



FORT ORD REUSE AUTHORITY

REGULAR MEETING

FORT ORD REUSE AUTHORITY (FORA) ADMINISTRATIVE COMMITTEE

Wednesday, January 2, 2019 at 8:30 a.m.

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

AGENDA

1. CALL TO ORDER/ESTABLISHMENT OF QUORUM

2. PLEDGE OF ALLEGIANCE

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

4. PUBLIC COMMENT PERIOD

Members of the public wishing to address the Committee on matters within its jurisdiction, but not on this agenda, may do so for up to 3 minutes and will not receive Committee action. Whenever possible, written correspondence should be submitted to the Committee in advance of the meeting, to provide adequate time for its consideration.

5. APPROVAL OF MEETING MINUTES

ACTION

- a. December 19, 2018 Meeting Minutes

6. JANUARY 11, 2019 DRAFT BOARD MEETING AGENDA REVIEW

ACTION/INFORMATION

7. BUSINESS ITEMS

INFORMATION

- a. Capital Improvement Plan
 - i. Development Forecast Request
 - ii. FY 2019-2020 Capital Improvement Program Schedule
- b. Economic Development Update
 - i. Drones Automation & Robotics Technologies
 - ii. Monterey Bay Sustainable Hospitality Summit
 - iii. Opportunity Zones
- c. Transition Plan Update
- d. 2019 Administrative Committee Meeting Schedule

8. ITEMS FROM MEMBERS

INFORMATION

Receive communication from Committee members as it pertains to future agenda items.

9. ADJOURNMENT

NEXT MEETING: Wednesday, January 16, 2019 at 8:30 a.m.



FORT ORD REUSE AUTHORITY
ADMINISTRATIVE COMMITTEE REGULAR MEETING MINUTES
8:30 a.m., Wednesday, December 19, 2018 | FORA Conference Room
920nd Avenue, Suite A, Marina, CA 93933

1. CALL TO ORDER

Co-Chair Executive Officer Michael Houlemard called the meeting to order at 8:31 a.m.

The following members were present:

Craig Malin* (City of Seaside)	Lisa Rheinheimer (Monterey Salinas Transit)
Mike Zeller (TAMC)	Anya Spear (CSUMB)
Patrick Breen (MCWD)	Melanie Beretti* (Monterey County)
Elizabeth Caraker* (City of Monterey)	
Dino Pick* (City of Del Rey Oaks)	
*Voting Member	

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by City Manager Dino Pick.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

- Veteran Town Hall WED, DEC 19, 2018 3:00PM - 4:00PM
Join the executive leadership from the VA Palo Alto Health Care System for a question and updates session. Major General Gourley VA-DoD Outpatient Clinic (Canteen), 201 9th Street, Marina, CA.
- The FORA office will be closed beginning 2:30 pm, Friday, December 21 and will reopen on Wednesday, December 26, 2018.
- California State University Monterey Bay (CSUMB) and the Monterey Bay Ecotourism Region (MBETR) initiative announce the 2nd Monterey Bay Sustainable Hospitality Summit. Sustainability Hospitality Summit January 10 & 11, 2019 at the Portola Hotel and Spa in Monterey, CA.
- Fort Ord Cleanup Community Outreach Events SAT, FEB 2, 2019 Community Involvement Mobile Workshop.
- Impact Area Guided Walking Tour SAT, MAY 4, 2019.
- Impact Area Bus Tour SAT, JULY 13, 2019.
- DART Meetups to begin February 12, 2019 & will occur regularly every other month.
- 2019 Drone Camp June 17-20, 2019 UCMBEST & CSUMB Campus.
- DART Symposium June 21, 2019 @ CSUMB.

4. PUBLIC COMMENT PERIOD

Members of the public wishing to address the Administrative Committee on matters within its jurisdiction, but not on this agenda, may do so for up to 3 minutes.

There were no public comments received.

5. APPROVAL OF MEETING MINUTES

ACTION

- a. December 5, 2018 Meeting Minutes

MOTION: On motion by Committee member Spear and second by Committee member Caraker and carried by the following vote, the Administrative Committee moved to approve the December 5, 2018 regular meeting minutes.

MOTION PASSED UNANIMOUSLY

6. DECEMBER 14, 2018 BOARD MEETING FOLLOW-UP

INFORMATION

Principal Planner Jonathan Brinkmann reviewed the action taken by the Board at the December 14, 2018 Board meeting, and updated the committee on the three motions of the Transition Plan Resolution that were presented to the Board. Staff responded to questions and comments from the Committee and the public.

This item was for information only.

7. BUSINESS ITEMS

INFORMATION/ACTION

- a. Report on Selection of Building Removal Consultant
Assistant Executive Officer Steve Endsley provided an update on the RFQ for building removal financing solicitation and selection. Three qualified firms responded and were interviewed by a panel of the Administrative Committee. The Panel deemed all candidate firms qualified and unanimously recommended NHA Advisors. Staff responded to questions and comments from the Committee.

Information item only – no vote taken.

- b. Transition Plan Review
i. Contract Matrix Overview
Assistant Executive Officer Steve Endsley provided an overview on the Transition Plan in regards to the Contract Matrix contract liabilities. Staff responded to questions and comments from the Committee and public. The Administrative Committee directed staff to add additional columns to the contract matrix for assignment, explicit end date, financial/contractual, and status to further discuss the concerns or issues with the contract matrix liabilities at the next scheduled committee meeting.

Information item only – no vote taken.

8. ITEMS FROM MEMBERS

None

9. ADJOURNMENT at: 10:02 a.m.

Minutes Prepared By:
Heidi Lizarbe
Administrative Coordinator



FORT ORD REUSE AUTHORITY

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

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

MEMORANDUM

TO: Administrative Committee
FROM: Jonathan Brinkmann, Principal Planner
RE: **Item 7a.i.: Capital Improvement Program - Development Forecast Request**
DATE: January 2, 2019

Section 3.11.5.6 of the 1997 Base Reuse Plan (BRP) requires FORA to annually update the Capital Improvement Program (CIP) to reflect proposed capital projects. FORA's annual CIP process begins with requesting and receiving updated development forecasts from the FORA land use jurisdictions. Accurate and realistic development forecasts from jurisdictions provide the basis to program FORA BRP mitigations using the best available information. FORA must receive jurisdictions' development forecasts before implementing the Administrative Committee's CIP Development Forecasts Methodology.

CIP Development Forecasts Methodology

In 2014, FORA Administrative and CIP Committees formalized a methodology for developing jurisdictional development forecasts: 1) Committee members recommended differentiating between entitled and planned projects and correlate accordingly, 2) Market conditions necessary to moving housing projects forward should be recognized and reflected in the methodology. On average, a jurisdiction/project developer will market three or four housing types/products and sell at least one of each type per month, 3) As jurisdictions coordinate with developers to review and revise development forecasts each year, FORA staff and committees review submitted jurisdiction forecasts, using the methodology outlined in #2, translated into number of building permits expected to be pulled between July 1 and June 30 of the prospective fiscal year and consider permitting and market constraints in making additional revisions; and 4) FORA Administrative and CIP Committees confirm final development forecasts, and share those findings with the Finance Committee.

Please provide development forecasts information to FORA Project Manager Peter Said at Peter@fora.org by Friday, January 25, 2019. Last year's forecasts are attached to this memo for reference.

TABLE 5: LAND SALES REVENUE

In order to better forecast revenues from land sales, jurisdictions estimate when they expect escrow to clear on a lump sum sale of real property.

