

**FORT ORD REUSE AUTHORITY**  
**Resolution No. 19-13**

**A RESOLUTION OF THE GOVERNING BODY OF THE FORT ORD REUSE AUTHORITY**  
*Authorizing the Issuance and Sale of Bonds in a Principal Amount Not to Exceed \$55,000,000*  
*to Finance Building Removal and Related Costs, Approving the Form and Authorizing the*  
*Execution of an Indenture of Trust, Authorizing Judicial Validation Proceedings Relating to the*  
*Issuance of Such Bonds and Authorizing Actions Related Thereto*

THIS RESOLUTION is adopted with reference to the following facts and circumstances:

- A. Pursuant to Government Code Section 67675 the Fort Ord Reuse Authority (the "Authority") has prepared and adopted the Fort Ord Reuse Plan.
- B. Pursuant to Government Code Section 67679, the Authority has designated certain basewide public capital improvements to be planned, designed, constructed, repaired, remodeled, or replaced, and financed, by the Authority in the Fort Ord Reuse Plan.
- C. Pursuant to Government Code Section 67679 and the Fort Ord Reuse Plan, the Authority has determined that Building Removal (as defined in the Indenture of Trust referred to below) constitutes the improvement of basewide capital facilities to be performed by the Authority as set forth in the Fort Ord Reuse Plan.
- D. The County of Monterey, and the Cities of Marina and Seaside, desire to use proceeds of bonds to be issued by the Authority to pay for costs of Building Removal and also desire that a portion of the proceeds of the Bonds be used by the Transportation Agency for Monterey County, the California Department of Parks and Recreation, the Marina Coast Water District, and the Monterey-Salinas Transit to pay for costs of Building Removal.
- E. The Authority is authorized by Government Code Section 67679(d)(9) to issue bonds pursuant to the Marks-Roos Local Bond Pooling Act of 1985 (the "Act") to finance costs of Building Removal.
- F. In order to finance all or a portion of the costs of Building Removal, the Authority desires to issue one or more series of tax allocation revenue bonds (the "Bonds").
- G. Each of Seaside, Marina, the County, Transportation Agency for Monterey County, California Department of Parks and Recreation, Marina Coast Water District, and Monterey-Salinas Transit will have control over and the ability to prioritize the use of Bond proceeds deposited into each such local agency's designated account within a Project Fund created under an Indenture of Trust (the "Indenture") pursuant to which the Bonds will be issued for costs of Building Removal.

H. The Authority is authorized pursuant to Section 6592(a) of the Act to pledge to payment of the Bonds any moneys of the Authority, including without limitation the portion of property tax revenues allocated to the Authority pursuant to California Health and Safety Code Section 33492.71(c)(1)(A) and (D), as applicable (the "Tax Revenues").

I. The Authority has determined the advisability of filing an action to determine the validity of the Indenture and the Bonds, the use and pledge of the Tax Revenues to repay the Bonds and the actions proposed to be taken in connection with the issuance of the Bonds and the Indenture.

NOW THEREFORE the Board hereby resolves that:

1. The foregoing recitals are true and correct.
2. Pursuant to Government Code Section 67679 and the Fort Ord Reuse Plan, Building Removal has been and continues as a component of the basewide capital facilities program to be performed by the Authority as set forth in the Fort Ord Reuse Plan.
3. Bond proceeds are intended for costs of Building Removal, which include the cost of waste characterization, abatement, building demolition, building removal, building repair, waste disposal, and remediation of buildings and building sites located at certain parcels of property within the boundaries of the former Fort Ord, as well as, without limitation, costs of planning, engineering, management, and risk management including insurance premiums, legal fees and litigation costs associated with the Building Removal, and the associated administrative services required to remove blighted buildings from those parcels of property identified on the attached Exhibit A within the boundaries of the former Fort Ord.
4. The issuance of the Bonds to finance costs Building Removal will result in significant public benefits by:
  - a. Providing demonstrable savings in effective interest rate given the current favorable bond market.
  - b. Local taxes, levies, or user charges required for removal of blighted buildings on public development parcels, and unfunded by development, are significantly decreased by leveraging and bonding against the Tax Revenues allocated to the Authority in California Health and Safety Code Section 33492.71(c)(1)(A) and (D) otherwise unavailable to local agencies following the sunset of the Authority on June 30, 2020.
  - c. Providing employment benefits from undertaking the Building Removal in a timely fashion by removing the State of California recognized blight and hindrance to economic growth surrounding California State University Monterey Bay. The Authority estimates that Building Removal will create 250 FTE construction jobs, and make way for increased CSUMB attendance which will support an additional 500+ FTE at CSUMB, and leading to long-term economic growth within the area covered by the Fort Ord Reuse Plan.

d. Removal of buildings will provide more efficient delivery of local agency services to residential and commercial development by providing the means of clearing urban infill areas, for which future development would otherwise be liable to fund.

5. Bonds, in the aggregate principal amount of not to exceed fifty-five million dollars (\$55,000,000) are hereby authorized to be issued by the Authority under and subject to the terms of the Act and this Resolution for the purpose of financing costs of Building Removal and paying the costs of issuance of the Bonds.

6. The Board hereby approves the Indenture, by and between the Authority and U.S. Bank National Association, as trustee, prescribing the terms and provisions of the Bonds, the application of the proceeds of the Bonds, and the pledge and use of the Tax Revenues to the repayment of the Bonds, in the form on file with the Secretary. The Chair, the Executive Officer and the Treasurer of the Authority (each, an "Authorized Officer"), each acting alone, are hereby authorized and directed to execute and deliver the Indenture for and in the name and on behalf of the Authority in such form, together with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, subject to the advice of Bond Counsel and the Counsel to the Authority, such approval to be conclusively evidenced by the execution and delivery by an Authorized Officer of the Indenture. The Board hereby authorizes the delivery and performance of the Indenture.

