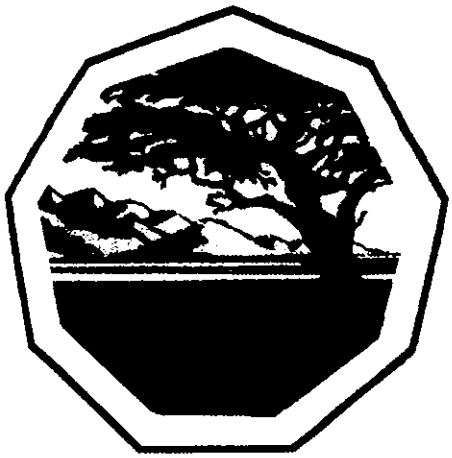
Fort Ord
Reuse Authority



Board Packet

For

Board Meeting
May 9, 2008

Fort Ord Reuse Authority
100 12th Street, Building 2880, Marina, CA 93933
Phone: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

BOARD OF DIRECTORS MEETING

Friday, May 9, 2008, at 3:30 pm

FORA Conference Facility/Bridge Center
201 13th Street, Building 2925, Marina (on the former Fort Ord)

AGENDA

1. CALL TO ORDER AND ROLL CALL OF VOTING MEMBERS

2. **CLOSED SESSION - 3:30 – 4:00 PM**
   a. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION [(§54956.9(a)]
      Name of Case: City of Marina, FORA v. Trustees of CSU

   b. CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION [(§54956.9(b)]
      Number of cases: 1

   c. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
      Position: Executive Officer

3. **CALL TO ORDER FOR ALL MEMBERS - 4:00 PM**

4. REPORT OUT OF CLOSED SESSION BY AUTHORITY COUNSEL

5. PLEDGE OF ALLEGIANCE

6. ACKNOWLEDGEMENTS

7. PUBLIC COMMENT PERIOD: Members of the audience wishing to address the Board on matters within the jurisdiction of the Authority but not on the agenda may do so during the Public Comment Period. You may speak for a maximum of three minutes on any subject. Public comments on specific agenda items will be heard at the time the matter is being considered by the Board.

8. CONSENT AGENDA — ACTION
   a. April 11, 2008 board meeting minutes

   b. Continuance of current Marina Coast Water District water and wastewater systems rates, fees and charges

9. OLD BUSINESS
   a. Habitat Conservation Plan approval process — INFORMATION

   b. Interim water use policy — INFORMATION

10. NEW BUSINESS
    a. CONSISTENCY DETERMINATION: Implementation Plan 2007-2012 for the Seaside – Fort Ord Redevelopment Project Area — ACTION/ INFORMATION

    b. FORA FY 08-09 Preliminary Budget — INFORMATION

    c. FORA 2008 Priority Legislation — ACTION/ INFORMATION

11. EXECUTIVE OFFICER'S REPORT
    a. Administrative Committee report — INFORMATION

    b. Finance Committee report — INFORMATION

    c. Legislative Committee report — INFORMATION

    d. Fort Ord Reuse Authority sunset provisions – status report — INFORMATION

    e. Fort Ord Reuse Authority investments – status report — INFORMATION

12. ANNOUNCEMENTS AND CORRESPONDENCE

13. ADJOURNMENT

(Information about items on this agenda is available at the FORA office located at 100 12th Street, Building 2880, Marina, on the former Fort Ord or by calling 831-883-3672 or by accessing the FORA website at www.fora.org.)

ACTION MINUTES
OF THE
FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS' MEETING
Fort Ord Reuse Authority Conference Facility/Bridge Center
May 9, 2008

APPROVED

1. CALL TO ORDER AND ROLL CALL OF VOTING MEMBERS

Chair/ Mayor Joe Russell called the meeting to order at 3:38 p.m. and requested a roll call of the voting members:

Chair/Mayor Russell (City of Del Rey Oaks)
Mayor Wilmot (City of Marina)
Councilmember Mancini (City of Seaside)
Vice Mayor Downey (City of Monterey)
Mayor Pendergrass (City of Sand City)
Council Member Barnes (City of Salinas)
1st Vice Chair/Mayor Rubio (City of Seaside)
Supervisor Mettee-McCutchon (County of Monterey)
Supervisor Calcagno (County of Monterey)
Councilmember Davis (City of Pacific Grove)
Mayor McCloud (City of Carmel-by-the-Sea)

Arriving after the roll call was Council Member McCall (City of Marina). The third representative from the County of Monterey was absent.

Mayor Russell immediately adjourned the meeting to Closed Session.

2. There were three items in the Closed Session: Item 2a – Conference with Legal Counsel – existing litigation [§54956.9(a)], Name of Case: City of Marina, FORA v. Trustees of CSU; Item 2b – Conference with legal counsel – pending litigation [54956.9(b)], Number of cases: 1; and Item 2c – Public Employee Performance Evaluation, Position: Executive Officer.

3. CALL TO ORDER FOR ALL MEMBERS

All voting members present during the closed session were still present, with the addition of Jim Cook (County of Monterey) at this time.

Ex-Officio members present:

Hunter Harvath (Monterey-Salinas Transit)
COL Pamela Martis (U.S. Army)
Gail Youngblood (BRAC)
Debbie Hale (TAMC)
Brandon Gesicki (15th State Senate District)
Vicki Nakamura (Monterey Peninsula College)
Graham Bice (UC MBEST)
Kenneth K. Nishi (Marina Coast Water District)
Alec Arago (17th Congressional District)
Tony Boles (CSUMB)

Absent were representatives from the 27th State Assembly District and Monterey Peninsula Unified School District.

With a quorum present, Chair Russell opened the meeting.

4. REPORT OUT OF CLOSED SESSION BY AUTHORITY COUNSEL

Authority Counsel Jerry Bowden reported that the Board had heard reports about the two pieces of litigation and given director to counsel. The board had also evaluated the Executive Officer's contract and made a decision regarding it.

5. PLEDGE OF ALLEGIANCE

Council Member Barnes led the Pledge of Allegiance.

6. ACKNOWLEDGEMENTS

Chair Russell acknowledged the presence of, and welcomed, L. Jerry Hansen, Deputy Assistant Secretary of the Army for Strategic Infrastructure, who was one of the speakers at the Army/Seaside Land Swap media event earlier today. Secretary Hansen said it was an honor to be at the FORA Board meeting today and participate in the media celebration event. He added that the Army was enthusiastic about continuing the progress at former Fort Ord and making it a reality.

7. PUBLIC COMMENT PERIOD - none

8. CONSENT AGENDA

There were two items on the Consent Agenda: Item 8a (April 11, 2007 board meeting minutes) and Item 8b (Continuance of current Marina Coast Water District ("MCWD") water and wastewater systems rates, fees and charges). **Motion to approve Items 8a and 8b was made by Mayor Rubio and seconded by Councilmember Wilmot.** Council Member Mancini said any time MCWD sends documents to FORA, he would like to see them, in particular, the water consumption report from last year. **The motion carried.**

9. OLD BUSINESS

Item 9a - Habitat Conservation Plan ("HCP") approval process: Director of Planning and Finance Steve Endsley reported that FORA had received enough information back from U.S. Fish & Wildlife Service to allow the environmental consultant to initiate the Environmental Impact Statement ("EIS") process. As previously agreed, the EIS will be tracked with the California document, the Environmental Impact Report (EIR). He said enough information had been received from the regulators to draft an appropriate project description.

Item 9b – Interim water use policy: Executive Officer Houlemard reported that the Administrative Committee and Water Managers Working Group are still working on the draft policy but it is expected to be ready for board consideration at June meeting. He pointed out the list of questions that have been posed and staff's responses, which are in the board report. Several clarifying questions were asked to which Mr. Houlemard responded. There were no public comments.

10. NEW BUSINESS

Item 10a – CONSISTENCY DETERMINATION: Implementation Plan 2007-2012 for the Seaside – Fort Ord Redevelopment Project Area: Director of Planning and Finance Steve Endsley pointed out several points in the supporting document packet received from Seaside and noted the following: (1) that Seaside had increased the level of affordable housing in its zoning ordinance from the state-mandated 15% to 20%; and (2) why this consistency determination is not subject to a CEQA review [Seaside requested a legislative land use decision review of the Implementation Plan (a plan level document) for their Fort Ord redevelopment project area, which does not require a CEQA review by FORA, because Seaside performed the appropriate level of environmental review when it approved the Plan.]. **A motion to amend the resolution with text recognizing that 20% affordable housing is required in Seaside's zoning ordinance was made by Supervisor Mettee-McCutchon and seconded by Council Member Wilmot. Motion to approve Resolution #08-04, including the amendment, concurring with the City of Seaside's legislative land use consistency determination and making findings that the Implementation Plan, covering areas within FORA's jurisdiction, is consistent with the Fort Ord Base Reuse Plan,**

was made by Council Member Mancini and seconded by Mayor Wilmot. There were no further board comments or public comments. **Both motions carried.**

Item 10b – FORA FY 08-09 Preliminary Budget: Executive Officer Houlemard said that the Finance Committee had a very productive session exploring the impact of the national and local economic downturn and will meet again next Monday to make necessary adjustments to this budget. Supervisor Calcagno asked how future projects would be funded, now that revenue-generating projects have stopped. Mr. Houlemard explained that FORA has a pay-as-you-go policy. When a project is stopped, cash flow stops, which results in the Capital Improvement Program projections to be pushed out further. He added that FORA still has financial obligations, e.g., for bonds and Habitat Conservation Plan, both of which are being funded by the Preston Park revenues and tax increment. Funds to move the General Jim Moore Blvd roadway project are being generated by tax increment receipts. He said there is no capital to build other projects at this time. Mayor McCloud, chair of the Finance Committee, announced that positive news regarding next year had been received from FORA's bank. There were no public comments.

Item 10c – FORA 2008 Priority Legislation: Executive Officer Houlemard made comments about several of the proposed bills in the matrix and noted that most were in the Watch category. He said the bills and FORA's positions have been coordinated with the County's and TAMC's legislative priorities. There were no board or public comments. **Motion to approve the matrix and FORA's current positions on each proposed bills was made by Supervisor Mettee-McCutchon, seconded by Vice Mayor Downey, and carried.**

11. EXECUTIVE OFFICER'S REPORT

There were five items in this report: Item 11a (Administrative Committee report), Item 11b (Finance Committee report), Item 11c (Legislative Committee report), Item 11d (Fort Ord Reuse Authority sunset provisions – status report), and Item 11e (Fort Ord Reuse Authority investments – status report). All were informational.

Executive Officer Houlemard reported that the reduction of income in FORA's investments (Item 11e) has been mostly regained and that the Finance Committee recommended a minor adjustment to the policy (more bonds than mutual funds). Commenting on Item 11d, he suggested that the board set-aside time (about three hours) for a board retreat focused on providing a full understanding of the many issues, options and obligations to consider prior to FORA's sunset on June 30, 2014.

12. ANNOUNCEMENTS AND CORRESPONDENCE

Executive Officer Houlemard called attention to the two handouts highlighting Chartwell School's recognition by the U.S. Green Building Council as the first complete educational campus to earn the organization's highest rating for environmental sustainability. Chartwell School, located on the parcel where the former Fort Ord Officer's Club stood, was awarded LEED Platinum certification when it opened in September 2006.

13. ADJOURNMENT

Chair Russell adjourned the meeting at 4:45 p.m.

Minutes prepared by Linda Stiehl, Deputy Clerk.

Approved by _____
Michael A. Houlemard, Jr., Executive Officer/Clerk

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject:	Continuance of current Marina Coast Water District ("MCWD") water and wastewater systems rates, fees and charges	
Meeting Date:	May 9, 2008	**ACTION**
Agenda Number:	8b	

RECOMMENDATION:

Continue the current MCWD water and wastewater rates, fees and charges until subsequent action is taken by the Fort Ord Reuse Authority ("FORA") Board of Directors.

BACKGROUND:

The process for approving rates, fees and charges has been in place since MCWD took ownership of the former Fort Ord water and wastewater systems in 2001. The Water/ Wastewater Oversight Committee ("WWOC"), advisory committee to the Board, meets to review information presented by MCWD and ultimately recommends the rates, fees and charges to the FORA Board for approval. The FORA Board then typically approves the annual rates, fees and charges in the April/May timeframe to facilitate subsequent approval by the MCWD Board, which allows MCWD to adopt the rates, fees and charges to be effective by July 1st each year. In some cases the FORA and MCWD actions occur at a joint meeting of the two agencies.

The anticipated timeline for completing a rate study (see "Discussion" below) will not allow the FORA Board to adopt the rates, fees and charges for FY 2008/2009 until after the beginning of the new fiscal year (July 1st). Should the Board approve continuing the current (FY 2007/2008) rates, fees and charges, they will remain in place until such time as the FORA Board acts to adopt the FY 2008/2009 rates, fees and charges.

DISCUSSION:

MCWD undertook a rate study to determine if an increase to rates and specific charges were necessary to continue both normal operations and capital improvements. The draft rate study was presented to the MCWD Board on April 30th 2008. The final rate study will be presented to the MCWD Board on May 14, 2008 and at that time, the MCWD Board will be expected to initiate a Proposition 218 process as required by law when seeking to increase rates. Customers will have 45 days from the date of the protest notice mailing to submit a written protest to the rate increase. A joint MCWD/FORA hearing will be scheduled to certify the results of the Proposition 218 process.

Therefore, FORA staff recommends that the FORA Board approve continuing the current rates, fees and charges until the FY 2008/09 rates, fees and charges are adopted.

FISCAL IMPACT: _____ **Controller**

None by this action. Staff involvement is covered in the approved FY 2008-2009 budget.

COORDINATION:

WWOC, Administrative Committee, Executive Committee and MCWD

Prepared by _____ Approved by _____

James A. Feeney, PE Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

OLD BUSINESS

Subject:	Habitat Conservation Plan approval process	
Meeting Date:	May 9, 2008	**INFORMATION**
Agenda Number:	9a	

RECOMMENDATION(S):

Receive a status report regarding preparation of Habitat Conservation Plan ("HCP") and State of California 2081 Incidental Take Permit ("ITP") Process.

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority ("FORA") completed a Draft HCP on January 23, 2007 covering topics necessary to submit the HCP to California Department of Fish and Game ("CDFG") and an application for a basewide State 2081 ITP. The Draft HCP was circulated to U.S. Fish and Wildlife Service ("USFWS"), CDFG, FORA's land use jurisdictions, and other prospective habitat managers participating in the program. USFWS provided written comments on the Draft HCP in March 2007, July 2007, and February 2008. CDFG provided written comments in April 2007.

To define necessary steps to obtain CDFG approval of a basewide State 2081 Permit, FORA's legislative representatives met with key stakeholders in CDFG, California Department of Parks and Recreation ("State Parks"), and the Governor's Office on April 30, 2007. Subsequent meetings were held with Mike Crisman, State of California Resources Secretary, and John McCamman, CDFG Chief Deputy Director (at the time). These discussions identified several steps for FORA and CDFG to take to secure a successful 2081 permit. The representatives and stakeholders identified a need for a larger scope for the HCP consultant work, requiring FORA to redistribute a Request for Qualifications ("RFQ") containing a larger budget than previously included in the March 2007 RFQ. In return, key stakeholders in Sacramento gave assurances they would perform required work on their end and support a "final" process. In response to the need for an expanded scope of work, at its May 11, 2007 meeting, the FORA Board directed staff to redesignate unused HCP funds in Fiscal Year ("FY") 06-07 for HCP consultant work and directed staff to enter into a contract, not to exceed $150,000, with an HCP consultant to conduct the larger scope of work.

FORA staff received several responses to its RFQ and selected Jones & Stokes, Inc. ("Jones & Stokes") for the contract, which gives FORA the expertise to respond to USFWS and CDFG comments on the draft HCP. Jones & Stokes successfully completed comparable HCP's in Northern California and is the author of the 1997 Fort Ord Habitat Management Plan. The initial contract was for $85,445 and covers revisions to Draft HCP chapters, resulting from agency comments and FORA staff concurrence. An amendment to this contract for additional tasks and budget to recombine State and Federal HCP's was approved on September 14, 2007. The approved FY 06-07 and FY 07-08 budgets included additional funding for this purpose.

Jones & Stokes have identified a window of opportunity to expedite permit issuance. As noted, Jones & Stokes have proposed recombining the truncated State and Federal HCP processes into one HCP document and one combined public review period, which would result in a shorter timeframe for federal and state permit issuance and a stronger HCP document. Significant progress on the State HCP made in the last year should allow Jones & Stokes to complete the necessary federal HCP chapters on an expedited basis. This allows FORA to use the HCP document for both Federal National Environmental Policy Act ("NEPA") and State of California Environmental Quality Act ("CEQA") permit applications.

On May 23, 2007, FORA hosted an HCP working group meeting among Jones & Stokes, FORA, CDFG, USFWS, University of California ("UC"), Bureau of Land Management ("BLM"), and State Parks to discuss agency comments on the Draft HCP Funding Chapter. The HCP working group identified issues and discussed probable solutions to improve the Draft HCP funding section. A follow-up conference call occurred on May 31, 2007. To expedite agency review of the Draft HCP, Jones & Stokes suggested that USFWS and CDFG prepare comment letters on Draft HCP chapters reviewed to date and that the agencies offer oral comments on the remaining chapters. This approach was well received and was discussed in further detail during a strategy session among FORA, USFWS, and CDFG held in early June. On July 12, 2007, the HCP working group met, reviewed past comments received from USFWS and CDFG, reviewed Jones & Stokes' technical memo proposing revisions to the draft HCP, and reviewed Jones & Stokes' draft costing model. On August 29, 2007, the HCP working group held another meeting, in which the group: provided additional feedback on the draft costing model, requested feedback from working group members on Draft HCP sections, addressed questions on the Early Transfer/ Environmental Services Cooperative Agreement, and asked for feedback from USFWS and CDFG on inclusion of the proposed alignment of the Multi-Modal Corridor along Intergarrison Road in lieu of a previous alignment bisecting the UC Fort Ord Natural Reserve. On November 15, 2007, the working group reviewed a draft HCP Implementing Agreement, a required HCP document.

On October 1, 2007, Mayor Joe Russell, then Marina Mayor Ila Mettee-McCutchon, and Mayor Ralph Rubio met with State of California Resources Secretary Crisman and CDFG Interim Director McCamman and, as a consequence, a letter was drafted demonstrating CDFG support for FORA's Early Transfer/ Environmental Services Cooperative Agreement activities. In December 2007 Jones & Stokes personnel met with USFWS in Ventura regarding staff transition and other issues. Jones & Stokes presented the revised draft HCP Funding Chapter, costing model assumptions/inputs, and HCP development schedule to the HCP working group on April 10, 2008 to generate feedback from working group members. The next working group meeting is scheduled for May 29, 2008 to discuss the Monitoring and Implementation Chapters.

In addition, FORA Chair/Mayor Russell, 1st Vice Chair/Mayor Rubio, and Executive Officer Michael Houlemard met with State of California Resources Secretary Crisman and CDFG Acting Director McCamman on March 28, 2008 to confirm commitments made on April 30, 2007 to a "final" process. Secretary Crisman confirmed prior commitments to employ sufficient staff and resources within CDFG to meet review schedules and resolve outstanding issues. In addition, Secretary Crisman noted that

some items may require final negotiation at his or Acting Director McCamman's level. FORA's legislative representatives also met with USFWS Assistant Director Brian Arroyo in Washington, D.C., on April 21, 2008. Assistant Director Arroyo gave assurances that he would apply his resources to resolve funding issues between USFWS and BLM and to meet review schedules for the HCP and HCP NEPA documents. Denise Duffy and Associates, NEPA/CEQA consultant, have scheduled a meeting of the principals to schedule final processing for the Environmental Impact Statement/ Environmental Impact Report documents.

FISCAL IMPACT:
Reviewed by FORA Controller

In September 2007, the FORA Board amended the initial $85,445 Jones & Stokes Contract resulting in a combined budget authority not to exceed $236,550. Funding for this amount was designated in the fiscal year 06-07 and 07-08 budgets.

COORDINATION:

Executive Committee, Administrative Committee, Legislative Committee, Coordinated Resources Management and Planning Team, City of Marina, County of Monterey, U.S. Army, USFWS and CDFG personnel, Jones & Stokes, Denise Duffy & Associates, UC, BLM, and various development teams.

Prepared by D. Steven Endsley
Steve Endsley

Approved by
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

OLD BUSINESS

Subject:	Interim water use policy	
Meeting Date:	May 9, 2008	**INFORMATION**
Agenda Number:	9b	

RECOMMENDATION(S):

Receive a report from Fort Ord Reuse Authority ("FORA") staff responding to concerns regarding interim water use requests.

BACKGROUND/ DISCUSSION:

On April 11, 2008 the FORA Board directed staff and the Administrative Committee to review policy issues associated with requests for interim water use. This report addresses that directive and responds to items in a related letter from the Marina City Manager.

On April 28, 2008, the water working group (consisting of FORA member agency staff) met to discuss the interim water use requests. The working group proposed that FORA establish an interim water use policy that confirms that such requests are between a jurisdiction and Marina Coast Water District ("MCWD") and that FORA need only review interim water requests that exceed a jurisdiction's available water allocation. FORA staff prepared a draft resolution to establish an interim water use policy. The FORA Administrative Committee reviewed the draft resolution and staff analysis responding to interim water use requests, recommending that the report include the staff analysis, but postponed a recommendation for a draft resolution until next month to allow time for adjustments and review.

The following staff analysis responds to items from the above referenced letter or Board member concerns:

1. Is this an allocation? Would the interim water use confer a water right to the City of Seaside?

This is an interim water use, not an allocation. The interim water use would not create a water right. The City of Seaside's interim water use request does not affect the long-term allocations nor does it convey a right.

2. Rights to the Seaside Groundwater Basin are being adjudicated. Will this interim water use affect that adjudication?

If the City of Seaside were able to use interim water from MCWD while the Fort Ord Water Augmentation Program is developed, it may help the City address its legal obligation to reduce pumping in the Seaside Groundwater Basin. MCWD is the water purveyor for the City of Seaside's former Fort Ord property, which includes the Seaside Resort Project. MCWD services former Fort Ord development with a 6,600 acre-feet per year ("AFY") of Salinas Valley Groundwater Basin water resource. Jurisdictions are allowed to dedicate additional water resources at their disposal to supplement their individual water allocations from the 6,600 AFY. The Bayonet and Blackhorse golf

courses on the Seaside resort property have historically used water from a well on the property. Annual water use from this well is approximately 400 AFY. This well is within the Seaside Groundwater Basin and is separate from the 6,600 AFY Salinas Valley Groundwater Basin.

Since MCWD and FORA formalized the Fort Ord Water Augmentation Program in 2005, the City of Seaside has planned to use recycled water to replace its 400 AFY groundwater use for the Bayonet and Blackhorse golf courses. Since MCWD and Monterey Regional Water Pollution Control Agency ("MRWPCA") have been unable to execute an agreement regarding the provision of recycled water, the City of Seaside would be unable to meet its obligations under the Disposition and Development Agreement ("DDA") for the Seaside Resort development project to secure non-potable water for the project's updated recycled water infrastructure. Use of MCWD water would help Seaside meet its DDA obligations.

3. Would the request by the City of Del Rey Oaks satisfy its need for verification of supply availability under SB 221 for its mixed-use hotel resort and golf course project?

The City of Del Rey Oaks has tabled its interim water use request at this time.

4. If the interim water use requests were granted, how would MCWD evaluate this sliding availability of water to any new project(s) that require evaluation? How would the corresponding Environmental Impact Reports ("EIR") for these projects be presented and analyzed?

MCWD would use existing annual review methodology to evaluate water availability. If interim water use would prevent a new project from having sufficient water resources, the interim water user would be notified and would either cease pumping or secure other water resources. The corresponding environmental project reviews would consider the jurisdiction's available water resources.

5. Would MCWD continue interim water uses if groundwater is inadequate to meet other allocated needs? Who would be responsible to pay the cost of an alternate source if additional costs are incurred to meet the obligation of the interim water uses e.g., need for more desalinated water to compensate for the loss of groundwater?

MCWD would terminate these interim water uses or identify other services if groundwater supply becomes inadequate to meet their needs. This should be detailed in any agreement between MCWD and an interim user.

6. What level of environmental review is required to permit interim water uses?

No further environmental review would be needed. The impacts caused by using this water have been assessed. These are not the first requests for interim water use. On March 8, 1996, the FORA Board approved a letter of support of University of California Santa Cruz request for interim purchase of water on Fort Ord in the amount of 400 AFY. In August 1998, the FORA Board approved the general concept of water borrowing between the FORA jurisdictions under specified circumstances and requirements. This history and recent requests for interim water use do not modify FORA's water allocation program or development schedule and do not require additional environmental review.

7. It is unclear why the City of Seaside does not use water for the golf course projects from its current allocation rather than rely on augmented water through the regional water supply program project or other source when it becomes available for other future development in Seaside.

All FORA jurisdictions had been assured that the recycled water project would service the former Fort Ord (including the Seaside Resort Development project) in 2008. No one anticipated the significant delay impact that the protracted MRWPCA and MCWD negotiations would have on the delivery of this resource. The City of Seaside's project development activities should not be diminished due to this unforeseen circumstance.

8. It is unclear why there is a focus on these interim water uses now, when the primary focus should be on securing additional water supply for the region, as has been proposed through the Regional Plenary Oversight Group ("REPOG") solution and supported by City Councils, the FORA Board, MCWD, MCWRA, MRWPCA, etc. Granting these interim water uses may have the effect of reducing the emphasis on this regional solution and may damage the ability to enact this important policy. How does this interim water use affect the adoption of the four-party agreement currently before the Board of Supervisors?

Jurisdictions' requests for interim water use do not reduce the region's focus on securing additional resources from the REPOG solution or other options now under study. All jurisdictions recognize the need to develop an augmented water supply for former Fort Ord.

FISCAL IMPACT:
Reviewed by FORA Controller

None.

COORDINATION:

MCWD, water working group, Executive Committee, and Administrative Committee

Prepared by _____ Reviewed by _____
Jonathan Garcia Steve Endsley

Approved by _____
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

NEW BUSINESS

Subject:	CONSISTENCY DETERMINATION: Implementation Plan 2007-2012 for the Seaside - Fort Ord Redevelopment Project Area	
Meeting Date:	May 9, 2008	**ACTION/INFORMATION**
Agenda Number:	10a	

RECOMMENDATION(S):

Approve Resolution 08-04 (**Attachment B**), concurring in the City of Seaside ("Seaside") legislative land use consistency determination and making findings that the Fort Ord – Seaside Redevelopment Project Area: Implementation Plan ("Implementation Plan"), covering areas within the jurisdiction of the Fort Ord Reuse Authority ("FORA"), is consistent with the Fort Ord Base Reuse Plan ("BRP").

BACKGROUND:

Seaside submitted the Implementation Plan for consistency determination on April 18, 2008. Seaside requested a Legislative Land Use Decision review of the Implementation Plan in accordance with section 8.02.010 of the FORA Master Resolution. Under state law, (as codified in FORA's Master Resolution) legislative land use decisions (plan level documents such as General Plans, Zoning Codes, Specific Plans, Redevelopment Plans, etc.) must be scheduled for FORA Board review under strict timeframes. This item is included on the Board agenda because the Implementation Plan is a legislative land use decision, requiring Board approval.

The Administrative Committee endorsed the consistency recommendation at it's April 30, 2008 meeting.

