

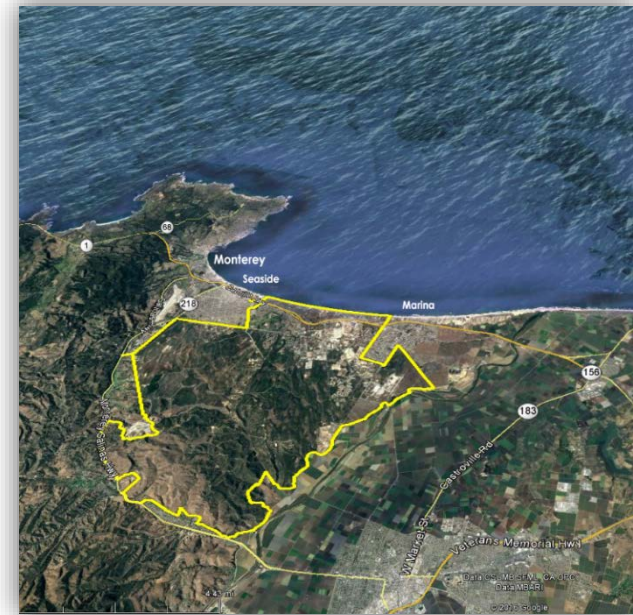
Transition Plan Update

Presentation to FORA BOARD

January 12, 2018

*Steve Endsley, Assistant Executive Officer
Sheri Damon, Prevailing Wage/Risk Coordinator*

- Transition Directive
- Transition Planning History
- 2017 TTF Recommendation
 - Single Entity Successor
 - CFD Extension
 - Fair & Equitable Contribution
- Transition Update
 - Schedule
 - Summary Charts
 - Water/Wastewater
 - Financial/Assets
 - Joint Powers Agency Concept
- Next Steps



...shall assign assets and liabilities, designate responsible successor agencies, and provide a schedule of remaining obligations. The transition plan shall be approved only by a majority vote of the board.

Delivery Deadline: December 30, 2018

Transition Planning History

- **2016 Process**

- Ad hoc Task Force
- Specific charge
- Multiple meetings

- **Recommendation**

- Dual tracks: Legislative extension and continue Transition Planning

- **2017 Process**

- New Ad hoc Task Force
- New 2017 charge
- Multiple meetings

- **Recommendation**

- Single successor agency, seek extension of FORA's CFD and post-FORA obligations/liabilities are paid for using Implementation Agreement formula for completing CIP and Voting Percentage for administrative liabilities



