

Rosalyn Charles

From: Ron Chesshire [ron@mscbctc.com]
Sent: Sunday, March 08, 2015 9:43 PM
To: FORA Board
Cc: Bill Monning; Cesar Lara; Glen Schaller; Mark Weller; 100-District 1 (831) 647-7991; Supervisor Phillips; Supervisor Salinas; 100-District 4 (831) 883-7570; Supervisor Potter
Subject: Reply to Ms Haines Herald Commentary March 8, 2015
Attachments: Letter to the Editor march 8th.docx

Board members - Ms Haines continues her attacks on workers. Now resorting to untruths (176 dorm rooms as affordable housing?) she makes it clear that she has lost it. Developers have shown many times they will act in their best interests in spite of any concession given to them. It is not that the concession is given it is when they want to use it. Their promises to start work if given a concession have proven false. It is apparent that Ms Haines and her branch of environmental friends have no appreciation for workers. Their long suspected resentment of workers is now clear and not appreciated. Now that we fully understand their view and what they wish to subject workers to we will increase our efforts to make the public aware of their devious tactics. Ron C.

Letter to the Editor

“Paying what the market will bear” March 8, 2015 Herald by Ms. Jane Haines is another attempt to twist the facts regarding construction within the FORA jurisdiction. Developers will charge what the market will bear regardless of labor costs and there is no mechanism in this world that will keep them from pocketing additional profits from reduced costs.

FORA and the jurisdictions within have had many challenges. Yes, redevelopment has lagged but to overlook the effects of the second worst economic downturn in modern history shows a total lack of knowledge as to what is but one of the problems. Restrictions, regulations, and fees far outweigh those in all surrounding communities. Lawsuits and objections to every development have cost precious time and money. Those who act in a spurious manner that oppose development of affordable housing in their communities but want the County, Seaside, Marina, and Del Rey Oaks to bear the responsibility have been a burden.

Prevailing wages are set through survey by the State and are not mandated by the State they were approved and required by FORA. One must take into consideration the current cost is a “total” representing wages and benefits much like the total packages paid by a City, School District, or Company. To suggest that workers be subjected to the endless downward spiral of wage competition in order to stimulate activity within FORA is iniquitous and vicious but very indicative of those elitists present on the Peninsula.

Rosalyn Charles

From: Mel Blevens [mblevens@comcast.net]
Sent: Monday, March 09, 2015 1:31 PM
To: FORA Board
Subject: Presentation to the Carmel Valley Manor

Dear Michael Houlemard, Executive Officer

I am a resident to the Carmel Valley Manor, a resident community with a population with widespread interests, deeply held values and, as a group, broad experience in a variety of professional fields as well in the arts. A few weeks ago, I left a telephone message for you requesting that you call me regarding the possibility of you addressing the residents of the Manor on the current issues at Fort Ord.

I am a member of the "Monday Morning Forum Committee" that sponsors speakers on topics of international, national and local issues. Resent presenters include: Anna Vassilieva, Monterey Institute; Glenn Robinson, Navy Postgraduate School; Dick Rosen, Marine Applied Research and Exploration; Deanna Shemek, U. C. Santa Cruz and Steve Schultz, Innocents Project.

Various articles on FORA published in the Monterey over the years have stirred a great amount of interest at our committee meetings. I have been asked to invite you to speak to our residents in the near future. Our forums are on the 4th Monday of each month (with some flexibility) and we generally have approximately 80 residents in attendance. Speakers receive a small honorarium (\$200) and following the presentation are invited to lunch with a small group of residents in a private dining room.

We have been following the progress of various issues of concern raised by several interest groups, and believe a presentation by FORA would be extremely interesting and valuable to our community. I would appreciate hearing from you regarding this invitation. Perhaps I can answer whatever questions you might have. Thank you for your consideration.

