



# **Item 8c: Building Removal Bond Allocation Methodology Review**

FORA Board Meeting  
April 9, 2020

**Josh Metz**  
Executive Officer

- October 2018: Board directed staff to explore bonding feasibility
- **September 2019: Administrative Committee Reviewed Allocation Options**
- December 10, 2019: Monterey County BOS Public Hearing
- **December 13, 2019: FORA Board Approved Bond Documents**
- March 3 & 5, 2020: Tri-party Agreement re: MCRFD Compensation
- March 5, 2020: Monterey County Reallocation Request Letter
- **March 6, 2020: Admin Committee Recommended Adoption of County Request**
- March 12, 2020: Monterey County Superior Court Validation Action
- March 20, 2020: City of Marina Letter to FORA Board

# Bond Distribution Options

Agency	Option 1: % of Blight	Option 2: % of Tax Increment Generated	Option 3: * Est. BR Cost (% of BR)	Project Areas
Marina	60% (\$34M *)	40% (\$22M)	50% (\$25.0M*)	Marina Park, Arts District, Cypress Knolls
Seaside	32% (18)	31% (17.3)	32% (18)	Surplus II
Monterey County	8% (4.1 ‡)	29% (16.4‡)	4% (2.5)	Ammo Supply Point & Dev. Areas
State Parks	County‡	County‡	3% (1.6)	Waste Treatment Plant
TAMC	Marina*	County‡	6% (3.5)	1 <sup>st</sup> St. Transit Center
MCWD	Marina*	County‡	3% (1.5)	4 <sup>th</sup> St. Storage Area
MST	Marina*	County‡	2% (1.0)	1 <sup>st</sup> Transit Center, Surplus II Storage
FORA	Marina*	County‡	3.0M (*)	E2c.4.2.1 completion ( <i>Stockade</i> )
				(* , ‡) = Agency to distribute by agreement

\*September 18, 2019 Administrative Committee recommended **Option 3**.

# Monterey County Reallocation Request

- *March 5, 2020 Reallocation request following staff & consultant analysis of BR need*

Scenario 1: Dec 13, 2019 Board Action		
<i>Proceeds*</i>	\$40,000,000	
<b>Jurisdiction</b>	<b>Allocation</b>	<b>%</b>
<b>County</b>	\$1,800,000	4.5%
<b>Marina</b>	\$20,000,000	50.0%
<b>Seaside</b>	\$12,900,000	32.3%
<b>TAMC, MST, MCWD</b>	\$5,300,000	13.3%
<b>Total</b>	<b>\$40,000,000</b>	<b>100%</b>

Scenario 2: County Requested Reallocation**			
<i>Proceeds:</i>	\$40,000,000		
<b>Jurisdiction</b>	<b>Allocation</b>	<b>%</b>	<b>Difference</b>
<b>County</b>	\$5,000,000	12.5%	\$3,200,000
<b>Marina</b>	\$18,400,000	46.0%	(\$1,600,000)
<b>Seaside</b>	\$11,300,000	28.3%	(\$1,600,000)
<b>TAMC, MST, MCWD</b>	\$5,300,000	13.3%	\$0
<b>Total</b>	<b>\$40,000,000</b>	<b>100%</b>	

\*Dec 13, 2019 Projected proceeds modeled at \$45M. Adjusted to more conservative \$40M projection.

\*\*March 5, 2020 Monterey County reallocation request included \$5M floor. If proceeds below \$40M, percentages change.

**Option 1:** Maintain Dec 13, 2019 Allocations

**Option 2:** Accept March 6, 2020 Admin Recommendation & Amend Allocations

**Option 3:** Direct Alternative Allocations