DISCUSSION:

Seaside staff will be available to provide additional information to the FORA Board on May 9, 2008. In all consistency determinations, the following additional considerations are made and included in abbreviated format in a summary table (**Attachment A**):

Rationale for consistency determinations: FORA staff finds that there are several defensible rationales for making an affirmative consistency determination. Sometimes additional information is provided to buttress those conclusions. In general, it is noted that the BRP is a framework for development, not a precise plan to be mirrored. However, there are thresholds set in the resource constrained BRP that may not be exceeded without other actions, most notably 6,160 new residential housing units and a finite water allocation. More particularly, the rationales for consistency analyzed are:

LEGISLATIVE LAND USE DECISION CONSISTENCY FROM SECTION 8.02.010 OF THE FORA MASTER RESOLUTION

(a) In the review, evaluation, and determination of consistency regarding legislative land use decisions, the Authority Board shall disapprove any legislative land use decision for which there is substantial evidence support by the record, that:

(1) Provides a land use designation that allows more intense land uses than the uses permitted in the Reuse Plan for the affected territory;

The Implementation Plan would not establish a land use designation that is more intense than the uses permitted in the Base Reuse Plan. This Implementation Plan is an update of the original Implementation Plan, found consistent with the Base Reuse Plan on May 10, 2002. An Implementation Plan is required every five years by state redevelopment law. The Implementation Plan identifies Redevelopment Agency of the City of Seaside-related programs and potential projects planned for the next five years in the Seaside-Fort Ord Redevelopment Project Area. The Implementation Plan also describes proposed housing activities targeted for very-low, low, and moderate income families.

(2) Provides for a development more dense than the density of uses permitted in the Reuse Plan for the affected territory;

The Implementation Plan would not allow development to be more dense than permitted in the Base Reuse Plan.

(3) Is not in substantial conformance with applicable programs specified in the Reuse Plan and Section 8.02.020 of this Master Resolution.

The Implementation Plan meets the conditions of applicable programs. The Implementation Plan would facilitate item (t) Jobs Housing Balance under Section 8.02.020 of the Master Resolution by addressing affordable housing in the project area.

(4) Provides uses which conflict or are incompatible with uses permitted or allowed in the Reuse Plan for the affected property or which conflict or are incompatible with open space, recreational, or habitat management areas within the jurisdiction of the Authority;

The Implementation Plan does not impact open space, recreational, or habitat management areas within FORA's authority.

(5) Does not require or otherwise provide for the financing and/or installation, construction, and maintenance of all infrastructure necessary to provide adequate public services to the property covered by the legislative land use decision;

Projects that may be affected by the Implementation Plan will pay their fair share of the basewide costs through the developer fees and tax increment that will accrue to FORA, as well as land sales revenues.

(6) Does not require or otherwise provide for implementation of the Fort Ord Habitat Management Plan.

The Fort Ord Habitat Management Plan ("HMP") designates certain parcels for "Development," in order to allow economic recovery through reuse and development of the base while promoting preservation, enhancement and restoration of special status plant and animal species and their habitats on other parcels. The Implementation Plan

only affects lands that are located within areas designated for "Development" under the HMP. Lands designated as "Development" have no management restrictions placed upon them as a result of the HMP. The Implementation Plan would not conflict with implementation of the Fort Ord HMP.

FISCAL IMPACT:
Reviewed by FORA Controller

This action is regulatory in nature and should have no direct fiscal, administrative, or operational impact. In addition to points already dealt with in this report, it is clarified that the developments expected to be charged with reuse under this Plan are covered by the Community Facilities District or other agreement that ensure a fair share payment of appropriate future fees to mitigate for impacts delineated in the 1997 BRP and accompanying Environmental Impact Report. Seaside has agreed to provisions for payment of all required fees for future developments in the Seaside-Fort Ord Redevelopment Project Area.

Staff time to review this matter has been absorbed in the current operating budget.

COORDINATION:

City of Seaside, Planners Working Group, Administrative Committee, and Executive Committee

Prepared by Jonathan Garcia Reviewed by D. Steven Endsley
Jonathan Garcia Steve Endsley

Approved by
Michael A. Houlemard, Jr.

ATTACHMENT A
Item 10a
FORA Board Meeting, May 9, 2008

FORA Master Resolution Section	Finding of Consistency	Justification for finding
(1) Does not provide for a land use designation that allows more intense land uses than the uses permitted in the Reuse Plan for the affected territory;	Yes	The Seaside Implementation Plan did not change land use designations.
(2) Does not provide for a development more dense than the density of uses permitted in the Reuse Plan for the affected territory;	Yes	No change in density was involved.
(3) Is in substantial conformance with applicable programs specified in the Reuse Plan and Section 8.02.020 of this Master Resolution.	Yes	The Seaside Implementation Plan is in compliance with applicable programs. See Seaside's Consistency Analysis – Sections 8.02.020 (a) to (t), pages 1-6.
(4) Does not provide uses which conflict with or are incompatible with uses permitted or allowed in the Reuse Plan for the affected property or which conflict with or are incompatible with open space, recreational, or habitat management areas within the jurisdiction of the Authority;	Yes	No conflict or incompatibility exists between the Seaside Implementation Plan and BRP. See Seaside's Consistency Analysis – Sections 8.02.020 (a) to (d), page 1.
(5) Requires or otherwise provides for the financing and/or installation, construction, and maintenance of all infrastructure necessary to provide adequate public services to the property covered by the legislative land use decision;	Yes	The Seaside Implementation Plan does not modify Seaside's obligation to contribute to basewide costs. See Seaside's Consistency Analysis – Sections 8.02.020 (n) and (o), page 5.
(6) Requires or otherwise provides for implementation of the Fort Ord Habitat Management Plan.	Yes	The Seaside Implementation Plan provides for implementation of the Habitat Management Plan. See Seaside's Consistency Analysis – Sections 8.02.020 (a) to (d), page 1.
(7) Is consistent with the Highway 1 Scenic Corridor design standards as such standards may be developed and approved by the Authority Board.	Yes	The Seaside Implementation Plan is consistent with Highway 1 Scenic Corridor design standards.
(8) Is consistent with the jobs/housing balance requirements developed and approved by the Authority Board as provided in Section 8.02.020(t) of this Master Resolution.	Yes	The Seaside Implementation Plan is consistent with job/housing balance requirements. See Seaside's Consistency Analysis – Sections 8.02.020 (t), page 6.
(9) Prevailing Wage	Yes	The Seaside Implementation Plan does not modify prevailing wage requirements.

ATTACHMENT B
Item 10a
FORA Board Meeting, May 9, 2008

DRAFT

Resolution 08-04

Resolution Determining Consistency of)
City of Seaside Implementation Plan)

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

A. On June 13, 1997, the Fort Ord Reuse Authority ("FORA") adopted the Final Base Reuse Plan under Government Code Section 67675, et seq.

B. After FORA adopted the reuse plan, Government Code Section 67675, et seq. requires each county or city within the former Fort Ord to submit to FORA its general plan or amended general plan and zoning ordinances, and to submit project entitlements, and legislative land use decisions that satisfy the statutory requirements.

C. By Resolution No. 98-1, the Authority Board of FORA adopted policies and procedures implementing the requirements in Government Code 67675, et seq.

D. The City of Seaside ("Seaside") is a member of FORA. Seaside has land use authority over land situated within the former Fort Ord and subject to FORA's jurisdiction.

E. After a noticed public meeting on January 17, 2008, the Redevelopment Agency of the City of Seaside adopted the Seaside – Fort Ord Redevelopment Project Area: Implementation Plan ("Implementation Plan") to comply with Community Redevelopment Law (Health and Safety Code Section 33000, et seq.), affecting lands on the former Fort Ord. The Redevelopment Agency of the City of Seaside also found the Implementation Plan is consistent with the Fort Ord Base Reuse Plan, FORA's plans and policies and the Fort Ord Reuse Authority Act and considered the Fort Ord Base Reuse Plan Environmental Impact Report ("EIR") in their review and deliberations.

F. On January 17, 2008, the Redevelopment Agency of the City of Seaside recommended that FORA concur in the City's determination that FORA's Final Base Reuse Plan, certified by the Board on June 13, 1997, and the Implementation Plan are consistent. Seaside submitted to FORA its Implementation Plan together with the accompanying documentation, verifying that the Implementation Plan does not constitute a project within the meaning of Section 21000 of the Public Resources Code.

G. Consistent with the Implementation Agreements between FORA and Seaside, on April 18, 2008, Seaside provided FORA with a complete copy of the submittal for lands on the former Fort Ord, the resolutions and/or ordinance approving it, a staff report and materials relating to the Redevelopment Agency of the City of Seaside action, a reference to the environmental documentation and/or CEQA findings, and findings and evidence supporting its determination that the Implementation Plan is consistent with the Fort Ord Base Reuse Plan and the Fort Ord Reuse Authority Act (collectively,

"Supporting Material"). Seaside requested that FORA certify the Implementation Plan as being consistent with the Fort Ord Base Reuse Plan for those portions of Seaside that lie within the jurisdiction of the Fort Ord Reuse Authority.

H. FORA's Executive Officer and the FORA Administrative Committee reviewed Seaside's application for consistency evaluation. The Executive Officer submitted a report recommending that the FORA Board find that the Implementation Plan is consistent with the Fort Ord Base Reuse Plan. The Administrative Committee reviewed, received additional information, and concurred with the Executive Officer's recommendation. The Executive Officer set the matter for public hearing regarding consistency of the Implementation Plan before the FORA Board on May 9, 2008.

I. Master Resolution, Chapter 8, Section 8.02.010(a)(4) reads in part: "(a) In the review, evaluation, and determination of consistency regarding legislative land use decisions, the Authority Board shall disapprove any legislative land use decision for which there is substantial evidence supported by the record, that [it] (4) Provides uses which conflict or are incompatible with uses permitted or allowed in the Reuse Plan for the affected property..."

J. In this context, the term "consistency" is defined in the General Plan Guidelines adopted by the State Office of Planning and Research as follows: "An action, program, or project is consistent with the general plan if, considering all its aspects, it will further the objectives and policies of the general plan and not obstruct their attainment."

K. FORA's consistency determination must be based upon the overall congruence between the submittal and the Reuse Plan, not on a precise match between the two.

NOW THEREFORE be it resolved:

1. The FORA Board recognizes that the Redevelopment Agency of the City of Seaside's January 17, 2008 recommendation that the FORA Board find consistency between the Fort Ord Base Reuse Plan and the Implementation Plan was appropriate.

2. The Board has reviewed and considered the Fort Ord Base Reuse Plan Final Environmental Impact Report and Seaside's determination that the previously adopted findings that the Implementation Plan does not constitute a project within the meaning of Section 21000 of the Public Resources Code is adequate and complies with the California Environmental Quality Act. The FORA Board finds further that these documents are sufficient for purposes of FORA's determination for consistency of the Implementation Plan.

3. The Board has considered the materials submitted with this application, the recommendation of the Executive Officer and Administrative Committee concerning the application and oral and written testimony presented at the hearings on the consistency determination, which are hereby incorporated by reference.

4. The Board finds that the Seaside Implementation Plan is consistent with the Fort Ord Base Reuse Plan. The Board further finds that the legislative decision made

herein has been based in part upon the substantial evidence submitted regarding allowable land uses, a weighing of the Base Reuse Plan's emphasis on a resource constrained sustainable reuse that evidences a balance between jobs created and housing provided, and that the cumulative land uses contained in Seaside's submittal are not more intense or dense than those contained in the Base Reuse Plan.

5. The Seaside Implementation Plan will, considering all their aspects, further the objectives and policies of the Final Base Reuse Plan. The Seaside application is hereby determined to satisfy the requirements of Title 7.85 of the Government Code and the Fort Ord Base Reuse Plan.

Upon motion by _____, seconded by _____, the foregoing resolution was passed on this 9th day of May, 2008, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

I, Mayor Russell, Chair of the Board of Directors of the Fort Ord Reuse Authority of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of the said Board of Directors duly made and entered under Item ___, Page ___, of the board meeting minutes of _____, 2008 thereof, which are kept in the Minute Book resident in the offices of the Fort Ord Reuse Authority.

DATED_____ BY_____

Joseph Russell
Chair, Board of Directors
Fort Ord Reuse Authority

REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE
440 Harcourt Avenue
Seaside, CA 93955
Telephone (831) 899-6729
FAX (831) 899-6211
TDD (831) 899-6207

April 18, 2008

Michael A, Houlemard Jr., Executive Officer
Fort Ord Reuse Authority
100 12th Street, Building 2880
Marina, CA 93933

RE: Request for a Consistency Determination for the Seaside-Fort Ord Redevelopment Project Area: Implementation Plan 2007-2012

Dear Mr. Houlemard:

The Redevelopment Agency of the City of Seaside (RACS) requests that the Fort Ord Reuse Authority (FORA) adopt a finding of consistency with the Fort Ord Base Reuse Plan (BRP) for the attached Seaside-Fort Ord Redevelopment Project Area: Implementation Plan 2007-2012 (the "Implementation Plan").

The Redevelopment Agency adopted the 2007-2012 Implementation Plan on January 17, 2008 by Resolution No. 08-01-FT. ORD-01. The development of an implementation plan is required every five years by Section 33490 of the Community Redevelopment Law (Health and Safety Code § 33000, et seq.). This is the first such plan since the adoption of the Fort Ord Redevelopment Project Area in 2002.

This Implementation Plan identifies RACS-related programs and potential projects scheduled for the next five years in the Seaside-Fort Ord Redevelopment Project Area (the "Project Area"). It also discusses proposed housing activities targeted for very-low, low and moderate income families.

Plan Contents

This Implementation Plan contains five sections as follows:

Section 1 – Introduction: Provides an overview of the Community Redevelopment Law's provisions governing the development of implementation plans. This section also describes the overall intent of the Implementation Plan.

Section 2 – Project Area Background: Introduces and describes generally the Project Area, including descriptions of the Project Area's location, goals, original and remaining blighted conditions, as well as RACS activities to date.

Section 3 – Five-Year Program: Provides a description of proposed RACS activities, programs, and public improvement projects relative to the Project Area for the 2007 to 2012 period.

Section 4 – Housing Production Program: Provides a summary of issues relative to providing low and moderate income housing. Includes descriptions of past housing production activities, current housing needs, housing programs aimed at meeting these needs, and five- and ten-year housing production plans. Total housing production over the remaining lifetime of the Redevelopment Plan is also estimated.

Section 5 – Administration of the Implementation Plan: Describes the Implementation Plan review process, including periodic reviews and public hearings. Also includes description of annual financial commitments that will fund the RACS' activities.

Five-Year Activities

The Implementation Plan identifies a range of community and economic development, project review and housing activities.

Community and economic development efforts include:

- Encourage and assist development at the "Shoppette" site located at Coe Avenue and Monterey Road. This site has been identified for future residential development;
- Encourage development of the approximately 90-acre "Surplus II" site;
- Encourage development of the approximately 730-acre Seaside East site for master planned residential development;
- Continue to assist in the development of the 53-acre Main Gate development; and
- Assist in the provision of infrastructure improvements, as necessary, to achieve overall RACS goals.

Additionally, RACS will, to the extent funding is available, continue to attract new businesses into the community through a variety of activities. Such activities include, but are not limited to, providing infrastructure improvements and the preparation of market or planning information for dissemination to potential new businesses.

Housing Program

The Agency sets aside twenty percent (20%) of its tax increment revenues for the purpose of increasing, preserving, or improving the number of dwelling units affordable to very low, low, or moderate income households.

At the appropriate time, such funds may also be used to provide replacement housing in the event affordable dwelling units are removed from the Project Area. Housing set aside funds will also be used to ensure that at least fifteen percent (15%) of all new or substantially rehabilitated dwelling units in the Project Area are affordable to very low, low, or moderate income households as required by Community Redevelopment Law.

The Implementation Plan analyzes total low and moderate income housing needs based on the legal requirements. There is currently an unmet low and moderate income housing of 72 units in the Project Area (above and beyond those present when the Project Area was adopted).

Anticipated new housing development in the Project Area between now and 2012 will result in a requirement for an additional 51 units, for a total current and five-year need for 123 low- and moderate-income units.

Environmental Review

Under California Redevelopment Law, the adoption of an implementation plan does not require environmental review under the California Environmental Quality Act (CEQA). Section 33490(B) states "The adoption of an implementation plan shall not constitute a project within the meaning of Section 21000 of the Public Resource Code (CEQA)." However, future approval of individual projects and programs included in the implementation plan are not excused from CEQA's requirements to the extent that it would be otherwise required.

Consistency with the Fort Ord Base Reuse Plan

On May 10, 2002, FORA adopted Resolution 02-9 finding the Seaside-Fort Ord Redevelopment Plan to be consistent with the Fort Ord Base Reuse Plan (BRP). Rationale for consistency determination focused on the thresholds for water allocation, new residential housing units, and land usage. It was determined that the Fort Ord Redevelopment Plan conformed with the thresholds and limitations specified in the BRP.

The 2007-2012 Implementation Plan is consistent with the Seaside-Fort Ord Redevelopment Plan in that it provides five-year goals for the redevelopment project and changes no overall programs, policies, or goals of the original Plan.

If you have any questions or require additional information, please do not hesitate to contact me or Lisa Brinton, Redevelopment Project Manager, (831) 899-6883.

Sincerely,

Ray Corpuz
Executive Director

RC:bc

Enclosures: (1) Resolution No. 08-01-FT. ORD-01
(2) Seaside-Fort Ord Redevelopment Project Area: Implementation Plan 2007-2012

RESOLUTION NO. 08-01-FT.ORD-01

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE ADOPTING AN IMPLEMENTATION PLAN FOR THE SEASIDE-FORT ORD REDEVELOPMENT PROJECT AREA

WHEREAS, the Redevelopment Plan for the Seaside-Fort Ord Redevelopment Project Area (the "Project Area") of the Redevelopment Agency of the City of Seaside (the "Agency") was approved and adopted by Ordinance No. 901 of the City Council of the City of Seaside on April 18, 2002; and

WHEREAS, the Agency has adopted an initial implementation plan for the Project Area in 2002 pursuant to Health and Safety Code Section 33352, which implementation plan is on file in the office of the Agency Secretary and City Clerk and open to public inspection; and

WHEREAS, Health and Safety Code Section 33490 requires that after the adoption of the initial implementation plan, the Agency shall adopt, after a public hearing, an implementation plan each five years, containing the specific goals and objectives of the Agency for the Project Area, the specific programs (including potential projects), and estimated expenditures proposed to be made during the next five years, and an explanation of how the goals and objectives, programs and expenditures will eliminate blight within the Project Area and implement the low and moderate income housing requirements of the Community Redevelopment Law (Health and Safety Code Section 33000, et seq.); and

WHEREAS, the Agency staff has prepared and presented to the Agency a new implementation plan for the Project Area, a copy of which is on file in the office of the Agency Secretary and City Clerk (the "Implementation Plan"), in accordance with the requirements of Health and Safety Code Section 33490: and

WHEREAS, on January 17, 2008, the Agency held a duly noticed public hearing on the proposed adoption of the Implementation Plan at which time all persons desiring to comment on or ask questions concerning the Implementation Plan were given the opportunity to do so, and prior to the public hearing on the Implementation Plan, copies of the Implementation Plan were available for public inspection in the office of the Agency Secretary and City Clerk; and

WHEREAS, the Agency has reviewed and considered all written and oral comments, questions and concerns regarding the Implementation Plan received prior to and at the public hearing on the Implementation Plan;

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE AS FOLLOWS:

1. The Agency hereby approves and adopts the Implementation Plan as the implementation plan for the Project Area pursuant to the requirements of Health and Safety Code Section 33490.

2. The Implementation Plan may be amended from time to time after a public hearing on the proposed amendment.

3. Adoption of the Implementation Plan does not constitute an approval of any specific program, project or expenditure and does not constitute a project within the meaning of Section 21000 of the Public Resources Code.

4. The Agency hereby directs that the Implementation Plan remain on file in the office of the Agency Secretary and City Clerk and be open to public inspection.

5. The Agency hereby authorizes the Executive Director to take such other actions as are appropriate to effectuate this Resolution and the intent of the Implementation Plan.

6. The Implementation Plan shall take effect only upon certification by the Board of the Fort Ord Reuse Authority of the consistency of the Implementation Plan with the Fort Ord Reuse Plan.

PASSED AND ADOPTED at a regular meeting of the Redevelopment Agency meeting of the City of Seaside duly held on the 17th day of January 2008 by the following vote:

AYES: BOARD MEMBERS: Alexander, Mancini, Bloomer

NOES: BOARD MEMBERS: None

ABSENT: BOARD MEMBERS: Jordan, Rubio

ABSTAIN: BOARD MEMBERS: None

Ralph Rubio, Chairman
Redevelopment Agency

ATTEST:

Ray Corpuz, Secretary

ITEM NO. 5.

REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE
STAFF REPORT

TO: Honorable Chair and Members of the Agency Board

FROM: Ray Corpuz, Executive Director

BY: Diana Ingersoll, Deputy City Manager – Resource Management Services
Sara Isgur, Redevelopment Services Manager

DATE: January 17, 2008

SUBJECT: **PUBLIC HEARING ON THE FIVE YEAR (2007–2012) SEASIDE-FORT ORD REDEVELOPMENT PROJECT IMPLEMENTATION PLAN**

PURPOSE

A public hearing has been scheduled to consider the adoption of the Redevelopment Agency's 2007-2012 Implementation Plan for the Seaside-Fort Ord Redevelopment Project Area, which has been available to the public since November 21, 2007.

RECOMMENDATION

It is recommended that the Redevelopment Agency hold a public hearing regarding the 2007-2012 Implementation Plan for the Seaside-Fort Ord Redevelopment Project Area and approve a Resolution, adopting an Implementation Plan for the Seaside-Fort Ord Redevelopment Project Area.

BACKGROUND

Pursuant to Section 33490 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.; the "CRL") Agency staff has prepared the 2007-2012 Implementation Plan (the "Implementation Plan") for the Seaside- Fort Ord Redevelopment Project Area. The CRL requires the Agency to hold a public hearing before considering the approval and adoption of the Implementation Plan. At the prior noticed public hearing December 6, 2007, the Agency lacked a quorum to take action on the Implementation Plan and announced the continuance and the re-noticing of the Public Hearing until January 17, 2008.

CRL Section 33490 requires redevelopment agencies to prepare implementation plans on a five-year cycle. The cycle began with the adoption of the Redevelopment Plan for the Seaside-Fort Ord Redevelopment Project Area in 2002.

The first implementation plan was included in the Report to City Council that accompanied the Redevelopment Plan when it was presented to the City Council for its approval in 2002.

The 2007-2012 Implementation Plan, among other things, identifies the specific goals and objectives of the Agency for the Project Area and specific programs and projects and estimated expenditures proposed to be made during the next five years, and how such programs, projects, and expenditures will assist in eliminating blight in the Project Area. In addition, the Implementation Plan addresses how the Agency will implement the CRL requirements related to affordable housing, including the requirement to increase, improve and preserve affordable housing with moneys in the Agency's Housing Fund and the requirement to ensure that a certain percentage of new and substantially rehabilitated housing units developed within the Project Area are available at an affordable housing cost to low and moderate income households.

Pursuant to CRL Section 33490, the Agency must hold a public hearing prior to the approval of the Implementation Plan. Notice of the public hearing was provided in accordance with the requirements of the CRL, and included publishing a notice of the public hearing in the Monterey Herald, a newspaper of general circulation serving the Project Area, once a week for three consecutive weeks beginning the week of December 20, 2007 and posting the notice in four permanent places in the Project Area.

Per CRL Section 33490(a)(1)(B), adoption of the Implementation Plan does not constitute the approval of any specific program, project or expenditure and does not constitute a project within the meaning of Section 21000 of the Public Resources Code, meaning that the California Environmental Quality Act (CEQA) does not apply to the adoption of the Implementation Plan.

The Implementation Plan shall take effect only upon certification by the Board of the Fort Ord Reuse Authority of the consistency of the Implementation Plan with the Fort Ord Reuse Plan.

FISCAL IMPACT

None.

ATTACHMENTS

The following items are provided with this report:

1. Resolution of the Redevelopment Agency of the City of Seaside Adopting an Implementation Plan for the Seaside-Fort Ord Redevelopment Project Area
2. Implementation Plan 2007-2012 for the Seaside-Fort Ord Redevelopment Project Area

---

Reviewed for Submission to the
Redevelopment Agency by:

for Ray Corpuz, Executive Director

Consistency Analysis
Fort Ord –Seaside Redevelopment Project Area Implementation Plan 2007-2012
with FORA Master Resolution Chapter 8

FORA Master Resolution Chapter 8 Sections 8.02.020 (a) to (t) Natural Resources	5 year Implementation Plan Consistency
(a) Prior to approving any development entitlements, each land use agency shall act to protect natural resources and open space and conservation policies and programs of the Reuse Plan, applicable to the land use agency, into their respective general, area, and specific plans. (1) Each land use agency shall review each application for a development entitlement for compatibility with adjacent open space land uses and require suitable open space buffers to be incorporated into the development plans of any potentially incompatible land uses as a condition of project approval. (2) When buffers are required as a condition of approval adjacent to Habitat Management areas, the buffer shall be designed in a manner consistent with those guidelines set out in the Habitat Management Plan. Roads shall not be allowed within the buffer area adjacent to Habitat Management areas except for restricted access maintenance or emergency access roads.	(a) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance. (a) (1) No specific development entitlement is being proposed at this time. (a) (2) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(b) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that will ensure consistency of future use of the property within the coastal zone through the master planning process of the California Department of Parks and Recreation, if applicable. All future use of such property shall comply with the requirements of the Coastal Zone Management Act and the California Coastal Act and the coastal consistency determination process.	(b) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(c) Monterey County shall include policies and programs in its applicable general, area, and specific plans that will ensure that future development projects at East Garrison are compatible with the historic context and associated land uses and development entitlements are appropriately conditioned prior to approval.	(c) NA
(d) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that shall limit recreation in environmentally sensitive areas, including, but not limited to, dunes and areas with rare, endangered, or threatened plant or animal communities to passive, low intensity recreation, dependent on the resource and compatible with its long term protection. Such policies and programs shall prohibit passive, low-density recreation if the Board finds that such passive, low-density recreation will compromise the ability to maintain an environmentally sensitive resource.	(d) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.

FORA Master Resolution Chapter 8 Sections 8.02.020 (a) to (t) Historic Preservation	5 year Implementation Plan Consistency
(e) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that shall encourage land uses that are compatible with the character of the surrounding districts or neighborhoods and discourage new land use activities which are potential nuisances and/or hazards within and in close proximity to residential areas. Reuse of property in the Army urbanized footprint should be encouraged.	(e) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(f) Each land use agency with jurisdiction over property in the Army urbanized footprint shall adopt the cultural resources policies and programs of the Reuse Plan concerning historic preservation, and shall provide appropriate incentives for historic preservation and reuse of historic property, as determined by the affected land use agency, in their respective applicable general, area, and specific plans.	(f) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(g) The County of Monterey shall amend the Greater Monterey Peninsula Area Plan and designate the Historic East Garrison Area as an historic district in the County Reservation Road Planning Area. The East Garrison shall be planned and zoned for planned development mixed uses consistent with the Reuse Plan. In order to implement this aspect of the plan, the County shall adopt at least one specific plan for the East Garrison area and such specific plan shall be approved before any development entitlement shall be approved for such area.	(g) NA

FORA Master Resolution Chapter 8 Sections 8.02.020 (a) to (t) Water, Sewer, Drainage, and Waste Reduction	5 year Implementation Plan Consistency
(h) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that shall support all actions necessary to ensure that sewage treatment facilities operate in compliance with waste discharge requirements adopted by the California Regional Water Quality Control Board.	(h) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(i) Each land use agency shall adopt the following policies and programs: (1) A solid waste reduction and recycling program applicable to Fort Ord Territory consistent with the provisions of the California Integrated Waste Management Act of 1989, Public Resources Code Section 40000 *et seq.*	(i) (1) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(2) A program that will ensure that each land use agency carries out all action necessary to ensure that the installation of water supply wells comply with State of California Water Well Standards and well standards established by the Monterey County Health Department; and	(i) (2) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.

