



FORT ORD REUSE AUTHORITY

SPECIAL MEETING **FORT ORD REUSE AUTHORITY (FORA) BOARD OF DIRECTORS** Friday, June 19, 2020 at 1:00 p.m.

AMENDED AGENDA

ALL ARE ENCOURAGED TO SUBMIT QUESTIONS/CONCERNS BY NOON JUNE 18, 2020.

THIS MEETING MAY BE ACCESSED REMOTELY USING THE FOLLOWING ZOOM LINK:

<HTTPS://ZOOM.US/J/956115894>

PLEASE REVIEW FORA'S UPDATED REMOTE MEETINGS PROTOCOL AND BEST PRACTICES HERE:

HTTPS://FORA.ORG/REMOTE_MEETINGS_PROTOCOLS

1. CALL TO ORDER

2. CLOSED SESSION

- a. Conference with Legal Counsel—Gov. Code §54956.9(a), (d)(1): California Native Plant Society v. Fort Ord Reuse Authority, et al. Monterey County Superior Court Case No.: 20CV001529, Pending Litigation.
- b. Conference with Legal Counsel – Anticipated Litigation Pursuant to Government Code § 54956.9 (d)(2) based on receipt of a notice of intent to sue from: Keep Fort Ord Wild.
- c. Conference with Legal Counsel – Anticipated Litigation Pursuant to Government Code § 54956.9 (d)(2) based on receipt of a claim pursuant to the Government Claims Act by: Resource Environmental, Inc.

3. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

4. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

5. ROLL CALL

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

6. CONSENT

- a. May 14, 2020 Board Meeting Minutes (**p. 3**)
Recommendation: Approve May 14, 2020 Minutes.

7. BUSINESS ITEMS

INFORMATION/ACTION

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

- a. Consider Certification of Final Environmental Impact Report for Fort Ord Multi-Species Habitat Conservation Plan Project – **2nd Vote (p. 7)**
Recommendation(s):
 - i. Adopt the Resolution of Findings (Attachment A hereto) which certifies the Final Environmental Impact Report including the Responses to Comments to the Draft Environmental Report for the Fort Ord Multi-Species Habitat Conservation Plan Project (the “Project”).
 - ii. Take no action approving or disapproving the Project itself.

b. Unallocated Funds Distribution – 2nd Vote (p. 17)

Recommendation(s):

- i. Receive Unallocated Funds Distribution Report
- ii. Provide Staff Direction

c. 2018 Transition Plan Update (p. 88)

Recommendation(s):

- i. Receive 2020 Transition Plan Update Report
- ii. Adopt Resolution 20-xx: Approving 2020 Transition Plan Update

d. Consultant Services Contract Amendment - Post-FORA Fiscal & Administrative Services (p.132)

Recommendation: Direct the Executive Officer to approve a contract with the Regional Government Services that may be assigned to the County of Monterey on July 1, 2020.

e. FORA-Monterey County Agreement Regarding Dissolution Related Administrative and Financial Matters (p. 137)

Recommendation: Approve Agreement Between the Fort Ord Reuse Authority and County of Monterey Regarding Administrative and Financial Matters Associated with FORA Dissolution

8. PUBLIC COMMENT PERIOD

INFORMATION

Members of the public wishing to address the Board on matters within its jurisdiction, but not on this agenda, may do so for up to 3 minutes and will not receive Board action. Due to the [Governors Stay at Home Order](#) and recent [Executive Order related to Public Meetings Protocols](#), all FORA Meetings will now be conducted via Zoom. Public comments should be emailed to board@fora.org. Thank for your patience and understanding during these unprecedented times.

9. ITEMS FROM MEMBERS

INFORMATION

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

10. ADJOURNMENT

NEXT MEETING: Friday, June 26, 2020 AT 1:00 P.M.



**FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES**

2:00 p.m., Thursday, May 14, 2020 | This meeting was held at the following Zoom link: <https://zoom.us/j/956115894>

1. CALL TO ORDER

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

2. CLOSED SESSION

a. Conference with Legal Counsel – Gov. Code §54956.9(d)(2): Anticipated Litigation, Significant Exposure to Litigation, three potential cases.

Time Entered: 2:05 p.m.

Time Exited: 3:25 p.m.

3. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

FORA Authority Counsel Jon Giffen announced that the FORA Board met in closed session on Item 2a and that there is nothing to report out.

4. ACKNOWLEDGMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

Executive Officer Joshua Metz acknowledged the coordination among local entities with regards to COVID-19, recognizing Supervisor Mary Adams for her work assisting the hospitality industry. Mr. Metz announced that the FORA Board has received the following correspondence from:

- The California Native Plant Society (two correspondences)
- LAFCO (three correspondences)
- MCWD
- Landwatch
- Monterey Santa Cruz Building and Construction Trades Council
- Jack Stewart
- Monterey Bay Central Labor Council
- Stamp Erickson Law Firm

5. ROLL CALL

Voting Members Present:

Supervisor Jane Parker (County of Monterey), Supervisor John Phillips (County of Monterey), Mayor Pro-Tem Gail Morton (City of Marina), Councilmember Frank O'Connell (City of Marina), Supervisor Mary Adams (County of Monterey), Councilmember Alan Haffa (City of Monterey), Mayor Ian Oglesby (City of Seaside), Councilmember Jon Wizard (City of Seaside), Councilmember Steve McShane (City of Salinas), Councilmember Janet

Reimers (City of Carmel-by-the-Sea), Councilmember Cynthia Garfield (City of Pacific Grove), Mayor Mary Ann Carbone (City of Sand City), Councilmember John Gaglioti (City of Del Rey Oaks), Councilmember Alan Haffa (City of Monterey)

Ex-officio (Non-Voting) Board Members Present:

Col. Gregory Ford (United States Army), David Martin (Monterey Peninsula College), Nicole Hollingsworth (CSUMB), Debbie Hale (TAMC), Colleen Courtney (17th State Senate District), Bill Collins (BRAC), Steve Matarazzo (UCSC), Jan Shriner (MCWD), Dr. PK Diffenbaugh (MPUSD)

6. CONSENT

- a. March 27, 2020 Special Board Meeting Minutes
- b. Administrative Committee
- c. Veterans Issues Advisory Committee
- d. Transition Status Report
- e. Bank Accounts Closure and Consolidation
- f. Vacation Cash-out Policy Amendment

**Director Haffa requested Item 6d be pulled for discussion.*

MOTION: On motion by Board Member Adams, seconded by Board Member McShane and carried by the following vote, the Board moved to approve items 6a-6c, 6e, and 6f on the Consent Agenda.

MOTION PASSED UNANIMOUSLY

Director Haffa shared his comments on Item 6d and discussed the language that he would like to include regarding prevailing wages in the Transition Plan. Public comment was then heard on this item. Ms. Flint responded to Director Haffa's request as well as the questions raised during public comment. Mr. Metz then gave an update on the timeline of documents related to the bond issuance. Ms. Flint and Mr. Metz then answered questions from members of the Board. A discussion took place among the members. Ms. Courtney and Mr. Uptain-Villa of Senator Monning's office answered a question from Director Morton.

MOTION: On motion by Board Member Haffa, seconded by Board Member Morton and carried by the following vote, the Board moved to accept the report in Item 6d.

MOTION PASSED UNANIMOUSLY

7. BUSINESS ITEMS

- a. Memoranda of Agreements ("MOA") for Capital Improvement Program ("CIP") and General Fund Project Transfers
Mr. Metz introduced the item and noted that Mr. David Willoughby will be presenting on this item. He also noted that the County of Monterey requested the

MOA regarding the Oak Woodlands be held back and not voted on today. Mr. Willoughby then gave a presentation on each of the MOAs, going over the details and timelines for each. He also answered questions from the Board Members and heard public comment on each. A discussion took place among the members regarding the MOAs and potential litigation that may be the result from their transfer.

MOTION: On motion by Board Member Haffa, seconded by Board Member Reimers and carried by the following vote, the Board moved to approve Resolution 20-xx: Authorizing Executive Officer to execute MOAs to support the transfer of three CIP Projects, in the forms attached hereto as exhibits or in substantially similar forms containing such modifications as the Executive Officer may deem necessary or appropriate to carry out the purposes of the MOAs.

<i>Item 7a: Motion</i>			
<i>Director Parker</i>	<i>NO</i>	<i>Director Reimers</i>	<i>AYE</i>
<i>Director Garfield</i>	<i>AYE</i>	<i>Director Phillips</i>	<i>AYE</i>
<i>Director O'Connell</i>	<i>AYE</i>	<i>Director Gaglioti</i>	<i>AYE</i>
<i>Director Morton</i>	<i>NO</i>	<i>Director Wizard</i>	<i>AYE</i>
<i>Director Adams</i>	<i>AYE</i>	<i>Director Oglesby</i>	<i>AYE</i>
<i>Director Carbone</i>	<i>AYE</i>	<i>Director Haffa</i>	<i>AYE</i>
<i>Director McShane</i>	<i>AYE</i>		

MOTION PASSED BY MAJORITY (11 AYES, 2 NOES)

b. Joint Community Facilities Agreements

Mr. Metz introduced the item and had Mr. Willoughby begin his presentation. Mr. Willoughby discussed the agreements and why staff is recommending that the Board authorize their execution. Mr. Willoughby then answered questions from the members and the public.

MOTION: On motion by Board Member Haffa, seconded by Board Member Gaglioti and carried by the following vote, the Board moved to approve Resolution 20-xx: Approving and Authorizing the Execution and Delivery of Joint Community Facilities Agreements with the County of Monterey and the Cities of Del Rey Oaks, Marina, Monterey, and Seaside and Approving Related Actions.

MOTION PASSED UNANIMOUSLY

MOTION: On motion by Board Member Morton, seconded by Board Member Oglesby and carried by the following vote, the Board moved to extend the meeting past 5:00 p.m. so public comment can be heard.

MOTION PASSED UNANIMOUSLY

8. PUBLIC COMMENT

No public comment was received.

9. ITEMS FROM MEMBERS

None

10. ADJOURNMENT at 5:13 p.m.

Minutes Prepared by:
Harrison Tregenza
Deputy Clerk

Approved by:

Joshua Metz Executive Officer

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject:	Consider Certification of Final Environmental Impact Report for Fort Ord Multi-Species Habitat Conservation Plan Project - 2nd Vote	
Meeting Date:	June 19, 2020	ACTION
Agenda Number:	7a	

RECOMMENDATION(s):

- Adopt the Resolution of Findings (Attachment A hereto) which certifies the Final Environmental Impact Report (“FEIR”) including the Responses to Comments to the Draft Environmental Report (“DEIR”) for the Fort Ord Multi-Species Habitat Conservation Plan Project (the “Project”).
 - Recommendation includes the revision requested by University of California to Table 5-2
- Take no action approving or disapproving the Project itself.

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority (“FORA”) is lead agency under the California Environmental Quality Act for the Project. The Project contemplates making applications for the issuance of Federal and State incidental take permits (“ITPs”) to authorize take during the course of the redevelopment of the former Fort Ord military base of the State and Federally listed species identified in the Fort Ord Multi-Species Habitat Conservation Plan (the “HCP”). The HCP has been prepared by FORA as a required component of the contemplated applications for the ITPs. By operation of California Government Code section 67700, FORA will cease to exist on June 30, 2020 before the Project, if approved, could be implemented or the ITPs could be obtained.

In order to preserve a record of the substantial environmental analysis conducted by FORA in connection with the Project, the FEIR (Attachment B hereto) has been prepared. The FEIR includes responses to comments received on the DEIR (Chapters 3 and 4), revisions to the HCP (Chapter 6), and clarifications and corrections to the DEIR (Chapter 7). The comments received on the DEIR touched on a number of issues unrelated to the environmental analysis. These unrelated issues would be more appropriately considered by the applicable decision-makers as matters of policy and should be addressed in the context of implementing the HCP Project, if carried forward and approved subsequent to FORA’s dissolution.

FISCAL IMPACT:

Reviewed by FORA Controller  _____

COORDINATION:

Authority Counsel, Administrative and Executive Committees

ATTACHMENTS:

- A. Resolution 20-xx: Certifying a Final Environmental Impact Report on the Fort Ord Multi-Species Habitat Conservation Plan.
- B. Final Environmental Impact Report (accessed online: <https://fora.org/habitat.html>).

Prepared by Erin Harwayne (DDA) and Approved by



Joshua Metz

FORT ORD REUSE AUTHORITY
Resolution No. 20-_____

**A RESOLUTION OF THE GOVERNING BOARD OF THE FORT ORD REUSE
AUTHORITY**

*Certifying a Final Environmental Impact Report on the Fort Ord Multi-Species Habitat
Conservation Plan*

Having considered all the written and documentary evidence, the administrative record, the staff report, and other evidence presented, the Fort Ord Reuse Authority (FORA) Board of Directors hereby certifies the Final Environmental Impact Report on the Fort Ord Multi-Species Habitat Conservation Plan (FEIR) based on the following findings:

FINDINGS

1. **FINDING:** **CEQA** – The FEIR has been completed in compliance with the California Environmental Quality Act (CEQA), Public Resources Code § 21000 *et seq.* The FEIR was presented to the Board of Directors, which has reviewed and considered the information contained in the FEIR and the FEIR reflects the FORA’s independent judgment and analysis.

- EVIDENCE** a) The proposed project, which is the subject of the FEIR, is the Fort Ord Multi-Species Habitat Conservation Plan, commonly known as the Draft HCP (hereafter “Project”). The Project addressed in the Draft HCP is the reuse and development of the former Fort Ord military base, with an emphasis on the base-wide preservation and management of habitat. Incidental take of Federal and State listed species is anticipated to occur as the former base is redeveloped consistent with the approved Fort Ord Reuse Plan (Reuse Plan) and Installation-Wide Multispecies Habitat Management Plan for Former Fort Ord Habitat Management Plan (HMP). Under the Draft HCP, base reuse would result in the rehabilitation and construction of roads, utilities, and other infrastructure to support new research/educational, residential, commercial, light industrial, recreational, and other development. As a result, approximately 4,241 acres of existing developed areas on the former base would be redeveloped and about 5,051 acres of existing vegetation and wildlife habitat would be removed for new development. Impacts to the Federal and State listed species identified in the Draft HCP (the HCP species) and natural communities resulting from base redevelopment would be minimized and mitigated through the

preservation and management of habitat on approximately 67% of the former base (approximately 18,540 acres). In addition to development activities, habitat management activities such as invasive species control, restoration, and prescribed burning would also be included as proposed covered activities in the Draft HCP. FORA prepared the Draft HCP to support the issuance of Federal and State Incidental Take Permits (ITPs) from the U.S. Fish and Wildlife Service (USFWS) in accordance with Section 10(a)(1)(B) of the Federal Endangered Species Act of 1973 (ESA), and from the California Department of Fish and Wildlife (CDFW) in accordance with Section 2081 of the California Fish and Game Code (CFG Code) of the California Endangered Species Act of 1984 (CESA).

- b) CEQA requires preparation of an environmental impact report if there is substantial evidence in light of the whole record that the Project may have a significant effect on the environment. FORA is the lead agency under CEQA. A Draft Environmental Impact Statement/Environmental Impact Report (Draft EIS/EIR) was prepared in accordance with CEQA (SCH# 2005061119). The Draft EIS/EIR circulated for public review for a 45-day public review period, between November 1, 2019 and December 16, 2019.
- c) FORA received 35 written comment letters in response to the Draft EIS/EIR and prepared responses to those letters. The comments and responses to significant environmental issues raised in the comments are set forth in Chapters 3 and 4 of the FEIR. Revisions to the Draft HCP and Draft EIS/EIR text to clarify and amplify the content of the Draft EIS/EIR are incorporated into Chapters 6 and 7, respectively, of the FEIR.
- d) Issues that were analyzed in the Draft EIS/EIR include aesthetics, air quality, biological resources, climate change, cultural resources, energy, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, public services, socioeconomics and environmental justice, transportation and circulation, and utilities. Project alternatives, cumulative impacts, and long-term impacts were also studied. The Draft EIS/EIR considered alternatives to the proposed project (No Action and Reduced Take Alternatives) in compliance with CEQA Guidelines section 15126.6. Per CEQA Guidelines §15126.6(f), the range of alternatives identified satisfies the "rule of reason" and Draft

EIS/EIR analysis contains sufficient information about each alternative to allow meaningful evaluation, analysis, and comparison with the proposed project. In addition, the FEIR described and analyzed a modified/reduce alternative to the Draft HCP in Chapter 5.

- e) The Draft EIS/EIR identified potentially significant impacts to air quality, biological resources, cultural resources, hazards and hazardous materials, land use and planning, noise, public services, socioeconomics and environmental justice, and transportation and circulation. Potentially significant impacts would be mitigated to a less than significant level by mitigation measures identified in the Draft EIS/EIR, as revised in the FEIR, which are described further in the finding below.
- f) CDFW reviewed the Draft EIS/EIR to comment and recommend necessary conditions to protect biological resources in this area. Therefore, the Project will be required to pay the State fee plus a fee payable to the Monterey County Clerk/Recorder for processing said fee and posting the Notice of Determination (NOD) if and when the Project is approved.
- g) FORA prepared a FEIR for the Draft HCP. The FEIR responds to all significant environmental points raised by persons and organizations that commented on the Draft EIS/EIR. The Board of Directors has considered the Draft EIS/EIR, the comments received during the public review period for the Draft EIS/EIR, and in the FEIR FORA has provided responses to the comments received. Together, the Draft EIS/EIR, Responses to Comments, and revisions to the Draft HCP and Draft EIS/EIR constitute the FEIR on the Project. The FEIR was made available to the public on or about May 29, 2020. The FEIR was distributed to public agencies that commented on the Draft EIS/EIR at least ten days before the Board of Directors considered certification of the FEIR.
- h) The FEIR was provided to the Board of Directors, and the Board of Directors considered the FEIR at a noticed public meeting on the Project on June 11, 2020.
- i) The FORA Office, located at 920 2nd Avenue, Suite A, Marina, California, 93933, is the custodian of documents and other materials that constitute the record of proceedings upon which the decision to certify the FEIR is based.

2. FINDING:

ENVIRONMENTAL IMPACTS MITIGATED TO LESS THAN SIGNIFICANT - The Draft EIS/EIR identified potentially significant

impacts to air quality, biological resources, cultural resources, hazards and hazardous materials, land use and planning, noise, public services, socioeconomics and environmental justice, and transportation and circulation. Potentially significant impacts would be mitigated to a less than significant level by mitigation measures from the Draft EIS/EIR as revised in the FEIR.

- EVIDENCE:**
- a) Potential impacts to Air Quality were identified; however, implementation of Mitigation Measures AQ-1 through AQ-4 will reduce potentially significant impacts to air quality to a less-than-significant level. Specifically, Mitigation Measure AQ-1 would require preparation and implementation of a Construction Dust Mitigation Plan prior to the initiation of ground-disturbing activities. Mitigation Measure AQ-2 would require minimizing the extent of temporary construction-related diesel particulate matter and NOx emissions for all future habitat management activities requiring the operation of heavy-duty, construction-related equipment. Mitigation Measures AQ-3 and AQ-4 would require development of a Prescribed Burn Management Program and restrict prescribed burns in the East Garrison South Reserve to 105 acres or less in size. (*Per Draft EIS/EIR pages 4.3-8 through 4.3-16*)
 - b) Potential impacts to Biological Resources were identified; however, implementation of Mitigation Measures BIO-1 through BIO-9 will reduce potentially significant impacts to sensitive or special-status species and sensitive habitats to a less-than-significant level. Specifically, Mitigation Measure BIO-1 calls for conducting an Environmental Employee Education Program prior to the initiation of ground-disturbing activities. Mitigation Measure BIO-2 requires qualified biological monitor during initial ground-disturbing activities. Mitigation Measures BIO-3 through BIO-8 require pre-construction surveys for special-status bat species, Monterey dusky-footed woodrat, American badger, protected avian species, burrowing owl, and non-HCP special-status plant species. Mitigation Measure BIO-9 requires surveys for Monterey Ornate Shrew within Habitat Corridor and Travel Camp HMAs. (*Per Draft EIS/EIR pages 4.4-19 through 4.4-23*)
 - c) Potential impacts to Cultural Resources were identified; however, implementation of Mitigation Measure CR-1 will reduce potential impacts to archaeological cultural resources to a less-than-significant level. Specifically, Mitigation Measure CR-1 would require halting work and notifying a qualified archeologist and/or the Native American Heritage Commission if cultural resources,

unique paleontological resources, unique geologic features, human remains, and/or tribal cultural resources are encountered. *(Per Draft EIS/EIR pages 4.6-3 through 4.6-4)*

- d) Potential impacts related to Hazardous Materials were identified; however, implementation of Mitigation Measures HAZ-1 through HAZ-5, as well as Mitigation Measures AQ-1 through AQ-4 and PS-1, will reduce these impacts to a less-than-significant level. Mitigation Measure HAZ-1 requires preparation of a Hazardous Materials Spill Response Plan and Mitigation Measure HAZ-2 calls for evaluation of areas where fire retardants or other chemicals are used for fire suppression purposes and appropriately remediate if contamination is detected. Mitigation Measures AQ-1 through AQ-4 would avoid emission of hazardous air pollutant emissions. Mitigation Measure HAZ-3 requires preparation of a Fuel Management Plan, and Mitigation Measure PS-1 calls for notifying all fire protection service providers in the vicinity of the former Fort Ord before each scheduled prescribed burn. These mitigation measures would reduce the potential for wildfires. Mitigation Measure HAZ-4 to develop a safety program and Mitigation Measure HAZ-5 requiring all land management personnel to attend an Army-sponsored military munitions safety debriefing prior to the commencement of any ground-disturbing habitat management activity would avoid impacts from military munitions. *(Per Draft EIS/EIR pages 4.9-4 through 4.9-7 and 4.4-9 through 4.9-11)*
- e) Potential impacts to Land Use & Planning were identified; however, implementation of Mitigation Measures AQ-1 through AQ-4 and PS-1 will avoid the potentially significant impacts related to conflicts with plans, policies, and regulations to a less-than-significant level. Specifically, Mitigation Measures AQ-1 through AQ-4 would avoid emission of hazardous air pollutant emissions and Mitigation Measure PS-1 would require notification of all fire protection service providers in the vicinity of the former Fort Ord before each scheduled prescribed burn. *(Per Draft EIS/EIR pages 4.11-2 through 4.11-4)*
- f) Potential impacts were identified related to Noise; however, implementation of Mitigation Measure NOISE-1 will avoid this potentially significant impact. Specifically, NOISE-1 requires implementation of noise-reducing practices for all habitat management activities that have the potential to exceed ambient

noise levels within 300 feet of a sensitive receptor to avoid noise impacts. (Per Draft EIS/EIR pages 4.12-2 through 4.12-4)

- g) Potential impacts were identified related to Public Services from increased demand for police and fire protection services; however, implementation of Mitigation Measure PS-1 will avoid this potentially significant impact. Specifically, Mitigation Measure PS-1 requires notification of all fire protection service providers in the vicinity of the former Fort Ord before each scheduled prescribed burn. (Per Draft EIS/EIR pages 4.13-2 through 4.13-4)
- h) Potential impacts were identified related to Socioeconomics and Environmental Justice; however, implementation of Mitigation Measures AQ-3, AQ-4, and PS-1 will avoid these potentially significant impacts on minority, low-income, elderly, disabled, transit-dependent, and/or other specific interest group. Specifically, Mitigation Measures AQ-3 and AQ-4 would avoid emission of hazardous air pollution emissions. Mitigation Measure PS-1 requires notification of all fire protection service providers in the vicinity of the former Fort Ord before each scheduled prescribed burn. (Per Draft EIS/EIR pages 4.14-4 through 4.14-6)
- i) Potential impacts were identified related to Transportation; however, implementation of Mitigation Measure TRC-1 will avoid construction traffic impacts. Specifically, Mitigation Measure TRC-1 requires preparation of a Traffic Control Plan per the standards of the appropriate jurisdiction. (Per Draft EIS/EIR pages 4.15-3 through 4.15-5)

3. FINDING: **REVISED MITIGATION MEASURE.** Subsequent to the public review period of the Draft EIS/EIR, changes have been made to a Mitigation Measure. The changes made to the Mitigation Measure are as effective as or more effective than the Mitigation Measure presented in the Draft EIS/EIR. The revised Mitigation Measure itself will not cause any potentially significant effect on the environment.

EVIDENCE: a) The following Mitigation Measure has been revised in the FEIR: **HAZ-4:** Text was added to clarify the implementation of the safety programs on the former Fort Ord.

4. FINDING: **RECIRCULATION OF THE DRAFT EIS/EIR IS NOT REQUIRED**
The revisions to the Mitigation Measure and revisions to the text of the Draft EIS/EIR and Draft HCP made in the FEIR do not require recirculation of the EIR because these revisions clarify

and amplify the information in the EIR but do not add significant new information. The revisions do not identify a new significant environmental impact not previously disclosed or substantial increase in the severity of an already identified environmental impact; no feasible project alternative or mitigation measures considerably different from those analyzed in the Draft EIS/EIR have been identified, and meaningful public review was not precluded.

- EVIDENCE:**
- a) CEQA Guidelines Section 15088.5 requires a lead agency to recirculate an EIR for further review and comment when significant new information is added to the EIR after public notice is given of the availability of the Draft EIR but before certification. New information added to an EIR is not “significant” unless the EIR changes in a way that deprives the public of a meaningful opportunity to comment on a substantial adverse effect of the project or a feasible way to mitigate or avoid such an effect that the project proponent declines to implement. The Guidelines provide examples of significant new information under this standard. Recirculation is not required where the new information added to the EIR merely clarifies or amplifies or makes insignificant modifications in an adequate EIR.
 - b) Some text and a mitigation measure were revised since circulation of the Draft EIS/EIR as a result of comments received, which changes do not result in or cause new significant impacts or substantial increase in already identified environmental impacts. (See Findings 2 and 3 above.)
 - c) Minor edits were made to the Draft EIS/EIR and Draft HCP, which are identified in Chapters 6 and 7, respectively of the FEIR. As shown in Chapters 6 and 7, these edits and corrections do not result in the identification of any new impacts and do not add significant new information as defined in CEQA Guideline Section 15088.5.

DECISION

NOW, THEREFORE, based on the above findings and evidence, the Board of Directors does hereby:

1. Certify that the above findings are true and correct; and
2. Certify that the Final Environmental Impact Report (FEIR) for the Fort Ord Multi-Species Habitat Conservation Plan (SCH# 2005061119) has been completed in compliance with CEQA, that the FEIR was presented to the Board of Directors, that the Board of Directors considered the information contained in the FEIR, and

that the FEIR reflects the independent judgement and analysis of the Fort Ord Reuse Authority.

3. This resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED this ___th day of June 2020, upon motion of _____
_____seconded by _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Jane Parker, Chair

ATTEST:

Joshua Metz, Secretary

FORT ORD REUSE AUTHORITY BOARD REPORT	
BUSINESS ITEM	
Subject:	Unallocated Funds Distribution - 2nd Vote
Meeting Date:	June 19, 2020
Agenda Number:	7b
	ACTION

RECOMMENDATION(S):

- i. Receive a report on the funding requests made to FORA by numerous member jurisdictions and stakeholder agencies.
- ii. Provide staff direction.

BACKGROUND/DISCUSSION:

As FORA’s sunset is eminent there are more funding requests from member jurisdictions and stakeholder agencies than funds available. None of these requests were included in the 2019/20 Mid-Year Budget estimates. These requests are grouped into the following categories with background summaries provided below and attached table (Attachment A): Administrative Expenses, Reimbursement Agreements, and Miscellaneous Agency Requests:

Administrative Expenses

- City of Seaside, Local Redevelopment Authority (“LRA”): **\$100,000**
Expenses related to assuming LRA functions including document processing and related actions (**Attachment B**).
- Kutak-Rock, Legal Services: **\$100,000**
Special Counsel legal service costs associated with final Army-FORA land transfers.
- Kennedy, Archer, & Giffen, Legal Services: **\$200,000**
Authority Counsel legal services associated with FORA dissolution.
- Monterey County, Post-FORA Administration: **\$175,000**
Post-FORA Administrative Costs (**Attachment C**).
- Monterey County, Veterans Affairs Office: **\$351,000**
Post-FORA Veterans Affairs Coordination, 3-yrs.
- Regional Government Services (“RGS”): **\$150,000**
Post-FORA Fiscal & Administrative Services Contract (**Attachment D**).
- Local Area Formation Commission (“LAFCO”): \$100,000
Post-FORA Administrative Costs (**Attachment E**).

Reimbursement Agreements

- Marina Coast Water District, RUWAP Pipeline: **\$274,000**
On May 15th MCWD Submitted 2019/20 hardcopies of the invoices and supporting backup information to FORA totaling \$1,894,723.17 for reimbursement of expenses incurred by MCWD in the construction of the Regional Urban Water Augmentation Project (RUWAP). Based on their interpretation of the Reimbursement Agreement between MCWD and FOR A, MCWD contends that FORA has a firm commitment to reimburse MCWD \$4.3M for RUWAP expenses and up to \$6.0M (if funding is available). The FORA Board approved the 2019/20 Capital Improvement Program (CIP) funding for RUWAP of \$1,620,869.00 on May 10, 2019. This 2019/20 funding was also verified in the 2020 Mid-Year Budget as approved by the FORA Board. According to MCWD, they are still owed the difference between the CIP approved budget and their submitted invoice which amounts to \$273,854.17. FORA's Legal Counsel does not share the same interpretation of the terms of the Reimbursement Agreement and does not believe that the firm commitment was stipulated in the agreement between FORA and the MCWD.
- City of Marina, Del Monte Extension: **\$106,299**
The City of Marina submitted a reimbursement invoice in the amount of \$106,298.17 dated November 25, 2019 for expenditures for three CIP projects including:
 - Salinas Avenue Widening (CIP FO11)
 - 8th Street Improvement (CIP FO5), and
 - 2nd Avenue/Del Monte Extension (CIP FO2).

This invoice was not processed by FORA in 2019, and the reimbursement request was resubmitted by the City of Marina on May 26, 2020. The City of Marina contends that these charges were in accordance with the Reimbursement Agreement between FORA and the City of Marina signed May 3, 2007. FORA Legal Counsel has not yet reviewed nor provided their opinion of this agreement and the request for funding. The FORA Board-approved 2019/20 CIP funding in support of the City of Marina for Del Monte Boulevard Extension (CIP FO10) of \$560,000 will be paid to the City of Marina.

Miscellaneous Agency Requests

- City of Seaside: **\$1,441,000**
Roadway Maintenance and Repairs (**Attachment B**).
- Local Area Formation Commission ("LAFCO"): **\$1,500,000**
Legal defense fund (**Attachment E**).

Litigation

Litigation costs are substantial and on-going. There may be need to amend budgets.

FISCAL IMPACT:

Reviewed by FORA Controller  _____

COORDINATION:

Authority Counsel, Administrative and Executive Committees, land use jurisdictions, Consultants.

Prepared by & Approved by _____


Joshua Metz

ATTACHMENTS:

- A. Closing Funding Requests Summary Table
- B. City of Seaside Post-FORA Funding Request Letter, March 6, 2020.
- C. Monterey County, Supplemental Board Packet, June 9, 2020.
- D. RGS Proposal, June 5, 2020.
- E. LAFCO Letter to FORA Board, May 6, 2020.

Description	Amount	Organization
Administrative		
LRA Administration	\$ 100,000	City of Seaside
LRA Closing Legal Services	\$ 100,000	Kutak-Rock
Additional Legal Services	\$ 200,000	KAGLAW
Post-FORA Administration	\$ 1,000,000	Monterey County
Veterans Affairs Coordination (3-years)	\$ 350,000	Monterey County
Post-FORA Fiscal & Administrative Services Contract	\$ 150,000	RGS
Post-FORA Administration	\$ 100,000	LAFCO
Sub-Total	\$ 2,000,000	
Reimbursement Agreements		
RUWAP Pipeline	\$ 274,000	MCWD
Del Monte Extension	\$ 106,000	City of Marina
Sub-Total	\$ 380,000	
Misc Agency Requests		
Roadway Repairs	\$ 1,200,000	City of Seaside
Legal Defense	\$ 1,500,000	LAFCO
Sub-Total	\$ 2,700,000	
Total Requests	\$ 5,080,000	
Litigation Liabilities		
Sub-Total	\$ 2,000,000	
Total Requests + Liabilities	\$ 7,080,000	
Total Unassigned Funds FY 19/20 Budget	\$ 1,300,000	
CalPERS Reserved Funds (EG Settlement)	\$ 1,500,000	
Total Funds Available	\$ 2,800,000	
Gap	\$ (4,280,000)	



March 26, 2020

Josh Metz, Executive Officer
FORA
920 2nd. Avenue
Marina, CA. 93933

Dear Josh:

As was presented at the February 24 Finance Committee Meeting, please find below a list of expected Seaside expenses related to FORA projects and tasks. The City respectfully requests consideration of paying for such expenses as FORA works through matters related to its dissolution.

LRA Expenses	\$ 100,000
Eucalyptus Infiltrator Repairs	\$1,235,000
Eucalyptus Slurry Seal	\$ 160,000
Gen Jim Blvd Road Repairs	\$ 300,000
Gen Jim Blvd Slurry Seal	\$ 400,000
Gen Jim Blvd Sidewalk Repairs / Landscape Replacement	\$ 80,000
Gen Jim Blvd Traffic Signal Repairs	\$ 75,000
Gen Jim Blvd Streetlight Repairs	\$ 15,000
Gen Jim Blvd Storm Drain Repair Prelim Design	\$ 60,000
Lightfighter Sidewalk Repairs / Landscape Replacement	\$ 75,000
	Subtotal \$2,400,000
	Project Admin @ 10% \$ 240,000
Surplus II Building Fencing	\$ 36,000
	Total \$2,776,000

Thank you, in advance, for your consideration.

Sincerely,

Craig Malin
City Manager

Cc: Mayor and City Council



Board Report

Board of Supervisors Chambers
168 W. Alisal St., 1st Floor Salinas,
CA 93901

Legistar File Number: 20-498

June 09, 2020

Introduced: 6/4/2020

Version: 1

Current Status: Agenda Ready

Matter Type: General Agenda Item

Receive an update regarding Fort Ord Reuse Authority's (FORA) dissolution, consider submitting a modified funding request to FORA, and provide direction to staff.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive an update regarding Fort Ord Reuse Authority's (FORA) dissolution;
- b. Consider submitting a modified funding request to FORA; and
- c. Provide direction to staff.

SUMMARY/DISCUSSION:

In March 2020, the Resource Management Agency (RMA), on behalf of the County, submitted a funding request for \$1,594,749 to the Fort Ord Reuse Authority (FORA) for costs associated with additional staffing, records services, and consultant costs anticipated for the County to perform certain administrative management functions that it will assume as of July 1, 2020 (Attachment A). Staff understands that FORA has received over \$4.5 million requests from FORA members for funding post-FORA, yet it still has approximately \$1.3 million in unassigned funds remaining.

Since March, the County's post-FORA proposed responsibilities and funding needs have changed, and various matters associated with FORA dissolution have evolved. Two significant changes with monetary implications are that the County's East Garrison tax increment will not be pledged for FORA's bond debt service and that the County will no longer receive bond proceeds. FORA has voted to go ahead with the bond, with the proceeds to be used for FORA's unfunded CalPERS obligation as well as for building removal. The FORA Board has also voted to allocate to the County approximately 80% of CFD Special Tax set aside for habitat management funds commensurate with the County's share of habitat management responsibilities on the former Army base. To implement that decision, concurrently today, on the Board of Supervisors' agenda is a Joint Community Facilities Agreement by and between FORA and the County to transfer an estimated \$13.58 million to the County for habitat management on the former Fort Ord.