Estimated Land Sales

Parcel	Acres	Land Use Location & Description	Basis of Value	171000	1	2	3	4	5	6	7	8	9	10	Forecast Total	
				Forecasted Sale	2018-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28		28-29
Monterey County					\$ -	-	-	-	-	-	-	-	-	-	\$ -	
E8a.1.2	21.22	Ord Market	per acre	\$ 3,628,620	-	-	-	-	-	-	-	-	-	-	-	
multiple	152.93	East Garrison 2	per acre	26,151,030	-	-	-	-	-	-	-	-	-	-	-	
multiple	374.07	Parker Flat Development	per acre	63,965,970	-	-	-	-	-	-	-	-	-	-	-	
multiple	12.00	Travel Camp - Developable	per acre	2,052,000	-	-	-	-	-	-	-	-	-	-	-	
E11b.8	67.69	Ammo Supply Point	per acre	11,574,990	-	-	-	-	-	-	-	-	-	-	-	
Monterey City					-	8,918,813	-	15,855,667	-	-	-	-	-	-	24,774,480	
E29b.2	31.19	Business Park/Recreation	per acre	5,333,490	-	1,920,056	-	3,413,434	-	-	-	-	-	-	5,333,490	
E29b.3	27.71	Business Park parcel	per acre	4,738,410	-	1,705,828	-	3,032,582	-	-	-	-	-	-	4,738,410	
E29e	9.45	Open Space/Recreation			-	-	-	-	-	-	-	-	-	-	-	
E29b.1	33.52	Monterey -Ryan Ranch	per acre	5,731,920	-	2,063,491	-	3,668,429	-	-	-	-	-	-	5,731,920	
L4.2	7.03	Open Space/Recreation			-	-	-	-	-	-	-	-	-	-	-	
L4.1	18.10	Business Park/ Public Facility	per acre	3,095,100	-	1,114,236	-	1,980,864	-	-	-	-	-	-	3,095,100	
E29.1	22.48	Business Park parcel	per acre	3,844,080	-	1,383,869	-	2,460,211	-	-	-	-	-	-	3,844,080	
E29.2	11.88	Business Park parcel	per acre	2,031,480	-	731,333	-	1,300,147	-	-	-	-	-	-	2,031,480	
Marina					-	19,409,700	-	32,379,690	-	-	-	-	-	-	51,789,390	
multiple		Dunes Phase II	Contract	6,750,000	-	6,750,000	-	-	-	-	-	-	-	-	6,750,000	
multiple		Dunes Phase II Option	Contract		-	-	-	-	-	-	-	-	-	-	-	
multiple		Dunes Phase III	Contract	12,659,700	-	12,659,700	-	-	-	-	-	-	-	-	12,659,700	
E4.1.2.2	9.63	Cypress Knolls	Marina Est.	1,444,500	-	-	-	1,444,500	-	-	-	-	-	-	1,444,500	
E4.1.1	153.50	Cypress Knolls	Marina Est.	22,950,000	-	-	-	22,950,000	-	-	-	-	-	-	22,950,000	
E4.1.2.2	26.24	Cypress Knolls	Marina Est.	3,900,000	-	-	-	3,900,000	-	-	-	-	-	-	3,900,000	
E2c.4.2.1	13.39	Stockade	Marina Est.	2,289,690	-	-	-	2,289,690	-	-	-	-	-	-	2,289,690	
L35.2	1.71	Stockade +	per acre	292,410	-	-	-	292,410	-	-	-	-	-	-	292,410	
L2.2.1	2.11	Stockade +	per acre	360,810	-	-	-	360,810	-	-	-	-	-	-	360,810	
L2.2.2	4.54	Stockade corner @ imjin	per acre	776,340	-	-	-	776,340	-	-	-	-	-	-	776,340	
E2c.4.2.2	2.14	Stockade +	per acre	365,940	-	-	-	365,940	-	-	-	-	-	-	365,940	
Seaside					-	22,634,310	14,365,864	-	-	-	-	32,394,719	32,394,719	25,195,892	126,985,504	
multiple	86.01	Surplus II	Contract	18,000,000	-	9,129,597	8,870,403	-	-	-	-	-	-	-	18,000,000	
multiple	89.27	Main Gate	per acre	15,265,170	-	9,769,709	5,495,461	-	-	-	-	-	-	-	15,265,170	
multiple	563.24	Seaside East	per acre	89,985,330	-	-	-	-	-	-	-	32,394,719	32,394,719	25,195,892	89,985,330	
F2.3.2	26.00	26 Acre Parcel	Seaside Est	3,735,004	-	3,735,004	-	-	-	-	-	-	-	-	3,735,004	
E18.1.3	40.00	Barracks Parcel	fixed	6,640,000	-	-	-	-	-	-	-	-	-	-	-	
Del Rey Oaks					-	10,880,000	6,120,000	394,600	1,449,463	1,329,697	-	-	-	-	20,173,760	
E29a	271.60	270 Acres (Parcels A-D)	Contract	17,000,000	-	10,880,000	6,120,000	-	-	-	-	-	-	-	17,000,000	
E36	6.41	Development Parcel E36	per acre	1,096,110	-	-	394,600	701,510	-	-	-	-	-	-	1,096,110	
E31a	4.89	Development w/ Reserve	per acre	836,190	-	-	-	301,028	535,162	-	-	-	-	-	836,190	
E31b	3.34	Development w/ Reserve	per acre	571,140	-	-	-	205,610	365,530	-	-	-	-	-	571,140	
E31c	3.92	Development w/ Reserve	per acre	\$ 670,320	-	-	-	241,315	429,005	-	-	-	-	-	670,320	
CSUMB																
UC MBEST					\$ -	-	-	-	-	-	-	-	-	-	\$ -	
Lump Sum Sale Forecast - Sub-total					\$ -	61,842,823	20,485,864	16,250,267	33,829,153	1,329,697	-	-	32,394,719	32,394,719	25,195,892	223,723,134
FORA Share (50% of Lump Sum Sales)					\$ -	30,921,411	10,242,932	8,125,134	16,914,577	664,849	-	-	16,197,360	16,197,360	12,597,946	\$ 111,861,567

TABLE 6: FY 2018/2019 THROUGH POST-FORA DEVELOPMENT FORECASTS

Residential Annual Land Use Construction (dwelling units)

Land Use Location & Description	Jurisdiction	Built To Date	FORECAST YEAR											Forecast	Forecast + Built
			2018-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29		
NEW RESIDENTIAL															
**6,160 unit cap on new residential until 18,000 new jobs on Fort Ord per BRP 3.11.5.4 (b) 2) & 3.11.5.4 (c)															
<u>Marina</u>															
Seahaven A (Entitled)	MAR	-	-	113	120	120	120	120	120	89	-	-	-	802	802
Dunes Phase 1 (Entitled)	MAR	390	72	115	-	-	-	-	-	-	-	-	-	187	577
Dunes Phase 2 (Entitled)	MAR	-	-	-	90	45	45	45	-	-	-	-	-	225	225
Dunes Phase 3 (Entitled)	MAR	-	-	-	-	45	45	45	90	90	90	30	-	435	435
Cypress Knolls (Entitled)	MAR	-	-	-	100	100	100	100	100	100	56	56	-	712	712
TAMC (Planned)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Seaside</u>															
Seaside Resort (Entitled)	SEA	3	4	12	36	36	34	-	-	-	-	-	-	122	125
Surplus II (Planned)		-	-	-	10	100	100	28	-	-	-	-	-	238	238
26 Acre Parcel (Planned)		-	-	10	100	40	-	-	-	-	-	-	-	150	150
Main Gate (Planned)		-	-	10	100	35	-	-	-	-	-	-	-	145	145
Nurses Barracks (Planned)		-	-	40	-	-	-	-	-	-	-	-	-	40	40
Seaside East (Planned)	SEA	-	-	-	-	-	-	10	50	50	100	100	-	310	310
<u>Other</u>															
East Garrison I (Entitled)	MCO	749	120	120	120	120	120	121	-	-	-	-	-	721	1,470
Del Rey Oaks (Planned)	DRO	-	-	-	20	60	60	60	60	120	120	110	81	691	691
UC Blanco Triangle (Planned)	UC	-	-	-	110	110	20	-	-	-	-	-	-	240	240
Other Residential (Planned)	Various	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NEW RESIDENTIAL		1,142	196	420	806	811	644	529	420	449	366	296	81	5,018	6160**
EXISTING/REPLACEMENT RESIDENTIAL															
Preston Park (Entitled)	MAR	352	-	-	-	-	-	-	-	-	-	-	-	-	352
Seahaven (Entitled)	MAR	121	120	7	-	-	-	-	-	-	-	-	-	127	248
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	380	-	-	-	-	-	-	-	-	-	-	-	-	380
TOTAL EXISTING/REPLACE		1,686	120	7	-	-	-	-	-	-	-	-	-	127	1,813
CSUMB (Planned)															
		2,828	316	427	806	811	644	529	420	449	366	296	81	5,145	7,973