FORA Master Resolution Chapter 8 Sections 8.02.020 (a) to (t) Water, Sewer, Drainage, and Waste Reduction	5 year Implementation Plan Consistency
(3) A program that will ensure that each land use agency carries out all actions necessary to ensure that distribution and storage of potable and non-potable water comply with State Health Department regulations.	(i) (3) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(j) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans to address water supply and water conservation. Such policies and programs shall include the following: (1) Identification of, with the assistance of the Monterey County Water Resources Agency and the Monterey Peninsula Water Management District, potential reservoir and water impoundment sites and zoning of such sites for watershed use, thereby precluding urban development;	(j) (1) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(2) Commence working with appropriate agencies to determine the feasibility of development additional water supply sources, such as water importation and desalination, and actively participate in implementing the most viable option or options;	(j) (2) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(3) Adoption and enforcement of a water conservation ordinance which includes requirements for plumbing retrofits and is at least astringent as Regulation 13 of the Monterey Peninsula Water Management District, to reduce both water demand and effluent generation.	(j) (3) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(4) Active participation in support of the development of "reclaimed" or "recycled" water supply sources by the water purveyor and the Monterey Regional Water Pollution Control Agency to ensure adequate water supplies for the territory within the jurisdiction of the Authority.	(j) (4) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(5) Promotion of the use of on-site water collection, incorporating measures such as cisterns or other appropriate improvements to collect surface water for in-tract irrigation and other non-potable use.	(j) (5) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(6) Adoption of policies and programs consistent with the Authority's Development and Resource Management Plan to establish programs and monitor development of territory within the jurisdiction of the Authority to assure that it does not exceed resource constraints posed by water supply.	(j) (6) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(7) Adoption of appropriate land use regulations that will ensure that development entitlements will not be approved until there is verification of an assured long- term water supply for such development entitlements.	(j) (7) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(8) Participation in the development and implementation of measures that will prevent seawater intrusion into the Salinas Valley and Seaside groundwater basins.	(j) (8) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.

(9) Implementation of feasible water conservation methods where and when determined appropriate by the land use agency, consistent with the Reuse Plan, including; dual plumbing using non-potable water for appropriate functions; cistern systems for roof-top run-off; mandatory use of reclaimed water for any new golf courses; limitation on the use of potable water for golf courses; and publication of annual water reports disclosing water consumption by types of use.	(j) (9) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.

FORA Master Resolution Chapter 8 Sections 8.02.020 (a) to (t) Water, Sewer, Drainage, and Waste Reduction	**5 year Implementation Plan Consistency**
(k) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that will require new development to demonstrate that all measures will be taken to ensure that storm water runoff is minimized and infiltration maximized in groundwater recharge areas. Such policies and programs shall include: (1) Preparation, adoption, and enforcement of a storm water detention plan that identifies potential storm water detention design and implementation measures to be considered in all new development, in order to increase groundwater recharge and thereby reduce potential for further seawater intrusion and provide for an augmentation of future water supplies.	(k) (1) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(2) Preparation, adoption, and enforcement of a Master Drainage Plan to assess the existing natural and man- made drainage facilities, recommend area-wide improvements based on the approved Reuse Plan, and develop plans for the control of storm water runoff from future development. Such plans for control of storm water runoff shall consider and minimize any potential for groundwater degradation and provide for the long term monitoring and maintenance of all storm water retention ponds.	(k) (2) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(l) Each land use agency shall adopt policies and programs that ensure that all proposed land uses on the Fort Ord Territory are consistent with the hazardous and toxic materials clean-up levels as specified by state and federal regulation.	(l) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance..
(m) Each land use agency shall adopt and enforce an ordinance acceptable to the California Department of Toxic Substances Control ("DTSC") to control and restrict excavation or any soil movement on those parcels of the Fort Ord Territory, which were contaminated with unexploded ordnance, and explosives. Such ordinance shall prohibit any digging, excavation, development, or ground disturbance of any type to be caused or otherwise allowed to occur without compliance with the ordinance. A land use agency shall not make any substantive change to such ordinance without prior notice to and approval by DTSC.	(m) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.

FORA Master Resolution Chapter 8 Sections 8.02.020 (a) to (t) Traffic/Circulation	5 year Implementation Plan Consistency
(n) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that will help ensure an efficient regional transportation network to access the territory under the jurisdiction of the Authority, consistent with the standards of the Transportation Agency of Monterey County. Such policies and programs shall include: (1) Establishment and provision of a dedicated funding mechanism to pay for the "fair share" of the impact on the regional transportation system caused or contributed by development on territory within the jurisdiction of the Authority; and (2) Support and participate in regional and state planning efforts and funding programs to provide an efficient regional transportation effort to access Fort Ord Territory.	(n) (1) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance. (n) (2) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance..
(o) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that ensure that the design and construction of all major arterials within the territory under the jurisdiction of the Authority will have direct connections to the regional network consistent with the Reuse Plan. Such plans and policies shall include: (1) Preparation and adoption of policies and programs consistent with the Authority's Development and Resource Management Plan to establish programs and monitor development to assure that it does not exceed resource constraints posed by transportation facilities:	(o) (1) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(2) Design and construction of an efficient system of arterials in order to connect to the regional transportation system; and	(o) (2) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(3) Designate local truck routes to have direct access to regional and national truck routes and to provide adequate movement of goods into and out of the territory under the jurisdiction of the Authority.	(o) (3) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(p) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans to provide regional bus service and facilities to serve key activity centers and key corridors within the territory under the jurisdiction of the Authority in a manner consistent with the Reuse Plan.	(p) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(q) Each land use agency shall adopt policies and programs that ensure development and cooperation in a regional law enforcement program that promotes joint efficiencies in operations, identifies additional law enforcement needs, and identifies and seeks to secure the appropriate funding mechanisms to provide the required services.	(q) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.

FORA Master Resolution Chapter 8 Sections 8.02.020 (a) to (t) Fire Protection	5 year Implementation Plan Consistency
(r) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that ensure development of a regional fire protection program that promotes joint efficiencies in operations, identifies additional fire protection needs, and identifies and seeks to secure the appropriate funding mechanisms to provide the required services.	(r) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.
(s) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that will ensure that native plants from on-site stock will be used in all landscaping except for turf areas, where practical and appropriate. In areas of native plant restoration, all cultivars, including, but not limited to, manzanita and ceanothus, shall be obtained from stock originating on Fort Ord Territory.	(s) The Implementation Plan does not address this specific item, however all future projects will be reviewed for appropriate compliance.

FORA Master Resolution Chapter 8 Sections 8.02.020 (a) to (t) Jobs Housing Balance	5 year Implementation Plan Consistency
(t) Each land use agency shall include policies and programs in their general, area, and specific plans that will ensure compliance with the 1997 adopted FORA Reuse Plan jobs/housing balance provisions. The policies and programs for the provision of housing must include flexible targets that generally correspond with expected job creation on the former Fort Ord. It is recognized that, in addressing the Reuse Plan jobs/housing balance, such flexible targets will likely result in the availability of affordable housing in excess of the minimum 20% local jurisdictional inclusionary housing figure, which could result in a range of 21% - 40% below market housing. Each land use agency should describe how their local inclusionary housing policies, where applicable, address the Reuse Plan jobs/housing balance provisions.	(t) The Implementation Plan does not specifically address the issue of job/housing balance. It does address affordable housing in Section 4.0. The Housing Component projects an affordable housing obligation of 123 units over the Plan's 5 year term.

Note: The Fort Ord –Seaside Redevelopment Project Area Implementation Plan 2007-2012 identifies many of the issues listed in this table as eligible for Agency financial participation. They will be addressed as part of any future projects.

Redevelopment Agency
of the City of Seaside

IMPLEMENTATION PLAN
2007 – 2012

Seaside-Fort Ord Redevelopment Project Area

January 17, 2008

GRC

GRC REDEVELOPMENT CONSULTANTS Inc.

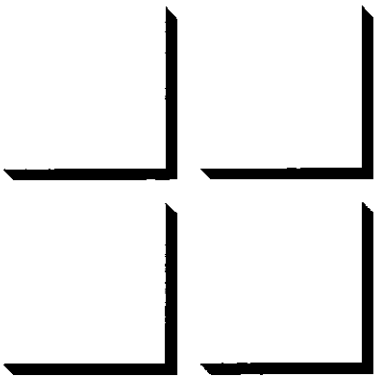
January 17, 2008

Adopted: January 17, 2008
Resolution No. 08-01-FT. ORD-01

Implementation Plan 2007-2012 for the Seaside – Fort Ord Redevelopment Project Area

REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

GRC REDEVELOPMENT CONSULTANTS
701 S. Parker Street, Suite 7400, Orange, CA 92868
2200 Arrowhead Drive, Oakland, CA 94611



CITY COUNCIL/REDEVELOPMENT AGENCY

Ralph Rubio – *Mayor/Chairperson*
Thomas Mancini – *Councilmember /Vice Chairperson*
Steve Bloomer – *Mayor Pro Tem/ Agency Member*
Dennis Alexander – *Councilmember/Agency Member*
Don Jordan – *Councilmember/Agency Member*

CITY/REDEVELOPMENT AGENCY STAFF

Ray Corpuz – *City Manager/Executive Director*
Diana Ingersoll – *Deputy City Manager*
Sara Isgur – *Redevelopment Services Manager*
Lisa Brinton – *Redevelopment Project Manager*

TABLE OF CONTENTS

LIST OF TABLES

FIGURE

PREFACE

This Implementation Plan is being prepared and adopted according to Section 33490 et seq. of California's Community Redevelopment Law. Section 33490 requires the adoption of an implementation plan every five years for each redevelopment project area in a redevelopment agency's jurisdiction. On April 18, 2002, the Redevelopment Agency of the City of Seaside (the "Agency") adopted the *Five-Year Implementation Plan for the Seaside-Fort Ord Redevelopment Project Area*[1], its first implementation plan. This document, *Implementation Plan 2007-2012 for the Seaside-Fort Ord Redevelopment Project Area* (the "Implementation Plan") is an update of the original implementation plan.

This Implementation Plan identifies Agency-related programs and potential projects scheduled for the next five years in the Seaside-Fort Ord Redevelopment Project Area (the "Project Area"), and a discussion on housing activities targeted for very-low, low and moderate income families.

This Implementation Plan is presented in the following five sections:

Section 1 - Introduction: Provides an overview of the CRL's provisions governing the development of this Implementation Plan. This section also describes the overall intent of the Plan.

Section 2 - Project Area Background: Introduces and describes generally the Project Area, including descriptions of the Project Area's location, goals, original and remaining blighting conditions, as well as Agency activities to date.

[1] This implementation plan was Section V of the Report to City Council for the Seaside-Fort Ord Redevelopment Project Area, and as such was the project area's first implementation plan.

Section 3 - Five-Year Program: Provides a description of proposed Agency activities, programs, and public improvement projects relative to the Project Area for the next five year period.

Section 4 - Housing Production Program: Provides a summary of issues relative to providing low and moderate income housing. Includes descriptions of past housing production activities, current housing needs, housing programs aimed at meeting these needs, and five- and ten-year housing production plans. Total housing production over the remaining lifetime of the Redevelopment Plan is also estimated.

Section 5 - Administration of the Implementation Plan: Describes the Implementation Plan review process, including periodic reviews and public hearings. Also includes description of annual financial commitments that will fund the Agency's activities.

1.0 INTRODUCTION

The Redevelopment Agency of the City of Seaside ("Agency") is Seaside's primary vehicle for ensuring the long term economic vitality of the community. Authorized by Redevelopment Law to undertake a wide variety of activities and programs, the Agency has adopted a Redevelopment Plan to implement community revitalization at all levels, from relatively simple rehabilitation and facade programs to complex strategies to preserve and enhance the community's job base, by retaining existing businesses and by attracting new businesses into the community.

The Seaside-Fort Ord Redevelopment Project Area (the "Project Area") was adopted on April 18, 2002, by City of Seaside Ordinance No. 901. The Project Area results from the closure of Fort Ord in 1994, and the formation (also in 1994) of the Fort Ord Reuse Authority ("FORA"). FORA adopted a Fort Ord Reuse Plan on June 13, 1997, and subsequently entered into implementation agreements with its member agencies, including the City of Seaside. These implementation agreements in part called for the adoption of redevelopment plans to provide the financial and legal tools to implement the Reuse Plan. In 1998, Seaside amended its General Plan to accommodate the Reuse Plan and commenced proceedings to develop the Redevelopment Plan for the Project Area. At its adoption 2002, the Redevelopment Plan was found to be consistent with the Reuse Plan and the Seaside General Plan.

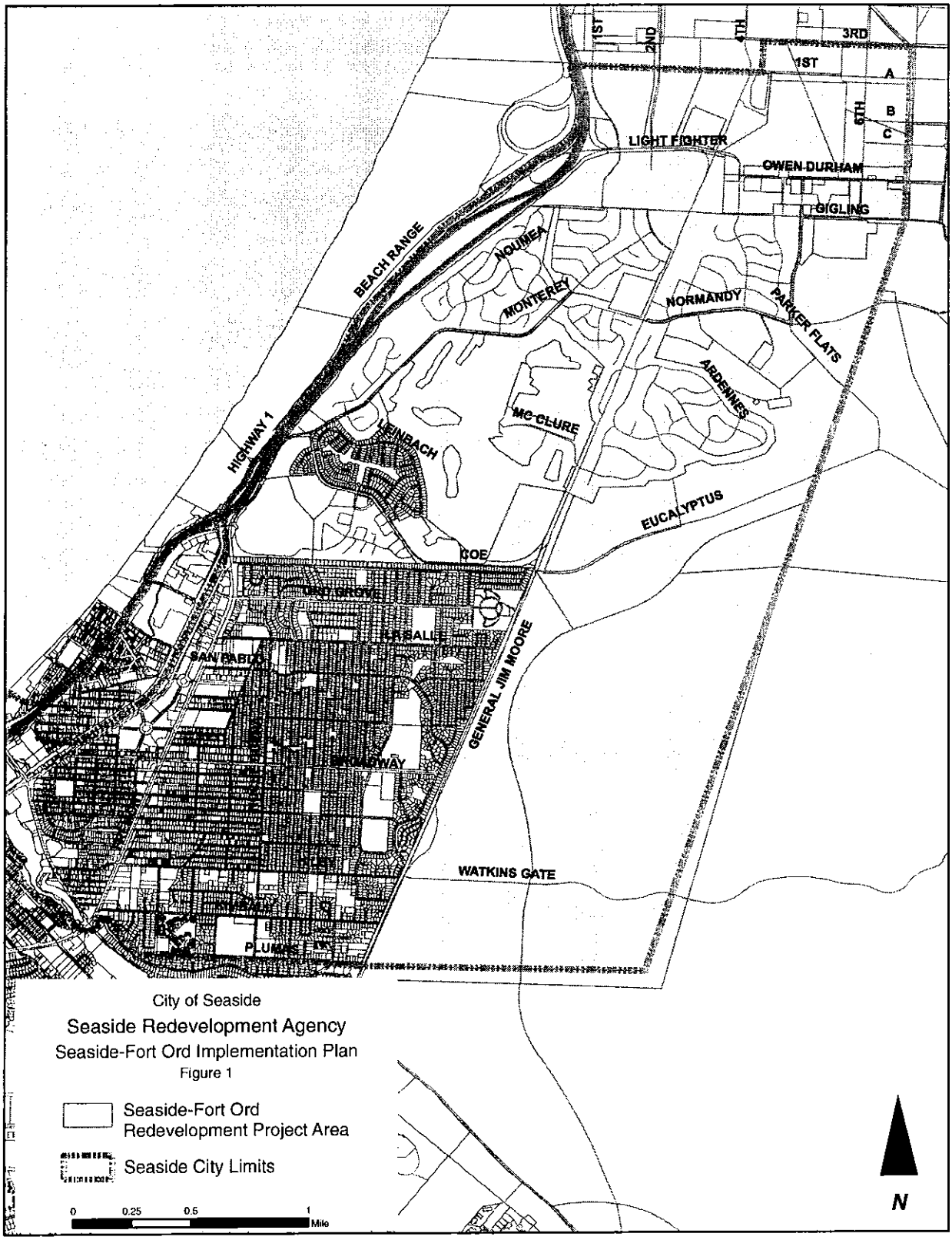
Although the Project Area has a Redevelopment Plan, it is important to note that this plan does not dictate on a parcel-by-parcel basis future redevelopment or revitalization activities. Rather, the Plan authorizes a variety of tools that the Agency may employ to revitalize the Project Area following a generalized blueprint for area land uses that must, by law, be consistent with the Seaside General Plan. Additionally, actual

redevelopment activities and the timing thereof often hinge on the plans and resources of the many tenants, property owners, or business owners in the Project Area, because Redevelopment Law affords these individuals certain rights and opportunities for Project participation.

Within the goals and activities authorized by the Redevelopment Plan, the Agency may undertake an enormously wide variety of activities aimed at stemming blight and economic decline. Such activities include, but are not limited to, acquiring land for resale to a redeveloper, entering into contractual agreements with existing owners or tenants where the Agency provides financial or other assistance for building repairs or replacement on privately-owned land, developing comprehensive strategies or preparing studies to assist private developers to respond to local economic opportunities that result in local investment and job creation, and financing and constructing needed public facilities and improvements.

In accordance with Redevelopment Law, the Agency is also vested with the responsibility for increasing, preserving, and improving the supply of housing units for very low, low and moderate income individuals and families. The Agency is required to set aside a portion of its tax increment revenues for this purpose, as well as, to undertake a number of additional steps to ensure that there is an adequate number of decent, safe, and sanitary dwelling units in the community available to these income groups in the proportions required by Redevelopment Law and as dictated by the needs in the community.

The Redevelopment Agency of the City of Seaside has supervised the preparation of this Implementation Plan, which provides both a short-range strategy for meeting locally identified and State mandated redevelopment objectives, and information necessary to measure the Agency's performance in meeting those objectives.


1ST
2ND
4TH
3RD
1ST
A
B
C
6TH
LIGHT FIGHTER
OWEN-DURHAM
GIGLING
BEACH RANGE
NOUMEA
MONTEREY
NORMANDY
PARKER FLATS
ARDENNES
MC CLURE
LEINBACH
HIGHWAY 1
EUCALYPTUS
GOE
DEL MONTE GROVE
DE BALLE
SAN PABLO
GENERAL JIM MOORE
BROADWAY
WATKINS GATE
PLUMAS
City of Seaside
Seaside Redevelopment Agency
Seaside-Fort Ord Implementation Plan
Figure 1
Seaside-Fort Ord
Redevelopment Project Area
Seaside City Limits
0
0.25
0.5
1
Mile
N

1.1 INTENT OF THE IMPLEMENTATION PLAN

The Community Redevelopment Law (Health and Safety Code Section .33000 *et seq.*; the "Redevelopment Law" or the "CRL") contains a number of provisions that require an agency and its legislative body to implement adopted redevelopment plans in a manner that will eliminate blighting conditions. The primary amongst these is the Implementation Plan. It is thus the dual intent of this Implementation Plan to provide a coherent description of short-range redevelopment programs and activities, while also identifying how specific redevelopment activities and programs implement the Redevelopment Plan and reduce the incidence of blight.

1.2 IMPLEMENTATION PLAN REQUIREMENTS (SECTION 33490)

CRL Section 33490 requires redevelopment agencies to produce implementation plans every five years. In accordance with this section, the implementation plan must contain the following:

- Specific goals and objectives for the next five (5) years.
- Specific programs and potential projects, and estimated expenditures planned for the next five (5) years.
- Explanations of how the plan's goals, objectives, programs, and expenditures will eliminate blight.
- An explanation of how the goals, objectives, and expenditures will implement the CRL's affordable housing requirements.
- An explanation of how the Low and Moderate Income Housing Fund will be used annually over the term of the implementation plan, along with the amounts now available in the Low and Moderate Income Housing fund, and projected deposits thereto. Also included shall be estimates of the number of units to be assisted in each of the five years.
- An estimate of the number of units to be provided over the next five (5) and ten (10) years to meet the Agency's 15% inclusionary housing requirements, if applicable.
- An estimate of the number of units to be provided through the end of the Plan's effectiveness (see Table 1)

to meet the Agency's inclusionary housing requirements, if applicable.

- The number of qualifying very low, low, and moderate income units that have been produced in the project area, and the number of additional units that will be required to meet the inclusionary housing requirements.
- The number of units that will be developed by the Agency, if any, including the number of units that will be available for very low, low and moderate income households.
- If a planned project will result in destruction of existing affordable housing, an identification of proposed locations for the replacement housing the agency will be required to produce (Health and Safety Code Section 33413).
- The project area affordable housing production plan required by Health and Safety Code Section 33413(b)(4)).

Adoption of the Implementation Plan may only occur after holding a noticed public hearing. Between two and three years after adoption of an implementation plan, the Agency must hold another noticed public hearing to review the redevelopment plan and the last implementation plan.

1.2.1 INCLUSIONARY HOUSING PRODUCTION PLAN (SECTION 33413)

Under current law, agencies that administer redevelopment project areas or portions of project areas established on or after January 1, 1976, have an obligation to ensure that specified percentages of new or substantially rehabilitated housing are available at affordable cost to very-low, low and moderate income households. In addition, under Section 33413 of the CRL, whenever dwelling units housing persons and families of low or moderate income are destroyed or removed from the low and moderate income housing market as part of a redevelopment project, the agency is required to replace those units with an equal number of replacement dwelling units within four years of displacement. The replacement dwelling units must have an equal or greater number of bedrooms as those units destroyed or removed units, and all must be affordable to very low, low, or moderate income households.

In the event that suitable land for residential development cannot be found within a project area, then the CRL permits an agency to count units that are made available at affordable housing cost outside a project area toward the agency's project area housing production requirement, on a two-for-one basis: that is, two affordable units created outside a project area will count the same toward the inclusionary obligation as one unit created inside the project area. State government has declared that the provision of affordable housing outside of redevelopment project areas can be of direct benefit to those projects in helping to accomplish project objectives regarding affordable housing.

1.2.2 *USE OF LOW AND MODERATE INCOME HOUSING FUND (SECTION 33334)*

Section 33334 of the CRL addresses a number of financial issues as they apply to affordable housing. These issues are applicable to implementation plans due to the detailed character of the plan, and the strong emphasis placed on providing housing opportunities within the community. Sub-sections of particular importance in regards to the implementation plan include:

- §33334.2: Agency obligation to use 20% of tax increment revenue to increase, improve and preserve the community's supply of low and moderate income housing.
- §33334.4. Specifies that housing assistance for very low and low income households generally must be in the same proportion as needs for elderly housing, and for very low and low income housing in the community.
- §33334.6. States that the provision of housing is a fundamental purpose of the CRL, and that the provision of affordable housing outside a redevelopment project area is still of benefit to the project area. Also sets forth various requirements for the management of the Low- and Moderate-Income Housing Fund.

CRL Sections 33334.10 and 33334.12 deal with the issue of excess surplus in the Low and Moderate Income Housing Fund ("Housing Fund"), and the plans for its use. While such a plan need not be

included in an implementation plan pursuant to Section 33490, the housing production program should also address excess surplus as a practical matter. Under current law, an agency that has accumulated an "excess surplus" in its Housing Fund must expend such surplus within three years or disburse such surplus to the county housing authority or another public agency exercising housing development powers within the agency's territorial jurisdiction. The housing authority or other public entity is then directed to use the transferred surplus within three years of the date of transfer to improve and increase the supply of affordable low and moderate income housing in the community in which the agency operates. An agency has an excess surplus when the unexpended and unencumbered amount in the agency's Housing Fund exceeds the greater of $1,000,000 or the total amount deposited in the agency's Housing Fund during the preceding four years. The intent of the excess surplus provisions is to encourage agencies to make timely expenditures of any excess surplus, as well as addressing the widespread perception that, collectively, redevelopment agencies are not spending their Housing Fund monies quickly enough.

1.3 PUBLIC PARTICIPATION IN THE IMPLEMENTATION PLAN PROCESS

Pursuant to CRL Section 33490, the adoption of an implementation plan must be preceded by a duly notice public hearing. Notice of the public hearing must be posted in at least four (4) permanent locations in the affected project area for a minimum period of three (3) weeks. In addition, the notice must be published in a newspaper of general circulation serving the affected project area once a week for three (3) successive weeks, and mailed at least three (3) weeks in advance to all persons and agencies who request such notice. Posting, publication and mailing must be completed at least ten (10) days prior to the public hearing.

The Agency scheduled a public hearing for this Implementation Plan on December 6, 2007 and continued the hearing on January 17, 2008. Notices of the public

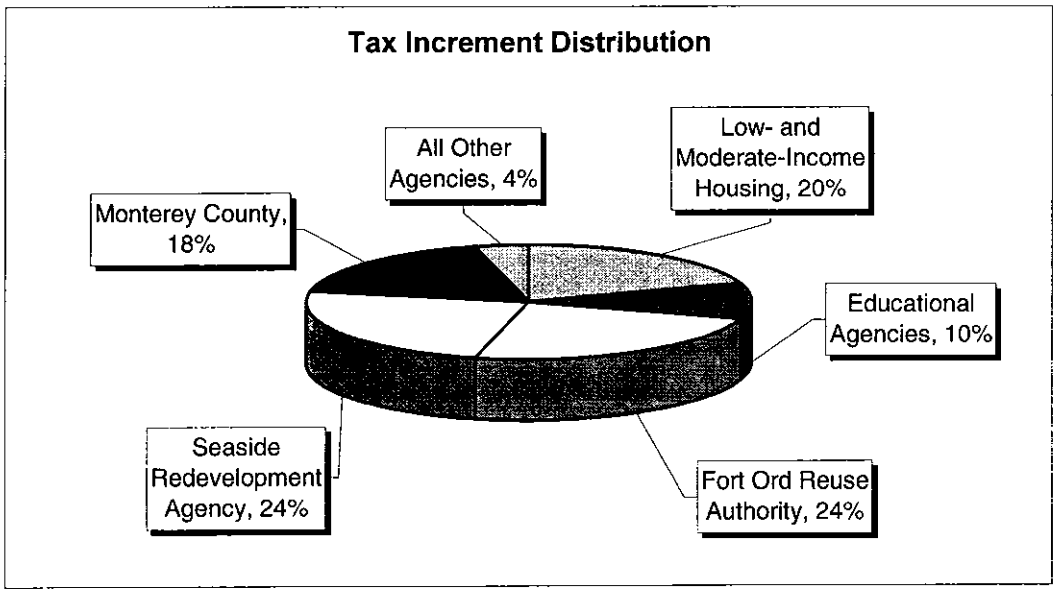
hearing were published in the *Monterey Herald* on November 6, 2007, November 13, 2007, and on November 20, 2007. Notices of the hearing were posted at the following locations: California State University campus; Seaside Highlands; and at other public places in the project area

In addition, CRL Section 33490(c) states that between two and three years after adoption of an implementation plan, an agency must conduct a public hearing to review the redevelopment plan and implementation plan. The purpose of this mid-term review is to assess the extent to which an agency's actual activities conform to the activities described in the current implementation plan. The Agency mid-term review of this Implementation Plan will be between 2009 and 2010.

2.0 PROJECT AREA BACKGROUND

This chapter describes generally the setting for the Project Area, in terms of such topics as history, blighting conditions, goals, and agency activities. Project Area background information provides a baseline for evaluating future Agency actions aimed at eradicating or alleviating blight.

The Seaside-Fort Ord Redevelopment Project Area was adopted by the City Council on April 18, 2002. The Project Area comprises an estimated 3,937 acres of Fort Ord along either side of General Jim Moore Boulevard inside the Seaside City limits, between Military Road on the south and First Street on the north, and to the east of General Jim Moore Boulevard between Third Street on the north and Plumas Street on the south. (See Figure 1.)