FORA has requested that the County assume certain responsibilities related to its administrative wind down after dissolution (e.g., administering FORA's bank accounts, signing checks, audit sign-off, issuing W-2 forms). No other entity is charged to assume this role (such as the Local Area Formation Commission), so staff suggested FORA hire a third-party to manage the agency's wind-down activities. If the FORA Board approves this approach, a public entity (presumably the County) would need to be signatory to FORA bank accounts and oversee and manage the contract for these services,

and likely, FORA would seek to assign the contract to the County prior to FORA dissolution. Staff would return to the Board for consideration of any such contract.

In light of all these circumstances and the number and magnitude of the demands on FORA's last remaining unallocated funds, FORA staff has requested the County reduce its request for funding for the County's assumption of administrative responsibilities. Staff recommends removing \$1,011,299 in costs from its request to FORA and has identified or recommends alternative revenue sources to fund these costs (see Finance Section below). For the Board's consideration, staff has prepared a reduced funding request of \$526,030, plus 10% of a to-be-determined third-party contract with FORA for County costs associated with post-FORA responsibilities. Staff also requests the Board consider and provide direction to staff for a recommendation to the FORA Board regarding the proposal that: 1) FORA enter into agreement with a third-party contractor to provide FORA administrative wind-down services; 2) County assume signatory responsibility for FORA bank accounts and oversight of the third-party contract.

OTHER AGENCY INVOLVEMENT:

FORA is legislatively scheduled to dissolve on June 30, 2020. Supervisors Parker and Phillips serve on the County Board of Supervisors' Fort Ord Committee; Supervisors Adams, Parker, and Phillips serve on the FORA Board; and Supervisor Phillips serves as Chair of the FORA Legislative Committee. RMA represents the County on the FORA Administrative Committee, which is considering the FORA transition issues. The County Administrative Office, the Office of the County Counsel, and Resource Management Agency (RMA) are part of the County's FORA transition team.

FINANCING:

RMA staff time to evaluate FORA transition issues and to prepare this report is funded as part of the Fiscal Year (FY) 2019-20 Adopted Budget for the RMA, Fund 001, Appropriation Unit RMA013.

Upon FORA's dissolution, FORA's share (35%) of the East Garrison Project Area tax increment will distribute according to the post-FORA formula: 54% to the Successor Agencies; 38% to the County (of which 65.5% per agreement goes to the Monterey County Regional Fire District (MCRFD)); and 8% to other taxing entities. For FY 2019-20, FORA's fiscal consultant shows the FORA share of East Garrison tax increment is \$1,023,951, and a projected amount of \$1,146,435 in FY 2020-21 and \$1,208,332 in FY 2021-22. Per the post-FORA distribution schedule, the County would receive, after distribution to MCRFD, an estimated \$150,297 in FY 2020-21 and \$158,412 in FY 2021-22.

The approximately \$13.58 million the County anticipates receiving for habitat management will be held in an interest-earning account (or other funding mechanism). Staff recommends sizing the County's habitat management program based on the projected interest income. For example, if the account earns three percent (3%) annually, interest will generate approximately \$407,400 per year for habitat management.

The March funding request submitted to FORA totaled \$1,537,329. Considering the changes discussed above, staff is preparing a revised funding request to FORA of \$526,030, plus ten percent (10%) of a suggested third-party contract, to pay for the County's costs associated with post-FORA

responsibilities. In order of funding priority, these cost items are:

1. *Records Retention:*

- a) 3 Temporary Office Assistants for FY 2020-21 = \$50,000;
- b) ¼ Full Time Equivalent (FTE) Office Assistant II for FYs 2020-21, 2021-22 and 2022- 23 = \$60,325; and
- c) Records retention moving and storage costs for FYs 2019-20, 2020-21, 2021-22 and 2022-23 = \$64,651.

2. *FORA Administrative Wind Down* (if supported by Board): Administrative fee of 10% of the total third-party contracted amount.

3. *Veterans Information and Advisory Committee (VIAC):*

- a) 1 FTE Management Analyst I for FYs 2020-21, 2021-22 and 2022-23 = \$346,053; and
- b) Onboarding Cost = \$5,000.

Of the March request, staff identified potential alternative funding sources for the following items, and therefore recommends removing these from its request to FORA:

- 1. Denise Duffy & Associates Contract (Oak Woodlands Conservation Planning) -Agreements to enable FORA to assign the DDA contract to the County and provide remaining funds to the County for the completion of the DDA contract are in process and will be presented to the Board of Supervisors and FORA Board in June.
- 2. 1 FTE Associate Planner (Biological/Environmental) - Habitat management funds
- 3. Consultant to complete Fort Ord Recreational and Habitat Area (FORHA) Trail Plan and Open Space Management Strategy - Habitat management funds or post-FORA tax increment funds
- 4. Consultant to replace the FORA Community Facilities District Fee - County existing tax increment for redevelopment wind down administration.
- 5. 1 FTE Management Analyst II for former Fort Ord RMA property administration/management and land use control implementation - Post-FORA tax increment funds

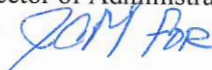
BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Ensuring a smooth transition after FORA's dissolution supports the Board's Strategic Initiative for Economic Development by continuing to support and facilitate the redevelopment of the former Fort Ord area and economic recovery to the region from the base closure. It is essential that the County is adequately funded and prepared to assume its expected responsibilities following FORA dissolution.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Melanie Beretti, Property Administration/Special Programs Manager (831) 755-5285

Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services

Approved by: Carl P. Holm, AICP, RMA Director 

Attachments:

Attachment A-03/24/2020 FORA Funding Request Letter

Attachment B-County Funding Request to FOR A Detail June 2020

(Attachments are on file with the Clerk of the Board)

Attachment A

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March 24, 2020

Fort Ord Reuse Authority
Attn: Josh Metz, Executive Officer
920 2nd Avenue, Suite A
Marina, CA 93933

Dear Mr. Metz:

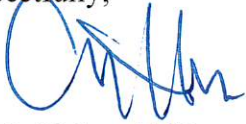
With the mandated dissolution of the Fort Ord Reuse Authority (FORA) as of June 30, 2020, Monterey County Resource Management Agency (RMA) and the Military and Veteran's Affairs Office (MVAO) will be assuming administrative management support for a number of functions formerly supported by the FORA. As the property tax revenue stream to the County beginning July 1, 2020 is uncertain given FORA's intention to issue bonds to fund building removal, the County is submitting this request for funding from FORA to support the County to assume certain administrative roles as well as to get the County's Fort Ord programs off the ground. The County has played a major role in the transformation of the former Fort Ord Military Reservation, working with FORA and the surrounding agencies by facilitating transition activities. The County is preparing to assume additional duties as a result of FORA's dissolution and remaining transfer of Environmental Services Cooperative Agreement (ESCA) properties. Monterey County is requesting funding from FORA to assist with new anticipated duties being assumed by the County, including, but not limited to: records retention, including website archive; facilitate and manage Veterans Issues Advisory Committee (VIAC); FORA debt management; regional tracking and reporting for land use controls implementation; administration and management of about 2,700 acres former Fort Ord lands; habitat management responsibilities; and unknown administrative and management responsibilities.

The funding request prepared by the County of \$1,537,329 includes cost estimates for four years, starting with the current FY19-20 and continuing through FY 22-23. The estimate will cover additional staffing, records services and consultant costs. RMA is requesting an Associate Planner with background and experience to assist with Biological/Environmental compliance for habitat and open space management. A Management Analyst II is needed to provide administrative and management functions and an Office Assistant to provide administrative support functions. Along with the future staffing needs, RMA will assume the role of facilitating records transfers and have added three (3) Temporary Office Assistants to assist with the organization of existing FORA documents in a manner that is consistent with the County's format. Ongoing records retention cost are included to maintain and make available FORA records as an archive. Along with RMA staff request, the Military & Veterans Affairs office is requesting funding for a new Management Analyst I position that would be responsible for facilitating the Veterans Issues Advisory Committee (VIAC). This position will act in the capacities of Facilitator, Project Manager and

Analyst. The additional staff will provide the administrative management support in all aspects of the former Fort Ord area.

Funding assistance from FORA is needed so the County's new Fort Ord Program will be able to get underway without budget constraints, and we can afford a successful transition. RMA looks forward to leading this new program and venture between the County and successor agencies.

Respectfully,



Carl P. Holm, AICP
RMA Director

Enclosure /
Funding Request Summary

County Funding Request to FORA

With the legally mandated dissolution of the Fort Ord Reuse Authority (FORA) occurring as of June 30, 2020, RMA has further identified certain responsibilities currently happening now and resource needs anticipated as of July 1, 2020. With the County assuming administrative management support of the former Fort Ord Properties effective in FY 20-21 and to ensure a successful transition, the County is requesting 3 years of initial funding assistance from FORA in getting the County's Ford Ord Program off the ground.

The County is requesting funding for additional staffing required in assuming administrative managerial support and records retention. Staffing for three and a quarter full time employees (FTE's) is being requested, (1) Associate Planner, (1) Management Analyst II and (.25) Office Assistant position. The Associate Planner will assist in providing Biological / Environmental compliance for habitat and open space management, the Management Analyst II for administrative and management functions and an Office Assistant for administrative support functions. Along with the staffing needs, RMA will assume the role of facilitating records transfers and have added Temporary Office Assistants (3) in the current fiscal year to assist with the organization of existing FORA documents. Moving forward the staff will be limited to maintaining and making available FORA records as an archive, therefore ongoing records retention cost are needed. The Military & Veterans Affairs office is requesting funding for a Management Analyst I position that would be responsible for facilitating the Veterans Issues Advisory Committee (VIAC). The position will act in the capacities of Facilitator, Project Manager and Analyst.

RMA is also requesting funding for ongoing contracts that are currently in place or will be necessary because of the dissolution. Currently Denise Duffy & Associates is assisting FORA with the Oak Woodland Conservation Planning and will continue thru project finish. Additionally, there is a pending analysis with a consultant assisting with identifying funding alternatives and analyzing the cost associated with the remaining infrastructure and habitat management options.

Monterey County RMA and Military & Veterans Affairs Office request consideration of funding costs the County will incur effective FY 20-21 as a result of the dissolution of FORA. The

Salaries (includes benefits cost):

Title	FY 2020	FY 2021	FY 2022	FY 2023	3YR Salary Estimate
Associate Planner (Biological/Environmental) - 1 FTE	\$ -	\$ 142,052.00	\$ 144,402.00	\$ 146,462.00	\$ 432,916.00
Management Analyst II - 1 FTE	\$ -	\$ 152,991.00	\$ 155,551.00	\$ 157,841.00	\$ 466,383.00
Office Assistant II .25 FTE	\$ -	\$ 19,682.75	\$ 20,120.75	\$ 20,521.75	\$ 60,325.25
Temporary Office Assistant 3 FTE	\$ 50,000.00	\$ -	\$ -	\$ -	\$ 50,000.00
Management Analyst I (MVAO) - 1 FTE	\$ -	\$ 110,748.00	\$ 115,258.00	\$ 120,047.00	\$ 346,053.00
Total:	\$ 50,000.00	\$ 425,473.75	\$ 435,331.75	\$ 444,871.75	\$ 1,355,677.25
FTE Count	6.25	3.25	3.25	3.25	

Consultant / Contract Costs:

Title	FY 2020	FY 2021	FY 2022	FY 2023	3YR Estimate
Denise Duffy and Associates - Oak Woodland Conservation Plan Assignment	\$ -	\$ 37,000.00	\$ -	\$ -	\$ 37,000.00
Consultant - Complete FORHA, Trail Plan & Open Space Mgmt Strategy	\$ -	\$ 50,000.00	\$ -	\$ -	\$ 50,000.00
Consultant - FORA CFD Replacement	\$ 25,000.00	\$ -	\$ -	\$ -	\$ 25,000.00
Total:	\$ 25,000.00	\$ 87,000.00	\$ -	\$ -	\$ 112,000.00

Other:

Title	FY 2020	FY 2021	FY 2022	FY 2023	3YR Estimate
Records Retention - Box, Move and Ongoing Storage	\$ 15,000.00	\$ 15,750.00	\$ 16,537.50	\$ 17,364.38	\$ 64,651.88
Onboarding Cost (MVAO - MA I position)	\$ -	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00
Total:	\$ 15,000.00	\$ 20,750.00	\$ 16,537.50	\$ 17,364.38	\$ 69,651.88

Total Funding Request:

	FY 2020	FY 2021	FY 2022	FY 2023	3YR Funding Estimate
	\$ 90,000.00	\$ 533,223.75	\$ 451,869.25	\$ 462,236.13	\$ 1,537,329.13

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ATTACHMENT B

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County Funding Request to FORA Detail (JUNE 2020)

Salaries (includes benefits cost):

Title	FY 2020	FY 2021	FY 2022	FY 2023	3YR Salary Estimate
Office Assistant II .25 FTE	\$ -	\$ 19,682.75	\$ 20,120.75	\$ 20,521.75	\$ 60,325.25
Temporary Office Assistant 3 FTE		\$ 50,000.00	\$ -	\$ -	\$ 50,000.00
Management Analyst I (MVAO) - 1 FTE	\$ -	\$ 110,748.00	\$ 115,258.00	\$ 120,047.00	\$ 346,053.00
Total:	\$ -	\$ 180,430.75	\$ 135,378.75	\$ 140,568.75	\$ 456,378.25

Other:

Title	FY 2020	FY 2021	FY 2022	FY 2023	3YR Estimate
Records Retention - Box, Move and Ongoing Storage	\$ 15,000.00	\$ 15,750.00	\$ 16,537.50	\$ 17,364.38	\$ 64,651.88
Onboarding Cost (MVAO - MA I position)	\$ -	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00
10% Administrative Fee of FORA wind down contract	\$ -	TBD	TBD	TBD	<i>plus 10% of contract</i>
Total:	\$ 15,000.00	\$ 20,750.00	\$ 16,537.50	\$ 17,364.38	\$ 69,651.88

Total Funding Request:

	FY 2020	FY 2021	FY 2022	FY 2023	3YR Funding Estimate
	\$ 15,000.00	\$ 201,180.75	\$ 151,916.25	\$ 157,933.13	\$ 526,030.13

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June 8, 2020

Mr. Joshua Metz
Executive Officer
Fort Ord Reuse Authority
620 2nd Ave, Suite A
Marina, CA 93933

SUBJECT: FORA TRANSITION SERVICES

Dear Mr. Metz,

Thank you for giving Regional Government Services (RGS) the opportunity to provide this letter proposal for assistance related to the transition of Administrative and Financial Services for the Fort Ord Reuse Authority (FORA) to the County of Monterey (County).

SCOPE OF WORK

RGS' designated staff will provide transition services from June 15, 2020 through June 30, 2021 as needed and/or requested by FORA and/or the County. These may include but are not limited to:

- Assisting in efforts required as a result of the dissolution of the Fort Ord Reuse Authority including but not limited to disposition of physical assets, transfer of documents and/or other tasks as requested by the County.
- Coordination with CalPERS, the County and the City of Marina related to settlement of FORA's final liability payment.
- Providing finance services including management of accounts payable and contract payments post June 30, 2020. RGS staff will prepare warrants for review and signature by County staff.
- Management and oversight of FORA's Final Year Audit to be conducted by Moss, Levy & Hartzheim LLP which has been retained by FORA in advance of dissolution.
- Human Resources services as needed for employment verification, distribution of final year tax documents and filings.
- Assistance as needed for management of projects related to the County's role as a successor to FORA.
- Assistance if needed for Public Records Requests, records management and transfers.
- Other services as requested.

TERM

The term of the contract would be from June 15, 2020 through June 30, 2021.

BUDGET

RGS requests a not-to-exceed budget of \$150,000.

Please feel free to contact me with any questions or clarifications. Thank you!

Sincerely,

KBFlint

Kendall Flint
Director of Strategic Planning and
Communications
REGIONAL GOVERNMENT SERVICES

2020

May 6, 2020

Commissioners

Chair

Matt Gourley
Public Member

Fort Ord Reuse Authority
Executive Officer Josh Metz and Executive Committee
920 2nd Avenue, Suite A
Marina, CA 93933

Vice Chair

Ian Oglesby
City Member

Subject: May 6, 2020 FORA Executive Committee Agenda Packet and related FORA Dissolution Items

Luis Alejo
County Member

Joe Gunter
City Member

Dear Executive Officer Metz and Executive Committee,

Mary Ann Leffel
Special District Member

Christopher Lopez
County Member

On behalf of the Local Agency Formation Commission, I am writing to comment on agenda items for your May 6 Executive Committee meeting, including the draft agenda packet for the May 14 FORA Board meeting. LAFCO provided written comments to the FORA Administrative Committee prior to their meeting this morning. After participating in that meeting, we are sharing our updated comments for your consideration as you set agendas for the May 14 FORA Board Meeting Agenda and subsequent Board meetings through June. Our comments are in the spirit of fulfilling LAFCO's responsibilities under California Government Code section 67700.

Warren Poitras
Special District Member

Maria Orozco
City Member, Alternate

We request that FORA's Transition Plan amendments, CalPERS liability funding strategy, and the allocation of FORA funds be scheduled for consideration on May 14 or soon thereafter. We also request that substantive requests and issues raised by LAFCO and FORA stakeholders be placed on the May 14 and subsequent agendas for discussion and official responses. FORA's dissolution schedule is now very compressed. In the short time available to address outstanding items, we remain engaged in working with FORA to accomplish our respective dissolution responsibilities to the fullest extent possible.

Jane Parker
County Member, Alternate

Steve Snodgrass
Public Member, Alternate

I have attached LAFCO's April 27 Executive Officer's report on the status of the FORA dissolution (**Attachment 1**) for background, as well as recent letters from stakeholders in our Monterey Bay communities. Following are specific comments and requests related to your Committee's agenda items and other matters in need of urgent attention by FORA and its member agencies.

Graig R. Stephens
Special District Member, Alternate

Counsel

Kelly L. Donlon
General Counsel

I. Address unresolved CEQA-related issues.

Executive Officer

Kate McKenna, AICP
132 W. Gabilan Street, #102
Salinas, CA 93901

LAFCO has requested that FORA address issues related to identification and assignment of FORA lead agency CEQA projects and their corresponding responsibilities for mitigation measures. Most recently, LAFCO transmitted a letter to the FORA Board on April 17, requesting that FORA address the successor agency assignments of FORA CEQA lead agency status projects and existing FORA contracts with the California Native Plant Society, by adding language in the 2020 Transition Plan and completing successor agreements.

P. O. Box 1369
Salinas, CA 93902

Voice: 831-754-5838

The draft FORA Board Agenda packet for May 14 includes Item 7a Memoranda of Agreements for Capital Improvement Program and General Fund Project Transfers, which would appear to address successor agency assignments of FORA lead agency status Capital Improvement Program (CIP) projects to the Cities of Marina, Seaside, and Del Rey Oaks through agreements. Drafts of these agreements are not yet available for review. LAFCO seeks to coordinate with FORA on these items as they move forward.

www.monterey.lafco.ca.gov

2. Address unresolved issues identified by FORA stakeholders.

LAFCO is concerned by the range of unresolved issues that stakeholders have raised in correspondence related to aspects of FORA dissolution. These stakeholders include the California Native Plant Society (CNPS), Carpenters Union Local 605 (Carpenters Union), Monterey Peninsula College (MPC), and Keep Fort Ord Wild (KFOW). Each entity has identified substantial matters that must be addressed with the FORA Board. LAFCO requests a written summary of FORA's responses to issues raised by each FORA stakeholder. The issues are summarized below.

a. CNPS' Unresolved Issues:

In its May 1, 2020 letter (**Attachment 2**) and an earlier letter dated April 17, 2020, CNPS raised issues regarding FORA's requirement from its 2010 Environmental Assessment/Initial Study to successfully negotiate with CNPS to relocate a currently identified habitat preserve further south before FORA can proceed with its South Boundary Road project; CNPS not agreeing to relocate the habitat preserve area; FORA's 1998 and 1999 contracts with CNPS requiring protection of the habitat preserve from fragmentation and degradation in perpetuity; and FORA's inability to deliver an approved South Boundary Road project to the City of Del Rey Oaks.

b. Carpenters Union's Unresolved Issues:

In its April 8, 2020 letter (**Attachment 3**), Carpenters Union raised issues urging FORA to record its Master Resolution; significant concern over language stating that the draft Multi-Agency Transition Plan Implementing Agreement (TPIA) would supersede 2001 Implementation Agreements between FORA and its member agencies; and concern that the draft TPIA makes no mention of the obligations contained in the original Implementation Agreements. Subsequently, FORA recorded its Master Resolution, but has not addressed the Carpenters Union's remaining concerns.

c. KFOW's Unresolved Issues:

In its April 17, 2020 letter (**Attachment 4**), KFOW raised issues regarding FORA's need to clearly state in its Transition Plan the status of the Fort Ord Reuse Plan going forward after FORA sunsets; FORA's need to identify the agency or agencies that will be responsible for enforcing the Reuse Plan and its programs, policies, and CEQA mitigations post-FORA dissolution; FORA requirements to make a CEQA determination before acting on the Transition Plan; FORA requirements to provide public notice prior to making a CEQA determination/decision; and FORA requirements to take a second vote on the proposed amendments if the first vote is not unanimous.

d. MPC's Unresolved Issues:

In its April 9, 2020 email (**Attachment 5**), MPC raised issues related to the April 9 FORA Board Meeting Agenda Item 8b Habitat Working Group Report & Set Aside Funds Distribution Recommendation. MPC expressed concerns that the purpose of FORA's habitat funds was to manage habitat land set aside to mitigate basewide development and that this purpose would be negated if FORA only allocated shares of this funding to FORA's five land use jurisdictions and excluded MPC and other educational institutions from receiving these funds. The FORA Board approved Alternative 1, which still excluded MPC and other educational institutions from receiving FORA's habitat funds.

3. Address the definitive status of FORA agreements, contracts and plans after June 30, 2020.

FORA's official positions on the definitive status of FORA agreements, contracts and plans after June 30, 2020 will serve as an important reference point. In this regard, LAFCO asks the FORA Board to provide its opinions and supporting analyses on the post-dissolution status of FORA documents, including but not limited to:

- FORA Transition Plan,
- Fort Ord Reuse Plan and related EIR mitigation measures,
- 2001 Implementation Agreements,
- 1998 FORA-Sierra Club Settlement Agreement, and
- 2002 FORA-MPC-County of Monterey Public Safety Officers Training Facilities Agreement.

4. Prioritize action on a 2020 Transition Plan and ensure that the Transition Plan meets specific requirements described in the FORA Act.

LAFCO is concerned about FORA's delayed consideration of a 2020 Transition Plan. In the event that draft Transition Plan Implementing Agreements are not completed, individual local agencies will need to rely on FORA's adopted Transition Plan for guidance on dissolution items. We understand that FORA intends to include post dissolution obligations related to FORA issuance of tax increment bonds for building removal funding and that this pending item is causing FORA to postpone 2020 Transition Plan action. Given these circumstances, LAFCO asks FORA to address issues related to tax increment bonds and prioritize action on a 2020 Transition Plan.

The FORA Act, California Government Code section 67700, states that FORA's Transition Plan "shall assign assets and liabilities, designate responsible successor agencies, and provide a schedule of remaining obligations." LAFCO requests that FORA ensure its Transition Plan meets each requirement described in the FORA Act. The adopted 2018 Transition Plan includes a reference to a schedule of remaining obligations. Though not stated in the Transition Plan, it appears that FORA intends Exhibit A to the Transition Plan to serve as a schedule of obligations. LAFCO asks FORA to confirm if Exhibit A is indeed a "schedule of remaining obligations."

In previous discussions with FORA staff and consultants, FORA mentioned that it was reviewing Exhibit A to determine which agreements identified in the exhibit required assignment to a successor, additional action before June 30, or survived beyond June 30. LAFCO notes that FORA's contracts with CNPS concerning Plant Reserve INorth and the recently signed Environmental Services Cooperative Agreement (ESCA) Implementing Agreement are not listed in Exhibit A, but should be included. As mentioned in the previous section, FORA is also planning to consider additional agreements transferring its lead agency status and funds to the Cities of Marina, Seaside, and Del Rey Oaks for certain FORA CIP projects. LAFCO asks that FORA share the results of its review and provide an updated version of Exhibit A as an attachment to its draft 2020 Transition Plan.

In addition, as included in FORA's April 30, 2020 Board Packet under Item 7a Building Removal Bond Funding Agreements, FORA expects to complete actions and agreements to issue tax increment bonds in the approximate amount of \$30 million and assign its responsibilities related to bond administration to the City of Marina before June 30. This item is an example of a FORA dissolution action that was not included in the Transition Plan or Exhibit A. LAFCO asks FORA to provide a complete final accounting of Transition Plan required actions, agreements and other documents that survive past June 30, and how each item is to be administered or assigned to a successor.

5. Prioritize action to address FORA's CalPERS liability funding strategy.

LAFCO is concerned about FORA's delayed discussion and action on a CalPERS liability funding strategy. The April 30 FORA Board Meeting Agenda included Item 7b CalPERS Liability Funding Strategy, which identified likely increased costs (estimated to be an additional \$5 million) for FORA's final payment to its CalPERS termination liability, identified a requirement that the CalPERS liability needed to be satisfied in order for FORA to issue tax increment bonds for building removal, and identified a plan to include funds from FORA's bond issuance to satisfy the CalPERS liability. LAFCO requests FORA to discuss and take appropriate action on this urgent matter.

6. Prioritize action to address issues related to FORA tax increment bond issuance for building removal.

FORA's efforts to obtain additional funds for building removal through issuance of tax increment bonds are close to being accomplished but face two recently identified issues. One issue is that FORA must satisfy its CalPERS termination liability (discussed in #5 above) and the second issue is that FORA must satisfy its debt to the East Garrison developer as required by a 2006 Basewide Funding Obligations Agreement among the County of Monterey, FORA, and East Garrison Partners. This item is particularly concerning to LAFCO because FORA's consultant reported that 2020 Transition Plan delays are due to efforts to include the bond issuance and its associated agreements and requirements in the draft 2020 Transition Plan. LAFCO requests that FORA take action to resolve this issue or move forward with alternative plans for its tax increment funds if resolution is not possible.

7. Provide supplemental litigation reserve funding to LAFCO for FORA defense, in an amount of up to \$1.5M.

LAFCO has estimated an additional litigation reserve funding need of up to \$1.5 million due to stakeholders' unresolved issues, newly identified CalPERS termination liability payment issues, and an existing unresolved

FORA litigation matter. Also, FORA is proceeding with preparation of its Habitat Conservation Plan Environmental Impact Report (HCP EIR) for future FORA Board consideration to certify the document in June 2020, which, in LAFCO's view, has high potential to generate litigation risk. In addition, FORA has not transferred its litigation role for pending litigation matters to a successor or successors. Also, it is uncertain if FORA will address all stakeholders' unresolved issues before June 30. Furthermore, LAFCO and FORA member Agencies could face unknown unresolved issues post June 30 that increase litigation risk.

LAFCO receives annual funding from its local government agencies, most of which are not FORA members. Consequently, LAFCO has a duty to shield its non-FORA agencies from FORA-related litigation matters and corresponding financial burdens by requesting additional litigation funding from FORA.

8. Provide \$100,000 in funding for LAFCO administrative oversight post-dissolution.

LAFCO is charged with ensuring that all of FORA's assets are properly transferred and ensuring that FORA's contracts, agreements, and pledges to pay or repay money are honored and properly administered. To accomplish its oversight tasks, LAFCO will need to complete a significant amount of work post dissolution. This work will entail:

- Oversight of FORA's fiscal year 2019-20 audit preparation process;
- Oversight of FORA's property transfers to Seaside and others, and
- Close coordination with FORA's assigned to successors or administrators on agreements that will not be completed until after June 30, 2020.

A partial list of other post-dissolution agreements includes: ESCA (Seaside); EDC Agreement (Seaside); Pollution Legal Liability Insurance CHUBB Policy (Seaside); Agreement with the California Department of Toxic Substances Control and FORA member agencies concerning Monitoring and Reporting on Environmental Restrictions (Monterey County); and the CalPERS pension contract. Unresolved issues post-dissolution may further increase LAFCO's administrative oversight workload.

Due to its post dissolution tasks, LAFCO will need \$100,000 in funding to implement its administrative oversight role. LAFCO expects that its role could last up to five years with most oversight costs occurring in the first fiscal year (FY 2020-21) after FORA dissolution. In order to avoid further impact to the Commission's regular workload priorities for local agencies, LAFCO may contract for administrative services required for FORA work.

9. Include language that provides for post-dissolution disbursement of FORA funds to LAFCO for litigation or administrative expenses, in the appropriate agreement or funding vehicle.

The May 6 FORA Administrative Committee Meeting included discussion of the final draft Multi-Agency Implementing Agreement. LAFCO staff requested FORA and its member agencies' assistance in identifying the appropriate agreement or vehicle for language assuring post dissolution funding for LAFCO from an agency holding future FORA funds, such as the County of Monterey. FORA's Transition Plan consultant stated that the draft 2020 Transition Plan would include language addressing post dissolution funds for LAFCO. This is an important issue for LAFCO due to the uncertainty of receiving any funds from FORA beyond the initial \$500,000 litigation reserve fund payment. This language would provide important assurances that LAFCO would have a mechanism in place to request and receive legal defense and administrative oversight funds post dissolution. Such a mechanism would provide protection to LAFCO's non-FORA members from FORA-related financial impacts.

10. Resolve existing litigation, avoid taking on new legal risk, coordinate on matters of legal risk, and assign a successor to litigation that may not be resolved by June 30.

LAFCO has asked FORA to resolve its existing litigation, avoid taking on new risk, assign a successor to litigation that may not be resolved by June 30, and to coordinate on matters of legal risk. These issues are still of concern. Most significantly, FORA has authorized work toward certifying its HCP EIR in June. This action increases the legal risk for LAFCO and FORA member agencies.

Also, existing litigation involving a building demolition contractor's dispute over damaged equipment from removal of high-density concrete is scheduled for mediation in June, but it is possible that resolution will not occur by June 30. FORA has not yet created a plan to assign FORA's litigation role and funding for these and other matters of legal risk.

Thank you for your attention to these urgent matters. We are working closely with your staff and counsel to address the items, and will appreciate your help in leaving a clear public record of official FORA intentions, responses and actions for each issue. Also, I would like to inform you that the Local Agency Formation Commission will conduct a public hearing on June 22 at 4:00 p.m. to consider a resolution making determinations about FORA's scheduled dissolution on June 30. Feel welcome to contact me directly by cell at (831)682-0157 or by email at mckennak@monterey.lafco.ca.gov at any time.

Sincerely,



Kate McKenna, AICP
Executive Officer

Attachments:

1. LAFCO April 27, 2020 Staff Report
2. Letter from the Law Offices of Stamp | Erickson dated May 1, 2020 on behalf of CNPS to FORA Board of Directors
3. Letter from the Carpenters Union Local 605 dated April 8, 2020 to FORA Board of Directors
4. Letter from the Law Offices of Stamp | Erickson dated April 17, 2020 on behalf of KFOR to FORA Board of Directors
5. Email from Vicki Nakamura dated April 9, 2020 on behalf of MPC to FORA Board of Directors

KATE McKENNA, AICP
Executive Officer

LOCAL AGENCY FORMATION COMMISSION
 P.O. Box 1369 132 W. Gabilan Street, Suite 102
 Salinas, CA 93902 Salinas, CA 93901
 Telephone (831) 754-5838 www.monterey.lafco.ca.gov

DATE: April 27, 2020
 TO: Chair and Members of the Commission
 FROM: Kate McKenna, AICP, Executive Officer
 PREPARED BY: Jonathan Brinkmann, Senior Analyst and Darren McBain, Principal Analyst
 SUBJECT: Consider Status Report on Fort Ord Reuse Authority (FORA) Dissolution Process
 (LAFCO File No. 18-06)

SUMMARY OF RECOMMENDATIONS:

- It is recommended that the Commission:
1. Receive the Executive Officer's report;
 2. Receive any public comments; and
 3. Provide for any questions or follow-up discussion by the Commission.

EXECUTIVE SUMMARY:

The FORA Act, California Government Code section 67700, mandates FORA dissolution on June 30, 2020 and describes a limited LAFCO role to provide for the orderly dissolution of FORA "including ensuring that all contracts, agreements, and pledges to pay or repay money entered into by the authority are honored and properly administered, and that all assets of the authority are appropriately transferred."

Many of the FORA Board's actions to date have been consistent with an orderly dissolution in the context of LAFCO's statutory role. For example, important work is in progress to transfer assets, liabilities, and related administrative responsibilities. However, LAFCO staff remains concerned about some aspects of remaining FORA dissolution-related tasks and processes. These concerns include: Transition Plan Implementing Agreements; status of LAFCO's previous requests for additional litigation defense funds and post-dissolution administrative task funds; Transition Plan amendments; designation of successor agencies for FORA's CEQA responsibilities on FORA-approved roadway projects; successor agency assignment for existing FORA contracts; and status of the Fort Ord Reuse Plan's programs, policies, and CEQA mitigation measures post-FORA dissolution.

Staff will schedule a public hearing on FORA dissolution at the June 22 regular LAFCO meeting rather than the May 18 meeting as previously planned. The extra month will allow FORA more time to review and address issues discussed in this report. In addition, FORA has postponed until May important actions such as consideration of amendments to the 2018 Transition Plan and distribution of unassigned funds. This timing essentially requires moving LAFCO's public hearing on FORA dissolution to June in order for LAFCO to be able to appropriately address FORA's dissolution actions.

DISCUSSION:

Following is an update on current dissolution matters.

1. Transfer of Assets, Liabilities, and Related Administrative Responsibilities is in Progress.

FORA has made significant progress in the planned transfer of assets, liabilities and administrative responsibilities. These include:

- The planned transfer of Community Facilities District funds and other fund balances;

- Assigning FORA's Environmental Services Cooperative Agreement, Local Redevelopment Authority role, and Economic Development Conveyance Agreement to the City of Seaside;
- Making payment provisions to terminate FORA's CalPERS liability and contract;
- Reviewing proposed amendments to the 2018 Transition Plan to reflect current FORA dissolution plans;
- Making plans to transfer records and office equipment to the County of Monterey; and
- Taking steps to ensure transfer of remaining FORA-held real estate to local agencies.

The FORA Board took specific actions needed to transfer certain fund balances when it adopted its mid-fiscal year General and Capital Improvement Program budget, and approved distribution of approximately \$17 million in habitat set-aside funds and an estimated \$30 million (depending on bond market conditions) in pending building removal bond proceeds among the five land use jurisdictions. On May 14, the FORA Board will consider distribution of remaining, unassigned funds in response to requests submitted by various agencies, including LAFCO. Please see item 4, below.

