



FORT ORD REUSE AUTHORITY

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REGULAR MEETING FORT ORD REUSE AUTHORITY BOARD OF DIRECTORS

Friday, October 10, 2014 at 2:00 p.m.
910 2nd Avenue, Marina, CA 93933 (Carpenters Union Hall)

**** REVISED AGENDA ****

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. CLOSED SESSION

- a. Conference with Legal Counsel - Existing Litigation, Gov Code 54956.9(a) – 2 Cases
 - i. Keep Fort Ord Wild v. Fort Ord Reuse Authority (FORA), Case Number: M114961
 - ii. The City of Marina v. Fort Ord Reuse Authority, Case Number: M11856

4. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

5. ROLL CALL

6. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

7. CONSENT AGENDA

- a. Approve September 19, 2014 Board Meeting Minutes (p. 1-2) ACTION

8. BUSINESS ITEMS

- a. Pollution and Legal Liability Insurance Policy (p. 3-4)
 - i. Receive Pollution and Legal Liability Insurance Policy Process Update INFORMATION
 - ii. Authorize the Executive Officer to Select a Pollution and Legal Liability Insurance Policy Provider and Bind Coverage ACTION
- b. Preston Park - Rental Rate Policy Questions (p. 5-53)
 - i. Receive a Rental Rate/Policy Presentation INFORMATION
 - ii. Approve Current Rental Rate Setting Policy/Formula ACTION
 - iii. Approve FY 2014/15 Operating and Capital Improvement Budget ACTION
- c. Executive Officer Compensation Adjustment (p. 54-56) ACTION
- d. City of Del Rey Oaks Land Sales Transaction (p. 57-63)
 - i. Land sales Transaction Summary INFORMATION
 - ii. Del Rey Oaks/FORA Insurance Repayment Agreement Amendment ACTION
- e. Economic Development Specialist Alternatives (p. 64-65) INFORMATION

- f. Update on Prevailing Wage Compliance (p. 66-77) INFORMATION
- g. Quarterly Environmental Services Cooperative Agreement Update (p. 78-80) INFORMATION
- h. Base Reuse Plan Reassessment Report Categories 1 and 2 Update (p. 81-104) INFORMATION

9. PUBLIC COMMENT PERIOD

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

10. EXECUTIVE OFFICER’S REPORT

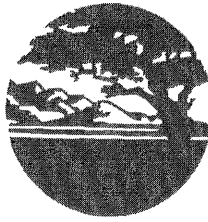
- a. Outstanding Receivables (p. 105) INFORMATION
- b. Habitat Conservation Plan Update (p. 106) INFORMATION
- c. Administrative Committee (p. 107-109) INFORMATION
- d. Veterans Issues Advisory Committee (p. 110-112) INFORMATION
- e. Post Reassessment Advisory Committee (p. 113-127) INFORMATION
- f. Regional Urban Design Guidelines Task Force (p. 128-148) INFORMATION
- g. Travel Report (p. 149) INFORMATION
- h. Public Correspondence to the Board (p. 150) INFORMATION

11. ITEMS FROM MEMBERS

12. ADJOURNMENT

NEXT BOARD MEETING: NOVEMBER 14, 2014

Persons seeking disability related accommodations should contact FORA 48 hrs prior to the meeting. This meeting is recorded by Access Monterey Peninsula and televised Sundays at 9 a.m. and 1 p.m. on Marina/Peninsula Chanel 25. The video and meeting materials are available online at www.fora.org.



FORT ORD REUSE AUTHORITY BOARD OF DIRECTORS REGULAR MEETING MINUTES

Friday, September 19, 2014 at 2:00 p.m.
Alumni & Visitors Center, California State University Monterey Bay
5108 4th Avenue, Seaside, CA, 93934

1. CALL TO ORDER

Chair Edelen called the meeting to order at 2:00 p.m.

2. PLEDGE OF ALLEGIANCE

Mayor Rubio led the Pledge of Allegiance.

3. CLOSED SESSION

The Board adjourned into closed session at 2:03 p.m.

a. **Public Employment, Gov Code 54959.7(b) - Executive Officer**

b. **Conference with Legal Counsel - Existing Litigation, Gov Code 54956.9(a) – 2 Cases**

i. **The City of Marina v. Fort Ord Reuse Authority, Case Number: M11856**

ii. **Keep Fort Ord Wild v. Fort Ord Reuse Authority (FORA), Case Number: M114961**

4. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

The Board reconvened into open session at 2:43 pm and Authority Counsel Jon Giffen announced no reportable action had been taken.

5. ROLL CALL

Voting Members Present: (*alternates)(AR: entered after roll call)

Chair/Mayor Edelen (City of Del Rey Oaks)

Mayor Pro-Tem Beach (City of Carmel-by-the-Sea)

Mayor Gunter (City of Salinas)

Councilmember Kampe* (City of Pacific Grove)

Councilmember Morton (City of Marina)

Mayor Pro-Tem O'Connell (City of Marina)

Mayor Pro-Tem Oglesby (City of Seaside)

Mayor Pendergrass (City of Sand City)

Mayor Rubio (City of Seaside)

Councilmember Selfridge (City of Monterey)

Absent: Supervisor Calcagno (County of Monterey), Supervisor Potter (County of Monterey), Supervisor Parker (County of Monterey)

Ex-officio (Non-Voting) Board Members Present: Nicole Charles (17th State Senate District), Taina Vargas-Edmond* (29th State Assembly District), Donna Blitzer (University of California, Santa Cruz), Eduardo Ochoa (California State University, Monterey Bay), Walter Tribley (Monterey Peninsula College), Dan Albert, Jr.* (Monterey Peninsula Unified School District), Todd Muck (Transportation Agency for Monterey County), Bill Collins (Fort Ord BRAC Office), and Director Le* (Marina Coast Water District).

6. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

Executive Officer Houlemard announced that County staff had recorded the FORA/County out-deeds for the former ESCA parcels known as County North and Parker Flats Phase 1, completing the County property acceptance process for the two parcels.

7. CONSENT AGENDA

a. Approve August 8, 2014 Board Meeting Minutes

MOTION: Mayor Pro-Tem O'Connell moved, seconded by Mayor Pro-Tem Oglesby, to approve the August 8, 2014 minutes.

MOTION PASSED UNANIMOUSLY

8. BUSINESS ITEMS

a. California State University Monterey Bay (CSUMB) Update

CSUMB President Eduardo Ochoa provided a comprehensive update of University activities. He discussed the newly created colleges of Education and Health Sciences and Human Services, campus growth projections, the University's local economic impact, blight removal, current capital projects, and plans for increasing community outreach efforts. Dr. Ochoa responded to questions from the Board and public.

b. Capital Improvement Program Review - Phase III Study Final Report

Senior Planner Jonathan Garcia presented the item. He reviewed the results of the Phase II report and discussed the coming year's work program.

c. Regional Urban Design Guidelines Project Update

Mr. Houlemard introduced the item. Associate Planner Josh Metz presented the update, responded to public questions, and reviewed upcoming meeting dates.

9. PUBLIC COMMENT PERIOD

The Board received comments from members of the public.

10. EXECUTIVE OFFICER'S REPORT

a. Outstanding Receivables

b. Habitat Conservation Plan (HCP) Update

Mr. Houlemard stated that August 29th was the deadline to submit comments on the "Draft Fort Ord Multispecies Habitat Conservation Plan" governing documents, noting the document title change from the previous "Draft Installation-Wide Multispecies Habitat Conservation Plan."

c. Administrative Committee

d. Veterans Issues Advisory Committee

e. Approved FY 2014/15 Fort Ord Reuse Authority Capital Improvement Program

f. Post Reassessment Advisory Committee

g. Travel Report

h. Public Correspondence to the Board

Mr. Houlemard stated no further discussion was required for these information items.

11. ITEMS FROM MEMBERS

None.

12. ADJOURNMENT

Chair Edelen adjourned at 3:32 p.m.

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject: Pollution and Legal Liability Insurance Policy

Meeting Date: October 10, 2014

Agenda Number: 8a

INFORMATION/ACTION

RECOMMENDATION(S):

- i. Receive Pollution and Legal Liability (PLL) Insurance Policy Procurement Process Update.
- ii. Authorize the Executive Officer to Select a PLL Policy Provider and bind coverage upon the Joint/ Coordinated Concurrence of FORA Special Counsel/ Insurance Broker.

BACKGROUND/DISCUSSION:

In June 2000, the Fort Ord Reuse Authority (FORA) entered into an Economic Development Conveyance Agreement with the United States Army (Army) for the transfer of former Fort Ord land. In 2001, FORA entered into property transfer agreements with underlying jurisdictions. Under the terms of these Implementation Agreements, with a few exceptions, FORA is obligated to transfer former Army property to individual jurisdictions, and those jurisdictions are required to accept title to this property from FORA (or direct FORA to transfer to their designee) once regulatory approval of environmental conditions remediation is achieved. The affected jurisdiction then owns former Fort Ord land within their jurisdictional boundary to transfer for private development or to maintain for public purposes. Since both FORA and the underlying jurisdictions are in the chain of title for these former military lands, environmental liability concerns exist for pre-existing conditions and new conditions. Board members expressed concern that associated environmental risk might expose their general funds to claims and asked FORA staff to provide options for environmental insurance coverage, which would be cheaper and more efficient if acquired collectively. In 2002, after research and industry inquiries, FORA staff determined that only limited environmental risk coverage was available for former military owned land. Subsequently, after consultation with FORA special counsel Barry Steinberg, it was concluded that coverage could be obtained, but at significant cost.

In 2004, after noting changes in the financial markets and upon receipt of information from the Association of Defense Communities, staff reported on options for coverage for PLL insurance. That year, the Board authorized purchase of a ten-year policy to provide PLL insurance coverage to FORA, its member land use jurisdictions, and their developers. That insurance policy coverage will expire at the end of calendar year 2014. No formal claims against the policy have been made over the years it has been in place. While the existing Cost-Cap policy addresses FORA's obligations under the Environmental Services Cooperative Agreement (ESCA) with the Army, that coverage terminates upon completion of remedial work. The current cost-cap policy does not adequately address many of the risks associated with the day-to-day operations and activities that will occur over the next 5 to 10 years.

In Spring 2005, the Army and FORA entered negotiations for an Army-funded ESCA for removal of remnant Munitions and Explosives of Concern (MEC) on the former Fort Ord. Under the terms of this ESCA contract, FORA accepted transfer of 3,340 former Fort Ord acres prior to regulatory environmental sign-off. In early 2007, the Army awarded FORA approximately \$98 million to perform the ESCA parcels MEC cleanup. FORA also entered into an Administrative Order on Consent (AOC) with the U.S. Environmental Protection

Agency and the California Department of Toxic Substance Control defining conditions under which FORA performs these contractual Army remediation obligations.

In order to complete the AOC defined work, after a competitive selection process, FORA entered into a Remediation Services Agreement with LFR Inc. (now ARCADIS) to provide MEC remediation services and executed a Cost-Cap insurance policy for this remediation work through American International Insurance Group. The Army ESCA Grant also provided FORA with \$916,056 toward the purchase of PLL insurance coverage similar to what the FORA Board purchased in 2004.

Through FORA's ESCA contract and the Army's other work under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), most of the remaining lands transferring through FORA have completed significant risk "characterization." In other words, much more is known today about the pollution conditions on the 6,000 acres than was known ten years ago.

In January 2014, the Board authorized insurance broker Marsh, Inc. and Special Counsel Barry Steinberg to proceed with an insurance carrier selection and negotiation process for a PLL insurance policy spanning the next ten years. Insurance carriers participating in the selection process submitted revised policy quotes at the end of September 2014, which are being reviewed by Marsh and Special Counsel Barry Steinberg.

Special Counsel Barry Steinberg will attend the October 10, 2014 meeting to provide a brief presentation outlining details of the selection and negotiation process as well as next steps. In order to secure insurance coverage before the existing policy expires on December 31, 2014, FORA staff will present the new PLL insurance policy terms to the Board for consideration at its November 14, 2014 meeting.

FISCAL IMPACT:

Reviewed by FORA Controller 

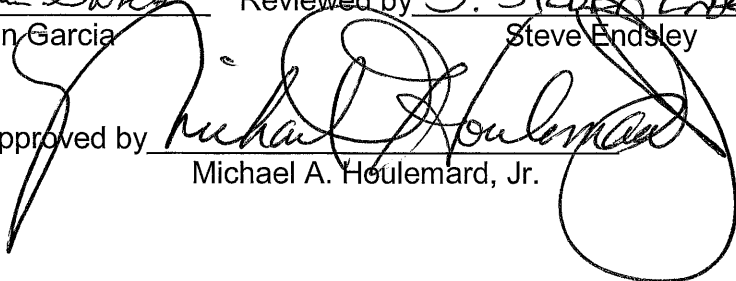
New insurance policy fiscal impacts will be presented to the FORA Board at its November 14, 2014 meeting. Staff time for this item is included in the approved FORA budget.

COORDINATION:

FORA land use jurisdictions and other agencies receiving property and/or accessing insurance coverage include: City of Marina, City of Seaside, City of Monterey, City of Del Rey Oaks, County of Monterey, Monterey Peninsula College, Marina Coast Water District, Transportation Agency for Monterey County, California State University Monterey Bay, University of California Santa Cruz, and Monterey-Salinas Transit.

Prepared by 
Jonathan Garcia

Reviewed by 
Steve Endsley

Approved by 
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject:	Preston Park – Rent Rate Policy Questions	
Meeting Date:	October 10, 2014	INFORMATION/ACTION
Agenda Number:	8b	

RECOMMENDATION(S):

- i. Receive a Preston Park Rental Rate/Policy Presentation in response to FORA Board questions (**Attachment A**).
- ii. Approve the current formula and policy being used to set rents at the Preston Park.
- iii. Approve the FY 2014/2015 Operating and Capital Improvement Budget with 2.4% percent rental rate increase.

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority (FORA) has overseen the management of the Preston Park Apartments since 1997, when it entered into an agreement with the United States Army (Army) to re-open the former Army housing area for civilian public occupancy. FORA has owned the Preston Park Apartments since June 2000, when the property was transferred from the Army to FORA, concurrent with the Economic Development Conveyance agreement escrow closing.

The FORA Board has requested a review of the background and policy for setting rental rates at the Preston Park Apartments. In addition, the Board members asked six specific questions regarding Preston Park rent and operations. These questions and responses are addressed below and in more detail in **Attachment A**.

The foundation for the Board's policy regarding Preston Park rental rate setting tracks back to the late 1990s. The following is a brief overview of current FORA Board policy related to the management of Preston Park, as established by previous Board actions:

- FORA will conduct a survey of local market rental rates to assist in establishment of rates for new move-ins.
- FORA will limit increases for in-place tenants to the lesser of the San Francisco Bay Area Consumer Price Index increase or 3%.
- FORA will rent 51 units as affordable (**Attachment B** - Deed Restriction and Regulatory Agreement between City of Marina and FORA 2007; Amended 2009).
- FORA will set rents near those being charged in privately owned properties to respond to community concerns and contain negative impact to the private rental market.
- FORA will manage the Preston Park Apartments to sustain Marina's share of rental income consistent with the Preston Park Rabobank financing Agreement adopted in 2011.

1. The Army, FORA, City of Marina Preston Park management/leasing agreements and the History of Master Resolution-Chapter 8, Implementation Agreement, and impact of Preston Park Memorandum of Agreement (FORA/Marina) on rent determination.

The United States Army developed the Preston Park Housing Area (Preston Park) in the late 1980s as additional military family housing – primarily for soldiers assigned to the former Fort Ord Military Reservation. The property was vacated shortly after the 1991 Base Realignment

and Closure Act announcement of the downsizing of the former Fort Ord to the Presidio of Monterey Annex. The Preston Park complex remained vacant until the area was leased from the Army under a Finding of Suitability for Lease (FOSL) that enabled an Army/FORA Interim Lease (LEASE) between the Secretary of the Army and FORA. In 1997, the Mid-Peninsula Housing Coalition and FORA entered into a Sub-Lease/Management Agreement and Marina agreed to serve as FORA's Agent for Preston Park. The purpose of the FOSL and related agreements was to provide housing for public sector employees, military, and the general public in response to the area overcrowding noted by several agencies. The City of Marina was also concerned that these valuable assets would be lost if FORA did not step in to reoccupy the units and reduce rising vandalism and deterioration from lack of use.

The FOSL and the supporting documents set the terms for the general operation of the Preston Park area, including the process of rate setting for market rate units and, to the establishment of 70 "affordable" units at below market rates (minimum rates established).

2. FORA/ Preston Park commitments/policies regarding Preston Park rental rates.

The history of Preston Park rental rate setting is long and complex, intertwined between the City of Marina, FORA, the Army, the Mid-Peninsula Housing Corporation, and Alliance, its successor as rental manager of the property. After the property was conveyed by the Army to FORA, FORA continued to direct Preston Park activities (including rent setting) with the City of Marina, previously designated by agreement as FORA's agent.

More recently, the agreement establishing Marina as agent was terminated, and FORA, as owner of the property, began working directly with the rental management company. However, certain practices developed during the prior period have carried forward, such as the policy establishing a formula for annual rental rate increases. This policy originated in collegial discussions between the City of Marina and FORA during 2007-09, later taking the form of City of Marina Council approved amendments to Deed Restrictions and Regulatory Agreement—Preston Park, defining the mix of low and moderate income rents to be offered at the facility and FORA Board passed items regarding the Preston Park Budget, including rent increases, for both 2009-10 and 2010-11. (**Attachment B**). A market survey is performed to monitor the rents of privately owned rental units in the area (**Attachment G**).

The FORA Board actions concurred in the City of Marina's desire to "protect existing tenants from the impacts of increasing market rents," while allowing "adopted formulas" addressing allowable rent increases for both 'move-ins' and 'in-place tenants.' The latter rent increases limited to "the lesser of 3% or the Consumer Price Index for San Francisco-Oakland-San Jose."

A balance was achieved between tenant protections and incremental rent increases for market units that generate sufficient revenue to adequately maintain the facility. Application of the formulaic approach has made rental rate setting stable and less influenced by subjective considerations.

3. The City of Marina background context regarding Preston Park rental rate setting.

During public review of the Preston Park leasing transaction, multiple members of the public as well as Marina/Seaside real property owners expressed concern that public ownership of the Complex would unfairly compete with privately owned properties. It was further noted that the number of affordable units should be limited, so as to minimize concentrating families of limited income to the former Fort Ord and adding to the perception of income inequality amongst

Peninsula jurisdictions. Consequently, the Preston Park Management Agreement capped the number of below market units at Preston Park at 70. In 2007, this number was revised to 51 units and codified by a regulatory agreement/deed restriction by the City of Marina and FORA. The FORA Board approved the Sub Lease/Management Agreement, the Marina/FORA's agent agreement, and the Management agreement with the Mid-Peninsula Housing Coalition.

Under the terms of the Mid-Peninsula Housing Management Agreement, through the recommendation of the City acting as FORA's agent, Mid-Peninsula Housing financed and conducted Preston Park rehabilitation, occupancy, and management. The property was subsequently transferred from the Army to FORA in June 2000, and has been continuously owned by FORA since.

There is a long history between City of Marina and FORA, throughout which each has promised to hold Preston Park revenues constant for the other party. In the case of the City, FORA has recognized that the City budget relies upon receipt of base revenue from Preston Park to secure their General Fund and other obligations. The City recognized that FORA has had obligations to its bondholders and other financial creditors. Such principles were enshrined as early as 2000, when FORA issued a Revenue Bond secured by its share of Preston Park revenue, without endangering Marina's continued receipt of its expected revenue stream. As a rule of thumb, Preston Park base revenue after expenses was calculated to be \$2 million annually, to be split 50-50, per state law. Over time, as rents increased incrementally or certain expenses were reduced, net revenues over expenses have increased. A rough estimate (for explanatory purposes only) of current net revenues available to FORA and Marina would now be \$3 million, or \$1.5 million each. This cushion allowed FORA to refinance its prior Preston Park secured debt in 2010 using only 46% of the then total Preston Park net revenues. A written agreement protecting Marina's 50% share of net Preston Park revenues was agreed to by Marina and FORA at the time. This cushion continues to increase gradually, providing the basis for numerous uses by both the City and FORA, including recent catch-up capital improvements to the apartments and emergency repairs. FORA has modeled for the City of Marina a methodology under which Marina might purchase FORA's 50% share of the Preston Park revenue stream utilizing Marina's increasing incremental share of net revenue.

4. Rental History and capital improvements at Preston Park

As briefly noted above, in 2007, FORA and the City of Marina agreed in the Preston Park regulatory agreement/deed restriction that fifty-one (51) of the total Preston Park units would be rented at below market rate. It was also agreed that these rents would be computed at a range from 50% to 60% of the median county income and that no more than twenty percent (20%) of the units on any one street would be rented at this level. Currently, fifty-one (51) Preston Park units are rented at the affordable level under this provision.

In addition, 30 units are currently rented with Section 8 financial support and the remaining units are rented at rates that are at or below the median income for Monterey County.

5. Federal/Section 8 Rents, State Programs Fair Market Rent setting explained.

The explanation of the formula and process for setting FY 2014 Monterey County Fair Market Rents (FMR) is detailed in (**Attachment C**). The full description covers eight pages and is used as a comparison to the current policy adopted by FORA and the City of Marina for Preston Park Apartments.

6. Impact of capital program/health and safety requirements.

The FORA Board has steadfastly maintained a policy of fully funding the capital program requirements to sustain the quality of the housing at Preston Park. In addition, the Board has encouraged on and off site investments for the past 15 years that exceed the minimum requirements to meet health and safety. This has included significant investment in the area parks, street maintenance, and upgrades. This past year all the roofing at Preston Park was replaced under the project's capital budget. There remain window and door replacements, unit exterior lighting will require additional funding in order to be fully accomplished. The Capital Expenditure Budget (**Attachment F**) details the multiyear plan for these items.

Since the Army's transfer of Preston Park to FORA in 2000, and until 2010, Marina and FORA shared the understanding that the FORA-Marina Implementation Agreement required Marina to purchase FORA's interest in Preston Park should Marina desire to acquire the property. Given this mutual understanding, Marina and FORA have coordinated since 2002 to use Preston Park and its revenue as collateral to finance vital FORA projects, many of which directly benefit Marina. This includes Revenue Bonds issued in 2002 to FORA for building removal and roadway construction in the City of Marina, a 2004 loan from Community Bank to pay FORA's Pollution Legal Liability Insurance Policy premium, and a 2006 line of credit from Rabobank to FORA to fund building/blight removal in the City of Marina and other capital projects. In 2007, Marina purchased FORA's interest in the apartment complex known as Abrams B for \$7.7 million, which was half of the Abrams B property appraised value. After appointing an ad hoc Preston Park negotiating committee (composed of FORA Board members), in the Spring of 2010, Marina and FORA representatives entered into similar negotiations for Marina to purchase FORA's interest in Preston Park.

In 2010, FORA borrowed \$19 million from Rabobank, secured by a note and deed of trust on Preston Park. Marina representatives on the FORA Board voted in favor of the loan. FORA entered into a loan agreement with Rabobank based on its reasonably held belief that FORA would be able to liquidate its interest in Preston Park in a timely fashion. One of the Rabobank-FORA loan agreement terms is that the remaining principal balance on the \$19 million loan (approximately \$18 million) is due on or before June 15, 2014. Now that the loan is extended, the loan will be due on or before December 15, 2014.

After an unsuccessful negotiation, including judicially supervised mediation, concerning Marina's potential purchase of Preston Park from FORA, in 2012, FORA initiated a sale process. On July 10, 2012, Marina filed a lawsuit against FORA, blocking FORA from selling the property. Since that lawsuit is still pending, at its May 16, 2014 meeting, the FORA Board approved a resolution to seek a Preston Park loan extension with Rabobank to avoid loan default and property foreclosure. Marina's Preston Park lawsuit has also prevented FORA from completing building/blight removal in the Cities of Seaside and Marina through FORA's 50% of Preston Park land sales proceeds.

While the lawsuit remains unresolved, as long as FORA owns Preston Park, FORA is responsible for approving annual operating budgets, setting rental rates, funding capital improvements, and funding facility maintenance. The court has set a November 19, 2014 trial date to hear the Marina v. FORA case.

In prior Preston Park Board reports, lengthy items such as the Market Survey (**Attachment G**) and Standard Operating Budgets were presented with only summary pages of the full reports. The full documents are available on the FORA website using the links provided below.

Attachment E:

<http://fora.org/Board/2014/Packet/Additional/101014Item8bAttachE-PPBudget-1stPageIncrease.pdf>

Attachment G:

<http://fora.org/Board/2014/Packet/Additional/101014Item8bAttachG-MarketSurvey.pdf>

FISCAL IMPACT(S) Budget Recommendations:

Reviewed by FORA Controller 

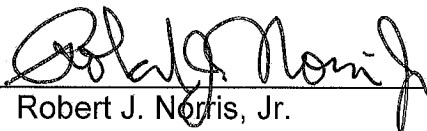
During the past several years, we have fallen behind the long standing policy of being comparable to the area rental market to avoid government out-competing private property owners for tenants. FORA and Alliance Management staff analyzed the option of recommending a rental increase closer to the 9.4% rental increase in the surrounding market rate apartments but have concluded that the recommended 2.4% rent increase will permit the property to meet all of the operational and capital improvement goals. The financial impacts of the rent increase are displayed by unit type in **(Attachment H)**. The Budget Revenue summary displays budget variances by fiscal year **(Attachment I)**.

FORA and Alliance Management staff reviewed the Alliance Management Budget Memorandum **(Attachment D)** on the Preston Park FY 2014-15 Operating Budget and Capital Improvement Program Assessment and recommend approving the Housing Operating **(Attachment E)** and Capital Replacement Program Budgets **(Attachment F)** with the 2.4% rent increase.

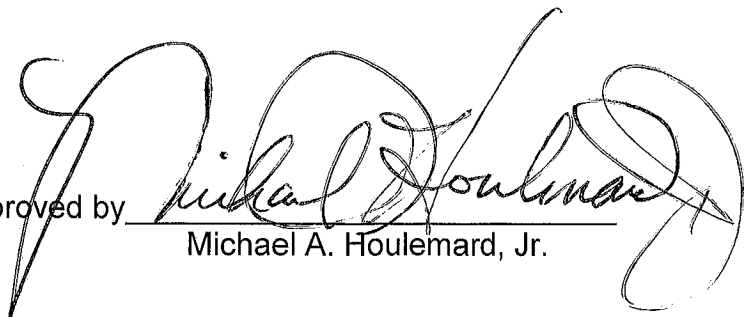
COORDINATION:

Executive Committee, Authority Counsel, and Alliance Management

Prepared by


Robert J. Norris, Jr.

Approved by


Michael A. Houlemard, Jr.

Questions Posed by the FORA Board

1. Market Rate definition (What properties are included, size of units, etc.)

Market rent is described as what a landlord might reasonably expect to receive, and a tenant might reasonably expect to pay, for tenancy in comparison with rent levels for similar properties in similar areas.

The Preston Park Market Survey provides information regarding the unit sizes, amenities, and market rents attributed to Preston Park and surrounding communities.

To determine the New Move-In Market Rent amounts at Preston Park, first consideration is given to the home specifications (ex. 2 BR X 1.5 BA vs 3 BR X 2.5 BA). Rates for like-size rentals are then utilized as a base for comparison for factors including actual square footage offered, interior amenities (laundry space, product finish) exterior amenities (garage/yard space) and community amenities (location, management services, community center/business center). No exact pricing is associated with any one amenity. Once a base rate is established, additional fees are applied to homes displaying certain characteristics (ex. \$25 more per month charged for a home with just one neighbor).

Note that in addition to the over-sized homes offered, Preston Park exhibits a number of features that are not seen in some of the comparable communities or single-family home rentals, including:

Attached garage, driveway parking, in-home laundry, gated back yard, pet friendly community, professional management and maintenance.

Additionally, feedback from prospects is key in determining if the rent is too high or too low. The Alliance team is professionally trained to exhibit homes in a manner to best showcase the community and value of a particular rental. If rentals are quick to secure, prices might be increased. If rentals are slow to occur, pricing might be re-evaluated.

2. Details on current rent increase formula (3% concept , how it relates to HUD)

The current rental increase formula for in place residents, adopted by the Marina City Council in 2010, allows for a maximum rental increase per year of 3% or CPI-U (whichever is the lesser) during the next fiscal year. An in-place resident rent is never to exceed Current Market Rates, or New Move-In Rents.

This concept resembles the HUD increase methodology, but is not intended to directly emulate it.

3. Historical Preston Park rent increases and proposed rent increase formula/solution by the management company.

The property is run on a fiscal year basis, July – June. In 2010 a rental formula was adopted by the City of Marina to allow for in place resident rental increases in the amount of the lesser of 3% or CPI-U. Upon approval of the new fiscal year budget (anticipated to take place in June) rental increases for in place residents can take place by August 1st. Instances where increases took place at an alternate time (2013, 2012) indicate that a delay in the approval of the property budget took place.

August 2014 (increase delayed until Jan 2015): Proposed increase of 2.4% (2.4 CPI)

September 2013: 2.4% Increase (2.4 CPI)

August 2012 (increase delayed until February 2013): 3% Increase (3.0 CPI)

August 2011: 0.0% Increase (1.7 CPI) City of Marina declined any rental increase

August 2010: 1.8% Increase (1.8 CPI)

Prior to 2010, rental increases were not limited to the 3% or CPI-U formula.

August 2009: 3.3% Increase (1.2 CPI)

August 2008: 3.3% Increase (2.8 CPI)

Increases in 2007 and prior were implemented by Mid Peninsula Housing, approved by the City of Marina.

The current rental formula allows minimal growth to rents for in place market renters and depresses the rental market for surrounding properties. A more traditional increase formula (raise in place market resident rents to within 5% of current Market Rates) would benefit the property and FORA, while providing discounted rates and recognizing tenure to in place residents.

4. Move-in procedure (what happens to rent increase monies)

After a current resident supplies the Leasing Office with a written 30-Day Notice to vacate (as per the lease agreement), the on notice apartment is made available to prospective residents for future reservation. A \$250 Holding Deposit is taken and a Welcome Letter is signed by all parties to solidify the rental rate and any additional relative information relating to the application. A background and credit screening is run, and copies made of qualification documents. After the households' application for lease is approved, the lease is executed and move-in fees collected. A move-in inspection takes place on the day of move-in, and keys are released to the new Resident.

In recent past, a new market rate move-in generally creates revenue of \$200 - \$500 per month above the rental rate paid by the previous occupant. These monies are already projected as increased income within the fiscal year budget based on historical increases and turnover trends, and do not represent a specific amount to be set aside in addition to the budget projected for income. The increased income helps fund day to day operating expenses at the property, non-routine and capital repairs and contributes towards the replacement reserve fund.

5. 35 day notice of rent increases (may not be sufficient for displaced tenants)

California law requires that rental increases of less than 10% annually be delivered with a 30-day written notice/change of terms. Increases at or over 10% annually must be served with 60 days notice. This allows the resident to consider their options, and either elect to stay within the community at the adjusted rate, or serve a 30-day notice to vacate to the community.

Note – The practice of a 35-Day notice based on historical increases falls within the law, and is used at Preston Park to allow residents time to make a decision to continue residency or leave the community.

A greater notice period by the property would reduce potential income enhancements.

6. Financial objective of the rent increases (how it aligns with the operating budget)

Sustainability and asset protection is the objective of the rent increase. Non-routine expenses are anticipated to encompass significant projects (resulting from the Property Assessment performed in 2013) over a 5-year period. These costs are not capitalized as the reserve accounts do not have the funds to carry the projects.

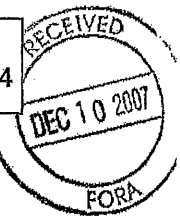
Alliance recommends a minimum Capital Reserve withholding amount of \$2,057 per unit per year during the 2014/15 fiscal period. This withholding would ensure adequate reserves to perform necessary replacements and repairs to protect the useful life of the asset and account for possible unforeseen cost increases and repairs, and address resident requested projects such as parking enhancements.

Implementing a rent increase offers an opportunity to increase the property's replacement reserve account through compounded revenue generation, thus allowing for many of the critical Capital Improvement projects throughout the community to take place over time.

With approval of either of the proposed budgets, the City of Marina and FORA equally split the proceeds (after all expenses) from the Preston Park operating budget. Each party is anticipated to receive a total of \$1,743,933 during the 2014/2015 fiscal year.

Approval of a rental increase will increase the funds available to dedicate to the Capital Reserve Fund by \$12,488 for the year, resulting in an additional Reserve Amount of \$130,605 when amortized over a seven year period.

Attachment B to Item 8b
 FORA Board Meeting, 10/10/14



RECORDING REQUESTED BY
 AND WHEN RECORDED MAIL TO:

Marina Redevelopment Agency
 211 Hillcrest Avenue
 Marina, California
 Attention: Executive Director

No fee for recording pursuant to
 Government Code Section 27383

Stephen L. Vagnini
 Monterey County
 Recorder

OFFICIALS
 12/07/07 08:44:49
 Receipt # 506184
 Cashier # RANJELLOUE
 From Doc # 2007091263
 To Doc # 2007091263
 Filer
 2007091263
 Fee \$0.00
 Total Fee \$0.00
 Taxes \$0.00
 Other \$0.00
 ** TOTAL

PLEASE KEEP THIS RECEIPT FOR REFERENCE

JG

**DEED RESTRICTION AND
 REGULATORY AGREEMENT
 PRESTON PARK**

This Deed Restriction and Regulatory Agreement (the "Agreement") is made and entered into as of this 6th day of Dec., 2007 by and between the Redevelopment Agency of the City of Marina, a public body corporate and politic (the "Agency"), and the Fort Ord Reuse Authority, a political subdivision of the State of California ("FORA").

RECITALS

A. The Agency is responsible for the implementation of the Marina/Fort Ord Redevelopment Plan ("Redevelopment Plan") which provides for the redevelopment of property located in the City of Marina that was formerly part of the Fort Ord Army Base.

B. FORA is the owner of that certain property located within the former Fort Ord Army Base, commonly referred to as Preston Park as more particularly described in Exhibit A attached hereto (the "Property"). There is currently located on the Property 354 residential units which are leased and operated pursuant to a lease agreement between the Agency, FORA and Mid-Peninsula Housing Management Corporation.

C. The Agency as a term of an Option Agreement related to the Marina Heights project agreed to ensure that an adequate number of very low, low and moderate income housing units necessary to comply with Health and Safety Code Section 33413(b)(2)(A) as applied to the Marina Heights development would be provided in the Project Area. The Agency in order to meet the requirements of Health and Safety Code Section 33413(b)(2)(A) must restrict the Property in accordance with this Regulatory Agreement in order to meet the Agency's obligations pursuant to Health and Safety Code Section 33413(b)(2)(A) as such obligations arise from the development of the Marina Heights development.

D. The Property is also required to comply with the City of Marina inclusionary housing requirements which require that 40% of all existing housing units at the Former Fort Ord

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Army Base that were occupied as of July 1, 2003 be affordable to very low, low and moderate income households.

E. Pursuant to Health and Safety Code Section 33413, the Agency must require the recordation of covenants or restrictions which ensure that the Affordable Units restricted in satisfaction of Health and Safety Code Section 33413(b) remain available for occupancy by very low, low and moderate income households at affordable housing cost for fifty-five (55) years.

F. The following covenants and restrictions are recorded against the Property to ensure compliance with Health and Safety Code Section 33413.

THEREFORE, the Agency and the Owner hereby agree as follows.

ARTICLE 1 DEFINITIONS

Section 1.1 Definitions. When used in this Agreement, the following terms shall have the respective meanings assigned to them in this Article 1.

(a) "Actual Household Size" shall mean the actual number of persons in the applicable household

(b) "Adjusted Income" shall mean the total anticipated annual income of all persons in a household, as calculated in accordance with 25 California Code of Regulations Section 6914 or pursuant to a successor State housing program that utilizes a reasonably similar method of calculation of adjusted income. In the event that no such program exists, the Agency shall provide the Owner with a reasonably similar method of calculation of adjusted income as provided in said Section 6914.

(c) "Affordable Units" shall mean the Very Low Income Units and the Low Income Units.

(d) "Agency" shall mean the Redevelopment Agency of the City of Marina.

(e) "Agreement" shall mean this Regulatory Agreement.

(f) "Assumed Household Size" shall mean a household of one person in the case of a studio unit, two persons in the case of a one bedroom unit, 3 persons in the case of a two-bedroom unit, 4 persons in the case of a three-bedroom unit, and 5 persons in the case of a four-bedroom unit.

(g) "Development" shall mean the Property and the 354 residential units to be developed on the Property, as well as all landscaping, roads and parking spaces existing thereon, as the same may from time to time exist.

(h) "FORA" shall mean the Fort Ord Reuse Authority and its successors and assigns to the Development.

(i) "Low Income Household" means a household with an Adjusted Income that does not exceed eighty percent (80%) of Median Income.

(j) "Low Income Units" shall mean the Units that, pursuant to Section 2.1 below, are required to be occupied by Low Income Households.

(k) "Median Income" shall mean the median gross yearly income, adjusted for household size, in the County of Monterey, California, as published from time to time by the State of California. In the event that such income determinations are no longer published, or are not updated for a period of at least eighteen (18) months, the Agency shall provide other income determinations which are reasonably similar with respect to methods of calculation to those previously published by the State.

(l) "Property" shall mean the parcel of real property located in Marina, California, as more particularly described in Exhibit A.

(m) "Qualifying Household" shall mean a Very Low Income Household or Low Income Household.