7. In order to determine the validity of the Indenture and the Bonds, and the use and pledge of the Tax Revenues to repay the Bonds, as well as the actions authorized by this Resolution and the Indenture to be taken in connection therewith, the Board hereby authorizes the law firm of Kennedy, Archer & Giffen, Counsel to the Authority, in concert with the law firm of Quint & Thimmig LLP, Bond Counsel, to prepare and cause to be filed and prosecuted to completion all proceedings required for the judicial validation of the Indenture and the Bonds, and the use and pledge of Tax Revenues to repay the Bonds, in the Superior Court of Monterey County, under and pursuant to the provisions of sections 860 et seq. of the California Code of Civil Procedure. The Board further authorizes the Authorized Officers and any and all other officers, employees and agents of the Authority to take any and all actions, including the execution and delivery of appropriate documentation, as may be required to conclude such judicial validation proceedings.

8. The law firm of Quint & Thimmig LLP is hereby retained as Bond Counsel and Disclosure Counsel to the Authority in connection with the issuance, sale and delivery of the Bonds. The Executive Officer is hereby authorized to enter into an agreement with said firm for its services, in a form acceptable to the Executive Officer and Counsel to the Authority; provided that the compensation for such services is fully contingent upon the successful issuance of the Bonds.

9. The Authorized Officers and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in the issuance, sale and delivery of the Bonds. All actions heretofore taken by any Authorized Officer or any office, employee or agent of the Authority with respect to the Bonds, the validation proceedings or in connection with or related to the Indenture referred to herein are hereby approved, ratified and confirmed.

10. This Resolution shall take effect from and after the date of its passage and adoption.

Upon motion by Morton, seconded by Phillips, the foregoing Resolution was passed on this 13th day of December, 2019, by the following vote:

AYES: PARKER, PHILLIPS, ADAMS, GAGLIOTI, BERKLEY, MORTON, HAFFA,  
OGLESBY, WIZARD, GUNTER, GARFIELD, REIMERS

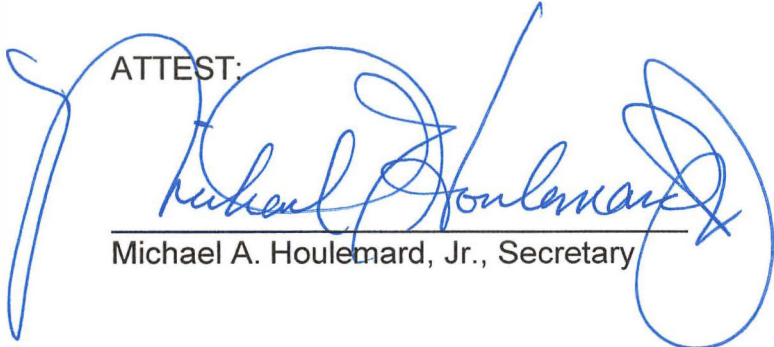
NOES:

ABSTENTIONS:

ABSENT: CARBONE

  
\_\_\_\_\_  
Jane Parker, Chair

ATTEST:

  
\_\_\_\_\_  
Michael A. Houlemard, Jr., Secretary

**EXHIBIT A**

**BUILDING REMOVAL PARCELS**

List of Project Parcels by U.S Army Corps of Engineers (“Army”) Parcel Number.

Jurisdiction	USACE Parcel Number	Description	Bond Account Owner	Total Estimated Cost	Estimated Allocable Share of Bond Proceeds (\$30-55M)
City of Marina	E4.1.1	Cypress Knolls	City of Marina	\$17,180,000	50.00% (\$15 – 27.5M)
	E4.1.2.1	Cypress Knolls	City of Marina		
	E4.1.2.2	Cypress Knolls	City of Marina		
	L5.9.1.1	Marina Radio Club	City of Marina	unknown	
	L5.4.2	Marina Park	City of Marina	5,500,000	
	L5.5.1	Marina Park	City of Marina	unknown	
	E2b.3.1.1	Marina Arts District	City of Marina	2,425,000	
	E2c.4.2.1	Commercial/Business Park	City of Marina	1,900,000	
City of Marina	L20.16.1	TAMC Transit Center	TAMC	3,550,000	7% (\$2.1 – 3.85M)
City of Marina	L35.1	MCWD Storage	MCWD	1,550,000	5.25% (\$1.5 – \$2.9M)
State Parks	S3.1.1	Wastewater Plant	MCWD	1,770,000	
City of Marina	L2.1	MST Transit Center	MST	130,650	1% (\$300-550K)
City of Seaside	L2.4.3.1	MST Storage	MST	300,000	
City of Seaside	L32.4.1.1	Surplus II	City of Seaside	17,575,000	32.25% (\$9.6 - \$17.74M)
	L19.4	Surplus II	City of Seaside		
	L15.1	Surplus II	City of Seaside		
	F2.3.2	Main Gate	City of Seaside	0	
	F2.3.3	GJMB Parcel	City of Seaside	0	
	F5.2	National Guard	City of Seaside	0	
	L23.5.1	Chartwell School	City of Seaside	2,400,000	
E18.1.3	Nurses Barracks	City of Seaside	unknown		
County of Monterey	E11b.8	Ammo Supply Point	County of Monterey	750,000	4.50% (\$1.3 – 2.48M)
	L23.3.2.2	Open Space	County of Monterey	\$1,525,000	
	L23.3.3.1	Open Space	County of Monterey		
	L23.3.3.2	Open Space	County of Monterey		
	L20.2.1	Open Space	County of Monterey		
	L20.2.2	Open Space	County of Monterey		