



Making Significant Progress

Executive Officer's Message

FY 2016-2017 will be remembered for key advancement in the Fort Ord Reuse Authority (FORA) mission. This past year we saw building removal progress, munitions remediation, and economic recovery in veteran's services, water augmentation, and environmental conservation tied to trails programming and habitat restoration.

The Central Coast community can be particularly proud of the Pure Water Project, Central Coast Veterans Cemetery opening, dedication of the Cal State Monterey Bay Joel and Dena



FORA Economic Development Manager, Josh Metz and City of Monterey Principal Planner, Elizabeth Caraker, accept the National Silver Award for the Guidelines.

Several key projects are moving toward approval from Del Rey Oaks to Seaside's Surplus II and Main Gate to the Marina Municipal Airport and UC Monterey Bay Education Science and Technology Center. Several projects will break ground this year.

In June 2017, state/federal regulators certified that field work completion for the \$100M munitions removal work completed by FORA for the US Army. Regulatory agencies also acknowledged conclusion of related restoration of key habitat areas. FORA staff also finalized negotiations with the Army for an additional \$8-10M for post fieldwork services through 2028.

In the midst of this important progress, the Regional Urban Design Guidelines were completed—setting a framework for Trails, Gateways, Town and Village Centers, and Regional Corridors. This



REGIONAL SUCCESSES

- **Pure Water Project Funding**
- **California Central Coast Veterans Cemetery Opening**
- **CSUMB Joel & Dena Gambord Business and Information Technology Building**
- **William F. Gourley VA/DoD Clinic**
- **Affordable/market-rate housing: East Garrison, Dunes on Monterey Bay, and Sea Haven**
- **Spring Hill Suites Hotel**
- **Fast Casual Dining Complex at the Dunes on Monterey Bay**
- **Substantial additional building removal at CSUMB**

past May 8, the American Planning Association honored FORA with a National Best Practices Award for the Guidelines.

The FY 2016-2017 accomplishments and the continuing FORA Board reuse commitment, attests to the collective dedicated leadership of our region. All should be proud of this past year's achievements, as we look toward a productive, collaborative, and exciting year ahead!

— Michael A. Houlemard, Jr.
Executive Officer

Gambord Business and Information Technology Building, William F. Gourley Veterans Administration/Department of Defense Clinic construction, East Garrison/Dunes on Monterey Bay/Sea Haven affordable and market rate housing and Spring Hill Suites & Fast Casual Dining Complex along 2nd Avenue. Clearly, another memorable and successful year in the recovery from former Fort Ord closure.

Fort Ord Reuse & Economic Recovery

After the post reassessment planning of 2013 and 2014, the FORA Board invested in supplementing regional economic recovery efforts by adding staff and programs that assist active programs. Those investments proved fruitful during the past fiscal year as FORA's Economic Development activities included:

1. Creating a new Basewide Business "Directory" website that offers contact information in one location for all former Fort Ord enterprises.
2. Sustained small business enterprise success through FORA financial and programmatic support of California State University Monterey Bay's (CSUMB) efforts.
3. Elevate and publicize business siting opportunities for FORA jurisdictions by reinvigorating the Central Coast Marketing Team.
4. Regular partnership meetings with UC and the County of Monterey for the MBEST Center.
5. A full array of retention, expansion, and recruitment efforts to support Monterey Bay Region business.

This past year, FORA also engaged the FORA Board's Economic Development strategies — including:

- Building on regional economic strengths (agriculture, tourism/hospitality, education, recreation, and government);
- Engaging with regional partners (CSUMB, Monterey Bay Economic Partnership, Monterey County Business Council, UC Santa Cruz, Monterey County Economic Development Commission) and other community stakeholders;
- Developing and/or maintaining information and marketing data resources; and
- Measuring/reporting job growth, workforce development, and new project development progress.

Additional information and more specific employment and recovery data is available on the new recovery website www.OrdForward.com or by contacting Josh Metz: josh@fora.org.

Base Reuse Plan

The June 1997 Base Reuse Plan (BRP) guides former Fort Ord reuse and was republished in digital format in August 2001, incorporating edits/mistake corrections.

The FORA Master Resolution Chapter 8 required BRP Reassessment by January 2013 — completed in December 2012. Several follow-up actions occurred this past year.

Categories I & II

BRP Reassessment Category I consists of text/figure errata corrections, and Category II lists BRP modifications due to FORA Board actions/regional plan consistency.