(n) "Rent" shall mean the total of monthly payments by the Tenant of a Unit for the following: (1) use and occupancy of the Unit and land and associated facilities, including parking; (2) any separately charged fees or service charges assessed which are required of all Tenants, other than security deposits; (3) the cost of an adequate level of service for utilities paid by the Tenant, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuel, but not telephone service, cable television service or any other utility or service permitted to be excluded from the calculation of Rent pursuant to the terms of 25 California Code of Regulations Section 6918; and (4) any other interest, taxes, fees or charges for use of the land or associated facilities and assessed by a public or private entity other than FOR A, and paid by the Tenant.

(o) "Tenant" shall mean a household occupying a Unit.

(p) "Term" shall mean the term of this Agreement, which shall commence on the date of this Agreement and shall continue until the fifty fifth (55) anniversary of the date of this Agreement.

(q) "Unit" shall mean one of the 354 units located on the Property.

(r) "Very Low Income Household" shall mean persons and households whose incomes do not exceed the qualifying limits for very low income households as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937 as such limits shall be published by the California Department of Housing and Community Development.

(s) "Very Low Income Units" shall mean the Units that, pursuant to Section 2.1 below, are required to be occupied by Very Low Income Households.

ARTICLE 2
AFFORDABILITY AND OCCUPANCY COVENANTS

Section 2.1 Occupancy Requirement. Nineteen (19) of the Units shall be rented to and occupied by or, if vacant, available for occupancy by Very Low Income Households. Thirty Two (32) of the Units shall be rented to and occupied by or, if vacant, available for occupancy by Low Income Households. The remaining Units may be rented at market rate rents. Notwithstanding anything in this Agreement, no Tenant occupying a Unit as of the date of this Agreement shall be required to vacate such Unit in order to ensure compliance with the occupancy requirements of this Section. After the Effective Date of this Agreement, as Units become Vacant, Units shall be rented to Very Low or Low Income Households in accordance with this Section 2.1 until such time as the number of Units occupied by Very Low Income Households and the number of Units occupied by Low Income Households meets the requirements of this Section 2.1.

Section 2.2 Allowable Rent. Subject to the provisions of Section 2.3 below, the Rent charged to Tenants of the Very Low Income Units shall not exceed one-twelfth (1/12) of thirty percent (30%) of fifty percent (50%) of Median Income, adjusted for Assumed Household Size. Subject to the provisions of Section 2.3 below, the Rent charged to Tenants of the Low Income Units shall not exceed one-twelfth (1/12) of thirty percent of sixty percent (60%) of Median Income, adjusted for Assumed Household Size. Initial rents for the Affordable Units shall be approved by the Agency prior to occupancy, which shall be approved if they comply with this Agreement. All rent increases for the Affordable Units shall also be subject to Agency approval. The Agency shall provide the Owner with a schedule of maximum permissible rents for the Affordable Units annually.

Section 2.3 Increase Income of Tenants.

(a) Increase from Very Low Income to Low Income. If, upon recertification of the income of a Tenant of an Affordable Unit, the Agency determines that a former Very Low Income Household's Adjusted Income has increased and exceeds the qualifying income for a Very Low Income Household set forth in Section 1.1(r), but does not exceed the maximum qualifying income for a Low Income Household, then, upon expiration of the Tenant's lease:

- (1) Such Tenant's Unit shall be considered a Low Income Unit;
- (2) Such Tenant's Rent may be increased to a Low Income Rent, upon sixty (60) days' written notice to the Tenant; and
- (3) The next available Unit shall be rented to a Very Low Income Household at Rent not exceeding the maximum Rent specified in Section 2.2 to comply with the requirements of Section 2.1 and Section 2.2 above.

(b) Non-Qualifying Household. If, upon recertification of the income of a Tenant of an Affordable Unit, the Agency determines that a former Very Low Income Household or a Low Income Household has an Adjusted Income exceeding the maximum qualifying income for a Low Income Household, such Tenant shall be permitted to continue occupying the Unit and upon expiration of the Tenant's lease and upon sixty (60) days written

notice, the Rent may be increased to the fair market rent, and the next available Unit shall be rented to a Very Low Income Household or Low Income Household, as applicable, to meet the requirements of Section 2.1 above.

(c) Termination of Occupancy. Upon termination of occupancy of an Affordable Unit by a Tenant, such Affordable Unit shall be deemed to be continuously occupied by a household of the same income level (e.g., Very Low Income Household or Low Income Household) as the income level of the vacating Tenant, until such Affordable Unit is reoccupied, at which time the income character of the Affordable Unit (e.g., Very Low Income Unit or Low Income Unit) shall be redetermined. In any event, the occupancy requirements set forth in section 2.1 above shall be maintained for the Term of this Agreement.

Section 2.4 Other Rules. If the Development is subject to state or federal rules governing funding sources such as low-income housing tax credits (the "Other Rules"), the provisions of the Other Rules regarding assumed household size, shall apply in place of the provisions set forth in the applicable sections of this Agreement. Upon such time as the requirements of the Other Rules no longer apply to the Development, the terms and conditions of this Agreement shall govern the occupancy of this Development.

Section 2.5 Nondiscrimination. Agency and FORA shall not discriminate or segregate in the development, construction, use, enjoyment, occupancy, conveyance, lease, sublease, or rental of any part of the Property on the basis of race, color, ancestry, national origin, religion, sex, sexual preference or orientation, age, marital status, family status, source of income, physical or mental disability, Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related conditions (ARC) acquired or perceived, or any other arbitrary basis. Owner shall otherwise comply with all applicable local, state, and federal laws concerning discrimination in housing.

ARTICLE 3 INCOME CERTIFICATION AND REPORTING

Section 3.1 Income Certification. The Qualifying Households renting any of the Affordable Units shall complete and provide to the Agency, immediately prior to initial occupancy and annually thereafter, income certifications. The Agency shall make a good faith effort to verify that the income provided by an applicant or occupying household in an income certification is accurate by taking two or more of the following steps as a part of the verification process: (a) obtain a pay stub for the most recent pay period; (b) obtain an income tax return for the most recent tax year; (c) conduct a credit agency or similar search; (d) obtain an income verification form from the applicant's current employer; (e) obtain an income verification form from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies; or (f) if the applicant is unemployed and has no such tax return, obtain another form of independent verification.

ARTICLE 4
PROPERTY MANAGEMENT AND MAINTENANCE

Section 4.1 Property Maintenance. For the entire Term of this Agreement, the Development shall maintain all interior and exterior improvements, and landscaping shall be maintained in good condition and repair (and, as to landscaping, in a healthy condition) and in accordance with all applicable laws, rules, ordinances, orders and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials.

ARTICLE 5
MISCELLANEOUS

Section 5.1 Nondiscrimination. All of the Units shall be available for occupancy on a continuous basis to members of the general public who are income eligible. No preference shall be given to any particular class or group of persons in renting or selling the Units, except to the extent that the Affordable Units are required to be leased to Very Low Income Households and Low Income Households and to the extent the Agency requires a local preference conforming to the limits of State and federal fair housing laws. There shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, source of income (e.g. SSI), age, ancestry, or disability, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of any Unit nor shall the Agency or any person claiming under or through the Agency, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of any Unit or in connection with the employment of persons for the construction, operation and management of any Unit.

Section 5.2 Section 8 Certificate Holders. Persons who are recipients of federal certificates for rent subsidies pursuant to the existing housing program under Section 8 of the United States Housing Act, or its successor shall be accepted as Tenants on the same basis as all other prospective Tenants. Section 8 certificate or voucher holders shall not be subject to selection criteria that is more burdensome than criteria applied to all other prospective Tenants, and management policies or lease provisions with respect to the Development which have the effect of precluding occupancy of units by such prospective Tenants shall not be allowed.

Section 5.3 Term. The provisions of this Agreement shall apply to the Property for the entire Term. This Agreement shall bind any successor, heir or assign of the Owner, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the Agency.

Section 5.4 Covenants to Run With the Land. The Agency and FORA hereby declare their express intent that the covenants and restrictions set forth in this Agreement shall run with the land, and shall bind all successors in title to the Property, provided, however, that on the expiration of the Term of this Agreement said covenants and restrictions shall expire.

Section 5.5 Enforcement by the Agency. The Agency shall have the right to enforce this Agreement by any or all of the following actions, or any other remedy provided by law:

(a) Action to Compel Performance or for Damages. The Agency may bring an action at law or in equity to compel performance of the obligations under this Agreement, and/or for damages.

(b) Other Remedies. The Agency may exercise any other remedy provided under this Agreement to the extent applicable by law.

Section 5.6 Attorneys Fees and Costs. In any action brought to enforce this Agreement, the prevailing party shall be entitled to all costs and expenses of suit, including attorneys' fees. This section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

Section 5.7 Recording and Filing. The Agency and FORA shall cause this Agreement, and all amendments and supplements to it, to be recorded in the Official Records of the County of Monterey.

Section 5.8 Governing Law. The laws of the State of California shall govern this Agreement.

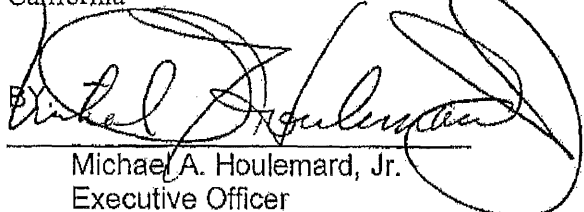
Section 5.9 Waiver of Requirements. Any of the requirements of this Agreement may be expressly waived by the Agency in writing, but no waiver by the Agency of any requirement of this Agreement shall, or shall be deemed to, extend to or affect any other provision of this Agreement.

Section 5.10 Amendments. This Agreement may be amended only by a written instrument executed by all the parties hereto or their successors in title, and duly recorded in the real property records of the County of Monterey.

Section 5.11 Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions of this Agreement shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the Agency and FORA have executed this Agreement by duly authorized representatives, all on the date first written above.

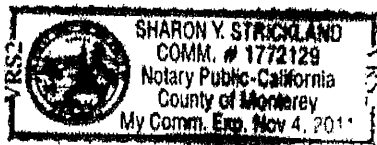
FORT ORD REUSE AUTHORITY,
 a political subdivision of the State of
 California


 Michael A. Houlemard, Jr.
 Executive Officer

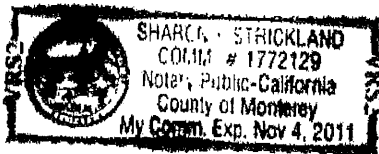
STATE OF CALIFORNIA)
) ss
 COUNTY OF MONTEREY)

On December 6, 2007 before me,
Sharon Y. Strickland, a Notary Public in and for said State,
 personally appeared Michael A. Houlemard, Jr. personally known to me
 (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are
 subscribed to the within instrument and acknowledged to me that he/she/they executed the same
 in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
 the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.




 Notary Public, State of California



Redevelopment Agency of the City of
Marina, a public body, corporate and politic

BY: *Anthony Altfeld*

Its: EXECUTIVE DIRECTOR

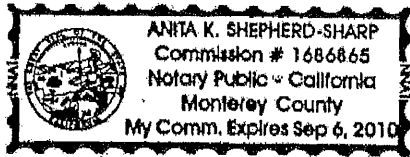
STATE OF CALIFORNIA)
) ss
COUNTY OF MONTEREY)

On December 6, 2007 before me,

Anita Shepherd-Sharp, a Notary Public in and for said State,

personally appeared Anthony Altfeld personally known to me
(or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Anita Shepherd-Sharp
Notary Public, State of California

Exhibit A – Preston Park Legal Description

LEGAL DESCRIPTION

Order No.: 00010602

The land referred to herein is situated in the State of California, County of Monterey, City of MARINA described as follows:

CERTAIN REAL PROPERTY SITUATE IN THE MONTEREY CITY LANDS TRACT NO. 1, AND THE FORTH ORD MILITARY RESERVATION, CITY OF MARINA, MONTEREY COUNTY, CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT 1" DIAMETER PIPE TAGGED LS 5992 AT THE MOST SOUTHERLY CORNER OF THAT CERTAIN 10.983 ACRE TRACT OF LAND SHOWN ON MAP FILED IN VOLUME 19 OF SURVEYS AT PAGE 20, RECORDS OF SAID COUNTY, SAID POINT BEING IN THE NORTHWESTERLY LINE OF IMJIN ROAD (200 FEET WIDE AT THIS POINT); THENCE FROM SAID POINT OF BEGINNING ALONG SAID ROAD LINE

- (1) S. 50° 00' 00" W., 1070.93 TO INTERSECTION WITH THE LINE OF THE IMJIN ROAD AS SHOWN MAP FILED IN VOLUME 20 OF SURVEYS AT PAGE 91, RECORDS OF SAID COUNTY; THENCE ALONG SAID LINE
- (2) CURVING TO THE LEFT ON A CIRCULAR ARC OF 920.00 FEET RADIUS, THE CENTER OF THE CIRCLE OF WHICH SAID ARC IS A PART BEARS S. 17° 10' 52" E., THROUGH AN ANGLE OF 15° 37' 32", FOR A DISTANCE OF 250.90 FEET TO INTERSECTION WITH THE NORTHEASTERLY BOUNDARY OF THAT CERTAIN PARCEL 1 AS SHOWN ON MAP FILED IN VOLUME 19 OF SURVEYS AT PAGE 136, RECORDS OF SAID COUNTY; THENCE ALONG THE BOUNDARY OF SAID PARCEL 1
- (3) N. 37° 47' 27" W., 184.01 FEET TO A 3/4" PIPE TAGGED LS 5992; THENCE
- (4) N. 39° 13' 07" W., 90.79 FEET TO A 3/4" PIPE TAGGED LS 5992 AT THE NORTHERLY CORNER THEREOF, BEING ALSO THE SOUTHEASTERLY CORNER OF PARCEL A AS SHOWN ON MAP FILED IN VOLUME 20 OF SURVEYS AT PAGE 73, RECORDS OF SAID COUNTY; THENCE LEAVE THE BOUNDARY OF SAID PARCEL 1 AND ALONG THE BOUNDARY OF SAID PARCEL A
- (5) N. 35° 51' 23" W., 88.89 FEET TO A 3/4" PIPE TAGGED LS 5992; THENCE
- (6) N. 27° 50' 36" W., 42.36 FEET TO A 3/4" PIPE TAGGED LS 5992; THENCE

Continued on next page

-1-

STEWART TITLE
Guaranty Company

LEGAL DESCRIPTION - continued
Order No.:00010602

- (7) S. 86° 28' 40" W., 142.05 FEET TO A 3/4" PIPE TAGGED LS 5992; THENCE
- (8) S. 46° 41' 42" W., 647.53 FEET, AT 499.17 FEET A 3/4" PIPE TAGGED LS 5992 AT THE MOST WESTERLY CORNER OF SAID PARCEL A, SAID POINT BEING IN THE NORTH LINE OF ABRAMS ROAD, 647.53 FEET TO A POINT; THENCE
- (9) CURVING TO THE LEFT ON A CIRCULAR OF 1300 FEET RADIUS, THE CENTER OF THE CIRCLE OF WHICH SAID ARC IS A PART BEARS S. 73° 15' 04" W., THROUGH AN ANGLE OF 17° 16' 39" FOR A DISTANCE OF 392.02 FEET TO A POINT; THENCE TANGENTIALLY
- (10) CURVING TO THE LEFT ON A CIRCULAR ARC OF 600.00 FEET RADIUS, THROUGH AN ANGLE OF 39° 12' 36", FOR A DISTANCE OF 410.61 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (11) N. 36° 12' 00" W., 25.07 FEET TO A 1" PIPE TAGGED LS 5992 IN THE EASTERLY LINE OF MACARTHUR DRIVE; THENCE CONTINUING ALONG SAID ROAD LINE
- (12) N. 4° 27' 00" W., 106.41 FEET TO A 1" PIPE TAGGED LS 5992; THENCE TANGENTIALLY
- (13) CURVING TO THE RIGHT ON A CIRCULAR ARC OF 115 FEET RADIUS, THROUGH AN ANGLE OF 51° 57' 24" FOR A DISTANCE OF 104.28 FEET TO A 1" PIPE TAGGED LS 5992; THENCE TANGENTIALLY ON A REVERSE CURVE
- (14) CURVING TO THE LEFT ON A CIRCULAR ARC OF 380.00 FEET RADIUS, THROUGH AN ANGLE OF 41° 15' 04", FOR A DISTANCE OF 273.59 FEET TO A 1" PIPE TAGGED LS 5992; THENCE TANGENTIALLY
- (15) N. 6° 15' 20" E., 264.25 FEET TO A 1" PIPE TAGGED LS 5992; THENCE TANGENTIALLY
- (16) CURVING TO THE LEFT ON A CIRCULAR ARC OF 330.00 FEET, THROUGH AN ANGLE OF 50° 58' 25", FOR A DISTANCE OF 293.59 FEET TO A 5/8" REBAR TAGGED LS 5992 AT THE MOST SOUTHERLY CORNER OF PARCEL 2 SHOWN ON MAP FILED IN VOLUME 19 OF SURVEYS AT PAGE 131, RECORDS OF SAID COUNTY; THENCE LEAVE SAID ROAD

Continued on next page

LEGAL DESCRIPTION - continued
Order No.:00010602

LINE AND ALONG THE BOUNDARY OF SAID PARCEL 2,

- (17) N. 45° 16' 56" E., 41.69 FEET TO A 3/4" PIPE TAGGED LS 5992; THENCE
- (18) N. 6° 28' 31" E., 164.33 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (19) N. 7° 26' 13" W., 81.75 FEET TO A 1" PIPE TAGGED LS 5992; THENCE LEAVE THE BOUNDARY OF SAID PARCEL 2
- (20) N. 40° 07' 01" E., 144.14 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (21) N. 57° 43' 34" E., 376.83 FEET TO A 3/4" PIPE TAGGED LS 5992 AT THE MOST WESTERLY CORNER OF PARCEL 2 SHOWN ON MAP FILED IN VOLUME 19 OF SURVEYS AT PAGE 132, RECORDS OF SAID COUNTY; THENCE ALONG THE BOUNDARY THEREOF
- (22) S. 82° 58' 54" E., 247.20 FEET TO A 3/4" PIPE TAGGED LS 5992; THENCE
- (23) S. 21° 19' 33" E., 266.04 FEET TO A 3/4" PIPE TAGGED LS 5992; THENCE
- (24) S. 10° 32' 27" E., 91.09 FEET TO A 3/4" PIPE TAGGED LS 5992 IN THE NORTH LINE OF BAILEY COURT (47 FEET WIDE) AT A POINT NOW DESIGNATED "A"; THENCE CONTINUING ALONG SAID BOUNDARY AND ROAD LINE
- (25) CURVING TO THE LEFT ON A CIRCULAR ARC OF 256.50 FEET RADIUS, THE CENTER OF THE CIRCLE OF WHICH SAID ARC IS A PART BEARS N. 5° 25' 27" E., THROUGH AN ANGLE OF 18° 58' 43" FOR A DISTANCE OF 84.96 FEET; THENCE TANGENTIALLY
- (26) N. 77° 26' 44" E., 28.76 FEET TO A POINT IN THE WESTERLY LINE OF WITTENMEYER COURT; THENCE LEAVE SAID LINE OF BAILEY COURT AND ALONG THE LAST MENTIONED STREET LINE
- (27) CURVING TO THE RIGHT ON A CIRCULAR ARC OF 623.50 FEET RADIUS, THE CENTER OF THE CIRCLE OF WHICH SAID ARC BEARS N. 79° 36' 20" E., THROUGH AN ANGLE OF 20° 21' 30", FOR A

Continued on next page

LEGAL DESCRIPTION - continued
Order No.:00010602

- DISTANCE OF 221.54 FEET TO A POINT; THENCE TANGENTIALLY
- (28) N. 9° 57' 50" E., 76.52 FEET; THENCE TANGENTIALLY
 - (29) CURVING TO THE LEFT ON A CIRCULAR ARC OF 10.00 FEET RADIUS, THROUGH AN ANGLE OF 88° 58' 22" FOR A DISTANCE OF 15.53 FEET; THENCE TANGENTIALLY
 - (30) N. 79° 00' 38" W., 51.37 FEET; THENCE TANGENTIALLY
 - (31) CURVING TO THE RIGHT ON A CIRCULAR ARC OF 60.00 FEET RADIUS, THROUGH AN ANGLE OF 102° 56' 21", FOR A DISTANCE OF 107.80 FEET; THENCE TANGENTIALLY
 - (32) N. 23° 55' 47" E., 51.31 FEET; THENCE TANGENTIALLY
 - (33) CURVING TO THE RIGHT ON A CIRCULAR ARC OF 50.00 FEET RADIUS, THROUGH AN ANGLE OF 61° 30' 59" FOR A DISTANCE OF 53.68 FEET; THENCE TANGENTIALLY
 - (34) N. 85° 26' 46" E., 24.82 FEET; THENCE TANGENTIALLY
 - (35) CURVING TO THE RIGHT ON A CIRCULAR ARC OF 56.00 FEET RADIUS, THROUGH AN ANGLE OF 90° 26' 50", FOR A DISTANCE OF 88.40 FEET; THENCE TANGENTIALLY
 - (36) S. 4° 06' 24" E., 64.06 FEET; THENCE TANGENTIALLY
 - (37) CURVING TO THE RIGHT ON A CIRCULAR ARC OF 300.00 FEET RADIUS, THROUGH AN ANGLE OF 14° 04' 14", FOR A DISTANCE OF 73.67 FEET; THENCE TANGENTIALLY
 - (38) S. 9° 57' 50" W., 78.59 FEET; THENCE TANGENTIALLY
 - (39) CURVING TO THE LEFT ON A CIRCULAR ARC OF 576.50 FEET RADIUS, THROUGH AN ANGLE OF 33° 14' 58", FOR A DISTANCE OF 334.55 FEET; THENCE TANGENTIALLY
 - (40) S. 23° 17' 09" E., 48.26 FEET TO A POINT IN THE NORTH LINE OF PRESTON DRIVE (60 FEET WIDE); THENCE LEAVE SAID LINE OF WITTENMEYER COURT AND ALONG SAID LAST MENTIONED ROAD LINE

Continued on next page

LEGAL DESCRIPTION - continued
Order No.:00010602

- (41) CURVING TO THE RIGHT ON A CIRCULAR ARC OF 385 FEET RADIUS, THE CENTER OF THE CIRCLE OF WHICH SAID ARC IS A PART BEARS S. 19° 47' 10" E., THROUGH AN ANGLE OF 11° 40' 00", FOR A DISTANCE OF 78.40 FEET TO A 3/4" PIPE TAGGED LS 5992; THENCE LEAVE SAID ROAD LINE
- (42) N. 3° 43' 03" E., 717.96 FEET TO A 3/4" PIPE TAGGED LS 5992 AT THE NORTHEASTERLY CORNER OF SAID PARCEL 2; THENCE LEAVE THE BOUNDARY THEREOF
- (43) S. 88° 03' 19" E., 356.13 FEET TO A 1 1/2" PIPE TAGGED RCE 15310 AT THE MOST WESTERLY CORNER OF THE AFORESAID 10.983 ACRE TRACT OF LAND; THENCE ALONG THE BOUNDARY THEREOF
- (44) S. 30° 15' 18" E., 73.00 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (45) S. 77° 30' 18" E., 215.00 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (46) N. 32° 15' 32" E., 157.00 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (47) S. 57° 44' 28" E., 510.01 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (48) S. 32° 15' 32" W., 173.00 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (49) S. 38° 50' 48" E., 173.00 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (50) N. 65° 59' 42" E., 77.00 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (51) S. 10° 00' 18" E., 555.01 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (52) S. 21° 14' 42" W., 405.01 FEET TO A 1" PIPE TAGGED LS 5992; THENCE
- (53) S. 40° 00' 08" E., 37.32 FEET TO THE POINT OF BEGINNING.

Continued on next page

LEGAL DESCRIPTION - continued
Order No.:00010602

EXCEPTING THEREFROM THE FOLLOWING LANDS AS SHOWN ON THE FILED
MAPS OR AS CONVEYED TO:

- A. THE PENINSULA OUTREACH WELCOME HOUSE BY DEED RECORDED MARCH 9, 1996 IN REEL 3344 OF OFFICIAL RECORDS AT PAGE 386.
- B. THE HOUSING AUTHORITY OF THE COUNTY OF MONTEREY BY DEED RECORDED JULY 3, 1996 IN REEL 3391 OF OFFICIAL RECORDS AT PAGE 843.
- C. THE MONTEREY COLLEGE OF LAW, MONTEREY, CALIFORNIA, A NON-PROFIT TAX EXEMPT ORGANIZATION, ORGANIZED PURSUANT TO THE LAWS OF THE STATE OF CALIFORNIA, BY DEED RECORDED JUNE 26, 1997 IN REEL 3536 OF OFFICIAL RECORDS AT PAGE 1007.
- D. SHELTER PLUS, A CALIFORNIA NON-PROFIT CORPORATION, BY DEED RECORDED SEPTEMBER 1998 AS RECORDER'S SERIES NO. 9862781, OFFICIAL RECORDS.
- E. THAT PORTION OF SAID LAND DESIGNATED AS "S.2.4 UC HABITAT CORRIDOR" ON THE MAP ENTITLED "PRESTON PARK FAMILY HOUSING (E4.4)", AND DESIGNATED AS PARCEL 5 ON SURVEY MAP FILED ON NOVEMBER 14, 1994 IN VOLUME 19 OF SURVEY MAPS AT PAGE 20.
- F. PARCELS A AND B AS SHOWN ON THAT CERTAIN RECORD OF SURVEY MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, ON SEPTEMBER 27, 1996, IN VOLUME 20 OF SURVEY MAPS AT PAGE 73.

SAID LAND IS SHOWN AS PARCEL "A" ON THAT CERTAIN RECORD OF SURVEY MAP FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, ON MAY 8, 2000, IN VOLUME 23, OF SURVEY MAPS AT PAGE 79.

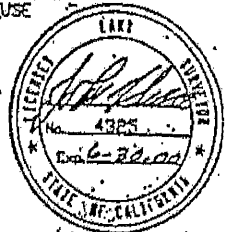
A. P. N.: 031-081-016

A. P. N.: 031-121-004

SURVEYOR'S STATEMENT

THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE REQUIREMENTS OF THE LAND SURVEYOR'S ACT AT THE REQUEST OF FORT ORD REUSE AUTHORITY IN JULY 1999.

John T. Seace
JOHN T. SEACE
L.S. 4325
STATE OF CALIFORNIA
EXPIRES 30 JUNE 2000



RECORDER'S STATEMENT

FILED FOR RECORD AT THE REQUEST OF FORT ORD REUSE AUTHORITY THIS FRI DAY OF MAY 2000, AT 12:57 P.M., IN VOLUME 23 OF SURVEYS MAPS AT PAGE 79, RECORDS OF MONTEREY COUNTY, CALIFORNIA.

JOSEPH F. PITTA
COUNTY RECORDER

Joseph F. Pitta
DEPUTY

SERIAL NO. 200029187

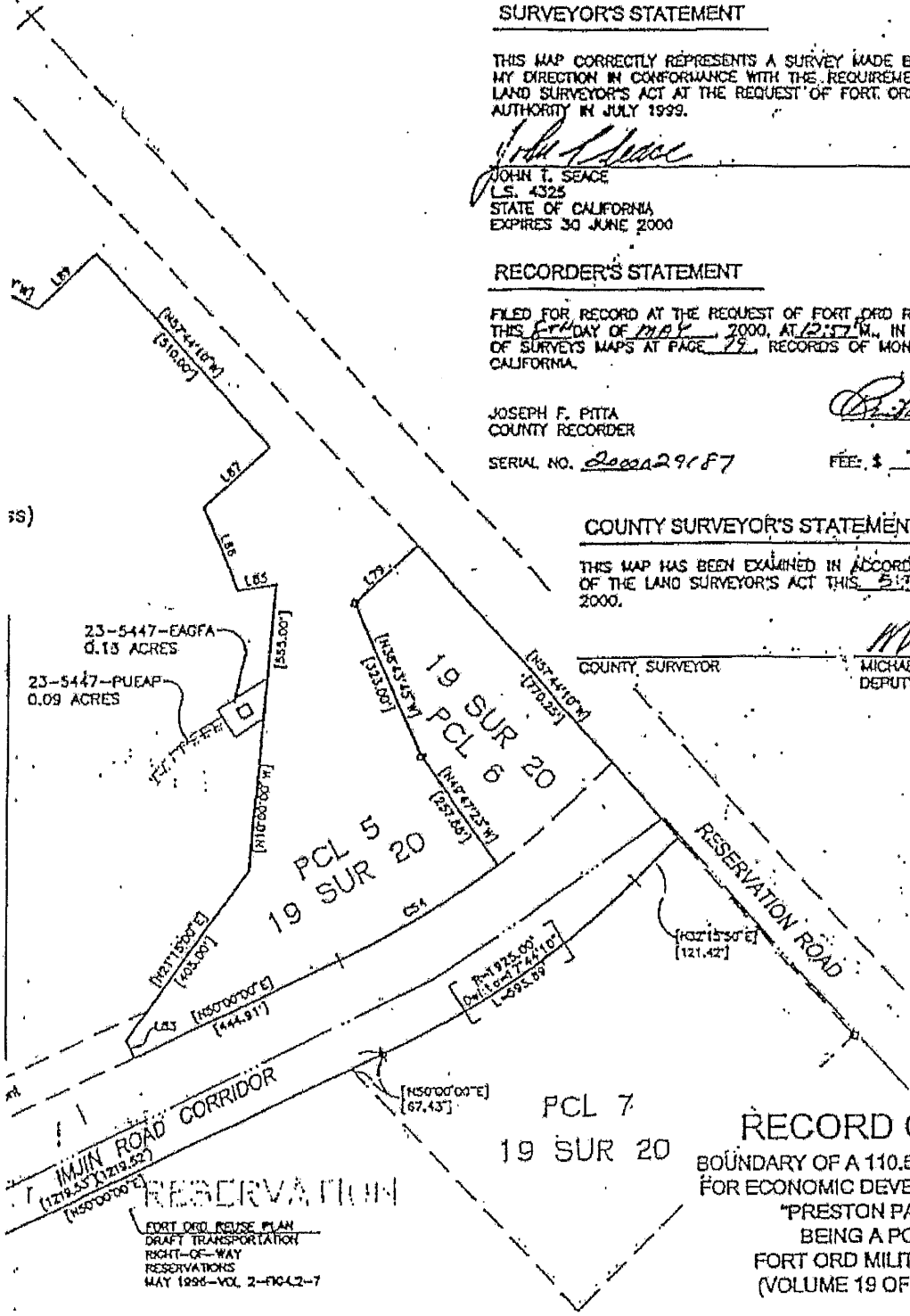
FEES: \$ 7.00

COUNTY SURVEYOR'S STATEMENT

THIS MAP HAS BEEN EXAMINED IN ACCORDANCE WITH SECTION 8766 OF THE LAND SURVEYOR'S ACT THIS 5TH DAY OF MAY 2000.

COUNTY SURVEYOR

Michael K. Welch
MICHAEL K. WELCH, L.S. 3465
DEPUTY COUNTY SURVEYOR



23-5447-EAGFA
0.18 ACRES
23-5447-PUEAP
0.09 ACRES

FORT ORD REUSE PLAN
DRAFT TRANSPORTATION
RIGHT-OF-WAY
RESERVATIONS
MAY 1996-VOL 2-FR042-7

RECORD OF SURVEY
BOUNDARY OF A 110.65 ACRE PARCEL OF LAND
FOR ECONOMIC DEVELOPMENT CONVEYANCE
"PRESTON PARK, MARINA 1-A"
BEING A PORTION OF THE
FORT ORD MILITARY RESERVATION
(VOLUME 19 OF SURVEYS, PAGE 1)
IN
RANCHO LAS SALINAS,
MONTEREY CITY LANDS, TRACT No. 1,
THE CITY OF MARINA, MONTEREY COUNTY,
CALIFORNIA
by

#s of Bearings

1 bearing of N56°11'42"W, calculated between the most westerly corner of Parcel 1 as shown on Volume 19 of maps at Page 116 and the most southwesterly corner of "A" as shown on Volume 20 of Surveys, at Page 73 taken as the Basis of Bearings shown upon this map.