CRL Section 33492.70 *et seq.* sets special requirements and standards for redevelopment in Fort Ord (the "Base Closure Legislation"). Among other things, the Base Closure Legislation establishes the manner in which tax increment revenues from the Project Area will be shared between the Redevelopment Agency and the Fort Ord Reuse Authority ("FORA"). After deducting 20% from gross tax increment receipts to be deposited in the low- and moderate-income housing fund and another 10% to be passed on to educational agencies, the Redevelopment Agency and FORA each receive 35% of the remaining tax increment receipts (or 24% of total receipts). The County receives 25% of the post-housing and school district tax increment (or 18% of total receipts). The remaining 4% of total receipts are disbursed to other taxing, including the City of Seaside. The chart on the previous page illustrates this division of tax increment receipts, the following table also illustrates the distribution of tax increment receipts.

For example, each $100 of tax increment from Fort Ord is divided up as follows:

Agency or Fund	Amount
Low- and Moderate-Income Housing Fund	$20
Educational Agencies	$10
Fort Ord Reuse Authority ("FORA")	$24
Seaside Redevelopment Agency	$24
Monterey County	$18
Other Agencies	$4

Additionally, the Redevelopment Plan and this Implementation Plan must conform to the overall Fort Ord Reuse Plan. As such, this Implementation Plan will be forwarded to FORA for findings of consistency.

Table 1, below, summarizes the major time limits for the Project Area. Dates listed under Eminent Domain reflect the date upon which the Agency's current authority to commence eminent domain proceedings are set to expire. The Plan Effectiveness and Activities column is the date on which the Agency's authority is set to expire. Finally, the Receive Tax Increment column is the last date upon which the Agency may receive tax increment from the Project Area. This date is fifteen years after the deadline for plan effectiveness.

Table 1
Seaside-Fort Ord Redevelopment Project Area

PLAN DEADLINES AND LIMITS

Adoption Date	Eminent Domain	Incur Debt*	Plan Effectiveness and Activities*	Receive Tax Increment*
4/18/02	4/18/14	20 years	30 years	45 years

*From the date the County Auditor verifies that $100,000 or more of tax increment funds from the Project Area have been paid to the Agency.

2.1 BLIGHTING CONDITIONS

The primary blighting influences at the time of the original plan adoption for the Project Area are described briefly in the paragraphs below, and can be summarized as follows:

1. Inadequate improvements
2. Unsafe and dilapidated buildings
3. Substandard building design
4. Functional obsolescence
5. Lack of parking
6. Presence of hazardous materials
7. Deficient roadways
8. Inadequate utilities[2]

2.2 GOALS OF THE REDEVELOPMENT PLAN

The selection of the boundaries of the Project Area was originally guided by the City of Seaside General Plan, the CRL, the Fort Ord Reuse Plan, and the Implementation Agreement between the City of Seaside and the Fort Ord Reuse Authority. The goals of the Redevelopment Plan are to:

A. Provide an effective set of legal and financial tools and programs that will enable the Agency to rebuild the former Fort Ord into an integral part of the community of Seaside.

[2] Source: *Report to the Seaside City Council for the Proposed Ford Ord Redevelopment Project, Volume Two.* Section III.

B. Removal of existing vacant, abandoned, obsolete, and/or deteriorated sites and buildings.

C. Mitigate the economic and social degradation caused by the closure or realignment of military bases.

D. Eliminate the physical and economic blight conditions existing in the Project Area.

E. Assembly and subdivision of land into parcels suitable for modem residential, commercial, office, retail, and visitor-serving development with proper vehicular and pedestrian circulation.

F. Eliminate buildings and roadways for recycling of land where economics do not support the investment to upgrade deteriorated, dilapidate, or obsolete facilities.

G. Participate in the revitalization and redevelopment of properties by members of the community and the private sector.

H. Improve the infrastructure of the proposed Project Area, including but not limited to development of sanitary and storm drain systems; water, gas and electrical improvements; streets, curbs, and gutters; sidewalks, signing, street lighting, signalization, telecommunications, public facilities, recreation facilities and preservation of open space.

I. Increase and improve the supply of affordable housing for very low, low-and moderate-income persons and families by assisting in the development rehabilitation of housing meeting all income needs.

J. Develop new employment opportunities.

K. Ameliorate the current housing-jobs imbalance by the creation of additional and varied housing opportunities, along with appropriate recreation opportunities and expansion of small businesses.

L. Cooperate and assist in the elimination of soil and ground water contamination, including the removal and elimination of hazardous and dangerous material.

M. Protect endangered species consistent with the FORA Reuse Plan and appropriate state and federal regulations.[3]

[3] Source: *Seaside-Fort Ord Redevelopment Plan.* Part IV, Goals and Objectives. p. 6.

2.3 AGENCY ACTIVITIES

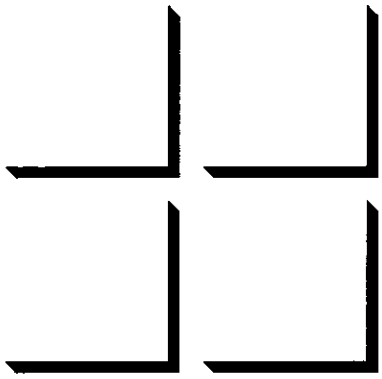
As identified in Section 2.1 of this document, at the time of adoption of the Redevelopment Plan there were detrimental physical, social and economic conditions that were negatively impacting the Project. Through the Redevelopment Plan, the Agency has proposed to alleviate these conditions by undertaking a comprehensive program of public improvements and by providing a variety of development incentives intended to stimulate new development and rehabilitation activities in the Project Area.

Since adoption of the original 2002-2007 Implementation Plan[4], the Agency has been actively pursuing a number of community and economic development goals, including:

- Seaside Highlands – A market-rate housing development with 380 units.
- Seaside Resort Development – A 330-room hotel, 125 residential lots, and 175 time share units. Land sale to be completed by 2010
- Main Gate Project – Exclusive negotiating agreement with Clark/General to build a 500,000 square foot "lifestyle" shopping mall, and 250-room hotel, spa and conference facility

[4] Source: *Report to the Seaside City Council for the Proposed Ford Ord Redevelopment Project, Volume Two.* Section V.

This page intentionally left blank



3.0 FIVE-YEAR IMPLEMENTATION PROGRAM

As described in more detail below, the Agency's ability to implement the programs and activities described in the Redevelopment Plan is directly dependent on the receipt of tax increment and other revenues, which are in turn dependent on the level of economic activity in the Project Area. Within these rather important restrictions as to the funding available, Agency activities over the next five year period will be primarily focused on addressing the following key challenges:

- Limited water supply to support new development
- General lack of infrastructure, including infrastructure developed to municipal standards
- Presence of Seaside-East Superfund site for hazardous material removal. This site is to be cleaned to residential standards
- Significant environmentally protected areas that reduces the amount of land available for development
- Loss of potential taxable development through the many public benefit conveyances to nonprofit and public sector entities as a part of the Base Realignment and Closing (BRAC) process.
- A dated and constrained transportation infrastructure

3.1 FUNDING SOURCES

This Implementation Plan reflects both the financial opportunities and limitations inherent in implementing the Redevelopment Plan. The opportunities arise because the Agency's tax increment revenues are beginning to increase due to development activity. The limitations are primarily the result of obligations the Agency has incurred that will use a substantial portion of the current and future tax

increment generated in the Project Area. Given these limitations, it is not expected that the Agency will have any significant resources upon which to fund redevelopment activities.

Tax Increment Revenues

The Agency's major funding source is tax increment revenues. Since 2003-04, assessed values have grown from $53.5 million to $373.8 million in 2006-07. Growth has largely been driven by new development activity. The Seaside Highlands project was completed during this time frame and included the construction and sale of 380 new housing units. Changes of ownership also contributed to the growth in taxable values.

The total tax increment for 2006-07 was approximately $3.7 million.

Existing Obligations

Redevelopment of the area formerly knows as Fort Ord is governed under special state legislation contained in Article 4 of the CRL (starting with Section 33492.70). The special legislation requires a unique formula for the allocation of tax increment in the Project Area as this relates to pass through payments. Pursuant to Section 33492.71, the Agency is required to share a portion of the tax increment generated in the Project Area with the Fort Ord Reuse Authority and with the underlying taxing entities that levy a tax in the Project Area. When combined with the required deposit to the low and moderate income housing fund, the Agency nets only about 30 percent of the total tax increment of the Project Area for non housing activities. Table 2 on the following page provides details on the Agency's obligations. Payments on obligations incurred in the Project Area will commit most of the Agency's current tax increment revenues. It is estimated that the expenditure of tax increment for existing obligations will equal between $3.7 million to $4.0 million annually over the next five years.

Table 2
Seaside-Fort Ord Redevelopment Project Area

EXISTING DEBT OBLIGATIONS

NAME	OBLIGATION	DESCRIPTION/REASON
1. **BANK LOAN**	The Agency borrowed $5.0 million from Community Bank. The loan is due on December 15, 2008.	The loan was utilized to implement redevelopment activities.
2. **LOW- AND MODERATE-INCOME HOUSING**	California Redevelopment Law requires all redevelopment agencies to set aside 20 percent of all tax increment revenue which is allocated to the agency to facilitate housing for persons and families of low and moderate incomes.	To increase, improve and preserve the community's supply of low- and moderate-income housing.
3. **PASS THROUGH PAYMENTS**	Pursuant to the CRL, the Agency must share the tax increment generated in the Project Area with the Fort Ord Reuse Authority and the taxing entities in the Project Area.	The payments are required per Section 33492.71 of the CRL.
5. **AGENCY OPERATING COSTS**	Ongoing expenses to fund the operations of the Agency.	To administer the Agency's redevelopment program aimed at blight elimination and housing preservation.

Given this level of funding for existing obligations, it is unlikely the Agency will have significant resources to implement the programs described below. Should tax increment grow at a faster rate, the Agency may implement one or more of the following programs.

3.2 COMMUNITY DEVELOPMENT

Community and economic development efforts include:

- Encourage and assist development at the "Shoppette" site, located at Coe Avenue and Monterey Road. This site has been identified for future residential development.
- Encourage development of the approximately 90-acre "Surplus II" site
- Encourage development of the approximately 730-acre Seaside-East site for master planned residential development
- Continue to assist in the development of the 53-acre Main Gate development
- Assist in the provision of infrastructure improvements as necessary to achieve overall Agency goals

Implementation of this five-year economic and community development program will address blighting conditions in the following manner:

1. Help implement the Fort Ord Reuse Plan through development assistance and the provision of infrastructure improvements.

2. Provide both market rate and lower income housing opportunities for local residents and employees.

3. Help overcome on-site constraints to development resulting from inadequate infrastructure, access, and other issues that may require public investment.

As documented in Section 3.1, Existing Obligations, payment existing Agency obligations will likely take up the bulk of the Agency's tax increment receipts. The remainder will be used for administrative costs and redevelopment program expenditures.

3.3 BUSINESS RECRUITMENT

Additionally, the Agency will, to the extent funding is available continue to attract new businesses into the community through a variety of activities. Over the term of the Implementation Plan, such activities include, but are not limited to, providing infrastructure improvements, and the preparation of market or planning information for dissemination to potential new businesses.

3.4 HOUSING PROGRAMS

The Agency sets aside 20% of its tax increment revenues for the purpose of increasing, preserving, or improving the number of dwelling units affordable to very low, low or moderate income households. At the appropriate time, such funds may also be used to provide replacement housing in the event affordable dwelling units are removed from the Project Area. Housing set aside funds will also be used to ensure that at least 15% of all new or substantially rehabilitated dwelling units in the Project Area are affordable to very low, low, or moderate income households as required by Redevelopment Law.

The Agency's housing programs will be consistent with the Housing Element of the City's General Plan and with the Regional Housing Needs Assessment as applicable to Seaside.

3.5 DEVELOPMENT PROJECT REVIEW

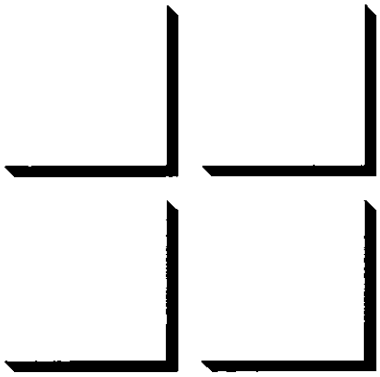
Prior to formal submittals to the City of Seaside for development permits, the Agency may from time to time review individual development projects that would result in a major intensification of use, substantial rehabilitation of existing structures, or new construction, for their consistency with this Implementation Plan, the Redevelopment Plan, and any other applicable Agency policies. Said review shall be accomplished in full conformance with all applicable provisions of the Redevelopment Plan, CRL, other statutes and City of Seaside policy.

3.6 PROGRAM CHANGES

The Agency has identified the above programs as the most probable implementation activities for the term of this Implementation Plan. Since other public and private projects, not foreseen today, may later be judged to be feasible and beneficial in eliminating blight it may be necessary from time to time for the Agency to make changes to programs and activities, and the priorities assigned to those programs and activities.

Whether or not listed above, specific projects and programs may be constructed or funded by the Agency during the period covered by this Implementation Plan, if the Agency finds that:

1. The goals and objectives of the Redevelopment Plan are furthered.
2. Specific conditions of physical or economic blight within the Project Area will be mitigated in whole or in part through implementation of the project.
3. Specific conditions relative to a development project, including the financial feasibility thereof, require that the public improvement project be constructed at the time in question.



4.0 HOUSING COMPONENT

This Housing Component covers the affordable housing elements that are required to be addressed in the Implementation Plan. The Housing Component sets forth the Agency's goals and objectives, projects, and expenditures for the five-year period covered by the Implementation Plan.

4.1. IMPLEMENTATION PLAN REQUIREMENTS

This Housing Component of the Implementation Plan presents the expenditure of funds and other activities relating to the production of housing affordable to persons and families of low and moderate income. Per the CRL, this Housing Plan must specifically include:

1. An explanation of how the goals, objectives, projects and expenditures set forth in the Housing Component of the Implementation Plan will implement the affordable housing requirements of the CRL, including a housing program for each of the five years of the Implementation Plan.

2. The amount available in the Low and Moderate Income Housing Fund and estimates of both deposits into and expenditures from the Housing Fund during each of the five years of the Implementation Plan.

3. The number of new, rehabilitated, or price-restricted housing units to be assisted during the term of the Implementation Plan.

4. If existing affordable housing will be removed as a result of

redevelopment activities, a list of proposed sites for the replacement housing the Agency is required to produce.

5. Specific information related to the CRL requirements for affordable housing production.

Generally, the Agency's requirements for affordable housing fall into the following three areas:

Housing Production / Replacement Requirement.

For those project areas that were adopted after 1976 and which contained land designated for residential uses, the Agency is required to meet certain specific requirements related to housing production and to produce a plan showing how the requirement will be met. The requirement is that 30 percent of all housing produced by a redevelopment agency acting as developer be affordable; and that 15 percent of all housing produced in the Project Area by entities other than the redevelopment agency be affordable. In order to count units towards the housing production requirement, the Agency must record affordability covenants that run with the land. Prior to January 1, 2002, the covenants were required to remain in place for the duration of the land use controls in the Redevelopment Plan. For units produced after January 1, 2002, the covenants must remain in effect for a period of 55 years for rental units and 45 years for owner occupied units. The Agency is also subject to the replacement housing requirement. When residential units housing low and moderate income persons are destroyed or taken out of the low and moderate income market as part of a redevelopment project that is subject to a an agreement with the Agency or where financial assistance has been provided by the Agency, the Agency must replace those units within a specified period of time in accordance with a plan adopted by the Agency.

Housing Fund Requirement.

The CRL requires an agency to set aside in a separate Low and Moderate Income Housing Fund (the "Housing Fund") at least 20% of all tax increment revenue generated from its project areas for the purpose of increasing, improving and preserving the community's supply of low and moderate income housing. Agencies are specifically required to expend the monies in the Housing Fund to assist very low-, low- and moderate-income households, generally defined as:

Extremely Low Income	incomes at or below 30% of area median income, adjusted for family size
Very-Low Income	incomes at or below 50% of area median income, adjusted for family size
Low Income	incomes at or below 80% of area median income, adjusted for family size
Moderate Income	incomes at or below 120% of area median income, adjusted for family size

Under the CRL, Housing Fund monies must be "targeted" to assist very low-, low- and moderate- income households in at least the same proportion as the housing need. That is to say, assistance must be provided in at least the same proportion (e.g., percentage) that the number of housing units needed for the very low and low income categories bears to the total number of units needed for all three income categories. In addition, redevelopment agencies must spend Housing Fund monies to assist housing that is available to all persons regardless of age in at least the same proportion as the number of low-income households with a member under age 65 bears to the total number of low income households of the community. The CRL states that agencies are required to meet this requirement over a ten year compliance period. For purposes of this Implementation Plan, the ten year compliance period will conclude in 2012.

Affordable Housing Cost & Duration of Affordability

Housing assisted with Housing Fund monies must be "available at an affordable housing cost." In general, this means that the cost of housing for eligible low- and moderate-income households does not exceed 30% of gross household income. The cost of housing, as defined, includes not only the rental or mortgage payment, but also includes, as appropriate, insurance, property taxes, homeowner's dues and assessments and utilities.

The CRL also requires the placement and recordation of affordability controls on any new or substantially rehabilitated housing assisted with Housing Fund monies. In the case of

new or substantially rehabilitated rental housing, controls must be placed on the assisted housing units such that they remain affordable for the longest feasible time, but not less than 15 years for units assisted prior to January 1, 2002 and 55 years for units assisted after January 1, 2002. For owner-occupied housing, controls must be recorded that equal 10 years for units assisted prior to January 1, 2002 and 45 years for units assisted after January 1, 2002. A shorter duration is sometimes permitted if the Agency recaptures its Housing Fund investment.

4.2 HOUSING PRODUCTION AND REPLACEMENT

This section of the Housing Component discusses the Agency's compliance with housing production and replacement housing requirements. Because the Project Area was adopted after January 1, 1976, it is subject to the housing production requirements. All redevelopment project areas are now subject to the replacement housing obligation.

Historical Production of Housing

The Agency has not created any housing and so it does not have to meet the requirement of ensuring that 30 percent of such housing be affordable to low and moderate income persons. Table 3 on the following page shows the number of units developed by the private sector from adoption of the Project Area through November 2007, the 15 percent affordable unit obligation, and the number of affordable units that have been created. The CRL requires that not less than 6 percent of the affordable units be available to persons and families of very low income.

Table 3
Seaside-Fort Ord Redevelopment Project Area

HISTORCIAL PRODUCTION OF HOUSING UNITS

Total Units Built through November 2007	753		
	Total	Very Low	Low/ Moderate
Affordable Obligation	113	45	68

AFFORDABLE UNITS BUILT / AFFORDABILITY COVENANTS

	Total	Very Low	Low/ Moderate
Seaside Resort / Sunbay Apartments (1)	41	36	5
Obligation Surplus/Deficit	(72)	(9)	(63)

(1) These units existed at the time of adoption of the Project Area and the Agency acquired affordability covenants.

A total of 753 housing units have been built in the Project Area since its adoption in 2002. This includes 380 units built in the Seaside Highlands development and 373 units built within the Fort Ord military community. This has created a gross inclusionary obligation totaling 113 units; of which 45 units must be for very low income households and 68 units for low/moderate income households. The 113-unit gross inclusionary obligation is partly offset by the purchase of 41 affordability covenants at the Sunbay Apartments, resulting in a net obligation of 72 units (113 units less 41 units). (It is unclear under the CRL whether housing built as part of the Fort Ord military community must be included in the historical production total. To the extent this is not required, the production requirement is overstated).

The Agency entered into an agreement with Sunbay Resort Associates in 2005. Under the agreement, the Agency acquired 55 year affordability covenants on 41 apartment units in the Sunbay Apartments that were in existence prior to adoption of the Redevelopment Plan. Of this total, 36 units are restricted to very low income households, with the balance restricted to moderate income households. The total Agency financial obligation was $5.0 million, which is to be paid in annual installments of $300,000 per year over the next ten years. In the tenth year, the remaining balance, plus accrued interest, is due. In addition, the agreement requires that an additional 10 units are to be restricted to low and moderate income households by March 2012.

We have counted the Sunbay apartment units as meeting the CRL requirement that 15 percent of all housing in the Project Area be affordable. The CRL requirement is a separate and distinct obligation from the Seaside Resort requirement that 20 percent of the housing for the proposed Seaside Resort project, which is proposed to include 125 custom homes, be affordable. Twenty five of the 41 units will meet this obligation.

When the Sunbay apartments are included, the Agency will have a remaining deficit of 72 affordable units entering this Implementation Plan cycle. Of this number, 9 are for very low income units and 63 are for low and moderate income units. The ten year compliance period under which these units must be created will end at the end of the term of this Implementation Plan.

The Agency is also aware that for purposes of meeting the CRL housing production requirements, that not more than 50 percent of the units that are created can come from the acquisition of affordability covenants. This is a requirement that is to be met over the life of the Redevelopment Plan.

Estimate of Future Housing Production

Table 4 shows the prior period deficit from Table 2, an estimate of the number of housing units that may be developed over the five year period of the Implementation Plan (2007-2012), the subsequent ten year period and over the remaining term of the Redevelopment Plan. The table also shows the resulting number of low and moderate income units that will need to be developed.

As previously discussed, the Agency will enter this Implementation Plan cycle with a deficit of very low, low and moderate income units. The Agency estimates that 341 housing units may be built in the next five year period, which will create a need for an additional 51 affordable units. When combined with the prior period deficit of 72 units, the Agency will need to create a total of 123 units, of which 40 will need to be very low income units.

Table 4
Seaside-Fort Ord Redevelopment Project Area

FUTURE ESTIMATE OF HOUSING UNITS

	Total Units (1)	Net Affordable Requirement	Very Low	Low/ Mod.
Prior Period through 2007	753	72	9	63
Five Year Imp Plan Period (through 2012)	341	51	31	20
Total - 10 Year Compliance Period	1,094	123	40	83
Subsequent Ten Year Period (2013 to 2022)	1,994	299	179	120
Duration of Plan	1,750	263	158	105
Total Future Housing Units (2012 to end of Plan)	3,744	562	337	225
Potential Future Obligation		685	377	308

(1) Total units, including both market rate and affordable units.

Replacement Housing Requirement

The Agency is subject to the replacement housing requirement and must replace, on a one-for-one basis, all units removed from the low and moderate income housing stock as a result of Agency involvement. Article 16.5 requires that if an implementation plan contains projects that could result in the removal of low and moderate income housing units, the plan must identify locations suitable for the replacement of such housing. The Implementation Plan does not include any projects that would result in the destruction or removal of affordable housing.

4.3 *HOUSING GOALS AND OBJECTIVES OF THE IMPLEMENTATION PLAN*

The CRL requires that the Housing Component of the Implementation Plan must set forth the Agency's goals and objectives for affordable housing during the next five years. The Agency's housing goal during the five years of the Implementation Plan period is to improve and increase the community's supply of affordable housing by assisting in the construction of new units.

4.4 THE HOUSING FUND, RESOURCES AND THE HOUSING PROGRAM

4.4.1 APPLICABLE DEPOSIT AND EXPENDITURE PROVISION

1. Set-Aside of Tax Increment

   The Project Area is required to meet the housing set-aside deposit requirement that 20 percent of all tax increment revenue be deposited into the Housing Fund for the Project Area.

2. Proportional Expenditure for Low and Very Low Income

   Prior to 2002, the CRL provided policy direction that the Agency expend monies in the Housing Fund in proportion to the unmet need for housing persons and families with low and very low income. In 2002, the CRL policy direction was changed to a mandate.

   In order to determine the proportion of Housing Fund monies that should be spent for housing persons of low and very low income, the Agency uses the Association of Monterey Bay Area Governments Regional Housing Needs Assessment for the period 2006-2013. The table below shows the fair share housing allocations and the percentages they represent of the housing units allocated to the three income categories. (Please note that the units shown below have been utilized to calculate the percentage allocation of Housing Fund money to be used for housing persons of low and very low income. The units do not represent a current or future obligation of the Project Area to produce units.)

City of Seaside

FAIR SHARE HOUSING ALLOCATION

Income	Units	Percent
Very Low	220	38.0%
Low	170	29.0%
Subtotal	390	67.0%
Moderate	190	33.0%
Total	580	100%

The Agency must spend approximately 67 percent of the Project Area's Housing Fund money on housing for persons of very low and low income during the ten year period that will end on June 30, 2012.

Housing Set-Aside monies were used during the previous Implementation Plan cycle to purchase affordability covenants for the Sunbay apartments. This resulted in the creation of 41 affordable units, all of which are available to very low and low income families. A significant portion of the Agency's housing fund money during the prior Implementation Plan was spent on administrative and planning activities. This is to be expected since the Agency was in the initial stages of planning for the Project Area. In total the Agency has spent 31 percent of its Housing Fund money to assist very low and low income persons. Agency activities and historical expenditures of Housing Fund monies have been less than the CRL percentage requirements for targeting very low and low-income households. During the term of this Implementation Plan, the Agency will target not less than 67 percent of its future spending of Housing Fund monies to the creation and preservation of low and very low income units. The targeted expenditure of monies in the Housing Fund is required to be met over the period starting with the prior Implementation Plan and ending on June 30, 2012. The Agency also intends to spend additional housing fund monies as needed over the term of this Plan to ensure that over the entire 10-year compliance period the 67 percent target is met. The Summary of Planned Housing activity in Section 4.5 indicates that the Agency will have

spent 74 percent of its housing money for very low and low income housing.

The Agency must also spend Housing Fund monies over the Implementation Plan period for families with children in the same proportion as the population under the age of 65 bears to the total population of the community. The 2000 Census data showed the population of the City at 31,696. Census data shows that persons that are over the age of 65 represent 8.5 percent of the population of the City. The Agency must therefore spend 91.5 percent of its Housing Fund money to assist housing that is available to all persons regardless of age. The Housing Program discussed in Section 4.4.4 indicates that the Agency will spend 100 percent of its money on housing that is available to all persons, regardless of age.

3. Transfer of Housing Funds to Other Providers

The Project Area is subject to the provisions requiring the transfer of housing funds to other housing producers in the Seaside area. Such transfers could possibly occur if the Housing Fund contained "excess surplus." Excess surplus means any unexpended and unencumbered amount in a Housing Fund that exceeds the greater of $1 million or the aggregate amount deposited into the Housing Fund during the preceding four fiscal years.

The analysis of deposits and balances in the Housing Fund provided later indicates that no excess surplus currently exists or will exist in the Housing Fund for the Project during the Implementation Plan's term. Therefore, the Agency is not required to transfer monies in the Housing Fund to other housing providers.

4.4.2 HOUSING FUND RESOURCES

Table 5 includes information on beginning balances and actual or estimated deposits into the Housing Fund for the years 2007-08 through 2011-12. The projected deposits into the fund are based on budgeted amounts for 2007-08, increased at 5 percent per year. The amounts shown on Table 5 are estimates, and actual tax increment revenues and resulting housing set-aside

revenues could be more or less than the amounts shown on Table 5.

4.4.3 EXISTING OBLIGATIONS

The Agency has one existing obligation from the Housing Fund for the acquisition of affordability covenants for the Sunbay apartments. This amounts to $5,000,000.

4.4.4 THE HOUSING PROGRAM AND POTENTIAL FINANCING

As shown on Table 5, the cumulative housing set-aside funds from the Project Area that are estimated to be available over the five-year period of this Implementation Plan are approximately $3.7 million. It is estimated that the Agency entered the new Implementation Plan period with an available fund balance of $617,000. The total resources that could be available during the Implementation Plan period equal $4.3 million.