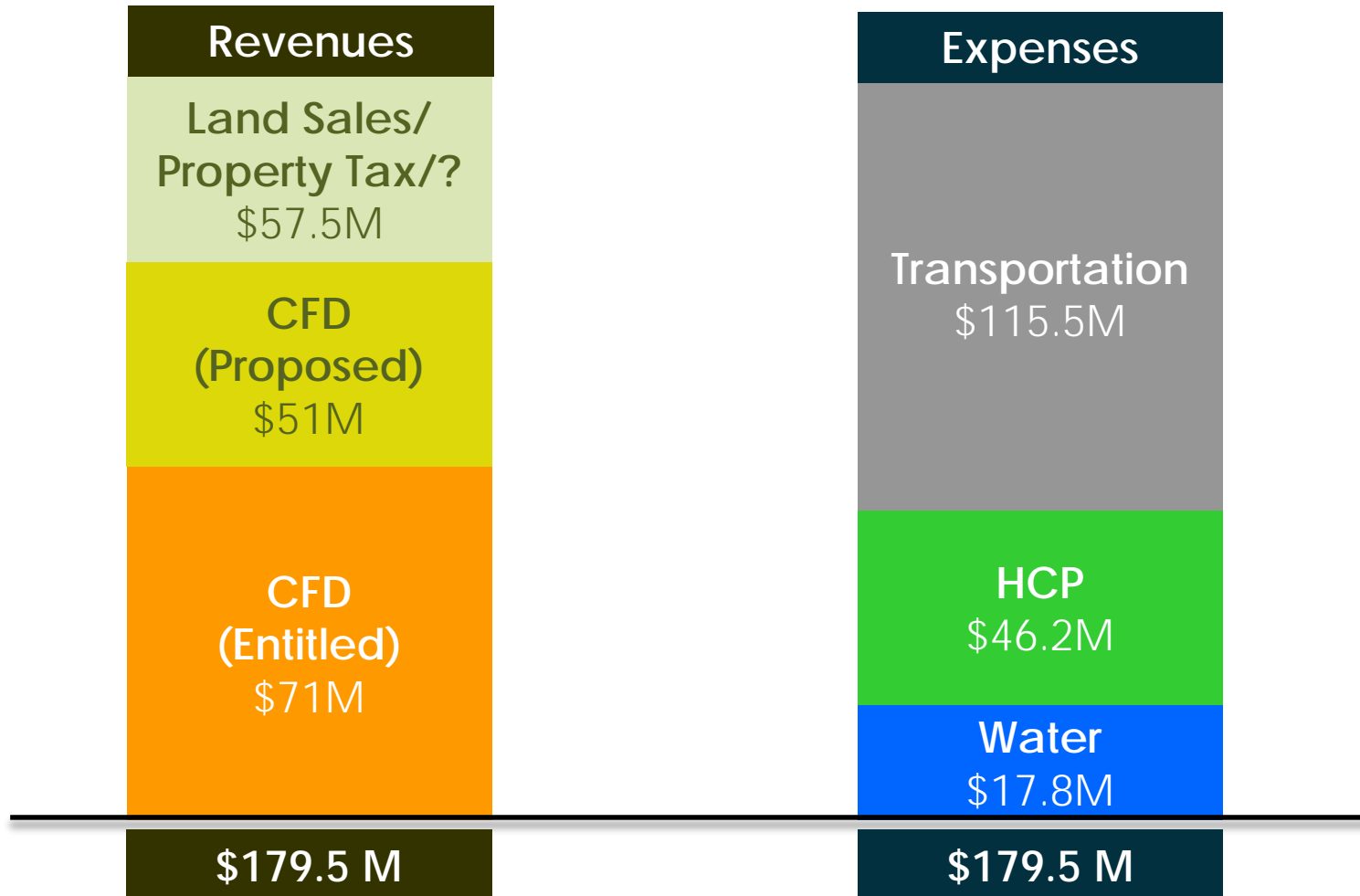
Single Entity JPA

Pros	Cons
Program within local agency control	Limited regional powers
No additional legislation required	Limited financing mechanisms
Preserves BRP/CIP Implementation continuity	FORA contracts-Revised and/or assigned
Separate legal entity	Start up costs
Single Point of Contact	Lack of regional track record
	Less Home Rule

Multiple Agencies

Pros	Cons
Function transfers to subject matter agencies	Infrastructure Priorities and timeline
No additional legislation required	Financing Rules Change (Taxation v. Nexus) (Shifts burden to job generators from housing)
Cities/County control land use and development (Home Rule)	Decentralized BRP/CIP Implementation
Cities/County control their own financing districts for local impacts	Non-Fort Ord entities participating in decision making; Representation on Boards (MCWD)
Eliminates consistency oversight	PW/BRP/CIP Enforcement – Who & How?

Simple Math



- Create single entity successor (JPA)
- **Seek extension of CFD/powers for successor**
- Utilize Implementation Agreement/Percentage assignment for jurisdiction's fair and equitable contribution to successor to complete FORA program

Land Use Jurisdictions & Successor Entity will:

- Implement BRP Economic Recovery
- Implement BRP Mitigations
- Implement BRP Policies, *including but not limited to, affordable housing and/or jobs/housing balances*
- Collaborate to Maximize/Leverage Regional Resources
- Commit to Fair and Equitable Distribution and Contribution

FORA will:

- Implement recovery/mitigation/building removal prior to sunset
- Minimize successor liability

- **FORA's CFD is a Mello Roos Special Tax District (Government Code section 53311 and following)**
 - Does not require a nexus;
 - Allows payment for specified **public services** and **public facilities**;
 - Building removal is not currently allowed unless in conjunction with an identified public facility which will remain in existence longer than five years
 - **FORA's CFD terminates on FORA dissolution**;
 - Transfer of CFDs is allowed between County and Cities with written agreement (Mello Roos); no provision for legislated authority to transfer.