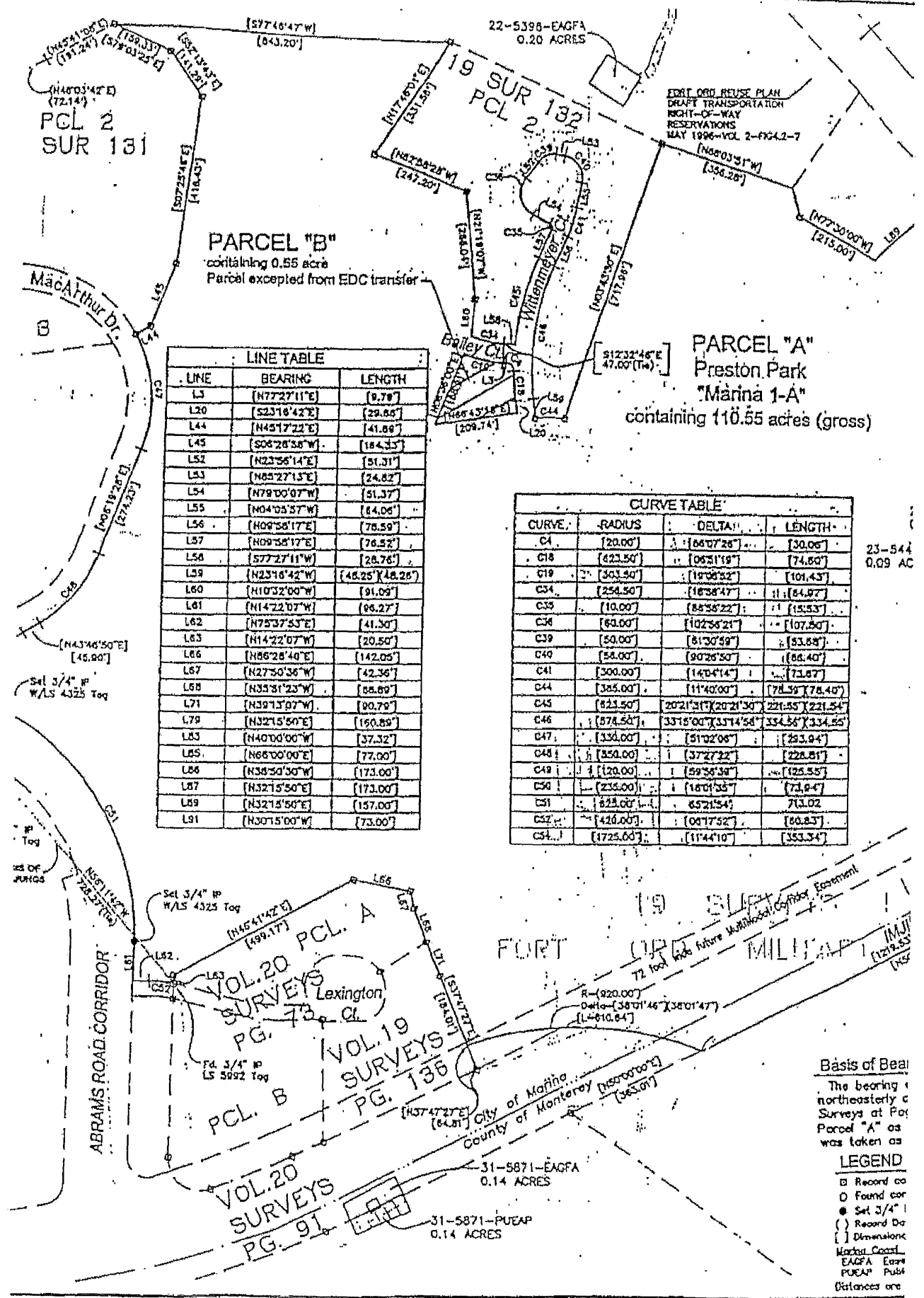
LEGEND

- 1 Record corner monument not located as part of this survey
- 2 Found corner monument as noted
- 3 Set 3/4" LP. L.S. 4325 plus
- 4 Record Date
- 5 Dimensional data (not field measured)



REIMER ASSOCIATES

1174 E. Bay St. • Monterey, CA 93923-9111 • (831)243-0374 FAX (831)243-0374



PARCEL "B"
containing 0.55 acre
Parcel excepted from EDC transfer

PARCEL "A"
Preston Park
"Marina 1-A"
containing 110.55 acres (gross)

LINE TABLE		
LINE	BEARING	LENGTH
L1	[N77°27'11"E]	[8.78]
L20	[S23°18'42"E]	[29.86]
L44	[N43°17'22"E]	[41.88]
L45	[S04°28'58"W]	[184.33]
L52	[N23°56'14"E]	[51.31]
L53	[N63°27'13"E]	[24.82]
L54	[N79°00'07"W]	[51.37]
L55	[N04°03'37"W]	[64.06]
L56	[N09°58'17"E]	[76.59]
L57	[N09°58'17"E]	[76.52]
L58	[S77°27'11"W]	[28.76]
L59	[N23°16'42"W]	[46.25] [48.26]
L60	[N10°32'00"W]	[91.09]
L61	[N14°22'07"W]	[86.27]
L62	[N75°37'53"E]	[41.30]
L63	[N14°22'07"W]	[20.50]
L66	[N66°28'40"E]	[142.05]
L67	[N27°50'36"W]	[42.36]
L68	[N35°31'23"W]	[86.89]
L71	[N39°13'07"W]	[90.79]
L79	[N32°15'50"E]	[160.89]
L83	[N40°00'00"W]	[37.32]
L85	[N65°00'00"E]	[72.00]
L86	[N38°50'30"W]	[173.00]
L87	[N32°15'50"E]	[173.00]
L89	[N32°15'50"E]	[157.00]
L91	[N30°15'00"W]	[73.00]

CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	[20.00]	[66°07'26"]	[30.06]
C18	[623.50]	[65°31'19"]	[74.88]
C19	[303.50]	[105°02'32"]	[101.43]
C34	[254.50]	[103°38'47"]	[1164.97]
C35	[10.00]	[85°58'22"]	[15.53]
C36	[60.00]	[102°56'21"]	[107.50]
C39	[50.00]	[81°30'59"]	[83.88]
C40	[54.00]	[90°26'50"]	[86.40]
C41	[300.00]	[140°41'4"]	[73.67]
C44	[385.00]	[114°00'00"]	[78.50] [78.40]
C45	[823.50]	[202°13'17"] [202°13'30"]	[221.55] [221.54]
C46	[874.50]	[337°15'00"] [337°14'58"]	[334.56] [334.55]
C47	[330.00]	[51°02'06"]	[253.84]
C48	[350.00]	[37°27'22"]	[228.81]
C49	[120.00]	[59°58'39"]	[125.55]
C50	[235.00]	[160°15'57"]	[72.87]
C51	[823.00]	[65°21'54"]	[71.02]
C52	[426.00]	[08°17'52"]	[60.83]
C54	[1725.00]	[114°41'10"]	[353.34]

23-544
0.09 AC

Basis of Bearings
The bearing is
northeasterly or
Surveys at Parcel
Parcel "A" as
was taken as

- LEGEND**
- Record cor
 - Found cor
 - Set 3/4" I
 - () Record Dim
 - [] Dimension
 - MacArthur Corridor
 - EAGFA Easement
 - PUEAP Pub
 - Distances are

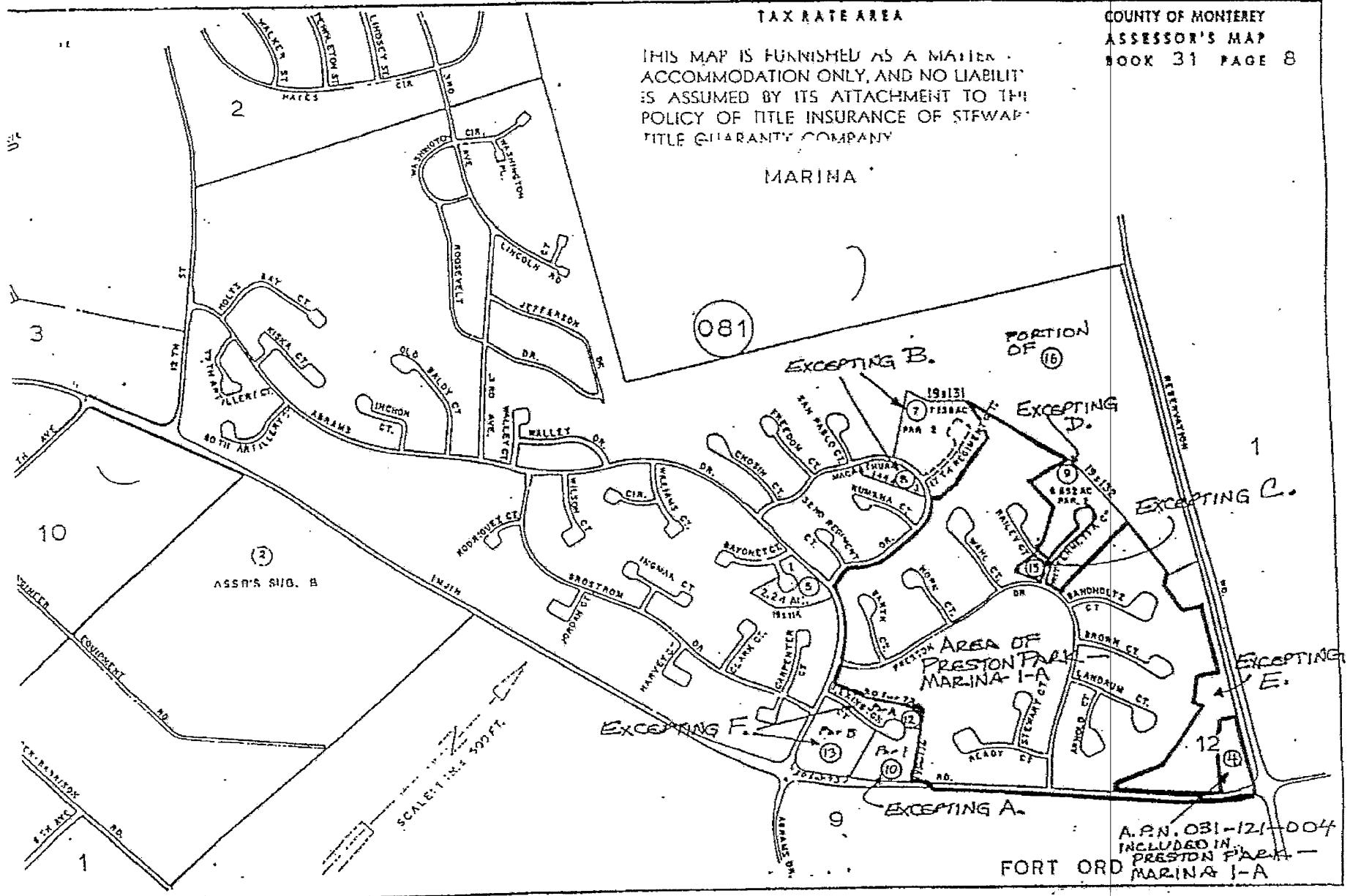
TAX RATE AREA

COUNTY OF MONTEREY
ASSESSOR'S MAP
BOOK 31 PAGE 8

THIS MAP IS FURNISHED AS A MATTER OF
ACCOMMODATION ONLY, AND NO LIABILITY
IS ASSUMED BY ITS ATTACHMENT TO THE
POLICY OF TITLE INSURANCE OF STEWART
TITLE GUARANITY COMPANY

MARINA

081



A.P.N. 081-121-004
INCLUDED IN
PRESTON PARK -
MARINA I-A

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Marina Redevelopment Agency
211 Hillcrest Avenue
Marina, California
Attention: Executive Director

No fee for recording pursuant to
Government Code Section 27383

**AMENDMENT TO
DEED RESTRICTION AND
REGULATORY AGREEMENT
PRESTON PARK**

This Amendment to the Deed Restriction and Regulatory Agreement (the "Amendment") is made and entered into as of this 14 day of MAY, 2009 by and between the Redevelopment Agency of the City of Marina, a public body corporate and politic (the "Agency"), and the Fort Ord Reuse Authority, a political subdivision of the State of California ("FORA").

A. The Agency and FORA entered into that certain Deed Restriction and Regulatory Agreement dated December 6, 2007 and recorded in the official records of the County of Monterey on December 7, 2007 as Document No. 2007091263 ("Agreement").

B. The Agreement provided for certain units located at that property more commonly referred to as Preston Park and more particularly described in Exhibit A attached hereto and incorporated herein (the "Property") to be restricted to household with incomes at or below lower income or very low income. The purpose of the Agreement was to ensure that an adequate number of very low, low and moderate income units necessary to comply with Health and Safety Code Section 33413(b)(2)(A) with respect to the Marina Height Developer were provided within the time periods required by Health and Safety Code Section 33413 (b)(4). As a result in changes in the schedule of development for Marina Heights, the affordable units required pursuant to the Agreement will not be needed within the timeframes originally projected.

C. The Agency and FORA now desire to amend the Agreement pursuant to the terms of this Amendment in order to set forth a schedule for the implementation of the affordability requirements of the Agreement.

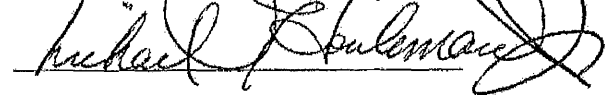
THEREFORE, the Agency and the Owner hereby agree as follows.

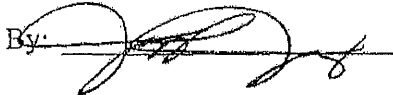
1. Occupancy Requirement. Section 2.1 of the Agreement is hereby amended in its entirety to read as follows:

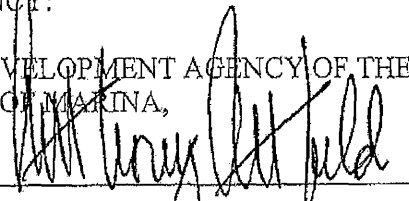
Section 2.1 Occupancy Requirement. Nineteen (19) of the Units shall be rented to and occupied by or, if vacant, available for occupancy by Very Low Income Households. Thirty-Two (32) of the Units shall be rented to and occupied by or, if vacant, available for occupancy by Low Income Households. The remaining Units may be rented at market rate rents. Notwithstanding anything in this Agreement, no Tenant in possession when this Agreement takes effect shall be required to vacate such Unit to comply with the occupancy requirements of this Section. As Units become Vacant, they shall be rented to Very Low or Low Income Households in accordance with the tenant income qualification requirements imposed on the Marina Heights project as a condition of approval. The Agency shall no later than June 30th of each year provide to FORA and the Preston Park management agent a schedule of the target number of units to be occupied by Very Low Income and Low Income Households by the end of the following June until such time as the maximum number of Affordable Units required pursuant to this Agreement are occupied by the Very Low Income Households or Low Income Households. Notwithstanding the Agency's annual target for Very Low Income and Low Income Units, no existing household shall be required to vacate a unit in order to meet the annual Affordable Unit target.

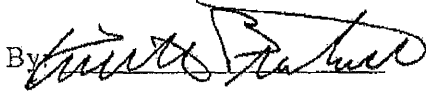
2. Effect of Amendment. Unless otherwise specifically amended by this Amendment all provisions of the Agreement shall remain in full force and effect. To the extent there are conflicts between this Amendment and the Agreement, this Amendment shall control.
3. Defined Terms. Defined terms not otherwise defined in this Amendment shall have the definitions set forth in the Agreement.

IN WITNESS WHEREOF, the Agency and FORA have executed this Agreement by duly authorized representatives, all on the date first written above.

FORT ORD REUSE AUTHORITY,
By: 
Its: EXECUTIVE OFFICER

ATTEST:
By: 

AGENCY:
REDEVELOPMENT AGENCY OF THE
CITY OF MARINA,
By: 
Its: EXECUTIVE DIRECTOR

APPROVED AS TO FORM:
By: 

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Monterey }

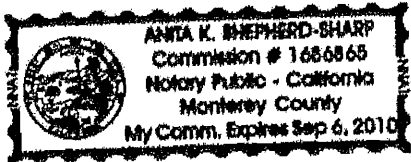
On May 14, 2009 before me, Anita Shepherd-Sharp, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Anthony J. Altfeld
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/hers/their authorized capacity(ies), and that by his/hers/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature Anita Shepherd-Sharp
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Amendment To Deed Restriction & Regulatory Agreement ^{Precedent}

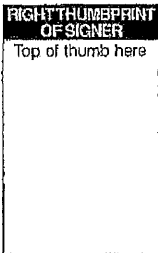
Document Date: May 14, 2009 Number of Pages: 2

Signer(s) Other Than Named Above: Michael Houlemard

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

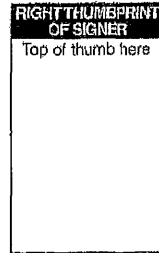
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Monterey

On May 19, 2009 before me, Sharon Y. Strickland, Notary.
(Here insert name and title of the officer)

personally appeared Michael A. Houlemerd, Jr.

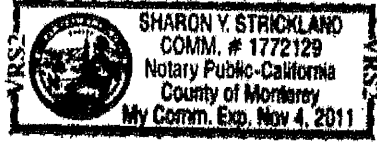
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~/she/they executed the same in ~~his~~/her/their authorized capacity(ies), and that by ~~his~~/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Sharon Y. Strickland
Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT	
<u>Amendment to Deed</u> <small>(Title or description of attached document)</small>	
<u>Restriction + Regulatory Award</u> <small>(Title or description of attached document, continued)</small>	
Number of Pages <u>2</u>	Document Date <u>5-14-09</u>
<small>(Additional information)</small>	

CAPACITY CLAIMED BY THE SIGNER	
<input type="checkbox"/> Individual (s)	
<input type="checkbox"/> Corporate Officer	
<small>(Title)</small>	
<input type="checkbox"/> Partner(s)	
<input type="checkbox"/> Attorney-in-Fact	
<input type="checkbox"/> Trustee(s)	
<input type="checkbox"/> Other _____	

- INSTRUCTIONS FOR COMPLETING THIS FORM**
- Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.*
- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
 - Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
 - The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
 - Print the name(s) of document signer(s) who personally appear at the time of notarization.
 - Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they- is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
 - The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
 - Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
 - Securely attach this document to the signed document

percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates has a margin of error that includes zero, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.

3. HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year base rent estimate.
4. Rents are calculated as of December 2012 using the relevant (regional or local) change in CPI from annual 2011 to annual 2012 as well as the change in national CPI from annual 2012 to December 2012.
5. All estimates are then trended from December 2012 to April 2014 (15 months) with a trending factor of 2.68 percent per year.
6. The FY2014 FMR is then calculated by multiplying the base rent, the recent mover adjustment factor, the CPI adjustment, and the trend factor.
7. FY2014 FMRs are then compared to a state minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the state minimum.

The results of the Fair Market Rent Step-by-Step Process

1. The following are the 2011 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimate and margin of error for Salinas, CA MSA. The following calculations are based on data for the entirety of the OMB-defined metropolitan area of Salinas, CA MSA.

Area	ACS ₂₀₁₁ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS ₂₀₁₁ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Result
Salinas, CA MSA	<u>\$1,082</u>	\$15	$\frac{\$15}{\$1,082} = 0.014$	0.014 < 1 Use ACS ₂₀₁₁ 5-Year Salinas, CA MSA 2-Bedroom Adjusted

Standard
Quality
Gross Rent

Since the ACS₂₀₁₁ Margin of Error Ratio is less than 1, the ACS₂₀₁₁ Salinas, CA MSA value is used for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent:

Area	ACS ₂₀₁₁ Rent
Salinas, CA MSA	\$1,082

- A recent mover adjustment factor is applied based on the smallest area of geography which contains Salinas, CA MSA and has an ACS₂₀₁₁ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than 1.

Area	ACS ₂₀₁₁ 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₁₁ 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Result
Salinas, CA MSA	<u>\$1,173</u>	\$69	$\frac{\$69}{\$1,173} = 0.059$	0.059 < 1 Use ACS ₂₀₁₁ 1-Year Salinas, CA MSA 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The smallest area of geography which contains Salinas, CA MSA and has an ACS₂₀₁₁ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than 1 is Salinas, CA MSA.

- The calculation of the relevant Recent-Mover Adjustment Factor for Salinas, CA MSA is as follows:

ACS ₂₀₁₁	ACS ₂₀₁₁ 5-Year 40th	ACS ₂₀₁₁ 1-Year 40th Percentile
---------------------	---------------------------------	--------------------------------------------

5-Year Area	Percentile 2-Bedroom Adjusted Standard Quality Gross Rent	2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent
Salinas, CA MSA	\$1,082	\$1,173

Area	Ratio	Recent-Mover Adjustment Factor
Salinas, CA MSA	\$1,173 / \$1,082 = 1.0841	1.0841 > 1.0 Use calculated Recent-Mover Adjustment Factor of 1.0841

4. The calculation of the relevant CPI Update Factors for Salinas, CA MSA is as follows: HUD updates the 2011 intermediate rent with the ratio of the annual 2012 local or regional CPI to the annual 2011 local or regional CPI to establish rents as of 2012. HUD then updates this 2012 annual CPI with the ratio of the December 2012 national CPI to the annual 2011 national CPI to establish rents as of December 2012.

	Update Factor	Type
CPI Update Factor	1.0178	Regional CPI

5. The calculation of the Trend Factor is as follows: HUD applies an additional 15 months of trending to update rents to April, 2014, the mid-point of FY 2014. This trend factor is determined by taking the average annual growth rate in the national 1-Year Median Gross Rent between the 2007 and 2011 American Community Surveys.

ACS ₂₀₀₇ U.S. 1-Year Median Gross Rent	ACS ₂₀₁₁ U.S. 1-Year Median Gross Rent	Average Annual Change in U.S. 1-Year Median Gross Rent	Trend Factor 2.68% for 1.25 years
\$763	\$871	$(\$871 / \$763)^{1/5} = (1.1415)^{1/5} = 1.0268$	$1.0268^{1.25} = 1.03365$

6. The FY 2014 2-Bedroom Fair Market Rent for Salinas, CA MSA is calculated as follows:

Area	ACS ₂₀₁₁ 5-Year Estimate	Recent-Mover Adjustment Factor	Annual 2011 to December 2012 CPI Adjustment	Trending 2.68% for 1.25 years	FY 2014 2-Bedroom FMR

Salinas, CA MSA	\$1,082	1.0841	1.0178	1.0336	\$1,082 *
					1.0841 *
					1.0178 *
					1.0336=\$1,234

7. In keeping with HUD policy, the preliminary FY 2014 FMR is checked to ensure that it does not fall below the state minimum for California:

Area	Preliminary FY 2014-2-Bedroom FMR	FY 2014 California State Minimum	Final FY 2014-2-Bedroom FMR
Salinas, CA MSA	\$1,234	\$637	\$1,234 ≥ \$637 Use Salinas, CA MSA FMR of \$1,234

Final FY 2014 Rents for All Bedroom Sizes for Salinas, CA MSA

The following table shows the Final FY 2014 FMRs by bedroom sizes. The FMRs for units with different numbers of bedrooms are computed from the ratio of the 40th percentile adjusted standard quality gross rent for the different unit sizes to the 40th percentile adjusted standard quality 2-Bedroom gross rent from the 2006-2010 5-year ACS. These Rent Ratios are applied to the Final FY 2014 2-Bedroom FMR to determine the Final FY 2014 FMRs for the different size units.

Click on the links in the table to see how the bedroom rents were derived.

Final FY 2014 FMRs By Unit Bedrooms

	<u>Efficiency</u>	<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
Final FY 2014 FMR	\$871	\$980	\$1,234	\$1,800	\$2,012

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Data file last updated Wed., May 07, 2014.

Select a different area

Press below to select a different county within the same state (same primary state for metropolitan areas):

Alameda County, CA
Alpine County, CA
Amador County, CA
Butte County, CA
Calaveras County, CA

Select a new county

Press below to select a different state:

Select a new state

Select a Final FY 2014 Metropolitan FMR Area:

Salinas, CA MSA

Select Metropolitan FMR Area

Press below for a permanent link to this page

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Prepared by the [Economic and Market Analysis Division](#), HUD. Technical Problems or questions? [Contact Us.](#)

September 25, 2014

Mr. Michael Houlemard, Jr.
Fort Ord Reuse Authority
920 Second Street, Suite A
Marina, California 93933



Re: Preston Park FY 2014/15 Proposed Budget

Dear Mr. Houlemard:

It has been a pleasure to continue to work with residents and the Fort Ord Reuse Authority over the last year. With the combination of wonderful residents and effective staff, a number of positive changes have been seen in Preston Park:

- 1) **Exterior Building Upgrades:** Re-roofing of the buildings has been completed and final clean up and gutter repairs are underway. Garage motion sensor lights have been installed on each court. Termite treatment has taken place at a number of locations in the community and includes a three year warranty from the date of service. Staff members are planning the replacement of all windows in the community as well as steel front and back doors. This project is anticipated to be underway in early November.
- 2) **Code Compliance/Safety Improvements:** The electrical sub-panel in each home was serviced, and grounding rods were replaced at each meter panel site throughout the community. All required attic repairs were completed. Each oven flue vent was re-sealed, and notable issues reported for repair in the coming year. One time use Fire Extinguishers were installed in each home within Preston Park. A Property Assessment took place from which a plan of action was developed to address exterior building as well as interior unit issues.
- 3) **Concrete Grinding:** Concrete grinding was performed throughout the community. Three sites on Brown Court were located indicated to require tree root removal and re-pouring of concrete or asphalt.
- 4) **Tree Trimming:** The community has performed the first phase of tree trimming and is obtaining bids for the larger phase to begin in November.
- 5) **Units of Long Term Residents:** Several long-term residents have seen upgrades in their flooring, paint, and appliances with little intrusion or inconvenience. These services are extended to long-term residents upon notification or inspection indicating replacement is necessary.
- 6) **Green Initiatives:** The community continues to implement water and energy saving programs inspired by Alliance's own Focus Green Initiative. Devices designated as water or energy saving are purchased and installed as replacement fixtures as needed. PG&E has been working with residents in the Below Market and Section 8 programs to weatherize their homes at no cost to the resident or the community. Planned landscaping changes will reduce the amount of water usage in the common areas of the community, and will continue to evolve into larger cost savings as we work in conjunction with Paul Lord at Marina Coast Water. The community participates in an appliance buy-back program where used and/or broken appliances are purchased from the community and recycled.

Alliance looks to continue to provide the residents at Preston Park a comfortable and quality living experience. Continued capital improvements throughout the community will allow this property to remain a desirable neighborhood for renters, as well as a continued source of affordable housing for the general populace of Marina.

Revenues

The primary source of revenue is rents, Section 8 voucher payments from the Housing Authority of the County of Monterey, and associated charges to residents such as late fees. The community experienced a delayed 1.7% rental increase in February 2013. An increase of 2.4% took place in September 2013. Previous to the February 2013 increase, the community had not seen a rental increase since August 2010.

The proposed budget reflects projected revenues according to the approved formula indicating that the annual increase in market rents for in-place tenants shall be capped at the lesser of three percent (3%) or the Department of Labor’s Consumer Price Index for San Francisco-Oakland-San Jose, All Items, for All Urban Consumers (referred to as CPI-U) Average percentage for the previous year (February to February) be applied to the next fiscal year, provided that the increased rent for in-place residents does not exceed the market rent charged to move-in residents. The proposed Budget Option 1 assumes the maximum rent increase for in-place residents of two point four percent (2.4%) resulting in an anticipated 2.7% increase in Total Income (\$153,852) over the FY 2013/14 Estimated Actuals. The proposed Budget Option 2 assumes no increase in the FY 2014/15 rent schedule for in-place residents, however still results in a 2.5% increase in Total income (\$141,045) due to new move-in rent values. Both budgets capture revenue from the addition of Pet Rent and Month to Month Fees for new move-ins. Please see **Attachment E** for a summary of Revenue Income under the two options.

Note: Due to the delay of the approval of a rental increase, the property has already lost the ability to collect an additional \$44,306. This amount directly relates to the reduction of funds available to be contributed to the Capital Reserve Fund (see Capital Expenses below).

In Place Residents – Market Rent

The rents proposed in Budget Option 1 are as follows:

In-Place Market Rate Rents			
Unit Size	Current Rent Range FY13/14	Proposed FY14/15 Rent	Change 10/1/14
Section 8 – Two BR	\$1,029 - \$1,198	\$1,054 - \$1,227	\$25 - \$29
Section 8 – Three BR	\$1,423 - \$1,562	\$1,457 - \$1,599	\$34 - \$37
Two Bedroom	\$1,208 - \$1,715	\$1,236 - \$1,756	\$29 - \$41
Three Bedroom	\$1,499 - \$2,010	\$1,535 - \$2,058	\$36 - \$48
Luxury – Two BR*	\$1,800 - \$2,200	\$1,843 - \$2,253	\$43 - \$53
Luxury – Three BR*	\$1,947	\$1,994	\$47

* Note: Three 2-Bedroom homes and one 3-Bedroom home have additional features that warrant higher than average rental rates.

Fair Market Rents (FMR) for Monterey County on a County-wide basis as published in October 2013 by the Monterey County Housing Authority (MCHA) are as follows:

Unit Bedroom Size	Fair Market Rent
Two Bedroom	\$1,234
Three Bedroom	\$1,800

The two bedroom average in-place market rent at Preston Park is \$1,459 which represents a difference of \$225 from the FMR table above. The general cause of the difference in two-bedroom rents relates to the unique amenities and space available in the two-bedroom apartments at the community as compared to the general marketplace. Conversely, the majority of in-place market renters in Preston Park three bedroom homes are below the MCHA Fair Market Rent for a home of this size. The average in-place rent for the three bedroom units at Preston Park is \$1,754, which represents a difference of \$46 from the FMR table above.

Please refer to **Attachment E** for detailed information regarding Preston Park rental rates, including utility estimates, as compared to other communities that pay for Water, Sewer, and Trash service.

Affordable Rents

Affordable rental rates are derived from median income schedules published by governmental agencies. Rental rates at Preston Park are based upon 50% and 60% of the median income for Monterey County. The U.S. Department of Housing and Urban Development calculates the maximum household income by family size in Monterey County, generally once a year. As of the date of this memo new rental rates have not been released.

An increase is not proposed at this time.

In-Place Affordable Rate Rents	
Unit Size	Current Rent Range FY13/14
Two Bedroom VL - L	\$677 - \$832
Three Bedroom VL - L	\$756 - \$928

Maximum Household Income Limits for 2014 as published in January 2014.

Income Category	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
50% VL	\$28,800	\$32,400	\$35,950	\$38,850	\$41,750	\$44,600	\$47,500
60% L	\$34,560	\$38,880	\$43,140	\$46,620	\$50,100	\$53,520	\$57,000

Current Market Rent Conditions

The market rent for new move-ins is calculated by comparable market rent levels in the competitive market throughout the year. Additionally, the comparables as outlined in the attached Market Survey dated 5.13.14 (**Attachment G**) are smaller in square footage than units at Preston Park, and many do not offer the specialized features including in-home laundry vs 9.25.14

room, gated back yard with patio, direct access garage, generous storage space, dogs and cats accepted with pet deposit (Breed restrictions apply, max 2 animals per home). Please refer to **Attachment H** for detailed information.

Per the approved rent formula in 2010, the market rents for new move-ins are fluid throughout the year and change according to market conditions. Should a rental increase be approved, market rents for incoming residents would be as follows:

Unit Size	Current Rent Range for Incoming Market Rate Residents
Two Bedroom	\$1,650 - \$1,775
Luxury - Two BR	\$1,850 - \$2,275*
Three Bedroom	\$2,035 - \$2,060
Luxury - Three BR	\$2,275*

* Note: Three 2-Bedroom homes and one 3-Bedroom home have additional features that warrant higher than average rental rates.

Budget Summary

Expenses as outlined in **Attachment E** include Operating Expense projections and relevant changes from the FY 2013/14 budget. Operating expenses typically include expenditures for routine maintenance of the property, redecorating expenses as they apply to unit turns, and expenditures relating to the daily operations of the Leasing Office. Non-Routine expenses are included as they pertain directly to the daily function of the community, however are not typically able to be forecasted (i.e. large plumbing leaks requiring vendor service, unit specific rehabilitation projects). Annual Inspection materials are included with the Non-Routine expenses as they are a one-time yearly expense. Overall, total operating expenses proposed for FY 2014/15 are 10.0% higher than the estimated actual expenses for FY 2013/14 (\$152,555). Alliance seeks to maximize cost savings, e.g. lower utilities expenses through installation of water/energy saving devices, while contending with inescapable cost increases such as fuel for maintenance vehicles.

Note the large increase in Non-Routine expenses (\$115,664) over 2013/2014 Estimated Actuals. This increase is largely due to projects (such as bathtub replacements) that are necessary to complete over the course of the next several years. **Without a rental increase, the property will experience a deficit in Net Income from the previous year in the amount of \$19,461.**

Capital Expenses

Expenses categorized as Capital expenses directly impact the long term value of the community, including roof replacements, exterior painting, large-scale landscaping improvements, and interior upgrades including appliances and carpeting/vinyl. Capital projects that are currently pending completion as approved in the 2013/14 FY include:

- 1) Exterior Unit Windows - \$1,240,000
- 2) Exterior Unit Doors - \$200,000

The following Capital projects were delayed to the 2014/2015 FY due to timing:

- 1) Exterior Building/Flashing Repairs - \$500,000
- 2) Exterior Paint - \$200,000
- 3) Seal Coat Streets - \$155,787

2014/2015 FY Capital Improvement Program

Recommended Capital Projects to be managed through the Construction Department (excluding continuing projects or completions of projects from 2013/14):

- 1) Dry Rot Repairs - \$40,000
- 2) Landscape/Irrigation Upgrades - \$100,000
- 3) Leasing Office/Signage - \$90,000
- 4) Playgrounds - \$65,000

Capital Reserves Fund

Expenditures for the 2014/15 fiscal period are projected to equal \$1,453,804. This amount reflects an increase of \$200,000 attributed to the total expense projected for the Building/Flashing Repairs (initially evaluated at \$800K; current value of \$1M), and splits the total value of that expenses and the \$400K expense related to painting of the community over a 2 year period. In accordance with the 2014 reevaluation of the Replacement Reserves Study conducted in April 2008, Alliance recommends a minimum reserve withholding of \$2,057.27 per unit per year during the 2014/15 fiscal period. **Please refer to Attachment C.** This withholding amount would ensure that the asset holds adequate reserves to perform necessary replacements and repairs to protect the useful life of the buildings and account for possible unforeseen cost increases as projects get underway. These funds will also allow for future projects, such as parking improvements which are not currently included in the capital plan, to be incorporated at a later date without resulting in a substantial increase in withholding amounts in future years.

Budget Option 1 (Maximum rent increase of 2.4% for in-place residents) offers an opportunity to increase the property's replacement reserve account through revenue generation, thus allowing for many of the critical Capital Improvement projects throughout the community to take place over time. (**Attachment E**)

Budget Option 2 (No rent increase for in-place residents) outlines community needs to continue daily operations, but may compromise long-term capital projects due to restricted funds available to complete such projects. (**Attachment E**)

We will continue to look for new ways to improve our services over the coming year and remain committed to meeting the objectives set by FOR A.

Please feel free to contact me should you have additional questions or concerns at (415) 336-3811. Approval of the final budget prior to November 20, 2014, would be helpful in order to implement rental increases by January 1, 2015.

Regards,

Corinne Carmody
Regional Manager

Cc: Jonathan Garcia, FOR A
Ivana Bednarik, FOR A
Robert Norris, FOR A
Brad Cribbins, Chief Operating Officer, Alliance Communities, Inc.
Annette Thurman, Vice President of Operations, Alliance Communities, Inc.

Attachments:

- FY 2014/15 Budget Revenue Summary
- Unit Matrix
- May 2014 Market Survey
- Capital Improvement Plan/Reserve Withholding
- Budget Option 1 - Rental Increase

**PRESTON PARK
2015 STANDARD BUDGET
CONSOLIDATION & SIGN-OFF**

**Attachment E to Item 8b
FORA Board Meeting, 10/10/14**



Description	2015 Total	2014 Projected	Variance	Variance %
Physical Occupancy	97.87 %	97.89 %		
Economic Occupancy	93.98 %	94.25 %		
Gross Market Potential	\$6,210,166	\$6,038,519	\$171,647	2.8%
Market Gain/Loss to Lease	(\$185,590)	(\$153,411)	(\$32,179)	-21.0%
Affordable Housing	\$0	\$0	\$0	0.0%
Non-Revenue Apartments	(\$63,094)	(\$68,070)	\$4,976	7.3%
Rental Concessions	\$0	\$0	\$0	0.0%
Delinquent Rent	\$0	\$0	\$0	0.0%
Vacancy Loss	(\$123,798)	(\$127,385)	\$3,587	2.8%
Prepaid/Previous Paid Rent	\$0	\$0	\$0	0.0%
Other Months' Rent/Delinquency Recovery	\$0	\$1,110	(\$1,110)	-100.0%
Bad Debt Expense	(\$1,205)	\$0	(\$1,205)	-100.0%
Other Resident Income	\$52,378	\$40,287	\$12,091	30.0%
Miscellaneous Income	\$6,600	\$10,554	(\$3,954)	-37.5%
Corp Apartment Income	\$0	\$0	\$0	0.0%
Retail Income	\$0	\$0	\$0	0.0%
TOTAL INCOME	\$5,895,457	\$5,741,604	\$153,852	2.7%
PAYROLL	\$541,800	\$525,709	(\$16,091)	-3.1%
LANDSCAPING	\$69,800	\$73,968	\$4,168	5.6%
UTILITIES	\$104,309	\$98,813	(\$5,496)	-5.6%
REDECORATING	\$86,843	\$83,478	(\$3,365)	-4.0%
MAINTENANCE	\$104,812	\$103,214	(\$1,598)	-1.5%
MARKETING	\$15,475	\$15,449	(\$26)	-0.2%
ADMINISTRATIVE	\$92,088	\$91,881	(\$207)	-0.2%
RETAIL EXPENSE	\$0	\$0	\$0	0.0%
PROFESSIONAL SERVICES	\$147,486	\$142,718	(\$4,768)	-3.3%
INSURANCE	\$207,012	\$197,507	(\$9,505)	-4.8%
AD-VALOREM TAXES	\$107,472	\$107,469	(\$3)	0.0%
NON ROUTINE MAINTENANCE	\$194,221	\$78,557	(\$115,664)	-147.2%
TOTAL OPERATING EXP	\$1,671,318	\$1,518,762	(\$152,555)	-10.0%
NET OPERATING INCOME	\$4,224,139	\$4,222,842	\$1,297	0.0%
DEBT SERVICE	\$0	\$0	\$0	0.0%
DEPRECIATION	\$417,696	\$417,425	(\$271)	-0.1%
AMORTIZATION	\$0	\$0	\$0	0.0%
PARTNERSHIP	\$8,000	\$0	(\$8,000)	-100.0%
EXTRAORDINARY COST	\$0	\$0	\$0	0.0%
NET INCOME	\$3,798,443	\$3,805,417	(\$6,974)	-0.2%
CAPITAL EXPENDITURES	\$1,298,017	\$2,388,423	\$1,090,406	45.7%
MORTGAGE PRINCIPAL	\$0	\$0	\$0	0.0%
TAX ESCROW	\$0	\$0	\$0	0.0%
INSURANCE ESCROW	\$0	\$0	\$0	0.0%
INTEREST ESCROW	\$0	\$0	\$0	0.0%
REPLACEMENT RESERVE	\$728,273	\$734,976	\$6,703	0.9%
REPLACEMENT RESERVE REIMBURSEM	(\$1,298,017)	(\$2,388,423)	(\$1,090,406)	-45.7%
WIP	\$0	\$0	\$0	0.0%
OWNER DISTRIBUTIONS	\$3,487,866	\$3,487,866	(\$0)	0.0%
DEPRECIATION AND AMORTIZATION	(\$417,696)	(\$417,425)	\$271	0.1%
NET CASH FLOW	(\$0)	\$0	(\$0)	-112.9%

Approvals

Owner	Date
Asset Manager	Date
COO	Date
VP	Date
Regional Manager	Date
Business Manager	Date

Alliance Residential, LLC makes no guarantee, warranty or representation whatsoever in connection with the accuracy of this Operating Budget as it is intended as a good faith estimate only.

