



APPROVED

**FORT ORD REUSE AUTHORITY  
BOARD OF DIRECTORS SPECIAL MEETING MINUTES  
1:00 p.m., Friday, August 15, 2019 | Carpenters Union Hall  
910 2<sup>nd</sup> Avenue, Marina, CA 93933**

**1. CALL TO ORDER**

Chair Supervisor Jane Parker called the meeting to order at 1:00 p.m.

**2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Mayor Mary Ann Carbone.

**3. CLOSED SESSION**

*\*Chair Parker noted she received a suggestion to move the closed session to the end of meeting and she concurred with the request. The closed session will be heard at the conclusion of the Business Items.*

- a. Conference with Legal Counsel – Gov. Code §54956.9(a), (d)(1): Marina Community Partners, LLC v. Fort Ord Reuse Authority, Monterey County Superior Court Case No.: 18CV000871, Pending Litigation.

**4. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION**

None.

**5. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE**

There were no Acknowledgements, Announcements, or Correspondence.

**6. ROLL CALL**

**Voting Members Present:**

Supervisor Jane Parker (County of Monterey), Supervisor John Phillips (County of Monterey), Councilmember John Gaglioti (City of Del Rey Oaks), Councilmember Frank O'Connell (City of Marina), Mayor Pro-Tem Gail Morton (City of Marina), Councilmember Alan Haffa (City of Monterey), Mayor Ian Oglesby (City of Seaside), Councilmember Jon Wizard (City of Seaside), Mayor Joe Gunter (City of Salinas), Councilmember Cynthia Garfield (City of Pacific Grove)

**Ex-officio (Non-Voting) Board Members** Colonel Gregory Ford (United States Army), Keith Van Der Maaten (Marina Coast Water District), Dr. Eduardo Ochoa (California State University Monterey Bay)

## 7. CONSENT AGENDA

There were no items on the Consent Agenda.

## 8. BUSINESS ITEMS

### a. Building Removal Financing Recommendation – 2<sup>nd</sup> Vote

Executive Officer Michael A. Houlemard, Jr. introduced the item stating this is a second vote, and noted for the Board members that the question of concern is not new rather it has been lingering for years. The original question was posed eight years ago, and at that time FORA authorized Special Counsel, who was the former California Redevelopment Association Counsel, Brent Hawkins, to answer the question. Mr. Hawkins wrote an opinion regarding FORA's right to the revenue stream. Since that time, there have been other Attorneys including Authority Counsel office review, Michael Baker and Associates review, and it was reviewed last year by FORA's consultants working on building removal. Mr. Houlemard introduced NHA Advisors Principal, Mark Northcross to provide answers to the questions prior to the Board taking the second vote. Mr. Northcross introduced Brian Forbath and Vanessa Legbandt of Stradling, Yocca, Carlson & Rauth ("SYCR") to address the question. Mr. Forbath reiterated the question as he understood it, "does FORA have ability to issue bonds?" Mr. Forbath had the opportunity to speak with Redevelopment Counsel Karen Tiedemann representing the City of Marina, on this question. Ms. Tiedemann raised the issue, that has been addressed by the previous Counsel. "What is the nature of payments that FORA receives?" Currently, the County of Monterey administers the payments of the tax increment as a statutory pass-through. Mr. Forbath stated there is ambiguity in the Redevelopment Dissolution Law as to that question, in that there is a provision in the redevelopment law that says the priority of funds of how it gets paid and administered by the County. There is an omission from that section that speaks to statutory pass-throughs getting paid as to the FORA payment. However, in another section it specifically addresses the FORA payments that could be subordinated as if there is a statutory pass-through. That was the question raised by Ms. Tiedemann, and whether or not that would affect the ability to finance the projects. Mr. Forbath is confident that Stradling, as bond counsel to FORA, would be able to issue a clean legal opinion on this topic. He stated there is a clean, valid ability for FORA to receive this money. There is an issue as it pertains to disclosure to investors and how this payment is described. The real question is: if it is not a statutory pass-through payment, then is it considered under the dissolution law an enforceable obligation? The successor agencies would need to be put on a recognized obligation payment schedule which is presented to the Department of Finance yearly in order to get paid. Mr. Forbath and Mr. Northcross then responded to questions from the Board.

**MOTION:** On motion by Board member Gunter and second by Board member Smith and carried by the following vote, the Board moved to approve: Authorize all necessary preparatory work to issue bonds for building removal and the Executive Officer to: Move forward with the draft schedule presented by NHA Advisors; Approve a Fiscal Consultant's Report from EPS- NTE \$40,000; Approve NHA Advisors as Municipal Advisor and SYCR as Bond Counsel for the amount NTE \$200,000 + \$65,000 contingency; Work with the County and jurisdictions on post-FORA administration;

Secure jurisdictional support for the proposed schedule; and Work with Monterey County Regional Fire District to guarantee replenishment of funds to ensure the Monterey County Regional Fire District doesn't have loss in revenue.

**MOTION PASSED UNANIMOUSLY**

**b. Signatory Authorization**

Mr. Houlemard advised the Board the item speaks for itself. There were no question or comments from the Board or public.

**MOTION:** On motion by Board member Haffa and second by Board member Oglesby and carried by the following vote, the Board moved to authorize Josh Metz as an official Fort Ord Reuse Authority signatory in Executive Officer's absence.

**MOTION PASSED UNANIMOUSLY**

**c. Amend Resolution 19-12 FORA Retention and Separation Resolution**

Mr. Houlemard introduced the item. He noted that this is a minor adjustment that would impact a limited number of people. However, it would allow for flexibility in order to follow general direction provided by the Board. After further discussion, it was determined that the Executive Officer has already been given the direction, by the Board, to negotiate terms that will achieve the intended goal.