TABLE 7: FY 2018/2019 THROUGH POST-FORA DEVELOPMENT FORECAST

Non-Residential Annual Land Use Construction (building square feet or hotel rooms per year)

Land Use Location & Description	Jurisdiction	Land Transfer Type	Built To Date	FORECAST YEAR					Post FORA					Forecast	Forecast + Built	
				2018-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28			28-29
NON-RESIDENTIAL																
Office																
Del Rey Oaks RV Park (Entitled)	DRO	EDC	-	-	200,000	200,000	-	-	-	-	-	-	-	-	400,000	400,000
Del Rey Oaks RV Park (Planned)	DRO	EDC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monterey (Planned)	MRY	EDC	-	-	-	120,552	120,552	120,552	179,934	179,934	-	-	-	-	721,524	721,524
East Garrison I (Entitled)	MCO	-	-	-	24,000	24,000	20,000	-	-	-	-	-	-	-	68,000	68,000
Dunes Phase 1 (Entitled)	MAR	-	203,000	-	23,000	23,000	23,000	-	-	-	-	-	-	-	69,000	272,000
Dunes Phase 2 (Entitled)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dunes Phase 3 (Entitled)	MAR	-	-	-	-	75,000	75,000	75,000	75,000	75,000	75,000	-	-	-	450,000	450,000
Interim Inc. (Entitled)	MAR	-	14,000	-	-	-	-	-	-	-	-	-	-	-	-	14,000
Marina (Planned)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TAMC (Planned)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Campus Town / Surplus II (Planned)	SEA	-	-	-	-	-	5,000	5,000	-	-	-	-	-	-	10,000	-
Campus Town /26 Acre (Planned)	SEA	-	-	-	-	-	5,000	5,000	-	-	-	-	-	-	10,000	-
Seaside East (Planned)	SEA	-	14,900	-	-	-	10,000	10,000	10,000	-	-	-	-	-	30,000	44,900
UC (Planned)	UC	EDC	-	-	60,000	80,000	180,000	180,000	180,000	-	-	-	-	-	680,000	680,000
Total Office			259,900	-	307,000	522,552	438,552	395,552	444,934	254,934	75,000	-	-	-	2,438,524	2,678,424
Industrial																
Monterey (Planned)	MRY	EDC	-	-	-	-	-	72,092	72,092	72,092	-	-	-	-	216,276	216,276
Marina CY (Entitled)	MAR	EDC	12,300	-	-	-	-	-	-	-	-	-	-	-	-	12,300
Dunes Phase 1 (Entitled)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dunes Phase 2 (Entitled)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dunes Phase 3 (Entitled)	MAR	-	-	-	-	75,000	75,000	75,000	75,000	75,000	75,000	-	-	-	450,000	450,000
Marina Airport (Entitled)	MAR	PBC	250,000	-	-	-	-	-	-	-	-	-	-	-	-	250,000
TAMC (Planned)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Campus Town / Surplus II (Planned)	SEA	-	-	-	-	40,000	-	-	-	-	-	-	-	-	40,000	40,000
Campus Town /26 Acre (Planned)	SEA	-	-	-	-	30,000	-	-	-	-	-	-	-	-	30,000	-
Seaside East (Planned)	SEA	-	14,900	-	-	-	10,000	10,000	10,000	-	-	-	-	-	30,000	44,900
UC (Planned)	UC	EDC	38,000	-	20,000	20,000	20,000	20,000	20,000	-	-	-	-	-	100,000	138,000
Total Industrial			330,100	-	20,000	165,000	105,000	177,092	177,092	147,092	75,000	-	-	-	866,276	1,151,476
Retail																
Del Rey Oaks (Planned)	DRO	EDC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
East Garrison I (Entitled)	MCO	-	-	-	12,000	12,000	10,000	-	-	-	-	-	-	-	34,000	34,000
Dunes Phase 1 (Entitled)	MAR	-	418,000	-	20,000	20,000	20,000	20,000	-	-	-	-	-	-	80,000	498,000
Dunes Phase 2 (Entitled)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dunes Phase 3 (Entitled)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TAMC (Planned)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seaside Resort (Entitled)	SEA	-	-	-	-	-	10,000	-	-	-	-	-	-	-	10,000	10,000
Campus Town / Surplus II (Planned)	SEA	-	-	-	10,000	40,000	-	-	-	-	-	-	-	-	50,000	50,000
Campus Town /26 Acre (Planned)	SEA	-	-	-	10,000	30,000	-	-	-	-	-	-	-	-	40,000	40,000
Main Gate	SEA	-	-	-	25,000	25,000	25,000	25,000	50,000	-	-	-	-	-	150,000	150,000
Seaside East (Planned)	SEA	-	-	-	-	-	10,000	10,000	10,000	-	-	-	-	-	30,000	30,000
UC (Planned)	UC	-	-	-	-	62,500	82,500	82,500	82,500	-	-	-	-	-	310,000	310,000
Total Retail			418,000	-	77,000	189,500	147,500	147,500	142,500	-	-	-	-	-	704,000	1,122,000
TOTAL SF NON-RESIDENTIAL			1,008,000	-	404,000	877,052	691,052	720,144	764,526	402,026	150,000	-	-	-	4,008,800	4,951,900
HOTEL ROOMS																
Hotel (rooms)																
Del Rey Oaks RV Park (Planned)	DRO	EDC	-	-	-	-	-	-	-	550	-	-	-	-	550	550
Dunes Phase 1 (Entitled)	MAR	-	108	-	-	-	-	-	-	-	-	-	-	-	-	108
Dunes Phase 2 (Entitled)	MAR	-	-	-	-	-	394	-	-	-	-	-	-	-	394	394
Dunes Phase 3 (Entitled)	MAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seaside Resort (Entitled)	SEA	Sale	-	-	-	-	-	330	-	-	-	-	-	-	330	330
Seaside Resort TS (Entitled)	SEA	Sale	-	-	68	-	-	-	-	-	-	-	-	-	68	68
Campus Town / Surplus II (Planned)	SEA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Campus Town /26 Acre (Planned)	SEA	-	-	-	300	-	-	-	-	-	-	-	-	-	300	300
Main Gate	SEA	-	-	-	350	-	-	-	-	-	-	-	-	-	350	350
Seaside East (Planned)	SEA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UC (Planned)	UC	EDC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HOTEL ROOMS			108	-	718	-	394	330	-	550	-	-	-	-	1,992	2,100

FY 2019/2020 Capital Improvement Program Schedule

Jurisdictions' Development Forecasts

JAN	2	Request Development Forecasts from Admin Committee
JAN	16	Request Development Forecasts from Admin Committee
JAN	30	Review & Adjust Development Forecasts w/ Admin Committee
FEB	13	Confirm Development Forecasts w/ Admin Committee

Transportation/Transit Priority Ranking

FEB	13	Provide background material for priority ranking
FEB	27	TAC Ranking
APR	3	Review and Recommend Ranking with Admin Committee

Building Removal

APR	3	Review Building Removal Program with Admin Committee
APR	17	Review Building Removal Program with Admin Committee
MAY	1	Review Building Removal Program with Admin Committee

Water Augmentation

APR	27	Review and Recommend Water Augmentation Program
-----	----	---

FY 2018/19 Capital Improvement Program

APR	17	Review Draft CIP
MAY	1	Review and Recommend Draft CIP
MAY	9	Board Consideration 1
JUN	14	Board Consideration 2



FORT ORD REUSE AUTHORITY

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

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

2019 FORA ADMINISTRATIVE COMMITTEE MEETING SCHEDULE

January 2	July 3
January 16	July 17
January 30	July 31
February 13	August 14
February 27	September 4
March 13	September 18
April 3	October 2
April 17	October 16
May 1	October 30
May 15	November 13
June 5	December 4
June 19	December 18

The FORA Administrative Committee meets twice a month, on the Wednesday one week prior to the Board meeting and on the Wednesday following the Board meeting. The dates **in bold** above are the meetings that occur prior to the Board meeting, at which the Committee will review items for the upcoming Board agenda. Meetings begin at 8:30 a.m. in the FORA Conference room, unless otherwise posted.

