

From: [Michael DeLapa](#)
To: [Dominique Jones](#)
Cc: [Michael Houlemard](#); [FORA Board](#)
Subject: Re: LandWatch comments on FORA Affordable Housing Report, dated April 13, 2018
Date: Monday, May 07, 2018 12:20:21 PM
Attachments: [LandWatch Housing Questions of FORA.pdf](#)
[ATT00001.htm](#)
[LandWatch comments on FORA Housing Report_FINAL.pdf](#)
[ATT00002.htm](#)

Dear Ms. Jones,

Thank you, but regretfully the FORA staff report fails to respond to LandWatch's questions (attached). The FORA report also includes the following unsubstantiated or false claims:

- Cypress Knolls is shown as 712 units.
- CSUMB student housing is still included as "affordable housing."
- Restricted Army housing is still included as "affordable housing."
- UC MBEST shows 240 units.
- Seaside housing is identified at 883 units with no project.
- DRO housing is identified at 691 units in conflict to the DRO general plan.

Regards,

Michael



April 2, 2018

Mayor Ralph Rubio, Chair
Fort Ord Reuse Authority (FORA) Board of Directors
920 2nd Avenue, Suite A
Marina, CA 93933

Dear Chair Rubio and Board of Directors:

One of the arguments in support of the Eastside Parkway is that it will facilitate much needed affordable or workforce housing on the Monterey Peninsula. LandWatch remains perplexed by this argument because 65% of new units under the 6,160 residential housing cap has already been approved; the remainder is in the pipeline to be approved; very little has been built; of the housing built a small percentage of it is permanently affordable; and none of it is contingent on the Eastside Parkway.

I'm writing to ask the Fort Ord Reuse Authority (FORA) to shed light on its perception of the relationship between the Eastside Parkway and housing. Please explain:

- How much affordable housing has been built on the former Fort Ord?
- How much additional residential housing does FORA forecast will be approved within FORA's 6,160 housing cap?
- Within the 6,160 cap, how much additional affordable housing does FORA expect to be built?
- How many years do you estimate until the cap is reached? When will significant new affordable housing come on the market?
- Why is the Parkway necessary for housing?

Here is our data and analysis. We would welcome seeing yours.

How much affordable housing has been built on the former Fort Ord?

Table 6 FY 2018/2019 Through Post-FORA Development Forecasts in the [Fort Ord Reuse Authority Administrative Committee February 14, 2018 agenda](#) identifies new and existing/replacement residential housing on the former Fort Ord. How many of the residential units are legally set aside, either permanently or for 20 years or longer, as "affordable" housing as defined by local inclusionary housing ordinances?

[LandWatch's research](#) suggests that the number of currently affordable housing units is exceedingly low. LandWatch estimates that ~1,007 residential housing units have actually been

built since 1997. (Table 6 FY 2018/2019 Through Post-FORA Development Forecasts identifies 1,062 new residential units that have been constructed.) We estimate that at most 20% of these are permanently affordable. Please provide a full accounting of all affordable housing that has been built on the former Fort Ord so we can reconcile our records with yours.

We would also appreciate your verifying the following:

- Del Rey Oaks, a FORA member, has no permanently affordable housing, and its housing plan was apparently last updated in 1997.
- The [Seaside Housing Element, 2009-2014](#) (Table 26: Inventory of Assisted Rental Housing) identifies 441 assisted rental units, but none of these appear to be on the former Fort Ord.
- The [City of Marina Interim Housing Element 2015-2023](#) identifies 476 affordable housing units, but 201 of these were built in the 1970s, so at most there are 275 new affordable housing units.
- The [Monterey County Fort Ord Committee](#) reports that 616 residential units have been built at East Garrison, of which 83 (16%) are affordable (Agenda Item #2, March 22, 2018, Monterey County Fort Ord Committee). FORA's Table 6 FY 2018/2019 Through Post-FORA Development Forecasts reports that 668 new residential units have been constructed at East Garrison. Why is there a discrepancy between these numbers?

How much additional residential housing does FORA forecast will be approved within FORA's 6,160 housing cap?

