



Fort Ord Reuse Authority

100 12th Street, Building 2880, Marina, CA 93933
Phone: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

BOARD OF DIRECTORS MEETING

Friday, July 8, 2011

3:00 p.m. (JOINT MEETING) ~ 3:30 p.m. (REGULAR BOARD MEETING)
910 2nd Ave, Marina (on the former Fort Ord)

AGENDA

1. **CALL TO ORDER AND ROLL CALL**
2. **PLEDGE OF ALLEGIANCE**
3. **ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE**
4. **PUBLIC COMMENT PERIOD:** Members of the audience wishing to address the Fort Ord Reuse Authority ("FORA") Board on matters within the jurisdiction of FORA, but not on this agenda, may do so during the Public Comment Period. Public comments are limited to a maximum of three minutes. Public comments on specific agenda items will be heard at the time the matter is under Board consideration.
5. **CONSENT AGENDA** ACTION
 - a. June 10, 2011 FORA/MCWD Joint Board meeting minutes
 - b. June 10, 2011 FORA Board meeting minutes
6. **OLD BUSINESS**
 - a. Approval of the FY 2011/2012 - 2021/2022 Capital Improvement Program INFORMATION/ACTION
 - b. California Central Coast Veterans Cemetery – update INFORMATION
 - c. Preston Park ACTION
 - i. FY 2011-12 budget
 - ii. Management Agreement Amendment No. 4
7. **NEW BUSINESS** – none
8. **EXECUTIVE OFFICER'S REPORT**
 - a. Outstanding Receivables INFORMATION/ACTION
 - b. Administrative Committee – report INFORMATION
 - c. Legislative Committee – report INFORMATION
 - d. Habitat Conservation Plan – status report INFORMATION
 - e. Travel Report INFORMATION
 - f. Fort Ord Reuse Authority FY 2010-11 Annual Report INFORMATION
 - g. Reimbursement Agreements: Outside Agency Access to FORA/ESCA Property - update INFORMATION
9. **ITEMS FROM MEMBERS** INFORMATION
10. **CLOSED SESSION**
 - a. Preston Park Mediation
11. **REPORT OUT OF CLOSED SESSION**
12. **ADJOURNMENT**



**JOINT MEETING OF THE
FORT ORD REUSE AUTHORITY AND
MARINA COAST WATER DISTRICT
BOARDS OF DIRECTORS**

**3:00–3:30 PM, Friday, June 10, 2011
Carpenters Union Hall * 910 2nd Avenue * Marina, CA 93933**



DRAFT

MINUTES

1. Call to Order and Roll Call of Both Boards

FORA Chair, Supervisor Dave Potter called the meeting to order at 3:00 p.m. on June 10, 2011.

Fort Ord Reuse Authority Board of Directors:

Voting members present (Quorum present at call to order)

Chair/Supervisor Potter (County of Monterey)
1st Vice Chair/Mayor Edelen (City of Del Rey Oaks)
Mayor Pendergrass (City of Sand City)
Mayor Pro-Tem Kampe (City of Pacific Grove)
Supervisor Parker (County of Monterey)
2nd Vice Chair/Mayor Pro-Tem O'Connell (City of Marina)
Mayor McCloud (City of Carmel-by-the-Sea)
Councilmember Selfridge (City of Monterey)
Councilmember Oglesby (City of Seaside)

Arriving after the roll: Councilmember Brown (City of Marina), Jim Cook (County of Monterey), Mayor Bachofner (City of Seaside)

Absent: Councilmember Barrera (City of Salinas).

Ex-Officio members present:

Dr. Margon (University of California Santa Cruz ("UCSC"))
Kevin Saunders (California State University Monterey Bay ("CSUMB"))
Bill Collins (Base Realignment and Closure ("BRAC"))
Ken Nishi (Marina Coast Water District ("MCWD"))

Arriving after the roll: Pamela Von Ness (United States Army), at 3:30 p.m., - Debbie Hale (Transportation Agency for Monterey County ("TAMC")), Hunter Harvath (Monterey Salinas Transit), Dr. Doug Garrison (Monterey Peninsula College ("MPC")), Dan Albert, Jr., (Monterey Peninsula Unified School District), Alec Arago (17th Congressional District).

Absent: Representation from the 15th State Senate District and 27th State Assembly District.

Marina Coast Water District Board Members Present:

Dan Burns – Vice President
Howard Gustafson
Ken Nishi – President
Jan Shriner

Absent: Bill Lee – President

2. Pledge of Allegiance

FORA Chair Potter asked MCWD Director Gustafson to lead the Pledge of Allegiance.

3. Acknowledgements

There were no acknowledgements made.

4. Public Comment Period

Ms. LaVonne Stone, Fort Ord Environmental Justice Network, reminded the Marina Coast Water District Board members that there was a past agreement with the Monterey County Court concerning the people of Preston Park and other housing areas in Fort Ord. She added that the agreement was to have those areas voted into the District's jurisdiction thus allowing them a voice on the Board in the decision making process. Ms. Stone stated that as of this day, these items have not been rectified and she would like to know what is being done.

5. Old Business - None.

6. New Business

- a. Ord Community and Marina Water/Wastewater Systems Proposed Budget and Rates for FY 2011-2012:

- (1) Presentation by Marina Coast Water District

Ms. Kelly Cadiente, MCWD Director of Administrative Services, gave a PowerPoint presentation (copy attached) regarding the proposed fiscal year 2011/2012 operating and capital budgets for the water, recycled water and wastewater collection systems, and corresponding customer rates for water and wastewater collection systems for the Ord Community.

2nd Vice Chair/Mayor Pro-Tem O'Connell questioned why the sewer rates in Ord Community were higher than Central Marina. Ms. Cadiente answered that the rate has to support a large, aged system, compared to the number of connections. 2nd Vice Chair/Mayor Pro-Tem O'Connell asked if the District looked into a different rate between residential and commercial so as to reduce the rate of residential. Ms. Cadiente answered that she would have to research that and provide an answer later. Mayor Pro-Tem O'Connell asked if the Ord Community water rates were slightly higher for the similar reason of not as many connections. Ms. Cadiente answered affirmatively. MCWD Director Gustafson commented that CSUMB receives a 25% discount that needs to be absorbed by the other ratepayers and that no other entity receives discounts. Kevin Saunders commented that CSUMB receives a 25% discount on connection fees only, not water or sewer rates.

Supervisor Parker commented that on page 11 of the proposed budget, Exhibit W-4, the breakpoint for tiers was a lot higher for MCWD than other agencies. She asked if the District had looked into updating the tier breakpoints to improve conservation. Chair Potter informed the Directors and the public that Mr. Heitzman was caught in traffic and would answer the question when he arrived.

Mayor McCloud asked if the protests were due today. Ms. Cadiente answered affirmatively. Mayor McCloud commented that about 25% of the ratepayers protested and asked if the District was concerned with that response. She also asked if Attorney Bowden (FORA counsel) approved of the Resolutions that would be voted on. Mr. Bowden answered affirmatively.

Mayor McCloud commented that she would have liked the presentation to show an indication of the expenses involved on how the District is justifying the increase.

Mr. Jim Heitzman, MCWD General Manager, and Mr. Lowrey, MCWD Legal Counsel, arrived at 3:17 p.m.

Mayor Pro-Tem Kampe asked what the expense drivers were that caused the increase in rates. Mr. Heitzman answered that the cost of power and labor were some factors in the increase. Mayor Pro-Tem Kampe commented that he would have liked to see a narrative summary that showed what is pushing the rates up 4.9%. Ms. Cadiente pointed out that Exhibits W-1 and WW-1 show the proposed expenses. Mayor Pro-Tem Kampe asked how the 4.9% compare to the other cost centers that are also getting rate adjustments. Ms. Cadiente answered that all cost centers are getting a proposed increase of 4.9%, to include the Central Marina cost centers. Mayor Pro-Tem Kampe then asked if the cost centers had an allocation of common expenses and asked what the allocation process was for determining a fair allocation. Ms. Cadiente stated the allocations were based on the previous audited fiscal year's expenditures.

Mayor McCloud clarified that the District is proposing a 4.9% increase next year. Ms. Cadiente answered that it was a proposed 5% increase.

Supervisor Parker reiterated her earlier question of the breakpoint for tiers and asked if the Board had talked about updating the trigger points to be more in line with other areas of the community to encourage conservation. Mr. Heitzman commented that Cal Am has five tiers and is more aggressive. He added that the District takes what an average household uses and tries not to be punitive to that group. Mr. Heitzman said that as the usage rises, it is more punitive to those higher users. He added that the District has had discussion on adjusting the tiers to increase conservation, but that would increase the rates on the small households and the Board decided not to do that at this time. Mr. Carl Niizawa, Deputy General Manager/District Engineer, commented that adjusting the tiers would cause higher rates to people that are supplied by a master meter and many of those people are of lower income living in apartments and mobile homes. Supervisor Parker noted that the lowest tier in Cal Am starts at 40 and the Districts lowest tier is 800 and Seaside is 400. Mr. Heitzman said that there may be a difference in how the units are calculated and that he would research further.

MCWD Director Nishi commented that the Marina Coast Water District started billing by tiers to promote conservation before any other agency on the Peninsula. He stated that the District and Cal Am tiers are not "apples to apples" comparison. Director Nishi said he believed that Cal Am is conditioning their ratepayers to be prepared if the Cease and Desist Order (CDO) kicks in, and if the CDO doesn't kick in, the new rates for the Regional Desalinated Water would be astronomically high. He stated that he did not think it is fair to compare MCWD to Cal Am.

1st Vice Chair/Mayor Edelen commented that page 7 of the packet, Exhibit W-1, shows interest expenses almost doubling from the current budget and asked what the anticipated increase for the interest was attributed. Ms. Cadiente answered that it was debt service interest for the 2006 Bonds. Mr. Heitzman said the 2006 Bonds were for Capital Improvements and asked Mr. Niizawa to elaborate. Mr. Niizawa answered that when the District took over the Ord Community, they took over a comprehensive Capital Improvement Program to improve the Ord system infrastructure which creates the debt service. Mayor McCloud asked if the District has taken on more debt over the course of the last year. Mr. Niizawa answered that the General Jim Moore Blvd., project was recently completed and the District was substantially financially involved in that project.