The Housing Program discussed in this section reflects the potential expenditure of housing set-aside funds and not the total cost of a housing project. As required by the CRL, the Agency will use its housing set-aside funds to leverage other forms of financial assistance, including private and commercial financing. Should housing set-aside funds comprise more than 50 percent of the cost of a proposed project the Agency will make the findings that are required per the CRL.

The Agency may implement a variety of housing programs to achieve its goal in providing affordable housing in the Project Area. The major programs being contemplated focus on assistance to new housing construction.

Down Payment Assistance Program. The Agency has an existing down payment assistance program which is currently under review to determine future subsidy levels. This program is designed to assist homebuyers purchase homes in Seaside. Housing set-aside monies are utilized to provide second mortgages on favorable terms to bridge the gap between the maximum first mortgage loan amount available and the actual purchase price of the home. Repayment of principal and

interest is typically deferred. The Agency intends to assist new housing developments over the next five years with this kind of assistance in return for long term affordability covenants. The exact cost for this program is not known and will depend on subsidy levels that are in the process of being determined. For purposes of the estimates on Tables 5 and 6, it has been assumed that the Agency would need to finance this assistance over time, and so we have shown an annual allocation of money towards the program that represents debt service to repay funds that are borrowed. It has been assumed that a total of 101 units would be assisted through this program.

New Construction Program. The Agency also intends to use its resources for the creation of new housing affordable to very low, low- and moderate income households through subsidies and other forms of assistance. For purposes of the estimates shown on Table 6, it has been assumed that 12 affordable units would be assisted within the 2008 to 2010 period. The actual cost for this program is not known. An estimate of costs has been provided on Table 5 and assumes that the Agency would finance this obligation over time.

The balance of housing fund resources, if any, over the term of the Implementation Plan cycle will be reserved for the development of a master planned community. The planning and installation of infrastructure for the development is expected to take most of the 5-year term of this Implementation Plan. However, up to 25% of the total could be built during the term of this Implementation Plan. In total, the master plan community could include between 2,500 to 4,500 residential units. For purposes of this Implementation Plan, it has been assumed that 3,500 units would be built in total over the life of the Redevelopment Plan.

Administrative Expenses. In the course of implementing the various housing program administrative costs will be incurred. Such expenditures include salaries, overhead, consultant and legal expenses, supplies, etc.

Table 5 provides an illustrative example of how the Housing Program could be financed on an annual basis over the Implementation Plan period. The preparation of the Illustrative Cash Flow shown on Table 5 is meant to provide an indication of the financing of the Housing

Program and of the estimated expenditures to be made during the Implementation Plan period. The intent is not to restrict Agency activities to only those projects, programs and expenditures shown on Table 5. Specific decisions on each of these items will be made as part of the Agency's bi-annual budget processes. Table 6 provides an indication of the number of units of housing that could be assisted over the coming five year period by income category.

4.5 SUMMARY OF PLANNED HOUSING ACTIVITY

The Agency currently has a deficit of 9 very low and 63 low and moderate income units, for a total of 72 units out of a gross current obligation of 113 units. If 341 additional housing units are built over the coming five year period as projected, there will be the need to create a total of 123 additional affordable units.

Table 6 shows an estimate of the number of housing units that will be assisted over each of the next five years. It includes units that could be assisted through the Down Payment Assistance Program and the New Housing Construction Program described above. This would result in the creation or preservation of 123 affordable units and meet the Agency's overall inclusionary housing requirement. The chart below summarizes the status of the inclusionary requirement at the end of the 10 year compliance period.

	Total	Very Low	Low Moderate
Total Inclusionary Requirement	123	40	83
Units Built	123	40	83
Remaining Inclusionary Obligation	0	0	0

In total over the ten year compliance period, it is estimated that the Agency will have assisted in the creation or preservation of 164 affordable units (41 units from the prior Implementation Plan plus the 123 units shown above). Of this number, 51 will have come from the acquisition of affordability covenants, with the balance of 113 units representing new units created. Approximately 31 percent of the total affordable units will have been created or preserved through the

acquisition of affordability covenants compared to the CRL maximum of 50 percent.

It is also estimated that expenditures for very low- and low-income housing will equal approximately 74 percent of the total expenditures. The target for such expenditures is 67 percent. None of the Housing Fund resources are expected to be used for age restricted housing, so the Agency will have exceeded this requirement. As mentioned earlier, the Agency will continue to monitor expenditures from the Housing Fund to ensure expenditures in proportionate amounts reflective of the unmet need for low- and very low-income housing.

Table 5
Seaside-Fort Ord Redevelopment Project Area

ILLUSTRATIVE PROJECT CASH FLOW - HOUSING PROGRAM

(000's Omitted)

	Plan Period				
	1 Estimate 2007- 2008	2 Estimate 2008- 2009	3 Estimate 2009- 2010	4 Estimate 2010- 2011	5 Estimate 2011- 2012
Resources					
Beginning Balance	$617	$610	$940	$607	$303
Revenues					
Housing Set Aside	635	667	700	735	772
Investment Earnings	58	93	16	13	11
Total Resources	$693	$760	$716	$748	$783
Cumulative Deposits (not including the Beginning Balance) (1)	693	1,453	2,169	2,917	3,700
Existing Obligations					
Sunbay Affordable Housing	300	300	300	300	300
Total- Existing Obligations	300	300	300	300	300
Expenditures (2)					
Down Payment Asst. Program	0	0	620	620	620
New Housing Development	0	78	78	78	78
Administrative Expenses / Other	400	51	53	54	56
Total Expenditures	$400	$129	$750	$752	$753
ESTIMATED EXCESS SURPLUS					
Balance Available	**$610**	**$940**	**$607**	**$303**	**$33**
Total of prior four fiscal year's Housing Set Aside Deposits / Or $1.0 Million (3)	2,123	2,463	2,606	2,737	2,873
Excess Surplus(4)	**$0**	**$0**	**$0**	**$0**	**$0**

(1) Equals cumulative deposits of Housing Set Aside monies, including interest, less existing obligations.
(2) Shows the use of housing set-aside funds. The Agency will also use its best efforts to leverage other funds.
(3) Amount shown is the greater of the past four fiscal years deposits or $1.0 million. Amount shown as excess for each Fiscal Year is actually the amount as of July 1 of the following year per HCD reporting.
(4)Available funds in excess of the four prior year housing set-aside deposits, or $1,000,000, whichever is greater.

Table 6
Seaside-Fort Ord Redevelopment Project Area

ESTIMATE OF AGENCY ASSISTED HOUSING UNITS

	1 2007- 2008	2 2008- 2009	3 2009- 2010	4 2010- 2011	5 2011- 2012	Totals
Acquisition of Affordability Covenants						
Sunbay Apartments						
Very Low					10	
Low/Moderate Units						
Total Expenditure	$300	$300	$300	$300	$300	$1,500
New Housing Program:						
Very Low		4				4
Low/Moderate Units		8				8
Total Expenditure		$78	$78	$78	$78	$312
Down Payment Assistance Program						
Very Low			10	10	6	26
Low/Moderate Units			25	25	25	75
Total Expenditure			$620	$620	$620	$1,859
Totals						
Total Very low Income Units		4	10	10	16	40
Total Low/Moderate Income Units		8	25	25	25	83
Total Units						123
Total Expenditures	$300	$378	$378	$378	$378	$3,671

5.0 ADMINISTRATION OF THE IMPLEMENTATION PLAN

The Redevelopment Agency of the City of Seaside shall be responsible for administering this Implementation Plan and for monitoring redevelopment activities or programs undertaken pursuant to this Plan.

5.1 PLAN REVIEW

At least once within this Plan's five year term, the Agency shall conduct a public hearing and hear testimony of all interested parties for the purpose of reviewing the adopted Redevelopment Plan and the corresponding Implementation Plan and evaluating the progress of the Redevelopment Project. The public hearing shall be held no earlier than two years and no later than three years after the date of adoption of this Implementation Plan. Note that the Agency may choose to conduct a single public hearing applicable to all adopted redevelopment projects up to that time, or may conduct separate public hearings for each Project Area.

Notice of the public hearing to review the Redevelopment Plan and Implementation Plan shall be published pursuant to Section 6063 of the Government Code and posted in at least four permanent places within the Project Area for a period of at least three weeks. Publication and posting of the notice shall be completed not less than 10 days prior to the date set for hearing.

5.2 PLAN AMENDMENT

Pursuant to California Redevelopment Law Section 33490, this Implementation Plan may from time to time be amended after holding a public hearing on the proposed amendment.

5.3 FINANCIAL COMMITMENTS SUBJECT TO AVAILABLE FUNDS

The Agency is authorized to utilize a wide variety of funding sources for implementing the Redevelopment Plan. Such funding sources include, but are not limited to financial assistance from the City, State of California, federal government, property tax increments, interest income, Agency bonds secured by tax increment or other revenues, or any other legally available revenue source. Although the sources of revenue utilized by the Agency are generally deemed to be reliable from year to year, such funds are subject to legislative, program, or policy changes that could reduce the amount or availability of the funding sources upon which the Agency relies.

In addition, with regard to the Agency's primary revenue source, tax increment revenues, it must be noted that revenue flows are subject to diminution caused by events not controlled by the Agency which reduce the taxable value of land or improvements in the Project Area. Moreover, the formulas governing the amount or percentage of tax increment revenues payable to the Agency, may be subject to legislative changes that directly or indirectly reduce the tax increment revenues available to the Agency.

Due to the above-described uncertainties in Agency funding, the Seaside-Fort Ord Redevelopment Project described herein and the funding amounts estimated to be available are subject to modification, changes in priority, replacement with another project, or cancellation by the Agency.

5.4 REDEVELOPMENT PLAN CONTROLS

If there is a conflict between this Implementation Plan and the Redevelopment Plan, the Redevelopment Plan shall control.

This page intentionally left blank

Resolution 08-04

Resolution Determining Consistency)
of the City of Seaside Implementation)
Plan for the Fort Ord Redevelopment)
Project Area)

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

A. On June 13, 1997, the Fort Ord Reuse Authority ("FORA") adopted the Final Base Reuse Plan under Government Code Section 67675, et seq.

B. After FORA adopted the reuse plan, Government Code Section 67675, et seq. requires each county or city within the former Fort Ord to submit to FORA its general plan or amended general plan and zoning ordinances, and to submit project entitlements, and legislative land use decisions that satisfy the statutory requirements.

C. By Resolution No. 98-1, the Authority Board of FORA adopted policies and procedures implementing the requirements in Government Code 67675, et seq.

D. The City of Seaside ("Seaside") is a member of FORA. Seaside has land use authority over land situated within the former Fort Ord and subject to FORA's jurisdiction.

E. After a noticed public meeting on January 17, 2008, the Redevelopment Agency of the City of Seaside adopted the Seaside – Fort Ord Redevelopment Project Area: Implementation Plan ("Implementation Plan") to comply with Community Redevelopment Law (Health and Safety Code Section 33000, et seq.), affecting lands on the former Fort Ord. The Redevelopment Agency of the City of Seaside also found the Implementation Plan is consistent with the Fort Ord Base Reuse Plan, FORA's plans and policies and the Fort Ord Reuse Authority Act and considered the Fort Ord Base Reuse Plan Environmental Impact Report ("EIR") in their review and deliberations.

F. On January 17, 2008, the Redevelopment Agency of the City of Seaside recommended that FORA concur in the City's determination that FORA's Final Base Reuse Plan, certified by the Board on June 13, 1997, and the Implementation Plan are consistent. Seaside submitted to FORA its Implementation Plan together with the accompanying documentation, verifying that the Implementation Plan does not constitute a project within the meaning of Section 21000 of the Public Resources Code.

G. Consistent with the Implementation Agreements between FORA and Seaside, on April 18, 2008, Seaside provided FORA with a complete copy of the submittal for lands on the former Fort Ord, the resolutions and/or ordinance approving it, a staff report and materials relating to the Redevelopment Agency of the City of Seaside action, a reference to the environmental documentation and/or CEQA findings, and findings and evidence supporting its determination that the Implementation Plan is consistent with the Fort Ord Base Reuse Plan and the Fort Ord Reuse Authority Act (collectively, "Supporting Material"). Seaside requested that FORA certify the Implementation Plan as being

consistent with the Fort Ord Base Reuse Plan for those portions of Seaside that lie within the jurisdiction of the Fort Ord Reuse Authority.

H. FORA's Executive Officer and the FORA Administrative Committee reviewed Seaside's application for consistency evaluation. The Executive Officer submitted a report recommending that the FORA Board find that the Implementation Plan is consistent with the Fort Ord Base Reuse Plan. The Administrative Committee reviewed, received additional information, and concurred with the Executive Officer's recommendation. The Executive Officer set the matter for public hearing regarding consistency of the Implementation Plan before the FORA Board on May 9, 2008.

I. Master Resolution, Chapter 8, Section 8.02.010(a)(4) reads in part: "(a) In the review, evaluation, and determination of consistency regarding legislative land use decisions, the Authority Board shall disapprove any legislative land use decision for which there is substantial evidence supported by the record, that [it] (4) Provides uses which conflict or are incompatible with uses permitted or allowed in the Reuse Plan for the affected property..."

J. In this context, the term "consistency" is defined in the General Plan Guidelines adopted by the State Office of Planning and Research as follows: "An action, program, or project is consistent with the general plan if, considering all its aspects, it will further the objectives and policies of the general plan and not obstruct their attainment."

K. FORA's consistency determination must be based upon the overall congruence between the submittal and the Reuse Plan, not on a precise match between the two.

NOW THEREFORE BE IT RESOLVED:

1. The FORA Board recognizes that the Redevelopment Agency of the City of Seaside's January 17, 2008 recommendation that the FORA Board find consistency between the Fort Ord Base Reuse Plan and the Implementation Plan was appropriate.

2. The Board has reviewed and considered the Fort Ord Base Reuse Plan Final Environmental Impact Report and Seaside's determination that the previously adopted findings that the Implementation Plan does not constitute a project within the meaning of Section 21000 of the Public Resources Code is adequate and complies with the California Environmental Quality Act. The FORA Board finds further that these documents are sufficient for purposes of FORA's determination for consistency of the Implementation Plan.

3. The Board has considered the materials submitted with this application, the recommendation of the Executive Officer and Administrative Committee concerning the application and oral and written testimony presented at the hearings on the consistency determination, which are hereby incorporated by reference.

4. The Board finds that the Seaside Implementation Plan is consistent with the Fort Ord Base Reuse Plan. The Board further finds that the legislative decision made herein has been based in part upon the substantial evidence submitted regarding allowable land uses, a weighing of the Base Reuse Plan's emphasis on a resource constrained, sustainable reuse that evidences a balance between jobs created and housing

provided, and that the cumulative land uses contained in Seaside's submittal are not more intense or dense than those contained in the Base Reuse Plan.

5. The Seaside Implementation Plan will, considering all their aspects, further the objectives and policies of the Final Base Reuse Plan. The Seaside application is hereby determined to satisfy the requirements of Title 7.85 of the Government Code and the Fort Ord Base Reuse Plan.

6. The FORA Board acknowledges that the City of Seaside is committed to achieving at least 20% affordable housing in its former Fort Ord redevelopment project area, as provided in Title 17 Zoning of the Seaside Municipal Code, Section 17.31.020 Affordable Housing Requirements.

Upon motion by Council Member Mancini, seconded by Mayor Wilmot, the foregoing resolution was passed on this 9th day of May, 2008, by the following vote:

AYES:	13	Mayors McCloud, Russell, Wilmot, Pendergrass and Rubio; Supervisors Calcagno and Mettee-McCutchon; Vice Mayor Downey; and Council Members McCall, Davis, Barnes, and Mancini; and Jim Cook
NOES:	-0-	
ABSTENTIONS:	-0-	
ABSENT:	-0-	

I, Mayor Russell, Chair of the Board of Directors of the Fort Ord Reuse Authority of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of the said Board of Directors duly made and entered under Item 10a, pages 10-11, of the board meeting minutes of May 9, 2008 thereof, which are kept in the Minute Book resident in the offices of the Fort Ord Reuse Authority.

DATED 5/21/08

BY _____
Joseph Russell
Chair, Board of Directors
Fort Ord Reuse Authority

u:\linda\winword g\resolutions\2008\res 08-04 seaside redev area c-d-.doc

FORT ORD REUSE AUTHORITY BOARD REPORT

Subject:	FORA FY 08-09 Preliminary Budget (Action in June)	
Meeting Date: **Agenda Number:**	May 9, 2008 10b	**INFORMATION**

RECOMMENDATION:

Receive this informational report regarding the Fort Ord Reuse Authority (FORA) fiscal year 2009 (FY 08-09) preliminary budget.

BACKGROUND/DISCUSSION:

Annually, the preliminary budget is presented to the Board by its June meeting, anticipating adoption before the beginning of the upcoming fiscal year. The FY 08-09 budget will be offered for consideration at the June 13 Board meeting, after being reviewed for recommendation by the FORA Finance and Executive committees during several budget meetings in April and May 2008.

FISCAL IMPACT:

It is expected that the FY 08-09 budget will balance.

Prepared by: Ivana Bednarik

Approved by: Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

NEW BUSINESS

Subject:	FORA 2008 Priority Legislation	
Meeting Date: **Agenda Number:**	May 9, 2008 10c	**ACTION/ INFORMATION**

RECOMMENDATION:

1. Receive an informational report on the FORA 2008 Priority Legislation matrix, and
2. Approve the matrix, which includes the Board's positions on each bill.

BACKGROUND/DISCUSSION:

Once again this year, Executive Officer Houlemard and John Arriaga and Suzanne Fox from JEA and Associates and who are also FORA's legislative representatives in Sacramento, collaborated on the creation of a matrix of legislation proposed during the current legislative session, which would have either a positive or negative impact redevelopment on former Fort Ord. On April 28th, the Legislative Committee met and reviewed the bills included in the matrix and reached a consensus on recommendations to the Board regarding FORA's position on each bill. **Attachment 1** is the committee's final draft of the matrix. When it is approved by the FORA Board, Mr. Arriaga and his staff will continue to follow the progress of each bill and provide periodic updates to the Executive Officer, who will keep the Legislative Committee and the Board informed of important actions.

FISCAL IMPACT:

Unknown at this time

COORDINATION:

John Arriaga from JEA & Associates and the Legislative Committee

Prepared by Linda L. Stiehl
Linda L. Stiehl

Approved by Michael A. Houlemard, Jr.
Michael A. Houlemard, Jr.

u:\linda\winword g\fora\brd\reports\2008\may 9\10c - legis. matrix.doc

FORA 2008 Priority Legislation – As of April 28, 2008

Attachment to
Item 10c
FORA Board Meeting, May 9, 2008

Bill	Author	Topic	Description	Status	Staff/Consultant Recommended Position
SB 46	Perata	Proposition 1C	Would require the Department of Housing and Community Development, upon appropriation by the Legislature of the funds in the Regional Planning, Housing, and Infill Incentive Account for certain purposes, to establish and administer a competitive grant program to allocate those funds to selected qualifying infill projects, as defined, for capital outlay related to infill housing development and related infill infrastructure needs.	**A. Approps**	Watch
SB 286	~~Dutton~~ Lowenthal	~~Proposition 1B~~ Transportation Enhancement Funds: conservation corps.	~~Would require the first payments of bond funds for local street and road purposes to be allocated by the Controller no later than Jan. 1, 2008. The bill would require the Controller to use the population figures from the Department of Finance as of January 1, 2007, in making allocations to cities. The bill would require an applicant for these funds to submit a list of projects expected to be funded with bond funds to the Department of Finance, as specified, and to report various information to the Department of Finance. The bill would require funds to be expended within 3 fiscal years from the date of allocation, and would require unexpended funds to be returned to the Controller for reallocation.~~ ***Gut and Amend 1/17/08 This bill, with respect to federal funds made available to the state for transportation enhancement projects, would require transportation planning agencies, county transportation commissions or authorities, and congestion management agencies to adopt criteria that give priority in the selection of these projects to the sponsors of eligible projects that partner with, or commit to employ the services of, a community conservation corps, as defined, or the California Conservation Corps to construct or undertake the project.***	**A. Approps**	Watch
SB 303	Ducheny	Local government: housing	Would require the general plan, and each of its elements to encompass a planning and projection period of at least 20 years, except for the housing element , and would require each element, except for the housing , conservation and open-space elements, to be updated at least every 10 years. The bill would require the housing element to be updated as specified, and would require the conservation element and the open-space element to be updated concurrently with the housing element.	**A. Local Gov**	Watch
SB 732	Steinberg	Proposition 84	Would require the various departments that are to implement the provisions of the initiative, among other things, to develop and adopt guidelines and regulations, consult with other entities, conduct studies, and follow certain procedures for establishing a project, or grant or loan program implementing the initiative. *Amendments 9/7/07: technical*	**A. Inactive File**	Watch

SB 1109	Cox	Local government: fire suppression	Existing law, for the purposes of assessments for fire suppression, defines fire suppression to mean firefighting and fire prevention, including, but not limited to, vegetation removal or management undertaken, in whole or in part, for the reduction of a fire hazard. This bill would make a technical, nonsubstantive change to these provisions.	**S. Rules**	Watch
SB 1191	Alquist	Local government: community service districts: broadband access	This bill would authorize a community services district to construct, own, improve, maintain, and operate broadband facilities and to provide broadband services, under specified circumstances, until a private person or entity is ready, willing, and able to acquire, construct, improve, maintain, and operate broadband facilities and to provide broadband services, and to sell those services at a comparable cost and quality of service to the district and its property owners, residents, and visitors. *Amended 4/8/08: technical amendment*	**A. Desk**	Watch
SB1247	Lowenthal	Farm worker housing assistance	This bill would repeal the farmworker housing assistance program and, instead, would require that an amount specified within those tax credit provisions be set aside for projects housing farmworker households, as provided. This bill contains other related provisions.	**Set for Hearing 4/28/08 S. Approps**	Watch
AB 793	Strickland	Affordable housing assessments	It is the intent of the Legislature in enacting this act to further a state public policy of encouraging and maintaining effective land use planning by ensuring that homes purchased under an affordable housing program are valued for property taxation purposes in a manner that reflects the restrictions on the Homes. *Amendments 8/1/07: technical*	**S. Rev & Tax**	Watch
AB 1017	Ma	Proposition 1C CA Environmental Quality Act	This bill would establish the California Affordable Housing Revolving Development and Acquisition Program under the administration of the HCD for the purpose of funding projects to develop or preserve affordable housing. The bill would establish the California Affordable Housing Revolving Development and Acquisition Fund in the State Treasury and would make moneys in the fund available for the purposes of making loans authorized under the bill. The bill would require the department to issue a Notice of Funding Availability to select a private sector entity to manage the fund, including reviewing and approving loan applications, originating loans, and servicing loans. The bill would, upon appropriation by the Legislature, require the sum of $25,000,000 to be transferred to the fund from the Affordable Housing Innovation Fund in the State Treasury. The bill would also establish the Affordable Housing Committee in state government, consisting of the Director of Housing and Community Development, or his or her designee, and 4 additional members appointed by the Senate Committee on Rules and the Assembly Committee on Rules. The bill would establish the Affordable Housing Committee Fund in the State Treasury and would make moneys in the fund available for the purposes of making loans authorized under the bill. The bill would require the committee to manage the fund and review and approve loan applications, originate loans, and service loans. The bill would, upon appropriation by the Legislature, require	**S. E. Q.**	Watch

			the sum of $25,000,000 to be transferred to this fund from the Affordable Housing Innovation Fund in the State Treasury. Loan applicants may apply for loans to purchase real property for the development or preservation of housing affordable to low-income households. ***1/7/08 Gut and Amended: Requires an appeal of a CEQA action taken by a non-elected body to be brought within 30 days of the action. The elected body may extend the appeal period to a maximum of 60 days.***		
AB 1252	Caballero	Proposition 1C	Creates the Housing-related Parks Program to be administered by the Department of Parks and Recreation (DPR), using funds authorized by Proposition 1C, to provide grants to cities and counties for creation or rehabilitation of parks in conjunction with eligible housing projects. This bill was created because of exhausted funds from Prop 46 in 2006. *Amended 9/7/07-Hostile amendments, not approved by the author, This bill changes the name of the act to the Statewide Park Development and Community Revitalization Act of 2007. A city, regional park district, district, joint powers authority, or county, in addition to specified nonprofit organizations, would be authorized to apply for local assistance program grants. The bill provides that it will be operative only if SB 732 (Steinberg) of the 2007-08Regular Session is enacted and becomes effective on or before January 1, 2008. This bill SB 732 is a two year bill and remains on the Assembly Inactive file.*	**S. Inactive File**	Watch
AB 1818	Fuentes	Housing: veterans	Existing law establishes the Multifamily Housing Program under the administration of the Department of Housing and Community Development to provide a standardized set of program rules and features applicable to all housing types based on the department' s California Housing Rehabilitation Program. This bill would authorize the sponsor, as defined, of a supportive housing development funded by the Multifamily Housing Program to restrict occupancy of the development to veterans under specified circumstances.	**Set for Hearing 4/29/08 A. V. A.**	Watch
AB 1831	Mendoza	Affordable housing: teachers and faculty members	This bill would require the department, on or before November 15, 2009, to provide a report to the Legislature and the Governor that (1) details existing local programs , including programs in other states, that are designed to help teachers, as defined, and faculty members, as defined, in securing housing in the communities in which they work, (2) makes recommendations on the feasibility of replicating successful programs for the purpose of establishing programs for teachers or faculty members in other communities, and (3) specifies the factors and any common elements that lead to successful programs. The bill would require the department to work in collaboration with the State Department of Education in the preparation of the report. *Amended 3/24/08 removes the required housing report.*	**A. Approps**	Watch

AB 1970	Emmerson	Habitat mitigation	This bill would require an entity that agrees to accept management responsibility for the preservation and maintenance of any land set aside for mitigation purposes by the department to develop and submit to the department for approval a management plan for that land. The bill would also prescribe the use and management of endowment funds by a management entity. The bill would require a management entity that manages mitigation lands of 250 acres or more to prepare and submit to the department, in electronic form, an annual financial and monitoring report containing specified information. The bill would require the department to make these reports available to the public to view at the department's Internet Web site. This bill contains other related provisions.	**A. W. P. & W.**	Oppose
AB 2005	Jeffries	State parks: transfer: local governments	This bill would require the department to respond to a request from a city, county, district, or other public agency to enter into negotiations with the department with regard to entering into an agreement for the operation of a state park that is scheduled for closure due to budget constraints, and to provide requested information, within 30 days of the request.	**A. W. P. & W.**	Support (Bill is dead this year.)
AB 2016	Committee on Hosing and community Development	House omnibus bill	In the proposed final allocation plan of regional housing needs, the council of governments or delegate subregion, as applicable, is required to adjust allocations to local governments based upon the results of a specified appeals process. This bill, additionally, would require the council of governments or delegate subregion, as applicable, to adjust allocations of regional housing needs in the proposed final allocation plan based upon the results of a specified revision request process. This bill contains other related provisions and other existing laws.	**A. Approps**	Watch
AB 2046	Jones	Water supply assessments: groundwater	This bill would require the water supply assessment include only the amount of groundwater projected to be pumped and the groundwater included in the sufficiency analysis that has been determined by the State Department of Public Health or a local health officer to meet standards applicable for the proposed use or that has been treated to the treatment standard applicable to the proposed use. By imposing new duties on cities and counties and local health officers with respect to that determination, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws. Amended 3/24/08: technical amendments	**A. Approps**	Oppose
AB 2097	Coto	Low and Moderate Income Housing Fund: emergency shelters and supportive services	This bill would authorize the redevelopment agency to provide construction, operation, and maintenance funding from the Low and Moderate Income Housing Fund to emergency shelters and supportive services to permanent housing for those who are homeless or have special needs, or both. This bill contains other related provisions and other existing laws. *Amended 4/21/08* to include *an agency may use not more than 5 percent of the taxes that are required to be used for increasing, improving, and preserving the community's supply of low- and moderate-income housing under this section for supportive services and to include a 10 year plan.*	**Set for Hearing 4/30/08 A. H& C D.**	Watch