After FORA Board direction, staff selected a consultant in Fall 2015 to assess Category I and II CEQA implications. The Board accepted the determination opinion report in 2016 and staff are now completing Categories I & II.

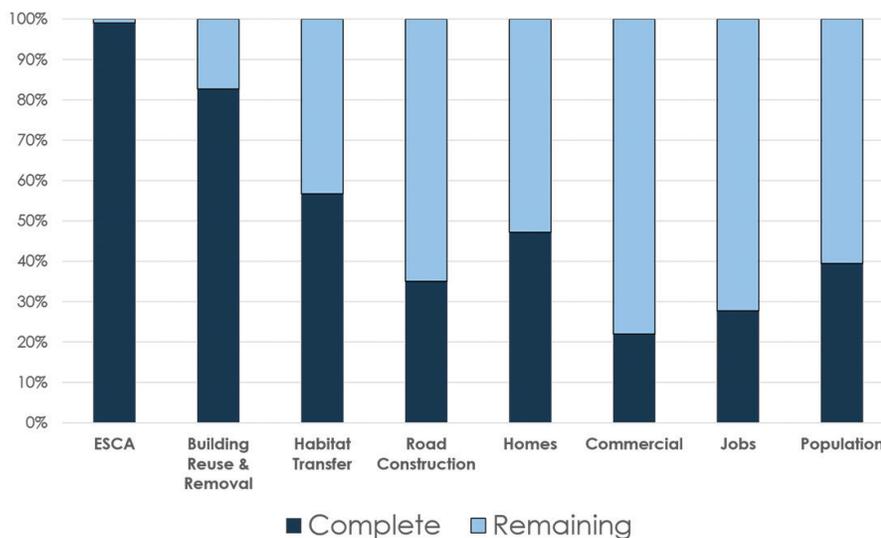
Category III

Category III consists of incomplete policies/programs. In FY 2016-17, FORA assisted City of Seaside (Seaside) and County of Monterey (County) to complete BRP Oak Woodland Conservation policies and programs by; 1) contracting with Denise Duffy & Associates (DD&A) to prepare a Draft Oak Woodland Conservation Area Map and Oak Woodland Area Management and Monitoring Plan, and 2) engaging with Seaside and the County to develop an independent collaborative conservation planning website www.oakwoodlands.org.

The planning process included: hosting public meetings to gather BRP Oak Woodland Policies/Programs input, CSUMB, City of Marina, and MPC coordination, support for the CA Dept. of Veterans Affairs for Central Coast Veterans Cemetery obligations, and identifying mitigation location options.

We look forward to completing this assistance to Seaside and the County to enhance former Fort Ord Oak Woodland planning and management.

Reuse Progress



Capital Improvement Program

FORA's Capital Improvement Program (CIP) is a policy approval mechanism created in 2001 to comply with and monitor 1997 Fort Ord BRP mitigation and other FORA Board established capital improvement obligations. CIP drafting begins every January once jurisdictional development projections are prepared. After considerable public engagement—through the FORA Administrative Committee, Capital Improvement Program Committee, and the Finance Committee—the full Board reviews the CIP in May/June.



Newly constructed Cinemark movie theatre and the VA/DoD Veterans Clinic.

In FY 2010/11, FORA contracted with Economic and Planning Systems, Inc. (EPS) to perform a CIP Review – Phase I Study, which resulted in a 27% across-the-board Community Facilities District (CFD) special tax/Development Fee reduction in May 2011. Additional CFD special tax/development fee reductions of 23.6% and 17% took effect in 2012 and 2014, respectively.

The Fiscal Year (FY) 2017/18 CIP was informed by two CIP studies: the 2017 FORA Fee Reallocation Study, prepared by Transportation Agency for Monterey County (TAMC), and the FORA Biennial Formulaic Fee Review. At its June 2017 meeting, the FORA Board adopted a 0.8% CFD special tax/development fee increase recommended by EPS in the FORA Biennial Formulaic Fee Review. In July, the Board received the TAMC reallocation Study and re-affirmed its long standing “on-base first” policy for transportation improvements.

Projects Accomplished to Date

FORA has actively implemented capital improvements since 1995, completing:

A. \$ 72M in Transportation/Transit

Approximately \$72M in “roadway” projects that incorporate underground utility installation, predominantly funded by Federal grants (with FORA paying the local match), CFD fees and local funding sources. In total, over 50 lane miles of new or refurbished roadways and bike lanes have been accomplished to date.