(2) Public Hearing – Proposition 218 Notice:

Chair Potter opened the Public Hearing at 3:31 p.m.

Ms. Paula Pelot, Preston/Abrams Park Tenant Association, commented that with the proposed two-year increase, the cost for an average family's water and wastewater usage had increased by 156% since 2004 while the CPI had only increased 14.9%. Ms. Pelot stated that she was told there were 2,876 accounts in the Ord Community, but Exhibit W-3 showed there were 2,808. She said she was also concerned over the high interest expense, along with high personnel and labor costs. Ms. Pelot asked what the District was doing to decrease personnel costs and said other government agencies are experiencing furloughs. She asked to see an independent fiscal analysis showing that the charges are actually covering costs and not just projecting forward and collecting funds. Ms. Pelot also commented that the public notice was put on the District's website very late and the notice was not bilingual. She suggested the next time a Prop 218 notice was mailed it should be printed on the envelope stating that it is for the rate increase and protest. Ms. Pelot also suggested that more work be done to encourage people to understand the information. She noted that in 2002 the courts asked Marina Coast Water District to actively pursue annexation of the Ord Community to allow those residents representation.

Ms. Stone commented that Preston Park residents started out with a \$50 a month water bill and were told that the bill would cover the infrastructure on the Ord Community. She said that in this economic situation everyone is complaining and there needs to be a way out that is sustainable for everyone. Ms. Stone commented that a plan needs to be developed to alleviate the dollars that are being pushed on the backs of people who are already in a very dire situation. She said that there was a rate increase last year and asked when it is going to stop. She stated that everyone needs to come up with a different plan.

With no further public comment, Chair Potter closed the Public Hearing at 3:38 p.m.

(3) FORA Board Approval of Resolution Nos. 11-03 and 11-04 Adopting a Compensation Plan and Setting Rates, Fees and Charges for Base-Wide Water, Recycled Water and Sewer Services on the Former Fort Ord:

Mayor Pro-Tem Kampe commented that he was unarmed on reaching a conclusion on this item. He congratulated the District on tackling some deferred maintenance and improvements on the Ord Community. Mayor Pro-Tem Kampe said that he found the doubling of debt a red flag. He said that he felt that the increases in the cost centers might have differential increments instead of a flat 4.9%, further stating that he did not have enough information to form a vote on this item. Mr. Heitzman stated that the original proposed increase for the Ord Community of 10% was greater than the one for Central Marina at 7.8%, but the District's Board decided on their own to lower them both to 4.9%.

Mayor McCloud commented that according to the last WHEREAS in Resolution No. 11-03, "FORA is the lead agency for the adoption of rates, fees and charges for the area of the Ord Community..." and stated that any complaints will be directed at FORA instead of MCWD. She would like to see more detail on the expenses and didn't think that enough information was given to vote on this item.

Chair Potter commented that under the heading of meeting management, there were two ways to continue this item, 1) a motion for continuance; or, 2) a motion for approval. He said that if it fails approval it continued automatically for a month. Chair Potter suggested that more diplomatic way would be to move for a continuance of this item.

Mayor McCloud made a motion to continue the item to the July 8, 2011 board meeting, seconded by Councilmember Oglesby. Discussion of the Board: Chair Potter urged that any questions or clarity needed by individuals be forwarded through the FORA Board or the Marina Coast Water District. Mayor McCloud commented that at this time with everything that is going on with water, the Board has to be very careful of how the information is presented to the public. She added that for everyone's safety, it needs to be done with due diligence for all the information that is needed. Chair Potter asked for clarification if the motion was for a one month continuance and asked if that was adequate time for Marina Coast Water District to prepare. There was concurrence from Mayor McCloud and Mr. Heitzman. Mayor Edelen commented that TAMC has a great way of showing budgets with the numbers side-by-side and a column showing the percentage increase/decrease from year to year and it is easier for staff to identify and explain those changes. He suggested the next version show percentage increases and/or decreases. **The motion was approved unanimously.** Director Nishi commented that he hoped to get input from the Board on their questions before the next meeting. He suggested that for the future, if there are questions and clarifications on the budget, they be made before the Board meeting. Supervisor Parker suggested that in the future a sub-committee be designated to work with the District in advance of the Board meeting to make sure the messages get carried.

Executive Officer Houlemard commented that the FORA Board had appointed the Water/Wastewater Oversight Committee (WWOC), which has representatives from the jurisdictions that actively engage with MCWD leading up to the rates, fees, and charges that are presented to the Board. He said it sounded like Supervisor Parker was suggesting a policy level discussion before the full Boards met. Supervisor Parker asked if the WWOC meetings were staff to staff. Mr. Houlemard answered affirmatively. Supervisor Parker suggested that since many of the questions were coming from policy making parties, the meeting be held with full Board members. Chair Potter said that maybe it could be at the Finance Committee or Executive Committee and that would answer Director Nishi's suggestion of advance communication.

MCWD Director Burns commented that this had happened previously where the FORA Board has had questions about the budget increase. He reminded everyone that this was the fourth year of a five year rate increase and the District is moving along to accomplish the mission for the Ord Community. Director Burns said that there were questions like this at a previous meeting and the questions were sent back to staff and then when the Boards came together again a decision was made. Chair Potter agreed. Director Gustafson commented that there were five years in early 2000's that the Ord Community went without a rate increase and three years for Central Marina. He stated that after that, the increases were incremental.

Councilmember Oglesby commented that some questions can only be asked after the presentation is given. He added that he agreed with Mayor McCloud that the FORA Board needs to be comfortable and fully understand the increased rates.

- (4) MCWD Board Consider Adoption of Resolution Nos. 2011-36 and 2011-37 (Ord Community Budget and Compensation Plan):

Director Nishi made a motion of continuance for one month. Director Gustafson seconded the motion. The motion passed.

Director Shriner	-	Yes	Vice President Burns	-	Yes
Director Gustafson	-	Yes	President Lee	-	Absent
Director Nishi	-	Yes			

7. Announcements and Correspondence - none

8. Adjournment

The meeting of the joint boards was adjourned at 3:48 p.m.

Minutes prepared by Paula Riso, Clerk to MCWD Board and Daylene Alliman Deputy Clerk FORA Board.

Approved by _____

Michael A. Houlemard, Jr., Executive Officer/Clerk



Fort Ord Reuse Authority

100 12th Street, Building 2880, Marina, CA 93933
Phone: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

BOARD OF DIRECTORS MEETING

Friday, June 10, 2011

3:30 p.m. Carpenters Union Hall

910 2nd Ave, Marina (on the former Fort Ord)

DRAFT

MINUTES

1. CALL TO ORDER AND ROLL CALL

Chair Potter called the June 10, 2011 Board of Directors meeting to order at 3:56 p.m.

Voting members present (Quorum present at call to order)

Chair/Supervisor Potter (County of Monterey)
1st Vice Chair/Mayor Edelen (City of Del Rey Oaks)
Mayor Pendergrass (City of Sand City)
Mayor ProTem Kampe (City of Pacific Grove)
Councilmember Brown (City of Marina)
Supervisor Parker (County of Monterey)
Mayor Bachofner (City of Seaside)

2nd Vice Chair/Mayor Pro-Tem O'Connell (City of Marina)
Mayor McCloud (City of Carmel-by-the-Sea)
Councilmember Selfridge (City of Monterey)
Jim Cook (County of Monterey),
Councilmember Oglesby (City of Seaside)

Absent: Councilmember Barrera (City of Salinas).

Ex-Officio members present:

Dr. Margon (University of California Santa Cruz ("UCSC")), Kevin Saunders (California State University Monterey Bay ("CSUMB")), Dr. Doug Garrison (Monterey Peninsula College ("MPC")), Dan Albert, Jr., (Monterey Peninsula Unified School District), Bill Collins (Base Realignment and Closure ("BRAC")), Debbie Hale (Transportation Agency for Monterey County ("TAMC")), Pamela Von Ness (United States Army), Hunter Harvath (Monterey Salinas Transit), Alec Arago (17th Congressional District) and Ken Nishi (Marina Coast Water District ("MCWD")).

Absent: representation from the 15th State Senate District and 27th State Assembly District.

ANNOUNCEMENTS – Executive Officer Houlemard reminded members of the Board to please be sure to turn on the microphone while speaking in order to ensure recording for the minutes and helpful to turn off when finished speaking so there is no microphone overlap. Mr. Houlemard announced Assemblymember Monning's help with the California Central Coast Veterans Cemetery and AB629 has moved through the Assembly on Consent unanimously. Mr. Houlemard said the bill is expected to be placed on the State Senate's Veterans Affairs' Committee consent calendar for hearing on June 28th. Mr. Houlemard thanked Mr. Cook (County of Monterey) and Mr. Yount (City of Marina) for their active participation in AB1250 drafted by Luis Alejo regarding redevelopment reform benefitting all jurisdictions. Mayor McCloud asked about the cemetery bill. Mr. Houlemard said that the bill would allow FORA to act on behalf of the State of California Department of Veterans Affairs to do the design and application, and potentially the construction instead of the California Department of General Services. He said the endowment requirement for submittal is about \$1M in order for the state to move ahead with the application. He said the State of California will not contribute to the CCCVC program. There are two ways for funding the \$1.5M needed for the program, \$1M is the amount required for the state to agree to move ahead with the application for the Federal government to provide the construction financing for the CCCVC by August 15. The cost of the design work would be about \$1.5M which would get a completed application, about \$500,000 less than the state estimated cost.

2. **PUBLIC COMMENT PERIOD:** Paula Pelot representing the Preston Park and Abrams Park Tenant Association commented about the costs and analysis from the earlier Joint Board meeting agenda with Marina Coast Water District. LeVonne Stone representing the Super JTI program initiative said that out of 300 applicants 20 people were selected and there were 11 graduates; however, many of these students have still not found employment. She thanked staff member Stan Cook and his staff for their help. However, she implored the Board and contractors to consider the graduates who worked hard during the rigorous program, for any open employment positions. Abel Moran, Field Representative for the Laborers' International Union asked for Board consideration in getting apprentices employed so that they can work on construction projects in the community. Bob Shaffer suggested they contact Councilmember O'Connell and Councilmember Brown (City of Marina) and ask why they voted against the Cypress Knolls project which would have created such jobs.

