



APPROVED

FORT ORD REUSE AUTHORITY
ADMINISTRATIVE COMMITTEE MEETING MINUTES
8:30 a.m., Wednesday October 30, 2019 | FORA Conference Room
920nd Avenue, Suite A, Marina, CA 93933

1. CALL TO ORDER

Chair Dino Pick called the meeting to order at 8:30 a.m.

The following were present:

Dino Pick* (City of Del Rey Oaks)
Anya Spear (CSUMB)
Patrick Breen (MCWD)
Layne Long* (City of Marina)
Todd Muck (TAMC)
Craig Malin* (City of Seaside)
Lisa Reinheimer (MST)

Mike Zeller (TAMC)
Melanie Beretti* (County of Monterey)
Steve Matarazzo (UCSC)
Vicki Nakamura (MPC)
Hans Uslar* (City of Monterey)
*Voting member

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Seaside City Manager Craig Malin.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

- Assistant Executive Officer Josh Metz announced a property transfer status update that may be accessed at www.fora.org.
- Mr. Metz reported an Oak Woodland Conservation Plan project update will be added to the November Board meeting consent agenda, pending Executive Committee approval.

4. PUBLIC COMMENT PERIOD

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

No public comments were received.

5. APPROVAL OF MEETING MINUTES

ACTION

- a. October 16, 2019 Meeting Minutes

MOTION: On motion by Committee member Malin, second by Committee member Beretti and carried by the following vote, the Administrative Committee moved to approve the October 16, 2019 meeting minutes.

MOTION PASSED UNANIMOUSLY

6. NOVEMBER 8, 2019 REGULAR BOARD MEETING AGENDA REVIEW

Mr. Metz reviewed the items proposed to appear on the draft Board agenda for November 8, 2019. Mr. Metz noted a second vote is required for Business Item 8a, Terminated Employee Health Benefit Options and Retiree Medicare Reimbursement. Mr. Houlemard stated the Executive Committee will likely approve adding Oak Woodland Conservation Plan update as a Consent Item.

7. BUSINESS ITEMS

INFORMATION/ACTION

a. Overall Capital Improvement Program

i. Habitat Conservation Plan and Schedule

FORA Habitat Conservation Plan (“HCP”) consultant Erin Harwayne reviewed the HCP schedule and confirmed an estimated publishing date of Friday, November 1, 2019. An All Permittees meeting will be held on November 20, 2019 from 9:00 a.m. to 12:00 p.m., followed by a public meeting to review the draft Environmental Impact Statement/Environmental Impact Report (“EIS/EIR”) from 6:00 p.m. to 8:00 p.m. at Soper Field Community Center in Seaside. The Committee was provided a list of invitees to the All Permittees meeting and Mr. Metz encouraged permittees’ legal counsels and executive staff members attend to discuss Joint Powers Authority (“JPA”) formation details.

Economic Planning Systems consultant Ellen Martin presented refined cost allocation scenarios and discussed three potential cost allocation approaches, noting inclusion of additional supporting data may lead to further refinements. Ms. Martin discussed the following potential cost allocation alternatives:

- **Alternative #1:** Community Facilities District (“CFD”) replacement revenues; continuation of the current HCP financing model by allocating costs based on current FORA Capital Improvement Plan (“CIP”) development projections and CFD rates.
- **Alternative #2:** Costs allocation based on remaining developable acres determined by:
 - a) Short Term Planning Pipeline; costs allocated based on FORA CIP forecasts, development projections and average land use density assumptions or;
 - b) Long Term Development Pipeline; costs allocated based on the parcel’s full acreage for development taking place within the fifty-year HCP permit term.
- **Alternative #3:** Water Allocation; costs allocated based on either:
 - a) Potable water allocation based on current potable water for development capacity or;
 - b) Total water allocation based on current potable and recycled water allocation for development capacity.

Ms. Martin provided in depth analysis of the proposed cost allocation alternatives, detailing how costs could be distributed amongst jurisdictions under each scenario. She noted there may be other cost allocation alternatives proposed, as determined by the JPA. Executive Officer Michael A. Houlemard, Jr. noted this is a policy question that will need to be approved by the Board as it pertains to the decision about the application of remnant CDF funding for HCP or other priorities. Ms. Martin and staff answered questions and received feedback from members.

