

Draft FY 18-19 Capital Improvement Program Review

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- Building Removal
- Draft CIP Document



Strategy: Remove all of the remaining buildings

1. What is a cost estimate for removing the remaining buildings?
2. How much funding could FORA obtain if it bonded its future property taxes?

Building Removal Estimate

Seaside Surplus II (Remaining 10 buildings)		(\$10 M)
Marina Cypress Knolls	+	(\$14 M)
Marina Arts District, TAMC, MST	+	(\$8 M)
Marina City Park in Dunes Specific Plan	+	(\$10 M)
County Ammo Supply Point	+	(\$2 M)
Administration (5 years)	+	<u>(\$4.8M)</u>
Building Removal Estimate		(\$48.8 M)

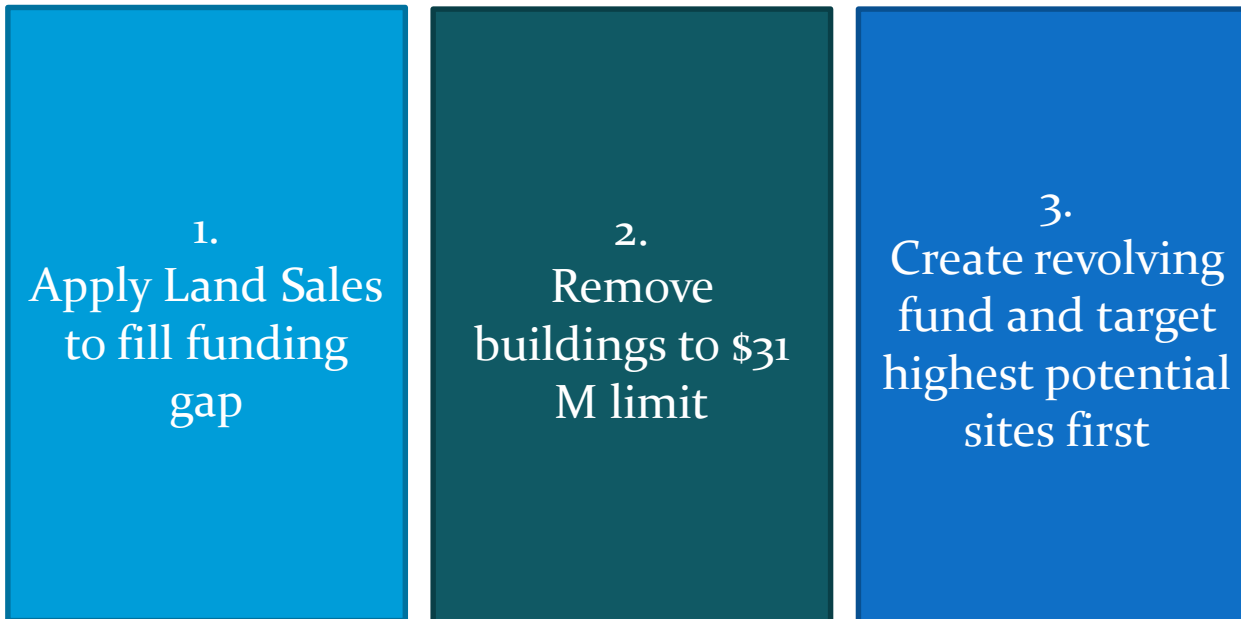
Rough estimate – FORA could bond its property taxes for \$31 million

Assumptions:

1. 30-year General Obligation Bond annual yields are at 3.65%
2. A conservative 5% interest rate with issuance fees
3. Annual payments of \$2 million on \$31 million debt
4. 30-year payoff results in \$29 million in interest and \$31 million in principal

Building Removal Estimate
FORA Property Tax Bonding
Funding Gap

(\$48.8 M)
+ \$31 M
(\$17.8 M)



1.

Apply Land Sales to fill funding gap

*Land sales delays would delay building removal

*Board may need to prioritize building removal if not all funding is available

*Agreement needed for post-2020 land sales

2.

Remove buildings to \$31 M limit

*Results in remaining building removal areas

*How to choose which building removal sites aren't funded?

*How to choose which buildings not to remove from the property?

3.

Create revolving fund and target highest potential sites first

*Jurisdictions defer land sales until all buildings are removed

*More complex to administer, requiring funding oversight

*Agreement needed for post-2020 land sales

- **State Law and the 1997 Base Reuse Plan (BRP)** Development & Resource Management Plan (DRMP) require FORA to complete a CIP
- **Administrative Committee** makes CIP recommendations to the FORA Board
- **FORA Board** may direct staff to make changes to the CIP prior to adoption

- Summarizes Administrative Committee formation of CIP Taskforce to review potential CIP re-prioritization and BRP housing cap
- Notes that Taskforce recommendations would be elevated to Administrative Committee and FORA Board
- Lists significant CIP changes

- **Construction funding** for South Boundary Rd. and its intersection with General Jim Moore Blvd.
- **Transit vehicle purchases** of \$500,000
- **Planning funding** for Northeast-Southwest Connector (formerly Eastside Parkway)
- **Planning funding** to reimburse Marina for Del Monte Blvd. Extension
- **Building removal funding** for Seaside Surplus II and Marina Stockade

- *What are the Committee's additional building removal recommendations?*
- *What are the Committee's Draft CIP document recommendations?*

Questions?