1. Extend FORA Act; or
2. Amend Mello Roos to allow for transfer and continuation

Request Area Legislators to review legislative options for extending CFD/Financing (i.e. Infrastructure Bank, Mello Roos) powers - with building removal inclusion

Opportunities	Risk
<ul style="list-style-type: none">• Could provide building removal financing vehicle(s) (Successor/Jurisdictions)• Assignment of FORA CFD (Successor/Jurisdictions)• Future base closure financing flexibility	<ul style="list-style-type: none">• Legislative Process (statewide/local)• Burden falls to successor agencies to find financing mechanisms

- Transition Plan Summary/Charts
 - Subject matter Summaries JAN-MARCH
 - **DRAFT FINAL PLAN TO BOARD** AUGUST-SEPT.
- Draft Joint Powers Agency (JPA) Agreement
 - Agency/Staff level Discussion FEBRUARY-AUGUST
 - Consult with Jurisdiction/Agency Counsel FEBRUARY-AUGUST
 - Adjust/Refine/Edit JPA Agreement MAY-AUGUST
 - Submit for Board Review JULY

- Consult/Collaborate with LAFCO staff
 - Water/Wastewater, Financial/Assets
 - Administration/ESCA
 - Habitat Conservation Plan and Transportation
 - Joint Powers Authority
 - **“Final” Transition Plan**
 - LAFCO Application

FEBRUARY

MARCH

APRIL

AUGUST

OCTOBER

Summary Charts

CONTRACT	YEAR	ASSET/LIABILITY PLEDGE/OBLIGATION	ASSIGNEE/SUCCESSOR	NOTES
US-MCWRA Agreement	1993	Asset	JPA/Successor	
FORA-MCWD Water/Waste Water Facilities Agreement	1998			1
FORA-MCWD Water/Waste Water Facilities Agreement-Amendment 1	2001			
FORA-MCWD Water/Waste Water Facilities Agreement - Amendment 2	2007			
Army-FORA MOA for Sale of Portions of the Former Fort Ord	2000	Asset/Obligation	JPA/Successor; MCWD	2, 3
FORA, MCWD Quitclaim Deed Ord infrastructure	2001		JPA/Successor	4
Army-FORA MOA for Sale of Portions of the Former Fort Ord: Amendment 1	2002		JPA/Successor	5
MCWD-FORA Quitclaim deed L35.1 & L35.2	2004			
Army- FORA, MRWPCA, and MCWD MOA	2005			
MCWD-FORA Quitclaim deed L35.5	2006			
FORA Recycled Water allocations to jurisdictions	2007		JPA/Successor	6
FORA Potable Water allocation to jurisdictions	2007		JPA/Successor	7
Army-Seaside AYH Water Deed	2008			8
MOU Water Augmentation and 3 Party Agreement	2015	Liability/Obligation	JPA/Successor	9
FORA-MCWD Pipeline Reimbursement Agreement	2016	Liability	JPA/Successor	10

Summary Charts

CONTRACT	YEAR	ASSET/LIABILITY PLEDGE/OBLIGATION	ASSIGNEE/SUCCESSOR	NOTES
County of Monterey Implementation Agreement	2001	Asset	JPA/Successor	1
Del Rey Oaks Implementation Agreement	2001	Asset	JPA/Successor	1
City of Marina Implementation Agreement	2001	Asset	JPA/Successor	1
City of Marina IA - Amendment #1: Establishing Development Fee Policy Formula	2013	Asset	JPA/Successor	1
City of Monterey Implementation Agreement	2001	Asset	JPA/Successor	1
City of Seaside Implementation Agreement	2001	Asset	JPA/Successor	1
CFD-Notice of Tax Lien		Asset	JPA/Successor	2
Southboundary Road Reimbursement Agreement (DRO)		Asset	JPA/Successor	3
FORA-UCSC Agreement Concerning Funding of Habitat Management Related Expenses on the Fort Ord Natural Reserve	2005	Liability		
Pollution Legal Liability Reimbursement Agreement (DRO)		Asset	JPA/Successor	3
Pollution Legal Liability Insurance (PLL) CHUBB	2015		Successor Agencies	4

- Parties
- Fundamental understandings/recitals
- Definitions
- Purpose
- Addition/removal of parties
- JPA governance
 - Voting structure
 - Meeting/contributions/powers/etc.
- Resources and planning
- Boilerplate (sections 6-16)

Next Steps

1. Board direction
2. Future Meeting(s)