2. Implementing Agreements are Not Progressing and May Not be Completed by June 30.

The draft Multi-Agency Implementing Agreement, and individual water and wastewater services agreements with Marina Coast Water District, are not progressing as FORA had anticipated and may not be completed before dissolution. If these agreements are not finalized, the individual local agencies will need to rely on FORA's adopted Transition Plan for guidance. Section 1.1 of the adopted 2018 Transition Plan describes that Transition Plan Implementing Agreements, or, in their absence, the other provisions of the Transition Plan will establish a fair and equitable assignment of assets and liabilities, and provide a schedule of obligations. In summary, FORA dissolution will move forward with or without these agreements.

3. Existing Litigation is Not Resolved, Legal Risk is Increasing, and Coordination on Legal Risk is Not Resolved.

LAFCO has asked FORA to resolve its existing litigation, avoid taking on new risk, assign a successor to litigation that may not be resolved by June 30, and to coordinate on matters of legal risk. These issues are still of concern. Most significantly, FORA has authorized work toward certifying an Environmental Impact Report (EIR) for a proposed Habitat Conservation Plan (HCP) in June. This action increases the legal risk for LAFCO and FORA member agencies. Matters discussed in item #5, below, also have potential to involve LAFCO in future litigation.

Also, existing litigation involving a building demolition contractor's dispute over damaged equipment from removal of high-density concrete is scheduled for mediation in June, but it is possible that resolution will not occur by June 30. FORA has not yet created a plan to assign FORA's litigation role and funding for these and other matters of legal risk.

We expect that some FORA administrative and legal matters may carry over beyond June 30. LAFCO will continue to request that FORA assign its litigation role and funding to the appropriate likely successor agencies that have a logical connection to the subject of potential litigation. The FORA Act limits LAFCO's oversight role in FORA's dissolution. LAFCO may request that FORA take certain actions. However, LAFCO cannot compel FORA to take actions.

4. LAFCO's Requests for Additional Litigation Defense Funds and for Post-Dissolution Administrative Task Funds, Have Not Been Granted to Date.

To date, LAFCO has received \$500,000 for its litigation reserve fund from FORA. LAFCO staff continues to uphold the Commission's direction, as articulated in the March 3, 2020 letter to FORA. The letter requested an additional \$1.5 million for LAFCO's litigation reserve fund, \$100,000 for LAFCO administrative oversight post-June 30, and re-inclusion of funding assurance language in the Multi-Agency Implementing Agreement. FORA staff and counsel have indicated that they do not support these requests. However, LAFCO's requests remain, based on identified litigation risks and post-dissolution administrative oversight funding needs.

On May 14, 2020, the FORA Board may consider allocating \$100,000 to LAFCO (based on generally supportive statements by FORA Administrative Committee members at a prior meeting). FORA has not yet responded to LAFCO's recent invoice of \$10,000 for LAFCO Fee replenishment for administrative tasks through June 30. LAFCO's requests for supplemental litigation reserve funding, and language assuring

LAFCO's funding needs in the Multi-Agency Implementing Agreement have not been granted and do not appear likely to be granted. LAFCO staff and counsel have been discussing strategies to protect LAFCO in the event LAFCO's litigation reserve fund proves insufficient to address litigation matters after July 1. This matter remains under review and discussion.

5. LAFCO's Requests and Concerns related to Transition Plan Tasks, Designation of Successor Agencies for FORA CEQA Lead Agency Projects, Successor Agency Assignment for Existing FORA Contracts with the California Native Plant Society, and Other Stakeholders' Concerns are not Resolved.

Over the last several months, LAFCO – in our statutory role of providing for an orderly dissolution – has submitted several requests to FORA pertaining to:

- Implementing Transition Plan tasks, or amending the adopted Transition Plan tasks to reflect current FORA dissolution plans;
- Identification of FORA lead agency CEQA projects;
- Identification of FORA responsibilities for mitigation measures; and
- Assignment or designation of successor agencies for FORA lead agency projects.

Most recently, LAFCO staff submitted a letter to FORA on April 17, 2020 (**Attachment 1**). Our April 17 letter also transmitted an April 14 letter from the California Native Plant Society (CNPS) to LAFCO (**Attachment 2**). CNPS requested LAFCO assistance in ensuring that FORA name and secure agreements with successor CEQA lead agencies for FORA-approved road development projects (South Boundary Road and General Jim Moore Boulevard), as well as successors for existing FORA contracts with CNPS to protect rare plant reserve areas. In consideration of LAFCO's communications with FORA over the past few months and CNPS's letter, LAFCO's April 17 letter to the FORA Board requested that FORA address successor agency assignments of FORA CEQA lead agency status projects and the existing FORA contracts with CNPS by adding language in the 2020 Transition Plan and completing successor agreements. From LAFCO staff's perspective, these are important dissolution actions to assure assignment of FORA's duties and contractual obligations.

The FORA Board received an additional letter from CNPS on April 17 (**Attachment 3**), expressing concerns about naming successors for FORA lead agency road projects and FORA's contracts with CNPS, as well as FORA's email statements about transfer of its lead agency status, and FORA's proposed 2020 Transition Plan language characterizing certain road projects as "in progress construction projects." CNPS's letters are pertinent to LAFCO's oversight role of ensuring that FORA's contracts and agreements are honored and properly administered.

Also, on April 17, Keep Fort Ord Wild submitted a letter to the FORA Board (**Attachment 4**), responding to FORA's April 17 agenda item for consideration of amendments to the adopted 2018 Transition Plan. The letter asserts that FORA should clearly state in its Transition Plan the status of the Fort Ord Reuse Plan going forward after FORA sunsets, and identify the agency or agencies that will be responsible for enforcing the Reuse Plan and its programs, policies, and CEQA mitigations post-FORA dissolution. The letter also asserts that FORA must make a CEQA determination before acting on the Transition Plan, provide public notice prior to making a CEQA determination/decision, and take a second vote on the proposed amendments if the first vote is not unanimous. Staff notes that Section 1.1 of the 2018 Transition Plan includes ambiguous wording as to the status of the Fort Ord Reuse plan post-dissolution, stating that the "Transition Plan assigns all assets and liabilities relating to FORA's programs, policies, and mitigation measures of the Reuse Plan to the extent they survive the dissolution of FORA." Staff views the requests in Keep Fort Ord Wild's letter as substantive policy matters that must be addressed with the FORA Board and requests a written summary of FORA's responses to the issues raised.

The Carpenters Union Local 605 transmitted a letter to the FORA Board on April 8 (**Attachment 5**) requesting that FORA: 1) retain Transition Plan language directing FORA to record the FORA Master Resolution; 2) record the FORA Master Resolution, which includes requirements for paying prevailing wages to workers on former Fort Ord construction projects; and 3) remove language stating the draft Multi-Agency Transition Plan Implementing Agreement would supersede 2001 Implementation Agreements between FORA and its member agencies. FORA counsel confirmed recordation of the FORA Master Resolution on April 14. However, the Carpenters Union remains concerned about proposed Transition Plan

language stating that the Multi-Agency Implementing Agreement would supersede 2001 Implementation Agreements between FORA and its member agencies. As mentioned under item #2, above, it is currently unclear if the Multi-Agency TPIA will be approved. If FORA and its member agencies enter into a new agreement that replaces a previous agreement, LAFCO would need to ensure that the new agreement is honored and properly administered, in accordance with LAFCO's statutory role. The extent to which doing so could present an ongoing administrative burden, or involve LAFCO in future litigation, is unknown and is under discussion with counsel.

It is currently unclear whether and how FORA plans to address the issues raised in these recent letters. FORA is in the process of amending its adopted 2018 Transition Plan to reflect FORA's current understandings of its dissolution-related needs and goals. The FORA Board deferred action on a proposed set of Transition Plan amendments on the April 17 FORA Board agenda, and directed staff to discuss the various comments with LAFCO and others prior to the FORA Board meeting on May 14. FORA staff has indicated that the FORA Board may also consider agreements assigning FORA CEQA lead agency successors on May 14.

NEXT STEPS:

Given the requests and concerns expressed in the letters above, and elsewhere in this report, along with FORA postponing consideration of Transition Plan amendments until next month, staff is postponing LAFCO's public hearing on the dissolution of FORA until the June 22 regular meeting. This timing will allow FORA more time to address the identified issues and finalize documents related to its dissolution, and will afford LAFCO time to include these additional FORA actions as part of the public hearing record.

At the Commission's public hearing, staff will bring forward FORA's adopted Transition Plan as amended, along with any finalized implementing agreements, and a draft resolution making determinations on the orderly dissolution of FORA. LAFCO's oversight role of the FORA dissolution will officially end on December 31, 2020, since the FORA Act, which established LAFCO's oversight role, will be repealed on that date.

Throughout the FORA dissolution process, staff is continuing to work closely with FORA and its member agencies. Our objective is to collaborate with FORA representatives to address LAFCO and Monterey Bay community concerns and to achieve an orderly and efficient dissolution.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachments:

- 1) Letter from LAFCO to FORA Board of Directors dated April 17, 2020
- 2) Letter from the Law Offices of Stamp | Erickson dated April 14, 2020 on behalf of CNPS
- 3) Letter from the Law Offices of Stamp | Erickson dated April 17, 2020 on behalf of CNPS to FORA Board of Directors
- 4) Letter from the Law Offices of Stamp | Erickson dated April 17, 2020 on behalf of Keep Fort Ord Wild to FORA Board of Directors
- 5) Letter from the Carpenters Union Local 605 dated April 8, 2020 to FORA Board of Directors

CC: Josh Metz, FORA Executive Officer
Molly Erickson, Esq., Stamp | Erickson, Attorneys at Law
Sean Hebard, Field Representative, Carpenters Local 605

May 1, 2020

Via email

Jane Parker, Chair
Board of Directors
Fort Ord Reuse Authority

Subject: Plant Reserve 1North, CNPS contracts, and proposed projects for South Boundary Road and General Jim Moore Boulevard

Dear Chair Parker and members of the FORA Board of Directors:

I represent the California Native Plant Society, Monterey Bay Chapter (CNPS) in this matter. CNPS is and has been steadfastly committed to the habitat protected by contract between CNPS, FORA and Del Rey Oaks (DRO) and also by CEQA mitigation. CNPS writes this letter to emphasize certain facts regarding the South Boundary Road widening and realignment project, the General Jim Moore project, and the proposed intersection or roundabout project at South Boundary Road and General Jim Moore Boulevard. The environmental assessment/initial study (EA/IS) certified by FORA in 2010 stated that the habitat preserve area is “adjacent to the Del Rey Oaks Resort” which was to be developed adjacent to the northern boundary of the habitat parcel. The EA/IS maps show that the proposed South Boundary Road realignment would put a wide multi-lane roadway directly through the habitat area. FORA did not consult with CNPS prior to adopting the EA/IS.

This letter focuses on the requirement that before FORA can proceed with its South Boundary Road project FORA must successfully negotiate with CNPS to agree “to relocate a currently identified habitat preserve area further south.” (2010 EA/IS, p. 3-2.) If FORA cannot renegotiate the location then FORA cannot proceed with the realignment and widening project as approved and must pursue other options. This requirement was stated in FORA’s EA/IS. This letter reaffirms that CNPS has not agreed to relocate the habitat preserve area.

Executive Summary

CNPS reaffirms its comments regarding the map presented by FORA to CNPS in December 2019. The map showed the proposed South Boundary Road project and what FORA proposed as new boundaries of Plant Reserve 1North. CNPS expressed concerns and opposition to the new boundaries at the time, CNPS has expressed them since then, and CNPS does so again in this letter.

Historic overview: the habitat reserve parcel.

In 1998 and 1999, Plant Reserve 1North was protected by an agreement between FORA, Del Rey Oaks and CNPS. The agreement was executed in 1998 and

modified by negotiated written agreement in 1999. Terms of the contract include as follows:

- The contract requires “the permanent protection” of the habitat, and that “the area will be protected from fragmentation and degradation in perpetuity.”
- The contract expressly states that “the boundaries must avoid road widening that would affect the reserve” and that “any future widening which would affect the habitat would require renegotiation of this agreement.”
- “No development would be permitted in the plant reserve.”
- The agreement specified that a buffer must ensure no impacts on the plant reserve from the future development to the north of the dirt road that is at the northern boundary of what came to be called parcel E29a.1.

The FORA-DRO-CNPS contract is based on and reinforced in part by CEQA mitigation 3 of the final EA/IS for the General Jim Moore Boulevard project, then called the North-South Road/Highway 218 Improvements Project. Mitigation 3 was amended and strengthened in direct response to CEQA comments from the CNPS in a letter dated December 4, 1998. Mitigation 3 addressed preservation of “maritime chaparral habitat, located in the vicinity of the northeast corner of North-South Road and South Boundary Road, along with an adequate buffer to assure that golf course drainage will not impinge on the habitat, shall be preserved in perpetuity as a CNPS native plant area” and that “Requirements for this mitigation area are specified as follows. The habitat area shall be protected from fragmentation and degradation in perpetuity. No spraying or irrigation drainage shall be directed toward the habitat area. No development shall be permitted in the plant reserve . . .”

In 2003, as part of the process to transfer lands, the Army released a document called Finding of Suitability for Early Transfer, called a FOSET, in draft form. FOSET-003 was finalized in July 2004. FOSET-003 transferred some Army land to FORA, including land that was intended for Del Rey Oaks. What the Army had called “parcel E29a” was a large parcel located north of South Boundary Road. FOSET-003 transferred the bulk of parcel E29a to FORA. Knowing of the FORA-DRO-CNPS agreement and the mitigation, the Army carved out from parcel E29a the habitat reserve area at the northeast corner of South Boundary Road and General Jim Moore Boulevard corner. The small parcel was named parcel E29a.1, and it was not included in the FOSET-003 transfer. FOSET-003 specifically addresses the small parcel when it describes the “habitat reserve area” that was not part of the FOSET-003 transfer. FOSET-003 directly addresses the habitat reserve area at three different pages of the FOSET-003 document, as follows:

- “Included within Parcel E29a is a 5-acre habitat reserve area that is not included in this transfer.” (FOSET-003, p. 1.)
- The large parcel E29a “includes a habitat area that is not part of the transfer.” (FOSET-003, Table 1, row 1.)
- FOSET-003 site map Plate 1 shows the E29a parcel and the carved-out smaller parcel that later came to be called E29a.1. Plate 1 places the label “habitat area” on the entire parcel E29a.1. Plate 1 is attached to this letter as Exhibit A.

A U.S. Army Corps of Engineers report dated August 2004 documents a walkabout of the “5-acre parcel known as ‘DRO Habitat Area’.” The memo attached to the report refers to the “5 acre DRO Group Habitat area” and the attached map is labeled “Habitat site walk” and has a yellow outline around the “habitat area” that was parcel E29a.1. The map also labeled the parcel on the aerial photograph as “Habitat Area.” The 2004 report is attached to this letter as Exhibit B.

The document database for the Fort Ord cleanup parcel describes parcel E29a.1 as 4.66 acres and that the “Parcel Name” is “Habitat Reserve Area.” The database is accessible online at <https://fortordcleanup.com/documents/administrative-record/>.

In 2010, FORA certified an environmental document for the South Boundary Road widening project that expressly acknowledges the fully protected status of the reserve.

In 2010 FORA prepared and certified the above-referenced EA/IS for the FORA South Boundary Road realignment and widening project. The realigned road would go directly through the protected habitat area. The EA/IS requires that FORA must “renegotiate” the location of the habitat reserve area with CNPS before FORA can proceed with the South Boundary Road project, and if FORA cannot renegotiate the location then FORA cannot proceed with the project. The EA/IS language reflects the terms in the FORA-CNPS contract that require “the permanent protection” of the habitat, that the reserve “area will be protected from fragmentation and degradation in perpetuity,” that “the boundaries must avoid road widening that would affect the reserve,” that “any future widening which would affect the habitat would require renegotiation of this agreement,” and that “No development would be permitted in the plant reserve.” The EA/IS language also reflects the adopted CEQA mitigation 3 of the General Jim Moore Boulevard project. There is no dispute that a renegotiated agreement is required before FORA can proceed with the road widening project. FORA did not consult with CNPS before FORA prepared and adopted the EA/IS.

In 2018 and 2019, FORA again confirmed the terms and intent of the FORA-DRO-CNPS contract when FORA made specific written and oral statements to the Monterey County Superior Court.

In the brief dated November 2018 that FORA filed as part of the CEQA litigation involving South Boundary Road, FORA counsel Jon Giffen and Crystal Gaudette stated the FORA position as follows:

- “The EA/IS also addresses and provides for Project impacts upon the “reserve” created by agreement between FORA and the California Native Plant Society (CNPS), generally recognizing that the proposed project alignment can only proceed if a modification to the reserve can be negotiated with CNPS.”
- The modification to the reserve and the renegotiated contract was a “mitigation.”
- “[T]he CNPS preserve must remain untouched unless the agreement regarding that preserve is successfully renegotiated.”

On February 11, 2019, FORA counsel Crystal Gaudette represented to Superior Court Judge Marla O. Anderson in open court as follows:

- The FORA EA/IS “says squarely that FORA is going to have to reach an agreement with the California Native Plant Society or – and that’s the purpose of alternative two, that if it can’t, then it [FORA] would proceed with the second alternative project analyzed under the Initial Study.”

These statements and others show the position of and understanding by FORA that a modification to the agreement must be negotiated with CNPS in order for the proposed road realignment to proceed.

In December 2019 FORA made material misrepresentations when FORA proposed a new location of Plant Reserve 1North.

FORA did not attempt to contact CNPS regarding the South Boundary Road project for many years. When CNPS learned of the FORA approvals of the South Boundary Road, the CNPS president contacted the FORA Board of Directors in writing and in person at board meetings starting in 2017. FORA did not meaningfully respond until 2019.

In a letter from FORA to CNPS dated December 2, 2019, FORA made various inaccurate and self-serving claims, including that the reserve boundaries are shown in the EA/IS figure 2-3 and EA/IS sheet C8 for the South Boundary Road realignment. (Dec. 2, 2019 ltr., p. 5.) Not so. They show the proposed boundaries, as evidenced by context and other records. Figure 2-3 and sheet C8 do not show the current boundaries. The new FORA claim is not consistent with a proposal in the same December 2, 2019 letter that shows a proposed drawing of the relocated reserve labeled “HABITAT AREA NEW PARCEL,” which states that the area would be a new

location. The new claim also is inconsistent with representations made in the EA/IS and other records that the habitat reserve is located “adjacent to the Del Rey Oaks Resort,” which means that the reserve boundaries include the northerly portion of parcel E29a.1 which is the area that is adjacent to the Del Rey Oaks resort site. If the reserve were located where FORA newly claimed in December 2019, then there would have been no need to “relocate” the reserve to the south as the 2010 EA/IS mandates. The new FORA claim also is inconsistent with the FORA-DRO-CNPS agreements, the CEQA mitigations, the written and oral representations of FORA counsel, the public records of Del Rey Oaks, FORA and the Army, and other records. Let there be no mistake: The proposal in the EA/IS was for a proposed relocation of the plant reserve. FORA sought a relocation in order to allow FORA to construct the FORA-preferred road widening and realignment. The proposed relocated boundaries were not discussed with CNPS at the time of the EA/IS and were not presented and agreed to by CNPS then or at any point since then. To the contrary, CNPS has repeatedly expressed its opposition to the proposed “relocated” boundaries and has expressed its opposition in writing and in meetings with FORA and DRO officials.

To make matters worse, FORA recently has demonstrated that the South Boundary Road project construction would have significant biological impacts even if the reserve were to be “relocated” as FORA has proposed. The map at page 6 of the FORA letter dated December 2, 2019 shows a proposal for a relocated reserve labeled “HABITAT AREA NEW PARCEL” that FORA claims would be 2.25 acres. (The pages of the FORA letter are not numbered; the map is the penultimate page of the letter proper. The map is attached to this letter as Exhibit C.) The map shows a “HABITAT AREA NEW PARCEL” with red diagonal lines. The map shows two overlays on the red area: a construction work impact area of 11,588 square feet in blue overlay and a grading impact area of 12,224 square feet in green overlay. The construction impacts in blue and the grading impacts in green would directly affect at least 0.55 acres, according to the FORA information, including the habitat and the rare and protected species known to occur in the blue and green areas.

CNPS has not agreed to a “relocation” of Plant Reserve 1North.

CNPS has not and does not agree to a relocation of the reserve as proposed by the “new parcel” boundaries presented by FORA. In the spirit of cooperation, CNPS has explained its concerns on the matter, and again here CNPS states that its reasons include and are not limited to the following.

- Relocating the reserve would be inconsistent with the FORA-DRO-CNPS contract terms and the General Jim Moore Boulevard project mitigation 3 requirements for “permanent” protection, that “The habitat area shall be protected from fragmentation and degradation in perpetuity,” and that “No development shall be permitted in the plant reserve.”

- The proposed size of 2.25 acres is a materially smaller area than the historic maps and references by the Army, Del Rey Oaks and FORA to the habitat area/reserve. The historic records discussing the habitat area refer to an area that is larger than 2.25 acres. The actual size of the proposed reserve would be at most 1.7 acres, rather than 2.25 acres, as explained below.
- At least a quarter of what FORA has proposed as the “new parcel” would be irreparably harmed by the project. FORA has admitted there would be development in the reserve; construction and grading are development. FORA says there would be construction impacts and grading impacts in and on at least 0.55 acres of the proposed 2.25 acre reserve. That would reduce the habitat reserve to 1.7 acres at most, due to the unlikely assumption that the remaining area would be unharmed by the project grading, construction, and operation. A 1.7 acre reserve is not consistent with the specific language of the 1998 and 1999 agreements and of CEQA mitigation 3 for the General Jim Moore project. The agreement and mitigation specified that the reserve would be at least 2.0 acres that would be “permanently protected and “protected from fragmentation and degradation in perpetuity” and that “no development would be permitted in the plant reserve.”
- The proposed smaller size and proposed relocated boundaries would violate the contract term in which FORA committed to “No further fragmentation and degradation in perpetuity” of the reserve. The FORA proposal would cause further fragmentation of the reserve, including the reduction in the total area of the habitat and the decrease of the interior:edge ratio.
- CNPS officials in their expert opinions have stated that:
 - The habitat area is unique for many reasons including slope, soils, orientation, proximate habitat and plants, wildlife, wind direction, and other reasons that biologists do not fully understand. The habitat is found in that particular location for particular reasons. A habitat area cannot be “relocated” like a house or a road. Planting rare native plants never has results as successful as when the native plants grow naturally of their own accord.
 - The proposed construction impacts and grading impacts would have significant and permanent harmful impacts on the plant reserve, even if CNPS were to agree to the proposed relocated area, which CNPS does not. These and other project impacts would degrade and fragment the habitat.

- The proposed project construction and grading would cause significant and permanent impacts of removing an existing knoll at the center of the undeveloped habitat reserve parcel and thus changing the habitat integrity forever. The proposal would require a large amount of grading and cuts that would not be replaced with the same soil, slope and orientation as currently exists.
- The December 2, 2019 proposal shows materially different and potentially misleading topography from previous plans of the parcel which show two knolls and other topography relevant to the habitat. (E.g., EA/IS sheet C8.) This is a serious omission.
- The FORA development proposals have failed to understand the topography and the extent of the potential and likely impacts to the habitat as a result of the proposed grading and other construction impacts.
- The realignment project would destroy the known species of Monterey spineflower and California Endangered Seaside bird's beak at the site. The impacts to sandmat manzanita, coast live oak and other plants typical of uncommon Maritime Chaparral habitat also would be severe. In particular, Seaside bird's beak is a hemi-parasitic plant that taps other plants for nutrients in ways that are poorly understood. These inter-plant relationships are extremely difficult to recreate.
- The proposed relocation of the reserve would cause significant and harmful impacts and changes to the drainage, forestation, and undergrowth of the habitat area.
- The proposed large amount of grading would cause significant and harmful impacts. The removal of native soils damages the soil structure and soil biology, specifically the mycorrhizal relationships between soil fungi and native plant species, particularly manzanitas, which rely on mycorrhizae to augment water and nutrient uptake. Several species of manzanitas occur in the protected habitat in Plant Reserve 1North. Replacement of the soil is not adequate mitigation to restore soil biology.
- The FORA-DRO-CNPS contract requires a buffer zone to avoid impacts on the habitat of the adjacent development to the north, proposed in the past as a resort and golf course. No such buffer has been proposed for the South Boundary Road widening and realignment project, even though the road project would be adjacent to the reserve as proposed, and it is foreseeable that the construction, development, pesticides, herbicides, rodenticides,

vehicular traffic emissions and dust, and other impacts would cause significant adverse harm to the habitat area.

- A “relocation” of the reserve as proposed by FORA would require FORA and Del Rey Oaks to approve a renegotiated contract and, in CNPS officials’ opinion, the FORA proposals for relocation of the existing protected habitat would have significant and unmitigated biological impacts, for all the reasons stated above. Thus, any approval by FORA and Del Rey Oaks of a modified contract would require a prior environmental document under CEQA detailing the impacts of the new smaller and different site boundaries, and mitigating the impacts, along with other CEQA issues. This analysis and mitigation was not part of the 2010 EA/IS.

CNPS urges FORA and Del Rey Oaks to consider a project that realigns South Boundary Road to the north, either along or north of the existing dirt road that runs along the approximate northern boundary of parcel E29a.1. A northerly realignment is feasible, it could be successful in avoiding impacts to the protected habitat to the south of the dirt road, and it could be consistent with the language and intent of the FORA-DRO-CNPS contracts.

Summary.

CNPS emphasizes that CNPS has not agreed to a modification to the reserve, that no agreement with FORA has been reached regarding any “relocation” of the reserve, and that FORA’s proposals to date are inconsistent with the purposes of the reserve, the binding agreements and the CEQA mitigations. FORA cannot deliver an approved South Boundary Road project to Del Rey Oaks. Even if CNPS were to agree to a boundary modification, which CNPS has not agreed to, approval of any such modification would be a discretionary act by FORA and Del Rey Oaks and thus would require prior compliance with CEQA to investigate, disclose, analyze and mitigate the significant and potentially significant environmental impacts of the boundary change.

Offer to meet.

CNPS offers to meet with you with the goal of resolving this matter. FORA controls the schedule. CNPS does not control the schedule. If you would like to meet, please contact me at erickson@stamlaw.us.

Request.

CNPS asks FORA to rescind its approvals of the EA/IS and the South Boundary Road project. If in the future an agency wants to pursue an alternative road project, that agency would be the project proponent and as should comply with CEQA and all contracts with CNPS. CNPS asks for the courtesy of a written response.

Thank you.

Sincerely,

STAMP | ERICKSON

/s/ Molly Erickson

Molly Erickson

Attachments: Exhibits A, B and C, as described above, highlighted in pertinent parts

cc: Mayor Kerr and members of the city council, Del Rey Oaks
Kate McKenna, Executive Officer, LAFCO of Monterey County
Debbie Hale, Executive Director, Transportation Agency of Monterey County

Exhibit A to May 1, 2020 letter

EXPLANATION

	Transfer Parcel with Number
	Not Part of this Transfer
	Building with ID Number

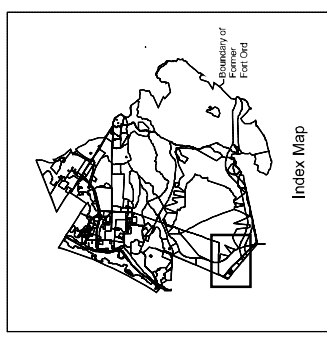
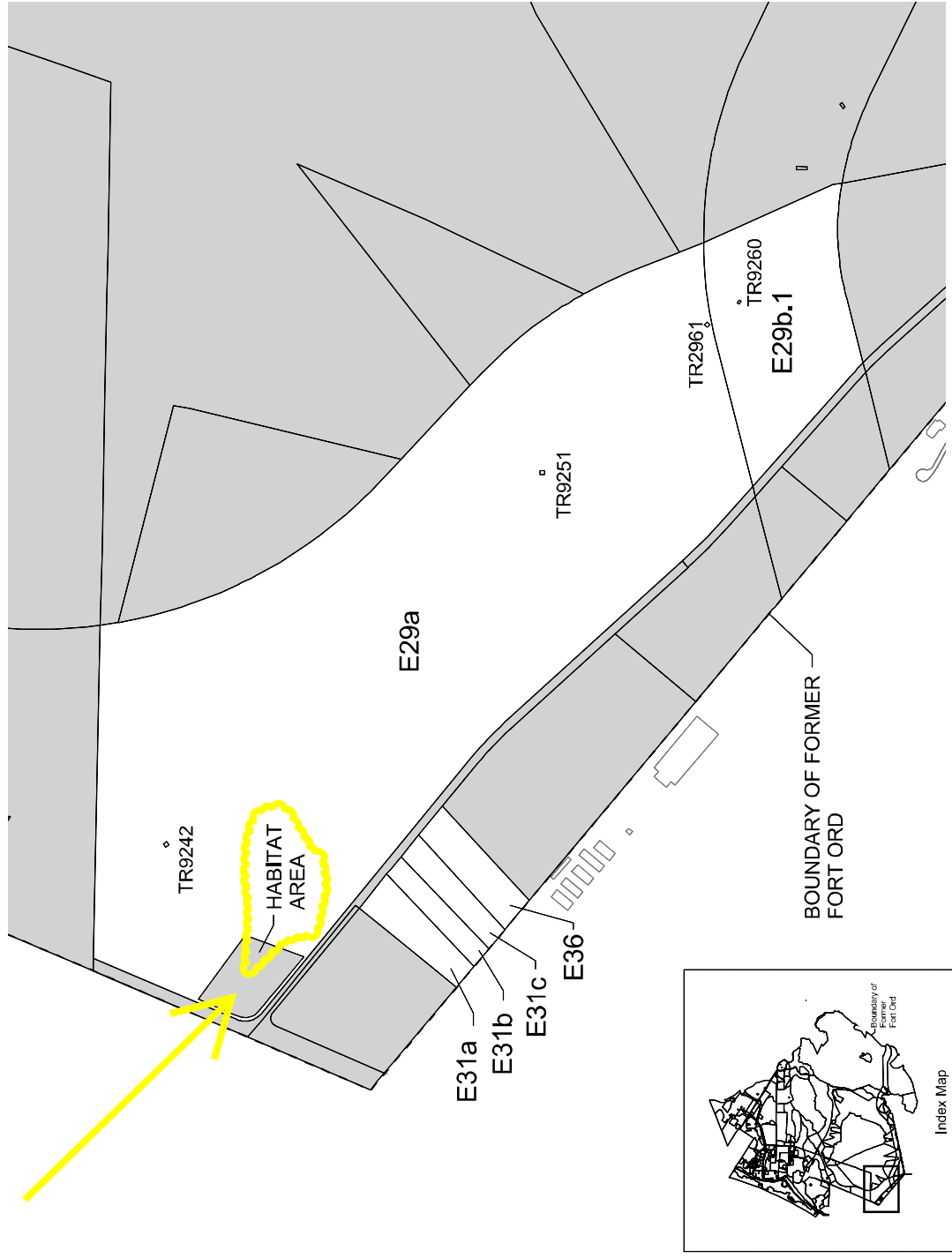
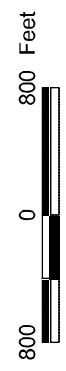
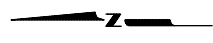



PLATE **1**

REVISION DATE 6/03

DATE 10/00

APPROVED 

CS# NUMBER 52703 00134

DRAWN JCF

Location Map
 Del Rey Oaks FOSSET
 Former Fort Ord
 Monterey, California



Parcel Boundaries shown are approximate and are not intended to represent a legal description of the property



DEPARTMENT OF THE ARMY
U.S. ARMY ENGINEER DISTRICT, SACRAMENTO
CORPS OF ENGINEERS
1325 J STREET
SACRAMENTO, CALIFORNIA 95814-2922

REPLY TO
ATTENTION OF:

AUG 03 2004

CESPK-PM

MEMORANDUM FOR Ms. Gail Youngblood, Fort Ord Office, Army Base Realignment and Closure,
Monterey, CA 93944

SUBJECT: **Del Rey Oaks 5-acre Parcel Walkabout**

1. REFERENCES:

- a. U.S. Army Corps of Engineers (USACE), Sacramento District, 2001. Site Del Rey Oaks Group After Action Report Geophysical Sampling, Investigation and Removal, Former Fort Ord, Monterey, California. Final. Prepared by USA Environmental, Inc., April.
- b. U.S. Army Corps of Engineers (USACE), 2000. Unexploded Ordnance (UXO) Support During Hazardous, Toxic, and Radioactive Waste (HTRW) and Construction Activities. EP 75-1-2. Prepared by U.S. Army Engineering and Support Center, Huntsville, November.
- c. Parsons, 2004. Del Rey Oaks Walk about Memorandum for Record. August.

2. At the request of the US Army Corps of Engineers, Sacramento District, Parsons conducted a "walkabout – A Schonstedt assisted visual reconnaissance" over a **5-acre parcel known as "DRO Habitat Area"** on 7 June 2004. The walkabout was limited to accessible areas only (**attached map**). Additional details can be found on attached letter from Parsons, 3 August 2004. The area is contained within the Impact Area which was previously used for ordnance training operations. During the walkabout no military munitions (MM) or debris (MD) were found. As result, under EP-75-1-2, the subject area can be categorized as a low probability area to encounter Unexploded Ordnance (UXO). EP-75-1-2 requires the following: (1) a UXO team consisting of a minimum of two qualified UXO personnel (one UXO Technician III and one UXO Technician II) to support construction activities including oversight and monitoring, (2) OE recognition training for all construction workers performing ground disturbing activities, and (3) on-site UXO safety briefings prior to initiation of any ground disturbing activities. The U.S. Army should make necessary arrangements for disposal of any ordnance found in the subject area.

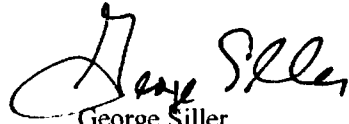
Exhibit B to May 1, 2020 letter
p. 2 of 4

CESPK-PM

SUBJECT: Del Rey Oaks 5-acre Parcel Walkabout

3. The U.S. Army should evaluate ground disturbing activities performed at the subject site after work is completed to determine if additional ordnance safety measures are required.

4. If you have any questions, please contact Mr. Juan Koponen, Project Manager, at (831) 884-9925 ext. 233 or Mr. Clinton Huckins at (831) 884-9925 ext 226.



George Siller
Program Manager
U.S. Army Corps of Engineers,
Sacramento District

CC (w/encls):

PM-M (George Siller) (Juan Koponen)

CO-Monterey (Clinton Huckins)

PARSONS

Building 4522 - 8th Avenue & Joe Lloyd Way • Ord Military Community, CA 93944

3 August 2004

MEMORANDUM FOR RECORD, Revised

A site walkabout was performed in accessible areas of the 5 acre DRO Group Habitat area on June 7th, 2004. Areas under accessible tree canopies and small pathways with low to moderate growth vegetation were investigated.

The personnel conducting the site walkabout consisted of two UXO QC personnel, one swept accessible areas with a Schonstedt GA52Cx flux-gate magnetometer and the second person carried a Leica Global Positioning System which documented the path walked and checked with the Schonstedt magnetometer. All 12 anomalies encountered were investigated and determined to be Range Related Debris (RRD) consisting of c-ration cans, wire, and assorted miscellaneous scrap. No Military Munitions (MM) or Munitions Debris (MD) were encountered.

As illustrated on the attached site walkabout map, access was restricted due to extremely dense vegetation.

The table shown below lists the MM/MD items that were encountered outside the 5 acre Habitat parcel during prior DRO Group Military Munitions removal action conducted in CY 2000.