B. \$11M in Habitat Management

FORA provides upfront Habitat Conservation Plan (HCP) preparation/CEQA funding and a long-term implementation endowment. FORA dedicates 30.2% of CFD special taxes/Development Fees to build to a \$46.6M endowment funding goal in order to implement habitat management responsibilities. FORA has set aside roughly \$11.4M toward this target.

C. Water Augmentation

In Fiscal Year 2016/17 FORA joined the collaborative work of Marina Coast Water District (MCWD) and Monterey One Water to advance the previously adopted Regional Urban Water Augmentation Project. The FORA Board approved a \$6M RUWAP Pipeline Reimbursement Agreement in September 2016. FORA has reimbursed \$350,000 of the \$6M toward trunk-line engineering costs as MCWD expects to implement pipeline construction in 2017-2018.

D. \$31.3M — Building Removal

FORA has accomplished \$31.5M in building removal at the Dunes on Monterey Bay, East Garrison, Imjin Parkway, and Imjin Office Park site. Also \$19.4M credit to future land sale is allocated toward future removal for Marina Community Partners’ the Dunes on Monterey Bay project phases II and III. The remaining FORA \$7.6M building removal obligation is split between Surplus II in Seaside and the former Base Stockade in Marina.



Building removal at CSUMB.

E. \$259,000 — Property Management and Caretaker Costs

In FY 2015/16, the FORA Board approved a Jurisdiction-Incurred Caretaker Costs Reimbursement Policy. The policy enables FORA funding for caretaker costs, which shall be determined by “allocating a maximum of \$500,000 from the prior fiscal year’s property taxes collected and designated to the FORA CIP.” FORA sets caretaker costs funding through the approved FORA CIP. FORA provided approximately \$259,000 to jurisdictions in Caretaker Cost funding in recent fiscal years.

F. \$1.1 — Fire-Fighting Enhancement

In July 2003, the FORA Board authorized the lease-purchase of five pieces (vehicles) of fire-fighting equipment, distributed to local jurisdictions. The final payment was made in 2014.

G. \$1.6M — Storm Drainage Systems

Funds to design and construct alternative storm water runoff disposal systems allowed FORA to demolish three storm water outfalls that had contributed to coastal erosion. FORA met its mitigation obligation through removal of the outfalls.

The FORA CIP provides the public a comprehensive overview of the former Fort Ord recovery capital programs expectations and a basis for annually reporting on FORA’s compliance with its environmental mitigations and basewide obligations. The CIP is available on our website: www.fora.org.

ESCA

In 2007, the U.S. Army and FORA entered into a \$98M Army-funded Environmental Services Cooperative Agreement (ESCA) to remove Army Munitions and Explosives of Concern (MEC) on approximately 3,340 former Fort Ord acres. Remediation activities are now complete and, to date, ESCA MEC work has recovered 4,900+ MEC items, sifted 150,000+ cubic yards of soil and removed 115,000+ lbs of cultural debris. During these critical public safety actions, worker and public security was sustained with no injuries.

Until regulatory review, concurrence and site closure is received, the ESCA property is not open to the public. When final regulatory site closure is received, FORA will transfer land title to the appropriate jurisdiction for reuse programming. However, since 2007 and throughout the past fiscal year, the FORA ESCA Remediation Program (ESCA RP) has coordinated with agencies to ensure safe coordinated access to the Fort Ord National Monument.

The FORA ESCA RP has also diligently conserved former Fort Ord ecological resources through habitat management restoration and monitoring in recent years. The ESCA 2016 Annual Natural Resource Monitoring, Mitigation and Management Report was published in January 2017 and can be found in the Army Administrative Record.

For additional information about the ESCA RP MEC work, please visit: www.foraescarp.com.

Habitat Conservation Plan

FORA has pursued completion of the Fort Ord Habitat Conservation Plan (HCP) for over 20 years. In FORA's initial effort, FORA requested the U.S. Army combine a 1996 Habitat Management Plan (HMP) Implementing/Management Agreement with the Army's draft HMP.