Meeting dates and times are subject to change. Agendas and other meeting materials are posted on the FORA website www.fora.org and are available upon request.

- START -

**DRAFT
BOARD PACKET**



FORT ORD REUSE AUTHORITY

REGULAR MEETING

FORT ORD REUSE AUTHORITY (FORA) BOARD OF DIRECTORS

Friday, January 11, 2019 at 2:00 p.m. | 910 2nd Avenue, Marina, CA 93933 (Carpenters Union Hall)

AGENDA

ALL ARE ENCOURAGED TO SUBMIT QUESTIONS/CONCERNS BY NOON JANUARY 10, 2019.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE *(If able, please stand)*

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

4. CLOSED SESSION

- a. Conference with Legal Counsel – Gov. Code §54956.9(a), (d)(1): Keep Fort Ord Wild v. Fort Ord Reuse Authority. Monterey County Superior Court Case No.: 17CV004540, Pending Litigation.
- b. Conference with Legal Counsel – Gov. Code §54956.9(a), (d)(1): Marina Community Partners, LLC v. Fort Ord Reuse Authority, Monterey County Superior Court Case No.: 18CV000871, Pending Litigation.
- c. Conference with Legal Counsel – One item of Potential Litigation, Gov. Code §54956.9(d)(4)

5. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

6. ROLL CALL

FORA is governed by 13 voting members: (a) 1 member appointed by the City of Carmel; (b) 1 member appointed by the City of Del Rey Oaks; (c) 2 members appointed by the City of Marina; (d) 1 member appointed by Sand City; (e) 1 member appointed by the City of Monterey; (f) 1 member appointed by the City of Pacific Grove; (g) 1 member appointed by the City of Salinas; (h) 2 members appointed by the City of Seaside; and (i) 3 members appointed by Monterey County. The Board also includes 12 ex-officio non-voting members.

7. CONSENT AGENDA

INFORMATION/ACTION

CONSENT AGENDA consists of routine information or action items accompanied by staff recommendation. Information has been provided to the FORA Board on all Consent Agenda matters. The Consent Agenda items are normally approved by one motion unless a Board member or the public request discussion or a separate vote. Prior to a motion, any member of the public or the Board may ask a question or make comment about an agenda item and staff will provide a response. If discussion is requested, that item will be removed from the Consent Agenda and be considered separately at the end of the Consent Agenda.

- a. Approve November 9, 2018 Meeting Minutes
Recommendation: Approve November 9, 2018 meeting minutes.
- b. Approve December 14, 2018 Meeting Minutes
Recommendation: Approve December 14, 2018 meeting minutes.
- c. Approve December 19, 2018 Meeting Minutes
Recommendation: Approve December 19, 2018 meeting minutes.
- d. Administrative Committee
Recommendation: Receive a report from the Administrative Committee.
- e. Water/Wastewater Oversight Committee
Recommendation: Receive a report from the Water/Wastewater Oversight Committee.
- f. Economic Development Report
Recommendation: Receive an Economic Development (“ED”) Report.
- g. Building Removal Financing Request for Qualifications Update
Recommendation: Receive a report on the Building Removal Financing Services solicitation and selection.

- h. Public Correspondence to the Board
Recommendation: Receive Public Correspondence to the Board.

8. BUSINESS ITEMS

INFORMATION/ACTION

*BUSINESS ITEMS are for Board discussion, debate, direction to staff, and/or action. Comments from the public are **not to exceed 3 minutes** or as otherwise determined by the Chair.*

- a. ESCA Quarterly Update
Recommendation:
1. Receive an Environmental Services Cooperative Agreement (ESCA) Quarterly Report.
2. Receive a status report on U.S. Army/FORA negotiations to amend the ESCA Agreement.
3. Authorize FORA Executive Officer to complete negotiations and amend ESCA Agreement.
- b. Notice of Intent to Terminate CalPERS Contract
Recommendation: Adopt Resolution 19-xx a Resolution of Intent to Terminate the CalPERS contract.
- c. Community Facility District Special Tax Biennial Fee Study
Recommendation: Authorize Executive Officer to execute contract amendment #11 with Economic Planning Systems, Inc. to complete the mandated Biennial Formulaic Fee Study, not to exceed \$100,000.
- d. Election of Officers
Recommendation:
1. Receive report from the 2019 Nominating Committee.
2. Approve Nominating Committee's proposed slate or seek Board nominations, Executive Officer to conduct election.

9. PUBLIC COMMENT PERIOD

INFORMATION

*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 or as otherwise determined by the Chair and will not receive Board action. Whenever possible, written correspondence should be submitted to the Board in advance of the meeting, to provide adequate time for its consideration.*

10. ITEMS FROM MEMBERS

INFORMATION

Receive communication from Board members as it pertains to future agenda items.

11. ADJOURNMENT

NEXT REGULAR MEETING: February 8, 2019 AT 2:00 P.M.

Placeholder for Item 7a

Nov 9, 2018 Meeting Minutes

This item will be included in the final Board packet.

Placeholder for Item 7b

Dec 14, 2018 Meeting Minutes

This item will be included in the final Board packet.

Placeholder for Item 7c

Dec 19, 2018 Special Meeting Minutes

This item will be included in the final Board packet.

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject:	Administrative Committee	
Meeting Date:	January 11, 2019	INFORMATION/ACTION
Agenda Number:	7d	

RECOMMENDATION:

Receive a report from the Administrative Committee.

BACKGROUND/DISCUSSION:

The Administrative Committee held a meeting on December 19, 2018. The approved minutes for this meeting is provided as **Attachment A**.

FISCAL IMPACT:

Reviewed by the FORA Controller_____

Staff time for the Administrative Committee is included in the approved annual budget.

COORDINATION:

Administrative Committee

Prepared by _____ Approved by _____
Heidi L. Lizarbe Michael A. Houlemard, Jr.

Placeholder for Attachment a to Item 7d

Meeting Minutes

This item will be included in the final Board packet.

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject: Water/Wastewater Oversight Committee

Meeting Date: January 11, 2019

Agenda Number: 7e

INFORMATION/ACTION

RECOMMENDATION:

Receive a report from the Water/Wastewater Oversight Committee (WWOC).

BACKGROUND/DISCUSSION:

The Water/Wastewater Oversight Committee (WWOC) met on December 19, 2018. The WWOC approved the October 17, 2018 meeting minutes (**Attachment A.**)

The Committee attended to administrative business for 2019 by setting a calendar (**Attachment B**), adjusting the meeting time to start at 10:00am in order to facilitate members attendance, and electing a Chair and Vice Chair. The WWOC elected City of Seaside City Engineer Rick Riedl to Chair the WWOC with City of Marina Public Works Director Brian McMinn to act as Vice-Chair.

Marina Coast Water District (MCWD) presented the Master Plan status and the methodology for developing capacity fees with the WWOC. The Committee considered but did not make recommendations to the FORA Board concerning collection of fees for the FORA Water Augmentation obligation post FORA Sunset.