**Attachment F to Item 8b
FORA Board Meeting 10/10/14**

CAPITAL EXPENDITURES - 2014/2015 Preston Park Budget										
PRESTON PARK - REVISED PHYSICAL NEEDS ASSESSMENT (7 Year Look Forward - Alliance Residential Recommendation)										
Project	Detail	Committed Projects	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	Updated:
1410	Property Assessment		\$ 74,600		\$ 200,000					9/25/2014
	Site Lighting Repair / Replacement / Install						\$ 10,000	\$ 10,000	\$ 10,000	
	Roof		\$ 1,827,297							
	Exterior Paint			\$ 200,000	\$ 200,000		\$ 5,000	\$ 5,000	\$ 5,000	
	Exterior Unit Windows		\$ 1,240,000				\$ 2,500	\$ 2,500	\$ 2,500	
	Exterior Unit Doors		\$ 200,000				\$ 40,000	\$ 40,000	\$ 2,000	
	Building Exterior			\$ 40,000		\$ 2,000	\$ 2,000			
	Fence Repairs/Slat Replacement						\$ 50,000	\$ 50,000		
	Resident Business Center						\$ 12,000	\$ 150,000		
	Landscaping / Irrigation			\$ 100,000						
	Leasing Office / Signage			\$ 90,000						
	Playgrounds			\$ 65,000		\$ 65,000		\$ 150,000	\$ 13,000	
	Fire Extinguishers		\$ 13,000							
	Termite Remediation		\$ 50,000							
	Building Fascia/Fishing Repairs			\$ 500,000	\$ 500,000					
	Heater Vent Cleaning/Repairs				\$ 145,000					
1415	New Office Computers									
	Replace existing old computers					\$ 2,600				
1416	One Maintenance Truck									
	Needed for hauling etc...					\$ 15,000			\$ 15,000	
1420	Seal Coat Streets		\$ 155,787							
	replacement (assume 10 year life) Represents 76 units		\$ 12,160	\$ 24,700	\$ 24,700	\$ 24,700	\$ 24,700	\$ 24,700	\$ 24,700	
	Refrigerators		\$ 16,800	\$ 12,120	\$ 12,120	\$ 12,120	\$ 12,120	\$ 12,120	\$ 12,120	
	Range/Rangehood		\$ 18,360	\$ 27,900	\$ 27,900	\$ 27,900	\$ 27,900	\$ 27,900	\$ 27,900	
	Garbage Disposal		\$ 3,000	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	
	Hot Water Heaters		\$ 18,000	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	
	Carpet		\$ 56,532	\$ 80,400	\$ 80,400	\$ 80,400	\$ 80,400	\$ 80,400	\$ 80,400	
	Vinyl		\$ 73,100	\$ 66,000	\$ 66,000	\$ 66,000	\$ 66,000	\$ 66,000	\$ 66,000	
	HVAC Furnace		\$ 28,400	\$ 16,800	\$ 16,800	\$ 16,800	\$ 16,800	\$ 16,800	\$ 16,800	
1430	Applicable Construction Management Expenses		\$ 196,038	\$ 65,147	\$ 54,000	\$ -	\$ -	\$ 18,000	\$ -	\$ 9,347
	Capital Expenses (uninflated)		\$ 3,825,287	\$ 1,453,804	\$ 1,336,870	\$ 304,870	\$ 257,470	\$ 688,370	\$ 255,370	\$ 487,504
	Inflation Factor		0.00%	0.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
	Capital Expenses (Inflated)		\$ 3,825,287	\$ 1,453,804	\$ 1,370,292	\$ 312,492	\$ 263,907	\$ 705,579	\$ 261,754	\$ 499,692
	Total Projected Replacement Reserve Funds		\$ 734,975	\$ 715,786	\$ 715,786	\$ 715,786	\$ 715,786	\$ 715,786	\$ 715,786	\$ 715,786
	Replacement Reserve Fund Balance on 3/1/14		\$ 4,569,609							
	Remainder of Projected Replacement Reserve Additions 3/1/14-6/30/14		\$ 243,462							
	Remainder of Projected Capital Expenses 3/1/14-6/30/14		\$ 3,377,297							
	Anticipated Replacement Reserve Fund Balance 7/1/14		\$ 1,435,774							
	Holdbacks and Reserve Summary with no Rental Increase									
	Replacement Reserve Fund AFTER Annual Addition, BEFORE Annual Expenses		\$ 2,151,560	\$ 1,413,543	\$ 759,037	\$ 1,162,332	\$ 1,614,212	\$ 1,624,419	\$ 2,078,451	
	Replacement Reserve Fund AFTER Annual Addition, AFTER Annual Expenses		\$ 697,756	\$ 43,251	\$ 446,546	\$ 898,425	\$ 908,633	\$ 1,362,665	\$ 1,578,759	
	Replacement Reserve Capability with NO RENT INCREASE		\$ 715,786	\$ 2,021,99						
	Physical Needs Over the Term:		\$ 4,867,520	\$ 1,964,29						
	Replacement Reserve Capability with PROPOSED INCREASE		\$ 728,274	\$ 2,057,27						
	Holdbacks and Reserve Summary with Proposed Increase									
	Replacement Reserve Fund AFTER Annual Addition, BEFORE Annual Expenses		\$ 2,207,243	\$ 1,481,712	\$ 839,694	\$ 1,255,476	\$ 1,719,843	\$ 1,742,537	\$ 2,209,056	
	Replacement Reserve Fund AFTER Annual Addition, AFTER Annual Expenses		\$ 753,438	\$ 111,420	\$ 527,202	\$ 991,589	\$ 1,014,263	\$ 1,480,783	\$ 1,709,364	

COMMUNITY DESCRIPTION	
Street address	682 Wahl Court
City, State, Zip Code	Marina, CA 93933
Telephone	(831) 384-0119
Construction type	Mixed use
Year built	1987
Owner	Fort Ord Reuse Authority
Management	Alliance Residential Company
Total units	354
Physical occupancy	98%

COMMUNITY RATINGS	
Location	B
Visibility	C
Curb appeal	B
Condition	B
Interiors	C
Amenities	D

PAYER OF UTILITIES	
Gas	Resident
Electric	Resident
Water	Res/Meter
Sewer	Resident
Trash	Resident
Cable TV	N A
Internet	Resident
Pest control	Community
Valet trash	N A

FEES, DEPOSITS, AND LEASE TERMS	
Application fee	\$44
Lease terms	MTM and 6 months
Short term premium	N/A
Refundable security deposit	Equal to one months' rent
Administrative fee	\$0
Non refundable pet deposit	N/A
Pet deposit	\$250 covers up to 2 pets
Pet rent	\$0

CONCESSIONS
No concessions. Community is partially Below Market Rent and Section 8.

COMMENTS
50% complete replacing roofs. All units have an attached garage, in-home laundry room, and gated backyard. \$25 fee for end units.

APARTMENT AMENITIES			
Accent color walls	No	Paneled doors	No
Air conditioning	No	Patio/Balcony	Yes
Appliance color	White	Refrigerator	Frost-Free
Cable TV	No	Roman tubs	No
Ceiling	No	Security system	No
Ceiling fans	No	Self cleaning oven	No
Computer desk	No	Separate shower	No
Crown molding	No	Upgraded counters	No
Fireplace	No	Upgraded flooring	Plush Cpt
Icemaker	No	Upgraded lighting	No
Kitchen pantry	Yes	Vaulted ceiling	No
Linen closets	Yes	Washer/Dryer	No
Microwave	No	W/D connection	Full size
Outside storage	No	Window coverings	1" mini

COMMUNITY AMENITIES			
Access gates	No	Free DVD/movie library	No
Addl rentable storage	No	Laundry room	No
Attached garages	Yes	Movie theater	No
Barbecue grills	No	Parking structure	No
Basketball court	Yes	Pet park	No
Billiard	No	Playground	Yes
Business center	No	Pools	No
Club house	Yes	Racquetball	No
Concierge services	No	Reserved parking	No
Conference room	No	Sauna/Jacuzzi	No
Covered parking	No	Tennis court	No
Detached garages	No	Volleyball	No
Elevators	No	Water features	No
Fitness center	No	WiFi	No

FLOORPLANS AND RENTS

Floorplan Type	Unit Description	# of Units	% of Units	Square Feet	Rent per Unit				Concessions		Effective Net Rents	
					Low	High	Average	Avg PSF	Mos Free	Term	Average	Avg PSF
2X1		10	3%	1,150	\$1,610	\$1,610	\$1,610	\$1.40	0.00	0.00	\$1,610	\$1.40
2X1		2	1%	1,150	\$1,700	\$1,700	\$1,700	\$1.48	0.00	0.00	\$1,700	\$1.48
2X1.5		79	22%	1,278	\$1,665	\$1,690	\$1,677	\$1.31	0.00	0.00	\$1,677	\$1.31
2X1.5	1 car attached Renovated	2	1%	1,278	\$2,200	\$2,200	\$2,200	\$1.72	0.00	0.00	\$2,200	\$1.72
2X1.5		1	0%	1,278	\$1,700	\$1,715	\$1,708	\$1.34	0.00	0.00	\$1,708	\$1.34
2X1.5	1 car attached Renovated	135	38%	1,323	\$1,690	\$1,715	\$1,702	\$1.29	0.00	0.00	\$1,702	\$1.29
3X2.5		124	35%	1,572	\$1,985	\$2,010	\$1,997	\$1.27	0.00	0.00	\$1,997	\$1.27
3X2.5	1 car attached Renovated	1	0%	1,572	\$2,150	\$2,150	\$2,150	\$1.37	0.00	0.00	\$2,150	\$1.37
Total / Weighted Average		354	100%	1,395	\$1,790	\$1,814	\$1,801	\$1.29	0.00	0.00	\$1,801	\$1.29

**Attachment H to Item 8b
FORA Board Meeting, 10/10/14**

									Market Survey Data				
Bedrooms	Bathrooms	Square footage	Average Rent per unit	Total Utilities	Total Rent including utilities	Total Rent per square foot BEFORE rent increase	Total Rent per square foot after 2.4% increase	Total Rent per square foot AFTER rent increase	Sunbay Suites rent per square foot (650 sq ft)	Marina Square rent per square foot (1000 sq ft)	Marina del Sol rent per square foot (736 sq ft)	Shadow Market rent per square foot (850 sq ft/1700 sq ft)	Abrams Park rent per square foot not including utilities (1000 sq ft)
2	1	1150	\$1,521.00	\$122.70	\$1,644	\$1.43	\$1,676.70	\$1.46	\$1.88	\$1.36	\$1.77	\$1.59	\$1.50
2	1.5	1278	\$1,443.81	\$122.70	\$1,567	\$1.23	\$1,599.51	\$1.25	N/A	N/A	N/A	N/A	N/A
2	1.5	1323	\$1,447.34	\$122.70	\$1,570	\$1.19	\$1,603.04	\$1.21	N/A	N/A	N/A	N/A	N/A
3	2.5	1572	\$1,754.00	\$122.70	\$1,877	\$1.19	\$1,918.20	\$1.22	N/A	N/A	N/A	\$1.09	N/A

In addition to the rental amounts paid by in-place residents, Preston Park residents pay for Water, Sewer, and Trash services that the majority of the comparables in the market place pay on behalf of the household.

Utility costs as listed reflect the average household in Marina, whereas actual bills suggest utility costs of \$85 per month and \$96 per month respectively for 2 and 3 bedroom homes in Preston Park.

Square footage listed for Preston Park units includes interior space only. Each home has an attached garage that provides roughly 400 square feet of additional storage space.

Preston Park Budget Memo - Revenue Summary

Attachment I to Item 8b
FORA Board Meeting, 10/10/14

Budget Option 1 – 2.4% Rent Increase

Revenue	Approved Budget FY 2013/2014	Estimated Actuals FY 2013/2014	Proposed FY 2014/2015		Variance of Approved Budget From 2013/2014 Estimated Actuals	%	Comments		Variance of Proposed Budget from FY 2013/2014 Estimated Actuals	%	Comments	2014/2015 Proposed Budget vs. 2013/2014 Approved Budget	%
GROSS MARKET POTENTIAL	\$5,816,980	\$6,038,519	\$6,210,166	I	\$221,589	3.7%	The community continues to outperform expectations as new move-in rents increase.	I	\$171,647	2.8%	Large increase due mostly to 2.4% rental increase.	\$393,236	6.8%
MARKET GAIN/LOSS TO LEASE	\$16,124	(\$153,411)	(\$185,590)	D	(\$169,535)	110.5%		D	(\$32,179)	21.0%		(\$201,714)	-1251.0%
NON-REVENUE APARTMENTS	(\$56,187)	(\$48,170)	(\$63,094)	D	(\$11,883)	17.5%	Decrease in this category as several large maintenance issues arose requiring residents to move within the community.	I	\$4,976	7.3%	Shared office/community center expense with Abrams Park. Reduction due to major repair units coming back online.	(\$6,907)	12.3%
VACANCY LOSS	(\$114,328)	(\$127,385)	(\$123,798)	D	(\$13,057)	10.3%	Decrease in income as homes were vacant for longer periods than expected.	D	\$3,587	-2.8%	Projecting slightly higher turn times as major repair items are uncovered.	(\$9,470)	8.3%
BAD DEBT EXPENSE	(\$1,750)	\$0	(\$1,205)	I	\$1,750	0.0%	Increase due to higher average collection of owed rent and damages.	D	(\$1,205)	0.0%	Decrease in income projected in anticipation of average collection rate of rent and damages.	\$545	-31.1%
OTHER RESIDENT INCOME	\$36,750	\$40,287	\$52,378	I	\$3,537	8.8%	Collection of Cleaning/Damage Fees increased vs. previous period.	I	\$12,091	30.0%	Increase due to addition of MTM Fees and Pet Rent for incoming residents.	\$15,628	42.5%
MISCELLANEOUS INCOME	\$3,450	\$10,554	\$6,600	I	\$2,104	19.9%	Interest collection on Reserve Account outperformed expectations.	D	(\$3,954)	37.5%	Anticipating reduction in interest income in correlation with reduction in Reserve Account Balance.	(\$1,850)	-21.9%
TOTAL INCOME	\$5,705,989	\$5,741,604	\$5,895,457	I	\$35,615	0.6%	Increase in overall income.	I	\$153,853	2.7%	Increase in overall income.	\$189,468	3.3%
NET INCOME	\$3,898,422	\$3,805,417	\$3,798,443	I	\$98,005	2.4%	Increase in overall income.	D	(\$6,974)	-0.2%	Decrease in overall income.	(\$99,979)	-2.6%

I -- DESIGNATES INCREASE (Results in Increase in Revenue)

D -- DESIGNATES DECREASE (Results in Decrease in Revenue)

Preston Park Budget Memo - Revenue Summary

Budget Option 2 – No Rent Increase Proposed

Revenue	Approved Budget FY 2013/2014	Estimated Actuals FY 2013/ 2014	Proposed FY 2014/ 2015		Variance of Approved Budget From 2013/2014 Estimated Actuals	%	Comments		Variance of Proposed Budget from FY 2013/2014 Estimated Actuals	%	Comments	2014/2015 Proposed Budget vs. 2013/2014 Approved Budget	%	
GROSS MARKET POTENTIAL	\$5,816,990	\$6,088,519	\$6,178,925	I	\$221,589	3.7%	The community continues to outperform expectations as new move-in fees increase.	I	\$140,406	2.3%	No rental increase proposed. Increase generated by new move-in rental rates.	\$361,995	6.2%	
MARKET GAIN/LOSS TO LEASE	\$16,124	(\$153,411)	(\$167,535)	D	(\$169,535)	110.5%		I	(\$14,124)	9.2%		D	(\$183,659)	-1139.0%
NON-REVENUE APARTMENTS	(\$56,187)	(\$68,070)	(\$62,948)	D	(\$11,883)	17.5%	Decrease in this category as several large maintenance issues arose requiring residents to move within the community.	I	\$5,122	-7.5%	Shared office/community center expense with Abrams Park. Reduction in due to major repair units coming back online.	D	(\$6,761)	12.0%
VACANCY LOSS	(\$114,328)	(\$127,385)	(\$123,567)	D	(\$13,057)	10.3%	Decrease in income as homes were vacant for longer periods than expected.	D	\$3,818	-3.0%	Projecting slightly higher turn times as major repair items are uncovered.	D	(\$9,239)	8.1%
BAD DEBT EXPENSE	(\$1,750)	\$0	(\$1,202)	I	\$1,750	0.0%	Increase due to higher average collection of owed rent and damages.	D	(\$1,202)	0.0%	Decrease in income projected in anticipation of average collection rate of rent and damages.	I	\$548	-31.8%
OTHER RESIDENT INCOME	\$36,750	\$40,287	\$52,378	I	\$3,537	8.8%	Collection of Cleaning/Damage Fees increased vs. previous period.	I	\$12,091	30.0%	Increase due to addition of MTM Fees and Pet Rent for incoming residents.	I	\$15,628	42.5%
MISCELLANEOUS INCOME	\$3,450	\$10,554	\$6,600	I	\$2,104	19.9%	Interest collection on Reserve Account outperformed expectations.	D	(\$3,954)	-37.5%	Anticipating reduction in interest income in correlation with reduction in Reserve Account Balance.	D	(\$1,850)	-21.9%
TOTAL INCOME	\$5,705,989	\$5,741,604	\$5,882,650	I	\$35,615	0.6%	Increase in overall income.	I	\$141,046	2.5%	Increase in overall income.	I	\$176,661	3.1%
NET INCOME	\$3,898,422	\$3,805,417	\$3,785,956	I	\$95,005	2.4%	Increase in overall income.	D	(\$19,461)	-0.5%	Decrease in income due to large Non-Routine expense.	D	(\$112,466)	-2.9%

I -- DESIGNATES INCREASE (Results in Increase in Revenue)

D -- DESIGNATES DECREASE (Results in Decrease in Revenue)

September 25, 2014

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject: Executive Officer Compensation Adjustment

Meeting Date: October 10, 2014

Agenda Number: 8c

ACTION

RECOMMENDATION:

Authorize an 8% merit salary adjustment to the Executive Officer's compensation, as recommended by the Executive Committee.

BACKGROUND:

As Fort Ord Reuse Authority (FORA) Executive Officer (EO), I have served the FORA Board/Monterey Bay Region since 1997. The EO position is uniquely complex and requires working comprehension of an expansive number of technical/scientific, legal/regulatory, legislative, financial, public relations/advocacy, communications, and management skills.

Key EO responsibilities are as follows:

- As Chief Operations Officer, I am required to meet operational and programmatic demands, oversee office administration and programs, and work collaboratively with the Board and member agencies where support exceeds FORA's responsibility, but aids reuse efforts.
- As Clerk to the Board, I work closely with the Deputy Clerk and Authority Counsel to assure proper documentation, compliance, and clarity regarding notices, meetings, records and other ministerial public agency requirements.
- As primary financial authority, I interact daily with the Controller and regularly with the Finance Committee Chair to assure our fiduciary obligations/financial strength.
- As designated FORA spokesperson, I oversee and direct the support provided by FORA's public information consultant and connect with the FORA Board Chair in all press and public engagement matters. In that role I regularly communicate with jurisdictions, special interest groups, business associations, the media, and professional/labor organizations to actively pursue opportunities to educate our regional municipalities, special districts, service organizations, and community business partners about FORA's role and mission. On average, I make at least 40 public presentations annually, but some years that number has exceeded 100. These have included official formal State and Federal legislative testimonies.
- As primary program/project overseer, I deploy managerial strategic leadership utilizing best practices to effectively implement Board decisions, complete FORA's educational and environmental economic recovery mission, and assure compliance with federal and state requirements.
- After the 2013 ballot initiative effort that qualified two items for public vote, I served as FORA Elections Officer. In that capacity, working closely with the County Elections Office and Authority Counsel to respond to the unique circumstance, assure full compliance with State Regulatory requirements, offer the Board full analysis of all options and laws, and meet public and interest group expectations.

Despite estimates that ranged upwards of \$1.2M in potential cost – our coordinated and cooperative approach resulted in a FOR A cost of less than \$700K.

- The EO position requires experience/skill in judging the relationship/difference between administrative and policy matters and an ability to interface with diverse constituencies and stake holders, including member jurisdictions and regional agencies/municipalities, environmental/special interest groups, community/neighborhood entities, business interests, media, and professional organizations.

In addition to fulfilling the above listed responsibilities, as EO I have carefully developed and maintained strong working relationships with state and federal lawmakers and staff, traveling each year to various locations - including Sacramento and Washington, DC. Many FORA projects and funding opportunities owe their success, if not their inception, to these relationships.

Under my leadership, FORA has successfully acquired \$133 million in Federal, State and private grant funding to further our mission, including:

- \$98 Million Department of Defense Environmental Services Cooperative Agreement (ESCA) Grant;
- \$31 Million construction funding from Economic Development Administration; and
- \$4 Million in planning and building removal funding from various federal, state and private sources.

After securing the \$98 Million Department of Defense ESCA Grant, FORA has successfully managed a comprehensive Munitions Remediation Program, which remains on-target and within budget. Most recently we have completed major infrastructure projects, provided key assistance and coordination for the California Central Coast Veterans Cemetery funding land transfer, advocated nationally and provided local support for the now dedicated Fort Ord National Monument and the Gourley Department of Defense/Veterans Administration Clinic, completed an 18-month intensive Reassessment of the Fort Ord Base Reuse Plan, and organized a new committee and staffing structure to follow-up on findings of the Reassessment Report, including co-hosting the 2013 Fort Ord Colloquium. FORA vigilantly pursues the permanent protection of 17,000 acres of habitat and is now embarking on a strategic economic development program to support the educational and research focused recovery. In addition, we have secured several other grant or loan funds to support former Fort Ord projects (including the CA Central Coast Veterans Cemetery).

I have assumed active leadership in the Association of Defense Communities (ADC), on the Board of Directors from 2001 - 2012 and as President from 2008 to 2011. Although no longer on the Board, I continue to participate through a variety of ADC committees (Past Presidents Chair) and often lead panels at their national conferences on topics such as best practices in legislative agenda planning, sustainable reuse, and the challenges of redevelopment. This strong national presence has brought important visibility and support to FORA and has helped to elevate FORA as a national leader in the field of military base reuse. Most recently, I have been asked by ADC to lead the California local reuse authority roundtable panel at the ADC National Base Redevelopment Forum in San Francisco.

In recent years, FORA has responded to communications and other technology changes, community requests, and staffing adjustments, and has successfully updated and improved meeting management and information dissemination systems. Our ongoing

financial stability that funds our key operational and programmatic achievements over the past nearly 18 years is evidence that we have sustained high quality performance and delivered results, in some cases exceeding expectations. These efforts are reflected in a number of significant positive outcomes: our national pre-eminence in base reuse, consistent successful property transfers and management/stewardship, compliance with Reuse Plan policies, effective project development, construction of critical basewide infrastructure, significant completion of building removal projects, and timely closure of munitions and explosives removal for 3300 acres. I have done this while addressing complex legal and other challenges to policies and projects and maintaining a high quality, low-turnover staff by reinforcing morale and empowering individual excellence, even in times of resource restraints.

DISCUSSION:

I am in my 18th year as FORA Executive Officer. Since 2007, I have provided annual self-evaluations and/or the FORA Board has independently assessed my performance as Executive Officer. Each year I was commended, including Board member compliments of my “extraordinary” or “exemplary” regional, statewide, and national efforts that benefit FORA’s mission. Last year, I completed the testing to be certified as a Special District Manager by the Special Districts Leadership Foundation – confirming my aptitude and skills to serve this region. In 2012, I received the Ruth Vreeland Public Official of the Year award from the Monterey Peninsula Chamber of Commerce.

My last merit adjustment (5%) was over eight years ago. I have had other salary increases when Board action authorized Cost of Living adjustments for all staff or when I achieved longevity step eligibility. Those salary adjustments were in compliance with the terms of my FORA contract and FORA policies.

I am extremely proud of my record of service to FORA and will continue to strive for excellence for the organization, the Board, and the community. I respectfully contend that my performance and value to FORA supports consideration of a merit salary adjustment awarded retroactively from the beginning of this fiscal year.

FISCAL IMPACT:

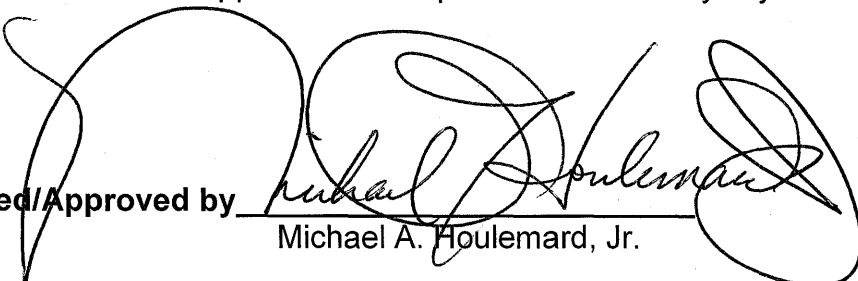
Reviewed by the FORA Controller 

Annual fiscal impact July 1, 2014 – June 30, 2015:

<u>Proposed</u>	<u>Current Salary</u>	<u>Salary Increase</u>	<u>Adjusted Salary</u>	<u>FORA Fiscal Impact</u>
8% Merit Increase	211,521	16,922	228,443	20,955

COORDINATION:

The Executive Committee considered this item at their October 1, 2014 meeting and unanimously recommended Board approval of an 8 percent merit salary adjustment for the Executive Officer.

Prepared/Approved by 
 Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject:	City of Del Rey Oaks Land Sales Transaction	
Meeting Date:	October 10, 2014	INFORMATION/ACTION
Agenda Number:	8d	

RECOMMENDATION(S):

- i. Receive a land sales transaction summary report (**Attachment A**).
- ii. Authorize the Executive Officer to execute Amendment #1 to the City of Del Rey Oaks/FORA Insurance Repayment Agreement (DRO/FORA Repayment Agreement) (**Attachment B**).

BACKGROUND/DISCUSSION:

The City of Del Rey Oaks (Del Rey Oaks) recently completed a land sales transaction for 73 acres and an Option Agreement for the future sale of 268 acres of its former Fort Ord lands with developer Monterey Peninsula Properties, LLC. FORA received \$1.2 million for the 73 acre transaction and anticipates receiving approximately \$7.5 million for the future 268 acres transaction in accordance with the FORA-Del Rey Oaks Implementation Agreement's 50/50 land sales proceeds sharing provisions. Such fair share provisions will also be analyzed during any future FORA Consistency Determination review for the property.

To date, FORA loaned DRO \$715,768 in funds to cover DRO's portion of PLL insurance during years of financial hardship. DRO and FORA negotiated Amendment #1 to assure DRO's loan payment commitments are met during the sale of DRO property. Amendment #1 to the DRO/FORA Repayment Agreement provides proration of Del Rey Oaks' outstanding PLL insurance payments to FORA to coincide with the current and anticipated land sales transactions: 21 percent (73 acres/341 total acres) of the balance will be paid currently and 79 percent (268 acres/341 total acres) of the balance will be paid when Monterey Peninsula Properties, LLC exercises its option to purchase the remaining 268 acres.


FISCAL IMPACT:

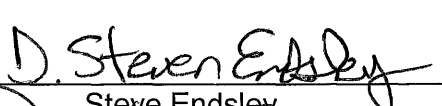
Reviewed by FORA Controller 

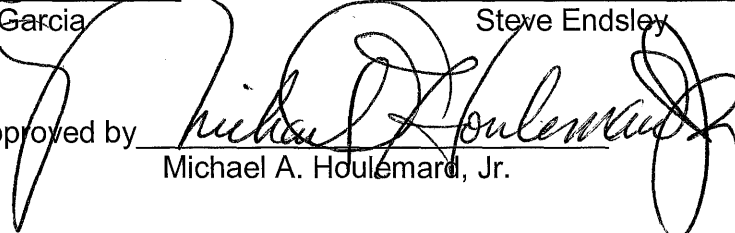
FORA collected \$1.2 million from the sale of 73 acres, which was an estimated amount of FORA's 50% land sale proceeds. FORA staff is working with DRO staff on verifying and finalizing transaction worksheet figures, which may result in a slightly different final payment. FORA will receive approximately \$7.5 million for the future sale of 268 acres. Should the Board authorize Amendment #1 to the DRO/FORA Repayment Agreement, it will result in immediate payment of \$162,806 (21% of the outstanding balance including interest) and future payment of \$565,456 (79% of the outstanding balance plus accrued interest) within the next 3 years. The staff time for this item is included in the approved FORA budget.

COORDINATION:

City of Del Rey Oaks, Administrative and Executive Committees.

Prepared by  Jonathan Garcia

Reviewed by  Steve Endsley

Approved by  Michael A. Houlemard, Jr.

DRO Land Transaction Phase 1 (P1) 73-acre Accounting - Actuals			
Pro-Rated Sunk Costs			
<i>Category</i>	<i>Total Amount</i>	<i>Pro-rate</i>	<i>Pro-rated Amount</i>
Legal Expenses to Clear Title	\$ 562,399.57	0.21	\$ 120,396.39
<i>Developer Payment Default*</i>	\$ 380,492.01	0.21	\$ 81,454.30
PLL Insurance Arrears	\$ 694,920.00	0.21	\$ 148,765.87
Total Pro-Rated Sunk Costs			\$ 350,616.56
Non Pro-Rated Sunk Costs			
<i>Category</i>	<i>Amount</i>		
Title Company & Broker Fees	\$ 15,394.11		
Appraisal Fee	\$ 11,000.00		
Federal LLC Payment	\$ 250,000.00		
Total Non Pro-Rated Sunk Costs	\$ 276,394.11		
Total Sunk Costs	\$ 627,010.67		
P1 Land Sale Revenue Distribution			
P1 DRO-Developer Land Sale Price	\$ 3,000,000.00		
Sunk Cost (73-acres)	\$ 627,010.67		
Net Land Sale Value	\$ 2,372,989.33		
FORA's 50% Land Sale Revenue	\$ 1,186,494.67		

DRO Land Transaction Phase 2 (P2) 268-acre Accounting - Estimated			
Pro-Rated Sunk Costs			
<i>Category</i>	<i>Total Amount</i>	<i>Pro-rate</i>	<i>Pro-rated Amount</i>
Legal Expenses to Clear Title	\$ 562,399.57	0.79	\$ 442,003.18
<i>Developer Payment Default*</i>	\$ 380,492.01	0.79	\$ 299,037.71
PLL Insurance Arrears	\$ 694,920.00	0.79	\$ 546,154.13
Total Pro-Rated Sunk Costs			\$ 1,287,195.02
Non Pro-Rated Sunk Costs			
<i>Category</i>	<i>Amount</i>		
Federal LLC Payment	\$ 750,000.00		
Expected Deal Costs	\$ 26,394.11		
Total Non Pro-Rated Sunk Costs	\$ 776,394.11		
Total Sunk Costs	\$ 2,063,589.13		
P2 Land Sale Revenue Distribution			
P2 DRO-Developer Option Agreement-determined Land Purchase Price	\$ 17,000,000.00		
Sunk Cost (268-acres)	\$ 2,063,589.13		
Net Land Sale Value	\$ 14,936,410.87		
FORA's 50% Land Sale Revenue	\$ 7,468,205.43		

* FORA staff is reviewing Developer Payment Default supporting materials from DRO's staff to confirm the total amount. Amount may be adjusted pending review.

MEMORANDUM OF UNDERSTANDING

CONCERNING REPAYMENT TO THE FORT ORD REUSE AUTHORITY OF A POLLUTION
LEGAL LIABILITY INSURANCE LOAN
FOR CITY OF DEL REY OAKS FORMER FORT ORD PROPERTY

By and Between

THE CITY OF DEL REY OAKS ("DRO") AND
THE FORT ORD REUSE AUTHORITY ("FORA") AS
PARTIES TO THE MEMORANDUM OF UNDERSTANDING ("MOU")

AMENDMENT #1

This AMENDMENT #1 to MOU (*attached*) is made and entered into between FORA and DRO, (collectively, "Parties") on October 10, 2014.

All Terms and Provisions of the MOU remain the same except for modifications in Section A which are incorporated by reference into the MOU. To the extent the modifications in Amendment #1 are not consistent with the MOU, the modifications shall govern.

Section A. Terms

1. The purpose of this MOU is to define the terms for repayment of a loan made by FORA to DRO to pay the cost of a PLL insurance policy that partially benefitted DRO.
2. The original two-year term of July 1, 2013 through June 30, 2015 is extended for three years, through June 30, 2018.
3. By October 10, 2014, in conjunction with September 12, 2014 sale of a portion of DRO property on the former Fort Ord, DRO will make a prorated payment of \$162,806 (including 5% interest) against the \$715,768 loan. Since this prorated payment was made, the total amount remaining to be paid by DRO to FORA on this loan is \$565,456.
4. DRO agrees to repay the remaining balance of \$565,456 on the loan and all accrued interest at a rate of 5% upon the sale of the remaining DRO property on the former Fort Ord or upon termination of the MOU, whichever occurs first.
5. DRO agrees to timely submit this Amendment #1 to the DRO City Council for its approval of the terms of the Amendment #1. The MOU was Amendment #1 is expressly conditioned on approval by the FORA Board and the DRO City Council.
6. DRO agrees to secure its loan obligation to FORA of \$565,456 by real property existing in the former Fort Ord.

IN WITNESS WHEREOF, the Parties have executed this AMENDMENT #1 as of the date set forth at the beginning of this AMENDMENT #1. The following concur with this AMENDMENT #1

Michael A. Houlemard, Jr.
Executive Officer
Fort Ord Reuse Authority

Daniel Dawson
City Manager
City of Del Rey Oaks

MEMORANDUM OF UNDERSTANDING

CONCERNING REPAYMENT TO THE FORT ORD REUSE AUTHORITY OF A POLLUTION
LEGAL LIABILITY INSURANCE LOAN
FOR CITY OF DEL REY OAKS FORMER FORT ORD PROPERTY

By and Between

THE CITY OF DEL REY OAKS ("DRO") AND
THE FORT ORD REUSE AUTHORITY ("FORA") AS
PARTIES TO THE MEMORANDUM OF UNDERSTANDING ("MOU")



This MOU is made and entered into between FORA and DRO, (collectively, "Parties").

The Parties to the MOU are individually interested in defining the terms of repayment from DRO to FORA for FORA's purchase of Pollution Legal Liability ("PLL") insurance coverage. To this end, the Parties have met formally and informally over past weeks, and:

WHEREAS, DRO acknowledges the indebtedness to FORA for the PLL coverage secured in 2004 to benefit the development of DRO former Fort Ord parcels, DRO specifically ratifies the existence of the debt, and DRO intends to repay the debt upon the terms set forth in this MOU; and

WHEREAS, the Parties recognize the impact of the recent recession and financial difficulties of DRO's past development team; and

WHEREAS, the Parties agree that it is timely and agree that it is in the best interests of the reuse of the former Fort Ord to provide a payment program setting forth terms of loan repayment.

NOW THEREFORE, in furtherance of the objectives set forth above, and in accordance with all terms, conditions, limitations and exceptions provided below, the Parties agree as follows:

TERMS AND AGREEMENTS

Section A. Terms of this MOU

1. The terms of this MOU are for the purposes of defining the repayment of a loan secured by FORA to pay for the purchase cost of a PLL insurance policy that partially benefited DRO.
2. The original term of this MOU is two (2) full calendar years, beginning on the effective date of July 1, 2013 and ending on June 30, 2015, unless sooner terminated or renewed as provided for in this MOU.
3. The amount remaining to be paid on this loan as of July 1, 2013 is \$715,767.58.
4. DRO agrees to repay the full amount of the loan and all accrued interest at a rate of 5% upon the termination of this agreement or upon the execution of an Agreement with a developer for DRO property on the former Fort Ord, whichever is earlier.
5. DRO agrees to timely submit the MOU to the DRO City Council for its approval of the terms of the MOU.

MISCELLANEOUS

Section B. Modification or Amendment

This MOU is not subject to modification or amendment except in writing signed by the Parties and approved by the FORA Board of Directors and the DRO City Council.

Section C. Interpretations

This MOU integrates all of the terms and conditions mentioned herein or incidental hereto, and has been arrived at through negotiation, has been reviewed by each party's respective counsel, and no party is to be deemed the party which prepared this MOU within the meaning of California Civil Code Section 1654.

Section D. Notices and Correspondence

Any notice required to be given to any party shall be in writing and deemed given if personally delivered upon the other party or deposited in the United States mail, and sent certified mail, return receipt requested, postage prepaid and addressed to the other party at the address set forth below, or sent via facsimile transmission during normal business hours to the party to which notice is given at the telephone number listed for fax transmission:

If to FORA: Michael A. Houlemard, Jr.
 Executive Officer
 Fort Ord Reuse Authority
 920 Second Avenue
 Marina, CA 93933

Telephone: (831) 883-3672
Facsimile: (831) 883-3675

If to DRO: Daniel Dawson
 City Manager
 Del Rey Oaks
 650 Canyon Del Rey Road
 Del Rey Oaks, CA 93940

Telephone: (831) 394-8511
Facsimile: (831) 394-6421

Del Rey Oaks/FORA MOU

Section E. Indemnification

DRO shall indemnify, defend and hold harmless FORA and its officers, agents and employees, from and against any and all claims, liabilities and losses whatsoever (including but not limited to, damages to property, and injuries to or death of persons, court costs and attorneys fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies hired in connection with the performance of this MOU, and from any and all claims, liabilities and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the performance of this MOU. The provisions of this Section shall survive the termination or expiration of this MOU.

Section F. Applicable Law

California law shall govern this MOU.

Section G. Attorneys' Fees

If any lawsuit is commenced to enforce any of the terms of this MOU, the prevailing party will have the right to recover its reasonable attorneys' fees and costs of suit from the other party.

Section H. Severability

If any term of this MOU is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

Section I. Waivers

Any waiver by the Parties of any obligation or condition in this MOU must be in writing. No waiver will be implied from any delay or failure by either FORA or DRO to take action on any breach or default of Parties or to pursue any remedy allowed under this MOU or applicable law. Any extension of time granted to any of the Parties to perform any obligation under this MOU shall not operate as a waiver or release from any of its obligations under this MOU.

Section J. Title of Parts and Sections

Any titles of the sections or subsections of this MOU are inserted for convenience of reference only and shall be disregarded in interpreting any part of the MOU's provisions.

Section K. Conflict of Interest

(a) Except for approved eligible administrative or personnel costs, no person who exercises or has exercised any functions or responsibilities with respect to the activities contemplated by this MOU or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract or MOU with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family

Del Rey Oaks/FORA MOU

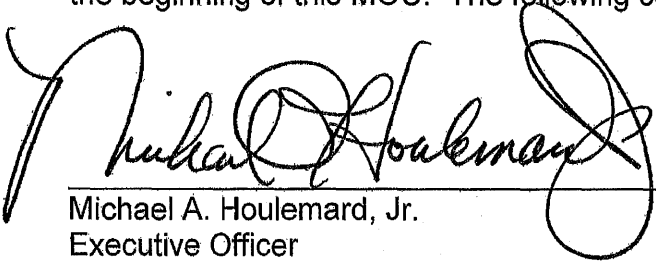
or business ties, during, or at any time after, such person's tenure. Parties shall exercise due diligence to ensure that the prohibition in this Section is followed.

(b) The conflict of interest provisions of the above paragraph apply to any person who is an employee, agent, consultant, officer, or any immediate family member of any official of either FORA or DRO, or any person related within the third (3rd) degree of such person.

Section L: Parties Bound Notwithstanding Lack of Information Regarding Subject Properties

The Parties are entering into this MOU with limited information. The lack or limitation of any information shall not effect in any way the liabilities or obligations of the parties under this MOU.

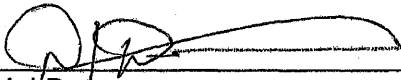
IN WITNESS WHEREOF, the Parties have executed this MOU as of the date set forth at the beginning of this MOU. The following concur with this MOU.



Michael A. Houlemard, Jr.
Executive Officer
Fort Ord Reuse Authority

August 13, 2013

Dated



Daniel Dawson
City Manager
City of Del Rey Oaks

8/15/13

Dated

FORT ORD REUSE AUTHORITY EXECUTIVE COMMITTEE REPORT

BUSINESS ITEMS

Subject: Economic Development Specialist Alternatives

Meeting date: October 10, 2014

Agenda number: 8e

INFORMATION

RECOMMENDATION:

Receive an Economic Development Specialist recruitment status report and review staff direction for future Board action.