The Army chose to separate FORA's effort from its own and received approval for its Habitat Management Plan in 1997. Since a basewide HCP is required to implement coordinated regional conservation, FORA must process a draft Fort Ord Multispecies HCP. Completing the HCP provides for the U.S. Fish & Wildlife Service (USFWS) and the California Department of Fish & Wildlife (CDFW) to issue Federal and State Incidental Take Permits (ITPs) associated with the Federal and California Endangered Species Acts (ESA and CESA). Such permits are necessary to implement the Army's HMP habitat management requirements and are integral to the 1997 Fort Ord Base Reuse Plan envisioned recovery program.

The HCP outlines the conservation of eight special status plant and animal species (HCP species) and the related former Fort Ord natural communities. The HCP incorporates the HMP relevant information, superseding it as the primary conservation planning document for non-federal recipients of Fort Ord land. The combination of high-quality HCP species mitigations and the establishment/management of critical HMP habitat reserves, will ensure perpetual species protections.

The HCP will be coordinated by a Joint Powers Authority (Fort Ord Regional Habitat Cooperative) that will include: FORA, County of Monterey, Cities of Marina, Seaside, Del Rey Oaks, and Monterey, California State Parks, University of California (UC), California State University Monterey Bay (CSUMB), Monterey Peninsula College, Monterey Peninsula Regional Park District, Marina Coast Water District, and the Bureau of Land Management (BLM). The Cooperative's members will also sign an Implementing Agreement to individually commit to implement HCP funding and enforce obligations.

FORA funded HCP preparation and UC Fort Ord Natural Reserve (UC FONR) interim



Centaurium (courtesy of David Styer).

habitat management. In addition, FORA has dedicated 30.2% of Community Facilities District (CFD) Special Tax/Development Fee funds to build USFWS and CDFW required UC FONR and Cooperative Endowments. At FY 2016-17 close, FORA had set aside approximately \$11.4M for these endowments. Assuming CDFW certifies an endowment payout rate of 4.5% annually, it is estimated that \$35.3M remains to fully fund the endowments. If CDFW certifies a lower payout rate of 3% annually, \$45M would be needed to fund the endowments.

The HCP funding program is also based on annual Federal and State appropriations to BLM and California State Parks. The Cooperative will control annual budget line item expenditures for the endowments. The current draft HCP includes a cost and funding chapter which provides planning-level cost estimate for HCP implementation and identifies funds to pay for implementation.

Significant work accomplished in FY 2016-17:

- USFWS transmitted a July 29, 2016 letter, outlining nine draft HCP comments to be addressed.
- FORA met with USFWS and CDFW five times to confirm responses.
- FORA addressed the most significant comment requiring certain mitigations to be in excess of normal maintenance/activities. The response assured certain updates, revisions, and clarifications.
- FORA revised and prepared an additional screencheck draft HCP for Wildlife Agencies and permittees' review in July 2017.

The HCP will be under public review in Fiscal Year 2018. Visit www.fora.org.



Veterans Cemetery

On October 11, 2016 the California Central Coast Veterans Cemetery (CCCVC), owned and operated by the California Department of Veteran Affairs, held its opening ceremony, consecrated the grounds, and solemnly conducted the first interment. To date there have been nearly 500 interments, closing the awaited final chapter



Memorial service and interment of Major William Williams, US Army.

for many Monterey Bay families who have waited so long to place their veteran nearby. However, there are no facilities for in-ground burials. There are many families who have interred their loved one in less hallowed places because this cemetery cannot accommodate such interments.

The Central Coast Veterans Cemetery Foundation and others interested in achieving a complete-service cemetery are working to raise matching funds to assure the State will request a grant of almost \$7 million in federal funds to provide for in-ground burials.

This desired next phase of the cemetery got off to a good start when the Central Coast Veterans

Cemetery Foundation received more than \$1.1 million from the estate of Robert and Elayne Stein of Watsonville and \$1.5M recently contributed by the State of California through Senator Bill Monning and Assembly member Mark Stone's efforts. Those funds will establish most of the matching funds required to secure federal construction dollars to enable the next phase to be built.

Veterans Clinic

Working with former Congressman Sam Farr, the leadership from the US Veteran's Administration (VA) and Department of Defense (DoD) made a commitment in 2013 to explore innovative approaches to delivering health care to eligible beneficiaries in the Monterey Bay Region. Through a unique and detailed partnership, the new Monterey Health Care Center, began construction in summer 2014 on Fort Ord conveyed land for a fully integrated facility that serves Veterans, active duty military members, and their beneficiaries.