OE Type	QTY	Depth	Weight	Nomenclature	Condition	RIA Code	GRID
MD	1	1	0	Rocket, 2.36inch, practice, M7	Expended	0	33 E
MD	0	0	1	FRAGMENTS, UNKNOWN	Expended	0	33 I
MD	0	0	1	FRAGMENT, UNKNOWN	Expended	0	35 I
UXO	1	4	0	Grenade, hand, smoke, M18 series	UXO	1	40 G

The US Army Corps of Engineers requires that construction support be provided on sites where the probability of encountering UXO is low. These requirements are established in EP 75-1-2, Unexploded Ordnance (UXO) Toxic, and Radioactive Waste (HTRW) and Construction Activities, 20 November 2000.

Based on information from previous removal actions in the surrounding area, the level of construction support should include the following: (1) UXO safety support during construction activities including oversight and monitoring, (2) OE recognition training, and (3) on-site UXO safety briefings prior to initiation of any on-site intrusive activities.

Any questions regarding this site walkabout can be addressed by contacting Mike Coon (831) 884-2306 or Andreas Kothleitner (831) 884-2313.

Regards,

Gary Griffith

Exhibit B to May 1, 2020 letter
p. 4 of 4

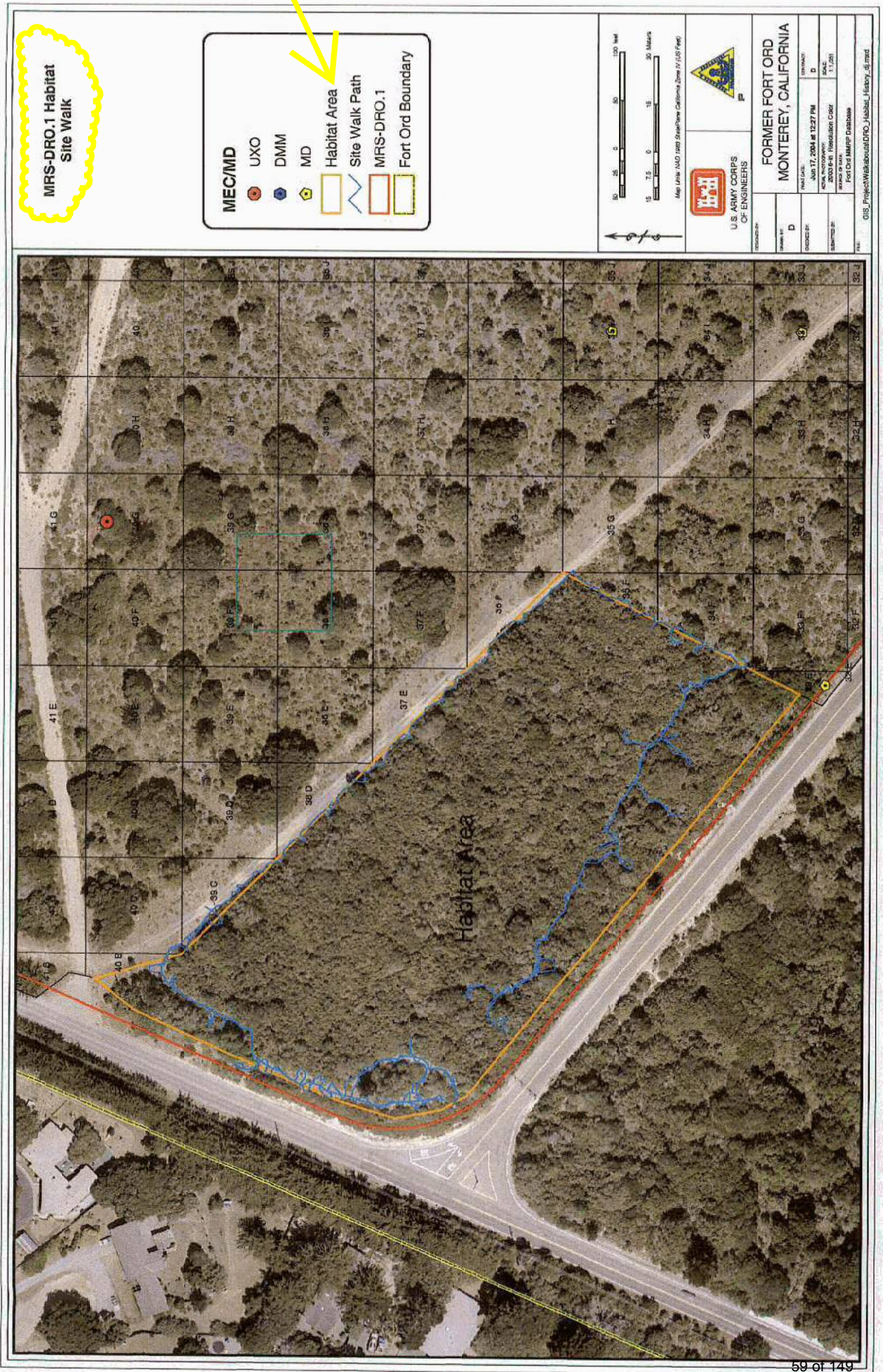
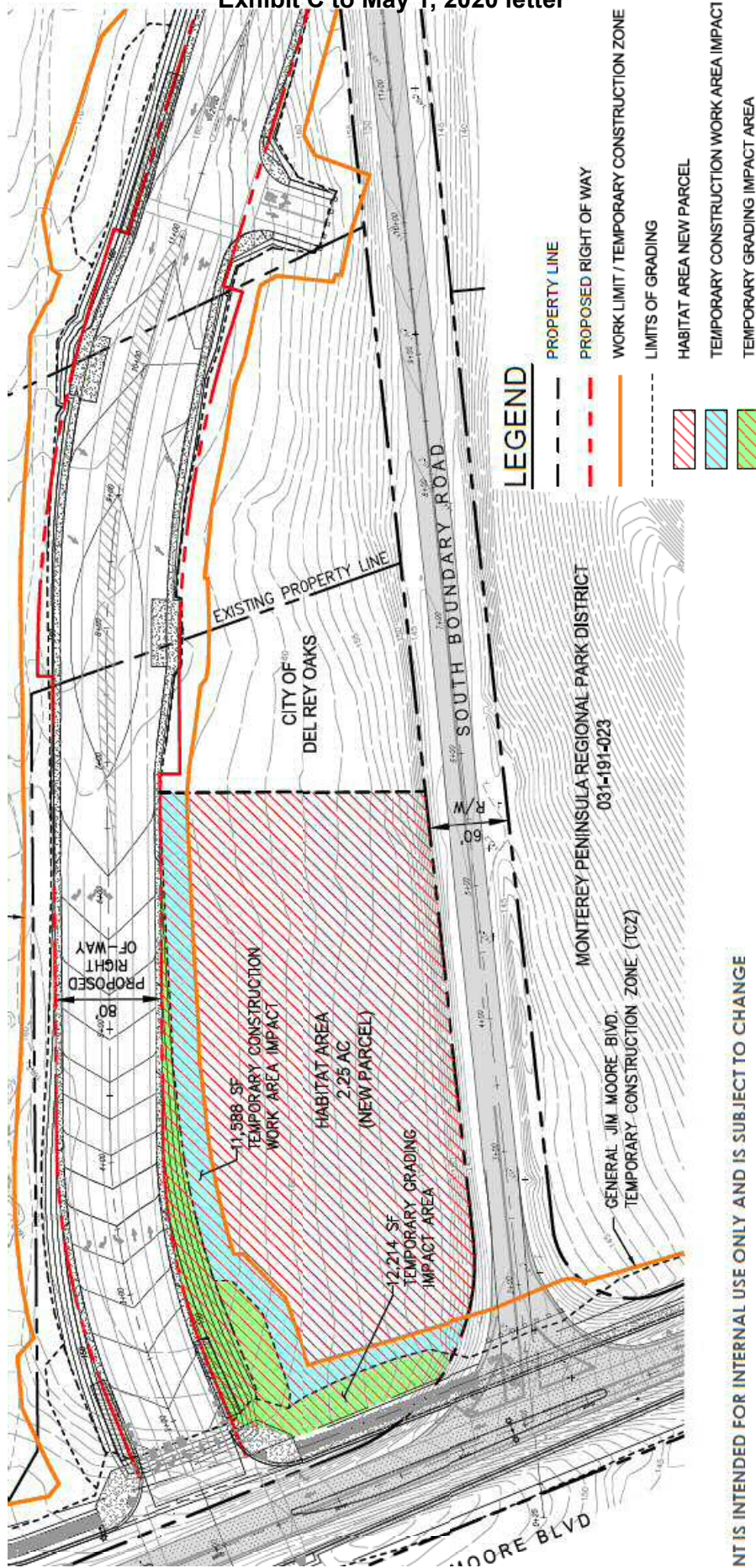


Exhibit C to May 1, 2020 letter



NT IS INTENDED FOR INTERNAL USE ONLY AND IS SUBJECT TO CHANGE



UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

910 2nd Avenue • Marina, CA 93933 • (831) 883-1931 • FAX (831) 883-1902

April 8, 2020

Board Chair Jane Parker and Board Members
Fort Ord Reuse Authority
920 2nd Avenue
Marina, CA 93933

Re: Fort Ord Reuse Authority Transition Plan and Recordation of the Master Resolution

Dear FORA Chair Parker and Board Members,

On behalf of Carpenters Locals 605, I am writing to comment on the Fort Ord Reuse Authority (FORA) Transition Plan, specifically concerning the need to clarify and maintain the community benefit standards enshrined in the FORA Master Resolution. This letter follows on public comments made by Carpenters Local 605 officer Tony Uzzle at the FORA Board meeting on March 12, 2020.

First, we wish to thank the Board of Directors for reaffirming FORA's commitment to the maintenance and enforcement of the Master Resolution at its March 12th meeting. We appreciate that the proposed Transition Plan that will be presented at the April 9th meeting reflects the will of the Board on this matter.ⁱ

Local 605 is also appreciative of the efforts by the Authority Counsel to have the Master Resolution recorded at the County Recorder's Office.ⁱⁱ To the extent possible in these challenging times, we respectfully urge the Board to take all steps necessary to record the Master Resolution as soon as practicable. Given past instances of prevailing wage and labor compliance issues on Fort Ord projects, every effort should be made to underscore and clarify the existing obligations that apply to Fort Ord development, in order to support the local construction industry, avoid ambiguity, and forestall potential legal challenges which would be to the detriment of the Monterey Bay community.

As you are aware, the California Legislature created the Fort Ord Reuse Authority in 1994 to oversee the reuse and development of the decommissioned Fort Ord military base and tasked FORA with ensuring that development at Fort Ord would benefit the Monterey Bay community. Toward this end, FORA adopted a Master Resolution that includes commitments to build affordable housing, protect the environment, and pay prevailing wages to workers on First Generation Construction.

FORA included the prevailing wage policy in the Master Resolution in order to provide economic opportunity for local laborers and contractors.ⁱⁱⁱ The prevailing wage policy (as well as the other policies in the Master Resolution) also reflected the desire of federal legislators to use base redevelopment to generate jobs for the regional economy, help address homelessness in the region, and promote environmental restoration and mitigation.^{iv}

The requirements in the FORA Master Resolution were incorporated into the Implementation Agreements executed between FORA and the local jurisdictions/agencies and recorded as deed covenants at the time of transfer.^v **As courts have noted, the responsibility to comply with the Master Resolution carries over to new owners.**^{vi}

Although the Fort Ord Reuse Authority is due to sunset on June 30, 2020, the obligations under the deed covenants and Implementation Agreements do not. Therefore, in 2018, the Board of Directors enacted a Transition Plan that directed staff to record the Master Resolution in its entirety prior to FORA's sunset, should the local jurisdictions fail to take all necessary legal steps to adopt these policies.^{vii} As the Board has noted, recording the Master Resolution does not create new obligations but rather is intended to make a clear record of ones that already exist.^{viii} In addition, as indicated in a recent report presented to the Local Agency Formation Committee of the County of Monterey, failure to record the Master Resolution would likely result in litigation that would delay or even halt the development of decommissioned land.^{ix}

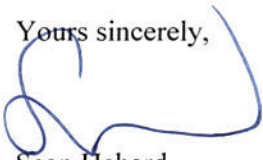
Unfortunately, in early March 2020, FORA staff recommended that the Board reverse its decision to record the Master Resolution.^x This is extremely alarming. Local 605 is concerned that staff urged the Board to take the drastic step of rescinding the Master Resolution as a result of pressure from developers who are looking for a way to get around commitments attached to the redevelopment of Fort Ord land. Such efforts should be roundly and publicly rejected.

In addition, a Transition Plan Implementation Agreement (TPIA) will be presented to the Board and local agencies and jurisdictions for adoption prior to June 30, 2020. The latest publicly available draft TPIA states that it will supersede the Implementation Agreements referenced in the quitclaim deeds transferring former base lands to local jurisdictions and agencies.^{xi} The draft TPIA makes no mention of the obligations contained in the original Implementation Agreements. This is additionally very concerning.

We strongly urge the Board to expedite recording the Master Resolution and add a clear provision in the TPIA that reaffirms the obligations the local jurisdictions and agencies undertook when they were given former Fort Ord land.

If you would like to discuss our comments further, please do not hesitate to contact me by phone: (408) 472-5802 or email at shebard@nccrc.org.

Yours sincerely,



Sean Hebard
Field Representative
Carpenters Local 605

Sent by Email and by Post

cc: FORA Ex-Officio Officers
FORA Executive Officer Josh Metz
FORA Deputy Clerk Natalie Van Fleet
AICP Executive Officer Kate McKenna

ⁱ Board Packet, Fort Ord Reuse Authority Board of Directors Meeting, April 9, 2020, p. 132.

ⁱⁱ Board Packet, Fort Ord Reuse Authority Board of Directors Meeting, April 9, 2020, p. 17.

ⁱⁱⁱ Fort Ord Reuse Authority Prevailing Wage Program, accessed March 2, 2020.

^{iv} National Defense Authorization Act for Fiscal Year 1994 (amended);
Defense Base Closure and Realignment Act of 1990

Section 2905 (4)(A) 1990 Base Closure Act, as amended by Section 2821 of the Defense Authorization Act for Fiscal Year 2000, Pub. L. 106-65 (1999), Section 2905 1 (A) (C)

^v E.g., Quitclaim Deed for Parcels E 15.1, L 19.2, L 19.3, L 19.4 on the Former Fort Ord, Monterey, California, # 2005108853, p.16; Implementation Agreement Between Fort Ord Reuse Authority and the City of Seaside, entered into on May 31, 2001, ps 3 an 4 and Exhibit F, p. 19 and 20.

^{vi} *Monterey/Santa Cruz County Bldg. and Construction Trades Council v. Cypress Marina Heights LP*, Judgement, California Sixth Appellate District Court of Appeal, H034143, January 10, 2011

^{vii} Fort Ord Reuse Resolution No. 18-11, adopted by the Fort Ord Reuse Authority Board of Directors on December 19, 2018.

^{viii} Fort Ord Reuse Resolution No. 18-11, adopted by the Fort Ord Reuse Authority Board of Directors on December 19, 2018.

^{ix} Item 13, August 27, 2018, Memo from AICP EO Kate McKenna to Board and Commissioners, LAFCO of the County of Monterey, p.2.

^x Board Packet, Fort Ord Reuse Authority Board of Directors Meeting, March 12, 2020, ps. 41 and 51

^{xi} Committee Packet, Fort Ord Reuse Authority Administrative Committee Meeting, March 4, 2020, p.3 and 7-17.

April 17, 2020

Via email

Jane Parker, Chair
Board of Directors
Fort Ord Reuse Authority

Subject: Agenda item 6c; Keep Fort Ord Wild objections to new draft transition plan and failure by FORA to adequately consider mitigations, CEQA, and due process

Dear Chair Parker and members of the FORA Board of Directors:

This office represents Keep Fort Ord Wild, which reiterates each and every of its objections and reminds you of KFOR's past comments provided to FORA on the FORA actions with regard to the Reuse Plan, the Reuse Plan EIR, CEQA mitigations, and consistency determinations, including but not limited to the KFOR letters and evidence submitted to FORA on November 8, 2018, October 29, 2018, September 28, 2018, March 9, 2018, December 7, 2017, April 7, 2017, December 22, 2016, July 1, 2016, February 13, 2014, March 6, 2013, and March 12, 2013.

Objections to transition plan

CEQA requires implementation of the Reuse Plan programs, policies and mitigations, and FORA has not taken steps to ensure that implementation. These are "remaining obligations" of FORA that FORA is required to assign and has not assigned. Abandonment of the many approved Reuse Plan programs, policies and mitigations is a project subject to CEQA. For each and every of the reasons described in KFOR letters and the concerns stated by others, the proposed transition plan would result in direct or indirect physical changes in the environment, and the plan does not fit within any CEQA exemption.

As FORA senior staff has stated, FORA was created because of the parochial views of disparate communities, each of which considered its own concerns in a vacuum. Sadly, the FORA board members have continued that behavior – each jurisdiction considers its own concerns in a parochial manner, which has led to many of FORA's failures.

The transition plan should unambiguously state the status of the Reuse Plan going forward after FORA sunsets, and identify the agency(ies) that will be responsible for enforcing the Reuse Plan and its programs, policies, and CEQA mitigations, after FORA sunsets. These are existing powers of FORA that FORA has not identified and assigned.

Examples of Reuse Plan mitigations, programs and policies that land use jurisdictions have not adopted as required.

The city and county plans do not reflect the mitigations and policies required by the Reuse Plan, the Master Resolution, and CEQA. The problem stems from FORA's fundamental failure to implement the Reuse Plan policies and CEQA mitigations and FORA's failure to follow its own Master Resolution. FORA's actions on consistency determinations cannot be relied on because the FORA actions have violated the FORA Master Resolution requirement that states as follows: "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." The land use agencies have not adopted the applicable open space and conservation policies into their respective plans, and the FORA acts as to consistency have been improper and inconsistent with the FORA Master Resolution.

The cities of Seaside and Del Rey Oaks have not substantially adopted or incorporated verbatim all applicable requirements of the Reuse Plan into their own general plan and zoning codes. To the contrary, Seaside has not adopted many of the required Reuse Plan policies and CEQA mitigations, as shown in the Reassessment Report and in comments to FORA, and Del Rey Oaks also has failed, as shown in the FORA records.

The oak woodlands mitigation still has not been implemented. The County and Seaside have not adopted the mitigation into their plans applicable to Fort Ord. If the Reuse Plan goes away, it is foreseeable that the County and Seaside will abandon any pretense and implementing the mitigation.

The cities of Del Rey Oaks and Monterey have not adopted the following requirements as stated in the Reuse Plan EIR documents and that are applicable to the land designated to those cities:

Page 4-202. Amend Program A-8.2 to read as follows: "The County shall require installation of appropriate firebreaks and barriers sufficient to prevent unauthorized vehicle access along the border of Polygon 31a and 31b. A fuel break maintaining the existing tree canopy (i.e., shaded fuel break) shall be located within a five acre primary buffer zone on the western edge of Polygon 31b. No buildings or roadways will be allowed in this buffer zone with the exception of picnic areas, trailheads, interpretive signs, drainage facilities, and park district parking. Firebreaks should be designed to protect structures in Polygon 31b from potential wildfires in Polygon 31a. Barriers shall ~~should~~ be designed to prohibit unauthorized access into Polygon 31a." [341-34]

Page 4-204. Amend Program C-2.1 to read as follows:

"Program C-2.2: The County shall ~~encourage~~ cluster ~~ing-of~~ development wherever possible so that contiguous stands of oak trees can be maintained in the non-developed natural land areas." [328-2]

Page 4-134. Amend Biological Resources Program A-8.1 to read as follows:

"The County shall prohibit development in Polygons 31b, 29a, 29b, 29c, 29d, 29e and 25 from discharging storm water or other water into the ephemeral drainage that feeds into the Frog Pond." [341-24]

Page 4-134. Amend Program A-8.2 to read as follows:

"The County shall ... along the border of Polygons 31a and 31b. A fuel break maintaining the existing tree canopy (i.e. shaded fuel break) shall be located within a five acre primary buffer zone on the western edge of Polygon 31b. No buildings or roadways will be allowed in this buffer zone with the exception of picnic areas, trailheads, interpretive signs, drainage facilities, and park district parking. Firebreaks should be designed to protect structures in Polygon 31b from potential wildfires in Polygon 31a. Barriers shall ~~should~~ be designed to prohibit unauthorized access into Polygon 31a." [341-34]

Page 4-135. Add the following mitigation measure to impact #1.

"Mitigation: Because of the unique character of Fort Ord flora, the County shall use native plants from on-site stock shall be used in all landscaping except for turf areas. This is especially important with popular cultivars such as manzanita and ceanothus that could hybridize with the rare natives. All cultivars shall be obtained from stock originating on Fort Ord". [298-3]

The County and Del Rey Oaks (which took some land that had been designated for the County) have not adopted the following programs and policies applicable to the land in their respective jurisdictions, and Del Rey Oaks has approved large projects (e.g., the resort, the RV park) and has not applied these required mitigations to them:

Program C-2.1: The County shall ~~encourage~~ clustering of development wherever possible so that contiguous stands of oak trees can be maintained in the non-developed natural land areas.

Program C-2.2: The County shall apply ~~certain~~ restrictions for the preservation of oak and other protected trees in accordance with Chapter 16.60 of Title 16 of the Monterey County Code (Ordinance 3420). Except as follows: No oak or madrone trees removed [sic]

Program C-2.3: The County shall require the use of oaks and other native plant species for project landscaping. To that end, the County shall ~~collection~~ and ~~propagation~~ of acorns and other plant material from former Fort Ord oak woodlands to be used for restoration areas or as landscape material.

Program C-2.5: The County shall require that paving within the dripline of preserved oak trees be avoided wherever possible. To minimize paving impacts, the surfaces around tree trunks shall ~~should~~ be mulched, paving materials shall ~~should~~ be used that are permeable to water, aeration vents shall ~~should~~ be installed in impervious pavement, and root zone excavation shall ~~should~~ be avoided. [328-2]

Impact 1 addressed the FORA Reuse Plan project's vast impacts on biological resources.

1. Impact: Loss of Sensitive Species and Habitats Addressed in the Habitat Management Plan (HMP)

The proposed project would result in the loss of up to approximately 2,333 acres of maritime chaparral, zero acres of native coastal strand, two acres of dune scrub, and the potential loss of special-status species associated with these habitats.

Comment letter 298 from the Sierra Club included this comment:

“Because of the unique character of flora of Fort Ord as well as the need to conserve water, native plants from on-site stock should be used in exterior landscaping, and cultivars or manzanita and ceanothus that could hybridize with the rare natives must not be planted. Any annual wildflower plantings should be from seeds collected on site. not from commercial wildflower mixes. Bermuda. Kikuyu. and Ehrhiana grasses must not be used.”

In response, the Final EIR made the following change to the Reuse Plan:

Final EIR Page 4-135. Add the following mitigation measure to impact #1.

"Mitigation: Because of the unique character of Fort Ord flora, the County shall use native plants from on-site stock shall be used in all landscaping except for turf areas. This is especially important with popular cultivars such as manzanita and ceanothus that could hybridize with the rare natives. All cultivars shall be obtained from stock originating on Fort Ord". [298-3]

The cities and county have not adopted this mitigation measure as required, and FORA has not required its implementation. There are many other examples of similar omissions and failures with regard to the Reuse Plan and its EIR requirements.

KFOW reminds you of the FORA Board meeting agenda and packet for November 2016 regarding the Del Rey Oaks RV Park resort. The Board packet and staff report did not discuss the fact that the Reuse Plan includes mitigations with which Del Rey Oaks must comply. Instead, Del Rey Oaks and FORA call the Reuse Plan a "framework for development". In other words, the actions of Del Rey Oaks and FORA show that they want Del Rey Oaks to have only the benefit, rather than also shoulder the accompanying burden of the required mitigations. In fact, Del Rey Oaks has not complied with the Reuse Plan policies applicable to the land it has received or will receive. The jurisdictions' general plans applicable to the territory of Fort Ord are intended to be fully in conformity with the Reuse Plan. Instead, FORA has a pattern and practice of applying a much lower and incorrect standard of substantial evidence. FORA also has a pattern and practice of failing to require the county and cities to timely implement their zoning and other implementing actions.

A CEQA determination is required before acting on the transition plan.

As stated in the KFOW letter to FORA dated November 8, 2018, FORA cannot proceed with action on the transition plan until FORA first makes a CEQA determination. There is no CEQA action stated on the agenda today. The Board cannot find that the action is exempt from CEQA because there is no evidence that FORA provided the public notice required by Master Resolution section 8.03.060, "PUBLIC NOTICE OF ENVIRONMENTAL DECISION":

"Notice of decisions to prepare an environmental impact report, negative declaration, or project exemption shall be given to all organizations and individuals who have previously requested such notice. Notice shall also be given by publication one time in a newspaper of general circulation in Monterey County."

The Master Resolution controls here, because it states that “Where conflicts exist between this Article [Master Resolution] and State [CEQA] Guidelines, the State Guidelines shall prevail except where this Article is more restrictive.” Absent proper notice under the Master Resolution, FORA cannot even proceed with a first vote.

The Fort Ord Reuse Plan is the plan for the future use of Fort Ord adopted pursuant to Section 67675. That future use will continue after FORA sunsets. The plan programs, policies and mitigations are still viable, to a significant extent. The Reuse Plan is the official local plan for the reuse of the base for all public purposes, including all discussions with the Army and other federal agencies, and for purposes of planning, design, and funding by all state agencies. FORA should not abandon the Reuse Plan when FORA sunsets, as the FORA transition plan appears to propose. The approach that FORA proposes is illegal and fraught with foreseeable problems. FORA has admitted that many of the policies and mitigations have not yet been adopted and implemented. It is, as the Legislature directed, the plan for the reuse of Fort Ord. Thus, FORA should ensure that the Reuse Plan and its EIR are binding on all Fort Ord land, and FORA should assign to each land use jurisdiction all applicable programs, policies and mitigations, with specificity, and the land use jurisdiction must accept all of the assignments. The public should be able to review and comment on the proposed specific assignments because the public can then assist FORA by providing comments as to accidental omissions, accidental inclusions, misstatements and other errors. The process is already filled with errors, as shown by the Reassessment Report. Most of those errors have not been corrected. That is the only that the mission can continue – the reuse of Fort Ord in compliance with the mandated Reuse Plan and its adopted CEQA review. FORA has failed to carry out and complete that mission. That is not a reason to abandon the mission now. But that is what FORA’s transition plan proposes. FORA has not proposed to ensure that the Reuse Plan stay in effect after FORA transitions. FORA has not proposed to ensure that the Reuse Plan would be effectively enforced by any particular entity. FORA still has not identified with specificity what is considers a “mitigation” and how it would be enforceable in FORA’s absence. This is a critical issue because of the multiple and inconsistent ways that FORA uses the word “mitigation.”

KFOW and others repeatedly have challenged the FORA notion that the FORA CIP is a Reuse Plan requirement that must be implemented and developed. Instead, they are projects and costs that FORA voluntarily took on, and which FORA is not required to complete or pay for. One example is the South Boundary Road project that is not in the Reuse Plan or the EIR. Rather, FORA proposed a South Boundary Road project approximately ten years after the Reuse Plan was adopted. The circumstances are that Fort Ord development is far behind what was expected in 1997 Reuse Plan. The development that has occurred has gone in a different direction, and the economy and circumstances have materially changed, and even more so now there have been and will be changes of untold magnitude and type due to the coronavirus pandemic. Thus, the big public works projects that FORA has claimed are “necessary” are neither necessary nor wise. It remains unclear what FORA means by “mitigations”. It is not

defined and the jurisdictions and FORA have many different and inconsistent uses and interpretations of the word “mitigations.” Most of the Reuse Plan/EIR mitigations are not capital improvements.

The draft plan fails to address numerous foreseeable situations. For example, a land use jurisdiction that has not adopted a Reuse Plan EIR mitigation, or has not adopted a Reuse Plan policy or program, could and foreseeably would continue not to adopt the mitigation, policy or program. The question remains whether that is an action subject to CEQA if the Reuse Plan has been allowed to go away. If a land use jurisdiction considers a project on Fort Ord that would have been subject to the mitigation, policy or program, but is not subject to it because the jurisdiction failed to adopt it, there is a significant question as to what remedies are available to the other jurisdictions and KFOW if the Reuse Plan is no longer in place.

The whole of the action includes FORA’s abandonment of the Reuse Plan policies and procedures and the EIR mitigations, and the enforcement and implementation thereof. Viewed from that perspective, FORA, once dissolved, will never again be able to protect the environment through its adopted programs, policies and mitigations that were designed to protect the environment. And FORA proposes no other entity to take over those roles. That is a change to the existing baseline and that would affect the environment.

Inadequate notice.

FORA cannot proceed with action on the transition plan until FORA first makes a CEQA determination. The Board cannot find that the action is exempt from CEQA because there is no evidence that FORA provided the public notice required by Master Resolution section 8.03.060, “PUBLIC NOTICE OF ENVIRONMENTAL DECISION”:

“Notice of decisions to prepare an environmental impact report, negative declaration, or project exemption shall be given to all organizations and individuals who have previously requested such notice. Notice shall also be given by publication one time in a newspaper of general circulation in Monterey County.”

Please provide to me as soon as possible the evidence that FORA provided this prior notice. The Master Resolution controls here, because it states that “Where conflicts exist between this Article [Master Resolution] and State [CEQA] Guidelines, the State Guidelines shall prevail except where this Article is more restrictive.” Absent proper notice under the Master Resolution, FORA cannot even proceed with a first vote on this item, because the first vote would be invalid and void. FORA has not responded to this request that I made on October 29, and I ask it again here.

Proposed resolution is subject to second vote requirement.

Master Resolution section 2.02.040(b) states that “A resolution, ordinance, or other action of the Board will not be approved or adopted sooner than 72 hours after its introduction, unless approved by unanimous vote of all members present at the time of consideration.” This requirement applies to the action on the transition plan, which is the first time the board will vote on this version of the plan, and this version was introduced less than 72 hours before the Board meeting. These are important rules adopted in the interest of fair public process and justice. Before you act today, each of you should consider that “The provisions of this Master Resolution and all proceedings under this Master Resolution are to be construed so as to give effect to the objectives of the Authority Act, this Master Resolution, and the promotion of justice” (Master Resolution, § 1.01.100(f)) and “This chapter contains the minimum requirements of the protection of the public convenience, safety, health, and general welfare” (Master Resolution, § 1.01.100(a)).

Offer to meet.

As KFOW has offered numerous times in the past, KFOW again offers to meet with you to discuss these issues in the hope of a resolution before FORA acts. You, the FORA Board members, control the schedule. KFOW does not. KFOW urges you to carefully consider all of the information provided before you vote on the CEQA determination and the transition plan.

Summary.

For each of the concerns and issues identified here, in the public process, and in FORA’s records, KFOW urges that you consider all of these issues carefully before you act to adopt any transition plan. The plan is not exempt from CEQA and the newly proposed draft plan would have unanalyzed and unmitigated impacts and unintended consequences. Thank you.

Very truly yours,

STAMP | ERICKSON

/s/ Molly Erickson

Molly Erickson

Attachment: July 1, 2016 KFOW letter to FORA board identifying specific problems with regard to the failure to implement Reuse Plan policies, programs and mitigations.

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July 1, 2016

Via E-mail

Frank O'Connell, Chair
Board of Directors
Fort Ord Reuse Authority
920 2nd Avenue, Suite A
Marina, CA 93933

Subject: Keep Fort Ord Wild's objections to failure by Fort Ord Reuse Authority to adequately enforce the mitigations for the Fort Ord Reuse Plan, including Reuse Plan programs and policies, and the Master Resolution; objections to acceptance of Michael Baker International report on Reassessment Report Categories I and II – July 8, 2014 FORA Board meeting.

Dear Chair O'Connell and members of the FORA Board of Directors:

This Office represents Keep Fort Ord Wild (KFOR). Keep Fort Ord Wild is a coalition of individuals dedicated to the preservation of trails, recreation, wildlife and habitat on Fort Ord. Keep Fort Ord Wild supports sensible, economically viable, redevelopment of the extensive blight within the urban footprint of the former base. Keep Fort Ord Wild supports conservation of existing undeveloped open space for the enjoyment of current and future generations.

On June 10, 2016, KFOR informed FORA in writing that KFOR objected to the Michael Baker International (MBI) opinion, and provided reasons. KFOR also objected to FORA's failure to adequately monitor and enforce the mitigations required pursuant to the Reuse Plan and its EIR. FORA has an independent duty to enforce the mitigations, independent of FORA consistency determinations. As of the finalizing of this letter at 2 PM on July 1, KFOR has not received a response from FORA.

Keep Fort Ord Wild again expresses its serious concerns about the failure of FORA to adequately enforce the mitigations for the development and redevelopment of the former Fort Ord, including the Fort Ord Reuse Plan policies and programs. The California Environmental Quality Act requires that "A public agency shall provide the measures to mitigate or avoid significant effects on the environment are fully enforceable through permit conditions, agreements, or other measures. Conditions of project approval may be set forth in referenced documents which address required mitigation measures or, in the case of the adoption of a plan, policy, regulation, or other public project, by incorporating the mitigation measures into the plan, policy, regulation, or project design." (Pub. Resources Code, § 21081.6, subd. (b), emphasis added.)

The Reuse Plan, as modified by the Final EIR, contains policies and programs that are mitigations for the impacts of development of the former Fort Ord. The Reuse

Plan is a document binding on FORA. It is not merely a document to be set on a shelf, or be misread by FORA for FORA's convenience. "The purpose of CEQA is not to generate paper, but to compel government at all levels to make decisions with environmental consequences in mind." (*Bozung v. Local Agency Formation Com.* (1975) 13 Cal.3d 263, 283.) The mitigations adopted in the Reuse Plan are mandatory. Adopted mitigations "are not mere expressions of hope." (*Lincoln Place Tenants Association v. City of Los Angeles* (2005) 130 Cal.App.4th 1491, 1508.) Once incorporated, mitigation measures cannot be defeated by ignoring them or by "attempting to render them meaningless by moving ahead with the project in spite of them." (*Lincoln Place Tenants Assn. v. City of Los Angeles* (2007) 155 Cal.App.4th 425, 450.) Yet that is what FORA has tried to do for years.