BACKGROUND/DISCUSSION:

During the Fort Ord Reuse Plan Reassessment process a significant number of comments expressed concern that the employment and other economic benefits were lagging behind and required attention. In response, many Board members and speakers at the Fort Ord Reuse Colloquium suggested strengthening Fort Ord job creation activities and developing a program of enhancing the intellectual property transfer and elevating economic development connections to benefit the overall recovery program. In response, staff created a new position of Economic Development Specialist and the Fort Ord Reuse Authority (FORA) Finance Committee, Executive Committee and Board reviewed this proposal last spring. The Board specifically added accountability and performance measures to determine the success of such a position and limited funding to two years. On June 20, 2014 the FORA Board approved an Economic Development Specialist staff position and in the position description, the total salary/benefits/support package was set not to exceed \$164,000. FORA independent Human Resources consultant, Avery Associates, recommend a \$90.7K to \$115.8K salary range based on the Job Description reviewed by the Board in approving the creation of the position.

The recruitment effort yielded fifteen applications and four applicants were advanced for interviews by a panel comprised of representatives from the local jurisdictions, education, and business communities. After completing interviews, the top ranked candidates expressed reservations about the level of compensation, the employment term limitations, and short timeframe for performance assessment and elected not to accept or not respond to employment offers.

STAFF RECOMMENDATION:

Staff coordinated with members of the interview panel and explored alternatives to address this failed recruitment effort. In the past week several ideas have surfaced and staff/panelists are analyzing the following three alternatives offered a recommended course of action:

1. Re-initiate the position advertisement and extend the search to other states/ regions for the same staff position. Purchase national executive search firm assistance and consider increasing the compensation or Board directed term limitations.
2. Lowering the experience and performance requirements; seek a junior level candidate; reassign existing staff to related functions.

3. Assess the potential of partnering with the Monterey Business Council/ Monterey Bay Economic Partnership, which would match a portion of FORA resources to perform the tasks currently comprising the Economic Development Specialist Position Description under an agreement.

FISCAL IMPACT:

Reviewed by FORA Controller 

The Board approved the Economic Development Specialist salary and related funding at the June 20, 2014 meeting. Re-advertising, increasing the compensation and/or seeking a professional executive recruiter will add costs not anticipated in the FY 14-15 budget and a supplement would be required. Options 2 and 3 could be accomplished within the approved budget.

Prepared by 
Robert J Norris Jr

Approved by 
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject: Update on Prevailing Wage Compliance

Meeting Date: October 10, 2014

Agenda Number: 8f

INFORMATION

RECOMMENDATION:

Receive a prevailing wage requirements report on the former Fort Ord.

DISCUSSION:

Over the years, the Fort Ord Reuse Authority (FORA) Board has received several presentations regarding the applicability and enforcement of prevailing wage on the former Fort Ord. Recently, the FORA Board and staff received correspondence from an organized labor representative indicating concern regarding enforcement of the prevailing wage requirement within the City of Marina. FORA and City of Marina staff meet and as a result of this meeting look forward to a swift resolution of this matter, but it does present an excellent opportunity to review the prevailing wage requirement and both FORA's and the jurisdictions' role in enforcement.

BACKGROUND:

Adoption of prevailing wage as a base-wide policy originally surfaced during the legislative debates around the creation of FORA. While the FORA enabling legislation did not include provisions for prevailing wage, the initial FORA Board meeting explored the policy question in the exchanges about adoption of a procurement code. In fact, the FORA Board's first action in setting prevailing wage policy occurred on July 14, 1995, with the adoption of Ordinance No. 95-01. This Ordinance established FORA's Procurement Code, which requires prevailing wage to be paid to all workers employed on FORA's construction contracts. The FORA Master Resolution was adopted on March 14, 1997. Article 3.03.090 of the Master Resolution requires that prevailing wage be paid for all first generation projects occurring on parcels subject to the Base Reuse Plan.

Discussion regarding application of prevailing wage continued and was included in Base Reuse Plan compliance actions through 2006, when the Board engaged in further policy clarification actions. In August 2006, the Board received a status report on the jurisdiction's efforts to adopt and implement prevailing wage policies consistent with Chapter 3 of the Master Resolution. That report was the result of FORA Executive Committee and Authority Counsel's examination of FORA's role in implementing prevailing wage policies on the former Fort Ord. Since 2006, the FORA Board has heard compliance concerns expressed by the Labor Council, received several additional reports, slightly modified a section of Chapter 3 of the Master Resolution, and directed staff to provide information to the jurisdictions about compliance.

In September 2013, FORA Executive Officer provided an informational overview of prevailing wage requirements on the former Fort Ord. Attached to this report is PowerPoint presentation which attempts to further clarify prevailing wage policy implementation and enforcement (**Attachment A**).

FISCAL IMPACT:

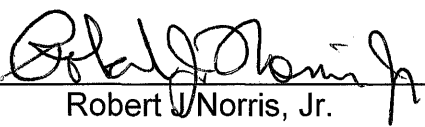
Reviewed by FORA Controller 

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

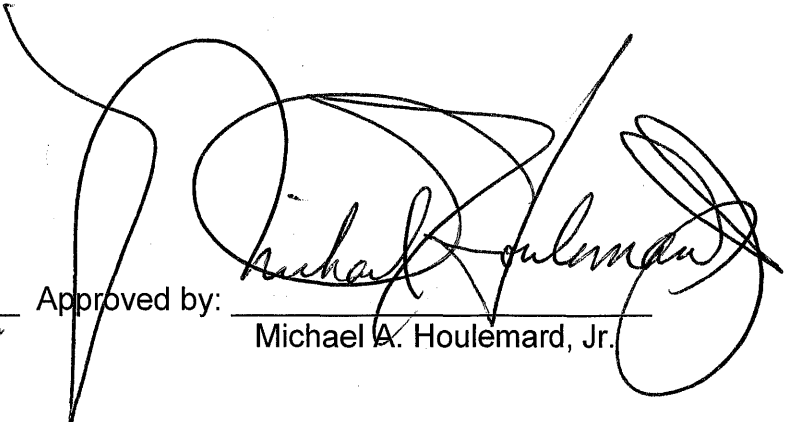
COORDINATION:

FORA Board, City of Marina, FORA Authority Counsel

Prepared by


Robert J. Norris, Jr.

Approved by:


Michael A. Houlemard, Jr.



Fort Ord Prevailing Wage *Application and Enforcement*

Fort Ord Reuse Authority

Prevailing Wage - Definition



The hourly wage, including benefits and overtime, paid to the largest group of, laborers, mechanics, and tradesmen within a particular region.

Prevailing Wage (PW) Rate law is based upon the premise that government is a major public client in the local economy and should use its buying power and state contract law to provide adequate wages.

Prevailing Wage In California



- California Labor Code establishes PW requirements for public works projects.
- “Public works” includes, “construction, alteration, demolition, or repair work done under contract and paid for in whole or in part out of public funds.” (Labor Code § 1720)
- The general prevailing rate of hourly wages is determined by the California Department of Industrial Relations.
- California is divided into Northern and Southern regions. (Monterey County is in Area 2 of Northern California)

Prevailing Wage - FORA History



Jul. 1995	FORA Procurement Code Adopted (Ord. 95-01)
Apr. 1996	FORA Master Resolution – Chapter 3
Mar. 2006	FORA Counsel Clarifies PW Policy
Jul. 2006	Trades Council Requests PW Reports
Oct. 2006	FORA Counsel Opinion – PW Enforcement
Nov. 2006	Executive Committee/Board PW Review
Nov. 2006 - Jan. 2007	FORA Board Debates PW Policy
Feb. 2007	Trades Council Sues for PW Enforcement
Feb. 2007	Special PW Board Workshop
Mar. 2007	Master Resolution Amendment (Res. 07-4) – Clarifies 1 st Generation Construction

FORA Master Resolution Requirements



3.03.90 PREVAILING WAGES

- Shall be paid to all workers for 1st generation construction on parcels subject to the Base Reuse Plan.
- Applies to work performed under development entitlements and by contract with a FORA member agency, including their transferees, agents, successors-in-interest, developers or building contractors.
- Member agencies shall provide notice of the policy in all contracts and deeds.
- FORA determines member agency compliance through consistency determinations (Master Resolution Chapter 8).

FORA Master Resolution Exceptions



3.03.90 PREVAILING WAGES

“In addition to the exceptions enumerated...in §1.01.050...this policy does not apply to:

- FORA/member jurisdiction construction workforce.
- Developer full-time employee construction work, unless performing work of a contractor.
- Post-occupancy permit construction improvements.
- Affordable housing as exempted under California law.
- Facilities constructed for charitable purposes and owned by a 501(c)(3) non-profit organization.”

How is Prevailing Wage Applied?



- All FORA bid documents contain information regarding the applicability of PW rates, either state or federal.
- Bidders are also informed that the applicable PW rate applies to all subcontractors performing work valued at more than 5% of the total contract.
- PW rates apply to workers assigned to the contracted project, and do not extend to workers who are ancillary to the construction (e.g., drivers delivering materials).

Enforcement



FORA is the enforcement agency for contracts to which FORA is a direct party. The member agency is responsible for enforcement of all other contracts.

FORA Enforcement Measures:

- During construction, contractors submit monthly certified payroll(s) for their labor force and that of each subcontractor.
- FORA compares # of workers to the certified payroll(s) and ensures compliance with the current PW rate per trade.
- Failure of the contractor/subcontractor to meet prevailing wage obligations is addressed in several ways, from issuance of a Correction Notice to referral to the Department of Industrial Relations for action and resolution.

FORA Board Report Example



FORT ORD REUSE AUTHORITY BOARD REPORT

NEW BUSINESS

Subject:	Consistency Determination: The Promontory at California State University, Monterey Bay	
Meeting Date:	August 9, 2013	INFORMATION/ACTION
Agenda Number:	7a	

(9) Is not consistent with FORA's prevailing wage policy, section 3.03.090 of the FORA Master Resolution.

The submittal does not modify prevailing wage requirements for development within Marina's former Fort Ord footprint.

Reference Documents



- California Labor Code (Sections 1720-1743)
- California Health & Safety Code (past)
- Jurisdictional Requirements
- FORA Resolution #07-4 (PW Policy)
- FORA Master Resolution
- FAQs on FORA website at www.fora.org

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject:	Quarterly Environmental Services Cooperative Agreement Update	
Meeting Date:	October 10, 2014	INFORMATION
Agenda Number:	8g	

RECOMMENDATION:

Receive an Environmental Services Cooperative Agreement (ESCA) status report.

BACKGROUND:

In Spring 2005, the U.S. Army (Army) and the Fort Ord Reuse Authority (FORA) entered into negotiations toward an Army-funded Agreement for the removal of remnant Munitions and Explosives of Concern (MEC) on the former Fort Ord. Under the terms of this ESCA contract, FORA accepted transfer of 3,340 acres of former Fort Ord land prior to regulatory environmental sign-off. In early 2007, the Army awarded FORA approximately \$98 million to perform the Federal Comprehensive Environmental Response Compensation and Liability Act (CERCLA) munitions cleanup on the ESCA parcels and secure regulatory approval for the ESCA parcels. FORA also entered into an Administrative Order on Consent (AOC) with U.S. Environmental Protection Agency (EPA) and California Department of Toxic Substance Control (DTSC) defining contractual conditions under which FORA completes Army remediation obligations for the ESCA parcels.

In order to complete the AOC defined work, after a competitive selection process, FORA entered into a Remediation Services Agreement with LFR Inc. (now ARCADIS) to provide MEC remediation services as defined in the Technical Specifications and Review Statement (TSRS), and in 2008 executed an \$82.1M Cost-Cap insurance policy for this remediation work through American International Group (AIG). This policy provides a commutation account which holds the funds that AIG uses to pay ARCADIS for the services performed. FORA received the "ESCA parcels" after EPA approval and gubernatorial concurrence under a Finding of Suitability for Early Transfer on May 8, 2009.

The ESCA Remediation Program (RP) has been underway for seven (7) years. Currently, the FORA team has completed known ESCA RP field work, pending regulatory review.

DISCUSSION:

The ESCA requires FORA, acting as the Army's contractor, to address safety issues resulting from previous munitions training operations conducted at the former Fort Ord. This allows the FORA ESCA RP team to successfully implement cleanup actions that address three major past concerns: 1) the requirement for yearly appropriation of federal funding that delayed cleanup and necessitated costly mobilization/demobilization expenses; 2) state and federal regulatory questions about protectiveness of previous actions for sensitive uses; and 3) local jurisdictional/community/FORA's desire to reduce, to the extent possible, risk to individuals accessing the property.

The AIG coverage also provides for up to \$128 million to address additional work for both known and unknown site conditions, if needed. That assures extra funds in place to complete the scope of work to the satisfaction of the Regulators. AIG monitors/approves ARCADIS expenditures in meeting AOC/TSRS grant requirements.

Based on the Army ESCA grant contract, the EPA AOC requirements and AIG insurance coverage provisions, AIG controls the ARCADIS/AIG \$82.1 million Commutation Account. The full amount was provided to AIG in 2008 as payment for a cost-cap insurance policy where AIG reviews ARCADIS' work performed and makes payments directly to ARCADIS. FORA oversees that the work complies with grant/AOC requirements.

Item	Originally Allocated	Accrued through June 2014
FORA PLL Self-Insurance/Policy Purchase	\$916,056	\$916,056
Reimburse Regulators & Quality Assurance	4,725,000	2,419,311
State of California Surplus Lines Tax, Risk Transfer, Mobilization	6,100,000	6,100,000
Contractor's Pollution Liability Insurance	477,344	477,344
Work Performed ARCADIS/AIG Commutation Account	82,117,553	68,693,628
FORA Administrative Fees	3,392,656	2,907,644
Total	\$97,728,609	\$81,513,982
	ESCA Remainder	\$16,214,627

It is important to highlight that data collected during the ESCA investigation stage remains under review by the regulatory agencies who determine when the remediation work is complete. They will only issue written confirmation that CERCLA MEC remediation work is complete and provide (regulatory site) closure when they are satisfied the work is protective of human health and that the Final Proposed Plan, Record of Decision, Land Use Control Operation and Maintenance Plan are completed and approved. The process of completing the review and documentation is dependent on Army and regulatory agency responses/decisions. Until regulatory site closure is received, the ESCA property remains closed to the public. When regulatory site closure is received, FORA will transfer land title to the appropriate jurisdiction. To date, the ESCA RP has provided stewardship for 3,340 ESCA acres. The ESCA team continues to actively monitor biological resources and track restoration activities on the ESCA property.

The ESCA RP team's major effort is on the required CERCLA documentation to gain regulatory certification of completion. Two significant issues have impacted the document delivery schedule. First was an issue between the Army and EPA concerning the definition of MEC as hazardous substances under CERCLA. After months of formal and informal discussions, EPA and the Army resolved their dispute in July 2014. The second significant issue concerns documenting FORA's Residential Quality Assurance (RQA) process as developed under a pilot study in accordance with the terms of the ESCA. DTSC has required reporting, in addition to the CERCLA documentation, on the RQA process which is likely to further impact the ESCA document schedule. The final version of the Residential Protocol Implementation Report (formerly known as the RQA Pilot Study Implementation Report) has been submitted to DTSC for approval. FORA staff and the ESCA RP team are closely monitoring these issues to efficiently execute the documentation phase of the program.

For the County North and Parker Flats Phase 1 ESCA properties, FORA received written confirmation from the regulatory agencies that CERCLA MEC remediation work is complete. For these properties, ARCADIS commuted ESCA insurance coverage for related clean-up costs for coverage for unknown conditions.

Per the existing FORA/Jurisdiction Implementation Agreements (2001) and Memorandum of Agreement (2007) regarding property ownership and responsibilities during the period of environmental services, deeds and access control for these properties has been transferred to the new land owner. At the County's request, FORA staff is working with County staff to adjust the former ESCA property signage based on a signage plan being developed under the joint direction of Monterey County staff, Monterey County Sheriff's Department and the Bureau of Land Management, with review by the FORA ESCA team.

Regulatory approval does not determine end use. Underlying jurisdictions are empowered to impose or limit zoning, decide property density or make related land use decisions in compliance with the FORA Base Reuse Plan.

FISCAL IMPACT:

Reviewed by FORA Controller 

The funds for this review and report are part of the existing FORA ESCA funds.

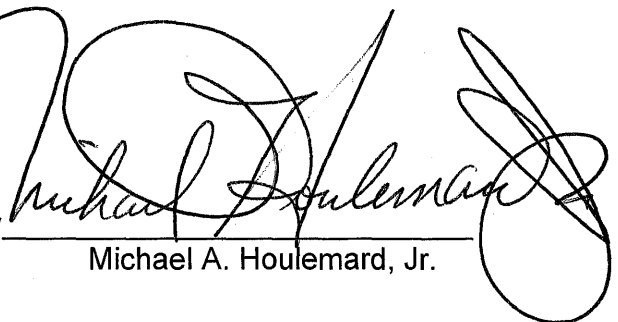
COORDINATION:

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

Prepared by


Stan Cook

Approved by


Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject:	Base Reuse Plan Reassessment Report Categories 1 and 2 Update	
Meeting Date:	October 10, 2014	INFORMATION
Agenda Number:	8h	

RECOMMENDATION(S):

Receive Base Reuse Plan Reassessment Report Categories 1 and 2 Update

BACKGROUND/DISCUSSION:

The Board approved the 2014 Work Plan at its February 13, 2014 meeting, which included completion of Reassessment Report Category 1-3 items. Category 1 focuses on Reuse Plan text and figure changes; Category 2 focuses on Prior Board Actions and Regional Plan consistency; and Category 3 focuses on Implementation of Policies and Programs (**Attachment A**).

During 2013, the Post Reassessment Advisory Committee (PRAC) reviewed the Category 1 Reassessment Report items and made recommendations for improvements. Subsequently, Special Counsel Waltner reviewed the PRAC progress and recommended hiring a consultant to complete an Initial Study to determine what (if any) California Environmental Quality Act (CEQA) processing may be necessary.

The Fort Ord Reuse Authority (FORA) Board directed staff to obtain legal review of prior Board actions. Special Counsel Waltner completed this review in 2013 and found past Board actions legally defensible (**Attachment B**). He further recommended to include past Board actions in the scope of the CEQA Initial Study. Once the initial study, and any subsequent CEQA processing is underway, updates of the Reuse Plan Land Use Concept and Circulation maps could be completed.

Ensuring Reuse Plan Consistency with regional plans including the Transportation Agency of Monterey County (TAMC), the Monterey County Air District (MCAD), and the Regional Water Quality Control Board (RWQCB) is within the scope of the 2014 Work Plan. Staff is holding meetings with the relevant agencies to evaluate changes to plans since 1997. Policy development to address any changes will be included in the scope of work under the new Request for Proposals.

Staff notes that progress is underway on addressing many of the cross-jurisdictional items identified in Category 3 including the development of Regional Urban Design Guidelines, planning for Oak Woodlands conservation, and a host of other jurisdiction specific items. Staff has met with each of the relevant jurisdictions and expects to have jurisdiction-specific Category 3 item updates shortly. These status updates will be used to determine what additional steps are needed to bring these items to completion.

In response to the progress made by the PRAC and reviews and recommendations from Special Counsel Waltner, Staff has prepared a DRAFT Scope of Work and Request for Proposals (RFP) (**Attachment C**) to:

- a) Complete a CEQA Initial Study of the recommended Category 1 & 2 items changes
- b) Produce updated Land Use Concept and Circulation maps
- c) Evaluate policy options for regional plan consistency

Once approved, the Scope of Work and RFP would be released and a proposal review and contracting process would follow.

FISCAL IMPACT:

Reviewed by FORA Controller 

Staff time for this item is included in the approved FORA budget. FY 14-15 Reuse Plan Implementation budget includes funding to pay for consultant services.

COORDINATION:

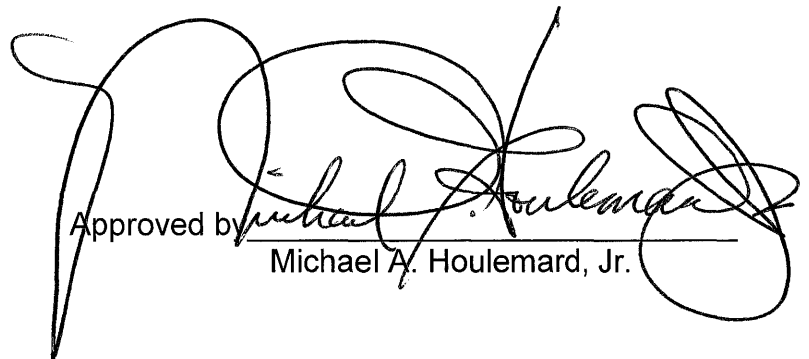
Administrative Committee, Post Reassessment Advisory Committee, RUDG Task Force

Prepared by



Josh Metz

Approved by



Michael A. Houlemard, Jr.

**ISSUES IDENTIFIED
IN THE SCOPING REPORT**
(see Table 3)

OTHER ISSUES IDENTIFIED
(see Table 4)

SORTED INTO FIVE CATEGORIES

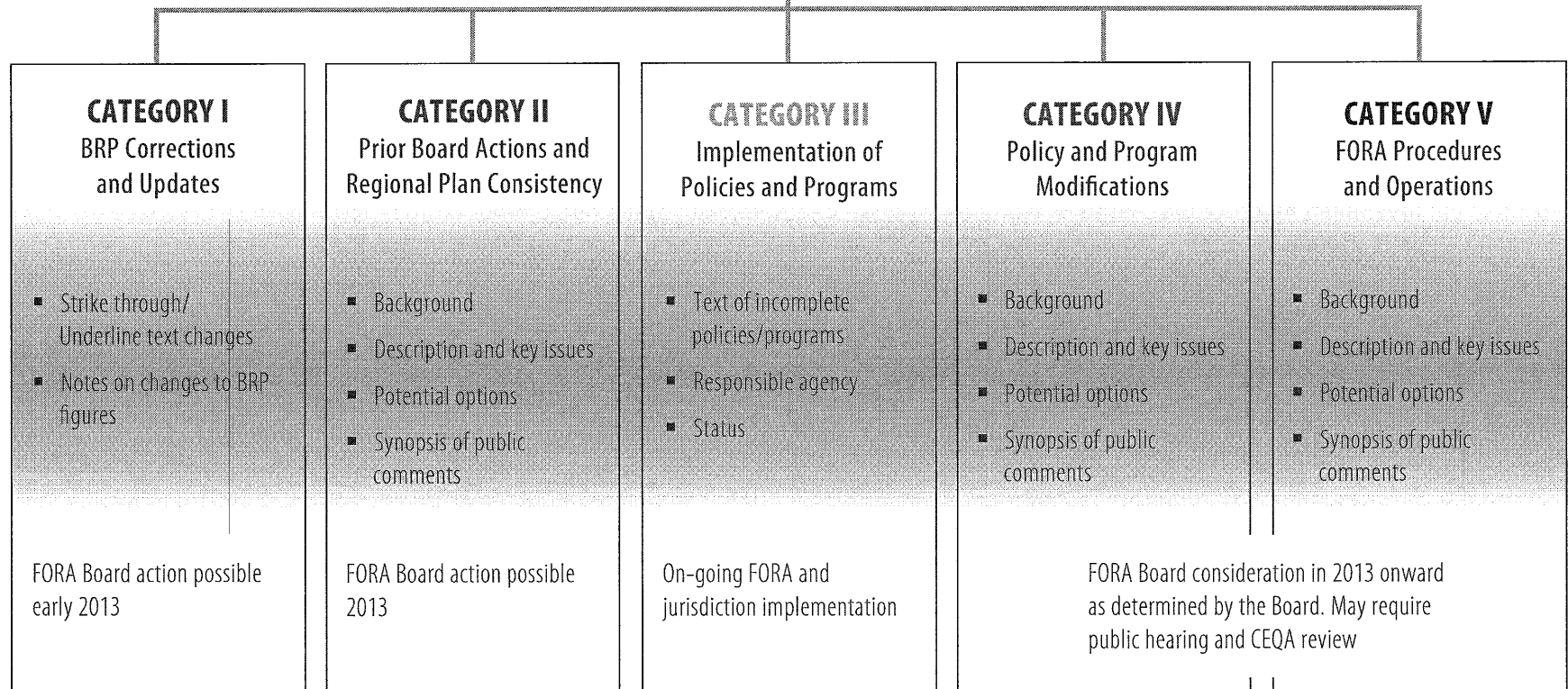


Figure 2
Visual Key to Reassessment Report



779 DOLORES STREET
SAN FRANCISCO, CALIFORNIA 94110
TEL (415) 641-4641 • FAX (415) 738-8310
WALTNERLAW@GMAIL.COM

Memorandum

Date: July 3, 2013
To: Fort Ord Reuse Authority
Board of Directors
Mayor Jerry Edelen, Board Chair
Michael Houlemard, Executive Officer
From: Alan Waltner, Esq.
RE: CEQA and Land Use Implications of Potential Revisions to the Fort Ord Reuse Authority Base Reuse Plan

I. INTRODUCTION

This memorandum addresses the implications under the California Environmental Quality Act (“CEQA”) of potential revisions of the FORA-adopted Base Reuse Plan (“BRP”). This memorandum also addresses how changes to the BRP are affected by the guidelines implementing CEQA and land use law. The current BRP was adopted in 1997 and supported by a programmatic environmental impact report prepared under CEQA (“1997 EIR”). A legal challenge to the adequacy of the 1997 EIR was resolved through a settlement agreement with the Ventana Chapter of the Sierra Club (“Sierra Club settlement”).

As required by the Sierra Club settlement, which was memorialized in Article 8.10.010(h) of the FORA Master Resolution, FORA completed a “reassessment” of the 1997 BRP in December 2012 and produced a report dated December 14, 2012 memorializing that reassessment (“Reassessment Report”). The Reassessment Report divided its evaluation into five categories. Category I consists of various corrections and updates to the 1997 BRP, largely in the form of minor errata to the text of the BRP. Category II consists of changes that would conform the BRP to the substance of previous FORA Board actions, particularly “consistency” determinations, as well as changes that would improve consistency of the BRP with regional plans that have evolved since 1997. Category III evaluates the compliance of various member jurisdictions with certain policies and programs in the 1997 BRP. Category IV is a discussion of more substantive modifications to BRP policies and programs that could be considered by the FORA Board in response to the reassessment. Category V discusses various potential changes to FORA’s governance, including procedures and operations.

At this time, FORA is still in the process of public outreach and is considering a broad range of possible changes to the BRP as reflected in these five categories. In particular, it is anticipated that a colloquium and workshop process will occur during the second half of this year to obtain additional public input and provide a context for additional conversations about potential BRP revisions.

As discussed below, the appropriate CEQA document needed to support these changes will depend on the changes ultimately proposed. Near-term activities such as the colloquium and workshop process are anticipated to remain exempt planning and feasibility studies. Beyond that point, the nature and scope of the appropriate CEQA document should be evaluated through an initial study process. Given the relatively long lead-time required for certain CEQA compliance options, we recommend that this initial study process be initiated soon.

II. CEQA IMPLICATIONS OF POTENTIAL BRP REVISIONS

This section of the memorandum addresses three key issues:

- when is additional CEQA review required?
- what is the appropriate form of a new CEQA document, if any? and
- what is the recommended procedure for determining the appropriate CEQA document?

Land use considerations are discussed in the next section.

A. When is Additional CEQA Review Required?

In situations such as this, where an EIR for a program (or project) has already been prepared, certified, and judicial review has been completed, Section 21166 of CEQA, and Section 15162 of the CEQA Guidelines, establish the criteria for any additional required environmental review under CEQA. Distilled down to its essence, there must be a discretionary action¹, and there must also be one or more of the following: changes in the project (or program), changes in circumstances, or new information.

CEQA Section 21166 describes the three events that trigger the need for preparation of a supplemental environmental impact report as follows: “(a) Substantial changes . . . in the project which will require major revisions of the environmental impact report. (b) Substantial

¹ The discretionary action trigger is described in the CEQA Guidelines as follows:

Once a project has been approved, the lead agency's role in project approval is completed, unless further discretionary approval on that project is required. Information appearing after an approval does not require reopening of that approval. If after the project is approved, any of the conditions described in subdivision (a) occurs, a subsequent EIR or negative declaration shall only be prepared by the public agency which grants the next discretionary approval for the project, if any. In this situation no other responsible agency shall grant an approval for the project until the subsequent EIR has been certified or subsequent negative declaration adopted.

Guidelines Section 15162(c). If there is no future discretionary action, the CEQA Guidelines are clear that the agency is not required to reopen the previous approval and CEQA process. See also Guidelines Sections 15002 and 15357.

changes . . . with respect to the circumstances under which the project is being undertaken which will require major revisions in the environmental impact report. [and] (c) New information, which was not known and could not have been known at the time the environmental impact report was certified as complete, becomes available.” CEQA Section 21166.

Section 15162 of the CEQA Guidelines elaborates on these tests, generally requiring that the changes or new information create the need for “major revisions” relating to “new significant environmental effects” or a “substantial increase” in those effects. This requirement establishes a fairly high bar for reopening the EIR. Ultimately, this question turns on “whether, subsequent to the certification of the EIR, circumstances have changed to the extent that reliance on the EIR is unwarranted. (See *Bowman v. City of Petaluma* (1986) 185 Cal.App.3d 1065, 1073 [“section 21166 comes into play precisely because in-depth review has already occurred, the time for challenging the sufficiency of the original EIR has long since expired [citation], and the question is whether circumstances have changed enough to justify repeating a substantial portion of the process”].)” *Concerned Citizens of Dublin v. City of Dublin*, Slip Op., at 17 (March 7, 2013; certified for publication March 28, 2013).

Case law has been relatively generous in finding additional environmental review unnecessary to support program changes. For example, a reallocation of 100 residential units from one site to another was not considered a significant change to a specific plan in *Concerned Citizens of Dublin*. Slip Op. at 17. In that case, the EIR analyzed environmental impacts based on the maximum residential units in the program area as a whole, and the Court concluded that shifting 100 units to a different location was not a significant change. Likewise, the Court in *Bowman* considered the rerouting of project traffic from one street to another not to be a significant change.

B. What is the Appropriate Form of a New CEQA Document, if Any?

The next question that needs to be addressed is the form of the CEQA document that will be used to support future actions relating to the Base Reuse Plan. Here there are at least six options: exemption for planning and feasibility studies, categorical exemption, negative declaration, supplemental EIR, subsequent EIR, or addendum. The appropriate document will depend on the timing, scope and nature of the BRP-related activities, in particular any BRP revisions.

First, the CEQA Guidelines contain an exemption for planning and feasibility studies that do not have a legally binding effect on later activities. CEQA Guidelines Section 15262. This was the basis for preparing the BRP reassessment without an accompanying CEQA document. The anticipated colloquium and workshop process also will qualify for this exemption so long as no legally binding actions are taken and the process includes a “consideration of environmental factors.” *Id.*

Second, the CEQA Guidelines contain a categorical exemption that applies to “changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised.” CEQA Guidelines Section 15320. This categorical exemption would be potentially applicable to the Category V changes to FORA’s governance.

Third, CEQA generally allows a negative declaration to be prepared, rather than an EIR, where there is no “fair argument” that a significant effect on the environment would result from a program or other project. CEQA Guidelines Section 15063. Guidelines Section 15162, however, makes this “fair argument” standard inapplicable in the supplemental EIR context, and instead asks whether substantial evidence supports the agency’s decision not to undertake additional environmental review under CEQA Section 21166. If the initial study recommended below shows that supplemental environmental review has not been triggered for any impact, a negative declaration memorializing that conclusion may be utilized.

Fourth, CEQA Guidelines Section 15163 provides that an agency may choose to prepare a supplemental EIR rather than a subsequent EIR if, among other things, “[o]nly minor additions or changes would be necessary to make the previous EIR adequately apply to the project in the changed situation.” CEQA Guidelines Section 15163. Therefore, a key consideration in determining whether to prepare a subsequent or supplemental EIR is a fact-based determination of whether the additions or changes to the previous EIR are only minor.

A supplemental EIR does not require recirculation of the previous draft or final EIR and need only contain the information necessary to make the previous EIR adequate for the project as revised. However, when an agency decides whether to approve a future project, it must consider the previous EIR, as revised by the supplemental EIR. CEQA Guidelines Section 15163.

Fifth, if major changes are required to make a previous EIR adequate, the agency must prepare a subsequent EIR. Although there is only limited guidance in the State CEQA Guidelines, Section 15162 states that a subsequent EIR should be prepared if it is necessary to do more than supplement the previous EIR. There is no requirement for the lead agency to consider the original EIR when it considers the subsequent EIR, although CEQA Guidelines Section 15162(d) requires the original EIR to be made available.

Sixth, the CEQA Guidelines authorize the preparation of an addendum in certain circumstances, where the conditions triggering a subsequent EIR under Guidelines Section 15162, as described above, have not occurred, and “only minor technical changes or additions are necessary” CEQA Guidelines Section 15164.

C. What is the Recommended Procedure for Determining the Appropriate CEQA Document?

Neither CEQA nor the CEQA Guidelines clearly specify a procedure for determining whether a certified program EIR, such as the 1997 EIR for the BRP, remains valid for continued use. However, CEQA and the guidelines suggest the use of an initial study in several related contexts. For example, in determining whether to use a program EIR for a subsequent project-level² approval, CEQA Section 21094 (c) states: “For purposes of compliance with this section, an initial study shall be prepared to assist the lead agency in making the determinations required by this section. The initial study shall analyze whether the later project may cause significant effects on the environment that were not examined in the prior environmental impact report.” See also Guidelines Sections 15153 and 15168. CEQA Section 21157.1

² Guidelines Section 15168(a) suggests that a program such as the BRP “can be characterized as one large project.” Therefore, these “tiering” sections of CEQA and the Guidelines could be considered applicable.

similarly provides for the use of an initial study in determining whether a subsequent project is within the scope of, and adequately covered by, a master environmental impact report. CEQA Section 21157.6 provides for use of an initial study to determine whether a master environmental impact report remains effective beyond an initial five year period.

CEQA practitioners have filled this gap in direct guidance by using a modified initial study checklist for the purpose of evaluating the continuing effectiveness of an EIR. Mechanically, this generally involves the addition of one or more new questions to the initial study checklist that ask whether there have been changes requiring additional analysis. This flexible use of the initial study method is supported by several CEQA guidelines. First, Guidelines Section 15063(f) states that, although example initial study checklists are included in Appendices G and H to the guidelines: “These forms are only suggested, and public agencies are free to devise their own format for an initial study. A previously prepared EIR may also be used as the initial study for a later project.” The use of an initial study in this context is further supported by the definition of an initial study in Guidelines Section 15365: “‘Initial Study’ means a preliminary analysis prepared by the Lead Agency to determine whether an EIR or a Negative Declaration must be prepared or to identify the significant environmental effects to be analyzed in an EIR.”³

We therefore recommend the preparation of an initial study to determine whether additional environmental review is required in connection with the anticipated BRP revisions, and to determine the appropriate scope of that review. As the guidelines above show, the format and contents of the initial study can be adapted to the particular situation. The ultimate format and contents of this initial study should be determined after further consultation with FORA and its consultants.

III. LAND USE CONSIDERATIONS

The BRP is not subject to the same state planning and zoning law requirements that apply to general and specific plans. Specifically, the broad state law requirements for a comprehensive general plan with specified plan elements that are internally consistent, do not apply to FORA’s BRP. Instead, the Authority Act specifies the required elements in very broad terms, and there are no state regulations that constrain FORA’s BRP in the ways that local general plans are constrained.

³ Likewise, CEQA Guidelines Section 15063(c) states that the purposes of an initial study are to:

- (3) Assist in the preparation of an EIR, if one is required, by:
 - (A) Focusing the EIR on the effects determined to be significant,
 - (B) Identifying the effects determined not to be significant,
 - (C) Explaining the reasons for determining that potentially significant effects would not be significant, and
 - (D) Identifying whether a program EIR, tiering, or another appropriate process can be used for analysis of the project’s environmental effects.

- (6) Eliminate unnecessary EIRs;
- (7) Determine whether a previously prepared EIR could be used with the project.

The Authority Act contains a number of requirements for the BRP that will need to be satisfied in connection with any BRP revisions. These requirements are specified in Government Code Section 67675, which states that the BRP (including revisions) is required to include all of the following elements:

- (1) A land use plan for the integrated arrangement and general location and extent of, and the criteria and standards for, the uses of land, water, air, space, and other natural resources within the area of the base. The land use plan shall designate areas of the base for residential, commercial, industrial, and other uses, and may specify maximum development intensities and other standards and criteria. The land use plan shall provide for public safety.
- (2) A transportation plan for the integrated development of a system of roadways, transit facilities, air transportation facilities, and appurtenant terminals and other facilities for the movement of people and goods to, from, and within the area of the base.
- (3) A conservation plan for the preservation, development, use, and management of natural resources within the area of the base, including, but not limited to, soils, shoreline, scenic corridors along transportation routes, open spaces, wetlands, recreational facilities, historical facilities, and habitat of, or for, exceptional flora and fauna.
- (4) A recreation plan for the development, use, and management of the recreational resources within the area of the base.
- (5) A five-year capital improvement program that complies with the requirements of Section 65403. The program shall include an allocation of the available water supply, sewage treatment capacity, solid waste disposal capability, and other limited public service capabilities among the potential developments within the area of the base. The program shall also identify both of the following:
 - (A) Base-wide facilities identified pursuant to Section 67679.
 - (B) Local facilities that are in the county or a city with territory occupied by Fort Ord and that primarily serve residents of the county or that city.

Since the 1997 BRP was subject to these same requirements, it contains all of the required elements. Generally, we recommend that the existing structure of the BRP be retained in order to carry forward all of these mandatory elements, as well as to provide a familiar structure and contents.