Regards,

Mel Blevens, Monday Morning Forum Committee
tel 831-626-4741
cel 831-233-0077
mblevens@comcast.net

Rosalyn Charles

From: Jane Haines [janehaines80@gmail.com]
Sent: Friday, March 13, 2015 7:14 AM
To: FORA Board
Cc: Robert Norris; Michael Houlemard
Subject: FORA 3/13/15 agenda item #9c - prevailing wage policy
Attachments: FORAMarch13.pdf

Dear FORA Board:

I hope that you will read the attached letter prior to this afternoon's Board meeting.

Sincerely,

Jane Haines

Jane Haines

601 OCEAN VIEW BOULEVARD, APT. 1 PACIFIC GROVE CA 93950

janehaines80@gmail.com

Tel 831 375 5913

March 13, 2015

Fort Ord Reuse Authority (FORA) Board of Directors
920 Second Avenue
Marina, CA 93933

board@fora.org

Re: 3/13/15 Agenda item 9c - Prevailing Wage Policy

Dear FORA Board:

I recommend that the FORA Board begin a re-evaluation of FORA's prevailing wage policy by modifying staff recommendation 3) in your staff report as follows:

3) Authorize the Executive Officer to request a California Department of Industrial Relations ("DIR") ~~Determination on FORA projects to determine whether or not SB 854 requires FORA to require payment of prevailing wages for first-generation construction.~~

Assuming the DIR determines that SB 854 does not require payment of prevailing wages for first-generation construction, then the FORA Board could debate the pros and cons of abolishing FORA'S current prevailing wage requirement as a way of stimulating FORA's economic redevelopment by making home prices affordable to a larger group of home-buyers

Current home prices at Fort Ord are too high for 60 percent of future Peninsula households, according to recommendation #10 in the 2012 Economic & Planning System, Inc. (EPA) Market Study for Fort Ord reuse. It states:

10. Home prices are still too high for younger and less educated consumers, indicating a potential need to reconfigure residential product types. If current patterns persist, more than 60 percent of future Peninsula area households will have incomes less than \$75,000 annually, corresponding to price points under \$325,000. Current products proposed and approved on Fort Ord consist of a high proportion of detached, single-family lots, and may be skewed to the upper end of the income spectrum. A larger proportion of attached product may be needed to address price-sensitive market segments while still achieving acceptable development profits.

The pros and cons of lowering home prices through FORA abolishing the prevailing wage requirement have been debated in recent Herald commentaries by me and Ron Chessire as follows:

My Feb. 25 letter:

Scrutinizing FORA

I agree with the recent editorial stating that the Fort Ord Reuse Authority (FORA) should make economic redevelopment a top priority at Fort Ord.

Well-regarded Economic & Planning Systems, Inc. (EPS) advised FORA in 2012 that 60 percent of current and near-future Peninsula residents can't afford homes costing more than \$325,000. Yet new homes at the former base start at over \$400,000.

Labor costs for those homes are artificially high because FORA doesn't allow developers to set labor costs by competitive bidding. Instead, FORA needlessly has a policy requiring developers to pay legislatively-determined "prevailing wages." The "prevailing wage" for a carpenter, including benefits, is \$62 per hour. Competitive bidding might reduce that \$62 per hour down to the same average rate paid to a Pacific Grove Unified School District teacher, which is \$46 per hour, including benefits.

Lowering labor costs would lower home prices at Fort Ord, which could accelerate home sales, thereby increasing job opportunities.

The FORA board should closely scrutinize FORA policies and re-tweak any that hinder economic redevelopment and job creation.

— *Jane Haines, Pacific Grove*

Ron Chessire's February 27 commentary:

Ron Chessire: Prevailing wages withstand test

By Ron Chessire, Guest commentary

POSTED: 02/27/15, 5:53 PM PST

0 COMMENTS

Jane Haines' letter, "Scrutinizing FORA" (Feb. 25), is interesting as development is taking place at Fort Ord and over 300 units of "affordable" housing is being built using prevailing wages.

You pay what the market will bear and the housing market in our area is priced in direct correlation to high demand and low supply created through the efforts of people who believe their way is the only way. To profess that developers will lower the cost of a house if they pay less for the labor to build it is ludicrous. Cut Cost to Increase Profits — Capitalism 101.