KFOW has expressed and here reiterates serious concerns, including these:

- **FORA has failed to include Reuse Plan mitigations including policies, programs and other mitigations in the Reuse Plan that FORA relied on – the version “republished” in 2001.** The 2001 “republished” document is the version of the Reuse Plan that FORA and all public agencies rely on; the failure to require public agencies to adopt the Reuse Plan policies and programs that were required in the Reuse Plan, including EIR mitigations intended to address the impacts of the Reuse Plan. These omitted policies, programs and mitigations include, e.g., Seaside hydrology and water quality programs A-1.2, B-1.4 through B-1.7, and C-6.1. These are provided as examples to assist FORA. There are other policies and programs that FORA also has not ensured have been implemented by the jurisdictions, as required by the Reuse Plan and its EIR. The underlying EIR documents consistently imparted an understanding to public officials reviewing the Reuse Plan project, and to the general public, that mitigation measures to address the environmental concerns would accompany the build out of Fort Ord. However, FORA has omitted material mitigation measures from the 2001 Reuse Plan that is the primary version of the Reuse Plan that FORA and the land use agencies rely on. FORA has been regularly violating the mandates of its own Fort Ord Reuse Plan and its EIR. An agency may not say that it is going to implement mitigation measures, then simply defer those measures unilaterally, as it chooses.
- **Although FORA’s 2012 Reassessment Report identified some for the policies and programs that the jurisdictions had not adopted, but not all, FORA has not taken prompt and effective steps to remedy the identified problems.** The Reassessment Report identified some of the numerous unmet and unfulfilled Reuse Plan policies, programs and other mitigations at pages 3-34 through 3-41. That was only a partial list. The Reassessment Report acknowledged that “Policies and programs

identified as ongoing are not included in this table.” (Report, p. 3-41.) At the time of the Reassessment Report in 2011, FORA admitted that many of the listed Reuse Plan “policies or programs are not contingent on triggering events, and should be implemented as soon as feasible.” (*Id.* at p. 3-41.) Now, four years later, many of the policies, programs and other mitigations still have not been implemented. These unmet requirements include controversial and important issues including, for example, oak tree protection (e.g., Seaside biological resources program 2.1 and recreation policy C-1), noise (e.g., Seaside noise policies A-1, B-1, B-3 and their implementing programs), pedestrian and bicycle access (e.g., Seaside policy A-1 and its implementing program), trails (Seaside recreation program F-2.1, policies G-1, G-2 and G-4), open space (e.g., Seaside recreation/open space land use policy B-1 and its implementing program, and program D-1.3), residential land use (Seaside policies E-1, E-3, I-1 and programs E-1.1, E-3.2, I-1), homeless (Seaside policy F-1 and implementing programs), streets and roads (e.g., Seaside policy B-1, program B-1.2), and County biological resources policy A-2. As other and additional examples, the City of Marina General Plan fails to include Reuse Plan City of Marina Residential Land Use Objective F, Program F-1 and implementing policies F-1 and F-2 to address the needs of the homeless, Residential Land Use program G-1.3 regarding reduction in barriers to accessibility, Commercial Land Use Policy B-2 and Program B-2.1 regarding prohibition of card rooms or casinos for gambling as acceptable land uses on the former Fort Ord, Recreation/Open Space Land Use Policy A-1 requiring the City of Marina to “protect irreplaceable natural resources and open space at former Fort Ord,” Program B-2.4 and C-1.1, policies D-1, D-1.1, and D-1.2, and Recreation policy B-1, as a few examples. This partial list has been very time-consuming, complex, and resource-intensive to prepare, due to the multiple lengthy and inconsistent documents involved. These are provided as examples. There are other policies and programs that FORA also has not ensured that the jurisdictions have implemented, as required by the Reuse Plan and its EIR. FORA decided to defer and not enforce many of the omissions that the Reassessment Report identified when FORA decided to not proceed with the omissions identified in the Reassessment Report Category III, “Implementation of Policies and Programs.” That category listed Reuse Plan policies and programs determined in an earlier report (the Reassessment Scoping Report) to be incomplete.

- **The Reassessment Report approved by FORA was incomplete. The Reassessment Report failed to identify key Reuse Plan policies and programs including Reuse Plan EIR mitigations and key portions thereof that have not been adopted and implemented by FORA and the jurisdictions.** There are many examples, including, for example, for

Seaside: biological resources policies A-4, B-1, B-2, C-3, D-1, E-1 and the implementing programs to those policies, policy E-2, programs B-3.2 and C-2.1 through 2.6, and D-2.1 and 2.3; commercial land use policies A-1, B-1 through B-3, C-1, D-1, E-1 and E-2, F-1 and F-2, and the implementing programs to those policies; hydrology and water quality policies A-1, B-1, C-1, C-2, C-4 through C-6 and the implementing programs to those policies, and program C-3.1; institutional land use policies A-1, B-1, C-1, D-1, D-2 and the implementing programs to those policies; noise policies B-2, B-4 through B-8, and the implementing programs to those policies, programs B-1.2; pedestrian and bicycle policy B-1 and the implementing programs to those policies; recreation policies A-1, B-1, D-1 through D-4, F-1, G-3, H-1 and the implementing programs to those policies, and program E-1.1; recreation/open space policies A-1, B-1, C-3 and the implementing programs for those policies, and the implementing programs for policies B-1, C-1, C-2, C-3 and D-1; residential land use policies A-1, B-1, C-1, D-1, E-2, G-1, H-1, I-2 and the implementing programs for those policies, and programs E-1.2, E-1.3, E-3.1, F-1.2, H-1.1, I-1.2), streets and roads policies A-1, C-1, C-2, D-1 and the implementing programs for those policies, and programs B-1.1)' and, for the County, commercial land use policy B-1, hydrology and water quality program A-1.2, noise policy B-3, recreation and open space programs B-2.2 and E-1.4, recreation policies E-1.1 through E-1.6 and programs E-2.2 and E-3.1, residential land use programs C-1.1, I-1.1, transit programs A-1.4 and A-1.5. These are examples. There are other policies, programs, and other mitigations that FORA also has not ensured have been implemented by the jurisdictions, as required by the Reuse Plan and its EIR.

- CEQA requires that if a lead agency finds that mitigation measures have been incorporated into the project to mitigate or avoid a project's significant effects, the "agency shall adopt a reporting or monitoring program for the changes made to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment. The reporting or monitoring program shall be designed to ensure compliance during project implementation." (Pub. Resources Code, § 21081.6, subd. (a)(1).) The Reuse Plan mitigation monitoring and reporting program (MMRP) adopted by FORA in 1997 is inadequate and has not ensured compliance as required. FORA placed in the MMRP only some of the mitigations added by the final EIR. The MMRP did not include all mitigations added by the final EIR and did not include the mitigations that were part and parcel of the draft Reuse Plan as policies and programs. FORA also failed to implement all mitigations, including those listed on the MMRP in the final EIR, as explained in this letter. FORA has acted continually for years as the implementation of BRP

policies or programs is primarily the responsibility of local jurisdictions, instead of the responsibility of FORA. (See, e.g., the statements in the Reassessment Report, at p. 1-7.)

At the same time, while FORA has been failing to fulfill its mandatory duties, FORA and the land use jurisdictions have proceeded to approve projects and make consistency determinations, thus improperly allowing plans and projects to proceed that have not demonstrated compliance with the Reuse Plan policies and programs. FORA has the ability to stop that and has not prevented it from happening. As a result, projects and plans have been approved that do not adequately respect, follow and implement the Reuse Plan and its policies and programs.

This is particularly important now, while the Monterey Downs project is going through the review process by Seaside, the County and FORA. The Monterey Downs project is being processed and reviewed pursuant to Seaside documents, County documents, and FORA documents that are not in compliance with the mitigations, mitigating policies and mitigating programs of the Reuse Plan and its EIR. It also is particularly important now because FORA will sunset in 2020. FORA has failed to ensure that the land use jurisdictions have adopted many key policies, programs, and other protections that were put in place by FORA nearly 20 years ago in certifying the Reuse Plan EIR and adopting the Reuse Plan based on that certification.

The Reuse Plan policies and programs, along with other Reuse Plan EIR mitigations are CEQA mitigations that FORA has a mandatory duty to enforce. FORA has failed on a continuing basis to fulfill that duty.

FORA has made a confusing jumble of what FORA calls its "governing documents." FORA does not use the original documents adopted by FORA. FORA regularly refers to the Reuse Plan that was "republished" in 2001, even though the FORA Board never adopted the 2001 version, there was no environmental review performed on the 2001 version, and the 2001 version was different in material ways from the 1997 Reuse Plan adopted by the FORA Board in 1997. The 2001 "republished" Reuse Plan does not accurately reflect the FORA adopted 1997 Reuse Plan. The 2001 version contains material omissions and misstatements. As one example, the "republished" 2001 plan adds the veterans cemetery, without environmental review. As another example, the "republished" plan includes policies and programs that are materially different from the Reuse Plan and EIR documents approved and adopted by the FORA Board in 1997. (E.g., Biological Resources County policy C-2 and program C-1 [see our March 6, 2014 letter, exhs. J and K].) We have addressed this issue in the past, including, for example, in our March 6, 2014 letter.

To make matters worse, FORA's website provides only the 2001 republished version of the Reuse Plan and what FORA calls a "Final EIR" but which is not the Final EIR. Instead, it is a hodgepodge of the 1996 Draft EIR with some but not all the

changes made in the 1997 Final EIR response to comments as a result of public comments. FORA's webpage for "Base reuse plan" states that "The FORA Base Reuse Plan is made up of four volumes. All files are available in electronic format as Adobe Acrobat files (pdf):" The claim is not accurate because FORA makes only three of the four volumes available, stating that "Volume 3 – Appendices (not yet available for download)."

This problem is exacerbated by FORA's refusal to acknowledge the fundamental problems that KFOW and others have identified in the past. As one example, FORA has repeatedly insisted that the 2001 version of the Reuse Plan is the valid governing document, and that the land use jurisdictions and KFOW should rely on it. However, the 2001 versions of the Reuse Plan and the EIR are not accurate and not complete.

FORA's past acts do not create confidence in FORA's abilities. As one example, in March 2010, the Executive Director proposed making changes to the FORA Master Resolution. The changes were numerous and material. There were many hundreds of changes proposed, including to the language of Chapter 8 of the Master Resolution. Chapter 8 governs the consistency determinations that are required to be made by FORA. More than a hundred word changes were proposed for Chapter 8, primarily changing the word "shall" to the word "may." FORA's Executive Director and Authority Counsel recommended adopting the changes. The FORA Board approved the changes. The changes were significant and material because they changed specific actions that FORA was required to perform – what FORA "shall" do – to permissive actions that FORA "may" fulfill at FORA's discretion.

FORA had no authority to unilaterally change Chapter 8. Chapter 8 had been created when in 1998 FORA approved the settlement agreement with the Sierra Club; pursuant. In 2013, members of the public realized that FORA had made drastic changes to Chapter 8. They alerted the Sierra Club. The Sierra Club promptly put FORA on notice that FORA was in violation of the 1998 settlement agreement that required the original language using the word "shall" throughout. FORA had been required to give the Sierra Club prior notice of the changes to Chapter 8 and perform environmental review (pursuant to CEQA) on the proposed changes. (Settlement Agreement, p. 2, term 4.) FORA had violated both requirements: FORA had failed to notify the Sierra Club and FORA had failed to perform a CEQA review.

As another example of FORA's history of lack of compliance with its own rules, FORA has a pattern and practice of failing to apply the proper standard for its consistency determinations. According to the Master Resolution, the proper test for determining consistency is whether "there is substantial evidence" that the General Plan "is not in substantial conformance" with the Reuse Plan. (Master Resolution, § 8.02.010, emphasis added.) Instead, FORA has looked only to whether there is substantial evidence to support a finding of consistency, and FORA has largely ignored substantial evidence to the contrary – that the plan is not consistent. The FORA staff

memo dated December 19, 2000 stated the very deferential standard used by FORA then and now to make consistency determinations. That memo states in pertinent part as follows: "The standard provided then, is that of substantial compliance between the Reuse Plan and submitted document. The manner in which substantial compliance might be demonstrated is more flexible than a verbatim restating of the Reuse Plan, but would need to be backed up with substantial evidence read into the record, and with findings made relative to the evidence presented." That standard is not consistent with FORA's Master Resolution Chapter 8 or the intent and language of the Reuse Plan and the Reuse Plan EIR. That lenient standard is still used today, according to FORA staff. Instead of doing an independent and stringent analysis of whether consistency should be found, FORA staff defers to the land use jurisdiction to present an argument for consistency. The December 19, 2000 memo reveals this when it says "The basic philosophy behind this approach is that, although FORA has been assigned regulatory authority over these matters by the State Legislature, it is appropriate to place the burden on the jurisdiction making the request to make their best case in favor of consistency." And if there is substantial evidence to support the jurisdiction's argument, then FORA has adopted to the jurisdiction's claim of consistency. As a result of FORA's failure to properly implement its Reuse Plan and its Master Resolution, FORA has applied a loose, lax, and deferential standard of review to the consistency determinations made by the land use agency. That approach is not consistent with the required rigorous analysis of whether "there is substantial evidence" that the plan or project "is not in substantial conformance" with the Reuse Plan, which is the mandatory analysis under the Master Resolution.

The Monterey County General Plan follows the weak language of the draft reuse plan, instead of the adopted and approved Reuse Plan. That weak language that would allow for unmitigated and unanalyzed environmental impacts, and would not achieve the goals and objectives of the adopted Reuse Plan. There are many examples of this. We provide examples here, which are the same examples FORA has ignored in the past when KFOR has provided them. KFOR is prepared to provide other examples, which FORA can easily identify on its own by reviewing the draft reuse plan, the Final EIR, and the adopted 1997 Reuse Plan. As one example, Draft EIR public comment letter 328 was from the Watershed Institute at California State University at Monterey Bay. The Watershed Institute made thoughtful expert comments on the draft reuse plan policies. The Watershed Institute stated that the draft EIR's claim that effects on coast live oak woodland "would be reduced" was "an unjustifiable claim given the inadequacies" of the proposed policies and programs in the draft reuse plan. The Watershed Institute stated that the policy language was "far too weak to provide any reasonable protection, and criticized the draft plan's use of ineffectual words such as "encourage", "wherever possible," and "should be avoided." In response to this and other similar comments, the Final EIR made changes to the text in the reuse plan policies and programs to make the language stronger. For example, the Final EIR replaced the weak language, "the County shall encourage the preservation and enhancement of oak woodland elements," with the stronger language, "The County

shall preserve and enhance the woodland elements." As another example, in response to comments the Final EIR replaced the weak language "the County shall encourage clustering of development," with the stronger language, "the County shall cluster development." The response to comments (which were part of the Final EIR) added stronger language to many policies and programs throughout the reuse plan. The Final EIR version of the plan text showed this improved stronger language. The stronger language was part of the final 1997 Reuse Plan that was adopted by the FORA Board when it certified the EIR. As stated above, the 2010 County General Plan/Fort Ord Master Plan uses the weaker 1996 draft Reuse Plan text and should not be found consistent with the Reuse Plan, and the Reuse Plan should not be amended based on the County General Plan.

FORA adopted the Reuse Plan in 1997, nearly 20 years ago, and since then has failed to ensure that the land use jurisdictions have adopted the Reuse Plan mitigations as required. Instead, FORA has made consistency determinations for plans and projects that are not consistent with the Reuse Plan requirements and mitigations, and allowed those plans and project to proceed. FORA is scheduled to sunset in the year 2020. It is now the second half of the year 2016, and FORA has shown no indication that it is going to change its pattern and practice.

The Reassessment process FORA followed was fundamentally flawed, as KFOW and others have explained in past letters. FORA ignored material changes in circumstances and increases in knowledge such as the unsustainability of the Deep Aquifer, which is the water source for Fort Ord, and the creation of the Fort Ord national Monument. Instead of adapting the Plan to current realities, FORA plowed ahead with the same unsustainable and outdated plan. As we have told FORA in the past, nobody knows how long the Deep Aquifer will last. Nobody knows how much water is in the Deep Aquifer. Only recently has it been acknowledged that the Deep Aquifer is subject to contamination - for example, from the contaminated shallower aquifers or other sources. Under the circumstances, it is irresponsible for FORA to allow any development that is supplied by water from the Deep Aquifer. Fort Ord is getting its water from the overdrafted deep aquifers approximately 800 to 1400 feet below ground. These water sources are unsustainable, because they are not being recharged. Existing Fort Ord development relies on those unsustainable sources. New development at Fort Ord also would rely on these unsustainable water sources. FORA's Reassessment Report failed to investigate or disclose this serious problem.

FORA has taken minor steps following the Reassessment to take some actions, but not nearly the amount of action required to bring FORA and the land use jurisdictions into compliance with the Plan. The Reassessment categories I and II changes have been handled in ways that do not comply with the applicable laws or follow an adequate public process.

The MBI opinion and the FORA staff report of June 8, 2016 failed to disclose the fact that at least several of the consistency determinations were made by the FORA Board during the time that the illegal amendments to Master Resolution Chapter 8 were in place. In March 2010, FORA illegally and improperly amended the chapter 8 requirements to replace many of the “shall” to “may,” thus making permissive what the settlement agreement required to be mandatory. It appears that these changes were made to benefit specific projects, including Monterey Downs. FORA called those changes to the Master Resolution as follows: “Amended March 12, 2010 [Minor corrections throughout the document to add clarity].” When the illegal changes were brought to light by KFOW and the Sierra Club in 2013, the Board reversed the illegal changes. FORA called those changes to the Master Resolution: “Amended April 12, 2013 [. . . 23 typographical corrections to Chapter 8].” In FORA’s opinion, the fundamental change from “may” to “shall” was a mere “typographic” change. FORA did not review the actions taken by FORA while the illegal language was in effect from 2010 to 2013. Thus, FORA does not know for certain that those determinations were proper or supported. These determinations included the County housing element in 2010, the Seaside housing element in 2011, the Seaside Local Coastal Program in March 2013, and at least two projects, and possibly more.

The 1996 draft Reuse Plan and the 1997 final Reuse Plan did not assign policies and programs to Del Rey Oaks and the City of Monterey because those agencies were not intended to receive land at the former Fort Ord. Later, Del Rey Oaks and the City of Monterey were assigned land that had been intended to go to the County. All the land was at the southern end of the former Fort Ord. The Reuse Plan had assigned Monterey County numerous policies and program to ensure that the land designated for the County, when developed, would be mitigated. FORA has failed to understand this. FORA failed to ensure that the policies applicable to the County were made applicable to Del Rey Oaks (DRO) and the City of Monterey. The applicable Reuse Plan policies have not been adopted by Del Rey Oaks and the City of Monterey. Multiple important and material policies applicable to the County are applicable to DRO and the City, including the water supply policies, the drainage policies, and natural resource protection policies, including the oak woodlands protection policies, and the social issues including affordable housing and recreation and other land use issues. Del Rey Oaks’ land at Fort Ord has oak woodlands, and Monterey’s has dense pine trees. (See Exhibits A and B to this letter.) FORA has taken the apparent position that those trees, resources and habitats on Del Rey Oaks and Monterey lands are not protected by the Reuse Plan policies. FORA’s positions are inconsistent with the Reuse Plan and its EIR and with the fundamentals of good regional planning.

FORA has not directly communicated to DRO and the City about the Reuse Plan policies and programs are applicable to them, according to FORA’s response to my recent California Public Records Act request for those communications. In FORA’s opinion, not even the Reuse Plan objectives – which applied to the County, Marina and Seaside – apply to Del Rey Oaks and Monterey. No past or future FORA consistency

determinations as to DRO and City of Monterey plans and projects are proper due to this material failure. No changes to the Reuse Plan to reflect DRO and City of Monterey plans and projects should be made due to these material omissions. One example of why this is urgent is the Del Rey Oaks City Council approval of an RV park on the former Fort Ord land, without taking any steps to ensure that the project complies with the Reuse Plan. The project does not comply.


These issues were raised in past years by KFOW and by others, including during the Reassessment process and also when considering certification of Fort Ord Master Plan and the County General Plan. KFOW has expressed its concerns on these issues in the past, including but not limited to those provided in comments to FORA on or around June 15, 2012, September 2013, February 13, 2014, March 6, 2014, and March 12, 2014. FORA has on a recurring basis failed to perform its ongoing statutory duties.

Conclusion and Request

FORA has a mandatory duty to enforce the Fort Ord Reuse Plan policies and programs and the mitigations of the Reuse Plan. These actions are overdue now. Every day is a continuing violation. This issue requires prompt remedial action. KFOW asks the Board to act promptly. KFOW intends to pursue all available remedies to ensure that FORA fulfills its duties and follows the law. KFOW urges you to carefully review this letter. You control the time frame. We suggest that the Board meet immediately to address this issue, and then tell us promptly what FORA is going to do to address the problems. We offer to meet with you to discuss the problems and hear about your proposed response and action. Thank you.

Very truly yours,

STAMP | ERICKSON


Molly Erickson













Jen Simon <jen@fora.org>

Attachment 5

April 9 Board Meeting - Agenda Item 8b

1 message

Vicki Nakamura <vnakamura@mpc.edu>

Thu, Apr 9, 2020 at 4:19 PM

To: Board@fora.org

Cc: David Martin <dmartin@mpc.edu>, Brian Finegan <brian@bfinegan.com>, Michael Harrington

<michael@bfinegan.com>, Shawn Anderson <sanderson@mpc.edu>

FORA Board Members:

I have been involved with Fort Ord development issues on behalf of MPC since 1992. I was there when the Agreement with FORA and the County regarding the East Garrison land swap was negotiated. The conflict between MPC and the County over two very different visions for the East Garrison was difficult, and reaching an agreement took several years. But in 2002, an agreement was reached. MPC gave up the East Garrison for land in the Parker Flats area for its future public safety training facility. Included was a 200-acre habitat reserve that surrounded a potential site for a firing range. MPC did not want to manage habitat, this was not something we do, or which we are funded for. But the habitat reserve was part of a regional approach to mitigating development across the base, forming the basis for both the habitat management and habitat conservation plan. MPC has been a partner with the other jurisdictions in this planning effort, which has finally come to fruition in FORA's final year. With FORA's imminent dissolution; however, commitment to this approach has also seemed to evaporate.

The habitat funding allocation decision before the FORA Board has been characterized at the Habitat Working Group meetings as a worst case scenario, in the event a replacement JPA is not formed before FORA sunsets. However, discussions regarding a JPA have ended for now. It seems likely this worst case scenario will go into effect. And, if you approve Alternative 5, with the premise that all land use jurisdictions should get a share, then the purpose of the funds, which was to manage habitat land set aside to mitigate basewide development will have been negated.

Alternative 5 does not acknowledge Monterey County's extensive habitat lands. Alternative 5 leaves out MPC and the other educational institutions. Alternative 5 does not recognize the mutual benefit of these habitat lands to all jurisdictions and their development interests over the long-term.

Thank you for the opportunity to comment.

Vicki Nakamura

FORT ORD REUSE AUTHORITY BOARD REPORT	
BUSINESS ITEMS	
Subject:	2018 Transition Plan Update
Meeting Date:	June 19, 2020
Agenda Number:	7c
	ACTION ITEM

RECOMMENDATION:

- i. Receive 2018 Transition Plan Update Report.
- ii. Approve updates to Resolution 18-xx: Approving 2020 Transition Plan Update.

BACKGROUND/DISCUSSION:

The Board approved its 2018 Transition Plan at its December 19, 2018 Special Meeting. The document reflected the results of a collaborative effort involving all the member agencies. Upon review however, staff identified sections in the Plan that should be reconsidered and/or modified to more closely reflect the direction the Board is taking as it moves toward to closure of the agency.

Subsequent to the posting of the proposed Transition Plan updates on June 16, 2020, comments were received from the County of Monterey and the Monterey County Local Agency Formation Commission. The proposed updates have been amended in the attached June 18, 2020 versions to address and incorporate where appropriate the suggestions received.

The proposed updates to the 2018 Transition Plan were reviewed at the Board’s April 17, April 30, and May 22, 2020 Board meetings. The updated plan reflects all of the following changes:

1. Removes references to the formation of a Joint Powers Authority or other agency to replace FORA.
2. Memorializes recording of the Master Resolution on April 14, 2020.
Updates available funding for retirement of CalPERS liability.
3. Memorializes litigation reserve funds transferred to LAFCO in December of 2019.
4. Memorializes distribution of Habitat Funds based on Board direction.
5. Memorializes transfer of Capital Improvement Project funds and responsibility as lead agency to the Cities of Del Rey Oaks, Marina and Seaside.
6. Identifies successors to FORA obligations including CEQA mitigation efforts.
7. Memorializes nomination of the City of Seaside as the Local Reuse Authority and Economic Development Conveyance successor to FORA.
8. Allocates \$100,000 in funds for the City of Seaside as the LRA/EDC successor.
9. Establishes prevailing wage for all first-generation construction as described in the Master Plan Resolution.
10. Removes items not completed or implemented by FORA and/or its member agencies by June 30, 2020.

FISCAL IMPACT:

None.

COORDINATION:

Authority Counsel, Executive Officer, LAFCO

ATTACHMENTS:

A. Draft Transition Plan Update, June 18, 2020 (Clean and Redlined Versions)

Note: The 06-18-20 versions attached replace the 06-16-20 versions previously distributed.

B. Position Memo from Kennedy, Archer & Giffen

Prepared by Kendall Flint, RGS and Approved by:



Joshua Metz

**FORT ORD REUSE AUTHORITY
RESOLUTION NO. 20-xx**

A RESOLUTION OF THE GOVERNING BODY OF THE FORT ORD REUSE AUTHORITY
*Approving Updates to and Restatement of the Transition Plan
Submitted to the Monterey County Local Agency Formation Commission*

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

- A.** In 1991, the Secretary of Defense announced the proposed downsizing of the United States Army Fort Ord Military Reservation (“Fort Ord”) under the Base Realignment and Closure Act. The relocation by the United States Army (the “Army”) of the 7th Infantry Division - Light resulted in the loss to the communities and populace of the Monterey Peninsula and adjoining greater Monterey Bay region of the significant economic, social, and cultural contributions that had been associated with the military presence.
- B.** Over the years in which Fort Ord was an active military base, the Army entered into contracts with regional entities to address water and wastewater needs of the reservation. On or about 1981, the Army and Monterey Regional Water Pollution Control Agency (“MRWPCA”) entered into Contract No. DACA 05-81-C-0021 wherein the Army participated in the construction of the Monterey Regional Wastewater Treatment Plant and such agreement was amended several times, ultimately resulting in Contract No. DAKF 03-83-C0527 wherein MRWPCA agreed to provide sanitary sewage service to the Army. A subsequent agreement was entered into between the Army, Marina Coast Water District (“MCWD”), the Fort Ord Reuse Authority (“FORA”) and MRWPCA regarding wastewater treatment.
- C.** On or about September 21, 1993, the Army entered into Contract No. A-6404 with the Monterey County Water Resources Agency (“MCWRA”) for annexation of the former Fort Ord lands into MCWRA Zone 2 and 2A. That Agreement is the basis for the Army’s pumping limitation of 6,600 acre-feet per year (“AFY”) of water from the Salinas Valley Groundwater Basin and of that, no more than 5,200 AFY from the 180 and 400-foot aquifers therein. On or about October 23, 2001, the Army quit claimed its water and wastewater infrastructure to the Fort Ord Reuse Authority and issued two easements to FORA in DACA 05-0-00-57 and DACA 05-9-00-58. The easements to FORA required, among other obligations, assumption of the obligation to provide water required by the Installation-Wide Habitat Management Plan, the Army’s obligation to cooperate and coordinate with parcel recipients, MCWRA, FORA and others to ensure all owners of property at the former Fort Ord will continue to be provided an equitable supply of water at equitable rates and to cooperate and coordinate with MCWRA, MRWPCA, FORA, property recipients and others to ensure Non-Army Responsibility Mitigations required by the records of decision dated December 23, 1993 and June 8, 1997 are met and that it will meet all requirements of the Army Agreement with MCWRA approved on September 21, 1993. On October 26, 2001, FORA in turn quitclaimed water and wastewater infrastructure and assigned said easements to MCWD requiring compliance with all underlying requirements.
- D.** After the announcement but prior to the implementation of the base downsizing/closure, political leaders within the affected region formed the Fort Ord Community Task Force (the “Task Force”) in order to develop recommendations for moving forward with a recovery

effort. These recommendations were embodied in a 760-page June 1992 Strategy Report prepared by the Task Force (the “Strategy Report”).

- E.** Predicated upon the Strategy Report, in October 1992 the Fort Ord Reuse Group (“FORG”) was organized by local governments and potential property recipients to initiate recovery planning regarding the impending downsizing/closure of Fort Ord. After preparing an initial plan and subsequently refining it, the revised plan was considered and adopted by FORG in 1993. Those early planning efforts recognized the significant costs associated with the implementation of any plan to convert Fort Ord into civilian use and reinforced the validity of the regional and base-wide approaches that were inherent in the conclusions reached by the Task Force in its Strategy Report.
- F.** FORA was established in 1994 by state legislation (Government Code sections 67650 and following, the “FORA Act”) and when the member jurisdictions adopted resolutions favoring the establishment of the authority in accordance with Government Code section 67656. The FORA Act was amended in 2012. The Legislature found that the reuse of Fort Ord is a matter of statewide importance and declared in Government Code section 67657(c) that FORA’s powers and duties prevail over those of any other local entity, including any city, county, or joint powers authority. Government Code section 67658 identifies FORA’s purpose as planning for, financing, and managing the transition of the property known as Fort Ord from military to civilian use. In Government Code section 67651, the Legislature declared the following goals to be the policy of the State of California: (1) To facilitate the transfer and reuse of the real and other property of the former Fort Ord with all practical speed; (2) minimize the economic disruption caused by the base’s closure, (3) provide for reuse and development of the base in ways that enhance the economy and quality of life of the Monterey Bay community, and (4) maintain and protect the unique environmental resources of the area.
- G.** In order to carry out the directives of the FORA Act, FORA hired staff and entered into a contract with the California Public Employees’ Retirement System (“CalPERS”) to provide for retirement benefits for FORA employees.
- H.** Pursuant to the requirements of Government Code section 67675, FORA certified a Final Environmental Impact Report and adopted a Fort Ord Reuse Plan (the “Reuse Plan”) on June 13, 1997 in Resolution 97-06. The Reuse Plan, its attendant environmental report, and Resolution 97-06 are available on the FORA website at www.fora.org.
- I.** As part of that approval, FORA’s Board of Directors (the “Board”) certified the Environmental Impact Report and adopted a Statement of Overriding Considerations after making the following findings:

 - The Reuse Plan will provide for an improved and diversified retail and industrial economy and market that will generate employment and create financial stability;
 - The Reuse Plan will provide moderate and upscale housing which will provide more affluent residents to the Cities of Seaside and Marina, thereby creating a housing stock with higher income families in these communities with larger disposable incomes;

- The Reuse Plan will provide additional tourist support facilities in Seaside and Marina, thereby contributing additional employment opportunities;
 - The Reuse Plan will encourage and prioritize the development of projects that are regional in scale, thereby creating additional destination points on the Monterey Peninsula, and thereby enhancing the local economy;
 - The Reuse Plan provides for the creation of various additional recreational facilities and open space that will enhance the quality of life for not only the residents of Seaside and Marina but all of the residents of the Peninsula;
 - The Reuse Plan will attract and assist in retaining a pool of professional workers for the Peninsula;
 - The Reuse Plan will assist in ensuring that the overall economic recovery of the Peninsula benefits the Cities of Del Rey Oaks, Monterey, Seaside, Marina, and the unincorporated areas of the County of Monterey in the vicinity of Fort Ord;
 - The Reuse Plan will provide for additional and needed senior housing opportunities;
 - The Reuse Plan will assist the communities of Seaside and Marina in the transition of their respective community images from dependent, military base extensions with transient military personnel to vital, independent, and self-actuated communities populated with permanent residents with long-term interests in the well-being of their respective communities; and
 - The Reuse Plan will encourage development that will enhance the continued viability of California State University at Monterey Bay and the open space areas retained by the federal government through the Bureau of Land Management and conveyed to the California Department of Parks and Recreation.
- J.** FORA has committed and is obligated by the FORA Act, the Reuse Plan, and/or the California Environmental Quality Act (“CEQA”) to implement a program addressing policies, programs and mitigation measures of the Reuse Plan, including a capital improvement program and finance program addressing basewide facilities.
- K.** In the Reuse Plan, FORA identified revenues generated from sales and leases of real property within the former Fort Ord, FORA’s share of taxes on real property located within the former Fort Ord, and base-wide assessments or development fees, as the primary property-related sources of funding with which to implement the basewide facilities outlined in the Capital Improvement Program (“CIP”).
- L.** As is more fully described below, in connection with funding implementation of the Reuse Plan, FORA entered into multiple agreements with local, state, and federal entities, established a public financing mechanism, and prepared a CIP. The final CIP is available on the FORA website at www.fora.org.
- M.** As part of funding implementation of the Reuse Plan, FORA established in 2001 a Community Facilities District (“CFD”), through which special taxes on properties to be developed are collected. These special taxes (the “CFD Special Taxes”) are due and

payable with respect to each parcel on issuance of a building permit relating to the property. The CFD Special Taxes are subject to annual adjustment, but when FORA ceases to exist the CFD Special Taxes may no longer be collected. A variety of replacement funding mechanisms are available, including but not limited to the potential for each of the underlying land use jurisdictions to create its own Community Facilities District through which special taxes on future development may be collected. Collecting taxes or fees on developments that have already been entitled will require each jurisdiction to obtain agreements from each developer of an entitled project to pay development fees that the developer would not otherwise be obligated to pay. Those fees are estimated to be \$72 million for entitled projects, if all entitled developments are fully completed.

- N.** FORA entered into a Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands (the “EDC MOA”), which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder. The EDC MOA provided the vehicle for the Army to transfer property to FORA without monetary consideration. The land transfer was conditioned on a requirement that any proceeds from the subsequent sale or leasing of the transferred real property must be applied to the economic development of the former Fort Ord. The real property transferred pursuant to the EDC MOA may be referred to herein as the “EDC Property.” Sections 5.03 and 5.04 of the EDC MOA require a fair process to ensure an equitable supply of water is provided to grantees of former Fort Ord property and that all grantees enjoy an equitable utilization of the existing sewage treatment capacity.
- O.** In 2001, agreements were entered into between FORA on the one hand and the County of Monterey and each city receiving or anticipated to receive a portion of the EDC Property on the other hand. These agreements, as they may have been amended to date and irrespective of whether they may be so captioned, may collectively be referred to herein as the “Implementation Agreements.”
- P.** The Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) applies to the closure of Fort Ord. The Army is obligated under CERCLA and other applicable federal and state law to remediate certain conditions at the former Fort Ord, including but not limited to by the removal of munitions and explosives. It was anticipated that an extensive amount of time would be needed for the Army to complete its cleanup of the former Fort Ord, based in part upon the contingent nature of Department of Defense funding and due to competing priorities for the use of available funds. Accordingly, in order for FORA to be able to receive the EDC Property early and facilitate an orderly and timely remediation of former Fort Ord lands, the Army and FORA entered into an early transfer agreement. Through a series of subsequent agreements between the Army, FORA, the U.S. Environmental Protection Agency, and the California Department of Toxic Substance Control remediation of munitions and explosives on the former Fort Ord proceeded. Although substantial progress has been made in the base cleanup, the remediation obligations will not be completed and all property transfers will not have occurred before the currently anticipated dissolution of FORA.
- Q.** Government Code section 67700(a) requires that FORA dissolve when eighty percent (80%) of the base has been developed or reused in a manner consistent with the Reuse Plan or on June 30, 2020, whichever first occurs. Government Code section 67700(b)(2) mandates as follows:

The board shall approve and submit a transition plan to the Monterey County Local Agency Formation Commission on or before December 30, 2018, or 18 months before the anticipated inoperability of this title pursuant to subdivision (a), whichever occurs first. **The transition plan 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. (Emphasis added)

The Transition Plan approved by the Board on December 19, 2018 and submitted to the Monterey County Local Agency Formation Commission (“LAFCO”) on December 30, 2018 assigned assets and liabilities, designated responsible successor agencies, and provided a schedule of remaining obligations, as required by the FORA Act. This document updates and restates the approved Transition Plan based on current conditions and financial records.