The 150,000 sq. ft., LEED Gold certified facility creates a site that maximizes healthcare professional's ability to deliver world-class care to

patients and their families. The clinic consists of administrative support spaces and medical clinic spaces including primary care, mental health, audiology and speech pathology, podiatry, optometry/ ophthalmology, and dermatology.



Former Congressman Sam Farr and others cut the ribbon at the William F. Gourley VA/DoD Clinic opening.

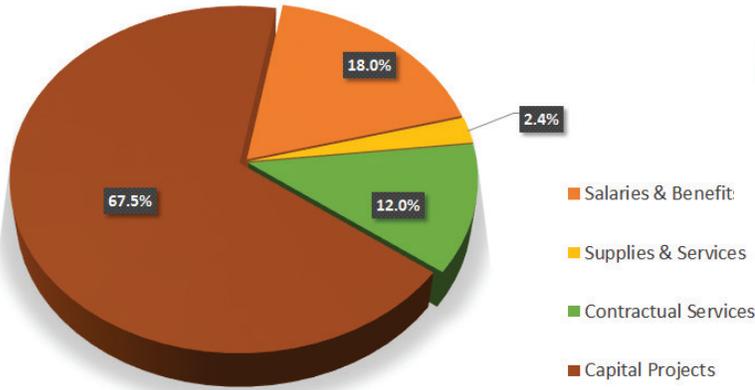
On Thursday, August 3, 2017, over 500 people came out to celebrate the opening of the new clinic. The ceremony included the singing of the national anthem, speeches, and a ribbon-cutting by our esteemed former Congressman Sam Farr. The clinic began receiving patients on August 14, 2017.

William F. Gourley VA/DoD Monterey Health Care Center entrance.

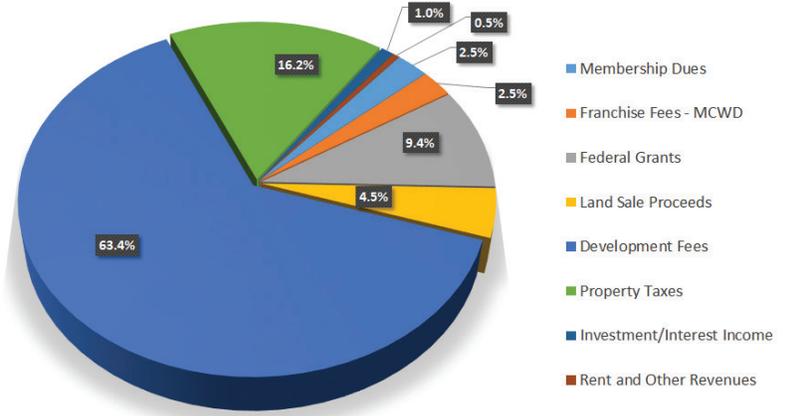


Beginning Fund Balance (7-1-2016): \$ 40,989,569
 Ending Fund Balance (6-30-2017): \$ 40,791,556

FY 16-17 Expenditures: \$16,385,843



FY 16-17 Revenues: \$10,623,961



FORA AGENCIES/LEADERSHIP

FORA Board

Voting Members

- City of Carmel-by-the-Sea
- City of Del Rey Oaks
- City of Marina
- City of Monterey
- City of Pacific Grove
- City of Sand City
- City of Salinas
- City of Seaside
- County of Monterey

Ex-Officio Members

- 20th Congressional District
- 29th State Assembly District
- 17th State Senate District
- California State University Monterey Bay
- Marina Coast Water District
- Monterey Peninsula College
- Monterey Peninsula Unified School District
- Monterey-Salinas Transit
- Transportation Agency for Monterey County
- U.S. Army/Base Realignment and Closure Office
- University of California Santa Cruz

The FORA Team

Executive Officer	Michael Houlemard
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Authority Counsel	Jon Giffen
Deputy Clerk/Executive Assistant	Dominique Jones
Economic Development Assistant	Gina Archuleta
Principal Planner	Jonathan Brinkmann
Program Manager	Standen Cook
Prevailing Wage/Risk Coordinator	Sheri Damon
Administrative Assistant	Hermelinda Flores
Accountant	Marcela Fridrich
Associate Planner	Mary Israel
Economic Development Manager	Josh Metz
Principal Analyst	Robert Norris
Controller/Finance Manager	Helen Rodriguez
Project Manager	Peter Said
Communications Coordinator	Jen Simon
Program Coordinator	Laura Vidaurri
Administrative Coordinator	Ikuyo Yoneda-Lopez



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