MCWD presented the status of the MCWD Annexation and responded to questions and comments from the Committee.

FISCAL IMPACT:

Reviewed by FORA Controller _____

Staff time for this item is included in the approved FORA budget.

COORDINATION:

WWOC, Marina Coast Water District

Prepared by _____
Peter Said

Reviewed by _____
Jonathan Brinkmann

Approved by _____
Michael A. Houlemard, Jr.

Placeholder for Attachment a to Item 7e

**October 17, 2018
WWOC Meeting Minutes**

This item will be included in the final Board packet.

Placeholder for Attachment b to Item 7e

2019 Meeting Schedule Calendar

This item will be included in the final Board packet.

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject: Economic Development Report

Meeting Date: January 11, 2019

Agenda Number: 7f

INFORMATION

RECOMMENDATION(S):

Receive an Economic Development (“ED”) Report.

ECONOMIC DEVELOPMENT QUARTERLY UPDATE

Background/Discussion:

The primary goal of the Fort Ord Reuse Authority’s (“FORA’s”) current ED program, as referenced in the 1997 Base Reuse Plan (“BRP”) and 2012 Reassessment Report (“RR”), is to assist the three-county (Monterey/Santa Cruz/San Benito) region in general and FORA jurisdictions specifically. This assistance is to provide leadership and support for regional economic recovery from the employment, business, and other economic losses resulting from the departure of soldiers, civilians, and families post Fort Ord closure. BRP projections to achieve full recovery include: 36-38,000 in replacement population; 15,000+ jobs to replace military employment and soldiers; 11-12,000 homes (6160 new units); and approximately 3 million sf commercial/office.

Prior to establishing the current ED program in 2015, extensive groundwork was directed by the FORA Board and overseen by FORA staff including:

- securing funding, implementation, and completion of the \$98M Environmental Services Cooperative Agreement (“ESCA”);
- reuse and/or removal of 3614 of 4370 military buildings (including reopening 500+ units for affordable workforce housing);
- transfer of 10,013 of 17,652 habitat acres for permanent preservation; construction of \$66.5M worth of new transportation infrastructure (including \$40M in grant funding);
- storm water outfall removal (including securing \$6M in grant funding);
- continued and ongoing support for the veterans community leading to the Central Coast Veterans Cemetery; and
- the first Joint Department of Defense (“DOD”)/Veterans Administration (“VA”) Veterans Clinic built anew in the City of Marina.

Also, in concert with former Fort Ord jurisdictions, progress toward the above noted BRP goals to date includes: *15,717 population; 5652 jobs; 5575 homes (1384 new + 4191 reused); and 691k sf commercial.* These accomplishments provide the strong foundation and equitable basis for realizing new economic development gains.

FORA’s ongoing ED strategy is based on the following key components:

- **Build upon regional economic strengths** (Agriculture, Tourism, Higher Education/ Research, Military Missions)
- **Pursue new & retain existing businesses/enterprises.**
- **Engage internal & external stakeholders** (i.e. FORA Jurisdictions, California State University Monterey Bay (“CSUMB”), University of California Santa Cruz (“UCSC”),

Monterey Bay Economic Partnership (“MBEP”), Monterey County Business Council (“MCBC”), Monterey Peninsula Chamber of Commerce, and others.

- **Develop and maintain information resources.**
- **Report success metrics.**

Per ongoing Board direction and following the strategy outlined above, staff continues to make progress on a number of key projects. The following notes summarize and highlight progress since the September 28, 2018 Economic Development Quarterly Update:

- **Monterey Bay Drone, Automation, Robotics, Technology (DART).** FORA staff is working with multiple public and private partners to advance a concept to establish and grow a regional Drone, Automation, and Robotics Technology (“DART”) cluster. This initiative provides an organizing principle for entrepreneurship and business attraction efforts aligned with growing regional strengths, broad market opportunity, and global technology trends. The DART concept has emerged from our unsuccessful bid for a Federal Aviation Administration (“FAA”) Unmanned Aerial System Integration Pilot Program (“UASIPP”) designation at the Marina Municipal Airport. The process of responding to the FAA call for proposal resulted in the establishment of healthy public-private partnerships to advance these interconnected fields in the Monterey Bay Region. The initiative is advancing on multiple fronts including: 1) Establishing a 501c3 organization (Monterey Bay DART Consortium) as a durable vehicle for multi-party participation, funding, education and advocacy; 2) Initiating an on-going series of DART Meet-ups to be hosted at the UCMBEST Center beginning Feb 12 with a focus on Human Transport & Joby Aviation; 3) Partnering with the UC Ag & Natural Resources Division (UCANR) to host the 2019 Drone Camp the week of June 17-20 on the former Fort Ord at UCMBEST and CSUMB campus; 4) Planning for the first Monterey Bay DART Symposium Thursday & Friday June 20 & 21, 2019 to bring stakeholders together and highlight regional strengths, challenges and opportunities; 5) Convening a workforce development working group to meet immediate and near term workforce demands of DART companies relocating to the region; 6) Pursuing feasibility study funding to evaluate alternative development futures. The DART initiative was the focus of a well-attended breakout roundtable session at the Nov 30, 2018 MBEP State of the Region Conference. Lots going on with this exciting initiative and opportunities for broad participation, but especially for the City of Marina/Marina Municipal Airport. Please visit <https://MontereyBayDART.org> or contact Josh Metz with any questions or interest.
- **Opportunity Zones.** 9 Census Blocks in Monterey County were included in the 879 tracts nominated by Governor Brown for inclusion as Federal Opportunity Zones (8 in North County/Peninsula and 1 in South County). Tract #14102 on the south/southeast edge of the City of Marina (northern edge of the former Fort Ord) is among them. This tract includes the Marina Airport, UCMBEST, and Dunes on Monterey Bay Specific Plan Area. Downtown Seaside has 2 large tracts, and the City of Salinas has 5. These blocks are now included in the Department of Treasury designated Qualified Opportunity Zones under Internal Revenue Code (IRC) Section 1400Z-1(b)(1)(B). Draft Federal Opportunity Zone regulations were released on October 19, 2018 and are available for review at the link below. This new tax program is intended to provide new investment incentives to catalyze long desired infrastructure and urban development. Regular updates regarding this item, including links to other/related reference resources can be located online at: <https://ordforward.org/opportunity-zones/>. The State of California recently launched an Opportunity Zone portal, accessible here: <https://opzones.ca.gov/>.

- **Business Recruitment/Retention.** FORA staff responds to and broadly refers inquiries from businesses/contacts interested in location or relocation and reuse of former Fort Ord real estate. These efforts contribute to both recruitment of new and retention of existing regional businesses. Developer engagement in recent months includes interest in affordable housing, hospitality, and light industrial/commercial projects. Staff continues supporting airport related development interest at Marina Municipal Airport and UCMBEST. Of particular note is the recently announced location of Joby Aviation at the Marina Airport. This cutting-edge company will bring long sought after engineering and advanced manufacturing jobs to the City and region. Staff is also actively engaged with business recruitment efforts with the Central Coast Marketing Team including developing a 2019 Marketing Plan in alignment with FORA interests (Opportunity Zones Forum April 5, 2019; DART Symposium, June 20-21, 2019), and continued development and management of <https://centralcoastmt.org/>. This useful web resource supports business location decisions and integrates OppSites software as an opportunity site marketing tool. Staff continues working with relevant jurisdiction staff and elected officials where appropriate to advance new and emerging opportunities.
- **Start-up Challenge Monterey Bay/California State University Monterey Bay (“CSUMB”) Collaboration.** FORA continues to support expansion of regional entrepreneurship through collaboration with CSUMB on a broad Start-up Monterey Bay initiative including high quality events throughout the year. A regional entrepreneurship events calendar is now available and maintained regularly for public review/use at <https://StartupMontereyBay.com>. The annual cycle of entrepreneurship events culminating in the Startup Challenge Monterey Bay kicked-off in fall 2018 with the Startup Hackathon, Nov 2-4, 2018. Startup Weekend Monterey Bay is scheduled for January 25, 2019 and the Startup Challenge process kicks into gear directly thereafter. The Startup Challenge culminates in the Otter Tank competition at CSUMB Salinas City Center in May 2019. More information about the Startup Challenge can be found online here: <https://StartupMontereyBay.com/>.