3. **CONSENT AGENDA**

- a. May 13, 2011 FORA Board meeting minutes
- b. Authorization to award construction contract: General Jim Moore Boulevard and Eucalyptus Road Completion Project
- c. Confirm Renewable Energy-Powering America's Land Initiative Project Application to the Environmental Protection Agency
- d. Authorization to apply for and accept additional grant funds from the Office of Economic Adjustment to complete additional reuse planning.
- e. Preston Park
 - i. FY 2011-12 budget
 - ii. Management Agreement Amendment No. 4

Mr. Houlemard asked to pull item 4e. stating staff was waiting for the City of Marina to review. **Motion to approve the FORA Board Consent Agenda was made by Supervisor Parker, seconded by Mayor Edelen and carried.** Mayor McCloud abstained from the vote of the minutes, Item 4a. as she was not in attendance for the May meeting of the FORA Board. Mr. Jim Cook asked how much funding the grant application for item 3c requested and asked if FORA could build an advisory committee if selected. Jonathan Garcia clarified that there was no specific amount for the grant. The application is for EPA to do the feasibility study. Mayor McCloud asked about a policy that pulls an item from the agenda. She also commented on the public speakers and the construction award. Mr. Houlemard clarified that the bid documents are specific and the lowest responsive bidder on Schedule "A" is awarded the entire contract. He confirmed that the EDA concurred with this decision. He explained that, under the ARRA, the EDA will only pay total amount of the lowest bidder and FORA would have to pay any differential.

4. **OLD BUSINESS**

Item 4a. - Environmental Services Cooperative Agreement - special access, 2nd vote. ESCA Program Manager Stan Cook reiterated his previous report to the Board that outside agencies would like to work on property. However, escorts are needed which is outside the scope of the ESCA. He said that jurisdictions will need to reimburse FORA fees provided by ARCADIS. **Motion to approve the MPC reimbursement agreement made by Supervisor Parker, seconded by Mayor ProTem Kampe, and carried. Motion to approve the Monterey Downs reimbursement agreement Mayor Bachofner, seconded by Mayor McCloud and carried with Supervisor Parker dissenting.** Mr. Cook also noted the students who graduated from the Super JTI program, presented a handout of students' skills, and encouraged the Board and audience to consider the graduates for any job opportunities.

Item 4b - Habitat Conservation Plan – Director of Planning and Finance Steve Endsley gave a status report update noting the contract amendment was approved at the last Board meeting. He said the first meeting with the consultant has been scheduled for the week of June 13, 2011 and work has also begun on the endowment. **Motion to accept the report was made by Supervisor Parker and seconded by Councilmember Oglesby.**

Item 4c - Eastside Parkway – Memorandum of Agreement – Executive Officer Houlemard stated that staff has been working with staff's of the affected parties for the Eastside Parkway. Mr. Houlemard noted that members have informed him that there has not been sufficient time to review the impact of item "m" in the document presented, which was added by the County of Monterey. He said the language was of concern by California State University Monterey Bay because it predicts a determination that they would have to make under the education code before they have the opportunity to do that. He said that the language issue can be resolved with the County of Monterey and delete the offending language that the determination has been made that the value outweighs the potential value in the land that they are giving up which is a valid concern and working with the County substitute language would work for everyone. Mr. Houlemard asked the Board to approve as amended so that staff could get moving on the design of Eastside Parkway. Mr. Garrison asked for a clarification, asking does it mean deletion of paragraph "m"? Mr. Houlemard clarified that not all of it needs to be deleted just the sentence that discusses the value and the last sentence. Mr. Jim Cook, representing the County agreed that the changes are entirely appropriate. **Motion to approve with modification and deletion of those two sentences was made by Mayor McCloud, seconded by Mayor Edelen and carried without exception.**

Item 4d FORA FY 2011-2012 Preliminary Budget – Executive Officer Houlemard gave a brief PowerPoint presentation of the FY 2011-2012 preliminary budget (copy attached to these minutes) and complimented Controller Bednarik for preparing the board report and budget charts. Mr. Houlemard summarized major revenue and expenditure items accordingly. Mayor McCloud requested adding the word "or" to the comment on page 4 of the report and fixing the typo on page 6 from "on time" to "one time". Supervisor Potter thanked the Committee for their work in reviewing the budget and making recommendations. Mayor Edelen commended Executive Officer Houlemard and his example of leadership to his staff by declining his eligible pay increase. Paula Pelot commented on the budget items. Mr. Houlemard asked if she would send her questions directly to him via email and assured a quick response. **Motion to approve the FY 11-12 preliminary budget as presented made by Mayor Edelen seconded by Mayor ProTem Kampe and carried.**

5. NEW BUSINESS - none

6. EXECUTIVE OFFICER'S REPORT - Executive Officer Houlemard stated that, for Item 6a. - Outstanding Receivables, staff has made considerable amount of progress, still working actively with Mayor Pro-Tem O'Connell from the City of Marina. Item 6b - Administrative Committee report, stood as an information item and Item 6c - Finance Committee report, Mayor McCloud noted that Marcela Fridrich had amended the finance committee meeting minutes so that they were easier to read. Ms. Fridrich provided the Board with a revised document. Mr. Houlemard had no further comment since it had been reported under Old Business Item 6d - Legislative Committee report, Mr. Houlemard said that he mentioned the items earlier in his announcement. Item 6e - Travel Report, Mr. Houlemard gave a brief overview of his travel to the Association of Defense Communities ("ADC") Conference, July 17 – 20 in Norfolk, Virginia. He said that the hotel and airfare costs are reimbursed by ADC since he is the Past President. However, the conference fee is paid for by FORA. He confirmed that some Executive Committee members and jurisdiction staff may attend (as has been the case in past years) payments are paid for the conference fees and airfare is reimbursed if the conference is only for FORA business.

7. ITEMS FROM MEMBERS – Ken Nishi Director, Marina Coast Water District said that staff will work to address the concerns of the FORA Board and present the information in a format that will be acceptable to all. Bill Collins, Army BRAC office made an announcement – stating that the burn program has been cancelled for this year due to the finding of three large artillery projectiles which presents a safety issue. He also announced a public open house including tours of the clean-up area scheduled for June 25th

8. CLOSED SESSION - Public Employee Performance Evaluation (Gov. Code §54957)
Position: Executive Officer

9. **REPORT OUT OF CLOSED SESSION** – The Board met with FORA's Executive Officer and gave him direction and authority.

10. **ADJOURNMENT** - Chair Potter adjourned the meeting at 4:56 p.m.

Minutes prepared by Daylene Alliman, Deputy Clerk

Approved by _____

Michael A. Houlemard, Jr., Executive Officer/Clerk

FORT ORD REUSE AUTHORITY BOARD REPORT

OLD BUSINESS

Subject:	Approval of the FY 2011/2012 - 2021/2022 Capital Improvement Program	
Meeting Date:	July 8, 2011	INFORMATION/ACTION
Agenda Number:	6a	

RECOMMENDATION:

- Receive a presentation on updates made to the Fort Ord Reuse Authority ("FORA") Capital Improvement Program ("CIP") for FY 2011/12, and
- Approve the FY 2011/12 through 2021/22 CIP (**Attachment A**).

DISCUSSION:

Working with the FORA Administrative and CIP Committees, staff prepared the reprogrammed CIP document to incorporate updated development forecasts from the land use jurisdictions. The FY 2011/12 CIP also includes modifications recommended by the recent work concluded by Economic and Planning Systems ("EPS") in their review of the CIP, including consolidating contingency items and a reduced developer fee, among other items.

Regarding transportation project priorities, Transportation Agency of Monterey County ("TAMC") staff worked with the jurisdictions and their developers to ensure roadway projects were timed to be underway and/or completed when needed. FORA staff used TAMC research and placed transportation improvements, using the Board approved protocol, based on project readiness, local match needs, and the collection of developer fees. The timing of transportation and transit projects can be found in Table 2 of the attached CIP document.

Due to the nature of development forecasting, today's best development forecasts may differ from reality. Recognizing this, reprogramming the CIP continues to be a routine procedure every fiscal year to assure that mitigation projects are implemented in the best possible sequence with development needs. Next year's CIP may differ, based on updated development forecasts and actual development fee collection.


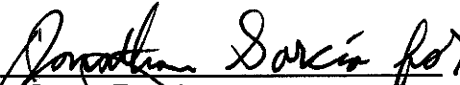
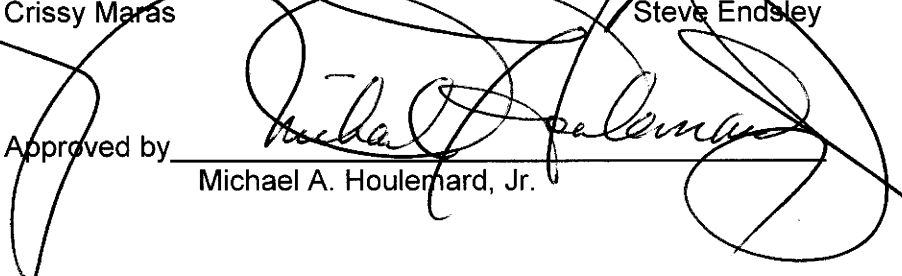
FISCAL IMPACT:

Reviewed by FORA Controller M.F. for I.B.

Staff time for this item is included in the approved FY 10-11 budget and, as noted throughout the CIP, the primary revenue sources expected to pay for obligatory CIP projects are developer fees and land sale proceeds.

COORDINATION:

TAMC, EPS, Administrative Committee, CIP Committee, land use jurisdiction staff and development partners

Prepared by Crissy Maras  Reviewed by Steve Endsley 
 Approved by Michael A. Houlemard, Jr. 

Attachment A to Item 6a
FORA Board Meeting, 07/08/11

FY 2011/2012 through 2021/22
Draft Capital Improvement Program

I. EXECUTIVE SUMMARY

1) Overview

This Fort Ord Reuse Authority ("FORA") Capital Improvement Program ("CIP") is responsive to the capital improvement obligations defined under the Fort Ord Base Reuse Plan ("BRP") as adopted by the FORA Board in June 1997. The BRP carries a series of mitigative project obligations defined in Appendix B of that plan as the Public Facilities Implementation Plan ("PFIP"). The PFIP, which serves as the baseline CIP for the reuse plan, is re-visited annually by the FORA Board to assure that required projects are implemented in a timely way to meet development needs. The PFIP was developed as a capital improvement program spanning a twenty-year development horizon (1996-2015) and was based upon the best at-the-time forecasts of expected development.