R. Government Code section 67700(b)(1) provides as follows:

The Monterey County Local Agency Formation Commission shall provide for the orderly dissolution of the authority including ensuring that all contracts, agreements, and pledges to pay or repay money entered into by the authority are honored and properly administered, and that all assets of the authority are appropriately transferred. (Emphasis added)

BASED ON THE FOREGOING RECITALS AND THE FINDINGS AND DETERMINATIONS MADE HEREIN, the Board hereby approves the following updated and restated Transition Plan for transmittal to LAFCO:

Section 1 Findings and Determinations:

1.1 Base-wide Facilities:

The Board hereby finds and determines that this Transition Plan assigns all assets and liabilities relating to FORA’s policies, programs and mitigation measures of the Reuse Plan to the extent they survive the dissolution of FORA.

1.2 California Environmental Quality Act:

The Board hereby finds and determines that in adopting this Transition Plan as required by Government Code section 67700 FORA is addressing the allocation of FORA’s assets, liabilities and obligations in advance of FORA’s ultimate dissolution without (a) amending any contemplated or approved land uses within the former Fort Ord, (b) abandoning or altering any mitigations that were required as a part of the adoption of the Reuse Plan, (c) changing the Reuse Plan itself, or (d) avoiding the satisfaction and fulfillment of any of FORA’s other commitments, pledges, or promises (all of which may be collectively referred to herein as the “FORA Program”). CEQA only applies to government activities that may cause a direct or a reasonably foreseeable indirect physical change in the environment. Public Resources Code section 21065. CEQA Guidelines, Section 15378(b) also provide that certain activities are not CEQA “Projects” including (4) The creation of government funding mechanism or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant

physical impact on the environment; and (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

This Transition Plan does not authorize any particular development, and does not itself change any of the land use requirements applicable to projects within the geographic area of the former Fort Ord. It is not a “project” and no environmental impact report or other CEQA document is required.

To the contrary and to the extent not already so contained in their general plans, this Transition Plan calls for the Cities of Marina, Seaside, Monterey and Del Rey Oaks and the County of Monterey to follow the Reuse Plan policies and programs. After FORA’s ultimate dissolution, any changes to the policies and programs of the Reuse Plan or any part thereof will be made by the respective land use jurisdiction(s) only after full compliance with all applicable laws, including but not limited to CEQA. Further, as to any (a) incomplete projects initiated by FORA that any of the above-identified land use jurisdictions intend to carry out after the dissolution of FORA, (b) completed projects for which any mitigation measures adopted by FORA remain to be fulfilled or monitored, and (c) projects for which any environmentally-related contractual or judicially-imposed commitment of FORA has not been satisfied, FORA designates each of the above-identified land use jurisdictions as a responsible successor agency for the purposes of compliance with all applicable laws, including but not limited to CEQA, and satisfaction and fulfillment of all project-related liabilities to the extent required by law, including but not limited to mitigation measures and monitoring requirements and satisfaction of environmentally-related contractual or judicially-imposed commitments of FORA, each as to all portions of such projects located within the territorial limits of the respective city or cities or the unincorporated portion of Monterey County. Without limiting the generality of the foregoing, Monterey County’s obligations as outlined above shall include habitat management responsibilities on sites held by the Monterey Peninsula Community College District (“MPC”) at the former Military Operations on Urban Terrain facility and certain lands within the Parker Flats area of the former Fort Ord pursuant to that Agreement Regarding Public Safety Officer Training Facilities entered into between FORA, MPC and the County of Monterey in 2003, subject to MPC’s obligation to pay reasonable fair share assessments for the cost of such habitat management as provided in that agreement. To the extent required by applicable law, each such designated responsible successor agency shall assume lead agency status under CEQA with respect to such projects located wholly within its jurisdictional limits. As to any projects located within the jurisdictional limits of more than one of the designees, to the extent applicable law requires that there be a lead agency, the affected designees shall decide among themselves which shall assume lead agency status under CEQA.

1.3 Reuse Plan and Master Resolution:

To the extent the policies and programs of the Reuse Plan and Master Resolution survive the dissolution of FORA, all assets and liabilities relating to those policies and programs are assigned to each underlying land use jurisdiction. FORA recorded the Master Resolution on April 14, 2020.

1.4 Environmental Services Cooperative Agreement:

The Board hereby finds and determines that the long-term stewardship obligations and related monitoring identified by the Army for its munitions removal activities are crucial to the future success of the recovery program. The Board further finds that following the dissolution of FORA the current full time staffing of the Environmental Services Cooperative Agreement (“ESCA”) should be considered for retention through the anticipated termination of the ESCA in 2028 by the

agreed upon successor to FORA. The City of Seaside is identified in the ESCA contract documents as the successor for purposes of the ESCA.

1.5 Transfer of FORA's Records:

Except for (a) records pertaining to the ESCA, which records will be transferred to the City of Seaside as custodian pursuant to the ESCA contract documents; (b) records transferred to the local redevelopment authority designated as FORA's successor in connection with the EDC MOA; and (c) records of attorney-client privileged communications and materials protected by the attorney work product doctrine, which will be transferred to Authority Counsel, Kennedy, Archer & Giffen, PC, all of FORA's public records will be transferred to the County of Monterey which shall be the custodian and is designated as the responsible successor agency for records management and compliance with applicable law concerning FORA's public records, including but not limited to the California Public Records Act for the period after FORA's dissolution. Appropriate compensation to the County and the County's responsibilities with regard to the stewardship of FORA's public records will be further defined in an agreement entered into between FORA and the County prior to FORA's dissolution. FORA hereby designates LAFCO as the responsible successor agency for any litigation concerning FORA's compliance or alleged lack of compliance with applicable law, including but not limited to the California Public Records Act, concerning FORA's records for the period prior to FORA's dissolution.

1.6 Water and Wastewater:

The Board hereby finds and determines that it has made water allocations in accordance with its obligation under the EDC MOA to ensure a fair and equitable water supply to all property recipients and imposed those requirements in the Implementation Agreements. In light of the possibility of a water supply shortage that reduces the overall amount of water available for the Ord Community, MCWD staff has committed by letter dated October 29, 2018 to work with the jurisdictions to develop a plan to reduce each entity's water allocation in an equitable manner, consistent with the 1993 Army-MCWRA Agreement and the Economic Development Conveyance Agreement obligation to provide a fair and equitable water supply to all property recipients of former Fort Ord lands. See Section 2.2.6 re: water allocations.

Section 2 Assignment of Assets, Liabilities, and Obligations:

2.1 Assets and Disposition Thereof:

FORA's principal assets are comprised of the following:

2.1.1 Section 115 Trust: In April 2018, the Board authorized the establishment of a Section 115 trust and funded the trust with \$5,700,000 (which is currently earning returns at an average annualized rate in excess of 2%). The current balance in the trust is approximately \$7,000,000. Funds held in the trust may be used only for retirement purposes. At or before FORA's dissolution, all funds held in the trust will be applied to the satisfaction or reduction of the unfunded pension liability under the CalPERS contract. To the extent that funds held in the trust are insufficient to fully satisfy the unfunded pension liability under the CalPERS contract, FORA's reserve funds, proceeds from bonds then on deposit in the designated account described in Section 2.2.1, and/or other funds available to FORA shall be applied so as to satisfy to the maximum extent possible the unfunded pension liability under the CalPERS contract (and thereby assure that FORA's member

jurisdictions are not exposed to liability for any unfunded pension liability relating to the CalPERS contract following FORA's dissolution).

2.1.2 Retirement Reserve Funds: Although not irrevocably committed to use for retirement purposes and available to meet FORA's other needs, FORA holds funds identified for retirement reserves in the current approximate aggregate amount of \$1,500,000.

2.1.3 Litigation Reserve Funds: Although not irrevocably committed to use for litigation or indemnification purposes, FORA has transmitted funds identified for indemnification of LAFCO in the aggregate amount of \$500,000. Terms and conditions for the use of these funds are provided for in the FORA-LAFCO Indemnification Agreement executed December 18, 2019.

2.1.4 Habitat Funds: It is estimated based on the current rate of collections and earnings that by June 30, 2020 FORA will hold approximately \$17,000,000 in funds dedicated to base-wide habitat management. FORA will transfer the remaining funds to local agencies to use specifically for habitat management as follows:

- 79.9% to Monterey County
- 7.4% to the City of Seaside
- 7.9% to the City of Marina
- 0.3% to the City of Monterey
- 4.5% to the City of Del Rey Oaks

2.1.5 Capital Improvement Funds: Except for those CFD Special Taxes specifically identified for habitat management, all CFD Special Taxes collected and remaining unexpended immediately prior to FORA's dissolution shall first be directed to completing in progress construction projects as identified in FORA's final year CIP. Any CFD Special Taxes collected and remaining unexpended immediately prior to FORA's dissolution shall next be directed to completing other projects as identified in FORA's final year CIP. These capital improvement funds shall be transferred to the jurisdiction assigned responsibility for the respective project, which shall be the jurisdiction in which the majority of the project is located if a fully executed Memorandum of Agreement between FORA and the agency regarding the project has been entered into. These projects include Removal of the City of Marina Stockade and Ancillary Buildings (for which the City of Marina is designated the responsible successor agency), Repair of Stormwater Infiltration Units on Eucalyptus Road (for which the City of Seaside is designated the responsible successor agency), and South Boundary Roadway and the Intersection at General Jim Moore Boulevard Improvements (for which the City of Del Rey Oaks is designated the responsible successor agency). In each case, to the extent required by applicable law the underlying jurisdiction assumes lead agency status and responsibility for the project. Any liabilities associated with the projects described in this Section 2.1.5 are assigned to the respective jurisdiction designated as the responsible successor agency or otherwise assigned responsibility for the respective projects.

2.1.6 Other Funds: Except as otherwise specifically identified in this Transition Plan, all funds in FORA's other accounts, petty cash, un-deposited checks, and other cash equivalents held by FORA immediately prior to FORA's dissolution together with any additional funds received prior to the closure of FORA's books shall be transferred to the

County of Monterey to be applied first to the satisfaction or reduction of the unfunded pension liability under the CalPERS contract and after the satisfaction of such unfunded pension liability next to the satisfaction or reduction of FORA's other established but unpaid liabilities or obligations then existing, if any. Appropriate compensation to the County and the County's responsibilities with regard to the receipt and disbursement of FORA's funds as provided herein will be further defined in an agreement entered into between FORA and the County prior to FORA's dissolution.

2.1.7 ESCA Reimbursement: An estimated approximately \$6,800,000 in potential reimbursement is available for work conducted under the ESCA. All rights under the ESCA are assigned to the City of Seaside effective as of FORA's dissolution, provided, however, that the assignment shall be subject to approval by the Army and the state and federal regulators (collectively "the regulators"). In the event that the assignment is not approved by the Army or the regulators, then whichever jurisdiction(s) is/are acceptable to the Army and the regulators and acceptable to the Army-approved jurisdiction shall become the successor(s) to FORA for the purposes of the ESCA and all rights under the ESCA shall be deemed assigned to such jurisdiction(s).

2.1.8 Miscellaneous Personal Property: Any of FORA's office furniture and equipment, supplies, and other personal property remaining as of FORA's dissolution shall be transferred to the County of Monterey in trust for prompt sale or disposition in accordance with any applicable rules or requirements for the transfer of surplus property by a California public entity. Any proceeds from such transfer remaining after reimbursement to the County for its administrative costs, shall first be directed to any shortfall in funds available to satisfy liabilities or obligations unrelated to projects described in FORA's final year CIP. After the full satisfaction of all such liabilities and obligations any remaining proceeds shall next be directed toward projects described in FORA's final year CIP as outlined in Section 2.1.5 hereinabove.

2.1.9 Real Property: FORA is obligated to cause certain former Fort Ord property to be transferred to the underlying land use jurisdictions in accordance with the federal "Pryor Amendment" and as authorized by Section 67678(a) of the FORA Act. FORA has nominated the City of Seaside as its Successor to the Local Redevelopment Authority and as such, once recognized by the Army, will assume this role. The City of Seaside shall receive funds in the amount of \$100,000 to cover costs of property transfers as the designated LRA successor agency.

2.1.10 Insurance Policies: Except to the extent specifically provided to the contrary in this Transition Plan or by the terms of the insurance policy itself, FORA shall not keep any policies of insurance in force beyond the date of their expiration.

With respect to the Pollution Legal Liability ("PLL") policy, FORA currently holds approximately \$267,000 in a separately identified account for the PLL insurance self-insured retention (SIR). These funds shall be transferred and utilized to defray the administrative costs for the City of Seaside as the First Named Insured and to defray the costs in the event of a claim requiring application of a self-insured retention amount. In the event, the SIR is not utilized for any claims made, the amount in the fund shall be returned, after any administrative deduction for contract management by the successor, to the named insureds in proportion to the amounts of their insurance coverages.

2.2 Liabilities and Obligations and Assignment Thereof:

FORA's principal liabilities and obligations include the following:

2.2.1 Unfunded Pension Liability under CalPERS Contract: Based on the latest available communication from CalPERS, FORA's unfunded terminated agency liability is anticipated to range from \$7,793,230 to \$9,333,172. By this Transition Plan FORA commits that if there is a shortfall between the amount of the anticipated terminated agency liability and the amounts in the Section 115 Trust to retire all the liability, FORA shall expend and encumber such additional funds as are necessary to fully discharge this liability, including without limitation by applying monies on hand in the FORA accounts, by applying bond proceeds as described below, or if necessary by encumbering future property tax revenues after applying bond proceeds, to the extent legally permissible, pursuant to Health and Safety Code section 33492.71. The County shall continue to accrue such property tax revenues in FORA's account until all of FORA's recognized debts have been retired. The County shall be entitled to recover its reasonable costs of administering and distributing said property tax revenues. FORA will set aside in a designated account \$4,000,000 (or such other amount as FORA's Board of Directors may designate prior to FORA's dissolution) of its bond proceeds to be used to pay the CalPERS liability before any funds remaining in such account after such payment are transferred to the County of Monterey to be applied to the satisfaction or reduction of FORA's other established but unpaid liabilities or obligations then existing, if any, as described in Section 2.1.6 hereinabove.

2.2.2 Habitat Funds: See Section 2.1.4 hereinabove.

2.2.3 Capital Improvement Funds: See discussion in Section 2.1.5 hereinabove.

2.2.4 ESCA Reimbursement: See Section 2.1.7 hereinabove.

2.2.5 Building Removal: In the absence of a consolidated building removal program and/or legislative solution to the issue of blight, any building removal not required under the CIP shall be addressed, after FORA's dissolution, if at all, by the jurisdictions in which the remaining abandoned buildings are located after compliance with all applicable laws.

2.2.6 Water/Wastewater: This Transition Plan hereby assigns to MCWD, effective as of the dissolution of FORA, FORA's rights of enforcement under the Implementation Agreements, to the extent they survive post-dissolution, regarding water allocations. In the event that any jurisdiction's approved developments exceed the jurisdiction's approved water allocation, MCWD may decline to issue any further water connection permits until the offending jurisdiction brings its water allocation into compliance or MCWD develops or obtains access to an augmented water supply sufficient to cover any excess. In the event of a ground water shortage, any resulting reductions in the amount of water supplies shall be applied fairly and equitably across all jurisdictions. MCWD and the jurisdictions shall work together as to how to apply a fair and equitable reduction of water supply amongst the underlying land holding jurisdictions.

2.2.7 Prevailing Wages: Notwithstanding any other provision herein, the general prevailing rate of wages for work of a similar character in Monterey County, as determined by the Director of the Department of Industrial Relations under Division 2, Part 7, Chapter 1 of the California Labor Code, shall be paid to all workers employed on First Generation

Construction (as defined in the Master Resolution) after FORA's dissolution. This term may not be invalidated or superseded by any Transition Plan Implementing Agreement(s) or other document(s), or by action of any city, successor jurisdiction, or other entity.

2.2.8 Late Discovered Items: To the extent that any contractual or other obligation of FORA is discovered during implementation of this Transition Plan, those obligations shall be assigned as follows: If the liability or obligation is related to the use of real property, it shall be assigned to the underlying land use jurisdiction. If the liability or obligation is unrelated to the use of real property, LAFCO shall notify any appropriate insuring entity and the County. Upon the establishment of the validity and amount of the liability or obligation by LAFCO and the County acting in coordination with each other, such established liability or obligation shall be paid or discharged first (a) by the County applying monies, if any, then on hand in the FORA accounts; next (b) by LAFCO applying any then unexpended funds received from FORA, including but not limited to the litigation reserve funds received from FORA as described in Section 2.1.3; and only then (c) by encumbering and expending future property tax revenues pursuant to Health and Safety Code section 33492.71. The County shall continue to accrue such property tax revenues in FORA's account until all of FORA's recognized debts have been retired.

Section 3 Transition Plan Implementation:

3.1 Schedule of Remaining Obligations, General Designation of Responsible Successor Agency, and General Assignment of Liabilities:

Obligation	Reference in Updated Transition Plan
Implementation of Mitigation Measures Pertaining to North-South Road/Highway 218 Project and CEQA Lead Agency Status	See Section 1.2
Implementation of Mitigation Measures Pertaining to Relocation and Reconfiguration of General Jim Moore Boulevard Project and CEQA Lead Agency Status	See Section 1.2
Habitat Management Responsibilities on Sites Held by the Monterey Peninsula Community College District	See Section 1.2
Repair of Stormwater Infiltration Units on Eucalyptus Road CEQA Lead Agency Status	See Section 2.1.5
Removal of the Stockade and Ancillary Buildings CEQA Lead Agency Status	See Section 2.1.5
South Boundary Roadway and the Intersection at General Jim Moore Boulevard Improvements CEQA Lead Agency Status	See Section 2.1.5
Transfers of Real Property in accordance with the federal "Pryor Amendment"	See Section 2.1.9
Payment of Unfunded Terminated Agency Liability to CalPERS	See Section 2.2.1
Payment of Late Discovered Obligations	See Section 2.2.8
Successor for Litigation Matters	See Section 3.1 (also 1.5)
FORA Contract with California Native Plant Society and City of Del Rey Oaks	See Section 3.3

Except as identified in the schedule of remaining obligations set forth above or specifically provided for elsewhere in this Transition Plan, FORA is not aware of any remaining obligations. In recognition that FORA has transmitted funds identified for indemnification of LAFCO in the

aggregate amount of \$500,000 as described in Section 2.1.3, except as specifically provided to the contrary elsewhere in this Transition Plan, FORA hereby designates LAFCO as the responsible successor agency for all legal, financial, and other unresolved matters, known and unknown, and assigns to LAFCO all liabilities not otherwise specifically assigned in this Transition Plan.

3.2 Litigation Management:

In the absence of an agreement entered into by all of the affected land holding jurisdictions that post FORA litigation may be managed by any one or more, but less than all, of such land holding jurisdictions, any post FORA litigation shall be collectively managed by the land use jurisdictions that are defendants or are identified as real parties in interest for such litigation.

3.3 Survivability of the Base Reuse Plan, Master Resolution, and FORA's Agreements:

FORA has received from Authority Counsel a memorandum dated June 16, 2020 setting forth a statement regarding the survivability of the Base Reuse Plan, Master Resolution, and FORA's Agreements.

3.4 Reserved Right of Modification:

The Board hereby reserves its right to augment, clarify or modify this Transition Plan as law, facts, circumstances, or agreements may require.

NOW THEREFORE, THE BOARD HEREBY RESOLVES AS FOLLOWS:

1. As outlined above, this Resolution and its provisions constitute the Transition Plan required by Government Code section 67700(b); and
2. The Board hereby makes all assignments in accordance with Government Code section 67700(b);
3. The Board hereby finds that as adopted herein, this updated and restated Transition Plan is not a project subject to CEQA;
4. Notwithstanding anything to the contrary set forth in this resolution, nothing herein is intended nor shall be interpreted to create an independent financial obligation of the general funds of a member jurisdiction of FORA or of LAFCO unless specifically agreed to in writing by the member jurisdiction or LAFCO. Except as otherwise specifically provided herein, all of FORA's established debts, obligations, and other liabilities are intended to be satisfied or paid (a) first out of the funds of FORA as may exist as of the date of its dissolution or as may accrue to its accounts following dissolution and (b) after the exhaustion of such funds then from future property tax revenues pursuant to Health and Safety Code section 33492.71; and
5. The Board directs the Executive Officer to transmit this updated and restated Transition Plan to LAFCO.

Upon motion by Board member ---- seconded by Board member ---- the foregoing Resolution was passed on this _____ day of June 2020, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Jane Parker, Chair FORA Board

ATTEST:

Joshua Metz, Clerk

GLOSSARY

“Army” means the United States Army.

“Board” means the governing board of the Fort Ord Reuse Authority, as specified in Government Code section 67660.

“CalPERS” means the California Public Employees’ Retirement System.

“CEQA” means the California Environmental Quality Act, as amended to date (Public Resources Code section 21000 and following).

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, commonly known as Superfund, as amended to date (42 U.S. Code Chapter 103 and following).

“CFD” means a Community Facilities District within the former Fort Ord formed pursuant to the Mello-Roos Community Facilities Act of 1982, as amended to date (Government Code section 53321 and following).

“CFD Special Taxes” means the special taxes collected through the Community Facilities District on properties to be developed within the former Fort Ord.

“CIP” means a Capital Improvement Program adopted by the Fort Ord Reuse Authority.

“EDC MOA” means the Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands, which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder.

“EDC Property” means the real property transferred pursuant to the Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands, which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder.

“ESCA” means the Environmental Services Cooperative Agreement entered into between the United States Army and the Fort Ord Reuse Authority, as amended to date.

“FORA Act” means, collectively, SB 899 and AB 1600 adopted in 1994 and amended in 2012, as codified at (i) Government Code Title 7.85, Chapters 1 through 7, commencing with Section 67650, and (ii) selected provisions of the California Redevelopment Law, including Health and Safety Code Sections 33492 *et seq.* and 33492.70 *et seq.*

“FORA” means the Fort Ord Reuse Authority.

“FORA Program” has the meaning given in Section 1.2.

“FORG” means the Fort Ord Reuse Group organized by local governments and potential property recipients to initiate recovery planning regarding the impending downsizing/closure of the former Fort Ord.

“Fort Ord,” including references to the territory or area of Fort Ord or the former Fort Ord, means the geographical area described in the document entitled “Description of the Fort Ord Military Reservation Including Portion of the Monterey City Lands Tract No. 1, the Saucito, Laguna Seca, El Chamisal, El Toro and Noche Buena Ranchos, the James Bardin Partition of 1880 and Townships 14 South, Ranges 1 and 2 East and Townships 15 South, Ranges 2 and 3 East, M.D.B. and M. Monterey County, California,” prepared by Bestor Engineers, Inc., and delivered to the Sacramento District Corps of Engineers on April 11, 1994 or the military base formerly located on such land, as the context requires.

“Implementation Agreements” means agreements entered into beginning in 2001 between the Fort Ord Reuse Authority on the one hand and the County of Monterey and each city receiving or anticipated to receive a portion of the EDC Property on the other hand, as such agreements may have been amended to date.

“LAFCO” means the Monterey County Local Agency Formation Commission.

“Local Redevelopment Authority” means any authority or instrumentality established by State or local government and recognized by the Secretary of Defense through its Office of Economic Adjustment (OEA) to facilitate the transfer of properties from the former Fort Ord to the underlying jurisdictions.

“Master Resolution” means the collection of administrative rules and regulations adopted by FORA under the Authority Act, as amended.

“MCWD” means the Marina Coast Water District.

“MCWRA” means the Monterey County Water Resources Agency.

“MPC” means the Monterey Peninsula Community College District.

“MRWPCA” means the Monterey Regional Water Pollution Control Agency.

“Reuse Plan” means the Fort Ord Base Reuse Plan and its accompanying environmental impact report adopted and certified by the FORA Board in June 1997 to guide the reuse of the former Fort Ord, all as amended from time to time.

“Strategy Report” means the June 1992 report prepared by the Fort Ord Community Task Force in order to develop recommendations for moving forward with a recovery effort relating to the closure of the former Fort Ord.

“Task Force” means the Fort Ord Community Task Force formed in order to develop recommendations for moving forward with a recovery effort relating to the closure of the former Fort Ord.

FORT ORD REUSE AUTHORITY
RESOLUTION NO. ~~18-11-20-xx~~

A RESOLUTION OF THE GOVERNING BODY OF THE FORT ORD REUSE AUTHORITY
Approving ~~a-Updates to and Restatement of the~~ Transition Plan ~~for Submission~~
Submitted to the Monterey County Local Agency Formation Commission

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

- A. In 1991, the Secretary of Defense announced the proposed downsizing of the United States Army Fort Ord Military Reservation (“Fort Ord”) under the Base Realignment and Closure Act. The relocation by the United States Army (the “Army”) of the 7th Infantry Division - Light resulted in the loss to the communities and populace of the Monterey Peninsula and adjoining greater Monterey Bay region of the significant economic, social, and cultural contributions that had been associated with the military presence.

- B. Over the years in which Fort Ord was an active military base, the Army entered into contracts with regional entities to address water and wastewater needs of the reservation. On or about 1981, the Army and Monterey Regional Water Pollution Control Agency (“MRWPCA”) entered into Contract No. DACA 05-81-C-0021 wherein the Army participated in the construction of the Monterey Regional Wastewater Treatment Plant and such agreement was amended several times, ultimately resulting in Contract No. DAKF 03-83-C0527 wherein MRWPCA agreed to provide sanitary sewage service to the Army. A subsequent agreement was entered into between the Army, Marina Coast Water District (“MCWD”), the Fort Ord Reuse Authority (“FORA”) and MRWPCA regarding wastewater treatment. ~~That agreement (referenced as Document 136 in Exhibit A attached hereto and incorporated by this reference) provided for up to 3.30 million gallons per day of wastewater to be accepted and treated by MRWPCA.~~

- C. On or about September 21, 1993, the Army entered into Contract No. A-6404 with the Monterey County Water Resources Agency (“MCWRA”) for annexation of the former Fort Ord lands into MCWRA Zone 2 and 2A. ~~That Agreement (referenced as Document 93 in Exhibit A attached hereto and incorporated by this reference)~~ That Agreement is the basis for the Army’s pumping limitation of 6,600 acre-feet per year (“AFY”) of water from the Salinas Valley Groundwater Basin and of that, no more than 5,200 AFY from the 180 and 400-foot aquifers therein. On or about October 23, 2001, the Army quit claimed its water and wastewater infrastructure to the Fort Ord Reuse Authority and issued two easements to FORA in DACA 05-0-00-57 and DACA 05-9-00-58. The easements to FORA required, among other obligations, assumption of the obligation to provide water required by the Installation-Wide Habitat Management Plan, the Army’s obligation to cooperate and coordinate with parcel recipients, MCWRA, FORA and others to ensure all owners of property at the former Fort Ord will continue to be provided an equitable supply of water at equitable rates and to cooperate and coordinate with MCWRA, MRWPCA, FORA, property recipients and others to ensure Non-Army Responsibility Mitigations required by the records of decision dated December 23, 1993 and June 8, 1997 are met and that it will meet all requirements of the Army Agreement with MCWRA approved on September 21, 1993. On October 26, 2001, FORA in turn quitclaimed water and wastewater infrastructure

June 18, 2020

and assigned said easements to MCWD requiring compliance with all underlying requirements. ~~(See Document 128)~~

- D. After the announcement but prior to the implementation of the base downsizing/closure, political leaders within the affected region formed the Fort Ord Community Task Force (the “Task Force”) in order to develop recommendations for moving forward with a recovery effort. These recommendations were embodied in a 760-page June 1992 Strategy Report prepared by the Task Force (the “Strategy Report”). ~~The Strategy Report may be accessed via Exhibit B—Reference Documents attached hereto and incorporated by this reference.~~
- E. Predicated upon the Strategy Report, in October 1992 the Fort Ord Reuse Group (“FORG”) was organized by local governments and potential property recipients to initiate recovery planning regarding the impending downsizing/closure of Fort Ord. After preparing an initial plan and subsequently refining it, the revised plan was considered and adopted by FORG in 1993. Those early planning efforts recognized the significant costs associated with the implementation of any plan to convert Fort Ord into civilian use and reinforced the validity of the regional and base-wide approaches that were inherent in the conclusions reached by the Task Force in its Strategy Report.
- F. FORA was established in 1994 by state legislation (Government Code sections 67650 and following, the “FORA Act”) and when the member jurisdictions adopted resolutions favoring the establishment of the authority in accordance with Government Code section 67656. The FORA Act was amended in 2012. ~~The FORA Act, as amended, may be accessed via Exhibit B—Reference Documents attached hereto and incorporated by this reference.~~ The Legislature found that the reuse of Fort Ord is a matter of statewide importance and declared in Government Code section 67657(c) that FORA’s powers and duties prevail over those of any other local entity, including any city, county, or joint powers authority. Government Code section 67658 identifies FORA’s purpose as planning for, financing, and managing the transition of the property known as Fort Ord from military to civilian use. In Government Code section 67651, the Legislature declared the following goals to be the policy of the State of California: (1) To facilitate the transfer and reuse of the real and other property of the former Fort Ord with all practical speed; (2) minimize the economic disruption caused by the base’s closure, (3) provide for reuse and development of the base in ways that enhance the economy and quality of life of the Monterey Bay community, and (4) maintain and protect the unique environmental resources of the area.
- G. In order to carry out the directives of the FORA Act, FORA hired staff and entered into a contract with the California Public Employees’ Retirement System (“CalPERS”) to provide for retirement benefits for FORA employees. ~~The contract with CalPERS as amended to date is referenced as items 1, 2 and 3 in Exhibit A attached hereto and incorporated by this reference.~~
- H. Pursuant to the requirements of Government Code section 67675, FORA certified a Final Environmental Impact Report and adopted a Fort Ord Reuse Plan (the “Reuse Plan”) on June 13, 1997 in Resolution 97-06. The Reuse Plan, its attendant environmental report, and Resolution 97-06 are available on the FORA website at www.fora.org ~~or may be accessed via Exhibit B—Reference Documents attached hereto and incorporated by this reference.~~

June 18, 2020

I. As part of that approval, FORA's Board of Directors (the "Board") certified the Environmental Impact Report and adopted a Statement of Overriding Considerations after making the following findings:

- The Reuse Plan will provide for an improved and diversified retail and industrial economy and market that will generate employment and create financial stability;
- The Reuse Plan will provide moderate and upscale housing which will provide more affluent residents to the Cities of Seaside and Marina, thereby creating a housing stock with higher income families in these communities with larger disposable incomes;
- The Reuse Plan will provide additional tourist support facilities in Seaside and Marina, thereby contributing additional employment opportunities;
- The Reuse Plan will encourage and prioritize the development of projects that are regional in scale, thereby creating additional destination points on the Monterey Peninsula, and thereby enhancing the local economy;
- The Reuse Plan provides for the creation of various additional recreational facilities and open space that will enhance the quality of life for not only the residents of Seaside and Marina but all of the residents of the Peninsula;
- The Reuse Plan will attract and assist in retaining a pool of professional workers for the Peninsula;
- The Reuse Plan will assist in ensuring that the overall economic recovery of the Peninsula benefits the Cities of Del Rey Oaks, Monterey, Seaside, Marina, and the unincorporated areas of the County of Monterey in the vicinity of Fort Ord;
- The Reuse Plan will provide for additional and needed senior housing opportunities;
- The Reuse Plan will assist the communities of Seaside and Marina in the transition of their respective community images from dependent, military base extensions with transient military personnel to vital, independent, and self-actuated communities populated with permanent residents with long-term interests in the well-being of their respective communities; and
- The Reuse Plan will encourage development that will enhance the continued viability of California State University at Monterey Bay and the open space areas retained by the federal government through the Bureau of Land Management and conveyed to the California Department of Parks and Recreation.

J. FORA has committed and is obligated by the FORA Act, the Reuse Plan, and/or the California Environmental Quality Act ("CEQA") to implement a program addressing policies, programs and mitigation measures of the Reuse Plan, including a capital improvement program and finance program addressing basewide facilities.

- K. In the Reuse Plan, FORA identified revenues generated from sales and leases of real property within the former Fort Ord, FORA's share of taxes on real property located within the former Fort Ord, and base-wide assessments or development fees, as the primary property-related sources of funding with which to implement the basewide facilities outlined in the Capital Improvement Program ("CIP").
- L. As is more fully described below, in connection with funding implementation of the Reuse Plan, FORA entered into multiple agreements with local, state, and federal entities, established a public financing mechanism, and prepared a CIP. The most current final CIP is available on the FORA website at www.fora.org ~~or may be accessed via Exhibit B—Reference Documents attached hereto and incorporated by this reference.~~
- M. As part of funding implementation of the Reuse Plan, FORA established in 2001 a Community Facilities District ("CFD"), through which special taxes on properties to be developed are collected. These special taxes (the "CFD Special Taxes") are due and payable with respect to each parcel on issuance of a building permit relating to the property. The CFD Special Taxes are subject to annual adjustment, but when FORA ceases to exist the CFD Special Taxes may no longer be collected. A variety of replacement funding mechanisms are available, including but not limited to the potential for each of the underlying land use jurisdictions to create its own Community Facilities District through which special taxes on future development may be collected. Collecting taxes or fees on developments that have already been entitled will require each jurisdiction to obtain agreements from each developer of an entitled project to pay development fees that the developer would not otherwise be obligated to pay. Those fees are estimated to be \$72 million for entitled projects, if all entitled developments are fully completed.
- N. FORA entered into a Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands (the "EDC MOA"), which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder. ~~The EDC MOA and its attendant amendments are referenced as items 127, 129 through 134 in Exhibit A attached hereto and incorporated by this reference.~~ The EDC MOA provided the vehicle for the Army to transfer property to FORA without monetary consideration. The land transfer was conditioned on a requirement that any proceeds from the subsequent sale or leasing of the transferred real property must be applied to the economic development of the former Fort Ord. The real property transferred pursuant to the EDC MOA may be referred to herein as the "EDC Property." Sections 5.03 and 5.04 of the EDC MOA require a fair process to ensure an equitable supply of water is provided to grantees of former Fort Ord property and that all grantees enjoy an equitable utilization of the existing sewage treatment capacity.
- O. In 2001, agreements were entered into between FORA on the one hand and the County of Monterey and each city receiving or anticipated to receive a portion of the EDC Property on the other hand. These agreements, as they may have been amended to date and irrespective of whether they may be so captioned, may collectively be referred to herein as the "Implementation Agreements." ~~The Implementation Agreements are referenced as items 17 through 22 in Exhibit A attached hereto and incorporated by this reference.~~

P. The Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) applies to the closure of Fort Ord. The Army is obligated under CERCLA and other applicable federal and state law to remediate certain conditions at the former Fort Ord, including but not limited to by the removal of munitions and explosives. It was anticipated that an extensive amount of time would be needed for the Army to complete its cleanup of the former Fort Ord, based in part upon the contingent nature of Department of Defense funding and due to competing priorities for the use of available funds. Accordingly, in order for FORA to be able to receive the EDC Property early and facilitate an orderly and timely remediation of former Fort Ord lands, the Army and FORA entered into an early transfer agreement ~~(referenced as item 43 and as amended in 53 and 54 in Exhibit A attached hereto and incorporated by this reference).~~ Through a series of subsequent agreements between the Army, FORA, the U.S. Environmental Protection Agency, and the California Department of Toxic Substance Control remediation of munitions and explosives on the former Fort Ord proceeded. ~~These agreements are referenced generally in Exhibit A as environmental services and more specifically at items 34, 43, 44, 45, 48 and 46 in Exhibit A attached hereto and incorporated by this reference.~~ Although substantial progress has been made in the base cleanup, the remediation obligations will not be completed and all property transfers will not have occurred before the currently anticipated dissolution of FORA.