The BRP is also authorized to include any element or subject specified in Government Code Section 65302, relating to local general plans, such as a safety or housing element. (Government Code Section 67675(d)), but is not required to do so. The Authority Act contains no other references to the Planning and Zoning Law (Government Code Section 65000 *et seq.*), supporting the view that the Authority Act contains a “stand-alone” set of land use requirements that do not adopt or otherwise imply the application of parallel provisions of the Planning and Zoning Law.

The BRP is also required to be consistent with: “approved coastal plans, air quality plans, water quality plans, spheres of influence, and other county-wide or regional plans required by federal or state law, other than local general plans, including any amendments subsequent to the enactment of this title” The plan must also consider: “(1) Monterey Bay regional plans.

(2) County and city plans and proposed projects covering the territory occupied by Fort Ord or otherwise likely to be affected by the future uses of the base. (3) Other public and nongovernmental entity plans and proposed projects affecting the planning and development of the territory occupied by Fort Ord.” Government Code Section 67675(f).

Once the BRP has been adopted, all of the local jurisdictions with territory in Fort Ord are required to submit both the then-current general plan as well as general plan amendments to the FORA Board, accompanied with a certification that the plan “applicable to the territory of Fort Ord is intended to be carried out in a manner fully in conformity with [the Authority Act].” Government Code Section 67675.2. The FORA Board then approves and certifies the general plans and amendments applicable to the territory of Fort Ord if it finds that the plan “meets the requirements of [the Authority Act] and is consistent with the [BRP].” Government Code Section 67675.3. Following that approval, zoning ordinances and “other implementing actions” are required to be submitted to the FORA Board, which the Board can only reject “on the grounds that they do not conform with, or are inadequate to carry out, the provisions of the certified general plan applicable to the territory of Fort Ord.” Government Code Section 67675.5. Following the original general plan certification, amendments to that local plan only take effect upon certification by the FORA Board. Government Code Section 67675.7.

Government Code Section 67675 also states that the FORA Board “shall . . . revise from time to time, and maintain” the BRP. As discussed above, however, under the Authority Act, FORA retains considerable discretion regarding the contents of the BRP

IV. RECOMMENDATIONS AND NEXT STEPS

As described above, we recommend as an initial step that an initial study be commenced to evaluate the potential BRP revisions and the continuing ability of the 1997 BRP to support those revisions. An initial study could provide a framework for public participation, provide substantial evidence and a concrete description of FORA’s analysis, and help focus a future environmental document. It will be important for this effort that the anticipated list of BRP revisions be developed as quickly and accurately as possible, in order to provide an accurate, stable and finite “project description.” However, understanding that this is an ongoing process, a “framework” initial study could be prepared, based upon the information that currently is known (i.e. plan contents such as those in Categories I and II that are anticipated to be included, context changes and/or new information such as population, traffic, economic and other factors, and those Category IV items that are the most likely to be included). The framework would include an initial study checklist adapted to this situation, a summary of how the 1997 BRP EIR addressed each environmental impact, and an evaluation of the implications of those program changes, changed circumstances and new information that can currently be anticipated. With this framework initial study, ongoing discussions about the BRP revisions would be informed by the framework analysis and appropriate revisions to the initial study made as the BRP revision evolves.

Memorandum

Date: September 3, 2013
To: Fort Ord Reuse Authority
Board of Directors
Mayor Jerry Edelen, Board Chair
Michael Houlemard, Executive Officer
From: Alan Waltner, Esq.
RE: Evaluation of FORA Legislative Land Use Decisions and Development
Entitlement Consistency Determinations

I. INTRODUCTION

This memorandum describes the requirements applicable to legislative land use decisions and development entitlement consistency determinations made by the Fort Ord Reuse Authority (“FORA”) under the FORA Base Reuse Plan (“BRP”). It evaluates as examples two previous actions – the Seaside General Plan consistency certification, and approval of the East Garrison – Parker Flat “land swap.”

We conclude that FORA’s procedures for determining consistency correctly interpret and apply the Fort Ord Reuse Authority Act (“Authority Act”), Government Code Sections 67650-67700 and the FORA Master Resolution. Generally, so long as the overall development restrictions of the BRP (such as water use limits, housing units, etc.) are not exceeded, the resulting land uses on an overall basis are generally consistent with those in the BRP, specific requirements of the BRP and Master Resolution are satisfied, and substantial evidence supports these conclusions, FORA consistency determinations and other land use actions would likely be upheld by a reviewing court.¹

¹ We note that most of the actions taken by FORA to date can no longer be challenged in light of the applicable statutes of limitations. Challenges brought under the California Environmental Quality Act, Public Resources Code Section 21000 et seq. (“CEQA”), must be commenced within 30 days if a notice of determination has been filed, or within 180 days of the agency decision if no notice has been filed. CEQA Section 21167. Where no such action has been brought, the environmental document is conclusively presumed adequate for purposes of its use by responsible agencies, unless the provisions of CEQA Section 21166 apply. CEQA Section 21167.2. Under Section 8.01.070 of the Master Resolution, FORA is considered to be a responsible agency for most of these decisions, with the local member agency serving as lead agency. Other claims against FORA would need to be brought within four years of the action under the “catch all” statute of limitations in Civil Procedure Code Section 343. The two specific actions evaluated as examples in this memorandum were each taken over four years ago. Chapter 8 of the Master Resolution, and the existing BRP, were also adopted over 4 years ago and are not subject to challenge unless modified.

II. OVERVIEW OF APPLICABLE REQUIREMENTS

Actions taken by FORA are governed by the Authority Act and the Master Resolution. In particular, Chapter 8 of the Master Resolution, which served as the basis for the settlement in 1998 of a lawsuit brought by the Sierra Club, contains most of the pertinent provisions.

Many of these requirements are unique to FORA, and any litigation challenging actions by FORA or others would likely present issues of first impression. However, the Authority Act, Master Resolution, and Sierra Club settlement can be analyzed using general principles of statutory construction and contractual interpretation. Case law under analogous provisions of the Planning and Zoning Law, Government Code Section 65000 et seq., is also informative and is presented below. In addition, the validity of FORA actions would be highly fact-specific, and depend upon the nature of, and evidentiary support for, the particular decision. As a result, future actions will need to be evaluated on a case-by-case basis in light of the general principles discussed below.²

The Authority Act provides for FORA's involvement in local land use decisions primarily in two contexts. The first is the review and certification of local general plans under the "consistency" standards of Government Code Section 67675.3. The second is the consideration of specific land use entitlements under FORA's appeal jurisdiction set out in Government Code Section 67675.8. The standards for each type of action are distinct and are analyzed separately below.³

A. Consistency Certifications

Under the Authority Act, the BRP is to include, among other things, "[a] land use plan for the **integrated arrangement and general location and extent of**, and the criteria and standards for, the uses of land, water, air, space, and other natural resources within the area of the base." Government Code Section 67675(c)(1). (Emphasis added). This language closely mirrors the analogous provision of Section 65302 of the Planning and Zoning Law (a general plan must include a "land use element that designates the proposed **general distribution and general location and extent** of the uses of the land . . .") (Emphasis added).

Thus, under the Authority Act, only the general locations and extent of land uses need be shown in the BRP. There is nothing in the Authority Act requiring FORA to plan at a

² This memorandum is provided for the benefit of FORA. Third parties, such as local agencies, land owners, developers, and financiers, should obtain the advice of their own legal counsel with respect to any specific actions being considered by them.

³ Section 1.01.050 of the Master Resolution describes the distinction as follows: "'Legislative land use decisions' means general plans, general plan amendments, redevelopment plans, redevelopment plan amendments, zoning ordinances, zone district maps or amendments to zone district maps, and zoning changes." Other local land use approvals such as subdivisions, building permits, etc. are defined and labeled as "Development Entitlements." Specific plans are not included in either definition. However, Master Resolution 8.01.010 includes specific plans with the other legislative land use decisions that are subject to consistency review.

level of detail analogous to that of the zoning ordinances and zoning maps prepared by local jurisdictions under the Planning and Zoning Law. Instead, at the former Fort Ord, this more detailed planning is the responsibility of the local jurisdictions. Government Code Section 67675.5.

Following the adoption of the BRP, all of the local jurisdictions with territory in Fort Ord were required to submit both the then-current general plan as well as general plan amendments to the FORA Board, accompanied with a certification that the plan “applicable to the territory of Fort Ord is intended to be carried out in a manner fully in conformity with [the Authority Act].” Government Code Section 67675.2.⁴

The FORA Board then holds a noticed public hearing and approves and certifies the general plans and amendments applicable to the territory of Fort Ord if it finds that the plan “meets the requirements of [the Authority Act] and is consistent with the [BRP].” Government Code Section 67675.3. The approval and certification is mandatory under the Authority Act if these findings are made. *Id.* (“The board **shall** approve and certify . . .”).

Following that approval, zoning ordinances and “other implementing actions” are required to be submitted to the FORA Board, which the Board can only reject “on the grounds that they do not conform with, or are inadequate to carry out, the provisions of the certified general plan applicable to the territory of Fort Ord.” Government Code Section 67675.5. Note that the benchmark for this review of local implementing actions is the certified general plan, not the BRP.⁵ Following the original general plan certification, amendments to that local plan only take effect upon certification by the FORA Board. Government Code Section 67675.7.

Section 8.02.010 of the Master Resolution elaborates on the criteria for legislative land use consistency determinations, as follows:

(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

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

⁴ The corresponding section of the Master Resolution, Section 8.01.020(b)(3), adds a reference to the BRP to this conformity provision.

⁵ Section 8.01.060 of the Master Resolution includes a “supercession” provision making Chapter 8 of the Master Resolution “supreme” over the BRP and other FORA documents. However, this supercession clause does not purport to override the Authority Act. This is most likely in recognition of the fact that provisions inconsistent with the Authority Act would not be authorized or effective. Specifically, Section 67675.8(b)(1) of the Authority Act authorizes the Board **only** to adopt regulations “to ensure compliance with the provisions of this title.” (Emphasis added).

- (2) Provides for a development more dense than the density of uses permitted in the Reuse Plan **for the affected territory**;
- (3) Is not in **substantial conformance** with applicable programs specified in the Reuse Plan and Section 8.02.020 of this Master Resolution.
- (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;
- (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; and
- (6) Does not require or otherwise provide for implementation of the Fort Ord Habitat Management Plan.

(b) FORA shall not preclude the transfer of intensity of land uses and/or density of development involving properties within the affected territory as long as the land use decision meets the overall intensity and density criteria of Sections 8.02.010(a)(1) and (2) above as long as the cumulative net density or intensity of the Fort Ord Territory is not increased.⁶

(Emphasis Added).

The Master Resolution also allows FORA to apply a “substantial compliance” standard for certification of legislative land use decisions. Section 8.02.010. A similar “substantial conformance” standard also applies to the local agency’s compliance with BRP policies, as well as with the programs and mitigation measures listed in Master Resolution Section 8.02.020. Master Resolution Section 8.01.010(a)(3).

The standards for consistency certifications set forth in the Master Resolution are similar to those applied in case law under the analogous Planning and Zoning Law. Although FORA is governed by the Authority Act and is not subject to the Planning and Zoning Law, key terms chosen by the Legislature, such as “consistent” should be interpreted similarly. In referring to “consistency,” the Legislature is presumed to have been applying the plain meaning of the word, which is: “agreement or harmony of parts or features to one another or a whole: correspondence; *specifically*: ability to be asserted together without contradiction.” Websters-Merriam Online Dictionary. The analogy to the Planning and Zoning Law is further reinforced by the similarity of Section 65302 of

⁶ The term “affected territory” is defined by Section 1.01.050 of the Master Resolution to mean “property within the Fort Ord Territory that is the subject of a legislative land use decision or an application for a development entitlement **and such additional territory within the Fort Ord Territory that may be subject to an adjustment in density or intensity of allowed development to accommodate development on the property subject to the development entitlement.**” (Emphasis Added).

the Planning and Zoning Law and Section 67675(c)(1) of the Authority Act as discussed above.

Under the Planning and Zoning Law, general plans must be internally consistent, and subsequent land use actions, such as zoning ordinances and project entitlements, must be consistent with the general plan. Applying that standard, “A 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.’ ‘A given project need not be in perfect conformity with each and every general plan policy. [Citation.] To be consistent, a subdivision development must be ‘compatible with’ the objectives, policies, general land uses and programs specified in the general plan.” *FUTURE v. Board of Supervisors* (1998) 62 Cal.App.4th 1332, 1336. See also *Orange Citizens for Parks and Recreation v. Superior Court*, (July 10, 2013) California Court of Appeal for the Fourth District, Slip Opinion, No. G047013 (city’s interpretation of its general plan land use map given substantial deference, even where specific land uses differ).

“[S]tate law does not require precise conformity of a proposed project with the land use designation for a site, or an exact match between the project and the applicable general plan. [Citations.] Instead, a finding of consistency requires only that the proposed project be ‘compatible with the objectives, policies, general land uses, and programs specified in’ the applicable plan. [Citation.] The courts have interpreted this provision as requiring that a project be ‘in agreement or harmony with’ the terms of the applicable plan, not in rigid conformity with every detail thereof.” (*San Franciscans Upholding the Downtown Plan v. City and County of San Francisco* (2002) 102 Cal.App.4th 656, 678.). “[A] given project need not be in perfect conformity with each and every [general plan] policy,” and “no project could completely satisfy every policy stated in [a general plan].” *Sequoyah Hills Homeowners Assn. v. City of Oakland* (1993) 23 Cal.App.4th 704, 719. The agency “has broad discretion to weigh and balance competing interests in formulating development policies, and a court cannot review the wisdom of those decisions under the guise of reviewing a general plan’s internal consistency and correlation.” *Federation of Hillside Associations v. Los Angeles* (2004) 126 Cal.App.4th 1180, 1196.

This is particularly true for broad plan provisions that do not set out specific requirements. *Corona-Norco Unified School Dist. v. City of Corona* (1993) 17 Cal.App.4th 985, 996. For example, in *Sequoyah*, there was substantial evidence that a subdivision project was consistent with 14 of 17 pertinent policies. The three remaining policies were amorphous in nature—they “encouraged” development “sensitive to natural land forms, and the natural and built environment.” 23 Cal.App.4th at 719. The Board’s consistency finding in that case was upheld.

This contrasts with situations such as that faced in *Murrieta Valley Unified School Dist. v. County of Riverside* (1991) 228 Cal. App.3d 1212. There, where the applicable general plan required the local agency to incorporate specific nonmonetary school mitigation measures, the requirement of internal consistency required the adoption of such measures in a general plan amendment. Thus, “the nature of the policy and the

nature of the inconsistency are critical factors to consider.” *FUTURE v. Board of Supervisors of El Dorado County* (1998) 62 Cal.App.4th 1332, 1341.

A Board’s determination of general plan consistency carries a strong presumption of regularity. *Sequoyah Hills, supra*, 23 Cal.App. 4th at 717. This determination can be overturned only if the Board abused its discretion—that is, did not proceed legally, or if the determination is not supported by findings, or if the findings are not supported by substantial evidence. (*Ibid.*) “We review decisions regarding consistency with a general plan under the arbitrary and capricious standard. These are quasi-legislative acts reviewed by ordinary mandamus, and the inquiry is whether the decision is arbitrary, capricious, entirely lacking in evidentiary support, unlawful, or procedurally unfair. [Citations.] Under this standard, we defer to an agency’s factual finding of consistency unless no reasonable person could have reached the same conclusion on the evidence before it.” (*Endangered Habitats League, Inc. v. County of Orange* (2005) 131 Cal.App.4th 777, 782.) “It is, emphatically, *not* the role of the courts to micromanage these development decisions.’ [Citation.] Thus, as long as the City reasonably could have made a determination of consistency, the City’s decision must be upheld, regardless of whether *we* would have made that determination in the first instance.” (*California Native Plant Society v. City of Rancho Cordova* (2009) 172 Cal.App.4th 603, 638.). The challenger has the burden of showing that the agency’s consistency determination was unreasonable. *Id.* at 639.

“[C]ourts accord great deference to a local governmental agency's determination of consistency with its own general plan.” *San Franciscans Downtown Plan v. City of San Francisco* (2002) 125 Cal. Rptr. 2d 745, 759. “[T]he body which adopted the general plan policies in its legislative capacity has unique competence to interpret those policies when applying them in its adjudicatory capacity. [Citations.] Because policies in a general plan reflect a range of competing interests, the governmental agency must be allowed to weigh and balance the plan's policies when applying them, and it has broad discretion to construe its policies in light of the plan's purposes. [Citations.] A reviewing court's role is simply to decide whether the city officials considered the applicable policies and the extent to which the proposed project conforms with those policies.’ [Citation.]” *Save Our Peninsula Committee v. Monterey County* (2001) 87 Cal.App.4th 99, 142.

The programs and mitigation measures listed in Master Resolution Section 8.02.020 generally only require that those programs and measures be included in the applicable general plan or be considered during development entitlement reviews. Section 8.02.020 does not require full implementation of all of these programs and measures as a condition for either consistency certifications or development entitlement approvals. Most of those programs and measures are also stated in relatively subjective and flexible terms, generally qualified by terms such as “encourage” or “appropriate.” Only some of the programs and measures are described in more specific, prescriptive or proscriptive, language.

B. Appeals of Project-Level Entitlements

The certification of local general plans generally transfers land use entitlement authority to the local jurisdiction, subject to appeals to the FORA Board:

Except for appeals to the board, as provided in Section 67675.8, after the portion of a general plan applicable to Fort Ord has been certified and all implementing actions⁷ within the area affected have become effective⁸, the development review authority shall be exercised by the respective county or city over any development proposed within the area to which the general plan applies.

Government Code Section 67675.6(a). The Authority Act further provides:

Subject to the consistency determinations required pursuant to this title, each member agency with jurisdiction lying within the area of Fort Ord may plan for, zone, and issue or deny building permits and other development approvals within that area. Actions of the member agency pursuant to this paragraph may be reviewed by the board on its own initiative, or may be appealed to the board.

Government Code Section 67675.8(b)(2).

The corresponding provision in the Master Resolution, Section 8.01.030, states that:

After the portion of a general plan applicable to Fort Ord Territory has become effective, development review authority within such portion of territory shall be exercised by the land use agency with jurisdiction lying within the area to which the general plan applies. Each land use agency may issue or deny, or conditionally issue, development entitlements within their respective jurisdictions so long as the land use agency has a general plan certified pursuant to Section 8.01.020 and the decisions issuing, denying, or conditionally issuing development entitlements are consistent with the adopted and certified general plan, the Reuse Plan, and is in compliance with CEQA and all other applicable laws.

After the BRP has been adopted, “no local agency shall permit, approve, or otherwise allow any development or other change of use within the area of the base that is not consistent with the plan as adopted or revised pursuant to [the Authority Act].”

Government Code Section 67675.8(b). However, this project-level consistency review only occurs if an appeal is filed or the board reviews the action on its own initiative. *Id.*

The Master Resolution describes the standards to be applied to development entitlement consistency determinations in Section 8.02.030(a):

(a) In the review, evaluation, and determination of consistency regarding any development entitlement presented to the Authority Board pursuant to Section

⁷ The Authority Act does not define the term “implementing actions.” The Master Resolution likewise does not define or make reference to “implementing actions,” including in Section 8.01.030(a), which is the provision of the Master Resolution corresponding to this section of the Authority Act.

⁸ All that is required is that the implementing actions “have become effective . . .” The term “effective” means “ready for service or action” or “being in effect.” Websters-Merriam Online Dictionary.

8.01.030 of this Resolution, the Authority Board shall withhold a finding of consistency for any development entitlement that:

(1) Provides an intensity of land uses, which is more intense than that provided for in the applicable legislative land use decisions, which the Authority Board has found consistent with the Reuse Plan;

(2) Is more dense than the density of development permitted in the applicable legislative land use decisions which the Authority Board has found consistent with the Reuse Plan;

(3) Is not conditioned upon providing, performing, funding, or making an agreement guaranteeing the provision, performance, or funding of all programs applicable to the development entitlement as specified in the Reuse Plan and in Section 8.02.020 of this Master Resolution and consistent with local determinations made pursuant to Section 8.02.040 of this Resolution.

(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.

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

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

(7) Is not consistent with the Highway 1 Scenic Corridor design standards as such standards may be developed and approved by the Authority Board.

(8) Is not 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.

(Emphasis Added). Under subparagraphs (1) and (2) of this provision of the Master resolution, the intensity of land uses and the density of those uses are measured for consistency against the certified general plan. Under subparagraph (4), more general questions of conflict or compatibility are measured against the BRP.

As a result, local development entitlements can still proceed without revisions to the BRP, even if the land uses and densities differ from those identified in the BRP's land use map, so long as those uses and densities are consistent with the certified general plan and the project satisfies the more general provisions of the BRP and Master Resolution, as supported by substantial evidence in the record.⁹

⁹ There is also a provision in Sub-Section 8.01.010(h) of the Master Resolution stating that:

III. EVALUATION OF THE SEASIDE GENERAL PLAN CONSISTENCY CERTIFICATION AND EAST GARRISON – PARKER FLATS “LAND SWAP”

A. Seaside General Plan Consistency Certification

The Seaside General Plan was certified by the FORA Board in 2004 as being consistent with the BRP. The Seaside General Plan itself was supported by an Environmental Impact Report under CEQA, which the FORA Board utilized as a responsible agency under the Master Resolution. Detailed findings were also made by Seaside under CEQA. The FORA Board’s action was also supported by extensive additional documentation submitted by the City of Seaside, including a staff report evaluating consistency with the BRP and compliance with the Master Resolution. In certifying the Seaside General Plan as consistent with the BRP, the FORA Board appropriately relied on these submissions.

The FORA Staff Report on the Seaside General Plan action applied the appropriate legal standards under the Authority Act and the Master Resolution. November 19, 2004 Agenda, Item 7d. Specifically, the Staff Report recognized that: “there are thresholds set in the resource-constrained BRP that may not be exceeded, most notably 6101 new

No development shall be approved by FORA or any land use agency or local agency after the time specified in this subsection [i.e., no later than January 1, 2013] unless and until the water supplies, wastewater disposal, road capacity, and the infrastructure to supply these resources **to serve such development have been identified, evaluated, assessed, and a plan for mitigation has been adopted** as required by CEQA, the Authority Act, the Master Resolution, and all applicable environmental laws.

(Emphasis Added). Note that this provision does not require consideration of infrastructure beyond that needed for the particular project, and that it also does not require that the infrastructure have been completed at the time of the decision.

Master Resolution Sub-Section 8.02.020(a) states that:

Prior to approving any development entitlements, each land use agency shall act to protect natural resources and open spaces on Fort Ord territory by **including** the 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**.

(Emphasis Added). Master Resolution Sub-Section 8.02.040 includes a similar but somewhat differently worded limitation:

No development entitlement shall be approved or conditionally approved within the jurisdiction of any land use agency until the land use agency has taken **appropriate action**, in the **discretion** of the land use agency, to adopt the programs specified in the Reuse Plan, the Habitat Management Plan, the Development and Resource Management Plan, the Reuse Plan Environmental Impact Report Mitigation and Monitoring Plan and this Master Resolution applicable to such development entitlement.

(Emphasis Added).

residential housing units, and a finite water allocation.” *Id.*, page 2. The Seaside General Plan was evaluated in detail in relation to these constraints.

The supporting materials also included an analysis of ten specific differences in the land use designations for specific parcels in the Seaside General Plan as compared to the BRP. Those materials acknowledged that the intensities and density of land uses for those specific parcels differed from the BRP, but that the changes reflected a shift in uses and densities rather than an overall change as compared to the BRP. The supporting materials adequately supported the FORA Board’s conclusions.

If FORA’s consistency certification for the Seaside General Plan had been challenged, it would have been reviewed under very deferential standards as described above. Of course, the applicable statutes of limitation have passed as discussed in footnote 1 above. However, even if they had not, we conclude that FORA’s certification action would likely have been upheld by a reviewing court if a challenge had been brought.

B. East Garrison - Parker Flats “Land Swap”

In 2005, FORA entered into a memorandum of understanding with the U.S. Army, Bureau of Land Management, County of Monterey, and Monterey Peninsula College providing for a shift in land uses between the East Garrison and Parker Flats regions. Specifically, a public safety officer training facility was moved to the Parker Flats region from the East Garrison region of former Ford Ord, and residential land uses were moved to the East Garrison region from Parker Flats. This action has been described as the East Garrison – Parker Flats “Land Swap.” From a land use perspective, the anticipated uses were in effect modified in these two areas located in Monterey County.

The land swap was supported by an “Assessment East Garrison – Parker Flats Land Use Modifications Ford Ord, California” prepared by Zander Associates in May 2002 (“Assessment”). The Assessment primarily evaluated the effects of the land swap on the “Installation-Wide Multispecies Habitat Management Plan for Former Fort Ord.” (“HMP”). The Assessment concluded that: “The goals, objectives and overall intent of the HMP would not be altered and the protections afforded those species addressed in the HMP . . . would not be reduced as a result of the proposed modifications.” Assessment, page 1. In fact, the Assessment concluded that the net effects of the land swap on habitat would be beneficial.

The land swap itself was a somewhat novel action not directly contemplated by the Master Resolution. However, the Assessment considered consistency with the BRP and concluded that the modifications for East Garrison would generally conform by providing a mixed-use development plan with a central core village theme. Assessment at 9. Likewise, the Assessment concluded that the land swap would only result in minor adjustments to Parker Flats land uses. *Id.* at 11. Overall, the land swap reflected a shift in uses and densities, rather than a significant change in comparison to the overall BRP.¹⁰

¹⁰ Subsequently the land swap was recognized through the certification of Monterey County’s East Garrison Specific Plan.

IV. PROSPECTIVE RECOMMENDATIONS, INCLUDING CEQA COMPLIANCE

FORA has not revised the BRP land use map to reflect the differences between that map and most of the certified general plans that have been considered to date. Similarly, the East Garrison – Parker Flats land swap and associated East Garrison Specific Plan consistency approval is not reflected in revisions to the BRP map. In the December, 2012 Final Reassessment Report, under “Category II,” a number of potential revisions to the BRP land use map were identified in order to update that map to reflect the uses and densities reflected in consistency certifications and other FORA actions such as the land swap that have occurred since the BRP was adopted. In order to provide a more usable document, FORA is considering updating the BRP’s land use map.

Our July 3, 2013 memorandum discussed the actions recommended in connection with potential BRP revisions. The recommendation in that memorandum still applies – that an initial study be prepared to evaluate the environmental effects of those revisions in comparison to the analysis in the BRP EIR (as well as other EIRs supporting FORA actions such as the consistency determinations). As stated in our July 3 memorandum, the ultimate CEQA compliance obligations will need to be based on the specifics of the BRP revisions adopted, which can best be evaluated through an initial study considering the resulting environmental effects in relation to the existing CEQA documentation.

Interested Consultants
Distributed via email

Re: Request for Professional Proposals (RFP) to complete Initial Study of Category 1 and 2 items identified during the Fort Ord Reuse Plan Reassessment for consideration under CEQA

The Fort Ord Reuse Authority’s (FORA’s) mission is to prepare, adopt, finance, and implement a plan for the former Fort Ord, including land use, transportation systems, conservation of land/water, recreation and business operations. In order to meet these objectives, the Fort Ord Reuse Plan (Reuse Plan) was adopted in 1997.

FORA adopted the Reuse Plan as the official local regional plan to enhance and deliver promised economic recovery, while protecting designated natural resources.

The Reuse Plan underwent a comprehensive reassessment process that concluded in December 2012. The reassessment process was a community-wide regional effort that identified a range of policy options for the FORA Board’s subsequent consideration. The identified policy options are discussed in the final Reassessment Report (**Attachment A**). The Post Reassessment Advisory Committee (PRAC) was charged with reviewing Categories 1 and 4 options from the Reuse Plan reassessment report and offered recommendations on Category 1 text corrections (**Attachment B**) and figure corrections (**Attachment C**).

FORA hired special land use counsel Alan Waltner to review Category 2 modifications and recommend an approach. Mr. Waltner completed two memoranda (**Attachment D**), recommending that FORA hire a consultant to complete an Initial Study of Category 1, 2a, 2b, 2c, and 2d items (Table 1) for consideration under CEQA and, based on the initial study, perform appropriate CEQA on Category 1 and 2 items prior to Board consideration of Reuse Plan changes.

Table 1. Category 1 & 2 Reuse Plan Reassessment recommended corrections.

<i>Category</i>	<i>Topics</i>
1	Reuse Plan Corrections & Updates
	Text Corrections
	Figure Corrections
2	Prior Board Actions & Regional Plan Consistency
	a. Land Use Concept Map modifications based on prior FORA Board Consistency Determinations (map "re-publication" based on prior approvals)
	b. Land Use Concept Map modifications based on other actions
	c. Modify circulation related maps and text in the Reuse Plan and modify Capital Improvement Program (CIP)
	d. Reuse Plan Modifications regarding consistency with Regional and Local Plans

This RFP invites you to submit proposals for completion of an Initial Study of Category 1 and 2 changes listed above for consideration under CEQA and, based on the initial study, perform appropriate CEQA on Category 1 and 2 items prior to Board consideration of Reuse Plan changes.

RFP submittals will be evaluated on the following factors:

- 1) Demonstrated ability to competently and efficiently complete CEQA process for complex land use issues
- 2) Knowledge of public policy matters affecting the Monterey Bay region, and/or experience in military base reuse in the local area or elsewhere (desirable but not mandatory)
- 3) Merits of materials included in your proposal

Submitted proposals must be structured to address the skills, experience, and abilities needed to complete the required CEQA processes, as generally described in the attached Scope of Work. In your proposal, FORA requests that you provide:

- 1) A proposal describing how your firm will complete this work (20 pages or less),
- 2) Work completion timelines (Note: two timelines are required - one assuming an Initial Study and Mitigated Negative Declaration will be prepared and another one assuming an Initial Study and Environmental Impact Report will be prepared),
- 3) Proposed costs for completing work (Note: two cost estimates are required - one assuming an Initial Study and Mitigated Negative Declaration will be prepared and another one assuming an Initial Study and Environmental Impact Report will be prepared),
- 4) Qualifications,
- 5) Examples of relevant experience providing similar services, and
- 6) Three recent client references.

Submitting consultants must provide proposals to FORA as specifically described herein by **5:00 PM on Friday, October 31, 2014**. Please submit your proposal, with a cover letter, via email to FORA, attn: Josh Metz: josh@fora.org

The FORA Executive Officer will select one or more of the respondents to participate further in the selection process, if such is deemed necessary, and make the final selection of a consultant. FORA reserves the right to reject any and all proposals.

General Scope of Work

The FORA Board has identified Category 1 & 2 items within the Final Reuse Plan Reassessment Report that require completion of a CEQA process.

Deliverables:

- a) After reviewing Category 1 text and figure corrections in the final reassessment report and specific recommendations offered by the PRAC, compile the text and figure corrections in final form for use in the initial study. This deliverable will require retention of original Reuse Plan figures for historical purposes and create 15 corrected figures. The consultant will use **Attachments A, B, and C** to support completion of this deliverable.
- b) Based on review of Category 2 final reassessment report considerations and Special Counsel Alan Waltner's memoranda, complete modifications to Figure 3.3-1 Land Use Concept Ultimate Development based on prior FORA Board Consistency Determinations and other actions for use

- in the initial study. The consultant will use **Attachments A and D** and receive advice from Special Counsel Alan Waltner to support completion of this deliverable.
- c) Complete modified circulation related maps and text in the Reuse Plan for use in the initial study. The consultant will use **Attachment A** and receive advice from Special Counsel Alan Waltner to support completion of this deliverable.
 - d) Review proposed modifications regarding consistency of Regional and Local Plans (**Attachment E**). Create a final version of modifications regarding consistency of Regional and Local Plans for use in the initial study.
 - e) Document steps taken in completing deliverables a) through d) and present these deliverables to the FORA Board.
 - f) Complete an Initial Study under CEQA of deliverables a) through d).
 - g) Present findings in a presentation and written report.
 - h) Complete up to 5 iterations of the Reuse Plan Figure 3.3-1, Land Use Concept Ultimate Development map, and provide original GIS files to FORA staff.
 - i) Pending outcome of the Initial Study, complete appropriate CEQA on Category 1 and 2 items prior to Board consideration of Reuse Plan changes.
 - j) Complete all necessary CEQA documentation and present to FORA Board for consideration.

Desirable Qualifications:

- a) Demonstrated expertise in completing CEQA documentation
- b) Demonstrated ability to produce geographic information system data including delivery of FGDC compliant metadata
- c) Familiarity with Fort Ord Reuse Plan, planning context, and Reuse Plan Reassessment
- d) Ability to present complex land use issues in public forums
- e) Demonstrated ability to work effectively within a multi-stakeholder environment including government agencies

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Outstanding Receivables

Meeting Date: October 10, 2014

Agenda Number: 10a

INFORMATION

RECOMMENDATIONS:

Receive a Fort Ord Reuse Authority (FORA) outstanding receivables update for September 2014.

BACKGROUND/DISCUSSION:

Development Fee/Preston Park: In 1997, the U.S. Army and FORA entered into an interim lease for Preston Park. Preston Park consisted of 354 units of former Army housing within the jurisdiction of the City of Marina (Marina). Marina became FORA's Agent in managing the property. Marina and FORA selected Mid-Peninsula Housing Coalition to manage the property and lease it to tenants. In 1998, Mid-Peninsula completed rehabilitating Preston Park units and began leasing the property to the public. After repayment of the rehab loan, Marina and FORA have by state law each shared 50% of the net operating income from Preston Park.

The FORA Board enacted a base-wide Development Fee Schedule in 1999. Preston Park is subject to FORA's Development Fee Schedule overlay. In March 2009, the FORA Board approved the MOU between FORA and Marina whereby a portion of the Preston Park Development Fee was paid by the project. In 2009, Marina transferred \$321,285 from Preston Park, making an initial Development Fee payment for the project. The remaining balance is outstanding and is the subject of current litigation.

FISCAL IMPACT:

All former Fort Ord projects are subject to either the developer fee overlay or the Community Facilities District fees to pay fair share of the California Environmental Quality Act required mitigation measures. In addition, the outstanding balance is a component of the Basewide Mitigation Measures and Basewide Costs described in Section 6 of the FORA Implementation Agreements. If any projects fail to pay their fair share it adds a financial burden to other reoccupied or development projects to compensate.

COORDINATION:

Executive Committee

Prepared by


Ivana Bednarik

Approved by


Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Habitat Conservation Plan Update

Meeting Date: October 10, 2014

Agenda Number: 10b

INFORMATION

RECOMMENDATION(S):

Receive a Habitat Conservation Plan (HCP) and State of California 2081 Incidental Take Permit (2081 permit) preparation process status report.

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority (FORA), with the support of its member jurisdictions and ICF International (formerly Jones & Stokes), FORA's HCP consultant, is on a path to receive approval of a completed basewide HCP and 2081 permit in 2015, concluding with US Fish and Wildlife Service (USFWS) and California Department of Fish and Wildlife (CDFW) issuing federal and state Incidental Take Permits.

After meeting with CDFW Chief Deputy Director Kevin Hunting on January 30, 2013, FORA was told that CDFW and BLM issues require a Memorandum of Understanding (MOU) between CDFW and BLM, outlining certain assurances between the parties, resulting in additional time. Also, according to CDFW, final approval of an endowment holder no longer rests with CDFW (due to passage of SB 1094 [Kehoe]), which delineates specified rules for wildlife endowments. However, CDFW must review the funding structure and anticipated payout rate of the HCP endowment holder to verify if the assumptions are feasible. CDFW has outlined a process for FORA and the other Permittees to expedite compliance with endowment funding requirements. FORA has engaged Economic & Planning Systems (EPS) to provide technical support during this process.

Other technical issues and completion of the screen check draft HCP should be accomplished by early November 2014. If the current schedule is maintained, FORA staff expects a Public Draft HCP available for public review by early 2015. **Update:** On March 25, 2014, FORA representatives met with CDFW Chief Deputy Director Kevin Hunting, University of California and State Parks representatives to address outstanding State to Fed and State to State policy issues. State Senator Bill Monning convened a follow-up meeting on June 23 in Sacramento and general agreement was achieved to set a date for concluding all comments from all agencies and to publish the HCP shortly thereafter. A technical meeting was held July 30, 2014 with BLM, Permittees, USFWS, and CDFW representatives to review HCP governance and cost items. Comments on HCP technical items and agreements were received by the August 29, 2014 deadline.

FISCAL IMPACT:

Reviewed by FORA Controller 

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

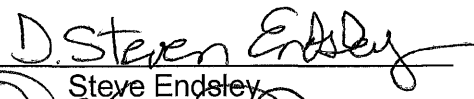
COORDINATION:

Administrative Committee, Executive Committee, ICF, Denise Duffy and Associates, USFWS, CDFW

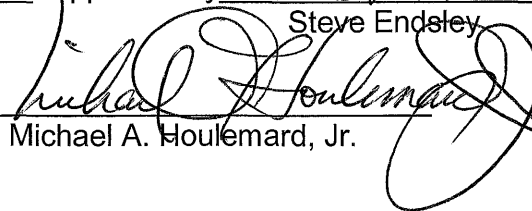
Prepared by


Jonathan Garcia

Approved by


Steve Endsley

Approved by


Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Administrative Committee

Meeting Date: October 10, 2014

Agenda Number: 10c

INFORMATION

RECOMMENDATION:

Receive a report from the Administrative Committee.

BACKGROUND/DISCUSSION:

The approved September 10, 2014 Administrative Committee minutes are attached for review (**Attachment A**).