The current CIP document (FY 2010/11/12 – FY 2021/22) has been updated with the most current forecasts of development anticipated by the FORA land use jurisdictions. The new forecasts are enumerated in the CIP Appendix B, Table 4. Based upon this updated information, capital project "placement in time" has been compared with last year's programming, with minor adjustments having been made. The reader's attention is directed to Tables 2 and 3, wherein obligatory CIP projects are currently forecast.

It is noted that by State law, FORA is scheduled to sunset in 2014 (or when 80% of the BRP has been implemented, whichever occurs first), which will occur prior to the end of this CIP time horizon (FY 2010/11/12 – FY 2021/22). Therefore, the revenues and obligations herein will be allocated accordingly to jurisdictions under the Local Agency Formation Commission process for the dissolution of FORA.

2) Periodic CIP Review and Reprogramming

Due to the nature of development forecasting, it is certain that today's best forecasts of development timing and patterns will differ from reality. Recognizing this, the BRP requires the FORA Board to periodically review and revise its CIP to reflect development realities to assure that the adopted mitigation projects are implemented in the best possible sequence with development needs. A protocol for the review and reprogramming of the CIP was approved by the FORA Board on June 8, 2001. Appendix A, herein, defines the process whereby FORA and its Member Agencies comprehensively review development timing and patterns to assure proper implementation of the BRP mitigation projects. A March 8, 2010 revision incorporated additional protocol by which projects could be prioritized or placed in time. The Board is asked to approve this CIP (FY 2010/11/12 – FY 2021/22) as revised, via the review protocol. That approval will affirm project priorities of the CIP.

On May 13, 2011, the FORA Board approved a 27% reduction in Community Facilities District ("CFD") / Developer fees which are reflected in this FY 2011/12 CIP.

Formatted: Font: 11 pt, Not Bold
Formatted: Font: 12.5 pt, Not Bold
Formatted: Font: 12.5 pt, Not Bold
Formatted: Font: 11 pt, Not Bold

3) CIP Costs

The costs assigned to the various elements of the CIP were originally estimated in May 1995 and published in the draft 1996 BRP. This current CIP has inflated costs to January 2010, applying the Engineering News Record ("ENR") Construction Cost Index ("CCI") to account for factor of inflation. This continues to be a routine procedure each year.

4) CIP Revenues

The primary sources of revenue anticipated to cover the costs of obligatory CIP projects are developer fees and land sale (and lease) proceeds. These primary sources can be augmented by tax increment revenue. The current FORA developer fee policy has been

structured to accommodate CIP costs of Transportation/Transit projects, Habitat Management obligations, Water Augmentation, Storm Drainage System improvements and Fire Fighting Enhancement improvements. The developer fee policy adopted by the Board in 1999 was implemented by the formation of the FORA Basewide Community Facilities District ("CFD"). The CFD is structured to allow annual inflation adjustments to account for cost escalation, with an annual cap of 5%. Land sale (and lease) proceeds are earmarked to cover costs associated with the Building Removal Program.

Appendix B herein contains a tabulation of the proposed developments with their corresponding fee and land sale revenue forecasts. Obligatory capital project costs are balanced against the forecasted revenues as depicted in Table 3 of this document.

5) Projects Accomplished to Date

FORA has been actively implementing capital improvement projects since 1995. As of this writing, FORA has successfully advanced approximately \$67M in capital improvements, predominantly funded by grants received from the US Department of Commerce, Economic Development Administration ("EDA"), FORA CFD fees, loan proceeds, tax increment, grants received from the US Department of Commerce, Economic Development Administration ("EDA") and a FORA bond issue. \$60M was applied directly against FORA obligations and \$7M funded capital improvements instrumental to base reuse, such as improvements to the water and wastewater systems. In addition to the \$67M in capital improvements, close to \$6M has been expended against Habitat Management, Fire Fighting Enhancement and Water Augmentation obligations.

Formatted: Not Highlight

Section III herein provides additional detail regarding how a number of already-funded projects have been credited as offsets against the FORA basewide obligations. The major sources of revenue utilized to date include developer fees, land sales, grants, tax increment, and loan proceeds. As these revenues are collected and employed to offset obligations, use of these funds will continue to be enumerated in Tables I and 3.

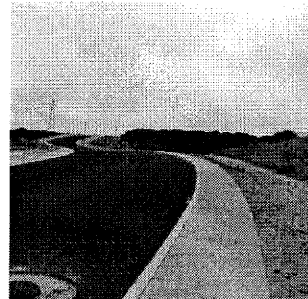
II. OBLIGATORY PROGRAM OF PROJECTS — DESCRIPTION OF CIP ELEMENTS

As noted in the Executive Summary, the obligatory elements of the BRP CIP include Transportation/Transit, Water Augmentation, Storm Drainage, Habitat Management, Fire Fighting Enhancement and Building Removal. The first five elements noted are to be funded by developer fees. Land sale (and lease) proceeds are earmarked to fund the Building Removal Program. Summary descriptions of each element of the BRP CIP follow:

a) Transportation/Transit Elements

Transportation

During the preparation of the BRP and the associated Final Environmental Impact Report ("FEIR"), the Transportation Agency for Monterey County ("TAMC") undertook a regional study (The Fort Ord Regional Transportation Study, July 1997) to assess Fort Ord development impacts on the study area (North Monterey County) transportation network. When the BRP and accompanying FEIR were adopted by the Board, the transportation and transit obligations as defined by the TAMC Study were also adopted as mitigations to the development under the BRP. The FORA Board subsequently included the Transportation/Transit element (obligation) as a requisite cost component of the adopted CFD.



Eucalyptus Road — Phase II

As implementation of the BRP continued, it became timely to coordinate with TAMC for a review and reallocation of the FORA financial contributions that appear on the list of transportation projects for which FORA has an obligation.

Toward that goal, and following Board action directing staff to coordinate a work program with TAMC, FORA and TAMC entered into a cooperative agreement to move forward with the re-evaluation work. TAMC, working in concert with the Association of Monterey Bay Area Governments ("AMBAG"), has since completed its work program with FORA. TAMC's recommendations are enumerated in the "FORA Fee Reallocation Study" dated April 8, 2005; the date the FORA Board of Directors approved the study for inclusion in the FORA CIP. The complete study can be found online at www.fora.org, under the Documents menu.

FORA's work with TAMC and AMBAG resulted in the refined list of FORA transportation obligations that are synchronous with the TAMC Regional Transportation Plan ("RTP"). Figure 1 illustrates the refined FORA transportation obligations that are further defined in Table I.

Transit

The transit obligations enumerated in Table I herein remain unchanged from the 1997 TAMC Study and adopted BRP. However, it is noted that current long range planning by TAMC and Monterey-Salinas Transit ("MST") reflect an alternative route to the multi-modal corridor than denoted in the BRP. The BRP currently provides for a multi-modal corridor along the Imjin Parkway/Blanco Road corridor serving to and from the Salinas area to the TAMC/MST intermodal center planned in the Dunes on Monterey Bay area in the City of Marina portion of the former Fort Ord.

Current long range planning for transit service focuses on the alternative Intergarrison/Reservation/Davis Roads corridor to fulfill transit service needs between the Salinas area and the proposed intermodal center in the Dunes on Monterey Bay area.

A series of stakeholder meetings have been conducted to advance adjustments and refinements to the proposed multi-modal corridor plan-line. Stakeholders include, but are not limited to, TAMC, MST, FORA, City of Marina, Monterey County, California State University Monterey Bay ("CSUMB"), University of California Monterey Bay Education, Science and Technology Center ("UCMBEST") and Golden Gate University ("GGU"). The stakeholders completed a Memorandum of Agreement ("MOA") outlining the new alignment of the multi-modal transit corridor plan line in February 2010. Since all stakeholders have signed the MOA, the FORA Board designated the new alignment and rescinded the original alignment on December 10, 2010. Once all stakeholders have signed the MOA, the FORA Board will consider designation of the new alignment and rescission of the original alignment.