Our research shows that since 1997, local governments have approved 4,012 new residential units and built 1,007 units, leaving an inventory of 3,005 approved but unbuilt residential dwelling units on the former Fort Ord:

<i>Jurisdiction</i>	<i>Project</i>	<i>Approved</i>	<i>Built</i>	<i>Unbuilt</i>
Marina	The Dunes on Monterey Bay	1,237	391	846
	Marina Heights	1,050	0	1,050
	Cypress Knolls	200	0	200
Seaside	Seaside Resort	125	0	125
Monterey County	East Garrison	1,400	616	784
TOTAL		4,012	1,007	3,005

If the cap for new residential units is 6,160 and local governments have approved 4,012 then they can still approve an additional 2,148 residential units. Please confirm, correct, or explain.

However, Table 6 FY 2018/2019 Through Post-FORA Development Forecasts identifies projects and forecasts that don't reconcile with our research. Would you please clarify, correct, or explain:

- For Del Rey Oaks, FORA projects 691 new housing units, but the [1997 Del Rey Oaks General Plan](#) shows only five new housing units.
- For Seaside East, FORA projects 310 housing units, but the City has estimated a much higher number; the [draft 2010 Seaside East Conceptual Plan](#) envisions 25-105 acres of Seaside East zoned "residential" with 8 to 15 dwelling units/acre, potentially 200-1,500 new housing units.
- For Campus Town, Seaside estimates 1,000 general residential units and 450 residential student units, a total of 1,450 dwelling units (per Kurt Overmeyer, City of Seaside, Economic Development Program Manager).
- For Main Gate, Seaside estimates 1,050 residential units (per Kurt Overmeyer).
- For Cypress Knolls, it was approved for 200 units. Where did the forecast of 712 originate?
- What is UC Blanco Triangle? We are unfamiliar with that project.

Within the 6,160 cap, how much additional affordable housing does FORA expect to be built? That is, what percentage of the planned housing will be permanently affordable?

FORA expects more than 20% of the units will be below market priced:

There are many housing projects planned for the former Fort Ord. In most cases, California redevelopment law requires that 15% of the units built be affordable, and an overall total of 20% has been adopted by the land use jurisdictions that will receive land on the former Fort Ord. It is currently expected that over 20% of the units on Fort Ord will be below market priced. (FAQ on [FORA website](#))

Why does FORA expect that over 20% of the units will be affordable? Would you please clarify, correct, or explain.

LandWatch estimates that at most 20% of the 2,148 new residential units, or about 430 units, that can be approved under the cap will be permanently affordable.

How many years do you estimate until the cap is reached? When will significant new affordable housing come on the market?

Over the past 20 years, through three economic cycles, on average approximately 50 new residential units are built on the former Fort Ord each year. At this rate, LandWatch forecasts it would take more than 50 years to build-out the inventory of approved but unbuilt homes.

FORA's forecast (Table 6 FY 2018/2019 Through Post-FORA Development Forecasts) suggests that the inventory will be built out by 2029, or in 11 years.

Why would FORA expect the rate of residential housing construction in the next 10 years to be on average more than five times faster than it's been over the past 20 years? What economic factors would drive this historically unprecedented rate of growth?

Why is the Parkway necessary for housing?

With no housing dependent on the Eastside Parkway and extremely slow housing growth, why has FORA made the Parkway a priority now? Why not first improve existing roads that are a problem today?

There are many people in the community eager to understand FORA's reasoning in relentlessly pursuing a road that is not supported by either housing or traffic projections.

Thank you for your consideration and timely response.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael D. DeLapa". The signature is fluid and cursive, with the first name "Michael" and last name "DeLapa" clearly legible.

Michael D. DeLapa
Executive Director



April 5, 2018

Mayor Ralph Rubio, Chair
Fort Ord Reuse Authority (FORA) Board of Directors
920 2nd Avenue, Suite A
Marina, CA 93933

RE: Affordable Housing Report, dated April 13, 2018

Dear Chair Rubio and Board of Directors:

LandWatch has reviewed Fort Ord Reuse Authority's Affordable Housing Report, dated April 13, 2018. Regrettably, FORA's report doesn't answer most of the questions posed in LandWatch's April 2, 2018 letter, including:

- How much additional residential housing does FORA forecast will be approved within FORA's 6,160 housing cap?
- Within the 6,160 cap, how much additional affordable housing does FORA expect to be built?
- How many years do you estimate until the cap is reached? When will significant new affordable housing come on the market?
- Why is the Parkway necessary for housing?

