled)	SEA	5	125		2	2	4	6	53	53				
Seaside (Planned)	SEA		995		15	120	100	390	370					
Seaside Subtotal			1,272											
Del Rey Oaks (Planned)	DRO		691					130	287	274				
Other Residential (Planned)	Various													
Subtotal		737	6,160		283	496	594	1,112	1,150	1,788				
Existing/Replacement Residential														
Preston Park (Entitled)	MAR	352	352											
Cypress Knolls (Planned)	MAR		400				100	100	100	100				
Abrams B (Entitled)	MAR	192	192											
MOCO Housing Authority (Entitled)	MAR	56	56											
Shelter Outreach Plus (Entitled)	MAR	39	39											
VTC (Entitled)	MAR	13	13											
Interim Inc (Entitled)	MAR	11	11											
Sunbay (Entitled)	SEA	297	297											
Bayview (Entitled)	SEA	225	225											
Seaside Highlands (Entitled)	SEA	228	228											
Subtotal		1,413	1,813				100	100	100	100				
TOTAL EXISTING RESIDENTIAL		1,413	1,813				100	100	100	100				
Total		2,150	7,973		283	496	694	1,212	1,250	1,888				

Table A2: Non-Residential Annual Land Use Construction (building square feet or hotel rooms)

		DRAFT									
Land Use Type	Jurisdiction	Built	Forecast plus built	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	
Office											
Del Rey Oaks (Planned)	DRO	-	400,000	-	400,000	-	-	-	-	-	
Monterey (Planned)	MRY	-	721,524	-	-	-	-	-	-	721,524	
East Garrison I (Entitled)	MCO	-	34,000	14,000	-	10,000	-	-	10,000	-	
Injin Office Park (Entitled)	MAR	28,000	49,000	-	-	-	-	-	-	-	
Dunes (Entitled and Planned)	MAR	190,000	760,000	50,000	100,000	100,000	100,000	100,000	100,000	270,000	
Cypress Knolls (Planned)	MAR	-	16,000	16,000	-	-	-	-	-	-	
Interim Inc. (Entitled)	MAR	14,000	14,000	-	-	-	-	-	-	-	
Marina (Planned)	MAR	-	206,500	29,500	29,500	29,500	29,500	29,500	29,500	29,500	
TAMC (Planned)	MAR	-	40,000	-	-	-	-	-	-	-	
Seaside (Planned)	SEA	14,900	466,900	-	-	-	102,000	-	100,000	-	
UC (Planned)	UC	-	718,000	-	60,000	180,000	80,000	180,000	180,000	180,000	
Subtotal		246,900	3,425,924	50,500	493,500	155,500	341,500	329,500	319,500	1,201,024	
Industrial											
Monterey (Planned)	MRY	-	216,275	-	-	-	-	-	-	216,275	
Marina CY (Entitled)	MAR	12,300	12,300	-	-	-	-	-	-	-	
Dunes (Planned)	MAR	-	6,000	-	6,000	-	-	-	-	-	
Cypress Knolls (Planned)	MAR	250,000	250,000	-	-	-	-	-	-	-	
Marina Airport (Entitled)	MAR	-	35,000	-	-	17,500	17,500	17,500	-	-	
TAMC (Planned)	MAR	-	125,320	-	-	-	-	125,320	-	-	
Seaside (Planned)	SEA	-	100,000	-	-	20,000	20,000	20,000	20,000	20,000	
UC (Planned)	UC	38,000	100,000	-	-	20,000	20,000	20,000	20,000	20,000	
Subtotal		300,300	744,895	-	26,000	162,820	37,500	162,820	20,000	236,275	
Retail											
Del Rey Oaks (Planned)	DRO	-	5,000	5,000	-	-	-	-	-	-	
East Garrison I (Entitled)	MCO	-	40,000	20,000	20,000	-	-	-	-	-	
Cypress Knolls (Planned)	MAR	418,000	542,000	10,000	114,000	-	37,500	37,500	-	-	
Dunes (Entitled)	MAR	-	75,000	-	-	-	-	-	-	-	
TAMC (Planned)	MAR	-	16,300	16,300	-	-	-	-	-	-	
Seaside Resort (Entitled)	SEA	-	1,666,500	-	300,000	691,500	691,500	-	330,000	345,000	
Seaside (Planned)	SEA	-	310,000	-	-	62,500	62,500	82,500	82,500	82,500	
UC (Planned)	UC	-	310,000	-	-	-	-	-	-	-	
Subtotal		418,000	2,654,800	51,300	434,000	120,000	791,500	412,500	412,500	427,500	
Hotel (rooms)											
Del Rey Oaks (Planned)	DRO	-	550	-	-	-	-	550	-	-	
Dunes (Entitled)	MAR	108	108	-	-	-	-	-	-	-	
Dunes (Entitled)	MAR	-	400	400	400	262	262	262	-	-	
Seaside Resort (Entitled)	SEA	-	330	-	-	28	28	-	-	170	
Seaside Resort TS (Entitled)	SEA	-	170	-	-	-	-	-	-	210	
Seaside (Planned)	SEA	-	660	-	-	250	250	200	-	-	
UC (Planned)	UC	-	-	-	-	-	-	-	-	-	
Subtotal		108	2,218	-	-	440	278	1,012	-	380	