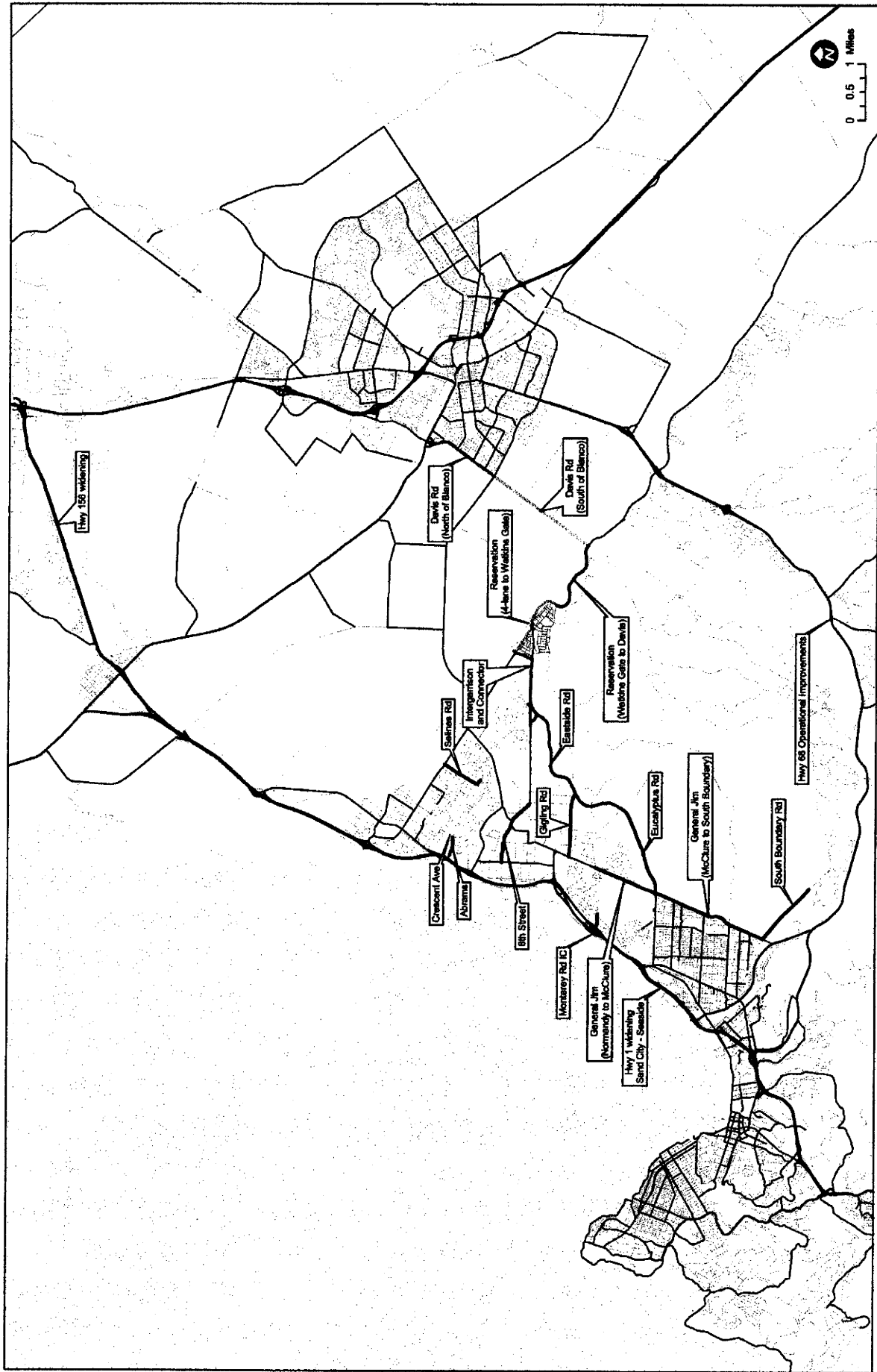
Formatted: Highlight

Lead Agency Status

FORA has served as lead agency in accomplishing the design, environmental approval and construction activities for all capital improvements considered basewide obligations under the BRP and this CIP. As land transfers continue and development gains momentum, certain basewide capital improvements will be advanced by the land use jurisdictions and/or their developers.

As of this writing, reimbursement agreements are in place with Monterey County and the City of Marina for several requisite transportation projects. Other like agreements may be structured as development projects are implemented and those agreements will be noted for the record herein.

Figure 1 -- Transportation Map



b) **Water Augmentation**

The Fort Ord BRP identifies availability of water as its primary resource constraint. The BRP anticipated build out development density of development anticipated by the BRP utilizes the 6,600 acre-feet per year ("AFY") total available of available groundwater supply, of 6,600 acre-feet per year ("AFY"), as described in the BRP, Appendix B (PFIP section p 3-63). In addition to the groundwater supply, the BRP requires an estimated 2,400 AFY augmentation of an estimated 2,400 AFY to achieve the permitted development level permitted by as reflected in the BRP. This is reflected and summarized within the BRP, (Volume 3, in figure PFIP 2-7).

FORA has worked with Marina Coast Water District ("MCWD") to implement the most appropriate water augmentation program, with which to proceed. Following a comprehensive two-year process of evaluating potential viable options for a water augmentation program, the MCWD Board of Directors certified, in October 2004, a program level Environmental Impact Report ("EIR") that analyzed three potential augmentation projects. The projects included a desalination project, a recycled water project and a hybrid project (containing components of both recycled water and desalination water projects). The EIR is available for review on the Internet at www.mcwd.org (under the Engineering tab).

In June 2005, MCWD staff and consultants, working in concert with the FORA staff and Administrative Committee, recommended the hybrid project to the FORA and MCWD Boards of Directors. Additionally, FORA staff recommended increasing the FORA-CIP earmark for the water augmentation funding program from its then 2005 indexed value of approximately \$20M value to approximately \$37M, which essentially removed \$17M from the MCWD capital improvement program to avert capital charge increases.

Several factors over the last year have caused required reconsideration of the water augmentation program by staff and consultants. Those factors included increased augmentation program project costs (as designs were refined); negotiations between MCWD and the Monterey Regional Water Pollution Control Agency ("MRWPCA") negotiations to come to agreement to move forward with regarding the recycled component of the project (which was to have been on line were not accomplished by summer 2008); and the significant economic downturn. These factors deferred the need for the augmentation program and provided an opportunity, which allows for more time before the augmentation program would need to come on line. All of which provided the opportunity to to further consider the "Regional Plan" as the preferred project to pursue as for the water augmentation program. This project appears to be both better for the environment and considerably less expensive than other evaluated augmentation proposals. Appendix C herein provides a description of the Regional Plan from which the augmenting source of water for the former Fort Ord would be derived.

At the April 2008 FORA Board meeting, the FORA Board of Directors endorsed the Regional Plan as the preferred plan to deliver the requisite 2,400 AFY of augmenting water to the 6,600 AFY groundwater entitlements. Since that time, the Regional Plan has been designated by the State Public Utilities Commission as the preferred environmental alternative and an agreement in principal to proceed entered into by Cal-Am, MCWD and MRWPCA. There are still several permitting, financing and regulatory hurdles to clear before the project is realized.

c) **Storm Drainage System Projects**

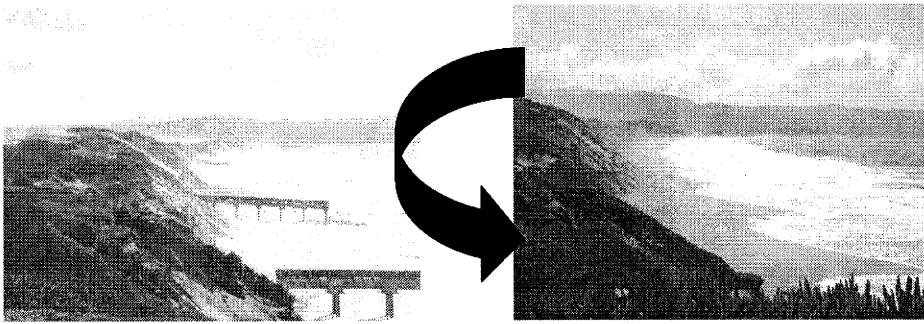
The adopted BRP recognized the need to eliminate the discharge of storm water runoff from the former Fort Ord to the Monterey Bay National Marine Sanctuary ("Sanctuary"). In addition, the BRP FEIR specifically addressed the need to remove the four storm water outfalls that discharged storm water runoff to the Sanctuary.

Section 4.5 of the FEIR, Hydrology and Water Quality, contains the following obligatory Conservation Element Program:

"Hydrology and Water Quality Policy, C-6: In support of Monterey Bay's National Marine Sanctuary designation, the City/County shall support all actions required to ensure that the bay and inter-tidal environment will not be adversely affected, even if such actions should exceed state and federal water quality requirements."

"Program C-6.1: The City/County shall work closely with other Fort Ord jurisdictions and the (California Department of Parks and Recreation) to develop and implement a plan for storm water disposal that will allow for the removal of the ocean outfall structures and end the direct discharge of storm water into the marine environment. The program must be consistent with State Park goals to maintain the open space character of the dunes, restore natural land forms and restore habitat values."

With these programs/policies in mind, FORA and the City of Seaside, as co-applicants, secured EDA Grants to advance the design and construction of alternative disposal (retention) systems for storm water runoff that allowed for the removal of the outfalls. FORA advanced to the construction and demolition project, with the work having been completed as of January 2004. Table 3 herein therefore reflects this obligation as having been met.



Storm drainage outfall removal – Before and After

d) Habitat Management Requirements

Appendix A, Volume 2 of the BRP contains the Habitat Management Program ("HMP") Implementation Management Agreement. This Management Agreement defines the respective rights and obligations of FORA, its Member Agencies, California State University and the University of California with respect to the implementation of the HMP. For the HMP to be implemented to allow FORA and its member agencies to meet the requirements of the Endangered Species Act, the California Endangered Species Act, and other statutes, the U.S. Fish and Wildlife Service ("USFWS") and the California Department of Fish and Game ("CDFG") must approve the Fort Ord Habitat Conservation Plan ("HCP") and its funding program.

Previously, FORA's Habitat Funding obligations under the HCP were believed to be \$1.5M upfront funding (comprised of \$1.3M in borrowed funds and \$200K in secured funds) for initial management, planning, capital costs and Habitat Conservation Plan preparation, and additionally, as development takes place and developer fees paid, FORA has earmarked \$1 out of every \$4

collected to build to a total endowment of principal funds necessary to produce an annual income sufficient to carry out required habitat management responsibilities in perpetuity. The original estimate was developed by an independent consultant retained by FORA and totaled \$6.3M.

Subject to final approval by the U.S. Fish and Wildlife Service ("USFWS") and the California Department of Fish and Game ("CDFG"), FORA's Habitat Management funding obligations were previously listed in the following form:

1. \$1.5M upfront funding (comprised of \$1.3M in borrowed funds and \$200K in secured funds) for initial management, planning, capital costs and Habitat Conservation Plan preparation.
2. Additionally, as development has taken place and developer fees paid, \$1 out of every \$4 collected have been earmarked to build a total endowment of principal funds necessary to produce an annual income sufficient to carry out required habitat management responsibilities in perpetuity. The original estimate was developed by an independent consultant retained by FORA and totaled \$6.3M.

The financing plan is predicated on an earnings rate assumption acceptable to USFWS and CDFG for endowments of this kind, and economies of scale provided by unified management of FORA's the Cooperative's (the future HCP Joint Powers Authority) habitat lands by qualified non-profit habitat managers. FORA The Cooperative will be securing the services of the appropriately experienced habitat manager(s) via a formal selection process.

It is noted that FORA will not control expenditure of the annual line items, but merely fund the endowment, and the initial and capital costs, to the agreed upon levels.