FISCAL IMPACT:

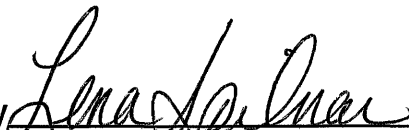
Reviewed by the FORA Controller 

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

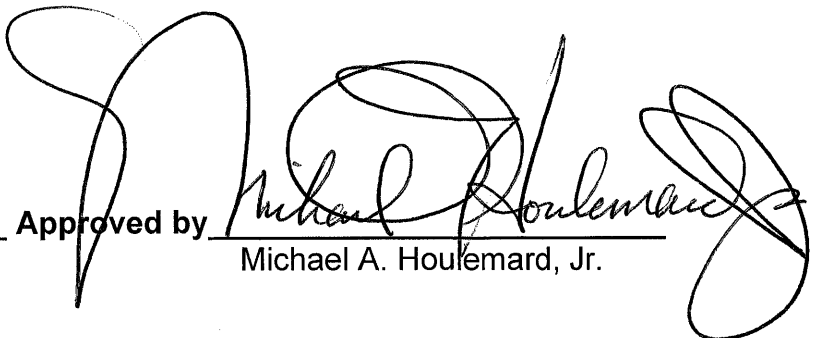
COORDINATION:

Administrative Committee

Prepared by


Lena Spilman

Approved by


Michael A. Houlemard, Jr.



FORT ORD REUSE AUTHORITY

ADMINISTRATIVE COMMITTEE REGULAR MEETING MINUTES

8:15 a.m., Wednesday, September 10, 2014 | FORA Conference Room
920 2nd Avenue, Suite A, Marina CA 93933

1. CALL TO ORDER

Co-chair Dawson called the meeting to order at 8:17 a.m. The following were present (**voting members*):

Daniel Dawson, City of Del Rey Oaks*
Carl Holm, County of Monterey*
Rick Riedl, City of Seaside *
Elizabeth Caraker, City of Monterey *
Vicki Nakamura, MPC
Anya Spear, CSUMB
Lisa Rheinheimer, MST

Graham Bice, UC MBEST
Brian Lee, MCWD
Patrick Breen, MCWD
Kathleen Lee, Sup. Potter's Office
Doug Yount, ADE
Bob Schaffer

FORA Staff:
Michael Houlemard
Steve Endsley
Jim Arnold
Crissy Maras
Jonathan Garcia
Josh Metz
Lena Spilman

Voting Members Absent: Layne Long (City of Marina)

2. PLEDGE OF ALLEGIANCE

Jonathan Garcia led the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Lisa Rheinheimer introduced herself, explaining that she would serve as the new Monterey-Salinas Transit representative to the Committee.

4. PUBLIC COMMENT PERIOD

None.

5. APPROVAL OF MEETING MINUTES

a. July 30, 2014 Joint Admin/WWOC Meeting Minutes

Deputy Clerk Lena Spilman noted the Water Wastewater Oversight Committee (WWOC) had previously approved the item, but that concurrence by the Administrative Committee was required for final approval.

MOTION: Carl Holm moved, seconded by Rick Riedl, to approve the minutes, as presented.

MOTION PASSED UNANIMOUSLY

6. SEPTEMBER 19, 2014 BOARD MEETING - AGENDA REVIEW

Executive Officer Michael Houlemard provided an overview of items on the September 19th Board meeting agenda and discussed the speaker event scheduled immediately prior to the meeting.

7. BUSINESS ITEMS

Senior Planner Jonathan Garcia requested item 7a be postponed to permit state representatives to participate via telephone. The Committee agreed.

b. Marina Coast Water District (MCWD) - Land Use/Water Needs Projections

MCWD Interim General Manager Brian Lee presented current water demand projections and reviewed the tentative schedule of future MCWD presentations to FORA on the topic. He discussed opportunities for future collaboration between the jurisdictions and emphasized the

need for accurate and up-to-date information from each jurisdiction regarding their long-term water needs.

a. California Department of Toxic Substances Control (DTSC) Annual Land Use Covenant Reporting - Process Review

Senior Planner Jonathan Garcia presented the item. DTSC representatives Teresa McGary and Ed Walker joined the meeting via telephone. Mr. Garcia stated that DTSC had expressed a valid concern that FORA was two years behind in Land Use Covenant (LUC) reporting. He reviewed the details of a proposal developed by DTSC and FORA to catch reporting up to current and to maintain timely reporting moving forward.

8. ITEMS FROM MEMBERS

Carl Holm announced that Benny Young, Director of the Monterey County Resource Agency, had submitted his formal resignation.

9. ADJOURNMENT

Co-Chair Dawson adjourned the meeting at 9:18 a.m.

FORT ORD REUSE AUTHORITY BOARD REPORT
EXECUTIVE OFFICER'S REPORT

Subject: Veterans Issues Advisory Committee	
Meeting Date: October 10, 2014 Agenda Number: 10d	INFORMATION


RECOMMENDATION:

Receive a report from the Veterans Issues Advisory Committee (VIAC).

BACKGROUND/DISCUSSION:

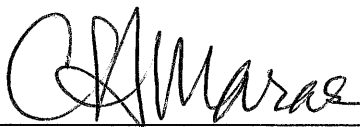
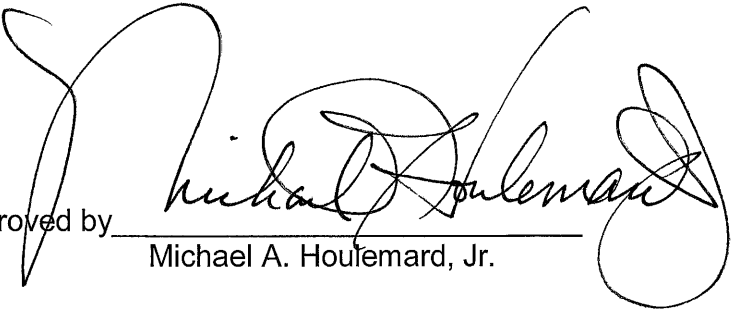
The VIAC met on July 24, 2014. The approved minutes from that meeting are included as Attachment A.

FISCAL IMPACT:

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

COORDINATION:

VIAC

Prepared by  Approved by 
Crissy Maras Michael A. Houfemard, Jr.



FORT ORD REUSE AUTHORITY VETERANS ISSUES ADVISORY COMMITTEE REGULAR MEETING NOTES

3:00 p.m., Thursday, July 24, 2014 | FORA Conference Room
920 2nd Avenue, Suite A, Marina, CA 93933

1. CALL TO ORDER AND ROLL CALL

Chair Jerry Edelen called the meeting to order at 3:00 p.m. The following were present, as indicated by signatures on the roll sheet:

VIAC Members:

Jerry Edelen, FORA Chair
Edith Johnsen, Vets Families/Fundraising
James Bogan, UVC
Richard Garza, CCVFC
Jack Stewart, CAC
Wes Morrill, MCVAO
CSM Andrew Wynn, POM
Sid Williams, Mo. Co. Military/Vets

FORA Staff:

Robert Norris
Crissy Maras

Others:

Nicole Charles, Sen. Monning
Eric Morgan, BLM
Terry Bare, VTC

2. PLEDGE OF ALLEGIANCE

Chair Edelen asked Robert Norris to lead the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Edith Johnsen provided copies of a July 19th Monterey Herald guest commentary prepared by Steve Emerson requesting community support of the Central Coast Veterans Cemetery. Chair Edelen acknowledged that Eric Morgan from the Bureau of Land Management was in attendance.

4. PUBLIC COMMENT PERIOD

Terry Bare, Veterans Transition Center Executive Director, announced that the 2014 Veterans Stand Down event was scheduled for August 1st through 3rd. He noted that over 220 homeless veterans were registered to attend and an additional 50-100 walk-ins were expected. Over 350 volunteers had signed up, including doctors, dentists, veterinarians and legal experts, to provide services throughout the event. Mr. Bare thanked the Army for offering the location on Joe Lloyd Way.

Mr. Bare also announced that Senator Boxer's staff would be meeting at the VTC on August 7th for an orientation of VTC services.

5. APPROVAL OF MEETING MINUTES

- a. May 29, 2014 VIAC Minutes
- b. June 26, 2014 Meeting Notes

MOTION: Edith Johnsen moved, seconded by Jack Stewart, to approve the meeting minutes and notes as presented.

MOTION PASSED: Unanimous.

6. OLD BUSINESS

a. California Central Coast Veterans Cemetery Status Report

i. Groundbreaking Ceremony Planning

Senator Monning representative Nicole Charles reported that Senator Monning had convened a town hall meeting to answer questions about the CCCVC environmental study. She noted that approximately 90% of those in attendance were in support of the cemetery and that overall, it provided a great learning opportunity for the public.

FORA Principal Analyst Robert Norris announced that FORA is in the process of assembling the final cemetery escrow documents, including an Army requested letter from the Monterey Regional Water Resources Agency. The escrow closing schedule was provided to members, with an expectation that FORA would meet the August 14th deadline for delivery.

Regarding the groundbreaking ceremony, Jack Stewart noted that after a lot of research and several phone calls and emails, he had made contact with the family of the final founding cemetery group member. He was happy to announce that the entire family of the late Jack McDonough was eager to attend the ceremony. Chair Edelen asked that a VIP area be designated at the groundbreaking ceremony to formally acknowledge the efforts of the founding members: Jack McDonough, Charlie Hopper, Willie Williams, Mark Gibben and Jack Stewart. He noted that this would be an event of statewide and national significance. Mr. Stewart added that attendees would need a tentative ceremony date to begin making travel arrangements.

b. VA/DoD Veterans Clinic Status Report

Mr. Norris noted that FORA has a standing request into the City of Marina for project schedule updates. Grading is underway with an expectation that steel construction would begin early August. Sid Williams added that conversations with the City of Marina regarding the clinic's use of the former parade ground flag pole might require FORA assistance. Committee members requested that flag pole updates be added to future agendas through resolution.

c. Identify Property for a former Fort Ord Museum

Mr. Stewart reported that the Citizens Advisory Committee had been involved in the effort to locate property on the former Fort Ord that would be suitable to house equipment and other historical items in a museum style setting. Work on this effort is ongoing and future updates will be provided.

7. NEW BUSINESS

a. Viet Nam War Commemoration

CSM Andrew Wynn announced a 50-year commemoration event of the soldier's return from the Viet Nam war. He reported that the post would be open to all veterans, but that a specific focus would be on the Viet Nam veterans since they were never officially welcomed home. He noted that events such as TAPS, flags at half mast, and a moment of silence to honor fallen soldiers would take place and added that there is an opportunity for organizations to partner in various ways. The event will take place during the second week of May 2015 to coincide with Language Day.

8. ITEMS FROM MEMBERS

Items were added to the calendar of events which appears on each VIAC agenda.

9. ADJOURNMENT

Chair Edelen adjourned the meeting at 3:45 p.m.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Post Reassessment Advisory Committee

Meeting Date: October 10, 2014

Agenda Number: 10e

INFORMATION

RECOMMENDATION(S):

Receive Post Reassessment Advisory Committee (PRAC) activity/meeting report.

BACKGROUND/DISCUSSION:

The PRAC met on Friday September 12 and Friday September 26. At the September 12 meeting, staff presented an update on the highway signage process for the Fort Ord National Monument and Fort Ord Dunes State Park. Representatives from each of the land use jurisdictions are working directly with CalTrans to obtain signs. Members requested a letter be drafted for the Monterey County Resource Management Agency (MCRMA) to encourage development of the Jerry Smith Corridor Trailhead.

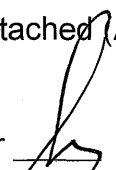
Staff presented an update on Category III item progress as requested. An Oak Woodlands Working Group meeting was held on Wednesday, 9/17/2014 to focus on cross-jurisdictional planning. Staff also reported on meeting progress with member jurisdictions regarding post-Reassessment policy and program updates, with the goal of having completed updates by mid-October.

Staff also presented a powerpoint presentation focused on Development Opportunities and Challenges (**Attachment A**). The presentation outlined take-aways from 2 previous developer presentations, highlighted current trends affecting real estate and jobs, and outlined a strategic approach to economic recovery. Trail amenities as an element of Recreation/Tourism was included. Members recommended organization of a Fort Ord Regional Trails Symposium with a focus on Politics, Funding, Design and Transportation. California State University Monterey Bay (CSUMB) agreed to co-host the event at the University Center on Thursday, January 22, 2015. Members gave input on the presentation and staff made notes for a future revision.

The September 26 PRAC meeting focused primarily on planning for the Fort Ord Regional Trail symposium scheduled for Thursday January 22, 2015. The Symposium is currently planned to be co-sponsored by the Fort Ord Reuse Authority (FORA) and CSUMB, along with the Transportation Agency for Monterey County (TAMC), and the Bureau of Land Management (BLM). The PRAC discussion focused on development of a draft symposium agenda including potential topics, speakers and timelines (**Attachment B**). As requested, staff also presented a draft letter to the MCRMA encouraging trailhead development a Jerry Smith Corridor. Members provided input and asked for minor revisions before sending. The next meeting of the PRAC was scheduled for Thursday, October 9 from 1-3:30pm.

Approved minutes from the September 12 meeting are attached (**Attachment C**).

FISCAL IMPACT:

Reviewed by Fort Ord Reuse Authority (FORA) Controller 

Staff time for this item is included in the approved FORA budget. Costs associated with Fort Ord Regional Trails Symposium were not anticipated in the approved 14-15 Reuse Plan Implementation

budget. Staff will coordinate with potential partner agencies to explore cost sharing for the event and will provide a draft event budget for Board consideration at its November 14, 2014 meeting.

COORDINATION:

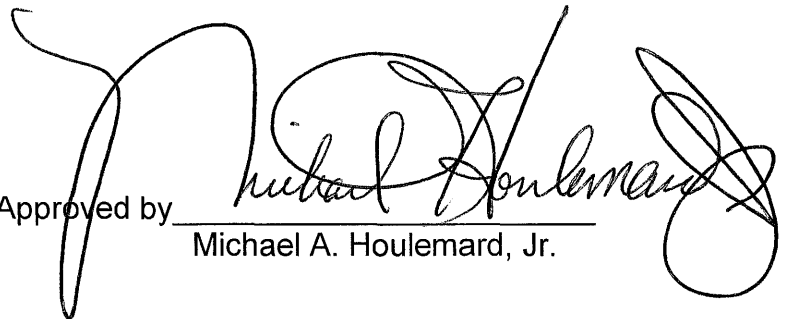
PRAC, CSUMB, TAMC, BLM, Administrative and Executive Committees.

Prepared by




Josh Metz

Approved by



Michael A. Houlemard, Jr.

Fort Ord Reuse Authority 

Post Reassessment Advisory Committee

September 12, 2014

Josh Metz, Associate Planner

Agenda 



- Development Challenges & Opportunities Discussion
 - Developer Presentation Insights
 - Market Issues
- Highway Signage Update
- Category III Progress Update

Developer Presentation Insights 



- **Project Viability**
 - Formulaic approach to CFD calculation
 - Mixed-use products
 - Unit size mix
 - Jobs-housing balance
- **Economics**
 - Prevailing wages
 - Workforce availability
 - Manufactured homes
 - Detached units
- **Landscape & water management**
 - Development standards/codes

Market Issues 



- **Housing Market**
 - For Sale Pricing
 - East Garrison, Dunes
 - Rental Demand
 - Promontory, Manzanita Place, University Village Apts
- **CSUMB Growth**
 - Residential Demand
 - Commercial Economic Impact
- **Tourism/Recreation**
 - Amenities
 - Trails
- **Jobs**
 - Construction/Building Removal
 - CC Veterans Cemetery
 - Dunes: VA Clinic, Cinemark
 - Promontory

Strategic Goals: People



- Economically Diverse Communities
- Live/Work Across Spectrum
- Mixed-use neighborhoods
- Multiple generations
- Small business & entrepreneurship opportunity
- Work close to home

Strategic Goals: Concepts



- Placemaking
 - Optimal Density
 - Walkable/Bikeable
 - Mixed-use
 - Integrate Entitled / Existing Projects / Plans
- Creative Jobs
 - Educated Workforce
 - Mobile / Tech Savvy
 - Innovation Hubs
 - Creating new businesses & employment



Collaboration – How?



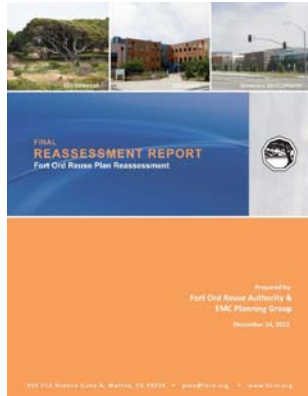
- Convener – CSUMB
 - Innovation clusters
- Clearinghouse – FORA
 - Communications & staff support
- Strategic Plans
- Working Groups
- Action Plans
- Get it done!

Highway Signage Update



- CA State Parks
 - Requesting signs to Lightfighter Dr.
- BLM
 - Requesting signs for Badger Hills & Creekside
 - Requests that PRAC encourage Jerry Smith Corridor trailhead development
 - Hwy 1 signs could follow
- TAMC
 - Supports signage

Category III Progress Update



- Convening Oak Woodlands Working Group
- Working with jurisdictions to complete progress updates by end of September

Fort Ord Reuse Authority 

Post Reassessment Advisory Committee

September 26, 2014



Josh Metz, Associate Planner




Agenda 



- **Regional Trail Symposium**
 - DRAFT Agenda
 - Reuse Plan Context
 - Relevant Trail Efforts
 - Potential Speakers
 - Next Steps
- **Highway Signage Update**

Regional Trails Symposium

- CSUMB University Center
- 9am-4:30pm
- January 22, 2015
- Topics:
 - Introduction
 - Reuse Plan Context
 - Regional Coordination
 - Organizational structure
 - Economics
 - Costs, benefits, funding
 - Design
 - Design considerations

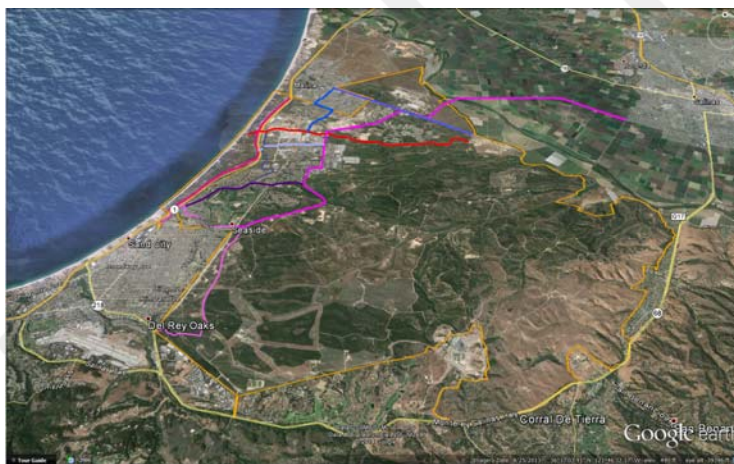
DRAFT Symposium Agenda






- **Doors 9:00am**
- **Welcome 9:15-9:30am**
 - Key goals & objectives of the day
- **Introduction 9:30-10:00am**
 - Why are we here – economic impact! (Ben Alexander)
 - Reuse Plan Context
 - Organizational Concepts (FORHA, Marina, Seaside, CSUMB, FORIAG, Carmel, MBSST ...) –larger context
- **Regional Coordination 10:00-11:30am**
 - Multiple outside speakers
 - Regional trail development organizations
 - Best practices
 - Urban connections – complete streets
 - Transit
 - Multi-use
- **Lunch 11:45-12:45pm**
 - Mini-keynote speaker
- **Economic Impact 1:00-2:30pm**
 - Macro/Micro
 - Costs, benefits, funding (strategic Growth Council)
- **Design 2:45-4:15pm**
 - Design considerations
- **Closing Remarks 4:15-4:30pm**
 - Next steps

Reuse Plan Context



Relevant Trail Efforts



- [Napa Vine Trail](#)
- [Monterey Bay Sanctuary Scenic Trail](#)
- [Tahoe Rim Trail](#)
- [Biz Johnson Trail](#) (Susanville)
- [Sacramento River Trail](#) (Redding)
- [Mammoth Lakes Trail Network](#)
- ...

Potential Speakers

FORA

- [Chuck McMinn, Executive Director, Napa Vine Trail](#)
- [John Wentworth, President, MLTPA](#)
- [Mary Bennington, Executive Director, Tahoe Rim Trail](#)
- [Terry Hanson, City Trails Manager, Redding](#)
- [Bryan Jones, PE, PTP, AICP, Alta Planning & Design](#)

Next Steps

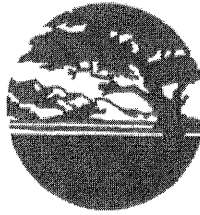
FORA

- Symposium Budget
 - Partnerships
 - Board approval
- Confirm date/venue
- Finalize agenda
- Invite speakers
- Produce program
- Advertise event

Highway Signage Update



- State Parks
 - Requesting signs to Lightfighter Dr.
- BLM
 - Requesting signs for Badger Hills & Creekside
 - Requests that PRAC encourage Jerry Smith Corridor trailhead development
 - Hwy 1 signs could follow
- TAMC
 - Supports signage



FORT ORD REUSE AUTHORITY
BASE REUSE PLAN POST-REASSESSMENT ADVISORY COMMITTEE (PRAC)
MEETING MINUTES

12:00 p.m., Friday, September 12, 2014 | FORA Conference Room
920 2nd Avenue, Suite A, Marina, CA 93933

1. CALL TO ORDER

Confirming a quorum, Fort Ord Reuse Authority (FORA) PRAC Chair Jerry Edelen called the meeting to order at 12:05pm. The following people were in attendance:

Committee Members

Jerry Edelen (Chair), Del Rey Oaks
Gail Morton, City of Marina
Jane Parker, Monterey County
Victoria Beach, Carmel-by-the-Sea
Andre Lewis, CSUMB

Josh Metz, FORA

Other Attendees

Tim O'hallaran, City of Seaside
Doug Yount, member of the public
Margaret Davis, member of the public
Jane Haines, member of the public
Donna Blitzer, UCSC

Staff

Michael Houlemard, FORA
Steve Endsley, FORA
Jonathan Garcia, FORA

2. APPROVAL OF MEETING MINUTES

MOTION: Jane Parker moved, seconded by Gail Morton, to approve the August 22, 2014 meeting minutes, as presented.

MOTION PASSED: Unanimous.

3. PUBLIC COMMENT PERIOD

4. BUSINESS ITEMS

Staff presented an update on the Highway signage process for the Fort Ord National Monument (FONM) and Fort Ord Dunes State Park (FODSP). Representatives from each of the land use jurisdictions (FONM & FODSP) are working directly with CalTrans to obtain signs for FONM on Hwy 68 and FODSP on Hwy 1. Discussion centered maintaining awareness and focus on the sign placement process. Members requested a Board presentation outlining this sign placement process and options, and asking for a letter supporting development of the Jerry Smith Corridor Trailhead. Jane Parker said she would follow-up with County staff about the status of trailhead planning.

Staff presented an update on Category III item progress as requested. An Oak Woodlands Working Group meeting is scheduled for Weds 9/17/2014 to focus on cross-jurisdictional planning. Staff also reported on meeting progress with member jurisdictions regarding post-Reassessment policy updates, with the goal of having completed updates by the end of September.

Staff presented the contents of a Powerpoint presentation focused on Development Opportunities and Challenges. The presentation outlined take-aways from 2 previous developer presentations, highlighted current trends affecting real estate and jobs, and outlined a strategic approach to economic recovery. Trail amenities as an element of Recreation /Tourism was included. As a result, the Fort Ord Regional Trails Symposium with a focus on Politics, Funding, Design and Transportation was scheduled at CSUMB for January 22, 2015. Members gave input on the presentation and Staff made notes for a future revision.

5. ITEMS FROM MEMBERS

None.

6. NEXT STEPS

a. FORA staff will continue to:

- i. monitor highway signage progress
- ii. work with member jurisdictions on Category III and bring an update back to the PRAC
- iii. coordinate the Fort Ord Regional Trails Symposium at CSUMB on January 22, 2015
- iv. Revise Economic Development Powerpoint to include member and public input

7. ADJOURNMENT

The next meeting of the PRAC was set for Friday September 26 at 9:00am. The meeting was adjourned at approximately 1:50pm.

Minutes prepared by Josh Metz

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Regional Urban Design Guidelines Task Force

Meeting Date: October 10, 2014

Agenda Number: 10f

INFORMATION

RECOMMENDATION(S):

Receive Regional Urban Design Guidelines (RUDG) Project Update

BACKGROUND/DISCUSSION:

The Board approved the contract for RUDG services with Dover, Kohl & Partners at its August 8, 2014 meeting. Since then, the contract has been finalized and initial steps in the Scope of Work (**Attachment A**) are underway. On Monday September 22, the consultant team engaged a Start-up meeting with the RUDG Task Force from 1:00 to 3:00 pm. The goals of the meeting were to ensure that: 1) necessary steps are being taken for an effective project launch, 2) the consultant and stakeholders begin interacting to better enable a quality outcome, and 3) sufficient background information/data/guidance is provided to the consultant team.

The meeting was well attended with Board and Committee members, partner agency representatives and members of the public. Discussion centered on the forthcoming process including details about the Site Visit and Charrette. Members and stakeholders contributed to a broad stakeholder list for consideration as interviewees during the Site Visit.

On November 12-19, 2014, the consultant team will conduct a site visit, including an in-depth tour by team principals, confidential interviews with key stakeholders, and November Board meeting presentation. Following the site visit, the RUDG Design Charrette is scheduled for February 2-13, 2015. This 2-week long charrette will have the consultant team on-site working with public and key stakeholders to work on the draft design guidelines.

A summary of key RUDG project dates:

- Consultant Team Site Visit, November 12-19, 2014
- RUDG Design Charrette, February 2-13, 2015

Approved RUDG Task Force minutes from June 27, 2014 are attached (**Attachment B**). The next meeting of the RUDG Task Force was scheduled for 10-12pm Monday October 20, 2014.

FISCAL IMPACT:

Reviewed by FORA Controller 

Staff time for this item is included in the approved FORA budget. FY 2014-2015 Reuse Plan Implementation budget includes funding to pay for RUDG consultant services.

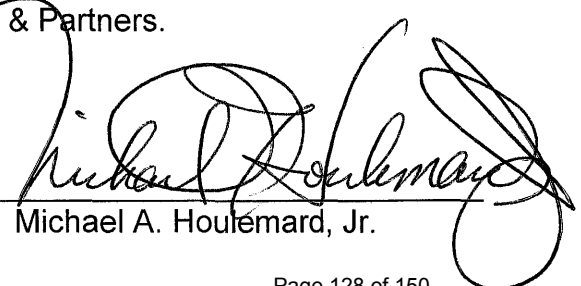
COORDINATION:

Administrative Committee, RUDG Task Force, and Dover, Kohl & Partners.

Prepared by


Josh Metz

Approved by


Michael A. Houlemard, Jr.

SCOPE OF SERVICES

ARTICLE I

SCOPE OF WORK

Dover, Kohl & Partners with the assistance of sub-consultant firms Alta Planning + Design (Multi-Modal Transportation Planning), HELIX (Environmental Planning), Strategic Economics (Market Analysis), and notable experts Bruce Freeman, President Castle & Cooke, John Rinehart, Vice President Castle & Cooke Florida, Peter Katz, Jeff Speck, AICP, CNU-A, LEED-AP, Honorary ASLA, and Bill Lennertz of the National Charrette Institute shall perform the following tasks and provide the noted associated deliverables while completing the development of new regional urban design guidelines (RUDG) for the former Fort Ord, Monterey County, CA.

PHASE 1 - EXISTING CONDITIONS ANALYSIS (MONTHS 1 – 3)

Evaluating the existing conditions of the former Fort Ord and the political structures, regulations and existing development approvals is an integral part of the planning process. During this phase, the project team will become more familiar with the Fort Ord area, including its infrastructure, geography, and political and economic needs. By conducting a thorough evaluation with a fresh set of eyes, the team will set the stage for a more implementable set of design guidelines, and formulate a more comprehensive strategy to best suit the needs of the relevant jurisdictions.

1.0 Project Background Discussions

Key members of the consultant team shall work with FORA staff and representatives to gain in-depth understanding of the history, concerns, and political nature of the project and individual municipalities. The conversion of the base has been complex and the better understanding the consultant team has of the issues, the better they can be addressed throughout the development of the RUDG. *This may occur in person prior to Task 1.1 or as a conference call or internet-assisted meeting.*

1.1 Project Start-up Meeting (includes FORA Taskforce)

The Project Start-up Meeting creates shared learning and agreements between the project management team and key partners. During the meeting, the participants confirm project expectations, guiding principles, or the whys behind the RUDG project, develop quantifiable objectives and measures and complete a stakeholder analysis showing who needs to be involved, including their key issues and wins. The result is a focused team approach that will guide the project through the inevitable hurdles that it faces on the way to approvals. *This meeting is tentatively scheduled to occur in coordination with the September 19, 2014¹ FORA Board Meeting. An alternative would be for this meeting to occur in coordination with Task 1.4.1 NCI Charrette System 101.*

1.2 Review Existing Plans & Reports

The former Fort Ord falls under the jurisdiction of many plans: the overarching Base Reuse Plan; each municipality and campus plan; and regional mobility plans. The plans are in various stages of creation, adoption, and implementation, and therefore, must be thoroughly understood to ensure the new guidelines will seamlessly integrate with existing regulations. Existing Plans and Reports shall be provided to the Consultant by FORA staff.

1.3 Preliminary Technical Analysis

The Dover-Kohl team will perform an initial analysis of existing conditions:

¹ Specific dates mentioned in this scope of work are tentative and must be mutually verified with FORA, the Consultant, and the sub-consultant team to ensure availability of key members and ensure all deadlines can be met. All attempts to meet these dates shall be made and if alternative dates are necessary, all attempts will be made to stay on the overall project schedule and to coordinate events and meetings with regularly scheduled Board meetings.

1.3.1 Create Analysis & Base Maps (including Urban Analysis)

The team will utilize ArcView GIS, aerial and ground level photography, land use surveys, and expertise provided by FORA staff in order to acquire the necessary information to create a series of Analysis Maps for the Fort Ord area. Spatial data may come from FORA itself, through the municipalities, or other sources such as educational institutes.

Utilizing this information, Dover-Kohl will produce a series of base maps of the planning area to supplement maps already created by FORA staff to be used throughout the Charrette in Phase 2 by the design team and members of the public. The project team will use and transfer the compiled data used to FORA, along with all maps and resulting analysis.

Information to be mapped may include existing land uses, open space, zoning, easements, property boundaries, ownership, topography, environmental conditions, and building condition. Maps will be of both regional and individual municipality scale.

1.3.2 Economic Analysis

In preparation for the Charrette, Strategic Economics will evaluate Monterey County's historic and projected household and employment growth trends in order to understand the types of households and industries that are projected to experience short- and long-term growth. Strategic Economics will look at the implications of these trends for the types and phasing of new development that can be expected at Fort Ord. The market overview will also consider preliminary place-making and design strategies to increase residential and commercial market demand to be captured at Fort Ord, such as designing pedestrian-friendly, transit-accessible districts with a minimum amount of local-serving retail and services so that residents and workers can easily access their daily needs on foot or bicycle.

Strategic Economics' experience in other regions has shown that population and employment growth modeling methods and results can vary significantly among sources. For example, economic and demographic projections from commercial vendors like Woods & Poole are often more closely tied to employment growth than projections generated by many regional councils of government (COGs). Accordingly, Strategic Economics will compare alternative demand forecasts, such as projections produced by the Association of Monterey Bay Area Governments (AMBAG), California Employment Development Department (EDD), and/or Woods & Poole. The analysis will also evaluate historic and projected employment by industry in order to understand which sectors of the economy are expected to grow, and implications for the potential phasing of office, retail, and other commercial development at Fort Ord. In addition, Strategic Economics will consider the sources of potential housing demand in Fort Ord, including existing Monterey County residents forming new households, new households moving to the County to live and work there, retirees, second home buyers, and commuters to Silicon Valley.

1.3.3 Transportation Analysis

Transportation in the area is largely car-dependent, but the success of towns and villages relies on walkability and ease of mobility. Alta Planning + Design will examine transportation opportunities from the perspective of all modes of travel. Speeds and volumes on existing thoroughfares will be studied to better understand the community character and transportation needs.

1.3.4 Environmental Analysis

HELIX will observe the existing environmental conditions and opportunities, one of the major "E's" addressed in the Reassessment Plan. Environmental protection is a priority for the Fort Ord region, and the Dover-Kohl team firmly supports this. HELIX will determine sensitive areas and consider potential impacts of new and existing developments.

1.4 Public Involvement Plan

The Dover-Kohl team and FORA staff will determine the best mechanisms for outreach to individuals and groups in the Fort Ord area. A strategy for soliciting public input and establishing on-going outreach throughout the process will be addressed. The team can also assist in the creation and upkeep of a project Facebook page as well as regular updates to a project website. Dover-Kohl will assist in the design of flyers, posters, banners, postcards, mailers, and press releases (which will be distributed to the media, neighborhood associations, business associations, and community organizations among others). FORA shall be responsible for the distribution and mailing of all notices, postcards, mailers and press releases.

1.4.1 NCI Charrette System 101 (Orientation Workshop)

This seminar will prepare FORA staff, community leaders, the FORA Board and RUDG Taskforce for the upcoming charrette. To some, a charrette is simply a short meeting at which people brainstorm and perhaps sketch ideas; to others the charrette process is synonymous with a series of public design sessions over multiple days. The 101 seminar provides an overview for how the pre-charrette and charrette process will work for the Fort Ord RUDG project. Participants will leave with a shared understanding of the special aspects of the charrette process making them informed champions and participants. *The seminar is approximately three hours. This orientation workshop is tentatively scheduled for October 17, 2014.*

1.4.2 Video Documentation of Charrette

The planning process will be documented in the form of a video from the initial site visit through the creation and adoption of the design guidelines. Creating a video will detail the process and guidelines clearly and transparently, minimizing confusion or miscommunications between the many involved stakeholders.

1.4.3 Continuous Public Updates

The team will use multiple outlets to keep the general public informed, interested, and involved. Important events will be publicized through social media and regular online updates.

1.4.4 Web-enabled decision Support Tool

MindMixer is an online tool that functions as a virtual town hall, encouraging participants to share ideas and collaborate. Interested individuals can also keep up with the project as it progresses, allowing the team to gauge the response to emerging ideas. The online approach allows the team to expand the Charrette process, and reach a broader audience than just those who physically attend public meetings. As the plan becomes more developed throughout the planning process, Metroquest will be integrated along with the MindMixer platform to allow people to study development alternatives. Visuals and 3D elements will be used to help identify priorities and explore how priorities are affected by planning decisions.

1.5 Site Visit

Key members from the Dover-Kohl team, including principal Victor Dover, Project Director Jason King, Bill Lennertz from the National Charrette Institute and representatives from Strategic Economics and Alta Planning + Design, will travel to Fort Ord for meetings with FORA staff, the Taskforce, confidential interviews, a site tour with FORA staff, and to conduct a public information session on the benefits of Form-Based Codes. *The site visit is currently tentatively scheduled to occur November 12 – 18, 2014 and will include an update to the FORA Board at its November 18 meeting.*

1.5.1 Team Meeting / FORA Taskforce Update Meeting

The Dover-Kohl team will meet with FORA staff and the Taskforce to review Preliminary Technical Analysis results/outcomes and other base data. The site visit tasks and objectives will be reviewed and a detailed outline of the charrette and proposed charrette events will be presented.

1.5.2 Site Tour

Along with FORA staff, Dover-Kohl will tour and examine Fort Ord's existing conditions, as well as the urban form, network of streets, blocks and lots, building types, and building patterns of the site and surrounding communities. The analysis will include a review of existing land use, density, transportation issues, urban design elements, and development issues. The team will assess, measure, and document existing building types, building placement relative to the street, building massing, scale, height, primary facade transparency, sidewalks, plantings, lighting, signage, spatial enclosure, and level of street life activity, creating a preliminary foundation for design guidelines tailored to the region.

1.5.3 Confidential Interviews

A key to success of the Fort Ord project is to have a clear understanding of the people, their interests and issues. The most efficient and effective way to learn what is truly going on in the community is for the consultant team to hold a series of confidential interviews. The purposes of the interviews are to:

- Establish and/or reinforce a sense of trust and confidence in the project team.
- Determine overall willingness to participate in and support the project.
- Uncover underlying community issues that otherwise might not be available to the project sponsor, e.g. resistance to implementation.
- Build peoples interest in participating in the charrette.

Selecting Interviewees

Interview groups of up to five people are created according to viewpoints. These often include public officials, jurisdictional staff, property owners, appointed officials, and other selected interest groups.

Interview Process

The project management team establishes the interview schedule. Invitation letters are sent three weeks prior to the interviews, which are held at a neutral location, such as a hotel, in three small rooms. Staff may receive people in the lobby, but are not present in the interview rooms. Consultant members of the project management team run the interviews. Each interview lasts 50 minutes or less, allowing the team a 10-minute break before the next group arrives.

Follow-up

After the interviews, the recorder's notes are distributed to the interviewers for review and revisions. The findings are shared with the project sponsor and the interviewees and ultimately with the public, usually on the project website.

1.5.4 Review of Best Practices Utilizing Form-Based Codes (Public Education Session)

The uniqueness of each municipality and region means that a variety of design guidelines and forms may be used in the Fort Ord area. In the application of form-based guidelines it is important to assess the physical and regulatory environment to determine the most applicable type. During the site visit our team will conduct a public educational session about the best practices in form-based codes. The team also includes other notable experts in the realm of planning, who will be available to assist in the review of best practices, establishing the ideal planning principles for FORA and the Fort Ord area. This public meeting should be held in the evening so that more people can attend after regular work hours.