Other collaborations with CSUMB faculty and staff include: Contribution toward planning the January 10 & 11 2019 Sustainable Hospitality Development Summit at the Portola Hotel & Spa in Monterey, including development of a new Monterey Bay Eco-recreation and Tourism Region website (<http://mbetr.org/>). Along with sharing event information, this website will provide a hub for the efforts of regional educational, business, and government officials in increasing the viability/profitability of sustainable Monterey Bay region hospitality/eco-recreation tourism; and collaboration with planning and economic development initiatives including R&D, commercial, recreation, and residential resources. The sustained growth in relationships and mutually beneficial projects and initiatives highlights value generated from working relationships with CSUMB faculty/staff.

- **UCMBEST West Campus Auction.** University of California (“UC”) opened an auction for its 49.6-acre, UC Monterey Bay Education Science & Technology (“UCMBEST”) West Campus in early May. The property is directly adjacent to the Marina Municipal Airport and other planned commercial development and conservation sites. The auction deadline was July 17, 2018. A successful bidder was secured and they are now working with UCSC, the City of Marina, and FORA awaiting escrow closure expected before Q2 2019. Questions about the property can be directed to UCMBEST Planning Director Steve Matarazzo. More information about the auction including links to site background information is available online at <https://ordforward.org/ucmbest-west-campus-auction/>.

- **Community Engagement/Jurisdiction Support.**

Community engagement/jurisdiction support remains a focus for ED staff. Staff engaged with the following processes since the September ED Progress Report:

Completed work with media contractor to produce Economic Development Opportunities video featuring representatives of our developer, education, business and conservation communities. This video is the 2nd in a planned 4 part series to provide easily digestible and shareable content telling the story of education centered reuse, community lead conservation and economic opportunities on the former Fort Ord. The completed video is available online at <https://ordforward.org>. Video content from this effort was further extended providing a substantial contribution to the creation of a new video from MBEP highlighting efforts and progress towards addressing regional housing needs that can be viewed here: https://youtu.be/Fhst61eV_ag.

FORA ED staff continue supporting City of Seaside Campus Town planning in developer/consultant informational meetings, in on-going cross-jurisdictional land use optimization discussions, and in providing affordable housing information and resources to development teams. Staff continues working closely with the City of Marina Airport Manager and Economic Development team to continue advancing long term development interests in and around the Marina Airport.

- **Housing Starts.** New residential development at the Dunes on Monterey Bay, Sea Haven, and East Garrison continues to gain momentum. A summary of CFD fees collected over the past 3 years and projected for FY 17/18 is provided below:

New Residential	FY 14/15 Full year	FY 15/16 Full year	FY 16/17 <i>Full Year</i>	FY 17/18 <i>Full Year</i>
Total Units	89	256	317	273
Total CFD Fees	\$1,982,669	\$5,202,626	\$7,329,706	\$6,507,501

Looking Forward

The following events and initiatives will be the focus for the FORA economic development team in the months ahead: Monterey Bay Ecotourism Region (MBETR) initiative; Sustainable Hospitality Development Summit January 10 & 11; Opportunity Zone Prospectus Development & Forum, April 5, 2019; DART Initiative including Meetups, Symposium & Funding; Business Recruitment/Retention with CCMT; Affordable Housing Initiative Support with MBEP; Jurisdiction Support; FORA Transition Planning; FORA Jobs Survey; community outreach and engagement.

FISCAL IMPACT:

Reviewed by FORA Controller _____

Funding for staff time and ED program activities is included in the approved FORA budget.

COORDINATION:

Administrative and Executive Committees, UCSC, City of Marina, City of Seaside

Prepared by _____ Approved by _____
 Josh Metz Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject: Building Removal Financing Request for Qualifications Update

Meeting Date: January 11, 2019

Agenda Number: 7g

INFORMATION/ACTION

RECOMMENDATION:

Receive a report on the Building Removal Financing Services solicitation and selection.

BACKGROUND/DISCUSSION:

At its regular October 2018 Board Meeting, the Fort Ord Reuse Authority (FORA) Board asked staff to investigate the legality and feasibility of issuing debt against FORA's statutory share of the Property Tax Revenue stream provided to FORA by the State Legislature as codified in the State of California Health and Safety Code. The same source gives authority to FORA to encumber the revenue stream necessary to pay back such debts as incurred to support repayment of amounts borrowed to pay off FORA's debts and obligations. This becomes critical given that a significant portion of the property tax revenue stream will default back to other worthy agencies but not accrue to the former FORA jurisdictions to the same level as before, a significant loss to the military base reuse and local resources. This desire to accomplish 'more bang for the buck' lay at the crux of the Board decision to authorize further analysis by means of issuing an Request for Qualifications (RFQ) for specialized financial expertise to answer basic questions about legality, and if legal, devise a feasible Financial Plan for implementation should the Board subsequently authorize a decision to go forward.

The genesis for this effort came from a request by the City of Seaside City Manager to the Administrative Committee that it explore the idea of FORA jurisdictions cooperating to remove as much of the remaining blighted buildings as possible in an effort to spur the accomplishment of economic development targets of all the FORA jurisdictions and ending up with a financially resilient community in the long run. FORA staff designed a conceptual plan as to how to accomplish this by targeting its share of the property tax revenue stream and bringing in the financial expertise necessary to complete the remaining building removal, one of the remaining major impediments to reuse.

The other four FORA land use jurisdictions (Marina, County of Monterey, Del Rey Oaks, Monterey) agreed that it made sense to explore this idea further, as did the Board subsequently, and FORA staff prepared and issued the requisite RFQ. Three qualified firms responded to the RFQ and were interviewed by a panel of the Administrative Committee that included Craig Malin of Seaside city staff, Eric Frost of Marina City staff, and Jonathan Brinkmann of FORA staff. Steve Endsley, Assistant Executive Officer for FORA, served as moderator and resource to the Selection Panel.

The Selection Panel deemed all of the candidate firms to be qualified and unanimously recommended NHA Advisors for the assignment. They also recommended that NHA strengthen its bid by adding a local representative with appropriate skill sets. The next step will be to negotiate a Scope of Work with the recommended firm. Phase 1 of the scope as per Board desire is to confirm that the financing would be legal under current state law and FORA's statutory authority. Phase 2 would be to prepare a Financial Plan for FORA Board review and approval. Phase 3

would be the Implementation phase, the actual financing itself. At its December 19, 2018 meeting, the Administrative Committee requested that FORA staff provide a draft scope for NHA's consulting work for their review and comment prior to scope finalization. Staff anticipates that NHA's scope will involve a number of working meetings with the FORA Administrative and presentations to the FORA Board.

FISCAL IMPACT:

Reviewed by FORA Controller _____

Staff time for the Administrative Committee is included in the approved annual budget. The Board's September 28, 2018 action would result in an increase in consultant service by up to \$75,000, which would be incorporated into the FORA mid-year budget update.

COORDINATION:

County of Monterey, Cities of Seaside, Monterey, Del Rey Oaks, and Marina, Administrative Committee

DRAFT

Prepared by _____ Reviewed by _____
Steve Endsley Jonathan Brinkman

Approved by _____
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT	
CONSENT AGENDA	
Subject:	Public Correspondence to the Board
Meeting Date:	January 11, 2019
Agenda Number:	7h
	INFORMATION/ACTION

Public correspondence submitted to the Board is posted to FORA’s website on a monthly basis and is available to view at <http://www.fora.org/board.html>

Correspondence may be submitted to the Board via email to board@fora.org or mailed to the address below:

FORA Board of Directors
 920 2nd Avenue, Suite A
 Marina, CA 93933

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject:	Environmental Services Cooperative Agreement Quarterly Report	
Meeting Date:	January 11, 2019	INFORMATION/ACTION
Agenda Number:	8a	

RECOMMENDATION:

- 1) Receive an Environmental Services Cooperative Agreement (ESCA) Quarterly Report.
- 2) Receive a status report on U.S. Army/FORA negotiations to amend the ESCA Agreement.
- 3) Authorize FORA Executive Officer to complete negotiations and amend ESCA Agreement.