AB 2239	Caballero	Fort Ord Reuse Plan	The Community Redevelopment Law authorizes the establishment of redevelopment agencies in communities for the purposes of addressing the effects of blight, as defined. Existing law authorizes the establishment of a redevelopment project area located within the boundaries of a military base that has been closed pursuant to the actions of the federal Defense Base Closure and Realignment Commission. Existing law authorizes the Fort Ord Reuse Authority to adopt a Fort Ord Reuse Plan, which is deemed to be a redevelopment plan for the area of the base. This bill would require all parcels within the area of Fort Ord not designated as open space in the Fort Ord Reuse Plan to be considered to have been previously developed for urban use.	**A. H. & CD**	Watch (pulled by author and probably dead this year)
AB 2270	Laird	Recycled water: water quality	This bill would refer to the statewide recycling goals as targets, and would require the department to update these targets every 5 years, based on consideration of all relevant information, including, but not limited to, the National Water Reuse Foundation database and urban water management plans. The department would be required to include the revised targets in the California Water Plan beginning in 2013. The bill would require an urban water supplier to include in its urban water management plan information on recycled water, including, in acre-feet of water per year, a description of the quantity of treated wastewater that meets recycled water standards, a description and quantification of the potential uses of recycled water, and the projected use of recycled water within the supplier's service area. This bill contains other related provisions and other existing laws.	**A. Approps**	Support
AB 2280	Saldana	Density bonus	This bill would require, for qualifying senior citizen housing developments, as defined, that 100% of the units in the development be for senior citizens. This bill contains other related provisions.	**Set for Hearing 4/30/08 A. Loc. Gov**	Support
AB 2451	Davis	Workforce housing	Existing law provides for housing for low-income and moderate-income persons and families. This bill would set forth various legislative findings and declarations relating to workforce housing, as defined.	**A. Rules**	Watch (a spot bill; never got out of committee)
AB 2501	Wolk	Water: planning	The bill would require the Department of Water Resources, as part of its statewide water resource management responsibilities, to include an analysis of the potential effects of climate change, to the extent applicable, in reports or plans relating to water management or planning that the department is required to prepare. The bill would prohibit the department from approving a request for a specified grant, submitted after January 1, 2011, unless certain requirements are met. The department would be required, by July 1, 2009, to identify available peer-reviewed information, or the best available scientific information, regarding climate change and water resources for the state and each of the state's hydrologic regions for specified uses. The bill would require an urban water supplier or an agricultural water supplier that is required to prepare a water management plan to take certain action relating to specified climate change information, as provided. This bill contains other related provisions and other existing laws. Amended 4/17/08: technical amendments	**A. Approps**	Oppose

AB 2513	Caballero	Housing and Emergency Shelter Trust Fund of 2006: allocation of funds : regional housing need share	This bill would require the department, when awarding grants or loans from the fund, to give additional consideration to projects within jurisdictions that have met at least 75% of its total need under the previous regional housing need for the previous housing element planning period as demonstrated by housing units permitted and have been allocated an increased share of the regional housing need for the most recent housing element planning period, as compared to the previous housing element planning period. This bill contains other existing laws. Amended 4/21/08 to exclude having been allocated an increased share of the regional housing need for the most recent housing element planning period, as compared to the previous housing element planning period.	**A. Approps.**	Watch
AB 2723	De La Torre	Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006: dual piping	This bill would provide that these funds may be expended by the department, upon appropriation for that purpose, for grants to any city, county, city and county, and special district that provides for the delivery of potable and recycled water for the development of dual water piping to allow for the delivery of potable and recycled water for nonpotable purposes to commercial, industrial, and residential buildings constructed on or after January 1, 2009.	**A. Approps**	Watch
ACA 10	Feuer	Bonded indebtedness: local government: transportation infrastructure	The California Constitution prohibits any ad valorem tax on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit on ad valorem tax on real property for a city, county, or city and county to pay for bonded indebtedness, incurred to fund specified transportation infrastructure, that is approved by 55% of the voters of the city, county, or city and county, as appropriate. This bill contains other related provisions and other existing laws.	**A. Rules**	Watch

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject:	Administrative Committee report	
Meeting Date: **Agenda Number:**	May 9, 2008 11a	**INFORMATION**

RECOMMENDATION:

Receive a report from the Administrative Committee.

BACKGROUND/DISCUSSION:

The Administrative Committee met on April 2, 16, and 30, 2008. The approved minutes of the first two meetings are attached. The minutes of the April 30th meeting have not yet been prepared.

The Administrative Committee also had joint meetings with the Capital Improvement Program Committee on April 2 and 16, 2008, and the Water/ Wastewater Oversight Committee on April 2nd. These minutes are also attached.

FISCAL IMPACT:

None

COORDINATION:

Administrative Committee

Prepared by Linda L. Stiehl
Linda L. Stiehl

Approved by Michael A. Houlemard, Jr.
Michael A. Houlemard, Jr.

u:\linda\winword g\fora\brd\reports\2008\may 9\11a-admin comm.doc

FORT ORD REUSE AUTHORITY
100 12th Street, Building 2880
Marina, CA 93933
(831) 883-3672 (TEL) · (831) 883-3675 (FAX) · www.fora.org

MINUTES OF THE ADMINISTRATIVE COMMITTEE MEETING
Wednesday, April 2, 2008

APPROVED

1. Call to Order

Chair Michael Houlemard called the meeting to order at 8:15 a.m. The following representatives from the land recipient jurisdictions, representing a quorum, were present:

*Jim Cook – County of Monterey
*Dick Goblirsch - City of Del Rey Oaks
*Ray Corpuz – City of Seaside
*Les Turnbeaugh – City of Monterey
*Doug Yount – City of Marina

Also present, as indicated by the roll sheet signatures, were:

*Mehul Mody – CSUMB
(*)Steve Matarazzo – Sand City
David Gazek – Federal Development
*Vicki Nakamura – MPC
*Graham Bice - UCMBEST
Stan Cook - FORA
*Tony Altfeld –City of Marina
Michael Houlemard – FORA
Steve Endsley – FORA
Jim Arnold – FORA
Nick Nichols – County of Monterey
Bob Holden – MRWPCA
(*)Heidi Burch – City of Carmel
Jeff Cattaneo - MCWD
*Rob Robinson - BRAC
Terry Tumey, Brooks Street
Bob Schaffer
Jim Feeney – FORA
Jonathan Garcia – FORA

* indicates a committee member and (*) indicates a FORA voting member but not a land recipient
Jurisdiction.

Voting board member jurisdictions not represented at this meeting were Salinas, and Pacific Grove.

2. Pledge of Allegiance

Chair Michael Houlemard asked Heidi Burch to lead the Pledge of Allegiance.

3. **Acknowledgements, announcements and correspondence**

Chair Houlemard gave an update on the upcoming media events. He also introduced the new Sand City Representative, Steve Matarazzo. Rob Robinson also informed the committee of a Public Meeting on April 10th at Embassy Suites from 6:30 to 8:00 regarding a change to the existing Record of Decision for the cleanup area called Site 39.

4. **Public comment period** - none

5. **Approval of March 19, 2008 meeting minutes**

Motion to approve the March 19, 2008 Administrative Committee meeting minutes and the Joint Administrative Committee/Capital Improvement Program Committee minutes was made by Ray Corpuz, seconded by Heidi Burch, in two separate motions and carried.

6. **Review draft of the April 11, 2008 FORA Board Agenda**

Legislative Session Presentations
Executive Officer Houlemard spoke on who the legislative representatives attending the Legislative Session portion of the FORA Board Meeting.

Consent Agenda
Executive Officer Houlemard presented the items on the Consent Agenda and noted that for item 6c, the $15,000 change order was for additional roadwork.

Old Business
Board Agenda Item7a – Habitat Conservation Plan ("HCP") Approval Process – a brief overview of this item was given.

Board Agenda Item 7b – Environmental Services Cooperative Agreement – Update – Executive Houlemard gave a brief report, and Stan Cook handed out his draft board report to those that were interested.

Board Agenda Item 7c – Water Augmentation Program- Regional Plenary Oversight Group (REPOG) proposal endorsement –

New Business
Board Agenda Item 8a – Requests for interim use of water resources (1) City of Seaside, (2) City of Del Rey Oaks - Chair Houlemard noted that this item will be covered under the Administrative Committee/WWOC agenda.

Board Agenda Item 8b – Confirmation of the Chair's appointment to the Legislative Committee – Chair Houlemard presented this item, noting the proposed change of Mayor Gary Wilmot to the Legislative Committee.

Executive Officer's Report

Board Agenda Item 9a - Administrative Committee Report, Board Agenda Item 9b - Executive Officer's travel report, and Board agenda Item 9c - Distribution of FORA Master Resolution (Updated February 8, 2008) were presented as informational items.

Board Agenda Item 9d - ESCA Quality Assurance Oversight Professional contract: It was explained in detail by Chair Houlemard. Stan Cook handed out information for this report.

Board Agenda Item 9e – 2008 State Legislative Mission to Sacramento (March 27-28): Chair Houlemard gave a brief overview of his legislative mission. He noted three major issues that were discussed at his various meetings: 1. Tax Increment Issue; 2. Habitat Conservation Plan, and the need for state support and expedited processing. (There was considerable discussion about making sure the reports noted the importance of securing HCP approval) and 3. Water resources

7. **Old Business**

Item 7a - Habitat Conservation Plan (HCP): (1) Update – Chair Houlemard noted that a brief overview was given under the Board Agenda review. Steve Endsley reminded the committee about the HCP meeting that was coming up this next week. **(2) Report from Multi-Modal Corridor Working Group** – Jonathan Garcia noted that a request was made to the jurisdiction. Steve Endsley reported that in order to get to the next step, a map will need to be circulated. That map is currently being created and will be circulated as soon as it is reviewed.

8. **New Business** - none

9. **Adjournment:** Chair Houlemard adjourned the meeting at 8:55 a.m.

Minutes prepared by Sharon Strickland, Communication Services Coordinator.

Joint Meeting of the Administrative and Water/Wastewater Oversight Committees
Meeting Minutes
April 2, 2008

Noting that a quorum was present, Executive Officer Michael A. Houlemard, Jr. called the meeting to order. As indicated by the meeting sheet, the following persons were in attendance:

Committee Members:
Dick Goblirsch, City of Del Rey Oaks
Les Turnbeaugh, City of Monterey
Nick Nichols, Monterey County
Steve Matarazzo, Sand City
Heidi Burch, City of Carmel
Graham Bice, UCMBEST
Ray Corpuz, City of Seaside
Tony Altfeld, City of Marina
Tim O'Halloran, City of Seaside
Mehul Mody, CSUMB
Doug Yount, City of Marina
Jim Cook, Monterey County

Other Meeting Attendees/Participants:
Bob Schaffer, Marina Comm. Partners
Bob Holden, MRWPCA
Todd Muck, TAMC
Rob Robinson, BRAC

APPROVED

Staff Representatives to the Committee:
Michael Houlemard, FORA Jeff Cattaneo, MCWD
Jim Feeney, FORA
Steve Endsley, FORA
Jonathan Garcia, FORA
Crissy Maras, FORA

ITEM 1. Call to Order at time certain of 8:50 a.m.

Mr. Houlemard called the meeting to order at 8:54 AM. There were no acknowledgements noted.

ITEM 2. Public Comment Period

None noted.

ITEM 3. Old Business – none

ITEM 4. Old Business

a. Requests for interim water allocations
1) City of Seaside
2) City of Del Rey Oaks

Mr. Houlemard introduced and opened the item to discussion. Ray Corpuz, City of Seaside ("Seaside"), noted that the term sheet is acceptable to Seaside, although they would be requesting a change in amount of water requested. Tim O'Halloran, Seaside, continued that Seaside would modify its request to 500 afy for the first three years, and 400 afy for the last two years of the five year loan term. The increase will accommodate water for construction and other uses in the earlier years. The interim loan will benefit Seaside because it will allow reduced pumping from the Seaside basin. Mr. Feeney noted that Marina Coast Water District ("MCWD") has an alternate way of accommodating construction water via construction water meters. Mr. O'Halloran replied that there would be uses beside construction, including plant/golf course establishment. As the golf course matures the water needs would go down. Mr. Houlemard confirmed that Seaside was seeking a modification to the term sheet inclusive of Seaside's request to use 500 afy for 3 years and to use 400 afy for 2 years unless a recycled water source becomes available sooner.

Jim Cook, Monterey County, asked how the interim use would help Seaside, and noted that if another jurisdiction needs the water, Seaside would have to cease their use. Mr. Corpuz responded that a benefit to Seaside, and the region, includes a reduction in water pumped from the Seaside basin. This is a critical issue due to the water master adjudication stating that water pumped from the basin be reduced 10% by January 2009. Mr. Cook again asked if Seaside was prepared to take the golf course off line if another jurisdiction needed the water. Mr. Corpuz confirmed that Seaside would stop

using and would begin pumping from the basin again if another jurisdiction needed access to the water.

Mehul Mody, CSUMB, asked if the loan would affect water pressure to CSUMB customers. Jeff Cattaneo, MCWD, responded that Seaside's interim use would not.

Mr. Houlemard asked the representative from the City of Del Rey Oaks ("DRO") if the language in the term sheet was acceptable to them. Dick Goblirsch, DRO, responded that the language is acceptable to DRO.

Graham Bice, UCMBEST, asked Mr. Goblirsch how it would effect development in DRO if another jurisdiction exercised its right to the water. Mr. Goblirsch stated that ultimately, DRO hopes that negotiations between MCWD and MRWPCA conclude so DRO could access their own water. He added that all Committee members should continue sending letters to the districts urging them to conclude negotiations so that a water augmentation program could move forward.

Doug Yount, City of Marina ("Marina"), asked if DRO planned to use the loan for a water supply assessment ("WSA"). Mr. Goblirsch responded that they were not, but the loan would be helpful to their financiers. Mr. Yount asked if their financiers were aware of the stipulation to go off line if another jurisdiction needs the water. Mr. Goblirsch was unsure.

Mr. Bice asked how MCWD would issue a WSA. Mr. Cattaneo responded that it was not straight forward, and since the District counsel had not yet reviewed the term sheet, an answer to that would need to wait until counsel had made his final determination.

Mr. Yount asked if there had been an analysis performed regarding the urban water management plan and if MCWD would support the loans. Mr. Cattaneo responded that the MCWD Board had recently passed two resolutions in support of the action because they are actively pursuing an additional water supply. Mr. Houlemard added that the FORA board report would be modified to include information on the amount of water currently being pumped. Currently, of the 6600 afy allowed, approximately 2400 afy are being pumped. The likelihood that the 6600 afy threshold will be reached within the next five years is very slim, based on current development forecasts, and the risk of the interim uses causing problems is negligible.

Mr. Houlemard additionally noted that the Base Reuse Plan includes 6600 afy plus an additional 400 afy for the golf course. Seaside accepted less of an allocation because of the 400 afy golf course water. He also noted that the idea that Seaside would be using that water has always been on the table. Seaside also acknowledged that there is nothing in DRO's allocation similar to that. DRO is requesting the loan to move forward with their flagship project. Every jurisdiction has the opportunity to complete a flagship project and FORA board actions support this. DRO's request is for a loan of resources that would have to go offline or scale back if the threshold of 6600 afy is reached.

Mr. Bice asked if the term sheet could include the fact that there would be no long term rights to the water. Steve Endsley, FORA, responded that the term sheet already included such language. Mr. Houlemard noted that UC had been benefitting from FORA's acknowledgement of an interim agricultural use of water for a long period of time and that a resolution would be crafted for the Cities similar to the acknowledgement approving UC's loan. He additionally noted that the uses/loans would not penalize other user's allocations.

Tony Altfeld, Marina, noted Marina's several issues of concern. The board reports and resolutions approved by the MCWD board did not reference loans but rather referenced temporary or interim allocations. In the future, this could be seen as a right once the loan water goes into use because it cannot be determined how future policy makers will interpret those resolutions. Mr. Houlemard agreed with Mr. Altfeld that these interim uses should not be referenced to as allocations.

Additionally, Marina will insist on specific language noting that the loans do not diminish or impact Marina's use of the water. He asked how WSA's would be written on loans and what MCWD's obligation is to reduce ground water supply and who is responsible for the costs. He noted that if there is no longer a draw on the Seaside basin that water within Seaside's allocation would be available to them. He asked if MRWPCA had weighed in on the loan requests and noted that it was important that they do. He also noted that it was a potential red flag that there had been no review of environmental impact. Regarding DRO's request, he was unsure of the potential use. He noted that DRO has a WSA, but no written verification, and that when the Cypress Knolls development was in the same position their developers had to pay $1M to MCWD to obtain a written verification. He concluded that the reason behind all of these issues was the water augmentation program had not moved forward.

Mr. Yount added that the loan requests were a bad idea and set a bad precedence. He feels there has not been enough analysis on the impacts of long term supply. Marina feels that allowing these loans to go through takes the pressure off of solving the regional water supply needs and the negotiations between MCWD and MRWPCA. He added that he hoped the Committee would be cautious in any recommendations to the Board.

Les Turnbeaugh, City of Monterey, disagreed with Mr. Yount's that it would take the pressure off certain issues; he feels that it would increase the pressure. He reminded the Committee that water needs are based on development, and development forecasts for the upcoming CIP shows housing development moving out to a later time. Based on those forecasts, it will be years of time before the additional water is needed. He added that the Committee should approve the loan requests to get these development projects going, and in turn, FORA would be able to collect development fees. He concluded that since the loan requests are not beyond the current water supply threshold of 6600 afy and would not be permanent, it would be beneficial to FORA to approve them.

Mr. Mody asked for verification of the amount of water currently being pumped. Mr. Cattaneo confirmed that of the 6600 afy available, approximately 2400 afy is being pumped.

David Gazek, consultant to DRO, noted that they would be open to amending the language in the term sheet to assure the other jurisdictions that no other WSA's would be impacted. If other jurisdictions need the water and DRO has to reduce its draw, he does not believe it would effect the development continuing to operate. He added that DRO would work with MCWD counsel and FORA staff to possibly amend the loan to a 5 to 20 year request, versus a five year request.

Mr. Houlemard reminded the Committee that if this item was to remain on the Board agenda, the Committee would need to make recommendations at this meeting. Mr. Yount responded that the Committee shouldn't rush to make the recommendation until they had looked at the item more carefully. He added that once the water is in beneficial use he doesn't see turning it off. He feels that over time, the loan may become an additional allocation. He asked if Seaside had water within their existing allocation toward another project that they could use for the golf course in the interim, instead of using loaned water.

Mr. Corpuz reminded the Committee that Seaside's request was simple, and was made because MCWD and MRWPCA have been unable to conclude negotiations. He doesn't agree that Seaside should be penalized because they can't agree. FORA's mission is to develop the former Fort Ord and he advised the Committee not to get into the same issues that have caused the negotiation problems and stop land use. He does not believe approving the loans would set a bad precedent, but the opposite because it would not allow the water districts to determine development. He concluded that all the city managers should approve the request because it would be beneficial to the entire region.

Mr. Altfeld confirmed that Mr. Gazek had mentioned amending the loan request from five years to a five to twenty year time period. Mr. Gazek thinks that may be a possibility, but would have to defer answering until he has worked with MCWD counsel. If MCWD counsel determines that a five to

twenty year time frame would allow MCWD to support a written verification of water supply, then it would be a possibility. Mr. Altfeld noted that a written verification requires a twenty year supply.

Mr. Altfeld noted that he felt "turning off the water" when another jurisdiction needs it is not realistic. He added that since the water need is not solely due to development, but also due to groundwater pumping restrictions, another layer of issues are involved. He asked if Seaside's issues with groundwater pumping would be resolved with the loan.

Mr. Corpuz noted that since Seaside's DDA had included the requirement of using recycled water and MCWD is not ready to deliver, Seaside is looking at other options. The issue of groundwater pumping was not the cause of the request but turned out to be an additional benefit.

Mr. Cook noted that the County would support the requests if the Committee required the same due diligence of the requesting Cities that was required of Marina when they requested tax increment assistance. He asked for comments from FORA counsel on the agreement. He will ensure that the County water resources agency has a chance to look at the information. He asked that the requests be agendized for the next meeting.

Mr. Goblirsch agreed with Mr. Cook where DRO is concerned but added that Seaside's request should not be held up. Mr. Goblirsch made the motion that Seaside's loan request move forward to the FORA Board and DRO's request be agendized for the next Administrative Committee meeting. Mr. Turnbeaugh seconded the motion.

Mr. Altfeld noted his agreement with Mr. Cook's statement. He added that the Committee should not move forward until the questions Marina raised had been answered. He additionally noted that Marina would be forwarding their concerns in a memo to the Executive Committee for their meeting scheduled later in the day.

Steve Matarazzo, City of Sand City, noted that he felt the Seaside request would be environmentally beneficial.

Mr. Cook asked what the effect would be if the requests were agendized for the next meeting.

Mr. Corpuz reminded Mr. Cook that this was a simple request for an interim loan and that such use would not hinder the other jurisdictions ability to obtain WSA's.

Mr. Houlemard called for the vote as two separate Committee actions:

The Water/Wastewater Oversight Committee voted in favor of the motion 6 to 1, the City of Marina being the dissenting vote. The motion carried.

The Administrative Committee voted in favor of the motion 5 to 2, the City of Marina and the County of Monterey being the dissenting votes. The motion carried.

ITEM 5. Adjournment at time certain of 9:30 a.m.

The meeting was adjourned at 10:05 a.m.

Joint Administrative and Capital Improvement Program Committee Meeting
April 2, 2008
Meeting Minutes

The following persons were in attendance, as indicated by the sign-in sheet:

Dick Goblirsch, City of Del Rey Oaks
Les Turnbeaugh, City of Monterey
Nick Nichols, Monterey County
Steve Matarazzo, Sand City
Heidi Burch, City of Carmel
Ray Corpuz, City of Seaside
Jim Cook, Monterey County
Tony Altfeld, City of Marina
Tim O'Halloran, City of Seaside
Mehul Mody, CSUMB
Doug Yount, City of Marina
Bob Schaffer, Marina Comm. Partners
Bob Holden, MRWPCA
Todd Muck, TAMC
Rob Robinson, BRAC
Graham Bice, UCMBEST
Michael Houlemard, FORA
Jeff Cattaneo, MCWD
Jim Feeney, FORA
Steve Endsley, FORA
Jonathan Garcia, FORA
Crissy Maras, FORA

APPROVED

1. Call to order at time certain of 9:30 a.m.

The meeting began at 10:05 a.m.

2. Public Comment Period - None noted

3. Approval of the March 19, 2008 joint Administrative Committee/Capital Improvement Committee minutes

The minutes were approved by the Administrative Committee at their earlier meeting this date.

4. Old Business
a. 2008/2009 Capital Improvement Program – final draft

Assistant Executive Officer James A. Feeney, PE noted that at the March 19th meeting, jurisdictions had agreed to send revised development forecasts to FORA prior to this scheduled meeting. FORA received updated information from the City of Seaside and UCMBEST. FORA did not receive updated information from the City of Marina. City of Marina staff noted that it would be forthcoming. Mr. Feeney once again asked that any updated development forecasts be forwarded to FORA so that draft CIP tables could be revised and brought to the Committee at the next joint meeting.

There were no other comments on this item. An additional joint meeting was scheduled for April 16th.

5. New Business - none

6. Adjournment at time certain of 10:00 a.m.

The meeting was adjourned at 10:07 a.m.

FORT ORD REUSE AUTHORITY
100 12th Street, Building 2880
Marina, CA 93933
(831) 883-3672 (TEL) · (831) 883-3675 (FAX) · www.fora.org

MINUTES OF THE ADMINISTRATIVE COMMITTEE MEETING Wednesday, April 16, 2008

APPROVED

1. Call to Order

Co-Chair Doug Yount called the meeting to order at 8:20 a.m. The following representatives from the land recipient jurisdictions, representing a quorum, were present:

*Nick Nichols – County of Monterey
*Dick Goblirsch - City of Del Rey Oaks
*Ray Corpuz – City of Seaside
*Les Turnbeaugh – City of Monterey
*Tony Altfeld – City of Marina

Also present, as indicated by the roll sheet signatures, were:

Doug Yount – City of Marina
Jim Feeney – FORA
*Rob Robinson – BRAC
(*)Steve Matarazzo – City of Sand City
Jim Arnold – FORA
*Mehul Mody - CSUMB
*Debbie Hale – TAMC
Ian Gillis – East Garrison Partners
Michael Houlemard - FORA
Diana Ingersoll – City of Seaside
Bob Holden – MRWPCA
*Jeff Cattaneo – MCWD
Bob Schaffer
Bridgit Koller – East Garrison Partners
*Vicki Nakamura – Monterey Peninsula College
Keith McCoy – East Garrison Partners
Jonathan Garcia – FORA

* indicates a committee member and (*) indicates a FORA voting member but not a land recipient jurisdiction

Voting board member jurisdictions not represented at this meeting were Salinas, Pacific Grove, and Carmel.

2. Pledge of Allegiance

Co-Chair Yount asked Debbie Hale, who agreed, to lead the Pledge of Allegiance.

3. Acknowledgements, announcements and correspondence

Executive Officer Michael Houlemard announced that the Association of Defense Communities (ADC) Annual Conference would be held during the second week of August this year in Monterey. He said a tour of former Fort Ord would be on the schedule of events; because of the stoppage of most redevelopment projects resulting from the economic downturn, the ESCA properties will likely be the highlight of the tour. He noted that House Speaker Nancy Pelosi might be one of the speakers at the conference. Mr. Houlemard also reported that the Army had sent the Covenant Deferral Request (CDR) to Governor Schwarzenegger, who must sign the document before the ESCA parcels

can be transferred. Mr. Houlemard distributed copies of a letter dated 4/15/08 from Michael Montgomery (U.S. Environmental Protection Agency), authorizing the deferral of the covenant required by CERCLA, subject to the concurrence of the Governor.

4. **Public comment period** - none

5. **Approval of April 2, 2008 meeting minutes**

Motion to approve the April 2, 2008 minutes from the Administrative Committee, the joint Administrative Committee/ Water Wastewater Oversight Committee, and the joint Administrative Committee/ Capital Improvement Program Committee meetings was made by Les Turnbeaugh, seconded by Graham Bice, and carried, with a request that several spelling errors on page three of the Administrative Committee meeting minutes be corrected.

6. **Follow-up to the April 11, 2008 FORA Board Meeting**

Executive Officer Houlemard said that some of the draft legislation supported by the five legislators who spoke, or were represented, at FORA's Legislative Session last Friday has already been included in the legislative matrix that will be discussed by the Legislative Committee at their April 28th meeting. The Legislative Committee is expected to make recommendations to the FORA Board at the May meeting to approve, oppose, change or follow legislation that could have an impact on former Fort Ord. He urged the Administrative Committee members to brief to their FORA board representatives and report any feedback to him. The updated matrix will be emailed to the Administrative and Legislative Committee members when it is available.

In a follow-up to the Habitat Conservation Plan ("HCP") report, Mr. Houlemard reported that he would be meeting with officials in the Department of the Interior while in Washington, DC, next week to discuss the funding issues communicated recently by the U.S. Fish and Wildlife Service. Congressman Farr will also be briefed on these issues and asked for assistance in resolving this latest setback for final approval of the HCP. Mr. Houlemard will draft a sample form letter after he returns that FORA members can use to indicate support for a path to final resolution, and when the HCP document is closer to final form, hopefully in the next month or two. Dick Goblirsch asked for an explanation of Assembly Member Caballero's legislation regarding the inapplicability of tax increment on closed but redeveloping military bases. Mr. Houlemard provided the background and noted the number of meetings on the problem issues with existing legislation, including the problem of how CEQA is to be applied and the five-year limit on the Environmental Impact Reports (EIR's). Copies of Ms. Caballero's legislative "fix," AB 2239, will be emailed to the members for comment.