Based upon recent conversations with the regulatory agencies, it has become apparent that the Habitat Management obligations will likely increase beyond the costs noted above. Therefore, this document contains a \pm \$36.5M line item of forecasted requisite expenditures. As a part of the FORA CIP Review process in FY 2010-11 conducted by Economic & Planning Systems, TAMC, and FORA and the FORA Board's April 8, 2011 direction, \$17.5 million has been held as a CIP contingency for additional habitat management costs should the assumed earnings rate for the \$36.5 million endowment be less than the current 4.5% assumption. USFWS and CDFG are the final arbiters as to what the final endowment amount will be, with input from FORA and its contractors/consultants. It is expected that the final endowment amount will be agreed upon in the upcoming fiscal year as part of the Phase II CIP Review Study.

e) Fire Fighting Enhancement Requirements

In July 2003, the FORA Board authorized FORA to lease-purchase five pieces of fire fighting equipment, including four fire engines and one water tender. The equipment recipients include the Cities of Marina, Monterey and Seaside, the Ord Military Community Fire Department and the Salinas Rural Fire Department.

This lease purchasing of equipment accommodates FORA's capital obligations under the BRP to enhance the fire fighting capabilities on the former Fort Ord in response to the proposed development. The lease payments began July 2004, and are projected to be paid through 2013/14. Once the lease payments, funded by developer fees, have been satisfied, FORA's obligation for fire fighting enhancement will have been fully met.



Fire engines received by Fire Departments in the Cities of Marina, Monterey and Seaside and the Ord Military Community were utilized during the Parker Flats habitat burn in 2005

f) Building Removal Program

The BRP includes, as a basewide obligation, the removal of building stock to make way for redevelopment in certain areas of the former Fort Ord. Building removal is funded from land sale revenue and/or credited against land sale valuation. Two Memorandums of Agreement ("MOA") have been finalized for these purposes, as described below:

In August 2005 FORA entered into an MOA with the City of Marina Redevelopment Agency and Marina Community Partners ("MCP"), which assigned FORA \$46M in building removal costs within the Dunes on Monterey Bay project area and assigned MCP the responsibility for the actual removal. FORA paid \$22M and MCP received credits of \$24M for building removal costs against FORA's portion of the land sale proceeds. Building removal at the Dunes site will be completed as directed by the City of Marina and MCP to support future phases of development. In February 2006 FORA entered into an MOA with Monterey County, the Monterey County Redevelopment Agency and East Garrison Partners ("EGP"). In this MOA, EGP agreed to undertake FORA's responsibility for removal of certain buildings in the East Garrison specific plan area for which they received a credit of \$2.1M for building removal against FORA's portion of land sale proceeds. Building removal in the East Garrison project area is now complete. Since this agreement was made, the property was acquired by a new entity who is complying with the financial terms of the MOA.

In both of these agreements, the hierarchy of building reuse is observed, which is the FORA Board policy that prioritizes the most efficient reuse of obsolete buildings by focusing on the hierarchy of renovation and reuse in place; relocation and renovation; deconstruction and reuse of building materials; and, mechanical demolition with aggressive recycling.

FORA's remaining building removal obligations include the former Fort Ord stockade within the City of Marina (\pm \$2.2M) and buildings in the City of Seaside's Surplus II area (\pm \$4M). FORA will continue to work closely with the Cities of Marina and Seaside as new specific plans are prepared for those areas.

Revenue and expenditure details are included in Table 3 of this document.

g) Water and Wastewater Collection Systems

Following a competitive selection process in 1997, the FORA Board approved MCWD as the purveyor to own and operate the water and wastewater collection systems on the former Fort Ord. By agreement with FORA, MCWD is tasked to assure that a Water and Wastewater Collection Systems Capital Improvement Program is in place and implemented to accommodate repair, replacement and expansion of the systems. To provide uninterrupted service to existing customers and to track with system expansion to keep pace with proposed development, MCWD and FORA staff continue to coordinate system(s) needs with respect to anticipated development.

MCWD is fully engaged in the FORA CIP process, and adjusts its program for the noted systems to be coincident with the FORA CIP.

The FORA Board, by its action in 1997, established a Water and Wastewater Oversight Committee ("WWOC"), which serves in an advisory capacity to the Board. A primary function of the WWOC is to meet and confer with MCWD staff in the development of operating and capital budgets and the corresponding customer rate structures. Annually at budget time, the WWOC and FORA staff prepare recommended actions for the Board's consideration with respect to budget and rate approvals. This process provides the proper tracking mechanism to assure that improvements to, and expansion of, the systems are in sequence with development needs on the former Fort Ord.

Capital improvements for system(s) operations and improvements are funded by customer rates, fees and charges. The capital improvements for the system(s) are approved on an annual basis by the MCWD Board and the FORA Board as outlined above. Therefore, the water and wastewater capital improvements are not duplicated in this document.

h) Property Management and Caretaker Costs

During the FORA CIP review process in FY 10/11, FORA jurisdictions expressed concern about accepting 1,200+ acres of former Fort Ord habitat properties without sufficient resources to manage them. Since the late 1990's, FORA carried a CIP contingency line item for "caretaker costs." The recent CIP review identified \$16M originally set aside in FORA CIP contingencies to cover such costs. These obligations are not BRP required California Environmental Quality Act mitigations, but are considered basewide obligations (similar to FORA's additional water augmentation program contribution and building removal obligation). In order to reduce contingencies, this \$16M item was excluded from the CIP cost structure used as the basis for the 2011-12 CFD Special Tax fee reductions.

However, the Board recommended that a line item entitled "FORA Reimbursements" be added back as a land sales obligation to cover basewide property management costs, should they be demonstrated. The rationale is that over the past 12 years, FORA used approximately \$12.2M from land sales proceeds to fund CIP projects. If "FORA Reimbursements" were added back as a CIP cost item, this would allow repayment of the \$12.2M of that land sales revenue and it could now apply to jurisdictional property management/caretaker costs, should they be demonstrated. \$20,000 is currently shown as a property management/caretaker expense in FY 11/12. This amount is FORA's contribution to the Fort Ord Regional Habitat Area Master Plan effort. The remaining expenses in this category (FY 12/13 through FY 21/22) are planning numbers and are not yet based on identified costs.

III. FY 2010/11/2012 THROUGH 2021/22 CAPITAL IMPROVEMENT PROGRAM

a) **Background Information/Summary Tables**

This Section III provides summary tables of the FORA obligations under the BRP. More particularly, Table I graphically depicts the current fiscal offsets of completed projects that have reduced the BRP obligations.

Since 1995, FORA has advanced approximately \$670M in capital projects and BRP obligations. These projects have been funded predominantly by EDA grants, loan proceeds and developer fees. The developer fees ~~now being collected~~ ~~are~~ ~~should~~ ~~begin~~ transitioning to the forefront as the primary funding source for FORA to continue meeting its mitigation obligations under the BRP. Table I includes fiscal offsets inclusive of not only completed projects, but also funded projects to-be-completed during the course of the next fiscal year. The Table I footnotes detail the source of funds (e.g. grants, developer fees) that have been secured to enable project implementation and offsetting of costs.

As previously noted, the work concluded by TAMC and AMBAG has resulted in modifications of the transportation obligations, for consistency with current transportation planning at the regional level. Table 2 details the current TAMC recommendations that are compatible with the RTP, and "time places" the obligations over the CIP time horizon.

A summary of the CIP project elements and their forecasted costs and revenues are presented in Table 3. Annual updates of the CIP will continue to contain like summaries and will account for funding received and applied against required projects.

CAPITAL IMPROVEMENT PROGRAM - OBLIGATORY PROJECT OFFSETS AND REMAINING OBLIGATIONS

TAMC Study 2005

Project #	Project Title	Project Limits	TAMC Reallocation Study 2005 TOTAL COST	FORA PORTION	FORA Offsets 2005-2011	FORA Remaining Obligation
Regional Improvements						
R3	Hwy 1-Seaside Sand City	Widen highway 1 from 4 lanes to 6 lanes from Fremont Avenue Interchange south to the Del Monte Interchange	45,000,000	15,282,245	-	20,205,758
R10	Hwy 1-Monterey Rd. Interchange	Construct new interchange at Monterey Road	19,100,000	2,496,648	-	3,300,999
R11	Hwy 156-Freeway Upgrade	Widen existing highway to 4 lanes and upgrade highway to freeway status with appropriate interchanges. Interchange modification as needed at US 156 and 101	197,000,000	7,092,169	-	9,377,068
R12	Hwy 68 Operational Improvements	Operational improvements at San Benancio, Laureles Grade and at Corral De Tierra including left turn lanes and improved signal timing	9,876,000	223,660	-	295,717
	Subtotal Regional		270,876,000	25,094,722		33,179,543
Off-Site Improvements						
1	Davis Rd n/o Blanco	Widen to 4 lanes from the SR 183 bridge to Blanco	3,151,000	506,958	-	670,285
2B	Davis Rd s/o Blanco	Widen to 4 lanes from Blanco to Reservation; Build 4 lane bridge over Salinas River	22,555,000	8,654,502	204,028	11,230,348
4D	Widen Reservation-4 lanes to WG	Widen to 4 lanes from existing 4 lane section East Garrison Gate to Watkins Gate	10,100,000	3,813,916	489,462	4,497,080
4E	Widen Reservation, WG to Davis	Widen to 4 lanes from Watkins Gate to Davis Rd	5,500,000	2,216,321	-	2,930,358
8	Crescent Ave extend to Abrams	Extend existing Crescent Court Southerly to join proposed Abrams Dr. (FO2)	906,948	906,948	-	1,199,141
	Subtotal Off-Site		42,212,948	16,098,645	693,490	20,927,222
On-Site Improvements						
FO2	Abrams	Construct a new 2-lane arterial from intersection with 2nd Ave easterly to intersection with Crescent Court extension	759,569	759,569	-	1,004,281
FO5	8th Street	Upgrade/construct new 2-lane arterial from 2nd Ave to Intergarrison Rd	4,340,000	4,340,000	707,393	4,992,257
FO6	Intergarrison	Upgrade to 4-lane arterial from Eastside Rd to Reservation	4,260,000	4,260,000	1,586,170	3,964,443
FO7	Gigling	Upgrade/Construct new 4-lane arterial from General Jim Moore Blvd easterly to Eastside Rd	5,722,640	5,722,640	368,880	7,144,045
FO9B (Ph-II)	GJM Blvd-Normandy to McClure	Widen from 2 to 4 lanes from Normandy Rd to McClure	-	24,065,000	6,386,304	-
FO9B (Ph-III) [1]	GJM Blvd-s/o McClure to s/o Coe	Widen from 2 to 4 lanes from McClure to Coe	-	24,065,000	4,016,175	-
FO9C	GJM Blvd-s/o Coe to S Boundary	Widen from 2 to 4 lanes from s/o Coe to South Boundary Rd	-	3,038,276	11,387,498	-
FO11	Salinas Ave	Construct new 2 lane arterial from Reservation Rd southerly to Abrams Dr	5,800,000	5,800,000	2,463,521	4,698,669
FO12	Eucalyptus Rd	Upgrade to 2 lane collector from General Jim Moore Blvd to Eastside Rd to Parker Flats cut-off	12,536,370	12,536,370	209,000	16,354,963
FO13B	Eastside Pkwy	Construct new 2 lane arterial from Eucalyptus Rd to Parker Flats cut-off to Schoonover Dr	2,515,064	2,515,064	353,724	2,913,615
FO14	S Boundary Road Upgrade	Upgrade to a 2 lane arterial, along existing alignment from General Jim Moore Blvd to York Rd	83,036,919	83,036,919	27,474,865	59,877,877
	Subtotal On-Site		376,225,967	104,230,296	26,172,145	104,326,441
Transportation Totals						
[1] Remaining construction may be phased in future CIP documents based on available funds and habitat/environmental clearance.						
Transit Capital Improvements						
T3	Transit Vehicle Purchase/Replace	15 busses	15,000,000	6,298,254	279,950	7,997,613
T22	Intermodal Centers	(PPIP T-31) includes 3 elements: 1. Intermodal Transportation Center @ 1st Avenue South of 8th Street 2. Park and Ride Facility @ 12th Street and Imjin, and 3. Park and Ride Facility @ 8th Street and Gigling	3,800,000	4,786,673	-	6,328,805
	Transit Totals		18,800,000	11,084,927	279,950	14,326,418
	Transportation/Transit Totals		395,025,867	115,315,212	28,452,095	118,850,859