Q. Government Code section 67700(a) requires that FORA dissolve when eighty percent (80%) of the base has been developed or reused in a manner consistent with the Reuse Plan or on June 30, 2020, whichever first occurs. Government Code section 67700(b)(2) mandates as follows:

The board shall approve and submit a transition plan to the Monterey County Local Agency Formation Commission on or before December 30, 2018, or 18 months before the anticipated inoperability of this title pursuant to subdivision (a), whichever occurs first. **The transition plan 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. (Emphasis added)

[The Transition Plan approved by the Board on December 19, 2018 and submitted to the Monterey County Local Agency Formation Commission \(“LAFCO”\) on December 30, 2018 assigned assets and liabilities, designated responsible successor agencies, and provided a schedule of remaining obligations, as required by the FORA Act. This document updates and restates the approved Transition Plan based on current conditions and financial records.](#)

R. Government Code section 67700(b)(1) provides as follows:

The Monterey County Local Agency Formation Commission shall provide for the orderly dissolution of the authority including ensuring that all contracts, agreements, and pledges to pay or repay money entered into by the authority are honored and properly administered, and that all assets of the authority are appropriately transferred. (Emphasis added)

BASED ON THE FOREGOING RECITALS, AND THE FINDINGS AND DETERMINATIONS MADE HEREIN, the Board hereby approves the following updated and restated Transition Plan for submission/transmittal to ~~the Monterey County Local Agency Formation Commission (“LAFCO”) on or before December 30, 2018:~~

Section 1 Findings and Determinations:

1.1 Base-wide Facilities:

The Board hereby finds and determines that this Transition Plan assigns all assets and liabilities relating to FORA’s policies, programs and mitigation measures of the Reuse Plan to the extent they survive the dissolution of FORA. ~~The Board further finds that new implementing agreements negotiated with the landholding jurisdictions (or, in the absence of such an implementing agreement with a respective jurisdiction, the other provisions of this Transition Plan) will establish a fair and equitable assignment of assets and liabilities, and provides a schedule of obligations pursuant to Government Code section 67700.~~

1.2 California Environmental Quality Act:

The Board hereby finds and determines that in adopting this Transition Plan as required by Government Code section 67700 FORA is addressing the allocation of FORA’s assets, liabilities and obligations in advance of FORA’s ultimate dissolution without (a) amending any contemplated or approved land uses within the former Fort Ord, (b) abandoning or altering any mitigations that were required as a part of the adoption of the Reuse Plan, (c) changing the Reuse Plan itself, or (d) avoiding the satisfaction and fulfillment of any of FORA’s other commitments, pledges, or promises (all of which may be collectively referred to herein as the “FORA Program”). CEQA only applies to government activities that may cause a direct or a reasonably foreseeable indirect physical change in the environment. Public Resources Code section 21065. CEQA Guidelines, Section 15378(b) also provide that certain activities are not CEQA “Projects” including (4) The creation of government funding mechanism or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; and (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

This Transition Plan does not authorize any particular development, and does not itself change any of the land use requirements applicable to projects within the geographic area of the former Fort Ord. It is not a “project” and no environmental impact report or other CEQA document is required.

To the contrary and to the extent not already so contained in their general plans, this Transition Plan calls for the Cities of Marina, Seaside, Monterey and Del Rey Oaks and the County of Monterey to follow the Reuse Plan policies and programs. After FORA’s ultimate dissolution, any changes to the policies and programs of the Reuse Plan or any part thereof will be made by the respective land use jurisdiction(s) ~~and any successor(s) to FORA only after full compliance with all applicable laws, including but not limited to CEQA. only after full compliance with all applicable laws, including but not limited to CEQA. Further, as to any (a) incomplete projects initiated by FORA that any of the above-identified land use jurisdictions intend to carry out after the dissolution of FORA, (b) completed projects for which any mitigation measures adopted by FORA remain to June 18, 2020~~

be fulfilled or monitored, and (c) projects for which any environmentally-related contractual or judicially-imposed commitment of FORA has not been satisfied, FORA designates each of the above-identified land use jurisdictions as a responsible successor agency for the purposes of compliance with all applicable laws, including but not limited to CEQA, and satisfaction and fulfillment of all project-related liabilities to the extent required by law, including but not limited to mitigation measures and monitoring requirements and satisfaction of environmentally-related contractual or judicially-imposed commitments of FORA, each as to all portions of such projects located within the territorial limits of the respective city or cities or the unincorporated portion of Monterey County. Without limiting the generality of the foregoing, Monterey County's obligations as outlined above shall include habitat management responsibilities on sites held by the Monterey Peninsula Community College District ("MPC") at the former Military Operations on Urban Terrain facility and certain lands within the Parker Flats area of the former Fort Ord pursuant to that Agreement Regarding Public Safety Officer Training Facilities entered into between FORA, MPC and the County of Monterey in 2003, subject to MPC's obligation to pay reasonable fair share assessments for the cost of such habitat management as provided in that agreement. To the extent required by applicable law, each such designated responsible successor agency shall assume lead agency status under CEQA with respect to such projects located wholly within its jurisdictional limits. As to any projects located within the jurisdictional limits of more than one of the designees, to the extent applicable law requires that there be a lead agency, the affected designees shall decide among themselves which shall assume lead agency status under CEQA.

4.3 — Revenue Sharing and Financial Contribution:

~~The Board hereby finds and determines that the Implementation Agreements with the Cities of Marina, Seaside, Monterey, and Del Rey Oaks and the County of Monterey require that each entity pay its fair and equitable share of the cost of the FORA Program (in accordance with the formulas expressed therein and subject to Constitutional or other limitations imposed by applicable law on such jurisdiction's funding obligations).~~

4.41.3 Reuse Plan and Master Resolution:

~~To the extent the policies and programs of the Reuse Plan and Master Resolution survive the dissolution of FORA, all assets and liabilities relating to those policies and programs are assigned to ~~the~~each underlying land use jurisdiction. ~~The FORA recorded the Master Resolution on April 14, 2020. includes a jobs/housing balance policy requiring provision of a minimum of twenty percent (20%) affordable housing on former Fort Ord lands and a target of ten percent (10%) workforce housing. The Board further finds and determines that the policies contained in the Master Resolution should be continued and enforced following FORA's dissolution. In particular, the Board finds that the prevailing wage policy established in 1996 to promote equitability and fairness to all workers on the former Fort Ord should be sustained in the completion of the former Fort Ord recovery program. The Cities of Marina, Seaside, Monterey and Del Rey Oaks and the County of Monterey are encouraged to take the necessary legal steps to adopt the Master Resolution policies by December 30, 2019; however, if they have not by then done so, staff is directed to record the Master Resolution in its entirety not less than one (1) month prior to the anticipated dissolution of FORA. Recording the Master Resolution is not intended to create any liabilities or obligations that do not already exist but instead is intended to preserve a permanent record of the policies contained in the Master Resolution. The Master Resolution may be accessed via Exhibit B - Reference Documents attached thereto and incorporated by this reference.~~~~

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1.5 Funding of Habitat Protection:

~~The Board hereby finds and determines that regional, integrated base-wide habitat protection is best funded by the CFD Special Taxes or substantially similar base-wide replacement funding mechanisms. The Board has identified and set aside approximately 30.2% of collected CFD Special Taxes to be applied toward base-wide habitat management and finds that any replacement funding mechanism should be designed to generate similar levels of revenue for such purposes.~~

1.6.4 Environmental Services Cooperative Agreement:

The Board hereby finds and determines that the long-term stewardship obligations and related monitoring identified by the Army for its munitions removal activities are crucial to the future success of the recovery program. The Board further finds that following the dissolution of FORA the current full time staffing of the Environmental Services Cooperative Agreement (“ESCA”) should be considered for retention through the anticipated termination of the ESCA in 2028 by the agreed upon successor to FORA. ~~That successor~~ The City of Seaside is identified in the ESCA contract documents as the ~~County of Monterey, City of Seaside, City of Marina or a joint powers agency.~~ successor for purposes of the ESCA.

1.7 Transportation and Transit:

~~The Board hereby finds and determines that implementation⁵ Transfer of the on-site Fort Ord transportation network and transit policies and programs are essential to the long-term success of the economic recovery of the reuse.~~ FORA’s Records:

Except for (a) records pertaining to the ESCA, which records will be transferred to the City of Seaside as custodian pursuant to the ESCA contract documents; (b) records transferred to the local redevelopment authority designated as FORA’s successor in connection with the EDC MOA; and (c) records of attorney-client privileged communications and materials protected by the attorney work product doctrine, which will be transferred to Authority Counsel, Kennedy, Archer & Giffen, PC, all of FORA’s public records will be transferred to the County of Monterey which shall be the custodian and is designated as the responsible successor agency for records management and compliance with applicable law concerning FORA’s public records, including but not limited to the California Public Records Act for the period after FORA’s dissolution. Appropriate compensation to the County and the County’s responsibilities with regard to the stewardship of FORA’s public records will be further defined in an agreement entered into between FORA and the County prior to FORA’s dissolution. FORA hereby designates LAFCO as the responsible successor agency for any litigation concerning FORA’s compliance or alleged lack of compliance with applicable law, including but not limited to the California Public Records Act, concerning FORA’s records for the period prior to FORA’s dissolution.

1.86 Water and Wastewater:

The Board hereby finds and determines that it has made water allocations in accordance with its obligation under the EDC MOA to ensure a fair and equitable water supply to all property recipients and imposed those requirements in the Implementation Agreements. In light of the possibility of a water supply shortage that reduces the overall amount of water available for the June 18, 2020

Ord Community, MCWD staff has committed by letter dated October 29, 2018 to work with the jurisdictions to develop a plan to reduce each entity's water allocation in an equitable manner, consistent with the 1993 Army-MCWRA Agreement and the Economic Development Conveyance Agreement obligation to provide a fair and equitable water supply to all property recipients of former Fort Ord lands. See Section 2.2.6 re: water allocations.

Section 2 Assignment of Assets, Liabilities, and Obligations:

2.1 Assets and Disposition Thereof:

FORA's principal assets are comprised of the following:

2.1.1 Section 115 Trust: In April 2018, the Board authorized the establishment of a Section 115 trust and funded the trust with \$5,700,000 (which is currently earning returns at an average annualized rate in excess of 2%). The current balance in the trust is approximately \$7,000,000. Funds held in the trust may be used only for retirement purposes. At or before FORA's dissolution, all funds held in the trust will be applied to the satisfaction or reduction of the unfunded pension liability under the CalPERS contract. To the extent that funds held in the trust are insufficient to fully satisfy the unfunded pension liability under the CalPERS contract, FORA's reserve funds, proceeds from bonds then on deposit in the designated account described in Section 2.2.1, and/or other funds available to FORA shall be applied so as to fully satisfy to the maximum extent possible the unfunded pension liability under the CalPERS contract (and thereby assure that FORA's member jurisdictions and any successor(s) to FORA are not exposed to liability for any unfunded pension liability relating to the CalPERS contract following FORA's dissolution).

2.1.2 Retirement Reserve Funds: Although not irrevocably committed to use for retirement purposes and available to meet FORA's other needs, FORA holds funds identified for retirement reserves in the current approximate aggregate amount of \$1,000,000. ~~Those funds shall be reviewed in 2020, allocations shall be made, and the funds shall be applied or distributed at or before FORA's dissolution in accordance with the approved FORA budget for that year~~500,000.

2.1.3 Litigation Reserve Funds: Although not irrevocably committed to use for litigation or indemnification purposes ~~and available to meet FORA's other needs,~~ FORA ~~holds~~has transmitted funds identified for indemnification of LAFCO in the ~~current approximate~~ aggregate amount of ~~\$300~~500,000. ~~Those~~Terms and conditions for the use of these funds are ~~intended to cover the cost of any litigation or indemnification obligation now or still pending immediately before FORA's dissolution. In the event that as of immediately prior to FORA's dissolution no such litigation or indemnity obligation is pending, the unexpended balance of such reserves shall be applied to capital improvement program projects in accordance with the Final 2020 Capital Improvement Program and/or distributed in accordance with Transition Plan Implementing Agreements. If as of immediately prior to FORA's dissolution any litigation or indemnity obligation is pending against FORA, the unexpended balance of such reserves shall be distributed to the County of Monterey, as escrow holder, in accordance with Section 4.2 hereinbelow and managed in accordance with Section 4.3 hereinbelow, provided for in the FORA-LAFCO Indemnification Agreement executed December 18, 2019.~~

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2.1.4 Habitat Funds: It is estimated based on the current rate of collections and earnings that by June 30, 2020 FORA will hold approximately \$~~24~~17,000,000 in funds dedicated to base-wide habitat management. ~~All such FORA will transfer the remaining funds accumulated before FORA's dissolution shall be transferred in the following order of priority. If before FORA's dissolution a Habitat Conservation Plan Cooperative joint powers authority (the "HCP Cooperative") has been established, all of the to local agencies to use specifically for habitat management funds held by FORA immediately prior to FORA's dissolution shall be transferred in their entirety as follows:~~

- 79.9% to Monterey County
- 7.4% to the City of Seaside
- 7.9% to the City of Marina
- 0.3% to the HCP Cooperative for use in connection with City of Monterey
- 4.5% to the base-wide Habitat Conservation Plan for Fort Ord being administered by the HCP Cooperative. If no HCP Cooperative is then in existence, but a joint powers authority has been formed for the management of Habitat Management Areas within the former Fort Ord, then a portion City of the habitat management funds held by FORA immediately prior to FORA's dissolution shall be transferred to the joint powers authority for use in connection with the management of Habitat Management Areas within the former Fort Ord and the remainder in a program for incidental take permits for future development. If no HCP Cooperative or other joint powers authority for the regional management of Habitat Management Areas within the former Fort Ord is in existence prior to September 2019, then FORA shall prepare a program addressing habitat management areas (HMA) on the one hand and incidental take permits for future development on the other and distribute funds according to that program. Del Rey Oaks

2.1.5 Capital Improvement Funds: Except for those CFD Special Taxes specifically identified for ~~the habitat conservation plan management~~, all CFD Special Taxes collected and remaining unexpended immediately prior to FORA's dissolution shall first be directed to completing in progress construction projects ~~(such as South Boundary Road)~~ as identified in FORA's final year CIP. Any CFD Special Taxes collected and remaining unexpended immediately prior to FORA's dissolution shall next be directed to completing other projects as identified in FORA's final year CIP. These capital improvement funds shall be transferred to the jurisdiction assigned responsibility for ~~completing construction of~~ the respective project, which shall be the jurisdiction in which the majority of the project is located ~~if that jurisdiction has an executed Transition Plan Implementing Agreement. If there is no Transition Plan Implementing Agreement, those funds shall be redistributed to those jurisdictions with Transition Plan Implementing Agreements in proportion to the priorities of each project in the final year CIP unless provided otherwise in a Transition Plan Implementing Agreement. a fully executed Memorandum of Agreement between FORA and the agency regarding the project has been entered into.~~ These projects include Removal of the City of Marina Stockade and Ancillary Buildings (for which the City of Marina is designated the responsible successor agency), Repair of Stormwater Infiltration Units on Eucalyptus Road (for which the City of Seaside is designated the responsible

successor agency), and South Boundary Roadway and the Intersection at General Jim Moore Boulevard Improvements (for which the City of Del Rey Oaks is designated the responsible successor agency). In each case, to the extent required by applicable law the underlying jurisdiction assumes lead agency status and responsibility for the project. Any liabilities associated with the projects described in this Section 2.1.5 are assigned to the respective jurisdiction designated as the responsible successor agency or otherwise assigned responsibility for the respective projects.

2.1.6 Other Funds: Except as otherwise specifically identified in this Transition Plan, all funds in FORA's other accounts, petty cash, un-deposited checks, and other cash equivalents held by FORA immediately prior to FORA's dissolution ~~shall be applied and distributed according to Section 2.1.5 for funds generated by the CFD Special Taxes, land sales revenues and/or property tax revenues. Except as otherwise specifically provided herein, funds related to the general administration of FORA, such as insurance refunds or other general fund revenues remaining unexpended or unallocated immediately prior to FORA's dissolution, shall be used first to address any unfunded administrative liabilities and only after the full satisfaction of such administrative liabilities shall any remaining balance of such funds be applied and distributed according to Section 2.1.5. together with any additional funds received prior to the closure of FORA's books shall be transferred to the County of Monterey to be applied first to the satisfaction or reduction of the unfunded pension liability under the CalPERS contract and after the satisfaction of such unfunded pension liability next to the satisfaction or reduction of FORA's other established but unpaid liabilities or obligations then existing, if any. Appropriate compensation to the County and the County's responsibilities with regard to the receipt and disbursement of FORA's funds as provided herein will be further defined in an agreement entered into between FORA and the County prior to FORA's dissolution.~~

2.1.7 ESCA Reimbursement: An estimated approximately \$6,800,000 in potential reimbursement is available for work conducted under the ESCA. All rights under the ESCA are assigned to the City of Seaside effective as of FORA's dissolution, ~~which shall be deemed the successor to FORA for the purposes of the ESCA;~~ provided, however, that the assignment shall be subject to approval by the Army and the state and federal regulators (collectively "the regulators"). In the event that the assignment is not approved by the Army or the regulators, then whichever jurisdiction(s) is/are acceptable to the Army and the regulators and acceptable to the Army-approved jurisdiction shall become the successor(s) to FORA for the purposes of the ESCA and all rights under the ESCA shall be deemed assigned to such jurisdiction(s). ~~The ESCA requires that such successor jurisdiction be either the County of Monterey, City of Seaside, City of Marina or a joint powers agency.~~

2.1.8 Miscellaneous Personal Property: Any of FORA's office furniture and equipment, supplies, and other personal property remaining as of FORA's dissolution shall be transferred to the County of Monterey in trust for prompt sale or disposition in accordance with any applicable rules or requirements for the transfer of surplus property by a California public entity. Any proceeds from such transfer, remaining after reimbursement to the County for its administrative costs, shall first be directed to any shortfall in funds available to satisfy liabilities or obligations unrelated to projects described in FORA's final year CIP. After the full satisfaction of all such liabilities and obligations any remaining proceeds shall

next be directed toward projects described in FORA's final year CIP as outlined in ~~Paragraph~~Section 2.1.5 hereinabove.

~~2.1.9 Real Property: FORA is obligated to cause certain former Fort Ord property to be transferred to the underlying land use jurisdictions in accordance with the federal "Pryor Amendment" and as authorized by Section 67678(a) of the FORA Act. Additionally, FORA is entitled to receive certain easements to enable implementation of the Reuse Plan. See item 127 in Exhibit A attached hereto and incorporated by this reference. As of the anticipated date of dissolution of FORA, not all real property interests will have transferred. Upon FORA's dissolution and the repeal of the FORA Act as of January 2021, the principal local public agent for acquisition, disposition and sale of real property transferred from the Army will need to be re-established through state legislation and/or federal designation and assignment of contractual rights. In particular, the landfill parcel currently located within the unincorporated portion of the County of Monterey but within the sphere of influence of the City of Marina will not transfer until sometime after 2022. Currently, the County is obligated to take the landfill parcel. See item 17 in Exhibit A attached hereto and incorporated by this reference. FORA staff shall seek all necessary legislation and approvals from the state and federal governments to enable the landfill parcel to be directly transferred to the County of Monterey or its designee. Necessary legislation and approvals from the state and federal governments for direct transfer of the landfill parcel may take a substantial amount of time to receive. The County is therefore requested to identify any designee recipient of the landfill parcel at least twelve (12) months prior to FORA dissolution in order to seek and receive such approvals and/or legislation for any designee recipient. If the County fails to timely specify a designee to receive the landfill parcel, the Army shall transfer the landfill parcel directly to the County of Monterey.~~

~~Additionally, there are parcels within the City of Seaside which will not transfer prior to 2020 due to a change in the State of California clean up requirements for residential use. FORA staff is directed to work with the Army and the City of Seaside to bring resolution to potential transfer issues prior to June 30, 2020. In the event that no resolution(s) are reached, FORA shall seek all necessary legislation and approvals from the state and federal governments to enable the Seaside parcels to be directly transferred to the City of Seaside or its designee.~~

~~2.1.9 Real Property: FORA is obligated to cause certain former Fort Ord property to be transferred to the underlying land use jurisdictions in accordance with the federal "Pryor Amendment" and as authorized by Section 67678(a) of the FORA Act. FORA has nominated the City of Seaside as its Successor to the Local Redevelopment Authority and as such, once recognized by the Army, will assume this role. The City of Seaside shall receive funds in the amount of \$100,000 to cover costs of property transfers as the designated LRA successor agency.~~

~~2.1.10 Insurance Policies: FORA is insured under those policies of insurance referenced in Exhibit A attached hereto and incorporated by this reference. Except to the extent specifically provided to the contrary in this Transition Plan or by the terms of the insurance policy itself, FORA shall not keep any of such policies of insurance in force beyond the date of their expiration.~~

With respect to the Pollution Legal Liability (“PLL”) policy ~~(Item 30 in Exhibit A),~~⁴ FORA currently holds approximately \$267,000 in a separately identified account for the PLL insurance self-insured retention ~~(“SIR”).~~ These funds shall be transferred and utilized to defray the administrative costs for the ~~successor to FORA~~City of Seaside as the First Named Insured and to defray the costs in the event of a claim requiring application of a self-insured retention amount. ~~The County agreed to negotiate to become FORA’s successor as a First Named Insured (Monterey County Board Order December 2, 2014) and to take on the First Named Insured obligations and receive the FORA self-insured retention (SIR) fund. In the event, the County does not wish to become the First Named Insured, the PLL policy, Endorsement 15 provides for a FORA designated successor. Any successor that becomes the First Named Insured shall be entitled to receive the \$267,000 SIR funds.~~In the event, the SIR is not utilized for any claims made, the amount in the fund shall be returned, after any administrative deduction for contract management by the successor, to the named insureds in proportion to the amounts of their insurance coverages.

2.2 Liabilities and Obligations and Assignment Thereof:

FORA’s principal liabilities and obligations include the following:

2.2.1 Unfunded Pension Liability under CalPERS Contract: Based on the latest available communication from CalPERS, FORA’s unfunded terminated agency liability is anticipated to range from \$7,793,230 to \$9,333,172.⁴ ~~FORA staff shall take such action as is necessary to cause CalPERS to issue an actuarial analysis of FORA’s unfunded terminated agency liability not less than six (6) months prior to the anticipated dissolution of FORA.~~ By this Transition Plan FORA commits that if there is a shortfall between the amount of the actuarial analysis anticipated terminated agency liability and the amounts in the Section 115 Trust to retire all the liability, FORA shall expend and encumber such additional funds as are necessary to fully discharge this liability, including without limitation by applying monies on hand in the FORA accounts ~~and/or, by applying bond proceeds as described below, or if necessary by~~ encumbering future property tax revenues after applying bond proceeds, to the extent legally permissible, pursuant to Health and Safety Code section 33492.71. The County shall continue to accrue such property tax revenues in FORA’s account until all of ~~its~~FORA’s recognized debts have been retired. The County shall be entitled to recover its reasonable costs of administering and distributing said property tax revenues. ~~CalPERS is able to enter into a payment plan not to exceed five (5) years to satisfy such liability~~ FORA will set aside in a designated account \$4,000,000 (or such other amount as FORA’s Board of Directors may designate prior to FORA’s dissolution) of its bond proceeds to be used to pay the CalPERS liability before any funds remaining in such account after such payment are transferred to the County of Monterey to be applied to the satisfaction or reduction of FORA’s other established but unpaid liabilities or obligations then existing, if any, as described in Section 2.1.6 hereinabove.

2.2.2 Habitat Funds: See Section 2.1.4 hereinabove.

⁴ Note, these amounts do not include approximately \$1.16M in payments not yet posted to the CalPERS numbers and will be refined upon receiving the CalPERS final actuarial analysis.
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2.2.3 Capital Improvement Funds: See discussion in Section 2.1.5 hereinabove.

2.2.4 ESCA Reimbursement: See Section 2.1.7 hereinabove.

2.2.5 Building Removal: In the absence of a consolidated building removal program and/or legislative solution to the issue of blight, any building removal not required under the CIP shall be addressed, after FORA's dissolution, if at all, by the jurisdictions in which the remaining abandoned buildings are located after compliance with all applicable laws. ~~To the extent that jurisdictions wish to jointly address regional blight, revenue sharing may be addressed in Transition Plan Implementing Agreements but no jurisdiction shall be compelled to participate in such revenue sharing without its consent.~~

~~2.2.6 Transportation and Transit: The Board finds that as of 2018, there are 19 transportation and transit projects identified in the capital improvement program. These projects are listed in Document 120 in Exhibit A attached hereto and incorporated by this reference. The City of Marina, County of Monterey, Transportation Agency of Monterey County ("TAMC") and Monterey Salinas Transit ("MST") are the identified lead agencies for 13 of 19 projects. Of those 13, FORA has reimbursement agreements in place with lead agencies City of Marina and County of Monterey. The Board identifies those Agreements (Documents 114 and 115) to be addressed in the new Transition Plan Implementing Agreements as to how revenue generation and revenue sharing will occur. Those Reimbursement Agreements shall terminate on June 30, 2020, unless otherwise addressed in the Transition Plan Implementing Agreements. The new Transition Plan Implementing Agreements should also address contributions or mechanisms to lead agencies TAMC and MST to replace revenues generated by the expiring CFD Special Tax for their lead agency projects. With respect to the projects for which FORA is the lead agency and which no jurisdiction has addressed in its Transition Plan Implementing Agreement, FORA working in conjunction with TAMC shall prepare a regional traffic modeling analysis showing the inclusion of the FORA lead agency on-site roads as compared to the removal of the FORA lead agency roads on the remaining Fort Ord roads. In particular, off-site, regional and on-site Fort Ord local roads within or adjacent to the City of Marina, City of Seaside, City of Del Rey Oaks, and County of Monterey shall be analyzed to ascertain the impact on the Ord Community, including without limitation, California State University Monterey Bay ("CSUMB"), University of California Monterey Bay Science and Technology ("UC MBEST"), Monterey Peninsula College ("MPC"), the Veteran's Cemetery, the Army and the National Monument, and the regional network, so as to inform the last year CIP. The schedule for implementing transportation and transit projects shall be determined by the lead agency in consultation with the jurisdictions who are collecting revenue for the project, but nothing in this Transition Plan changes the authority or the discretion of a lead agency to determine whether, how or when to fund and construct any particular road or transit project. All future projects will be subject to compliance with all applicable law as it exists at the time of project approval and implementation. Any required project-specific CEQA review or compliance shall be the responsibility of the designated lead agency.~~

~~2.2.7~~ 2.6 Water/Wastewater: This Transition Plan hereby assigns to MCWD, effective as of the dissolution of FORA, FORA's rights of enforcement under the Implementation Agreements, to the extent they survive post-dissolution, regarding water allocations. In the

event that any jurisdiction's approved developments exceed the jurisdiction's approved water allocation, MCWD may decline to issue any further water connection permits until the offending jurisdiction brings its water allocation into compliance or MCWD develops or obtains access to an augmented water supply sufficient to cover any excess. In the event of a ground water shortage, any resulting reductions in the amount of water supplies shall be applied fairly and equitably across all jurisdictions. MCWD and the jurisdictions shall work together as to how to apply a fair and equitable reduction of water supply amongst the underlying land holding jurisdictions. ~~Nothing in this assignment creates any new obligation to utilize groundwater to meet the water service needs of the jurisdictions, but neither does this assignment reduce or eliminate any water service obligation already established by federal or state law or contract. FORA's 2018-19 CIP projects that \$17,098,686 will remain to be funded for base-wide water augmentation improvements after June 30, 2020. In its October 29, 2018 letter MCWD has confirmed its commitment to working with the jurisdictions on water supply needs in a fair and equitable manner. Except as set forth in the preceding sentence or in a Transition Plan Implementing Agreement, jurisdictions may alter their relative water allocations, as identified in the Implementation Agreements² only by written agreement with other jurisdictions. To the extent possible, the jurisdictions may also agree among themselves as to what fair and equitable reduction in water allocation would be applied in the instance of a mandated water shortage in a written agreement and with concurrence of MCWD. As part of the MCWD ongoing commitment to work with the jurisdictions they are requested to honor any alternate water allocations as agreed between two or more jurisdictions as though the new agreed upon allocation had been set forth in the Implementation Agreements.~~

~~2.2.8 Other Contracts and Agreements: Attached as Exhibit A to this Transition Plan are references to a compilation of contracts and other documents and/or commitments relevant to the FORA Program and the dissolution of FORA. Some of these contracts, documents or commitments may be completed, revised, replaced, or superseded prior to the dissolution of FORA and additional contracts, documents or commitments may be entered into before FORA dissolves. FORA staff shall endeavor to keep Exhibit A current and shall provide quarterly updates to the Board regarding any changes. FORA's outstanding obligations reflected on Exhibit A are hereby assigned as set forth in Exhibit A.~~

~~2.2.9 2.2.7 Prevailing Wages: Notwithstanding any other provision herein, the general prevailing rate of wages for work of a similar character in Monterey County, as determined by the Director of the Department of Industrial Relations under Division 2, Part 7, Chapter 1 of the California Labor Code, shall be paid to all workers employed on First Generation Construction (as defined in the Master Resolution) after FORA's dissolution. This term may not be invalidated or superseded by any Transition Plan Implementing Agreement(s) or other document(s), or by action of any city, successor jurisdiction, or other entity.~~

~~2.2.8 Late Discovered Items: To the extent that any contractual or other obligation of FORA is discovered during ~~the LAFGO review and/or~~ implementation of this Transition Plan ~~or a Transition Plan Implementing Agreement~~, those ~~contractual~~ obligations shall be assigned as follows: If the liability or obligation is related to the use of real property, it shall be assigned to the underlying land use jurisdiction ~~unless otherwise provided in a~~~~

~~² In the event that the water allocations are found to be unenforceable or terminate upon the expiration of FORA, water services shall be in accordance with existing federal and state laws and contracts.
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~~Transition Plan Implementing Agreement approved by FORA.~~ If the liability or obligation is unrelated to the use of real property, ~~either FORA or LAFCO shall notify the~~any appropriate insuring entity ~~or the County, and/or shall expend and encumber~~and the County. ~~Upon the establishment of the validity and amount of the liability or obligation by LAFCO and the County acting in coordination with each other,~~ such additional funds as are necessary to fully discharge any liability, including without limitation by established liability or obligation shall be paid or discharged first (a) by the County applying monies, if any, ~~then~~ on hand in the FORA accounts ~~and/or;~~ next (b) by LAFCO applying any then unexpended funds received from FORA, including but not limited to the litigation reserve funds received from FORA as described in Section 2.1.3; and only then (c) by encumbering and expending future property tax revenues pursuant to Health and Safety Code section 33492.71. The County shall continue to accrue such property tax revenues in FORA's account until all of ~~its~~FORA's recognized debts have been retired.

Section 3 Insurance Transition Plan Implementation:

3.1 Transition Plan Insurance:

~~FORA staff is directed to explore the availability and cost of a policy of insurance providing coverage for litigation that may arise against FORA, FORA's member jurisdictions, and/or LAFCO in connection with this Transition Plan, the assignments made pursuant hereto, the dissolution of FORA, or the designation of one or more entities as successor(s) to FORA and to report the results of such investigation to the Board no later than March 2019. The Board reserves the right to obtain such an insurance policy if it provides appropriate coverage and is not cost prohibitive in the judgment of the Board.~~

3.2 Tail Coverage:

~~FORA staff is directed to explore the availability and cost of an endorsement, rider, or policy of general liability insurance extending the reporting period and coverage of such insurance for the benefit of FORA's member jurisdictions and any successor(s) to FORA and to report the results of such investigation to the Board no later than March 2019. The Board reserves the right to obtain such an insurance policy if it provides appropriate coverage and is not cost prohibitive in the judgment of the Board.~~

Section 4 Transition Plan Implementation:

4.1 Transition Plan Implementing Agreements:

~~In order to continue to foster regional cooperation and completion of the FORA program, the Board requests that each affected entity and/or land holding member jurisdiction enter into a Transition Plan Implementing Agreement addressing how the respective entity or jurisdiction will generate revenues to meet its obligations as assigned in this Transition Plan or as agreed upon in the Transition Plan Implementing Agreements and include revenue sharing provisions between those that will generate revenues and those implementing CIP projects, and such other matters as may be required to implement this Transition Plan, together with a schedule of regular meetings to assess and update habitat, transportation, transit and water augmentation needs in Fort Ord. Notwithstanding that this Transition Plan requests that each member jurisdiction establish, adopt or participate in one or more replacement funding mechanism(s) and revenue sharing agreements that address all parts of FORA's final year CIP, this Transition Plan does not specify any specific funding mechanism. The Board strongly encourages all underlying jurisdictions with future~~
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~~prospective development to form Community Facilities Districts (or adopt substantially similar replacement funding mechanisms) to replace the revenues which would have been raised by the CFD Special Taxes. Additionally, the Board encourages member jurisdictions to include in documents about future projects language which will obligate future development projects to pay a CFD Special Tax (or substantially equivalent replacement fees).~~

~~4.2 — Escrow:~~

~~In the event that as of immediately prior to FORA's dissolution, there are litigation or indemnity obligations pending, the unexpended balance of the litigation reserves set forth in Section 2.1.3 shall fund an escrow account for the LAFCO Indemnification Agreement for the purpose of paying outstanding legal costs, court judgments, settlements, or other litigation costs that are not covered by insurance and are unable to be paid by FORA due to its dissolution. The initial escrow account holder shall be the County of Monterey, who shall be entitled to reimbursement for reasonable administrative costs of such administration. The escrow account shall be managed by a panel of not less than five (5) representatives, one from each land holding jurisdiction, and all approved by a majority of the member jurisdictions. The escrow account shall be maintained for three (3) years, after which any remaining money in the account shall be used to pay for a CIP project expense, including but not limited to habitat management, as determined by the panel.~~

~~4.33.1 Schedule of Remaining Obligations, General Designation of Responsible Successor Agency, and General Assignment of Liabilities:~~

<u>Obligation</u>	<u>Reference in Updated Transition Plan</u>
<u>Implementation of Mitigation Measures Pertaining to North-South Road/Highway 218 Project and CEQA Lead Agency Status</u>	<u>See Section 1.2</u>
<u>Implementation of Mitigation Measures Pertaining to Relocation and Reconfiguration of General Jim Moore Boulevard Project and CEQA Lead Agency Status</u>	<u>See Section 1.2</u>
<u>Habitat Management Responsibilities on Sites Held by the Monterey Peninsula Community College District</u>	<u>See Section 1.2</u>
<u>Repair of Stormwater Infiltration Units on Eucalyptus Road CEQA Lead Agency Status</u>	<u>See Section 2.1.5</u>
<u>Removal of the Stockade and Ancillary Buildings CEQA Lead Agency Status</u>	<u>See Section 2.1.5</u>
<u>South Boundary Roadway and the Intersection at General Jim Moore Boulevard Improvements CEQA Lead Agency Status</u>	<u>See Section 2.1.5</u>
<u>Transfers of Real Property in accordance with the federal "Pryor Amendment"</u>	<u>See Section 2.1.9</u>
<u>Payment of Unfunded Terminated Agency Liability to CalPERS</u>	<u>See Section 2.2.1</u>
<u>Payment of Late Discovered Obligations</u>	<u>See Section 2.2.8</u>
<u>Successor for Litigation Matters</u>	<u>See Section 3.1 (also 1.5)</u>
<u>FORA Contract with California Native Plant Society and City of Del Rey Oaks</u>	<u>See Section 3.3</u>

~~Except as identified in the schedule of remaining obligations set forth above or specifically provided for elsewhere in this Transition Plan, FORA is not aware of any remaining obligations.~~

In recognition that FORA has transmitted funds identified for indemnification of LAFCO in the aggregate amount of \$500,000 as described in Section 2.1.3, except as specifically provided to the contrary elsewhere in this Transition Plan, FORA hereby designates LAFCO as the responsible successor agency for all legal, financial, and other unresolved matters, known and unknown, and assigns to LAFCO all liabilities not otherwise specifically assigned in this Transition Plan.