SERVICES & DELIVERABLES INCLUDED IN PHASE 1

- FORA Taskforce Project Start-up Meeting
- Review of Existing Plans & Reports to ensure Integration with Guidelines
- Preliminary Technical Analysis
 - Data products including GIS layers, imagery, & basemaps
 - Economic Analysis
 - Transportation Analysis
 - Environmental Analysis
- Orientation Workshop
- Video Documentation
- Website Updates
- Web-enabled decision support tool (MindMixer & Metroquest)
- Site Visit
 - FORA Taskforce Update Meeting
 - Site Tour
 - Confidential Interviews
 - Review of Best Practices utilizing Form-Based Codes (Public Education Session)

PHASE 2- CHARRETTE (APPROX. MONTHS 4 TO 6)

Phase 2 consists of a 2-week charrette on-site in the Fort Ord area. This charrette is the centerpiece of our public participation process. Dover-Kohl will lead a series of public meetings, design sessions, stakeholder interviews, and technical meetings to engage the community, each municipality, and major property owners to form the framework for the design guidelines. The hands-on nature of the charrette and the opportunity to interact with differing perspectives allows issues to be quickly identified and resolved. Municipal staffs, FORA officials, and other key individuals will be involved throughout various meetings, workshops, and presentations. The website will be continually updated, and video documentation will continue. To best meet the needs of the community, we suggest that the charrette be held during the academic year. *Tentative dates for the charrette are January 5-16, 2015.*

The tentative Charrette dates include the opportunity to update the FORA board at a mid-point during the charrette, however, all FORA board members will be encouraged to attend all public meetings including the Kick-off/hands on and the Work-in-progress presentation. Final dates will be selected based on availability the Consultant, Sub-Consultants, and FORA representatives. If possible, the charrette should be held during the school session in order to encourage participation of university students to ensure the Guidelines will develop the types of places they would want to participate in.

2.1 FORA Taskforce Update

Prior to the official charrette kick-off, the Dover-Kohl team will meet with the FORA Taskforce to review what will be presented to the public, go over the hands-on design session, and review objectives for a successful charrette.

2.2 Charrette Kick-Off Event & Hands-On Design Session

On the first day of the charrette, Dover-Kohl will lead a Community Wide Kick-off Event to mark the official start of the design process. The event will feature a "Food For Thought" presentation to educate the public on the principles and components of form-based codes, land use planning, the various tools which can be included to shape community form and character, a review of experiences in peer communities, and an outline of elements that will be addressed in the Design Guidelines.

Immediately following the Kick-off Presentation, the meeting will transition to a Hands-on Design Session. Participants will divide into small table groups and oriented to base maps of the Fort Ord region. Each table will have a facilitator from the Dover-Kohl team or FORA staff to assist participants in design exercises.

Participants will use the base maps of both the overall region and more detailed maps of specific areas that they are most concerned with to illustrate how they might like to see the overall areas evolve in the future by describing the uses, open spaces, building design and type, landscaping, street design, housing options, parking, and services, as well as key transportation concerns.

A separate exercise will also be included to focus on the metrics used by form-based codes to regulate development form and the way buildings face public spaces such as streets. This will help educate and familiarize participants in how Form-Based Codes work and what they do and do not regulate.

At the end of the workshop, a spokesperson from each table will report the findings and major points to the entire assembly. The goal of the Hands-on Design Sessions is to forge a community consensus on the desired form and character of future development in region.

Keypad polling, exit surveys, and one word cards may be incorporated throughout the event to calculate and present public opinion on selected topics identified during the site visit and from previous planning sessions.

Multiple Hands-on Sessions: Depending on the political situation, multiple hands-on sessions may be held in order to focus on specific areas within the region at different events.

2.3 Open Design Studio

Following the Hands-on Design Session, the planning team will work in an Open Design Studio, in or near the Fort Ord area, for the duration of the Charrette. The team will work on-site to integrate the information gathered during Phase 1 with the input gained during the Hands-on Design Session to lay the groundwork for the Guidelines and regulating plan while continuing to gather community input. Key stakeholders, FORA staff and the public will be encouraged to stop in throughout the Charrette as new ideas emerge and to check on the growth of the project's details.

The following tasks will be completed in the Open Design Studio:

2.3.1 Stakeholder Meetings

While working on-site, the Dover-Kohl team will lead technical meetings with government agencies and local experts to address housing, open space, transportation, and other relevant topics. The purpose of these meetings is to review the emerging vision and receive immediate focused feedback from all stakeholders. Additional meetings with key stakeholders such as local municipalities, chamber of commerce, major property owners, neighborhood associations, and other local stakeholders may be held to ensure their plan objectives are reflected.

2.3.2 Synoptic Surveys

During the charrette the design team will survey the best parts of the region and local municipalities. These places will be measured and photographed. The synoptic surveys will be used to create the metrics of the Regional Urban Design Guidelines. By measuring the existing great places that exist and codifying them, it makes the guidelines specific to the region and each individual municipality. It will create a regional cohesiveness while maintaining individual identity.

2.3.3 Draft Illustrative Plan, Regulating Plan & Visualizations

During the Charrette week, the design team will create an Illustrative Plan of urban design characteristics such as massing, density and land use, transportation options, open space and recreation, and economic development opportunities.

The Illustrative Plan will be used as a guide to create the Regulating Plan that will be used in the guidelines to delineate differing intensities of development and that can be tailored to each jurisdiction and specific location cohesively.

Visualizations will provide "change over time" sequences of infill proposals, redevelopment strategies, and streetscape improvements. Visualizations will be utilized to show the draft metrics of the Design Guidelines which will affect building placement and street design to create a cohesive regional identity while responding locally to development patterns and intensities.

The Illustrative Plan, Regulating Plan and Visualizations will be accessible throughout the Charrette to allow casual feedback, and will be presented at the end of the Charrette for more formal community input.

2.3.4 Draft Template of Regional Urban Design Guidelines

Form-Based Codes and Regulations can take on numerous forms depending on how they fit in with existing regulations. They could be a separate overlay or they could become integrated within existing municipal regulations. Working with FORA and the individual municipalities will determine the best way to produce the guidelines. A template of the guidelines will be produced during the charrette.

2.3.5 Web Based Decision Support Development

Throughout this process, we will continue to use MindMixer, with the public discussing their opinions on the various draft drawings, plans and sketches produced during the open design studio period.

The team will also make use of online scenario modeler Metroquest. Metroquest provides a simple visual format that allows users to determine how their priorities and design ideas may influence their surroundings. Following the charrette the plans and regulations can be explored in more detail through the MindMixer and Metroquest platforms.

2.3.6 Multimodal Transportation Analysis

Transportation analysis by Alta Planning + Design will cover the full spectrum of transportation options, including pedestrian, bike, commuter rail, vehicular, and other transportation options. The transportation analysis will supply methods for pedestrian and vehicular connectivity, access to open spaces, and streetscape improvements throughout the region.

Street Standards will be produced for new and existing streets within the Fort Ord area. The Street Standards will illustrate by street type the physical conditions within the street, such as right-of-way, sidewalks, street trees, parking, build-to lines for new development, and building heights, where appropriate. These standards will become a part of the Regional Urban Design Guidelines.

2.3.7 Economic Analysis

Building on the findings from the pre-charrette market overview, Strategic Economics will evaluate the potential impact of the design guidelines on the development feasibility of different building types. Depending on the level of effort desired by FORA, this analysis could take the form of a qualitative assessment based on developer interviews and an evaluation of recent development projects, or a

quantitative pro forma analysis testing the financial feasibility of different residential and commercial building types (e.g. small lot single-family, single family attached, townhouses, 4-5 story apartments, local- and regional-serving retail, and/or medical office).

Strategic Economics will use the findings from the feasibility analysis to recommend strategies for achieving the fiscal, economic development, and other goals that FORA, the cities, and other land use authorities have set for the base reuse process.

Strategic Economics will also assist in the creation of an implementation strategy that considers the extent to which new development can be expected to cover the cost of basic infrastructure, place-making, affordable and workforce housing, and other needed improvements, and identifies other potential sources of funding and financing as required.

In addition, analysis in the form made popular by Peter Katz will be performed. This analysis will compare different development patterns and the return they bring to a municipality.

2.3.8 Practical Developer Analysis

John Reinhart and Bruce Freeman of Castle & Cooke will substantiate the analysis provided by Strategic Economics and the proposed illustrative and regulating plan. They will ensure that the Fort Ord guidelines are realistic in creating a region that is attractive for future private investment and development projects.

2.3.9 Environmental Analysis

HELIX will work closely with the planning team and FORA staff to identify potential issues and evaluate potential environmental effects. Should the analysis identify potential impacts, HELIX will work with the planning team and FORA staff to develop planning goals, objectives and/or policies to include in the Tools and Master Plan to reduce or avoid potential impacts.

Where sufficient information is not available to incorporate explicit planning solutions, HELIX will formulate mitigation measures which can be implemented as more detailed development and infrastructure plans are prepared within the Fort Ord area. These mitigation measures will include performance standards to provide guidance and flexibility on how the mitigation measures are designed and implemented to reduce potential environmental impacts to a level that is less than significant. Helix will also assist in meeting NEPA/CEQA requirements as applicable under the 1991 BRAC decision. All documents and deliverables will be subject to revision as needed by FORA.

2.4 Work In Progress Presentation

At the conclusion of the Charrette, the planning team will present the charrette work at a "Work-in-Progress" presentation. At this presentation, the team will present ideas generated to date including the Draft Illustrative Plan, Regulating Plan, and visualizations of the character of proposed development. A summary of economic, transportation, & environmental impacts, and an outline of elements to be contained in the Design Guidelines will be presented, highlighting the opportunities for quality development.

A question and answer session will generate responses from the public and municipal officials. The Work-in-Progress presentation will be provided to FORA for inclusion on the project website.

During the Work-in-Progress presentation, keypad polling will be utilized in order to generate real-time survey results and opinion polls from members of the audience. We can track response information and view results during the presentation. Keypad polling can help us understand if the plan is on the right-track.

SERVICES & DELIVERABLES INCLUDED IN PHASE 2

- FORA Taskforce Update
- Kick-off Presentation with “food-for-thought” & Hands-On design session
- Open Design Studio
 - Stakeholder Meetings
 - Synoptic Surveys
 - Illustrative Plan, Regulating Plan & Visualizations
 - Draft Template of RUDG
 - Web-Based Decision Support Tool Development for Design Concepts -- Use of cutting edge-visualization to depict scenarios and proposed projects
 - Regular Web Updates and extensive outreach
- Refined Technical Analysis
 - Multimodal Transportation
 - Economic
 - Developer
 - Environmental
- Work-In-Progress Presentation

PHASE 3- POST-CHARRETTE

Phase 3 includes the creation, revisions and presentations of the Regional Urban Design Guidelines. Building on the physical analysis performed, the community input received, and the framework developed with FORA in Phase 2, the Dover-Kohl team will create the Draft Fort Ord Form-Based Zoning Tool options that meet the needs of the Base Reuse Plan.

3.1 Preparation of Draft Guidelines & Master Plan (Approximately 8 to 10 weeks following the charrette)

Following the Charrette, the Dover-Kohl team will return to their offices to draft the RUDG. The Guidelines will help shape development within the area in the manner envisioned by the community during the Charrette process. Recalling that the base principle of a Form-Based Code is that design is more important than use, the guidelines will be used as regulatory a tool that places primary emphasis on the physical form of the built environment with the end goal of producing a specific type of place that welcomes economic recovery.

Simple and clear graphic prescriptions for street standards, building height, how buildings are placed on sites, and building elements (e.g. location of windows, doors, etc.) are used to control development. Land use is not ignored, but regulated using broad parameters that can better respond to market economics, while also prohibiting undesirable uses.

The RUDG will be user-friendly, highly visual, and will serve to encourage future redevelopment in an organized manner and further the goals and vision established by the community and the Base Reuse Plan. The document will likely include an Overview, Regulating Plan, Urban Standards, General Standards, Street Standards, and Architectural Standards. Prescribed Design Guidelines will be illustrated in the Form-Based documents, to ensure they are easily understood and help the community understand the regulations of the new Tools.

3.2 Regular FORA Taskforce Updates

Throughout the drafting of the RUDG and Master Plan, the Dover-Kohl team will hold regularly recurring meetings with the FORA Taskforce to provide updates on the status of the code development and to solicit feedback on the details of the code.

As necessary, regular meetings with jurisdictional staffs will also continue to ensure the acceptance and understanding of the guidelines as they are being developed and refined.

A monthly or bi-monthly call can be scheduled in order to regularly update FORA staff and the Taskforce on the progress of the RUDG and Master Plan as it is being developed.

3.3 Presentations of the Draft RUDG & Master Plan

Key members of the Dover-Kohl team will travel to Monterey Bay to present the Master Plan Report and Design Guidelines to the public and other stakeholders. This presentation could be a region-wide meeting, special meeting/open house or at official public hearings for the municipalities. As necessary, Dover-Kohl can present the plan to multiple groups including at the regularly scheduled FORA Board meeting. The team members will be available to answer questions and explain the details of the plan and implementation recommendations.

The presentation should be scheduled approximately nine to eleven weeks following the conclusion of the charrette and in coordination with a regularly scheduled Board meeting.

3.4 Preparation of Final RUDG & Master Plan

The Tools and Guidelines will be revised based on comments received from the public, FORA staff and city officials (**2 rounds of revisions**). Dover-Kohl will submit the Draft form-based Tools and Design Guidelines to FORA and provide revisions to the document to create the Draft Master Plan Report that will be available to the public.

FORA and city officials shall have up to 30 days to provide comments and feedback on each of the drafts submitted. To the extent practicable (as determined in coordination with FORA staff), comments shall be consolidated and specific to provide clear direction during revisions. The Consultant will require two to three weeks to complete requested revisions, depending on the extent of the revisions requested.

3.5 Presentations of Final RUDG & Master Plan

The proposed scope of services has described the tasks necessary to create RUDG and Form-Based Tools for Fort Ord. If necessary, the Dover-Kohl Team can also assist FORA by participating in additional public meetings and public hearings leading to adoption of these regulations. Dover-Kohl will present these Guidelines in multiple locations, ensuring that all municipalities understand the content of the plan, with the intent of initiating the implementation process. The implementation strategy may again include MindMixer, to evaluate public response.

The presentation of the Final RUDG and Master Plan shall be scheduled in coordination with the completion of the second round of revisions and with a regularly scheduled Board meeting. As part of these presentations, the Board may be asked to accept the RUDG and Master Plan in order to lend support to the documents at they go to individual municipalities for approval.

3.5.1 Final Video Presentation

The team will finish the prescribed video, creating a project summary spanning from the very first team meeting to the creation of the final documents. This video can be used for publicity purposes, as well as for creating a simple means of visualizing the outcome of the plan.

3.6 Initiation of RUDG Implementation

Dover-Kohl will present the Guidelines in multiple locations, ensuring that all municipalities understand the content of the plan, with the intent of initiating the implementation process. The implementation strategy may again include MindMixer, to evaluate public response.

These meetings shall occur in coordination with the presentations of the Final RUDG and Master Plan. This includes one official meeting per individual municipality. Additional adoption meetings may be necessary depending on individual municipality processes and comfort with the proposed RUDG and shall be considered additional services.

3.7 Training Sessions

The Dover-Kohl team will lead one or more training workshops which would highlight the principles of the Design Guidelines and Tools, and train FORA and municipal staff on how to properly administer the new Guidelines for Fort Ord. At this time, the team will compile all pertinent data and transfer it into the hands of the FORA staff, including geospatial data, base files of all deliverable, and raw public input from Metroquest and MindMixer.

Training Sessions should be scheduled in coordination with presentations of the plans as possible to help FORA and municipal staff become more familiar with the guidelines and how they would be administered before, or as, they are being adopted.

SERVICES & DELIVERABLES INCLUDED IN PHASE 3

- Preparation of Draft RUDG & Master Plan
- FORA Taskforce Updates
- Presentations of Draft RUDG & Master Plan
- Revisions to create Final RUDG and Master Plan (2 rounds)
- Presentation of Final RUDG & Master Plan
- Presentation of Project Film
- Initiation of RUDG Implementation
- Training Sessions

FINAL WORK PRODUCTS:

- Regional Urban Design Guidelines (Form-Based Code)
- Implementation / Adoption Strategy
- Copies of all Presentations
- Video Documentation
- All technical data including:
 - GIS data
 - Map files
 - Raw Work Product Documents
 - Statistical Data from Web-Based Products

ARTICLE II

Format of Final Work Products

Consultant shall provide final work products to FORA, as follows:

- A. **Written & Graphic Documents.** Written and Graphic documents shall be printed in an appropriate hard-copy format on paper and digitally stored in an appropriate computer format such as on compact disc. Consultant will provide FORA with up to two (2) printed copies on paper and a two (2) digital copies.

- B. **Additional Copies.** Additional copies of written or graphic documents, or any portion of such documents, may be provided at the cost of reproduction, including an additional fee for services at the hourly rates indicated below in Article V of this Agreement.

ARTICLE III

Responsibilities of the Client

The Consultant's completion of tasks herein within a timely basis is contingent on FORA's cooperation in providing available information and its participation with respect to certain project activities. FORA shall be responsible to the Consultant for the timely performance of the following tasks:

- A. Provide, on a timely basis, the Base Information requested in Article IV.
- B. Provide supplementary information that may be reasonably requested from time to time during the course of the Project.
- C. Provide, supplies, equipment and facilities necessary to create an effective site visit, public meetings, and public workshop as requested below:
 1. For the public workshop/meetings, an appropriately sized room to accommodate the public with the required audio/visual equipment. The space must be a large, high-ceilinged room that will accommodate along the walls displays of several maps. The Consultant must have access to lighting controls and be able to darken the room. The room should be equipped with a projection screen no smaller than nine feet by twelve feet (9x12 ft.) and a working public address or sound system with microphone hook-ups. FORA shall also provide one (1) wireless "lavalier" clip-on microphone and one (1) wireless hand-held microphone. The auditorium and equipment should be made available to the Consultant, as needed.
 2. For the confidential interviews during the site visit should be held at a neutral location, such as a hotel, in three small rooms.
 3. For Recording of all public meetings and workshops.
 4. Provide additional table facilitators as needed for the hands-on workshop. The Consultant will provide at minimum seven (7). There should be one (1) facilitator per every ten (10) attendees to the workshop. The Consultant can accommodate seventy (70) attendees.
 5. Provide a reasonable estimate for the attendance of the public events during the charrette. Create an RSVP list, if possible.
 6. Provide a project coordinator as a single point of contact for FORA.
 7. FORA Staff will attend and participate in project meetings upon the request of the Consultant.
 8. Provide public outreach throughout the project and soliciting the attendance of third parties whose participation the Client considers important including municipal staff and leaders from each jurisdiction within the study area.
 9. Make reasonable efforts to insure the attendance of a majority of elected officials, stakeholders, and investors at the charrette presentations.
 10. Provide appropriate meeting room(s) for the Charrette meetings, workshops, presentations, and studio workspace, including securing the space.
 11. Provide necessary refreshments for public involvement events.
 12. Promptly tender payment of all valid invoices.

ARTICLE IV

Base Information

In accordance with the Scope of Services, the Consultant requests that FORA provide at minimum the following Base Information:

- A. *SCALE BASE MAP INFORMATION*, in digital format, indicating existing conditions of the project area and context, including significant features above and below the ground, environmental constraints, archaeological sites, utility locations, etc. Maps should specifically include ArcGIS information of the project area indicating any property lines, easements, and any existing building footprints and heights, roadways, sidewalks, driveways, curbs and curb cuts, alleys, and traffic control devices, street signage, and current parking. The Consultant will work with FORA's GIS Services to obtain necessary base map information.
- B. *AERIAL PHOTOGRAPHS*, preferably in color, in plan view and at the largest possible scale.
- C. *RELEVANT EXISTING REGULATIONS*, which may constrain zoning, land use, or previous development proposals envisioned or supported by this Project, and relevant published comments of local government officials and administrators regarding such constraints for all municipalities and jurisdictions.
- D. *OTHER RELEVANT DATA*, including pertinent portions of previous local zoning approvals, covenants, and previous site studies, traffic studies, infrastructure studies, market feasibility studies, historical background, etc.

Upon commencement of the Project, FORA shall provide the Consultant with the above information. FORA represents to the Consultant that it may depend upon the accuracy and completeness of the information so provided. If FORA is unable to provide any of the requested information, it shall immediately contact the Consultant to determine whether such information is reasonably necessary and how such information might otherwise be obtained. If the Consultant considers the requested information reasonably necessary for the project and FORA remains unable to provide such information, then the Consultant may not prepare or obtain such information as an additional service without the specific written approval of FORA.

ARTICLE V

Payments and Additional Services

- A. **Payments.** Consultant shall submit monthly invoices to FORA for professional services rendered to date on a monthly basis. Invoices shall include percent completion per task and shall cover professional services completed and reimbursable expenses incurred to the date of the invoice. Such invoices shall be paid in 30 days following review and approval by FORA.

Typical reimbursable expenses include travel (including transportation, food, and lodging), reproduction expenses, mailing, long-distance telephone, or any other miscellaneous or out-of-pocket expenses reasonably contemplated by the scope of services for this project. Dover, Kohl & Partners bills reimbursable expenses at cost and does not add any administrative fees. The reimbursable budget to complete the proposed scope of services for this project is estimated to be \$60,000.

- B. **Additional Services.** Additional services that FORA may authorize and which Consultant has not expressly agreed to provide, unless subject to a written change order, shall be considered outside the scope of this Agreement. Such additional services shall be billed to Client at the hourly rates indicated below in Section C of this Article. Consultant will present FORA with a monthly invoice for additional fees whenever additional services have been provided. No additional services may be provided without the specific written approval of FORA.

- C. Hourly Rate Schedule.** Where this Agreement provides for FORA's payment to Consultant of compensation on an hourly basis, professional fees shall accrue and compensation shall be paid in accordance with the following hourly rate schedule.

- D. Direct Expenses.** Consultant shall be reimbursed for reasonable business expenses if consistent with FORA expense policies and IRS guidelines and directly incurred pursuant to the terms of this agreement. Invoices for expenses must contain detailed itemizations and any expense of \$50.00 or more must be accompanied by an itemized receipt.

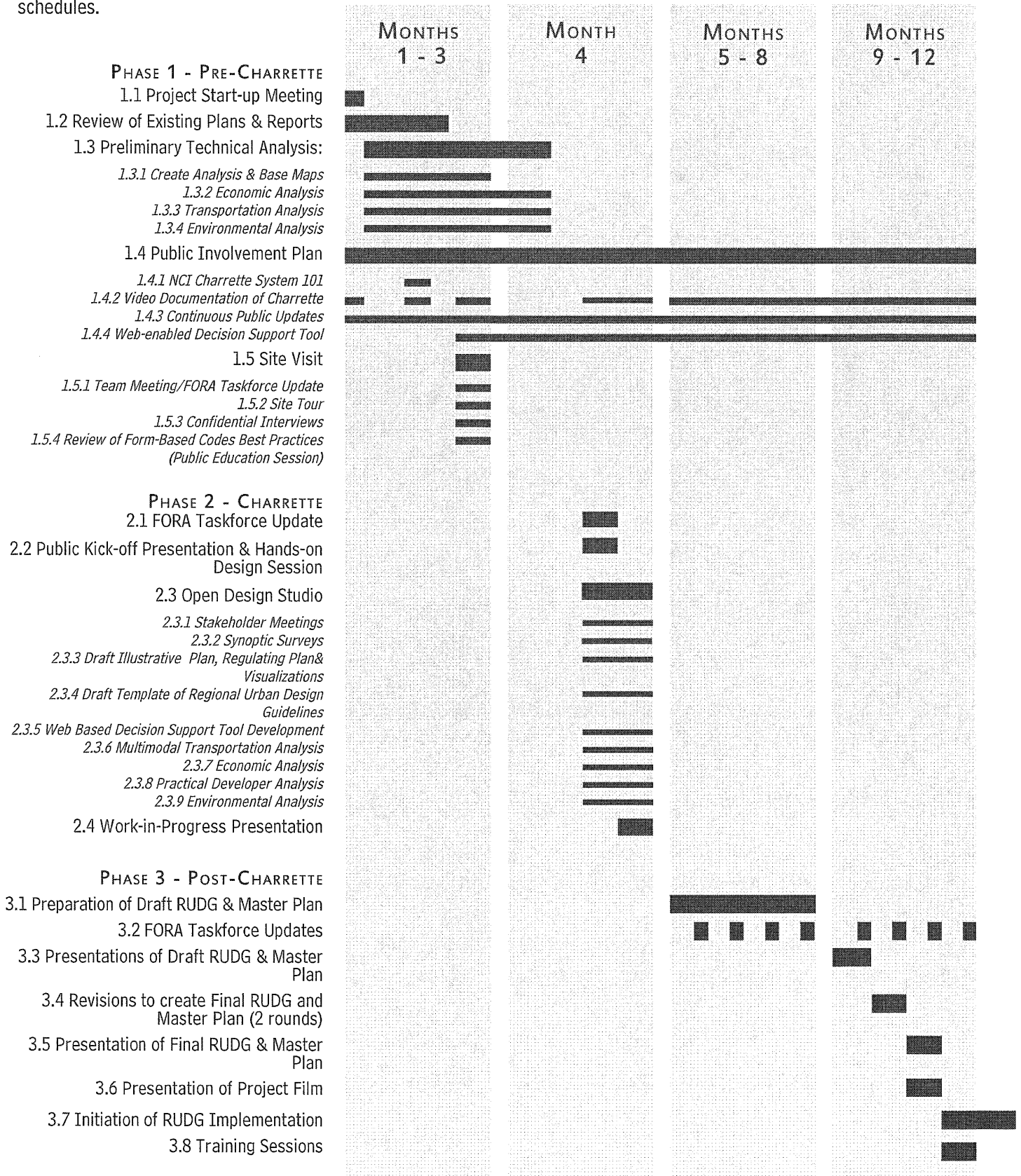
COST PROPOSAL

		Hourly Rate	Phase I (Hours)					Phase II (Hours)				Phase III (Hours)							Total Hours	Proposed Cost
			Task	1.1	1.2	1.3	1.4	1.5	2.1	2.2	2.3	2.4	3.1	3.2	3.3	3.4	3.5	3.6		
<i>Dover, Kohl & Partners</i>	<i>Victor Dover</i>	\$375	2				34	8	4	86	6	4		4		4		20	172	\$64,500
	<i>Project Director</i>	\$150	2	24	16	24	34	8	4	94	6	24	35	8	8	8	16	48	343	\$53,850
	<i>Director of Design</i>	\$140						8	4	94		12			8				126	\$17,640
	<i>Town Planner</i>	\$90	2	24	24	72	34		4	102	10	32			24	24	16		376	\$33,840
	<i>Town Planner</i>	\$90							4	102		32			24				162	\$14,580
<i>Alta</i>	<i>Principal</i>	\$210	2								4			4				10	\$2,100	
	<i>Managing Engineer</i>	\$165	2	24			34			90	25			25				200	\$33,000	
	<i>Project Engineer</i>	\$100		32							32			32				96	\$9,600	
<i>Strategic Economics</i>	<i>Principal</i>	\$190	2	14			34			90	4			4				142	\$28,120	
	<i>Sr. Associate</i>	\$170	2	24							24			24				74	\$12,580	
	<i>Associate.</i>	\$120		24							32			32				88	\$10,560	
<i>Helix</i>	<i>Principal Planner</i>	\$205	2	8			19			53	8			4	18			112	\$22,960	
	<i>Environ. Planner</i>	\$100		24							24			24				72	\$7,200	
<i>Castle & Cooke</i>	<i>President</i>	\$200	2	8						60	4					10		84	\$16,800	
	<i>Vice President</i>	\$200	2								4					10		16	\$3,200	
<i>Opticos</i>	<i>Principal</i>	\$250								31								31	\$7,750	
	<i>Sr. Associate</i>	\$150								15								15	\$2,250	
<i>P. Katz</i>	<i>President</i>	\$250	2							24	2			4		8		40	\$10,000	
<i>J. Speck</i>	<i>President</i>	\$280	2							24	2			8		15		51	\$14,880	
<i>B. Lennertz</i>	<i>President</i>	\$250	2	6		22				32							16	72	\$19,500	
Total Fee:																			\$384,910	
Reimbursable Expenses:																			\$60,000	
TOTAL:																			\$444,910	

PROJECT SCHEDULE

Based on the series of tasks outlined in the Proposed Scope of Work we have developed a tentative production schedule to complete the Regional Urban Design Guidelines on the former Fort Ord. This proposed schedule is a draft and can be revised in consultation with FORA staff.

Note: Adoption of Guidelines by Municipalities may extend beyond 12 months and will be determined by individual municipality adoption schedules.



GENERAL PROVISIONS

1. INDEPENDENT CONSULTANT. At all times during the term of this Agreement, CONSULTANT shall be an independent Consultant and shall not be an employee of FORA. FORA shall have the right to control CONSULTANT only insofar as the results of CONSULTANT'S services rendered pursuant to this Agreement.
2. TIME. CONSULTANT shall devote such services pursuant to this Agreement as may be reasonably necessary for satisfactory performance of CONSULTANT'S obligations pursuant to this Agreement. CONSULTANT shall adhere to the Schedule of Activities shown in Exhibit "A".
3. INSURANCE.
 - a. MOTOR VEHICLE INSURANCE. CONSULTANT shall maintain insurance covering all motor vehicles (including owned and non-owned) used in providing services under this Agreement, with a combined single limit of not less than \$100,000/\$300,000.
4. CONSULTANT NO AGENT. Except as FORA may specify in writing, CONSULTANT shall have no authority, express or implied to act on behalf of FORA in any capacity whatsoever as an agent. CONSULTANT shall have no authority, express or implied, pursuant to this Agreement, to bind FORA to any obligation whatsoever.
5. ASSIGNMENT PROHIBITED. No party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.
6. PERSONNEL. CONSULTANT shall assign only competent personnel to perform services pursuant to this Agreement. In the event that FORA, in its sole discretion, at anytime during the term of this Agreement, desires the removal of any person or persons assigned by CONSULTANT, CONSULTANT shall remove any such person immediately upon receiving notice from FORA of the desire for FORA for the removal of such person or person.
7. STANDARD OF PERFORMANCE. CONSULTANT shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONSULTANT is engaged in the geographical area in which CONSULTANT practices his profession. All products and services of whatsoever nature, which CONSULTANT delivers to FORA pursuant to this Agreement, shall be prepared in a thorough and professional manner, conforming to standards of quality normally observed by a person practicing in CONSULTANT'S profession. FORA shall be the sole judge as to whether the product or services of the CONSULTANT are satisfactory but shall not unreasonably withhold its approval.
8. CANCELLATION OF AGREEMENT. Either party may cancel this Agreement at any time for its convenience, upon written notification. CONSULTANT shall be entitled to receive full payment for all services performed and all costs incurred to the date of receipt entitled to no further compensation for work performed after the date of receipt of written notice to cease work shall become the property of FORA.
9. PRODUCTS OF CONTRACTING. All completed work products of the CONSULTANT, once accepted, shall be the property of FORA. CONSULTANT shall have the right to use the data and products for research and academic purposes.

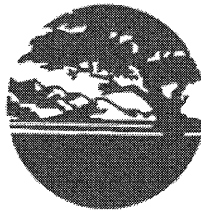
10. INDEMNIFY AND HOLD HARMLESS. CONSULTANT shall indemnify, defend, and hold harmless FORA, its officers, agents, employees and volunteers from all claims, suits, or actions of every name, kind and description, brought forth on account of injuries to or death of any person or damage to property arising from or connected with the willful misconduct, negligent acts, errors or omissions, ultra-hazardous activities, activities giving rise to strict liability, or defects in design by the CONSULTANT or any person directly or indirectly employed by or acting as agent for CONSULTANT in the performance of this Agreement, including the concurrent or successive passive negligence of FORA, its officers, agents, employees or volunteers.

It is understood that the duty of CONSULTANT to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance of insurance certificates and endorsements required under this Agreement does not relieve CONSULTANT from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies have been determined to be applicable to any of such damages or claims for damages.

FORA is to indemnify, defend, and hold harmless CONSULTANT, its employees and sub-consultants, from all claims, suits, or actions of every name, kind and description, brought forth on account of injuries to or death of any person or damage to property arising from or connected with the willful misconduct, negligent acts, errors or omissions, ultra-hazardous activities, activities giving rise to strict liability, or defects in design by FORA or any person directly or indirectly employed by or acting as agent for FORA in the performance of this Agreement, including the concurrent or successive passive negligence of CONSULTANT, its officers, agents, employees or volunteers.

11. PROHIBITED INTERESTS. No employee of FORA shall have any direct financial interest in this agreement. This agreement shall be voidable at the option of FORA if this provision is violated.

12. CONSULTANT-NOT PUBLIC OFFICIAL. CONSULTANT possesses no authority with respect to any FORA decision beyond the rendition of information, advice, recommendation or counsel.



FORT ORD REUSE AUTHORITY
REGIONAL URBAN DESIGN GUIDELINES (RUDG) TASK FORCE
MEETING MINUTES

10:00a.m., Friday, June 27, 2014 | FORA Conference Room
920 2nd Avenue, Suite A, Marina, CA 93933

1. CALL TO ORDER

Confirming a quorum, Task Force Chair Michael Houlemard called the meeting to order at 10:10am. The following people were in attendance:

Committee Members

Layne Long, City of Marina
Elizabeth Caraker, City of Monterey
Carl Holm, Monterey County
Victoria Beach, City of Carmel-by-the-Sea

Other Attendees

Michael Houlemard, FORA
Steve Endsley, FORA
Josh Metz, FORA
Diana Ingersoll, City of Seaside
Bob Schafer, member of the public
Sean Kranyak, member of the public

2. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

None.

3. APPROVAL OF MEETING MINUTES

- a. Monday June 2, 2014
- b. Thursday June 19, 2014
- c. Friday June 20, 2014 (a&b)

Motion: Elizabeth Caraker moved, seconded by Victoria Beach.

Motion Passed: Unanimous

4. PUBLIC COMMENT PERIOD

None.

5. BUSINESS ITEMS

The Task Force heard a summary report from FORA staff on the outcomes of their RFP Finalist reference checks since the last meeting of the Task Force.

Motion: Layne Long moved that the Regional Urban Design Guidelines Task Force recommend that the FORA Board hire the team led by Dover-Kohl & Partners to complete the Regional Urban Design Guidelines project. Second by Victoria Beach.

Motion Passed: Unanimous

Task Force member Anya Spear called in to the meeting and agreed with the recommendation. John Dunn sent Diana Ingersoll to lend his support to the motion in his absence.

6. **ITEMS FROM MEMBERS**

Victoria Beach stated that the FORA staff handled the RUDG RFQ-RFP process with professionalism and that the products and procedures used allowed the Task Force to obtain quality applicants that addressed the project needs.

7. **ADJOURNMENT**

The next meeting of the RUDG Task Force will be set at a later date. The meeting was adjourned at approximately 10:45a.m.

Minutes prepared by Josh Metz

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Travel Report	
Meeting Date: October 10, 2014 Agenda Number: 10g	INFORMATION

RECOMMENDATION(S):

Receive an informational travel report from the Executive Officer.

BACKGROUND/DISCUSSION:

The Executive Officer regularly submits reports to the Executive Committee on FORA staff/Board travel. The Committee reviews and approves requests, and the travel information is reported to the Board as an informational item.

Upcoming Travel

International Economic Development Council (IEDC) Annual Conference

Destination: Fort Worth, TX

Date: October 18-22, 2014

Traveler/s: Michael Houlemard

Executive Officer Michael Houlemard will travel to Fort Worth, TX to attend the IEDC Annual Conference entitled "Steering Towards the Future: Convergence, Connectivity, and Creativity." The Conference will focus on best practices in incentive due diligence, drafting and enforcing performance agreements, and utilizing economic and fiscal impact analyses to deploy incentives in accordance with local needs and strategic community goals.

Association of Defense Communities (ADC) Base Redevelopment Forum

Destination: San Francisco, CA

Date: November 11-14, 2014

Traveler/s: Michael Houlemard, 2 Others (Board/Staff)

Executive Officer Michael Houlemard and 2 other Board/Staff members will travel to San Francisco to attend the ADC Installation Innovation Forum, which will highlight successful redevelopment projects in the San Francisco Bay Area. The Forum is designed for current local redevelopment authorities, legacy base closure projects, and non-military reuse projects that are complex and large in scale and will focus on advancing economic opportunity through community-driven redevelopment. Mr. Houlemard has been asked by ADC to lead the California local reuse authority round table panel.

FISCAL IMPACT:

Reviewed by FORA Controller 

Staff time for this item was included in the approved annual budget. Travel expenses are reimbursed according to the FORA Travel Policy.

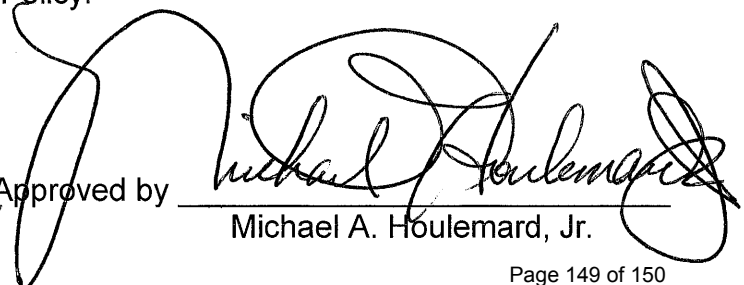
COORDINATION:

Legislative/Executive Committee

Prepared by


Lena Spilman

Approved by


Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject:	Public Correspondence to the Board	
Meeting Date:	October 10, 2014	INFORMATION
Agenda Number:	10h	

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

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

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