Regional Government Services (“RGS”) consultant Kendall Flint provided a brief review of the JPA finalization timeline, noting the Agreement’s current version does not include the term “successor entity” or reference FORA. Individual agreements between the permittees will be negotiated and

included in the JPA moving forward. Ms. Flint reported RGS continues to monitor comparable instances of JPA implementation statewide, specifically in the counties of San Joaquin, Yolo, Santa Clara and Contra Costa, which have similar habitat conservation concerns as FORA. These four JPAs are also similar in that they involve HCP implementation between multiple agencies, multiple species, sizeable acreage and comparable formation. Ms. Flint provided a analysis of these four counties' JPA formations, management/staffing structures, jurisdiction count, species count, Habitat Management Areas and various HCP fee calculation methods. Per the Committee's request at the October 16, 2019 meeting, Ms. Flint provided comparative analysis of JPA vs. Memorandum of Understanding ("MOU") agreements, noting RGS found all other HCPs are being run through JPA or another governing agency, as opposed to MOU. She reported the primary advantage to JPA over MOU is shielding member agencies from liability and separating them from possible litigation. Ms. Flint reviewed an updated JPA finalization timeline, noting the permittees will be in charge of the JPA, which is a sole entity, and not a successor entity to FORA. She emphasized the JPA would not be associated with FORA in any way other than as recipient of FORA endowment funds. Ms. Flint and staff answered questions from members.

**Marina Mayor Pro-Tem Gail Morton requested additional information regarding what provisions must be included in the JPA if a permittee leaves the JPA. Ms. Flint stated that she would research whether any of the JPAs discussed at this meeting had such provisions. In addition, an analysis of housing development costs and how estimated remaining funds are to be allocated.*

ii. Review Building Removal Bond Legal Documents

Executive Officer Michael A. Houlemard, Jr. introduced the item, noting staff is working with Bond Counsel and Department of Finance to clarify whether obligations will be on individual jurisdictions' Recognized Obligation Payment Schedule ("ROPS") or a statutory pass-through. He reported FORA bond consultants are moving forward in preparing necessary legal documents and anticipates bond issuance in the coming months. Mr. Houlemard emphasized the bonds create a regional benefit by providing jurisdictions enough revenue to complete building removal after FORA's June 30, 2020 dissolution. He noted Monterey County's concern regarding determination of the bond's public benefit, and stated staff anticipate providing a recommendation to the Board in December. Senior Project Manager Peter Said stated bond counsel presented the following technical items to the Board for clarification at the October 11, 2019 meeting: 1) acceptance of a successor agency, 2) establishment of covenant to put bond issue on the ROPS, and 3) scheduling a county public hearing. Mr. Said reported draft legal documents were sent to the Administrative Committee for review on October 8th and requested any feedback or questions from members be submitted to staff for consideration/incorporation. Mr. Said and staff answered questions from members.

**Lisa Reinheimer of Monterey-Salinas Transit ("MST") requested clarification regarding MST's 1.75% allocation and associated estimated building removal cost. Mr. Said stated he would provide a current cost assumption list.*

iii. Review Final Draft Transportation Study

Mr. Said presented an updated final draft Transportation Study. Per the Committee's request, Kimley-Horn planning consultants analyzed the impact of alternative transportation modes on gridlock. A summary of this analysis was included in the 2020 Transportation Study Key Findings and will be presented to the Board as an informational item at the November 8, 2019 regular Board meeting. Mr. Said explained the Transportation Study informs the CIP and FORA's mid-year budget. The Committee received a list of transportation projects currently within the budget for the next six months

and a recommendation from staff to allocate \$70,000 to complete the NE/SW connector. Mr. Said explained several environmental studies are being conducted on the site and in order for that data to be usable the project must be closed out before FORA's sunset. Mr. Said reviewed a draft summary table of the CIP, divided by estimated CFD funds and estimated land sales funds. He reported an estimated 2020 final balance of \$3,691,458 in CFD funds and asked the Committee to consider recommendations regarding allocation, with the understanding that CFD funds may only be used for CFD approved projects. Mr. Said and Ms. Flint agreed the best use of these funds is investment in HCP. Regarding land sales Mr. Said reported 100% of the \$7,364,085 will be used to complete project expenditures and general CIP/FORA costs. The Committee was asked to consider the information provided and discuss staff's proposed recommendation to invest the 2020 CFD fund balance into HCP. Mr. Said and staff answered questions from members.

8. ITEMS FROM MEMBERS

9. ADJOURNMENT at: 10:38 a.m.

Minutes Prepared By:
Heidi Gaddy
Deputy Clerk

Natalie Van Fleet
Administrative Assistant