TAMC Study 1995

Transportation/Transit

FORA offsets against obligations for transportation/transit network per 1995 TAMC Study from 1995-2004. Funded by EDA grant funds, state and local matching funds, revenue bond proceeds, development fees.

Storm Drainage System

Retain/Percolate stormwater, eliminate discharge of stormwater to Monterey Bay Sanctuary. Project completed/financial obligation met in 2004. Funded by EDA grant proceeds.

TOTAL CUMULATIVE OFFSETS AGAINST TRANSPORTATION/TRANSIT AND STORM DRAINAGE PROJECTS TO DATE

62,319,694

CAPITAL IMPROVEMENT PROGRAM - TRANSPORTATION NETWORK AND TRANSIT ELEMENTS

Regional Improvements														
Proj#	Description	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	TOTALS	Proj#
R3a	Hwy 1-Del Monte-Fremont-MBL			2,886,537	2,886,537	2,886,537	2,886,537	2,886,537	2,886,537	2,886,536			20,285,758	R3
R10	Hwy 1-Monterey Rd. Interchange						825,250	825,250	825,250	825,249			3,300,999	R10
R11	Hwy 156-Freeway Upgrade		1,172,133	1,172,133	7,032,802								9,377,068	R11
R12	Hwy 68 Operational Improvements	295,717											295,717	R12
	Subtotal Regional	295,717	1,172,133	4,058,670	9,919,339	2,886,537	3,711,787	3,711,787	3,711,787	3,711,785			33,179,542	

Off-Site Improvements														
Proj#	Description	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	TOTALS	Proj#
1	Davis Rd north of Blanco		83,786	83,786	502,713								670,285	1
2B	Davis Rd south of Blanco	312,300	614,600	1,725,573	8,577,875								11,230,348	2B
4D	Widened Reservation-4 lanes to WG		562,136	562,136	3,372,818								4,497,090	4D
4E	Widened Reservation, WG to Davis		366,295	366,295	2,197,768								2,930,358	4E
8	Crescent Ave extend to Abrams	4,906	149,279	149,279	895,677								1,199,141	8
	Subtotal Off-Site	317,206	1,776,096	2,887,069	13,346,851								20,871,222	

On-Site Improvements														
Proj#	Description	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	TOTALS	Proj#
F02	Abrams	4,129	125,019	125,019	750,114								1,004,281	F02
F05	8th Street	20,450	2,485,904	2,485,903									4,992,257	F05
F06	Intergranston	570,555	3,293,888										3,864,443	F06
F07	Gigling		1,020,577	3,061,734	3,061,734								7,144,045	F07
F09C	GJM Blvd	2,274,250	450,000	450,000	1,494,031	1,000,000							5,668,281	F09C
F011	Saines Ave	16,467	1,000,164	1,000,164	2,000,328								4,017,123	F011
F012	Eucalyptus Rd	1,644,225											4,656,669	F012
F013B	Eastside Parkway	551,200	2,947,680	11,840,720	1,015,363								16,354,963	F013B
F014	South Boundary Road Upgrade	2,007,702	905,913										2,913,615	F014
	Subtotal On-Site	7,088,978	12,229,145	18,993,540	8,321,570	4,014,444							50,617,577	

Transportation Totals													
		7,701,901	15,177,374	25,989,279	33,787,760	6,900,981	3,711,787	3,711,787	3,711,787	3,711,785			104,324,441

Transit Capital Improvements														
Proj#	Description	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	TOTALS	Proj#
T3	Transit Vehicle Purchase/Replace		999,702	999,702	999,702	999,702	999,702	999,702	999,702	999,699			7,997,613	T3
T22	Intermodal Centers		791,101	791,101	791,101	791,101	791,101	791,101	791,101	791,098			6,326,865	T22
	Subtotal Transit		1,790,803	1,790,803	1,790,803	1,790,803	1,790,803	1,790,803	1,790,803	1,790,797			14,324,478	

Transportation and Transit GRAND TOTALS													
		7,701,901	16,968,177	27,700,082	35,578,563	8,691,784	5,502,590	5,502,590	5,502,590	5,502,582			118,650,859

SUMMARY OF CAPITAL IMPROVEMENT PROGRAM 2011/12 - 2021/22

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2011-12 to 2021-22 Total
Dedicated Revenues												
Development Fees	5,054,000	23,385,000	39,357,000	48,567,000	47,105,000	39,082,000	10,866,000	6,175,000	3,876,000	15,278,000	25,000	238,755,000
Other Revenues												
Tax Increment (2)	2,105,770											2,105,770
Loan Proceeds (3)*	2,105,770											2,105,770
Federal Grants (4)	500,000	326,795										826,795
CSU Mitigation fees												
Miscellaneous Revenues (Rev Bonds, CFD credit, interest) (11)**												
Total Revenues	9,765,540	23,691,795	39,357,000	48,567,000	47,105,000	39,082,000	10,866,000	6,175,000	3,876,000	15,278,000	25,000	243,793,335
Expenditures												
Projects												
Transportation/Transit	7,701,901	16,988,177	27,700,082	35,578,563	8,691,784	5,502,590	5,502,590	5,502,590	5,502,590			118,650,869
Water Augmentation (5)					22,412,912	22,149,971						44,562,883
Storm Drainage System [Completed by 2005] (6)												
Habitat Management (7)	1,263,500	5,841,250	9,839,250	12,141,750	3,371,810							32,457,560
Fire Rolling Stock	116,000	116,000	116,000									348,000
Property Management/Caretaker Costs (8)	20,000	1,218,000	1,218,000	1,218,000	1,218,000	1,218,000	1,218,000	1,218,000	1,218,000	1,218,000	1,218,000	12,200,000
Total Expenditures	9,101,401	24,143,427	38,873,332	48,938,313	35,684,506	28,870,561	6,720,590	6,720,590	6,720,590	1,218,000	1,218,000	208,219,302
Net Annual Revenue	664,139	(451,632)	483,668	(371,313)	11,411,494	10,211,439	4,145,410	(541,590)	(2,844,592)	14,060,000	(1,193,000)	35,574,033
Beginning Fund Balance												
Ending Fund Balance Before Other Costs and Reserves	(0)	582,139	130,507	614,175	242,862	11,654,356	21,865,795	26,011,205	25,469,615	22,825,033	36,665,033	12,200,000
Other Costs & Contingency (9)												
Additional Transportation Costs												
Habitat Mgt. Contingency	82,000											11,574,033
Add. Util. & Storm Drainage												17,500,000
Other Costs												3,500,000
Total Other Costs & Contingency	82,000											3,000,000
Ending Fund Balance	582,139	130,507	614,175	242,862	11,654,356	21,865,795	26,011,205	25,469,615	22,625,033	36,685,033	35,492,033	35,574,033
Other Projects Funded by Land Sale Revenue												
Dedicated Revenues												
Land Sales (10)												
Land Sale Credit (11)**												
Other Revenues (12)												
Loan Proceeds (3)*												
Total Revenues												
Expenditures												
Projects (13)												
Building Removal												
Total Expenditures												
Net Annual Revenue												
Beginning Fund Balance												
Ending Fund Balance												