\*Chair Parker removed item 8c from the agenda.

*\*Director Phillips and Gagliotti departed and the quorum was lost. Due to the loss of the quorum there was no closed session.*

**9. PUBLIC COMMENT**

None.

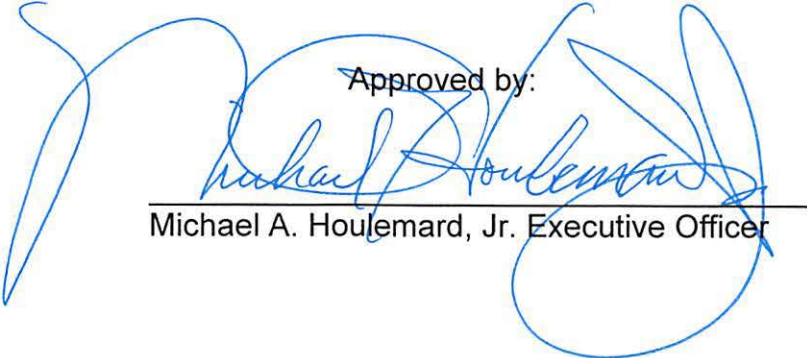
**10. ITEMS FROM MEMBERS**

None.

**11. ADJOURNMENT at 1:33 p.m.**

Minutes Prepared by:  
Heidi L. Lizarbe  
Deputy Clerk

Approved by:

  
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Michael A. Houlemard, Jr. Executive Officer



# FORT ORD REUSE AUTHORITY

## Executive Committee Special Meeting

920 2<sup>nd</sup> Avenue, Suite A, Marina CA 93933 (FORA Conference Room)

9:00 a.m., Thursday, October 31, 2019

Review Minutes for August 15, 2019 Building Removal Financing Recommendation  
2<sup>nd</sup> Vote

### 8/9/19

**MOTION:** On motion by Board member Gunter and second by Board member Smith and carried by the following vote, the Board moved to approve: Authorize all necessary preparatory work to issue bonds for building removal and approve Executive Officer to: move forward with the draft schedule presented by NHA Advisors; approve a Fiscal Consultant's Report from EPS Bond Counsel for an amount not-to-exceed \$200,000, plus \$65,000 contingency; work with the County and jurisdictions on post-FORA administration; secure jurisdictional support for the proposed schedule; and work with Monterey County Regional Fire District ("MCRFD") on revenue loss related issues.

*\*Director Adams requested to make a friendly amendment to the motion to strengthen the language to guarantee replenishment of funds to ensure the Monterey County Regional Fire District doesn't have loss in revenue.*

### Motion Passed by Majority (10 AYES; 2 NOES) 2<sup>nd</sup> Vote Required

- [0:59] Deputy David Sargenti during public comment: Asked the Board to "**resolve** the issue" of revenue loss, not just "work through it."
  - Chair Parker: asked Mr. Northcross what is being done to "**resolve** the issue of their potentially depleted funding."
  - Mr. Northcross: The Board may allocate building removal bond funds to MCRFD for any improvements as long as authorized by statute.
- [1:05] Director Adams: Requests to make a friendly amendment to "strengthen the language regarding MCRFD to guarantee **replenishment** of funds so they are not at a loss."
- [1:09:30] Director Smith: Interprets language in motion to mean the Board is "going to try to work this out so that the fire district is **made whole**."

### 8/15/19

Audio MZ000117

- [8:30] Chair Parker: Read the motion [9:40] "...working with the Monterey County Regional Fire District on **resolving** revenue loss related issues."

#### Audio MZ000118

- [2:20] Director Morton: Request to clarify intent of language.  
-Executive Officer Houlemard: Received direction from Board “to **resolve** MCRFD revenue loss related issues.”  
-Director Morton: Request for clarification: Can “**Resolution**” mean “zero dollars”?
- [5:05] Director Garfield: Asked “where did the word ‘**resolve**’ come from?”  
-Director Oglesby: Did not interpret “**resolve**” to mean that the Executive Officer will have the final authority regarding proceeds going to MCRFD. He understood “**resolve**” to mean “try to **make whole**.”
- [6:40] **Motion Passed Unanimously**

#### **9/13/19**

- [15:15] Director Adams: Pulled item 7a from consent agenda to ensure that the friendly amendment she made on 8/9/19 was reflected in the motion.  
-Executive Officer Houlemard confirmed the amendment was included.  
-Director Morton: Requested clarification regarding MCRFD revenue loss related issues. She interpreted the discussion to have meant MCRFD’s revenue loss related issues would be “**negotiated through**” but would not ensure that MCRFD had “**no harm**,” not “**guaranteeing that they would be made whole**.”  
-Chair Parker: Directed clerk to go back and watch the meeting to confirm the specific language of the motion.  
-Executive Officer Houlemard: Reported that staff reviewed the 8/9/19 and 8/15/19 minutes and confirmed that the motion should read “**resolve MCRFD revenue loss related issues**” rather than “**work with MCRFD to resolve**.”  
-Board approved August 9, 2019 minutes and requested the August 15, 2019 minutes be brought back to the next Board meeting for clarification.

#### **10/11/19**

- [4:45] Director Morton: Pulled item 6a: August 15, 2019 meeting minutes. “The motion is still incorrectly stated.” “...**guarantee replenishment of funds**” to ensure MCRFD doesn’t have a loss in revenue was not the second vote at the 9/13/19 meeting.
- [6:50] Deputy Clerk Gaddy reported staff reviewed the meetings and the words used by Director Adams in her friendly amendment of 8/9/19 was “**guarantee replenishment of funds**.”  
-Chair Parker: Request staff review the minutes and bring back for approval.