BACKGROUND:

In Spring 2005, the Army and the Fort Ord Reuse Authority (FORA) entered negotiations toward an Army-funded Environmental Services Cooperative Agreement (ESCA) for removal of remnant Munitions and Explosives of Concern (MEC) on 3,340 acres of the former Fort Ord. FORA and the Army signed the ESCA agreement in early 2007. Under the ESCA terms, the Army awarded FORA approximately \$98 million to perform the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) MEC cleanup on those parcels. FORA also entered the Administrative Order on Consent (AOC) with U.S. Environmental Protection Agency (EPA) and California Department of Toxic Substance Control (DTSC) (collectively referred to as Regulators) defining FORA's contractual conditions to complete the Army remediation obligations for the "ESCA parcels." FORA received the ESCA parcels after EPA approval and gubernatorial concurrence under a Finding of Suitability for Early Transfer (FOSET), May 8, 2009.

To complete the ESCA and AOC obligations, FORA entered a Remediation Services Agreement (RSA) in 2007 by competitively selecting LFR Inc. (now ARCADIS) to provide MEC remediation services. ARCADIS remediation services are executed under a cost-cap insurance policy through American International Group (AIG) assuring financial resources to complete the work and offer other protections for FORA and the jurisdictions.

On August 10, 2018 in a closed session, the FORA Board authorized the FORA Executive Officer and FORA Special Counsel, under FORA Executive Committee direction to enter into Army negotiations for additional funds covering ESCA costs beyond the AIG cost-cap insurance policy expiration date. On August 14, 2018, FORA Special Counsel met with the FORA Executive Committee and briefed them on the situation and requested permission for the FORA Executive Officer to negotiate with the Army for additional funds to complete the ESCA.

DISCUSSION:

The ESCA requires FORA, acting as the Army's contractor, to address safety issues resulting from historic Fort Ord munitions training operations. Through the ESCA, FORA and the ESCA Remediation Program (RP) team have successfully addressed three historic concerns: 1) yearly federal appropriation funding fulgurations that delayed Army cleanup and necessitated costly mobilization and demobilization expenses; 2) Regulator questions about protectiveness of previous actions for sensitive uses; and 3) the local jurisdiction, community and FORA's desire to reduce MEC property access risks.

Of the \$98 million of ESCA FORA received, FORA paid \$82.1 million upfront, to secure an AIG "cost-cap" insurance policy. AIG controlled the \$82.1 million in a "commutation" account and paid ARCADIS directly as work was performed. AIG provides up to \$128 million assuring

additional work (known and unknown) is completed to the Regulators satisfaction (see table below). Under these agreements, AIG pays ARCADIS directly while FORA oversee ARCADIS compliance with the ESCA and AOC requirements. On January 25, 2017, ARCADIS notified FORA that the ESCA commutation account was exhausted and that future ARCADIS work would be paid under the terms of the AIG “cost-cap” insurance policy until March 30, 2019. At that time, AIG’s responsibility to pay for ESCA work will terminate. ARCADIS continues to provide FORA with quarterly AIG cost-cap insurance invoicing estimates, which FORA staff reports in the ESCA Quarterly Board Report.

Post-ESCA Amendment ESCA Fund Status as of September 2018:

Item	2017 Amendment Allocations	Accrued through September 2018	Invoiced to AIG Cost Cap-Policy
Line Item 0001 Environmental Services			
FORA Self-Insurance or Policy			
State of California Surplus Lines Tax, Risk Transfer, Mobilization			
Contractor's Pollution Liability Insurance			
ARCADIS/AIG Commutation Account - <i>plus</i> - AIG insurance			
Original FORA Administrative Fees			
<i>Line Item 001: Subtotal</i>			
Line Item 0002 thru 31 Dec 2019: DTSC and EPA Technical Oversight Services			
Line Item 0003 thru 30 June 2020: FORA ESCA Administrative Funds			
Line Item 0004 thru 30 June 2028: Post-Closure MEC Find Assessments			
Line Item 0005 thru 30 June 2028: Long Term/LUC Management			
Total			
	<i>ESCA Remainder</i>		<i>N/A</i>

ESCA Activity Status:

Data collected during the ESCA field investigations is under Regulator and Army review. The review and documentation process are dependent on Army and Regulator responses and decisions, who will issue written confirmation that CERCLA MEC remediation work is complete (known as Regulatory Site Closure).

The Record of Decision (ROD) records the Regulator and Army decision on the cleanup and what controls are required to continue to protect public health and safety. On November 25, 2014, the Regulators signed the ROD for the ESCA Group 3 properties located in Monterey County (at Laguna Seca); City of Monterey (south of South Boundary Road); Del Rey Oaks (south of South Boundary Road); and Monterey Peninsula College (MPC) Military Operations in Urban Terrain (MOUT) property. On February 26, 2015, the Regulators signed the ROD for the ESCA Group 2 California State University Monterey Bay (CSUMB) property (south of Inter-Garrison Road). The Regulators signed the ESCA Interim Action Ranges (IAR) ROD in December 2016. Currently, Draft Final ESCA Group 1 and 4 RODs are being signed and once signed, all ESCA properties will have RODs.

The Land Use Control Implementation Plan/Operation and Maintenance Plan (LUCIP/OMP) document prescribes implementing, operating and maintaining ROD controls tailored to individual site conditions and historic MEC use. The Regulators and Army approve LUCIP OMP documents before issuing regulatory site closure. Final ESCA Group 2, Group 3 and IAR LUCIP/OMP documents have recently received Army and Regulatory approval. The ESCA team provided CSUMB, Del Rey Oaks and the Monterey County staff with Group 2 and Group 3 site-specific Land Use Control Workshops to review their sites' LUCs and address questions. Draft ESCA Group 1 and 4 LUCIP/OMP documents are currently under review by the Army and Regulators.

In 2018, Army BRAC Headquarters (HQ) in Washington D.C. changed their document review and approval process resulting in extended Army review of ESCA documents. On June 14, 2018, FORA advised the Army BRAC office that since the shift in Army HQ document review policy, Army document review became more complicated and protracted Army HQ resulting in their inability to meet Group 1 and Group 4 RODs and IAR LUCIP/OMP documents review periods (impacting the ESCA completion schedule). These delays will result in costs beyond AIG cost-cap insurance termination.

On December 17, 2018, FORA Executive Officer, Michael A. Houlemard, Jr., Senior Program Manager, Stan Cook, FORA ESCA Program Manager and Special Counsel, Barry Steinberg, and George Schlossberg, met with Army BRAC HQ staff in Washington, D.C. to negotiate a scope of services required for Army ESCA Contingency Funds to reimburse ESCA after March 30, 2019 when AIG cost-cap insurance policy expiration.

The ESCA Agreement identified Army Contingency funding, per section:

“4.3.2.1. Army Contingent Funding. The Army will provide Army Contingent Funding to the Recipient only upon the occurrence of the following: (i) the Recipient has exhausted all funds in the Notional Commutation Account; and (ii) the Recipient has, in addition to (i), exhausted the full amount of the Limit of Liability under the Cost Cap Policy... Once these expenditures have occurred, the Army will pay Army Contingent Funding ... for matters within the scope of the [ESCA] TSRS to achieve Site Closeout. Army Contingent Funding shall not exceed \$15,000,000. The Army Contingent Funding obligation accrues only until the Recipient achieves Site Closeout for Environmental Services.”