Upon the closure of bases and the considerable downsizing of Fort Ord, President Bill Clinton stated, "the reuse of military bases should go to benefit local economies." Our community came together and in 1995 asked FORA to enact the prevailing wage standard on most first-generation development and construction within its jurisdiction. This was done to level the playing field for companies seeking to do work. By establishing a standard wage, both the worker would benefit from their labor and companies would have a level playing field from which to compete. Local companies would not be subject to out-of-area companies attempting to bring in lower-priced labor to tip the competitive scale.

The prevailing wage pays a livable wage and compensation for benefits to workers to be a productive part of their communities and not have to fall back on taxpayer-provided social welfare nets to protect themselves or their families. And yes, maybe one day they may be able to afford a home of their own.

Prevailing wages have been under scrutiny at FORA since their adoption and have withstood the test. I suggest that other ways than cutting hard-earned wages of workers and subjecting local businesses to unfair competition be considered to prompt economic development and job creation.

Ron Chessire lives in Monterey.

My March 7 commentary:

Jane Haines: Paying what the market will bear

POSTED: 03/07/16, 5:41 PM PST

2 COMMENTS

A Feb. 28 commentary by Building Trades representative Ron Chesshire argues against my recent recommendation urging the Fort Ord Reuse Authority to re-examine its policy of requiring developers to pay “prevailing wages” (pay levels set and mandated by government officials) to their construction workers vs. market/competitively determined wage levels.

Facts to consider in this discussion:

- Mr. Chesshire refers to “over 300 units of ‘affordable’ housing being built at Fort Ord using prevailing wages;” 176 of those are dorm rooms for CSUMB and the remainder are taxpayer-subsidized low-income rental units.
- He says the “reuse of Fort Ord should go to benefit (the Monterey) community.” A key way to do this is to keep for-sale housing prices affordable.
- Examples of current “prevailing” hourly wages, including benefits, are \$60 an hour for bricklayers, \$62 for carpenters, \$71 for pile drivers and \$62 for drywall installers, or roughly \$125,000 per year for full-time employment;
- The annual income of 60 percent of Peninsula area households who are being asked to pay the additional home purchase price to compensate for these wage levels is \$75,000.
- The idea that unless workers get \$125,000 annual compensation level they will have to go on “taxpayer-provided social safety nets” is, frankly, silly.
- Higher costs equals higher prices and lower costs equals lower prices (although a mechanism should be established to ensure that developers do not pocket the reduced labor costs as profit).

FORA’s economic redevelopment has lagged expectations since the 1990s closure of Fort Ord. The 1998 Fort Ord Reuse Plan projected that by 2015, 10,815 new housing units would have been constructed and 18,342 jobs created. Instead, as of 2012, only 1,545 new housing units had been created and only 3,600 jobs.

Mr. Chesshire says you should “pay what the market will bear.” That’s all I am asking FORA to consider doing.

Jane Haines lives in Pacific Grove.

Assuming that the DIR determines it would be legal for FORA to abolish its current prevailing wage policy, then FORA Board members could make the ultimate decision about whether or not FORA should abolish its prevailing wage policy. Everyone agrees that economic redevelopment is a top priority for FORA, so why not get the pertinent facts and begin a dialogue about how to grow the Ft. Ord economy?

Sincerely,

Jane Haines

Rosalyn Charles

From: Traci Ewell [traciewell@me.com]
Sent: Sunday, March 15, 2015 8:30 PM
To: FORA Board
Subject: Capt. William Patrick Woolsey

To Whom it may concern,

My grandfather William Woolsey served many years at Ft. Ord. He was a silver star and purple heart recipient in WWII. He lived the rest of his life in Carmel and fought very hard to help get the cemetery built at Ft. Ord before he died.

I would like to honor his wishes and have him moved, at our expense, from Santa Nella to Ft. Ord, where he belongs.

I am hoping you can direct me towards, or put me in touch with who I should be talking to. My family and I would be forever grateful.

Thank you,
Traci M. Woolsey Ewell