7. **Old Business**

Item 7a – Habitat Conservation Plan ("HCP") - Update: Executive Officer Houlemard said the most recent HCP timing schedule had been included in the April board report. He reported that on April 3rd a strategy meeting was held to discuss reasonable costs concerning the CA Department of Fish & Game's estimates and a cost model; he said representatives from Jones and Stokes, FORA's environmental consultant, were present at this meeting. On April 10th the HCP working group met for a study session on the cost model, where Bureau of Land Management representatives and others pointed out cost savings that could be implemented. Mr. Houlemard commented that there will be "a few more bites of the apple" before these issues are resolved. He remarked that FORA must have a

clear understanding of its HCP obligations and the regulators' obligations be specifically defined, particularly if the state agencies can't fund their obligations. Several comments were expressed concerning the state regulators' asking the local jurisdictions to pick up their agency costs. An additional concern is the Army's reluctance to take back the property after it has been transferred. Mr. Houlemard repeated his recommendation to request assistance from FORA's federal and state legislators and has not ruled out the possibility of Congressman Farr calling for a congressional hearing. Discussion of the issues and their resolution will be continued to the next meeting.

Assistant Planner Jonathan Garcia called attention to the Multi-Modal Corridor handout in the meeting packet. He reported that the project is moving forward. Graham Bice requested additional language in Section 1b. Nick Nichols said the County would take the lead on this project. A new draft of the document will be returned to the committee at the next meeting (April 30th).

Item 7b – Requests by jurisdictions for interim water use: Executive Officer Houlemard said that Marina's letter had been received just last Friday. He added that all three requests for interim water use were different and suggested that they be referred to the Water/Wastewater Oversight Committee ("WWOC") for further review and recommendation before the Administrative Committee makes a final recommendation to the FORA Board. **A motion to refer the three interim water use requests to the WWOC was made by Tony Altfeld and seconded by Graham Bice.** Mr. Bice requested that responses to Marina's letter dated 4/2/08 be provided at the next committee meeting (April 30th). Mr. Houlemard listed several issues related to the three requests that need to be examined, such as whether CEQA must be considered. Tony Altfeld asked that Curtis Weeks and a representative from the Monterey Peninsula Water Management District be invited to attend the WWOC meeting. **The motion carried.**

8. **New Business** - none

9. **Adjournment:** Co-Chair Yount adjourned the meeting at 8:59 a.m.

Minutes prepared by Linda Stiehl, Executive Assistant

Joint Administrative and Capital Improvement Program Committee Meeting
April 16, 2008
Meeting Minutes

The following persons were in attendance, as indicated by the sign-in sheet:

Ray Corpuz, City of Seaside
Rob Robinson, BRAC
Dick Goblirsch, City of DRO
Todd Muck, TAMC
Graham Bice, UCMBEST
Les Turnbeaugh, City of Monterey
Vicki Nakamura, MPC
Doug Yount, City of Marina
Nick Nichols, Monterey County
Mehul Mody, CSUMB
Bridgit Koller, EGP
Steve Matarazzo, Sand City
Jeff Cattaneo, MCWD
Diana Ingersoll, City of Seaside
Bob Holden, MRWPCA
Bob Schaffer, MCP
Michael Houlemard, FORA
Jim Feeney, FORA
Jim Arnold, FORA
Jonathan Garcia, FORA
Crissy Maras, FORA

APPROVED

1. Call to Order/Acknowledgements

Administrative Committee co-chair Doug Yount called the meeting to order at 9:00 AM.

2. Public Comment Period - None noted

3. Old Business
a. 2008/2009 Capital Improvement Program – Review Draft Final Document

FORA Assistant Executive Officer Jim Feeney noted that the anticipated action on this item is the endorsement of the draft CIP document to go before the FORA Board for approval at their June meeting. FORA received revisions to development forecasts from the Cities of Marina and Seaside, and UCMBEST. Those revisions were included in the draft tables distributed to members at the meeting. Generally, the changes included moving residential projects out by one or more years. Mr. Feeney pointed out Table 5, which illustrates what percentage of each development fee dollar collected applies towards Base Reuse Plan mitigations. Additionally, there are reimbursement agreements in place with the City of Marina and Monterey County for certain CIP transportation projects. As development fees are collected, FORA's mitigation obligations, priority projects, and contractual obligations (reimbursement agreements) are being satisfied. Mr. Feeney noted that General Jim Moore Blvd. and Eucalyptus Road remain as priority projects. FORA expects to bid the next phase of those projects in June/July with the anticipation that development fee will be available to award a contract in September. If development fee is insufficient, staff will request that the FORA Board authorize the use of the existing line of credit with subsequent development fees being used for debt service and retirement of debt.

Todd Muck, TAMC, requested the TAMC TOD project to be moved out by one year. Mr. Feeney noted that the change could be accommodated with no impact to the 2008/09 fiscal year because the project would be moving from 2009/10 and 2010/2011 to 2010/11 and 2011/2012.

Mr. Yount asked if there was a balance in the contingency reserve. FORA Executive Officer Michael Houlemard noted that there was a deficit balance in the contingency reserve at this time. Mr. Yount asked for additional detail on the Table 3 column labeled

"To 2008." Mr. Feeney responded that this column reflects a cumulative total of revenue and expenditures to date and is gleaned from information illustrated on CIP Table 1. Mr. Yount asked for additional detail on the other costs and contingencies line item. Mr. Feeney pointed out footnotes 8 and 9 which describe some of the unexpected costs included in this category. Mr. Yount noted that on Table 5, the percentage of development fee allocated to other costs and contingencies seemed too high at approximately 40%. Mr. Feeney noted that it was not realistic to believe that 40% of every dollar collected would apply toward the contingency. FORA applies every dollar it collects toward mitigations. It is unlikely that there will be a contingency reserve of any size at FORA's sunset and the high dollar amounts in the reserve shown on Table 3 have always been an evident target for use. At some point, if a reserve does start to accumulate, the development fee would likely be revisited. Mr. Yount noted that development projects are sensitive to development fees and that in the future, if development fees are reduced it would lessen the burden on the projects. Mr. Houlemard added that for the last several years, the contingency reserve has been a target for use in affordable housing solutions. He also noted that several elements of cost in the CIP have yet to be defined. When the Base Reuse Plan is revisited, it is likely there will be transportation projects added to the current list of mitigations; the habitat conservation line item is approximately 40% below what the reality may be; and, the water augmentation program is $45M shy of being fully funded. These three major items will deplete any sort of contingency reserve if one is ever realized. Additionally, the FORA Finance Committee wants to know how CIP mitigations will be accomplished if the forecasts shown are not realized, as in the past, development fees have been approximately 50% lower than expected.

Les Turnbeaugh, City of Monterey, moved to approve the CIP as presented, with the modification requested by Mr. Muck, for presentation to the FORA Board. Ray Corpuz, City of Seaside, seconded the motion. Under discussion of the motion, Mr. Yount added that the Committees should continue to be sensitive to the amount of development fees since there are implications to development projects. The vote was called for. There were none opposed to moving the CIP document to the FORA Board; motion carried. The document will be compiled in its entirety and distributed to both Committees as an information item.

5. Adjournment at time certain: 9:20 AM

The meeting was adjourned at 9:30 AM.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject:	Finance Committee Report	
Meeting Date: **Agenda Number:**	May 9, 2008 11b	**INFORMATION**

RECOMMENDATION:

Receive a report from the Finance Committee meeting of April 28, 2008.

BACKGROUND/DISCUSSION:

The Finance Committee met on April 28, 2008 to discuss several items including the preliminary FY 08-09 budget and continued the meeting to May 12, 2008 for further deliberations on the budget. The minutes from the April 28, 2008 and May 12, 2008 meetings will be presented to FORA Board with the preliminary budget at its June 13, 2008 meeting.

FISCAL IMPACT:

None

COORDINATION:

Finance Committee

Prepared by _____
Marcela Fridrich

Approved by _____
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject:	Legislative Committee report	
Meeting Date:	May 9, 2008	**INFORMATION**
Agenda Number:	11c	

RECOMMENDATION:

Receive a report from the Legislative Committee.

BACKGROUND/DISCUSSION:

Minutes from the Legislative Committee have not been included in recent board packets due to canceled and rescheduled meetings and the oversight of the writer of this report. To bring you up-to-date, and for the board record books, I have attached the approved minutes of the July 3 and October 31, 2007 meetings and the recently approved minutes from the January 28, 2008 meeting.

The Legislative Committee did not meet on March 6, 2008 as scheduled, due to lack of quorum. On March 27th and 28th, Chair/Mayor Joe Russell, Mayor Ralph Rubio, and Executive Officer Michael Houlemard represented FORA during the State Legislative Mission to Sacramento. John Arriaga and Suzanne Fox from JEA & Associates, FORA's state legislative representatives, organized a number of meetings, which included discussions with the Governor's staff, Resources Secretary Michael Chrisman, Dan Ward and Rick Moss at the Department of Toxic Substances, Housing and Community Development Deputy Director Chris Westlake, and staff members of Assembly Members Anna Caballero and John Laird, and Senator Maldonado, when it was known that the legislators would be out of town on those days. At the April 28th meeting Executive Officer Houlemard reported that these meetings had been productive and served to move FORA's objectives forward.

The committee members have been reviewing the draft 2008 FORA Priority Legislation matrix, which was compiled by Mr. Arraiga and Ms. Fox in collaboration with Mr. Houlemard. The Legislative Committee met on April 28th to reach a consensus on the bills included and FORA's position on each one. Their recommendations will be considered by the FORA Board at the May 9th meeting (the matrix is attached to Item 10c in this packet). The draft April 28th minutes are attached for your review.

FISCAL IMPACT: none

COORDINATION: Legislative Committee

Prepared by Linda L. Stiehl
Linda L. Stiehl

Approved by Michael A. Houlemard, Jr.
Michael A. Houlemard, Jr.

u:\linda\winword g\fora\brd\reports\2008\may 9\11c - legis. comm.doc

Fort Ord Reuse Authority

100 12th Street, Building 2880, Marina, CA 93933
Tel: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

APPROVED

MINUTES
of
LEGISLATIVE COMMITTEE MEETING
Tuesday, July 3, 2007, at 3:00 PM

1. **Call to Order and Roll Call**

Chair/Mayor Russell called the meeting to order at 3:21 p.m. The following members, and others, were present:

Present:	Chair/Mayor Joe Russell, Mayor Ralph Rubio, Mayor Ila Mettee-McCutchon, Colleen Freeman (27th State Assembly District), and Alec Arago (17th Congressional District)
Absent:	Supervisor Jerry Smith and Supervisor Lou Calcagno, and Rito Guerra (15th State Senate District)
By telephone:	John Arriaga and Suzanne Fox (JEA & Associates)
FORA Staff:	Michael Houlemard, Executive Officer Linda Stiehl, Executive Assistant

2. **Public Comments** - None

3. **Approval of Meeting Minutes from March 9, and May 3, 2007**

A motion to approve the March 9, and May 3, 2007 minutes was made by Mayor Mettee-McCutchon, seconded by Mayor Rubio, and carried.

4. **Reports from Legislative Offices**

Item 4a – U.S. Congress: Alec Arago said that Congressman Farr has been following the Department of Defense funding needed to complete the FORA ESCA project and is pleased to report that the funds have been included in the 2008 appropriations bill at this time. These funds, if they are not cut, are expected to be available by 6/1/08. Mr. Arago said funds for the Seaside Basin Water project have been included in the Bureau of Reclamation and the Interior Department budgets. He reported that the Assistant Secretary for Veterans Affairs is expected to visit the former Fort Ord in August for a progress report on the joint veterans/active duty military health clinic project, among other things.

Item 4b – State Senate: No report.

Item 4c - State Assembly: Colleen Freeman reported on recent action in the budget conference committee and said the "Green Building" bill had been sent to the Governor for his signature. She gave a progress report on the housing assistance bill, which has passed, minus the first-time homebuyers section which was deleted.

5. Old Business

Item 5a – Report from JEA & Associates - (i) FORA's 2007 State Legislative Matrix: John Arriaga reported that the conference committees had completed their work last Friday, which resulted in voting along party lines. He said the transparency issues are still outstanding and the two political parties have each scheduled press conferences. The remaining budget issues have still not been resolved. (ii) Update on the State Legislative Session: He reported on the infrastructure bond bills, many of which are on hold or tied to hearings scheduled for next week. He reported on the following bills that are on the FORA matrix: AB 1283 (affordable housing), SB 303 (local government: housing), SB 834 (local agency military base recovery area) and AB 1053 and 1252 (Proposition C). Mayor Rubio asked about the status of AB 834, and Mr. Arriaga responded that the bill was "not going anywhere" at the moment but that Senator Maldonado has agreed to accept the bill. Executive Officer Houlemard suggested talking to the CA Redevelopment Association and the Governor when the FORA group is in Sacramento. Suzanne Fox reported on ACA 8 and SB 887, the constitutional amendment and bill concerning eminent domain reform.

6. New Business

Item 6a – 2007 Legislative Session (July 13th Board Meeting): John Arriaga and Linda Stiehl confirmed that Assemblymembers Laird and Caballero would attend. At this time, Senators Maldonado and Denham are unable to attend but will send representatives to give their reports. If Congressman Farr remains in Washington, DC, for a vote that afternoon, District Representative Alec Arago will give his report.

Item 6b – Follow-up to June 11th Meetings in Sacramento: Executive Officer Houlemard reported that the meeting with John McCamman, Chief Deputy Director of the CA Department of Fish & Game, resulted in many positive comments about the department's recent review of the current Habitat Conservation Plan draft. Mr. McCamman said he would attend the August 10th FORA board meeting to give a short presentation and respond to questions. Mr. Houlemard said a letter signed by Chair Russell memorializing the meeting's main points had been sent to Director McCamman.

7. Announcements/Correspondence

Executive Officer Houlemard reported that the Army's FOSET and Public Notice requesting public comments are now available on the www.fortordcleanup.org website. He said FORA had received a letter from the Fort Ord Environmental Justice Network, the day after the public notice was released, requesting a 30-day extension for the comments.

8. Adjournment - The meeting was adjourned at 3:53 p.m.

Minutes prepared by Linda Stiehl, FORA Executive Assistant

Fort Ord Reuse Authority

100 12th Street, Building 2880, Marina, CA 93933
Tel: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

APPROVED

MINUTES
of
LEGISLATIVE COMMITTEE MEETING
Wednesday, October 31, 2007, at 3:00 PM

1. **Call to Order and Roll Call**

Chair/Mayor Russell called the meeting to order at 3:18 p.m. The following members, and others, were present:

Present:	Chair/Mayor Joe Russell, Supervisor Lou Calcagno, Mayor Ralph Rubio, Mayor Ila Mettee-McCutchon, Rito Guerra (15th State Senate District) and Alec Arago (17th Congressional District)
Absent:	Supervisor Jerry Smith and Colleen Freeman (27th State Assembly District)
By telephone:	John Arriaga and Suzanne Fox (JEA & Associates)
FORA Staff:	Michael Houlemard, Executive Officer Linda Stiehl, Executive Assistant

Other attendees: Christina Watson (TAMC) and Kathleen Lee (Supervisor Potter's assistant)

2. **Public Comments** - None

3. **Approval of the July 3, 2007 meeting minutes**

A motion to approve the July 3, 2007 minutes was made by Supervisor Calcagno, seconded by Mayor Mettee-McCutchon, and carried.

4. **Reports from Legislative Offices**

Item 4a – U.S. Congress: Alec Arago reported that the House Military Construction (Milcon) bill is currently in conference, and $320 million have been earmarked as BRAC Legacy Funds, which is $50 million more than the House committee recommended and $100 million than the Pentagon requested. Congressman Farr is hopeful that this figure will make it through the Senate. These funds could be the source of the $40 million needed to fulfill the Fort Ord ESCA grant award. Mr. Arago said the Pentagon still needs to send the Seaside/Army land swap documents to Congress for the 30-day review period. Special Counsel at Kutak Rock said remaining issues concern the sources of water and how the FORA Board will act on the agreement. He said Rochelle Dornatt had asked if an event marking the finalizing of this agreement is being planned.

Item 4b – State Senate: Rito Guerra distributed copies of Senator Maldonado's 2007 Legislative Update. He reported that (1) seven of the senator's bill have been signed this year; (2) the health care debate is still ongoing (The Senator has two health care bills: health savings accounts, which need to be conformed to the federal tax laws, and electronic medical records.); and (3) SJR 7 (mandating that 25% of the state's energy come from renewable sources by 2025) passed the full Legislature. He said the Senator and his staff are still monitoring FOSET 5 activities and will provide updates as they occur. Executive Officer Houlemard explained that process as follows: the Army will transmit the FOSET 5 documents to Mr. Davis' office; from there they will be forwarded to the Governor; it will probably be six weeks before the Governor signs them and another three before they are forwarded to FORA. He said the agreement with the Environmental Protection Agency cannot be executed until the FOSET is fully executed. John Arriaga expressed appreciation for Senator Maldonado's assistance in paving the way for all this to happen as quickly as possible. Supervisor Calcagno asked if the agriculture freeze bill were retroactive, and Mr. Guerra said he would check.

Item 4c - State Assembly: In Ms. Freeman's absence, Executive Officer Houlemard reported he had attended meetings in Sacramento to discuss the Central Coast Veterans Cemetery and noted that Assemblymember Laird is still focused on funding it.

5. Old Business

Item 5a – Report from JEA & Associates – John Arriaga reported that the Legislature has now adjourned but that two special sessions, one regarding water and the other agriculture issues, are continuing. He said most of the unfinished items have been pushed to January. Mr. Arriaga followed with comments from "FORA's 2007 Priority Legislation – As of Final". He said that if the infrastructure bonds were not handled in the budget process, they would be carried over. Suzanne Fox reported that the Governor had vetoed SB 964 (Brown Act changes) and that AB 153 had passed and been signed by the Governor. She said SB 834 (local agency base reuse area) is now a 2-year bill. Executive Officer Houlemard commented that the City of Seaside, which had supported this bill, does have options/alternatives and the issue is included in FORA's 2008 Legislative Agenda. He added that most of FORA's priority bills need to be monitored, especially the 2-year bills. Mayor Russell asked about the status of 1C bonding (roads funding), and Ms. Fox said funding had been approved and that projects must be forwarded and approved first. Rito Guerra noted that smaller cities had received funds in the early rounds.

Item 5b – Coordination of Governor's FOSET 5 approval: Executive Officer Houlemard said the numerous meetings in Sacramento attended by FORA officers and staff had garnered support for moving the Governor's approval ahead as quickly as possible.

6. New Business

Item 6a – Draft of FORA's 2008 Legislative Agenda: Executive Officer Houlemard summarized each item and noted that they were not presented in any priority order. Re Item D (support of legislative adjustment that would allow the reprogramming or transfer of funds from one former Fort Ord Redevelopment Area to another): Mr. Houlemard said work on the specific language is probably needed, because of the abuses in the 1990's. After discussion **a motion to accept the 2008 Legislative Agenda, including some additional language in Items C and F and the addition of a new Item G (working with TAMC to secure funds from the transportation bonds approved in November 2006) was made by Mayor Rubio, seconded by Mayor Mettee-McCutchon, and carried.**

Item 6b – State 1C funding – Department of Housing and Community Development (HCD) and California Department of Transportation (Caltrans): Executive Officer Houlemard reported that staff had prepared a letter of support from FORA indicating FORA would work with TAMC to secure some of these funds. He said he had met with Chris Westlake (HCD) and received support there also. John Arriaga said it would be important to talk to Mr. Westlake about infill funds.

7. **Announcements/Correspondence**

Alec Arago reported that the Army is in the process of restructuring soldier units and Hunter Liggett may be chosen to receive one, which would mean that 3,500 soldiers and 6,000-16,000 people would be relocating there. He said the final review would take place in late November. Congressman Farr has been lobbying to include Camp Roberts in the restructuring.

Executive Officer Houlemard stated that the Legislative Committee has been functioning with only four of its five appointed members, and a letter from Supervisor Potter had been received, stating that the Board of Supervisors had recommended him as the substitute for Supervisor Smith during his illness. The Executive Committee will consider this matter at their meeting later today.

Executive Officer Houlemard noted that a joint legislative meeting among FORA, TAMC, MST and the County had been scheduled for November 2nd with the purpose of collaborating their efforts to secure transportation funds from the State. John Arriaga said that Senator Feinstein had encouraged coordination of legislative agendas by small agencies in California, because it allows him to circulate issues and needs with the legislators before the deadline to introduce new legislation, which is about the third week in January or early February.

8. **Adjournment** - The meeting was adjourned at 4:05 p.m.

Minutes prepared by Linda Stiehl, FORA Executive Assistant

Fort Ord Reuse Authority

100 12th Street, Building 2880, Marina, CA 93933
Tel: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

APPROVED

MINUTES
of the
LEGISLATIVE COMMITTEE MEETING
Monday, January 28, 2008, at 1:30 PM

1. **Call to Order and Roll Call**

Chair/Mayor Russell called the meeting to order at 1:40 p.m. The following members, and others, were present:

Present:	Chair/Mayor Joe Russell, Mayor Ralph Rubio, Supervisor Dave Potter, and Rochelle Dornatt (17th Congressional District). Mayor Mettee-McCutchon arrived after the meeting was called to order.
Absent:	Supervisor Lou Calcagno, Rito Guerra (15th State Senate District), and Colleen Freeman (27th State Assembly District)
By telephone:	John Arriaga, Suzanne Fox and Erica Arriaga (JEA & Associates)
FORA Staff:	Michael Houlemard, Executive Officer Linda Stiehl, Executive Assistant

2. **Public Comments** - None

3. **Approval of the October 31, 2007 meeting minutes**

A motion to approve the October 31, 2007 minutes was made by Mayor Rubio, seconded by Supervisor Potter, and carried.

4. **Reports from Legislative Offices**

Item 4a – U.S. Congress: Rochelle Dornatt said it is still early in the current session but the growing housing slump has prompted Congress to pass legislation to assist current mortgage holders and stimulate the housing market, e.g., new loans from Fannie Mae. She reported that Phil Grone, former Deputy Undersecretary of Defense for Installations and Environment, is now gone and an appointment is pending for Wayne Arne to fill the position. She said Congressman Farr has received comments about his appointment and will be weighing in on it.

Item 4b – State Senate: Executive Officer Houlemard reported that Rito Guerra would be away on National Guard duty until March 1st and a temporary replacement had not been designated by Senator Maldonado.

Item 4c - State Assembly: No report had been received from Ms. Freeman, who was absent.

5. Old Business

Item 5a – Report from JEA & Associates – update on state budget and other news from Sacramento – update on state budget and other news from Sacramento: John Arriaga reported that the legislators returned on January 2nd; the Governor's State of the State speech was on January 8th; and the 2008-09 budget was announced on January 10th. He said there have been numerous hearings on the carryover bills and the special session has focused primarily on how to deal with the projected deficits. He noted that Thursday, January 31st, is the last day for bills carried over from last year to be acted upon. There have been numerous hearings regarding the budget, particularly concerning the deficit but also on water and health care issues in the other two special sessions. He said the possible change in term limits has become a big issue in the February 5th elections.

Suzanne Fox, Legislative Policy Director and Vice President at JEA & Associates, reported that the Governor had mentioned in his State of the State speech a constitutional amendment related to budget deficits and a strategic growth plan, along with using more general obligation bonds and public service items in moving forward. She suggested watching AB 32, which would create a climate change policy to be drafted by a strategic growth council. She commented on the progress of the budget in the current special session and said the legal language had not been returned yet, but it is still within the 45-day limit. The legislators are still gathering information on the $4 billion budget reductions proposed by the Governor, in a budget that must be passed by early February. It is unclear what will happen if the 45-day deadline passes without action on the budget. She added that the reduction in State Parks, which has impacted the opening of the Fort Ord Dunes State Park, is not being discussed during the special session.

Executive Officer Houlemard asked about SB 834, the Correa bill that could provide assistance to the Seaside and the County projects, and Mr. Arriaga responded that this bill is essentially dead now, unless another vehicle can be found to carry it. Mr. Houlemard commented that the redistribution of the tax increment will mostly occur after FORA sunsets. Mr. Arriaga said that language covering this had been submitted to Senator Maldonado, who is awaiting an opinion from the legislative counsel.

Item 5b – Coordination of FOSET 5 approval by the Governor and update on media event celegrating land transfers on former Fort Ord: Ms. Fox stated that State Parks pulled back from the Fort Ord Dunes park because of the Governor's proposed budget reductions but the agency does not support a proposal to "close" this park, which has yet to open officially. She added that State Parks has reviewed the deed and is aware that the parcel might be turned over to the National Park Service; however, one signature is missing from the deed, namely, the California Finance Department. Mr. Houlemard remarked that the parcel will probably be transferred from the Army to FORA as an EDC parcel and then transferred to the County of Monterey, which has indicated an interest in developing the property into a county park. Clarification is needed on this issue.

Executive Officer Houlemard reported that there are three items in the FOSET 5 deed that are problematic: (1) a covenant indicating that an Habitat Management Plan infraction would trigger all properties to be returned to the federal government, (2) the term "remediation" needs to be changed to "munitions response" (or vice versa) and approved by the Office of General Counsel; and (3) another minor language issue. After these items are resolved, the deed will be sent to the Governor for his signature. In the meantime, both the Army is funding the regulators' work, which appears to be a

waste of tax dollars. He estimates that the properties will be transferred sometime in April and it will be important to the officials from DTSC and EPA, Congressman Farr, and other committee members to gather together for a media event to celebrate the transfers. A date will be set when the FOSET is signed and received. Mr. Arriaga asked to be kept in the information loop.

6. **New Business**

Item 6a – Discussion of 2008 federal and state Legislative Missions and the Legislative Session: Executive Officer Houlemard remarked that there are only a few federal issues to be pursued in Washington, DC, this year, e.g., transportation funding, HCP approval by U. S. Fish and Wildlife Service, and seeking assistance with EPA in getting Brownfield funding to help with building removal. He also noted that the Department of Commerce might have funding available and suggested that one-day of meetings would probably be enough.

Re state issues: Mr. Houlemard called attention to the State Parks funding issues regarding the Fort Ord Dunes State Park, adding that discussions with Mike Crisman, head of the Resources Department would be beneficial. Discussions with DTSC regarding ESCA matters, a meeting with the Department of Labor to determine the availability of federal funds for training, and water issues (how the Division of Ratepayer Advocates Regional Environmental Program Oversight Group's proposed plan would impact this area) are other items to consider pursuing.

Legislative Session date: **Motion to set the April board meeting for the annual Legislative Session was made by Supervisor Potter, seconded by Mayor Rubio, and carried.** A letter from the FORA Board Chair to each legislator will be sent and Mr. Arriaga will follow up in Sacramento.

Federal Legislative Mission date: The members recommended no action at this time.

State Legislative Mission date: Since there were a number of possible conflicts with several suggested dates, staff will circulate the recommended dates (now March 27-28) for feedback from the potential attendees.

Item 6b – Approval of 2008 meeting dates: **Motion to approve the proposed meeting dates, with the following changes: March 6th at 2:00 pm instead of March 3rd at 1:30 pm, June 9th instead of June 2nd, November 10th instead of November 3rd, and December 8th instead of December 1st, was made by Mayor Rubio, seconded by Supervisor Potter, and carried.** A final, approved calendar will be distributed to the members and posted on the FORA website.

7. **Announcements/Correspondence** - none

8. **Adjournment** - The meeting was adjourned at 2:25 p.m.