3.2 Litigation Management:

In the absence of ~~either (a) FORA approved Transition Plan Implementing Agreements entered into with each of the land holding jurisdictions identifying a successor or successors in interest to FORA relative to post FORA litigation or (b)~~ an agreement entered into by all of the affected land holding jurisdictions that post FORA litigation may be managed by any one or more, but less than all, of ~~thesuch~~ the land holding jurisdictions, any post FORA litigation shall be collectively managed by ~~anythe~~ any land use ~~jurisdiction~~jurisdictions that ~~is anare defendants or are~~ is identified as real party(ies)parties in interest for such pending litigation.

4.4 — LAFCO Review:

~~If LAFCO finds that this Transition Plan does not provide adequate guidance to LAFCO regarding assignment of FORA's assets and liabilities, designation of responsible successor agencies, or identification of remaining obligations in keeping with the requirements of Government Code section 67700, the Board requests that LAFCO return the Transition Plan with LAFCO's identified deficiencies at the earliest possible time (to enable possible further consideration and action by the Board).~~

4.53.3 Survivability of the Base Reuse Plan, Master Resolution, and FORA's Agreements:

FORA has received from Authority Counsel a memorandum dated June 16, 2020 setting forth a statement regarding the survivability of the Base Reuse Plan, Master Resolution, and FORA's Agreements.

3.4 Reserved Right of Modification:

The Board hereby reserves its right to augment, clarify or modify this Transition Plan as law, facts, circumstances, or agreements may require.

NOW THEREFORE, THE BOARD HEREBY RESOLVES AS FOLLOWS:

1. As outlined above, this Resolution and its provisions constitute the Transition Plan required by Government Code section 67700(b); and ~~shall be updated by December 30, 2019; and~~
2. The Board hereby makes all assignments in accordance with Government Code section 67700(b);
3. The Board hereby finds that as adopted herein, ~~thethis updated and restated~~ this updated and restated Transition Plan is not a project subject to CEQA; ~~and~~

June 18, 2020

4. Notwithstanding anything to the contrary set forth in this resolution, nothing herein is intended nor shall be interpreted to create an independent financial obligation of the general funds of a member jurisdiction of FORA or of LAFCO unless specifically agreed to in writing by the member jurisdiction or LAFCO. Except as otherwise specifically provided herein, all of FORA's established debts, obligations, and other liabilities are intended to be satisfied or paid (a) first out of the funds of FORA as may exist as of the date of its dissolution or as may accrue to its accounts following dissolution and (b) after the exhaustion of such funds then from future property tax revenues pursuant to Health and Safety Code section 33492.71; and

4.5. The Board directs the Executive Officer to ~~submit~~transmit this updated and restated Transition Plan to LAFCO ~~and execute all LAFCO required documents and pay all LAFCO required processing fees; and~~

~~5. The Board further directs staff to provide regular monthly progress reports on the implementation of this Transition Plan, including without limitation, bringing forth future implementing actions, status of Transition Plan Implementing Agreements, any LAFCO information or requests, and any subsequent information that might affect this Transition Plan.~~

Upon motion by Board member ~~Gunter----~~ seconded by Board member ~~Phillips----~~ the foregoing Resolution was passed on this 19th _____ day of ~~December, 2018~~June 2020, by the following vote:

AYES: ~~PARKER, PHILLIPS, ADAMS, OGLESBY, WIZARD, EDELEN, CARBONE, GARFIELD, GUNTER~~

NOES: ~~O'CONNELL~~_____

ABSTENTIONS: ~~NONE~~

ABSENT: ~~MORTON, HAFFA, REIMERS~~_____

Jane Parker, Chair FORA Board

ATTEST:

Michael A. Houlemard, Jr. Clerk

Frank O'Connell, Immediate Past Chair

Joshua Metz, Clerk

June 18, 2020

GLOSSARY

“Army” means the United States Army.

“Board” means the governing board of the Fort Ord Reuse Authority, as specified in Government Code section 67660.

“CalPERS” means the California Public Employees’ Retirement System.

“CEQA” means the California Environmental Quality Act, as amended to date (Public Resources Code section 21000 and following).

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, commonly known as Superfund, as amended to date (42 U.S. Code Chapter 103 and following).

“CFD” means a Community Facilities District within the former Fort Ord formed pursuant to the Mello-Roos Community Facilities Act of 1982, as amended to date (Government Code section 53321 and following).

“CFD Special Taxes” means the special taxes collected through the Community Facilities District on properties to be developed within the former Fort Ord.

“CIP” means a Capital Improvement Program adopted by the Fort Ord Reuse Authority.

“EDC MOA” means the Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands, which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder.

“EDC Property” means the real property transferred pursuant to the Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands, which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder.

“ESCA” means the Environmental Services Cooperative Agreement entered into between the United States Army and the Fort Ord Reuse Authority, as amended to date.

“FORA Act” means, collectively, SB 899 and AB 1600 adopted in 1994 and amended in 2012, as codified at (i) Government Code Title 7.85, Chapters 1 through 7, commencing with Section 67650, and (ii) selected provisions of the California Redevelopment Law, including Health and Safety Code Sections 33492 *et seq.* and 33492.70 *et seq.*

“FORA” means the Fort Ord Reuse Authority.

“FORA Program” has the meaning given in Section 1.2.

“FORG” means the Fort Ord Reuse Group organized by local governments and potential property recipients to initiate recovery planning regarding the impending downsizing/closure of the former Fort Ord.

“Fort Ord,” including references to the territory or area of Fort Ord or the former Fort Ord, means the geographical area described in the document entitled “Description of the Fort Ord Military Reservation Including Portion of the Monterey City Lands Tract No. 1, the Saucito, Laguna Seca, El Chamisal, El Toro and Noche Buena Ranchos, the James Bardin Partition of 1880 and Townships 14 South, Ranges 1 and 2 East and Townships 15 South, Ranges 2 and 3 East, M.D.B. and M. Monterey County, California,” prepared by Bestor Engineers, Inc., and delivered to the Sacramento District Corps of Engineers on April 11, 1994 or the military base formerly located on such land, as the context requires.

~~“HCP Cooperative” means a joint powers authority contemplated to be established to administer a habitat conservation program at the former Fort Ord.~~

“Implementation Agreements” means agreements entered into beginning in 2001 between the Fort Ord Reuse Authority on the one hand and the County of Monterey and each city receiving or anticipated to receive a portion of the EDC Property on the other hand, as such agreements may have been amended to date.

“LAFCO” means the Monterey County Local Agency Formation Commission.

“Local Redevelopment Authority” means any authority or instrumentality established by State or local government and recognized by the Secretary of Defense through its Office of Economic Adjustment (OEA) to facilitate the transfer of properties from the former Fort Ord to the underlying jurisdictions.

“Master Resolution” means the collection of administrative rules and regulations adopted by FORA under the Authority Act, as amended.

“MCWD” means the Marina Coast Water District.

“MCWRA” means the Monterey County Water Resources Agency.

“MPC” means the Monterey Peninsula Community College District.

“MRWPCA” means the Monterey Regional Water Pollution Control Agency.

“Reuse Plan” means the Fort Ord Base Reuse Plan and its accompanying environmental impact report adopted and certified by the FORA Board in June 1997 to guide the reuse of the former Fort Ord, all as amended from time to time.

“Strategy Report” means the June 1992 report prepared by the Fort Ord Community Task Force in order to develop recommendations for moving forward with a recovery effort relating to the closure of the former Fort Ord.

June 18, 2020

“Task Force” means the Fort Ord Community Task Force formed in order to develop recommendations for moving forward with a recovery effort relating to the closure of the former Fort Ord.

~~“Transition Plan Implementing Agreements” means the agreements contemplated to be entered into with the land use jurisdictions to implement the provisions of the Transition Plan.~~

MEMORANDUM

TO: Board of Directors of the Fort Ord Reuse Authority

FROM: Authority Counsel

DATE: Tuesday, June 16, 2020

RE: Interpretation of Survivability of the Base Reuse Plan, Master Resolution, and Implementing Agreements

I. INTRODUCTION

The Monterey County Local Agency Formation Commission (“LAFCO”) has requested that FORA opine as to the future status of the Base Reuse Plan (“BRP”), Master Resolution, and Implementing Agreements after FORA’s statutory sunset date of June 30, 2020. This memorandum addresses LAFCO’s request.

II. EFFECT OF FORA’S INTERPRETATIONS

Under Government Code § 67700, subdivision (b)(1), LAFCO is tasked by the State Legislature with providing “for the orderly dissolution of” FORA. Under subdivision (b)(2) of the same statute, the FORA Board is empowered to generate a transition plan assigning assets and liabilities, designating responsible successor agencies, and providing a schedule of remaining obligations.

Notably, the FORA Act (Government Code § 67650 *et seq.*) does not confer on FORA the power to make any binding or persuasive declaration of the continuing legal effect of documents such as the BRP, Master Resolution, and Implementing Agreements. In legal terms, FORA’s analysis and statement of a position is a gratuitous act that does not bind other persons or entities.

Under certain circumstances, the California Courts look to agency interpretations of the law for persuasive authority. See *Yamaha Corp. of America v. State Bd. of Equalization* (1998) 19 Cal.4th 1, 8. However, this rule of affording respect to agency determinations is contextual. In the context of a gratuitous opinion developed in the final month of FORA’s existence, the persuasive effect of FORA’s interpretation of the law will be minimal at best.

In deference to LAFCO’s request this statement has been prepared to set forth in writing FORA’s opinions regarding the post-dissolution status of the BRP, the Master Resolution, and the Implementing Agreements. Nevertheless, FORA cannot warrant that its interpretations will have any legal effect whatsoever or constrain any party from advocating a different interpretation.

III. SURVIVAL OF PROGRAM ELEMENTS

A. BRP and Master Resolution

FORA's generation of a BRP was both authorized and mandated by Gov. Code § 67675, subdivision (a). The statute provides that "[t]he board shall prepare, adopt, review, revise from time to time, and maintain a plan . . ." The final verb in this quoted provision, "maintain," suggests a legislative intent to have the BRP continue for a period of time. Yet the FORA Act does not expressly state the effect of dissolution on the BRP, nor does it provide any procedures for assignment or post-dissolution enforcement of the BRP.

It is necessary to look to other documents, in particular the Master Resolution, in order to resolve the issue of the post-dissolution status of the BRP.

FORA's Master Resolution was first adopted by the Board on March 14, 1997, and has been amended in part approximately 17 times since its initial adoption. The Master Resolution takes up implementation of the BRP in Section 8.01.010. The subdivisions of this section partly restate and implement the FORA Act provisions authorizing the BRP.

Section 8.01.010, subdivisions (j) and (k), address continuing enforcement of the BRP and Master Resolution. Collectively, these provisions direct FORA to record a notice or covenant running with the land on all property within the "Fort Ord Territory" requiring consistency with the BRP and Master Resolution in future development. Recorded notices or covenants running with the land are generally effective to maintain land use restrictions, and this enforceability will hold true irrespective of FORA's dissolution. The enforceability of recorded covenants under the Master Resolution has already been tested in the case of *Monterey/Santa Cruz etc. Trades Council v. Cypress Marina Heights LP* (2011) 191 Cal.App.4th 1500, 1512–1520, in which the Sixth District Court of Appeal held that the recorded Master Resolution was enforceable by entities other than FORA.

To summarize, the Master Resolution already provides for continuing viability of the BRP and Master Resolution. The specified method of continuing enforceability is by recording notices and covenants running with the land, which has been done in connection with Army property transfers made to date and which FORA expects will continue to be done in connection with future transfers of former Army property. The Master Resolution itself was recorded on April 14, 2020.

B. Implementing Agreements

The Implementing Agreements are a series of written two-party agreements executed in 2001 between certain of FORA's member jurisdictions and FORA. The Agreements do not address what happens upon FORA's dissolution, nor do they mention assignability by FORA. The general rule under California law is that contractual rights and duties are assignable unless a law

or contract provides otherwise. Because no contrary authority exists relating to the assignability of the Implementing Agreements, rights and duties under the Agreements are freely assignable.

Under well-established contract law, FORA's dissolution will not extinguish the Implementing Agreements. For natural persons, the longstanding rule is that contracts of a deceased person are not extinguished by the person's death unless they relate to personal services of a character that cannot properly be performed by others. See *In re Burke's Estate* (1926) 198 Cal. 163, 167. Courts have regularly applied the same rule of non-extinguishment to other entities, such as partnerships. See, e.g., *Zeibak v. Nasser* (1938) 12 Cal.2d 1, 17. There are no legal principles or authorities that suggest that FORA's dissolution will have a different effect on its contracts than these other types of legal entities.

After June 30, 2020, FORA, as a dissolved entity, will no longer have the legal capacity to bring any enforcement action against any party based on an Implementing Agreement. FORA sought to find assignees willing to accept responsibilities and liabilities under the Implementing Agreements and enter into a new Transition Plan Implementation Agreement with the signatories to the old Implementing Agreements, each to no avail. LAFCO has taken the position that it lacks the authority to compel other entities to accept assignments of legal rights or duties from FORA. Because (i) FORA was unable to find any willing assignees and was unable to persuade the signatories to enter into a replacement Transition Plan Implementation Agreement and (ii) LAFCO will not enforce any involuntary assignments, the Implementing Agreements (although not technically extinguished by FORA's sunset) may as a practical matter become difficult or impossible to enforce due to the lack of any voluntary assignee. Enforcement by a third party would require that such party establish that it is an intended third-party beneficiary of the Implementing Agreements, which may a difficult hurdle to overcome. Under the circumstances, it is not possible to state with certainty whether the Implementing Agreements will be enforceable by any particular party in the wide variety of possible contexts.

C. Multi-Party Agreements

As to agreements entered into between FORA and more than one other party, the cessation of FORA's existence will not necessarily bring those contracts to an end. FORA anticipates that the surviving parties will continue to be obligated as provided in the respective agreements.

IV. CONTEXT

In the months and years preceding dissolution, FORA has worked diligently within its limited powers granted by the FORA Act to arrange for a transition despite legal and practical barriers. One option to allow more time for planning of an orderly dissolution would have been to extend FORA for a brief period to provide additional time to resolve these complex issues. SB 189 (2019-2020 session) was a bill sponsored by multiple local legislators to provide for a two-year extension of FORA, which would have allowed FORA to operate with reduced powers until June 30, 2022. This bill did not receive approval to pass out of the Appropriations Committee, and

has not been enacted. Other efforts to obtain legislative clarification to the dissolution provisions of the FORA Act did not meet with success either.

Total requested funding is \$150,000.

COORDINATION:

Executive Officer

Prepared by  _____
Joshua Metz

ATTACHMENTS:

A. Regional Government Services Contract Amendment Scope of Work, June 8, 2020

June 8, 2020

Mr. Joshua Metz
Executive Officer
Fort Ord Reuse Authority
620 2nd Ave, Suite A
Marina, CA 93933

SUBJECT: FORA TRANSITION SERVICES

Dear Mr. Metz,

Thank you for giving Regional Government Services (RGS) the opportunity to provide this letter proposal for assistance related to the transition of Administrative and Financial Services for the Fort Ord Reuse Authority (FORA) to the County of Monterey (County).

SCOPE OF WORK

RGS' designated staff will provide transition services from June 15, 2020 through June 30, 2021 as needed and/or requested by FORA and/or the County. These may include but are not limited to:

- Assisting in efforts required as a result of the dissolution of the Fort Ord Reuse Authority including but not limited to disposition of physical assets, transfer of documents and/or other tasks as requested by the County.
- Coordination with CalPERS, the County and the City of Marina related to settlement of FORA's final liability payment.
- Providing finance services including management of accounts payable and contract payments post June 30, 2020. RGS staff will prepare warrants for review and signature by County staff.
- Management and oversight of FORA's Final Year Audit to be conducted by Moss, Levy & Hartzheim LLP which has been retained by FORA in advance of dissolution.
- Human Resources services as needed for employment verification, distribution of final year tax documents and filings.
- Assistance as needed for management of projects related to the County's role as a successor to FORA.
- Assistance if needed for Public Records Requests, records management and transfers.
- Other services as requested.

TERM

The term of the contract would be from June 15, 2020 through June 30, 2021.

BUDGET

RGS requests a not-to-exceed budget of \$150,000.

Please feel free to contact me with any questions or clarifications. Thank you!

Sincerely,

KBFlint

Kendall Flint
Director of Strategic Planning and
Communications
REGIONAL GOVERNMENT SERVICES

Title	Hourly Rate
Chief Operating Officer	\$135 to \$220
Deputy Chief Operating Officer	\$130 to \$195
Senior/Lead Advisor	\$125 to \$190
Advisor	\$115 to \$160
Project Advisor	\$105 to \$125
Project Coordinator	\$85 to \$120
Technical Specialist	\$75 to \$115

Regional Government Services may charge travel expenses at the current Federal rate for advisor travel to and from agency worksite.

FORT ORD REUSE AUTHORITY BOARD REPORT		
BUSINESS ITEM		
Subject:	FORA-Monterey County Agreement Regarding Dissolution Related Administrative and Financial Matters	
Meeting Date:	June 19, 2020	ACTION
Agenda Number:	7e	

RECOMMENDATION(S):


Approve Agreement Between the Fort Ord Reuse Authority and County of Monterey Regarding Administrative and Financial Matters Associated with FORA Dissolution (**Attachment A**).

BACKGROUND/DISCUSSION:

There are a number of Post-FORA Administrative and Financial tasks that will need management through the end of FY/20/21 and beyond. The attached agreement defines how those tasks will be managed – partially through an Administrative and Financial Services Contract entered into by FORA with Regional Government Services (RGS), then assigned to the County of Monterey beginning July 1, 2020; and partially by continuing services provided by the County of Monterey.

The RGS Contract Amendment would cost \$150,000, and Scope of Services are described in Attachment B. County Administrative costs and functions include \$190,000 for Records Management and Administration, and \$351, 053 to fund 3-years of continuation of veteran’s services through the Monterey County of Veterans Affairs, as described in Attachment A.

FISCAL IMPACT:

Reviewed by FORA Controller 

\$150,000 for RGS Contract Amendment. \$190,000 post-FORA Administration and Records Management by County of Monterey, \$351,053 for Veterans Services by Monterey County Veterans Affairs Office.

COORDINATION:

Authority Counsel, Monterey County, Regional Government Services.

Prepared by & Approved by 

 Joshua Metz

ATTACHMENTS:

- A. Agreement Between the Fort Ord Reuse Authority and County of Monterey Regarding Administrative and Financial Matters Associated with FORA Dissolution.
- B. Regional Government Services, FORA Transition Services, Scope of Work, June 8, 2020.

**AGREEMENT BETWEEN THE FORT ORD REUSE AUTHORITY AND COUNTY OF
MONTEREY REGARDING ADMINISTRATIVE AND FINANCIAL MATTERS
ASSOCIATED WITH FORA DISSOLUTION**

This Agreement Regarding Administrative and Financial Matters Associated with FORA Dissolution (this “Agreement”) is dated for reference purposes June __, 2020 and is entered into by and between the Fort Ord Reuse Authority (“FORA”), a California public agency, and the County of Monterey (the “County”), a political subdivision of the state of California. FORA and the County are sometimes referred to herein each in the singular as a “Party” and collectively as the “Parties.” This Agreement is entered into with reference to the following facts:

RECITALS

A. The FORA was established pursuant to the Fort Ord Reuse Authority Act (California Government Code Section 67650 *et seq.* and referred to herein as the “FORA Act”) as a regional agency to, among other things, plan, facilitate, and manage the transfer of former Fort Ord property from the United States Army (the “Army”) to various municipalities and other public entities or their designees.

B. FORA acquired portions of the former Fort Ord from the Army under an Economic Development Conveyance Memorandum of Agreement between FORA and the Army dated June 20, 2000, as amended (the “EDC Agreement”).

C. Pursuant to Section 67700(a) of the FORA Act, the FORA Act will become inoperative on June 30, 2020. Concurrently with the FORA Act becoming inoperative, FORA will dissolve (“FORA’s Dissolution”).

D. FORA is proposing to enter into and fund a contract (the “RGS Contract”) with Regional Government Services (“RGS”), a California Joint Powers Authority, to carry out certain administrative and fiscal services to wind up FORA’s business affairs following FORA’s Dissolution. FORA is proposing to assign the RGS Contract to the County before FORA’s Dissolution. Due to the shortness of time before the dissolution of FORA and the sequence of County Board of Supervisors and FORA Board of Directors meetings, the County Board of Supervisors may need to take action to approve this Agreement before FORA’s Board of Directors has approved the RGS Contract. Accordingly, the Parties intend by this Agreement to provide that the County’s acceptance of assignment of the RGS Contract is contingent upon the County’s determination that the terms of RGS Contract are acceptable to the County and approval of the RGS Contract as to form by County Counsel. If the County accepts the assignment of the RGS Contract, a copy of the fully executed RGS Contract shall be attached to this Agreement as Exhibit 1.

E. FORA has also proposed transferring all FORA hard copy and electronic records to the County, except records (i) that will transfer to the City of Seaside (the “City”) in the City’s capacity as successor Local Redevelopment Authority under the EDC Agreement (ii) pertaining to FORA’s Environmental Services Cooperative Agreement W9128F 07 2-0162, as amended, entered into between FORA and the Army (the “ESCA”), which records will transfer to the City

as custodian, or (iii) constituting privileged and confidential attorney client communications or attorney work product, which records will transfer to FORA's Authority Counsel, Kennedy, Archer & Giffen, PC ("Authority Counsel").

F. FORA also has proposed to transfer oversight and facilitation of the Veterans Issues Advisory Committee (the "VIAC") to the County.

G. The County is willing to accept these transfers of administrative matters, on the mutual understanding of the Parties that the transfer of such matters does not render the County liable for any acts or omissions of FORA, its officers, employees, or agents and that FORA will provide funding as set forth herein.

AGREEMENT

NOW, THEREFORE, based on the foregoing and in consideration of the mutual terms, covenants, and conditions contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1.0 RECORDS RETENTION AND MANAGEMENT

A. The County shall serve as custodian of the FORA Records (as defined below) after FORA's Dissolution. Prior to FORA's Dissolution, FORA shall transfer to the County all records, including personnel files, documents, and meeting records, whether such records are kept by FORA in electronic or hard copy form, except the following categories of records: (i) records transferred to the City under the ESCA; (ii) records transferred to the City in connection with the EDC Agreement; and (iii) records containing privileged attorney-client communications or attorney work product which FORA intends to transfer to Authority Counsel. The records to be transferred to the County shall be referred to herein as the "FORA Records."

B. FORA hereby agrees to transfer \$174,977 to the County to defray the County's costs for management and storage of the FORA Records. FORA shall make such transfer of funds following both Parties' execution of this Agreement and no later than June 30, 2020.

C. The County's role with respect to the FORA Records is solely to serve as custodian of the FORA Records due to the dissolution of FORA. Recognizing that the former member jurisdictions of FORA may need access to the FORA Records insofar as such records relate to a matter within the member jurisdiction's official duties and responsibilities, the County shall develop procedures whereby the County shall, upon that member's request for a FORA Record, make the FORA Record available to a former member jurisdiction as soon as reasonably feasible and to the fullest extent allowed by law. Before destruction of any FORA Records, the County shall develop procedures requiring notification and consent of the former members of FORA and any such destruction shall follow the same procedures required by law for destruction of the County's records.

D. By becoming the custodian of the FORA Records upon FORA's Dissolution, the County assumes no responsibility for any actions of FORA in connection with management and retention of the FORA Records, or any failure of FORA to manage, retain, or disclose records, and the County shall have no liability for any claim, lawsuit, or proceeding arising from FORA's actions or omissions with respect to the FORA Records.

E. To the extent the FORA Records include confidential records, such as certain medical or personnel files of former employees of FORA, the County shall keep such records confidential to the extent required by law, except that the County shall have access to said records to the same extent as FORA would have had access to such records.

2.0 ASSIGNMENT AND ASSUMPTION OF RGS CONTRACT

A. FORA intends to enter into the RGS Contract in an amount not to exceed \$150,000, for a term from June 30, 2020 to June 30, 2021, to perform administrative and fiscal services associated with winding up FORA's business affairs after FORA's Dissolution. Due to the dissolution of FORA, it is necessary to assign the RGS Contract to the County, effective July 1, 2020.

B. If FORA and RGS enter into the RGS Contract, FORA hereby assigns, conveys, transfers and sets over unto the County, as of July 1, 2020, all of FORA's right, title, and interest as a party in and to the RGS Contract. Provided that the terms of the RGS Contract are acceptable to the County and the RGS Contract is approved as to form by County Counsel, the County agrees to accept such assignment, subject to FORA's transfer of the funds to perform the RGS Contract as provided herein.

C. If the County accepts the assignment and assumption of the RGS Contract, FORA hereby agrees to transfer \$150,000 to the County to be utilized for the purpose of payment to RGS for services rendered under the RGS Contract. FORA further agrees to transfer an additional \$15,000 to the County to defray the County's costs for fiscal administration of FORA's funds and management of the RGS Contract. FORA shall make such transfer of funds following both Parties' execution of this Agreement and no later than June 30, 2020.

D. If the County accepts the assignment and assumption of the RGS Contract, the County agrees to assume all of FORA's obligations under the RGS Contract, and the County agrees to pay all sums and perform, fulfill, and comply with all covenants and obligations which are to be paid, performed, and complied with under the RGS Contract from and after July 1, 2020, provided, however, that the County assumes no liability for any act or omission of FORA and the County's obligation to make payment under the RGS Contract is limited to the afore-referenced sum transferred by FORA to the County for the RGS Contract (\$150,000), and in no case shall the County be required to utilize other funds of the County, including County General Funds, to make payments under the RGS Contract, unless the County specifically agrees to do so.

3.0 FORA'S REMAINING AND LATE DISCOVERED UNPAID CONTRACTUAL OBLIGATIONS

A. The Parties recognize that FORA may have late discovered unpaid contractual obligations as well as unpaid bills for such matters as utilities and FORA consultants, for services rendered or materials supplied prior to July 1, 2020 but for which the vendor will not have provided a final invoice until after June 30, 2020 (hereafter "Unpaid Contractual Obligations"). Unpaid Contractual Obligations do not include any liability, costs, attorneys' fees, damages or other monetary award arising from any claim or litigation that is pending at the time of FORA's Dissolution or that may arise in connection with any action of FORA or its dissolution.

B. FORA will transfer to the County the remaining fund balance from FORA's accounts, petty cash, un-deposited checks, and other cash equivalents held by FORA immediately prior to FORA's Dissolution together with any additional funds received prior to the closure of FORA's books (the "FORA Remaining Fund Balance").

C. RGS shall review and certify any Unpaid Contractual Obligations for payment and shall prepare any such documentation as required by the County to make payment. The County shall use the FORA Remaining Fund Balance to pay the Unpaid Contractual Obligations in the amounts certified by RGS. If any funds remain in the FORA Remaining Fund Balance after payment of all Unpaid Contractual Obligations, the County shall distribute the funds as follows: Twenty percent (20%) may be retained by the County and twenty percent (20%) shall be distributed to each of the Cities of Del Rey Oaks, Marina, Monterey, and Seaside. To the extent the Unpaid Contractual Obligations exceed the FORA Remaining Fund Balance, the remaining Unpaid Contractual Obligations shall constitute a debt of FORA to be paid from future property tax revenues pursuant to Health and Safety Code section 33492.71. The County shall continue to accrue such property tax revenues in FORA's account until all of FORA's recognized debts have been retired.

4.0 VETERANS ISSUES ADVISORY COMMITTEE

A. FORA hereby agrees to transfer \$351,053 to the County to defray the County's costs for facilitating the VIAC. FORA shall make such transfer of funds following both Parties' execution of this Agreement and no later than June 30, 2020.

B. In consideration of receipt of this funding, the County assumes responsibility to facilitate the VIAC for so long as the funds transferred by FORA for this purpose are available.

5.0 LIMIT OF LIABILITY

A. Nothing in this Agreement is intended nor shall be interpreted to make the County liable or responsible for any error, act, or omission of FORA, its officers, employees or agents.

B. Nothing herein is intended nor shall be interpreted to create an independent financial obligation of the County to use the general funds or other sources of revenue of the

County, and the County shall not be required to use its general fund or other revenue, other than the funds transferred from FORA hereunder, to carry out the County's obligations under this Agreement.

6.0 MISCELLANEOUS

A. Effective Date and Term. The Effective Date of this Agreement shall be the date this Agreement is fully executed by both Parties. The term of this Agreement shall commence on the Effective Date and continue until FORA or its assignee has transferred all funds as required under this Agreement, has transferred the FORA Records, and has taken all other actions as required by FORA under this Agreement, and the County's obligations under this Agreement shall remain in full force and effect until the funds transferred pursuant to this Agreement have been expended in accordance with the terms of this Agreement.

B. Assignment of FORA Obligations to RGS. If FORA is unable administratively to transfer the FORA Records and funds to the County prior to July 1, 2020, FORA shall assign its obligations to RGS prior to July 1, 2020 in order to ensure that all transfers of the FORA Records and funds required by this Agreement are completed.

C Accounting and Records. FORA (until FORA's Dissolution) and the County shall each maintain and account for the funds related to this Agreement. Promptly following the execution of this Agreement, FORA will exercise good faith and commercially reasonable efforts to provide the County with copies of available and appropriate documents and records pertaining to this Agreement.

D. Indemnification. Each Party shall indemnify, defend, protect, hold harmless, and release the other, its officers, agents, and employees, from and against any and all claims, loss, proceedings, damages, causes of action, liability, costs, or expense (including attorneys' fees) arising from or in connection with, or caused by any act, omission, or negligence of such indemnifying Party or its agents, employees, contractors, subcontractors, or invitees.

E. Termination. If through any cause either Party fails to fulfill in a timely and proper manner its obligations under this Agreement, or violates any of the terms or conditions of this Agreement or applicable Federal or State laws or regulations, the non-breaching Party may terminate this Agreement upon two (2) calendar days' written notice to the breaching Party. In the event that the County has not expended all of the funds under this Agreement within ten (10) years after the Effective Date of this Agreement, then any funds remaining unexpended as of that date shall be distributed as follows: Twenty percent (20%) may be retained by the County and twenty percent (20%) shall be distributed to each of the Cities of Del Rey Oaks, Marina, Monterey, and Seaside.

F. Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof. No other statement or representation by any employee, officer, or agent of any Party, which is not contained in this Agreement, shall be binding or valid.

G. Multiple Originals; Counterparts. This Agreement may be executed in multiple counterparts, each of which is deemed to be an original, and all of which together shall be deemed to be one and the same instrument. The signature pages of each counterpart may be detached and attached to a single copy of this Agreement which shall for all purposes be treated as a single, original document.

H. Modifications. This Agreement shall not be modified except by written instrument executed by and between the Parties.

I. Interpretation. This Agreement has been negotiated by and between the representatives of both Parties, all being knowledgeable in the subject matter of this Agreement, and each Party had the opportunity to have the Agreement reviewed and drafted by its respective legal counsel. Accordingly, any rule of law (including Civil Code Section. 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the Party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effectuate the purpose of the Parties and this Agreement.

J. Days. As used in this Agreement, the term “days” means calendar days unless otherwise specified.

K. Relationship of the Parties. Nothing in this Agreement shall create a joint venture, partnership or principal-agent relationship between the Parties.

L. Waiver. No waiver of any right or obligation of either Party hereto shall be effective unless in writing, specifying such waiver, executed by the Party against whom such waiver is sought to be enforced. A waiver by any Party of any of its rights under this Agreement on any occasion shall not be a bar to the exercise of the same right on any subsequent occasion or of any other right at any time.

M. Further Assurances. The Parties shall make, execute, and deliver such other documents, and shall undertake such other and further acts, as may be reasonably necessary to carry out the intent of this Agreement.

[signatures appear on following pages]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth beside the signature of each, the latest of which shall be deemed to be the effective date of this Agreement.

Dated: _____, 2020

FORT ORD REUSE AUTHORITY

By: _____
Joshua Metz,
Executive Officer

Approved as to form:

By: _____
Authority Counsel

Dated: _____, 2020

COUNTY OF MONTEREY

By: _____
Chris Lopez, Chair
Monterey County Board of Supervisors

Approved as to form:

By: _____
County/Deputy County Counsel

EXHIBIT 1
RGS CONTRACT
(to be attached when fully executed)

June 8, 2020

Mr. Joshua Metz
Executive Officer
Fort Ord Reuse Authority
620 2nd Ave, Suite A
Marina, CA 93933

SUBJECT: FORA TRANSITION SERVICES

Dear Mr. Metz,

Thank you for giving Regional Government Services (RGS) the opportunity to provide this letter proposal for assistance related to the transition of Administrative and Financial Services for the Fort Ord Reuse Authority (FORA) to the County of Monterey (County).

SCOPE OF WORK

RGS' designated staff will provide transition services from June 15, 2020 through June 30, 2021 as needed and/or requested by FORA and/or the County. These may include but are not limited to:

- Assisting in efforts required as a result of the dissolution of the Fort Ord Reuse Authority including but not limited to disposition of physical assets, transfer of documents and/or other tasks as requested by the County.
- Coordination with CalPERS, the County and the City of Marina related to settlement of FORA's final liability payment.
- Providing finance services including management of accounts payable and contract payments post June 30, 2020. RGS staff will prepare warrants for review and signature by County staff.
- Management and oversight of FORA's Final Year Audit to be conducted by Moss, Levy & Hartzheim LLP which has been retained by FORA in advance of dissolution.
- Human Resources services as needed for employment verification, distribution of final year tax documents and filings.
- Assistance as needed for management of projects related to the County's role as a successor to FORA.
- Assistance if needed for Public Records Requests, records management and transfers.
- Other services as requested.

TERM

The term of the contract would be from June 15, 2020 through June 30, 2021.

BUDGET

RGS requests a not-to-exceed budget of \$150,000.

Please feel free to contact me with any questions or clarifications. Thank you!

Sincerely,

KBFlint

Kendall Flint
Director of Strategic Planning and
Communications
REGIONAL GOVERNMENT SERVICES

Title	Hourly Rate
Chief Operating Officer	\$135 to \$220
Deputy Chief Operating Officer	\$130 to \$195
Senior/Lead Advisor	\$125 to \$190
Advisor	\$115 to \$160
Project Advisor	\$105 to \$125
Project Coordinator	\$85 to \$120
Technical Specialist	\$75 to \$115

Regional Government Services may charge travel expenses at the current Federal rate for advisor travel to and from agency worksite.