In addition, the report raises additional questions related to FORA's leadership on affordable housing:

- Please provide details on the additional water allocation that FORA facilitate from the U.S. Army under the requirements of the California Public Records Act.
- What specific actions has FORA taken related to implementing, reviewing, tracking or enforcing local government zoning requirements related to affordable housing?
- The FORA report appears to define "affordable housing" differently than the [California Department of Housing and Urban Development](#). In a footnote, the report states, "FORA Master Resolution Defines Workforce Housing as up to 180% above median area income." However, HUD does not define workforce housing. What are FORA's workforce housing goals for each local government, and how are those goals achieved when local general plans do not define or require workforce housing?
- Please explain this statement, "Practically speaking this resulted in a 30% inclusionary target with workforce housing kicking in at 21-30%." To the best of our knowledge no local land use plan requires more than 20% and there are no specific general plan requirements for workforce housing.
- The report references 2012 and 2014 economic studies that reveal a mismatch between Monterey County residence incomes and home prices. What specific local government policies has FORA advocated for over the past 6 years? Have any local housing policies changed? What have been the results in terms of affordable housing constructed?

- The Affordable Housing Report identifies 1,253 existing residential units on East Campus, CSUMB as “affordable.” Are these year-round residences for a designated “affordable” class, or simply dorms for students? If the latter, under what or whose definition are dorms “affordable” housing?
- The Report also identifies 1,590 affordable units at the Presidio of Monterey (POM) Annex. However, these units are where “the majority of students and permanent party assigned to the Institute live in military housing.” How is military housing, restricted to military personnel, “affordable” under California law or local general plans?
- What are the 240-proposed/planned units in UC/Marina? Who is proposing them?
- What are 883 proposed/planned units in Seaside? Who is proposing them?
- The report identifies 712 units at Cypress Knolls development in Marina, but records previously show that only 200 units were approved. Please explain.

The report also states, “Recognizing that housing affordability is a regional challenge, the FORA Board also supported formation of the Monterey Bay Economic Partnership to bring a regional focus on this critical issue.” However, [The Monterey Herald reported](#) that FORA chose not to support the Partnership when it was formed:

Also at the meeting, the authority board voted to rescind \$100,000 it gave to the Monterey Bay Economic Partnership for economic development work. It was the culmination of an equally long saga. An attempt to hire an economic development director failed when candidates said the pay was too low at \$164,000 for a two-year deal, and the authority decided to pursue the partnership. Partnership co-chair Bud Colligan agreed to give the nonprofit \$100,000 of his own money if the authority matched it. Colligan pulled the plug after he said FORA began making demands that were not part of the original agreement. (Emphasis added)

Gunter said outside the meeting he was deeply frustrated by the deal falling apart. “Our understanding was they were going to report quarterly. Somehow they got the word they had to report monthly. So, they said, ‘How am I going to get any economic development done if I keep coming back?’ ”He said. “Think about it. We’ve spent 20 years, \$400 million. What do you see?” Gunter said, pointing to blight. “We haven’t quite stood up.”

Unless the story is misreported, it appears FORA had no role forming the Monterey Bay Economic Partnership and its claim in the Affordable Housing Report is false. Worse, the *Herald* article suggests not only was FORA unhelpful but it actually hindered the Partnership’s formation by changing expectations, negotiating unreasonably, wasting time, and having no clue what a highly motivated entrepreneur and venture capitalist like Bud Colligan could deliver to Monterey County if given the chance.

This pattern of misrepresenting facts, claiming failures as successes, and hoping that slick marketing will obfuscate reality reinforces the perception that FORA is undeserving of the public’s trust.

Truth matters.

Sincerely,



Michael D. DeLapa
Executive Director