Minutes prepared by Linda Stiehl, FORA Executive Assistant

Fort Ord Reuse Authority

100 12th Street, Building 2880, Marina, CA 93933
Tel: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

DRAFT

MINUTES
of the
LEGISLATIVE COMMITTEE MEETING
Monday, April 28, 2008, at 1:30 PM

1. Call to Order and Roll Call

Chair/Mayor Russell called the meeting to order at 1:37 p.m. The following members, and others, were present:

Present:	Chair/Mayor Joe Russell, Mayor Ralph Rubio, Supervisor Dave Potter, Mayor Gary Wilmot, Colleen Freeman (27th State Assembly District), and Alec Arago (17th Congressional District)
Absent:	Supervisor Lou Calcagno and Brandon Gesicki (15th State Senate District)
By telephone:	John Arriaga and Suzanne Fox (JEA & Associates)
FORA Staff:	Michael Houlemard, Executive Officer Linda Stiehl, Executive Assistant
Also present:	Bob Schaffer and Christina Watson

2. Public Comments - None

3. Approval of the January 28, 2008 meeting minutes

A motion to approve the January 28, 2008 meeting minutes was made by Mayor Rubio, seconded by Supervisor Potter, and carried. Mayor Wilmot abstained because he was not a committee member in January.

4. Reports from legislative offices

Item 4a – U.S. Congress: Alec Arago said that Congressman Farr and his chief of staff, Rochelle Dornatt, were attending the funeral of General Gourley's wife at Arlington National Cemetery at this time. He reported that all the appropriation bills are being held until the new president takes office. He mentioned funding assistance for wastewater pollution and recycled water projects. Mr. Arago said he had no updates on the overall budget, however, FORA's remaining $28 million due for the Environmental Services Cooperative Agreement (ESCA) project was included in the funding requests.

Item 4b – No report

Item 4c - State Assembly: Colleen Freeman distributed a summary of Assembly Member Laird's 2008 legislation and pointed out bills of interest to the members. Mayor Rubio requested the full text of AB 2175, a water conservation bill. Mr. Arriaga remarked that this bill is tied to water project grants and advised that proposed plans should be ready for submittal by 2010 or 2012, when grants will be awarded. Mayor Russell asked for an update of AB 2270 (funding of recycled water). Ms. Freeman will email information about the two bills to FORA for distribution to the committee members.

5. Old Business

Item 5a – Report from JEA & Associates – update on state budget and other news from Sacramento – update on state budget and legislative action from Sacramento: John Arriaga reported that a number of subcommittee hearings will be occurring in late May, once the May Revise is released and the April 15th tax collections are calculated. A $2 - $5 billion additional deficit is anticipated to be announced. He said the deadline for fiscal bills has passed and more action on the bills will occur in late May.

Item 5b – Covenant Deferral Request ("CDR"): (1) Concurrence by the Governor, (2) Land transfer schedule and (3) Plans for media event: Executive Officer Houlemard reported that a number of positive responses had been received from the environmental regulators, including a letter from U.S. EPA Region IX indicating their support of the Governor's approval of the CDR. Mr. Houlemard reported that the CDR package had been sent to the Governor a few weeks ago and letters had been sent supporting his early signing of the document, which will allow the early transfer of properties. He said a letter has also been sent to the Governor's San Francisco regional office inviting him to participate in a media event on former Fort Ord celebrating the land transfers. Congressman Sam Farr has also been included in the planning of this event, which is expected to occur between mid-May and the end of June. Mr. Houlemard said that some of the properties would probably transfer as soon as a week or two after FORA receives the concurrence letter; other transfer will be somewhat later.

Item 5c – Follow-up to Legislative Missions:

5c(1) - Sacramento (State) – March 27-28: Chair Russell said that he, Mayor Rubio and Executive Officer Houlemard had represented FORA in the meetings. Mr. Houlemard reported that there were many "full and frank" discussions, in particular, reminding CA Department of Fish & Game that when an agency accepts land from the federal government and the deed obligates the agency to develop and maintain this property with adequate funding, requests for this funding from the adjacent jurisdictions will not fulfill this obligation. Alec Arago asked how this affects Seaside and their land swap, where the city has already dedicated considerable funding toward the obligations. Supervisor Potter noted that the State Parks Department is already having to close state parks because of budget cuts. Mayor Wilmot asked if there were enough money to fund the Habitat Conservation Plan. Mr. Houlemard replied yes, that Assembly Member Laird had set up the mechanism several years ago. Supervisor Potter reiterated the County's interest in the Fort Ord dunes property. Mr. Houlemard reported that the tax increment language to be used for commercial development on former Fort Ord is moving forward. He said that Resources Secretary Chrisman said he would continue to assist FORA with the main habitat issues but encouraged working with lower level staff members first. Mr. Houlemard summarized the two days of meetings as being very "full, frank, and productive."

5c(2) –Washington, DC (Federal) – April 21-24: Executive Officer Houlemard reported that he had met with Congressman Farr and discussed the Habitat Conservation Plan funding issues. Mr. Farr said he would work to get a full funding commitment by the Department of the Interior by inserting specific language in a bill specifying that funding obligations must be honored by federal agencies, which is

also a larger policy decision and a legal obligation, according to Special Counsel Barry Steinberg. Alec Arago recommended working with Steve Thompson (the CA/Nevada Operations Manager for U.S. Dept. of Fish & Wildlife Service); Mr. Steinberg will also begin negotiations with the Department of Justice. Mr. Houlemard reported that the meeting with the U.S. Department of Housing and Urban Development, and earlier with Senator Maldonado's and Assembly Member Laird staffs, indicated that forming a consortium and participating in a housing fair with others would open the possibility of receiving grant funding, which would result in local control of revenue, eliminating overhead costs. Mr. Houlemard reported that securing funding from the Department of Defense for a right-of-way had been successful. Mr. Arago reported on other funding issues.

6. **New Business**

Item 6a – FORA 2008 Priority Legislation: Executive Officer Houlemard said that most of the proposed bills had been labeled WATCH and proceeded to review the ones with positions of SUPPORT or OPPOSE that had an impact on former Fort Ord redevelopment. Selected comments follow: (1) AB 1970 (habitat mitigation) – OPPOSE. John Arriaga said it was almost a direct hit on FORA, because if approved it could conceivably interfere with the Habitat Conservation Plan. He said the bill did not get out of committee, so its future is doubtful. (2) AB 2005 (state parks) – SUPPORT. Mr. Arriaga said this bill is now dead. AB 2046 (water supply assessments) – OPPOSE. Mr. Houlemard reported that this bill interferes with FORA projects but that it is moving ahead. (3) AB 2239 (Fort Ord Reuse Plan) – WATCH. This bill has been pulled by the author, Assembly Member Anna Caballero, who has requested an opinion by the attorney general and expects to have the FORA language inserted in another bill. (4) AB 2270 (recycled water) – SUPPORT. This bill is moving forward. (5) AB 1252 (Proposition 1C – housing-related Parks Program) – WATCH. Mayor Rubio asked about this bill and Mr. Arriaga said it was a hostile amendment and recommended a close WATCH position. (6) AB 2451 (workforce housing) – WATCH. Mayor Wilmot asked about this bill and Mr. Arriaga said it was a spot bill that never got out of committee. Mr. Houlemard said it carried no tax benefits but was a "good idea not ready for prime time." (7) ACR 93 (political campaign signs) – WATCH. The members agreed to remove this bill from the matrix. **Motion to adopt the draft FORA 2008 Priority Legislation matrix, as presented and changed and to recommend approval to the board, was made by Supervisor Potter, seconded by Mayor Wilmot, and carried.**

7. **Announcements/Correspondence** - none

8. **Adjournment** - The meeting was adjourned at 2:45 p.m.

Minutes prepared by Linda Stiehl, FORA Executive Assistant

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject:	Fort Ord Reuse Authority sunset provisions – status report	
Meeting Date:	May 9, 2008	**INFORMATION**
Agenda Number:	11d	

RECOMMENDATION(S):

Receive a report from Fort Ord Reuse Authority ("FORA") staff describing sunset provisions in FORA's enabling legislation .

BACKGROUND/ DISCUSSION:

In Summer 2007, the FORA Board directed staff to investigate existing law, evaluate options, and prepare a report analyzing FORA's sunset provisions during the 2007/2008 fiscal year. To accommodate this directive, staff is reviewing FORA's enabling legislation and meeting with Local Agency Formation Commission of Monterey County ("LAFCO") staff to plan a workshop for the FORA Board in May or June.

During the FORA Board workshop, FORA and LAFCO staff will describe FORA's sunset provisions, provide an outline of the process, and answer questions.

FISCAL IMPACT:
Reviewed by FORA Controller

FORA staff time devoted to this effort will be absorbed by the current operating budget.

COORDINATION:

Future coordination will be required with Administrative Committee, Executive Committee, LAFCO, and FORA jurisdictions.

Prepared by Jonathan Garcia
Jonathan Garcia

Reviewed by D. Steven Endsley
Steve Endsley

Approved by
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT		
Subject:	Fort Ord Reuse Authority Investments - Status Report	
Meeting Date:	May 9, 2008	**INFORMATION**
Agenda Number:	11e	

RECOMMENDATION:

Receive the Fort Ord Reuse Authority (FORA) FY 07-08 investments report (ending April 30, 2008).

BACKGROUND/DISCUSSION:

On December 8, 2006 the FORA Board approved adjustments to the investment policy, which requires the FORA management to provide quarterly investment reports to the FORA Board. The policy continues to be periodically reviewed to make sure that it accommodates FORA's cash flow and investment needs.

During this reporting period FORA withdrew $400,000 from the account to finance FORA CIP activities. As of April 30, 2008, the ending balance in the investment account was $4,597,503.

Financial Institution	Investment Type	Yield (Annual)	Portfolio Percent	4/30/08 Balance	12/31/07 Balance	Maturity
First Nat. Bank	**PrimeVest Investment Account**					
	Mutual Funds and Bond Funds	0.49%	99.85%	4,590,427	5,123,469	Liquid
	CODs		0.00%	-	-	Withdrawn
	Money Market Acct	3.10%	0.15%	7,075	54,358	Liquid
	TOTALS		**100.00%**	**4,597,503**	**5,177,827**	

FISCAL IMPACT:

The stock market slowdown and two large withdrawals have affected FORA's earnings in the past several months. Mutual funds showed a loss of $17,475 for FY, with the biggest earning loss in the first quarter 2008; the average yield for the quarter ending March 31, 2008 was -6.48%; however, the yield for April 2008 was +3.78% and .485 % for the past twelve months.

Per FORA investment policy, the Finance Committee reviewed the investment account at its April 28, 2008. The investment account manager (John Pira, First National Bank) indicated that over time we should anticipate the cyclical nature of investments and the recent loss experience is clearly outweighed by the substantial gains of the past years. In addition, Mr. Pira noted that the overall investment portfolio will benefit from the recovery of FORA's diversified investment policy. He suggested, and the FC confirmed, increasing bond investment by approximately 5% in the portfolio.

COORDINATION:

John Pira, First National Bank

Prepared by: Ivana Bednarik

Approved by: Michael A. Houlemard, Jr.

DEFENSE 360

MAY 2.08

A WEEKLY PERSPECTIVE ON THE NEWS AND ISSUES FACING COMMUNITIES WITH ACTIVE AND CLOSED MILITARY BASES

~ LATE ARRIVAL ~

See article on page 4 about Chartwell School, the first complete educational campus to earn the U.S. Green Building Council's highest rating for environmental sustainability.

HOUSING PRIVATIZATION INITIATIVE CAN WITHSTAND RECENT BREAKDOWNS

Problems at four Air Force housing privatization projects that have resulted in subcontractors going unpaid and construction falling about two years behind schedule are an anomaly and do not indicate the need for changes to the program, say Pentagon and private sector officials involved in the military's privatization initiative.

"I haven't seen anything showing a fundamental problem that needs to be fixed," said Joe Sikes, director of DOD's housing and competitive sourcing office.

Sikes' comments come as Hunt Pinnacle Group continues talks to acquire the troubled projects — located at Little Rock Air Force Base, Ark.; Patrick AFB, Fla.; Moody AFB, Ga.; and Hanscom AFB, Mass. — from American Eagle Communities. Hunt Pinnacle signed a letter of intent last month with the projects' owners, setting the terms for discussions which could culminate in a purchase and sales agreement. The joint venture — composed of El Paso, Texas-based Hunt Development Group and Seattle-based Pinnacle — has existing deals with the Air Force to build and operate family housing at 12 installations and with the Army at one post.

"There still is some negotiating to do. [But,] a letter of intent ... makes everybody serious," Sikes said.

Although construction has stopped at the four bases, American Eagle continues to maintain the inventory of housing there. The American Eagle partnership consists of Carabetta Enterprises and Shaw Environmental & Infrastructure; the Moody project, however, is solely owned by Carabetta.

Two other family housing projects owned by the partnership also are changing hands. Last November, the company sold its project in the Navy's Northwest region to Cleveland-based Forest City Enterprises. The effort includes 2,985 housing units at several installations in the Puget Sound, Wash., region. The Army project at Fort Leonard Wood, Mo., is in the process of being transferred to GMH Military Housing, said Rhonda Hayes, chief of transaction management for the Army's office of the deputy assistant secretary for privatization and partnerships. The Army is trying to complete the sale by May 31. The only problem the project has experienced, Hayes said, is that the contractor fell slightly behind schedule in building new homes.

A Bad Apple?

The four Air Force projects — started after deals were closed in 2003 and 2004 — had fallen significantly behind schedule by the time construction stopped last year. At Little Rock, American Eagle had completed 25 new units and renovated three; the project scope called for a total of 468 new and 732 renovated units. Similarly at Patrick, the company finished just 163 units out of a total scope of 552, according to the Air Force. Only 18 new units were built at Hanscom and none were finished at Moody.

Privatization, continued on pg. 2

CONTENTS

A PUBLICATION OF THE
ASSOCIATION OF DEFENSE COMMUNITIES

(Privatization, continued from cover page)

Subcontractors have borne the brunt of American Eagle's financial difficulties, as the company has failed to pay them for millions of dollars of work already completed.

"Instead of the quality housing our military families deserve, there are rows of cement floors, unfinished housing and unpaid bills to subcontractors," Sen. Mark Pryor (D-Ark.) noted in reference to 70 concrete slabs workers poured before the company stopped construction one year ago.

The main causes of the company's woes were substantial cost overruns and low occupancy rates. The cost overruns were due to inaccurate cost estimates by the project owner, according to the Air Force. Low occupancy stemmed from the company's failure to keep to the schedule for renovating existing units and building new ones, leaving primarily undesirable units that have not been modernized available for lease, the service said.

Sikes characterized the root cause of the project failures as a "combination of difficult deal structures and poor performance." The financial terms of the deals reached between the Air Force and American Eagle left the company little room for error, he said.

Still, the consensus among military officials and industry experts is that the turmoil American Eagle experienced was unique to the company and not a symptom of underlying problems with DOD's housing privatization initiative.

"I think that the biggest danger to the program would be an overreaction to the situation," said Jeffrey Simon, president of Actus Lend Lease, one of the program's major players.

With a prospective buyer for the American Eagle's projects in hand, Simon believes the situation demonstrates "a maturing" of the privatization initiative: "In any given portfolio of real estate, there will be a certain number of projects that fail, either because of mistakes by the developer, changes in markets or other reasons both internal and external. But what we've seen here is that the safeguards that were put in place in the beginning worked reasonably well, if not reasonably fast."

Barry Scribner, managing director for Jones Lang LaSalle, echoed Simon's view that failures are inevitable. The key, Scribner said, is not to structure the program to completely eliminate the possibility of failures, but rather to provide a means to resolve issues that may arise.

"In that sense, all three services have shown they have that ability," he said.

Scribner, whose firm supports the Air Force's and Army's housing privatization initiatives, added that he was confident DOD will successfully emerge from the current troubles: "There's no bailout. We don't have a Bear Stearns situation."

A recent DOD assessment of the overall financial health of the owners of housing privatization projects concluded they were in good shape. "With 87 awarded MHPI [Military Housing Privatization Initiative] projects involving over 173,000 units, the likelihood of developers experiencing financial stress is low across the board," Wayne Arny, the Pentagon's top official for installations, said in written testimony submitted in March to the Senate Armed Services Readiness Subcommittee.

Congress Weighs In

Lawmakers in districts affected by American Eagle's projects are considerably less sanguine about the company's breakdowns and what they see as their significance for the future. This week, Congress' two most outspoken critics of American Eagle and the Air Force's role in managing the projects, Pryor and Georgia Sen. Saxby Chambliss (R), inserted language in the fiscal 2009 defense authorization bill to require more stringent oversight of housing privatization projects.

The provision — based on legislation previously introduced by the two senators — would require greater interaction among the government and private entities involved in projects, establish minimum bonding levels, specify procedures to be used in the case of schedule or performance problems, and ensure DOD maintains a database of entities that achieve unsatisfactory performance ratings on such projects, according to a summary provided by Pryor's office. The measure also calls for the military to use best practices.

"This provision, requiring greater oversight and

Privatization, continued on pg. 3

PRESIDENT
Michael A. Houlemard, Jr.

CEO
Jeffrey A. Finkle

EXECUTIVE DIRECTOR
Eileen Giaimo

MANAGING EDITOR
Dan Cohen

Defense Communities 360 is published weekly by the Association of Defense Communities. If you have any questions about the newsletter, please contact:

Dan Cohen, Managing Editor
Association of Defense Communities
734 15th St., NW, Suite 900, Washington, DC 20005
202/942-9472; fax: 202/822-8819
Email: *dcohen@defensecommunities.org*
Internet: *www.defensecommunities.org*

(Privatization, continued from pg. 2)

accountability, should prevent this problem from occurring in the future," Pryor said in a written statement.

A separate provision in the defense authorization bill, if it becomes law, can be expected to complicate American Eagle's efforts to sell the four projects. The language, offered by Florida Sen. Bill Nelson (D), would require the Air Force to submit a cost-benefit analysis to Congress justifying a transfer to a new owner of the land the government handed over to American Eagle to build housing for Patrick AFB. The Air Force, which is a partner with American Eagle in the Patrick project, had given about 300 acres of a government-owned barrier island off Florida's Atlantic coast to the company, according to Nelson. After being allowed to sell 100 acres of the property, the company was to build new housing on the remaining acreage.

Nelson, upset that the contractor built only 30 percent of the units called for before stopping all work, said he is trying to protect the government's interest in the 200 acres that would transfer to a new owner taking over the project.

The Air Force has the right to seek damages from American Eagle, but instead, the service indicated "it intends to give up these rights in order to entice a new developer to come in and complete unfinished housing jobs at three other bases," according to a written statement from Nelson's office.

"I urge you to stop any plans to divest interest in the Patrick housing project," Nelson urged Air Force Secretary Michael Wynne in an April 25 letter.

Following passage by the Armed Services Committee April 30, the next step for the authorization bill is the Senate floor. 360

SENATE PANEL APPROVES '09 AUTHORIZATION BILL

The Senate Armed Services Committee voted to authorize full funding for BRAC 2005 "without intervening or playing favorites in that process," according to a summary of the FY 2009 defense authorization bill released by the committee yesterday. The panel approved the measure April 30.

In February, the Pentagon requested $9.1 billion to carry out the 2005 round of base closures during FY 2009.

Another provision in the authorization bill calls for adding $20 million to the Readiness and Environmental Protection Initiative to reduce encroachment at military training sites through the creation of compatible-use buffer zones. Last month, a bipartisan group of a dozen senators urged the Senate Defense Appropriations Subcommittee to add $35 million to President Bush's $40 million FY 2009 request for the program.

One measure seeks to improve oversight of the housing privatization program. (*See cover story for more information.*)

The legislation also would authorize adding $405 million to the administration's budget request for infrastructure to modernize aging defense facilities and improve the quality of life and productivity of the military.

Additional details on bill provisions affecting installation policy will be available shortly. Committee Chairman Carl Levin (D-Mich.) said he hopes the bill reaches the Senate floor by the end of the month. House Armed Services subcommittees will start marking up that chamber's defense authorization bill next week.

War Supplemental Delayed

Meanwhile, the timing for Congress to move a supplemental war spending bill seems to have slipped until June, reported CQ Today. Democratic leaders recently have been squabbling over whether the bill would be marked up by the appropriations committees or go directly to the floor. Senate Appropriations Committee Chairman Robert Byrd (D-W.Va.) said April 30 his panel would mark up its version of the bill next week. At press time, it was not clear what strategy the House would follow.

Congressional leaders had targeted the Memorial Day recess for completing the supplemental. The bill is expected to contain $100 billion for the military in fiscal 2008 and $66 billion for FY 2009, funding the wars in Iraq and Afghanistan through June 2009, according to CQ Today.

BASE REDEVELOPMENT NEWS

ACADEMY AT FORMER FORT ORD RECOGNIZED AS GREEN PIONEER

A private school located at the former Fort Ord, Calif., was honored this week by the U.S. Green Building Council as the first complete educational campus to earn the organization's highest rating for environmental sustainability. Chartwell School's two-building, 29-acre campus, which opened in September 2006, was awarded LEED (Leadership in Energy and Environmental Design) Platinum certification for a variety of features intended to minimize the use of energy, water and materials, while taking advantage of renewable resources:

- net zero electricity design that relies on a 32-kilowatt solar array
- water saving through the use of waterless urinals, dual-flush toilets and an 8,700-gallon rainwater cistern
- sustainable framing — building 24 inches on center rather than 16 inches used 30 percent less wood
- skylights and windows were sized and placed to take advantage of the sun, saving electricity and reducing requirements for the heating and air conditioning system
- more than 80 percent of the 2,570 tons of debris generated during construction was recycled, cutting the use of landfills

Using sustainable building methods and materials increased the school's construction costs by 9 percent, reported the Santa Cruz Sentinel. The $14 million campus cost only $310 per square foot, however — compared to an average cost of $350 per square foot to build a school in California — because the land required less grading and other mitigation. Chartwell is geared toward teaching children through the eighth grade that have learning difficulties.

NEWS FROM ADC

Awards Deadline Extended!

The deadline to submit nominations for ADC's 2008 Defense Community Awards program has been extended to Friday, May 9.

The awards program recognizes communities and individuals that have demonstrated excellence and leadership in transforming their communities. ADC also recognizes military leaders and executives of the private sector who have helped form partnerships with defense communities. You are invited to submit nominations for any of the 10 facility, community, project/partner and professional awards.

Join ADC is recognizing excellence. Visit our Web site today at *www.defensecommunities.org/?p=Awards* for additional details and to submit your nomination.

ACTIVE DEFENSE COMMUNITIES

NORFOLK BASE SUFFERS LIMITED TORNADO DAMAGE

Naval Station Norfolk suffered damage to cars and buildings this week after a tornado came ashore and traversed part of the base. More than two dozen vehicles sustained blown-out windows and several buildings' roofs were damaged from one of the eight tornadoes that caused an estimated $25 million of damage in southeastern Virginia on April 28. No one was injured at the base, the Navy said.

About 65 miles inland, Fort Lee narrowly averted a tornado that ripped through neighboring Colonial Heights, overturning cars, damaging buildings at a mall and injuring about 20 people.

"It didn't touch us. We were very fortunate," said a spokeswoman for the post.

GEORGIA REAPPOINTS MILITARY AFFAIRS PANEL

The Georgia Military Affairs Coordinating Committee will continue to serve as the state's focal point for supporting the state's military facilities and communities affected by the 2005 round of base closures, after Gov. Sonny Perdue (R) signed an executive order this week reappointing the committee.

"Georgia's military installations serve as cornerstones for the local economies of several Georgia communities and even entire regions of the state," Perdue said. The panel "will strive to ensure the continued economic strength and military viability of Georgia's defense installations and activities," he added.

The committee was created in 1994 at the direction of then-Sen. Sam Nunn (D) to prepare for the 1995 BRAC round.

360 MARKETPLACE

RFPs/RFQs

Great Falls, Mont., Seeks Diversification Strategy

The Great Falls Development Authority (GFDA) is accepting proposals to provide a defense diversification project for the Sweet Grass region of Montana. Scope of work shall include a literary review and completion of six specific tasks related to establishing a regional economic diversification strategy. Tasks will include targeted competitive analysis, data collection, data base construction and identification of best practices. Responses will require a multi-disciplinary team approach in order to complete all facets of the work. The project is funded by the Office of Economic Adjustment.

To obtain the complete RFP, including details on response requirements, contact Lillian Sunwall, GFDA Project Manager, P.O. Box 949, Great Falls, MT 59403, (406) 771-9024, or *lsunwall@greatfallsdevelopment.org*. Responses are due by 4:30 p.m. on May 27.

The 360 Marketplace wants to hear from you! If you have successfully completed a project, been awarded a contract, introduced a new product or have internal staff moves to announce, please send it along. We also are accepting job announcements and contract solicitations, limited to 175 words. All items should be sent to *360feedback@defensecommunities.org*.

Chartwell top environmental campus in U.S.

J.M. BROWN - SENTINEL staff writer
Santa Cruz Sentinel

Article Launched:

SEASIDE -- The Chartwell School, a private academy for students with dyslexia and other learning challenges, was honored Monday as the only complete educational campus in the nation to receive LEED Platinum Certification, the highest rating of environmental sustainability awarded to buildings.

Officials with the U.S. Green Building Council presented the distinguished award at the school's $14 million solar-powered campus on 29 acres inside the former Fort Ord Army base. Besides using zero net electricity, dual flush toilets and carpet and playground equipment made from recycled materials, the school also was applauded for composting, gardening and other "green" activities for its 123 students in grades 2-8, one-third of whom live in Santa Cruz County.

"If one person just does a little bit, you can help the entire community," said 12-year-old seventh-grader Bailey Mentor of Santa Cruz, who along with a couple of classmates regularly hauls the school's food scraps outside for composting.

The Leadership in Energy and Environmental Design certification comes as the school, which works to prepare students to return traditional schools, celebrates its 25th anniversary.

Co-founder Judy Lewis said the top LEED rating and environmentally aware curriculum are natural extensions of the original mission -- to encourage students to take pride in how and what they learn.

"To have this extraordinarily incredible campus on top of what they are learning, it's just fantastic," she said.

According to figures from the state's Office of Public School Construction, the average cost to traditionally manufacture a school in California is about $350 per square feet. Although using green building principles and materials raised Chartwell's costs 9 percent over traditional methods, the project ended up costing around $310 per square feet because the land required less grading and other mitigation.

The new two-building campus, which opened in September 2006, has a net effect of zero pull on the electricity grid by employing a 32-kilowatt photovoltaic system. Large windows and skylights take advantage of natural light, and green flooring encourages radiant heat that reduces the need for the heating or cooling system use.

The campus uses a 8,700-gallon rainwater cistern and waterless urinals to reduce water use. Impurities left behind in metal ore production were added to the concrete laid around the school, making the sidewalk stronger while cutting carbon dioxide emissions 70 percent.

Executive Director Douglas Atkins, who many credited Monday with instrumentally pushing to achieve LEED Platinum Certification, said the school's design encourages students to be "better stewards for all we cherish tomorrow."

Seventh-grader Kent-Harris Repass, 13, of Watsonville, agreed, saying he is proud to attend a green-centered school. "It's important to protect our environment now more than ever," he said.

Contact J.M. Brown at 429-2410 or jbrown@santacruzsentinel.com.

Close Window | Send To Printer

You are Cordially Invited to Celebrate
the Exchange and Receipt of Property on Former Fort Ord
Between the U.S. Army and the City of Seaside

Friday, May 9, 2008
2:00 - 3:00 p.m.
Soper Field Community Center
240 Coe Avenue
Seaside, CA 93955

Scheduled Events Include:

Presentation of Colors/Pledge of Allegiance by Seaside High School Jr. ROTC

Keynote Speakers

Document Signing

Light refreshments will be provided

Please RSVP to Lorie Camino by May 6, 2008
831-899-6728 or lcamino@ci.seaside.ca.us

Fort Ord
Reuse Authority