During the December 17th meeting in Washington, D.C., BRAC HQ requested a ESCA property site visit (to include the Grant Administrator's staff) and to review a Draft Scope of Work and Estimate for ARCADIS to receive Regulatory Certificate of Completion on ESCA properties. The Army site visit is planned for January/February 2019. At that time, BRAC HQ and local BRAC office will work with FORA and ARCADIS to identify any Post-Site Closure ESCA property Army obligations not funded under the previous ESCA Amendment providing for Long-Term Obligations, Long-Term Management Measures and MEC Find Assessment previously funded.

FORA Executive Officer and staff will work with ARCADIS and Special Counsel to develop the Draft Scope of Work and Estimate to achieve Regulatory Certificate of Completion. FORA staff will work with BRAC HQ and to finalize their ESCA property site visit preparation.

ESCA Future Actions:

Until regulatory review, concurrence and site closure is received, the ESCA property is not open to the public. Regulatory approval does not determine end use. When regulatory site closure is received, FORA will transfer land title to the appropriate jurisdiction for reuse programming. Underlying jurisdictions are authorized to impose or limit zoning, decide property density or make related land use decisions in compliance with the FORA Base Reuse Plan.

FISCAL IMPACT:

Reviewed by FORA Controller _____

Current estimates suggest additional financial support to be less than \$1M. FORA staff anticipates, based on Army indications, that the actual cost to FORA of these Army obligations will be fully reimbursed.

COORDINATION:

Administrative Committee; Executive Committee; Authority Counsel; Special Counsel, ARCADIS; U.S. Army EPA; and DTSC.

DRAFT

Prepared by _____ Approved by _____
Stan Cook Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEM

Subject:	Notice of Intent to Terminate CalPERS contract	
Meeting Date:	January 11, 2019	INFORMATION/ACTION
Agenda Number:	8b	

RECOMMENDATION

Adopt Resolution 19-xx a Resolution of Intent to Terminate the CalPERS contract

BACKGROUND/DISCUSSION

On December 19, 2018, this Board adopted Resolutoin 18-11 approving a Transition Plan for the legislated sunset of the Fort Ord Reuse Authority. One of the primary provisions is to ensure that any and all liability to the member agencies pursuant to the CalPERS contract is satisfied. As we noted during the transition planning process, the terminated agency liability is estimated between \$7,793,230 to 9,333,172. The Transition Plan calls for FORA to receive the final liability amounts no later than December 30, 2019. Government Code section 20570 provides that the governing body may terminate the contract between the Board of Administration of the Public Employees' Retirement System and the governing body of the contracting agency by the adoption of a resolution giving notice of intention to terminate. CalPERS will then begin an actuarial analysis of the terminated agency contract which may take six months to a year for final calculation. Once the actuarial evaluation has been received the planning for how to satisfy the liability may commence. New state laws effective January 1, 2019 require that notice of termination of an agency's CalPERS contract be given to past and present employees. The FORA Board will need to take a subsequent action finalizing the termination of the CalPERS contract, which action will require a two-thirds vote.

This is the first step in finalizing the final amount of terminated agency liability.

FISCAL IMPACT

Reviewed by FORA Controller _____

COORDINATION

Prepared by _____
Sheri L. Damon

Reviewed by _____
Steve Endsley

Approved by _____
Michael A. Houlemard, Jr.

ATTACHMENTS:

Attachment A: Resolution 19-xx

**FORT ORD REUSE AUTHORITY
RESOLUTION NO. 19-xx**

A RESOLUTION OF THE GOVERNING BODY OF THE FORT ORD REUSE AUTHORITY
Adopting a Resolution of Intent to Terminate the Contract between the Board of Administration
of the California Public Employees' Retirement System and the Board of Directors of the Fort
Ord Reuse Authority

THIS RESOLUTION is adopted with reference to the following facts and circumstances:

A. The Board of Directors of the Fort Ord Reuse Authority entered into a contract with the Board of Administration, Public Employees' Retirement System pursuant to Government Code section 20460, effective March 16, 1997, for participation of said agency in the Retirement System ("CalPERS contract"); and

B. On December 19, 2018, the Board of Directors of the Fort Ord Reuse Authority adopted Resolution 18-11, approving a Transition Plan for the legislated sunset of the Fort Ord Reuse Authority. A part of that Transition Plan requires that the CalPERS contract be terminated and any liability fully addressed; and

C. Government Code section 20570 provides that the governing body may terminate the contract between the Board of Administration of the Public Employees' Retirement System and the governing body of the contracting agency by the adoption of a resolution giving notice of intention to terminate, and, not less than one year later, the adoption by affirmative vote of two-thirds of the members of the governing body of a resolution terminating the contract;

NOW THEREFORE the Board hereby resolves that:

1. That the Board of Directors of the Fort Ord Reuse Authority hereby finds that it is in the best interests of the agency to terminate the contract entered into with the Board of Administration, Public Employees' Retirement System; and
2. That the governing body of the above agency does hereby give notice to the Board of Administration, Public Employees' Retirement System, pursuant to Section 20570, of the intention to terminate said contract.

Upon motion by Board member ---- seconded by Board member ---- the foregoing Resolution was passed on this _____ day of January, 2019, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

Chair FORA Board

ATTEST:

Michael A. Houlemard, Jr., Clerk

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEM

Subject:	Community Facility District Special Tax Biennial Fee Study		
Meeting Date:	January 11, 2018	ACTION	
Agenda Number:	8c		

RECOMMENDATION(S):

Authorize the Executive Officer to execute contract amendment #11 with Economic Planning Systems, Inc. (EPS) to complete the mandated Biennial Formulaic Fee Study, not to exceed \$100,000 (**Attachment A**).

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority (FORA) hired EPS in 2010 to perform reviews of the FORA Capital Improvement Program (CIP) revenues and expenditures. These studies resulted in Board-approved CFD fee adjustments as follows:

FY 11-12	FY 12-13	FY 14-15	FY 17-18
-27%	-23.6%	-17%	+0.8%
<i>See FORA Capital Improvement Program Fiscal Year 2018-19, page 2 – CIP Development Forecast Methodology</i>			

The FORA Board memorialized a standard formula in Resolution 12-5 (2012) and the Jurisdictions Implementation Agreement amendments applying the formula biennially starting in FY 12-13. The Biennial Study’s purpose is to determine the Community Facilities District (CFD) special tax rates, which are used to collect revenues to complete the FORA CIP. FORA is mandated by Resolution 12-5 and the Implementation Agreement amendments to perform the biennial study to inform the upcoming FY 19-20 CIP. EPS last performed the biennial study in coordination with Transportation Agency of Monterey County (TAMC) Fee Reallocation Study in FY 16-17 under contract amendment #10.

Staff has prepared EPS contract amendment #11 for Board consideration. The scope remains the same as previous studies except for the addition of a task to perform sensitivity analyses and technical support associated with transition plan implementing agreement negotiations. Staff recommends the Board authorize the Executive Officer to execute contract amendment #11 with EPS to complete the mandated Biennial Formulaic Fee Study, in accordance with the Implementation Agreements, not to exceed \$100,000 (**Attachment A**).

FISCAL IMPACT:

Reviewed by FORA Controller _____

Staff time for overseeing this contract is included in the approved annual budget. If the Board approves contract amendment #11, it would result in an increase in financial consultant services by up to \$75,000, which would be incorporated into the FORA mid-year budget update.

COORDINATION:

Administrative Committee, Executive Committee, Authority Counsel

Prepared by _____ Reviewed by _____
Peter Said Jonathan Brinkman

Approved by _____
Michael A. Houlemard, Jr.

Placeholder for Attachment a to Item 8c

**Contract Amendment #11 with Economic Planning
Systems, Inc**

This item will be included in the final Board packet.

Placeholder for Item 8d

Election of Officers

This item will be included in the final Board packet.

- END -

**DRAFT
BOARD PACKET**