TABLE 3

Table 3 CIP Summary Table Footnotes

- (1) This column summarizes CIP revenues and expenses from July 2005 through June 2010. These totals are not included in the 2010-11 to 2021-22 Totals.
- (2) "Tax Increment" revenue is designated for operations and as a back up to FORA CIP projects; to date, approximately \$5.267M was spent on ET/ESCA change orders and CIP road projects.
- (3) "Loan Proceeds": In FY 05-06 FORA entered into a line of credit ("LOC") agreement to ensure all CIP obligations could be met in a timely manner, despite cash flow fluctuations. The LOC draw downs were used to pay road design, construction and building removal invoices and were partially repaid by any available revenues committed to the CIP. FORA advanced about \$2.4M to finance General Jim Moore Boulevard/Eucalyptus Road construction and road designs and \$7.5M to finance building removal at the Dunes on Monterey Bay. In FY 09-10 FORA repaid the remaining \$9M LOC consolidated existing debt (\$1.5M in transportation and \$7.5M in building removal) through a loan secured by FORA's share of Preston Park, and spent \$3.3M to provide stimulus grant. The loan also provided \$4.3M matching funds to US Department of Commerce EDA/American Recovery and Reinvestment Act ("ARRA") grant funds.
- (4) "Federal grants": In FY 09-10 FORA received two federal grants. FORA received the first grant from the US Department of Commerce EDA through its ARRA grant program to accomplish a portion of FORA's CIP transportation infrastructure. FORA received the second grant from the Department of Defense Office of Economic Adjustment to accomplish future California Central Coast Veterans Cemetery infrastructure planning.
- (5) "Water Augmentation" is FORA's financial obligation for the approved water augmentation project. A portion is separate from FORA water/wastewater mitigations required under CEQA. Project financing (e.g. cash advances, debt issuance) will be accomplished by project lead agency MCWD and any partners (i.e. MRWPCA). The FORA financial contribution will be used to repay MCWD cash advances and/or assist in retiring MCWD debt and/or funding capital improvements for the system. The original CEQA obligation (\$23,469,361) is included in the total reflected here. The FORA Board approved an additional "voluntary contribution" (\$21,655,302) to keep MCWD capacity charges in check, which appears in the Other Costs and Contingencies line item as it is not an expense mandated by CEQA. Please refer to Section II b) "Water Augmentation".
- (6) FORA's "Storm Water Drainage System" obligation has been retired. Please refer to Section II c) "Storm Drainage System Project". Through agreement with the California Department of Parks and Recreation, FORA is obligated to remove storm water disposal facilities west of Highway 1 following replacement of the outfall storm drains with on site storm water disposal. Funding for this work is shown under "Other Costs & Contingencies".
- (7) "Habitat Management" amounts are estimates. Habitat management endowment final amount is subject to approval by US Fish and Wildlife Service and California Department of Fish & Game. Please refer to Section II d) Habitat Management Requirements".
- (8) "Property Management/Caretaker Costs" amounts after FY 11/12 are estimates. As a result of CIP Review policy decisions, the \$12.2M in funding for these expenses is derived from CHD fee repayment of previous FORA borrowing. Please refer to Section II h) Property Maintenance and Caretaker Costs.
- (8)(9) "Other Costs & Contingencies" are subject to cash flow and demonstrated need. Primarily, this item is not received in actual amounts until distant "out-years" of the program. The FORA Board "voluntary contribution" toward the water augmentation program (in lieu of increased MCWD capacity charges) appears here as an "other cost" separate from the actual CEQA obligation toward potable water augmentation as per the BRP/EIR.
- (9) "Additional Transportation Project Costs" are potential and unknown additional basewide expenditures not included in current project cost estimates for transportation projects (e.g. contract change orders to the ESCA, street landscaping, unknown site conditions, project changes, habitat/environmental mitigation, etc.)

Formatted: Bullets and Numbering

Formatted: Indent: Left: 0.5"

~~(10) "Caretaker Costs/Habitat Management Contingency" provides interim funding for the University of California Fort Ord Natural Reserve management until adoption of the HCP and as a result of CIP Review policy decisions, includes sufficient funding for the Habitat Conservation Plan endowments should a lower endowment payout rate be accepted by Regulatory Agencies, are associated with potential delays in redevelopment which represent interim capital costs associated with property maintenance prior to transfer for development. This includes costs of managing property transfer documents, legal review of right-of-access and other documents during the transfer of land, illegal dumping clean-up costs, funding for self-insured retention for pollution legal liability insurance, and liability insurance.~~

~~"Additional Utility and Storm Drainage Costs" provides for restoration of storm drainage sites in State Parks land and relocation of utilities.~~

~~"Other Costs" provides for additional Pollution Legal Liability Insurance Coverage after 2014.~~

~~(11) "Contingency" provides funding for jurisdictions to accommodate potential increased habitat management costs, restoration of storm drainage sites in State Parks, relocation of utilities, unknown subsurface condition, construction cost phasing, unknown CEQA mitigations, financing costs, reimbursements for prior FORA expenses, and shortfalls in CFD revenue when inflation exceeds maximum allowed 5 percent following FORA's sunset.~~

~~(12)(10) "Land Sales" revenues are regularly evaluated to apply any changes in local development fees, market realities, and other factors to adjust land prices in the region.~~

~~(13)(11) "CFD/Land Sales - Credit" is credit due specific developers who perform roadway improvements/building removal by agreement with FORA. The value of the building removal work is subtracted from the developer's CFD fee/land sale proceeds due FORA. Regarding CFD fees, FORA entered into agreement with East Garrison Partners for a total credit of \$2,075,621; and regarding land sale proceeds. Both "Land Sales-Credit" (a credit to the developer toward land sales due) and "Building Removal-Credit" (a credit to FORA toward its building removal program obligations) illustrate cash flow neutral transactions. FORA entered into two such agreements with 1) Marina Community Partners (\$2.4M) and 2) East Garrison Partners ("EGP" \$2.1M) for a total land sale credit of \$26,177,000.~~

~~(14)(12) "Other Revenues" applied against building removal and debt financing costs include Abrams B loan repayment of \$1,425,000 and interest payments collected from East Garrison developers.~~

~~(13) "Projects" include building removal at 1) Dunes on Monterey Bay (\$46M), 2) Imjin Office (\$400K), 3) East Garrison (\$2,177M), 4) Stockade (\$2.2M), and 5) Surplus II (\$4M).~~

~~(13) "Projects" include building removal activities at 1) Dunes on Monterey Bay (\$46M), 2) Imjin Office (\$400K), 3) East Garrison (\$2,177M), 4) Stockade (\$2.2M), and 5) Surplus II (\$4M).~~

Formatted: Bullets and Numbering

Formatted: Indent: Left: 0.56", Tab stops: 0.56", Left

Appendix A

Protocol for Review/Reprogramming of FORA CIP

(Revision #3, March 8, 2010)

- 1.) Conduct quarterly meetings with the CIP Committee and joint committee meetings as needed with members from the FORA Administrative Committee. Staff representatives from the California Department of Transportation ("CALTRANS"), TAMC, AMBAG, and MST may be requested to participate and provide input to the joint committee.

These meetings will be the forum to review developments as they are being planned to assure accurate prioritization and timing of CIP projects to best serve the development as it is projected. FORA CIP projects will be constructed during the program, but market and budgetary realities require that projects must "queue" to current year priority status. The major criteria used to prioritize project placement are:

- Project is necessary to mitigate reuse plan
- Project environmental/design is complete
- Project can be completed prior to FORA's sunset
- Project uses FORA CIP funding as matching funds to leverage grant dollars
- Project can be coordinated with projects of other agencies (utilities, water, TAMC, PG&E, CALTRANS, etc.)
- Project furthers inter-jurisdictional equity
- Project supports jurisdictional "flagship" project
- Project nexus to jurisdictional development programs

The joint committee will balance projected project costs against projected revenues as a primary goal of any recommended reprogramming/reprioritization effort.

- 2.) Provide a mid-year and/or yearly report to the Board (at mid-year budget and/or annual budget meetings) that will include any recommendations for CIP modifications from the joint committee and staff.
- 3.) Anticipate FORA Board annual approval of a CIP program that comprehensively accounts for all obligatory projects under the BRP.

These basewide project obligations include transportation/transit, water augmentation, storm drainage, habitat management, building removal and fire fighting enhancement.

APPENDIX B

Community Facilities District Revenue

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
New Residential											
Marina Heights (3)	\$ 35,386,000	\$ 1,011,000	\$ 8,391,000	\$ 3,640,000	\$ 3,606,000	\$ 3,606,000	\$ 3,606,000	\$ 3,606,000	\$ 3,606,000	\$ 3,640,000	\$ -
Cypress Knolls (3)	\$ 5,043,000	-	-	-	4,881,000	162,000	-	-	-	-	-
Dunes on Monterey Bay (3)	\$ 41,688,000	7,920,000	8,661,000	9,706,000	7,717,000	5,426,000	640,000	-	-	-	-
TAMC TOD (1)	\$ 6,740,000	-	-	3,370,000	3,370,000	-	-	-	-	-	-
CSUMB North Campus Housing (1)	\$ 830,000	253,000	253,000	253,000	71,000	-	-	-	-	-	-
UC 8th Street (1)	\$ 11,121,000	1,348,000	1,348,000	1,348,000	1,348,000	-	-	-	-	5,729,000	-
East Garrison I (3)	\$ 49,539,000	1,247,000	5,753,000	12,536,000	15,232,000	9,908,000	2,662,000	-	-	-	-
Monterey Horse Park (1)	\$ -	-	-	-	-	-	-	-	-	-	-
Monterey Horse Park (1)	\$ -	-	-	-	-	-	-	-	-	-	-
UC East Campus - SF (1)	\$ 6,740,000	-	-	-	-	2,258,000	2,258,000	2,224,000	-	-	-
UC East Campus - MF (1)	\$ -	-	-	-	-	-	-	-	-	-	-
Seaside Highlands (4)	\$ 4,225,000	-	-	-	-	-	-	-	-	-	-
Seaside Resort Housing (3)	\$ 2,426,000	67,000	236,000	337,000	337,000	3,168,000	-	-	-	-	-
Seaside Housing (Easideside) (1)	\$ -	-	-	-	-	-	-	-	-	-	-
Seaside Affordable Housing Obligation (1)	\$ 2,426,000	2,426,000	-	-	-	876,000	-	-	-	-	-
Workforce Housing (Army to Build) (1)	\$ 876,000	-	-	-	-	-	-	-	-	-	-
Market Rate Housing (Army to Build) (1)	\$ 5,055,000	-	-	-	-	5,055,000	-	-	-	-	-
Workforce Housing (Seaside) (1)	\$ 977,000	977,000	-	-	-	-	-	-	-	-	-
Del Rey Oaks (1)	\$ 23,287,000	4,381,000	9,672,000	9,234,000	-	-	-	-	-	-	-
Other Residential	\$ -	-	-	-	-	-	-	-	-	-	-
Existing/Replacement Residential											
Proton Park (4)	\$ 4,864,000	669,000	1,094,000	1,510,000	1,307,000	284,000	-	-	-	-	-
Cypress Knolls (3)	\$ 324,000	-	324,000	-	-	-	-	-	-	-	-
Patton Park (3)	\$ -	-	-	-	-	-	-	-	-	-	-
Altrams B (4)	\$ 82,000	-	-	-	-	-	-	-	-	-	-
Shelter Outreach Plus (4) & (1)	\$ -	-	-	-	-	-	-	-	-	-	-
Sunbay (4)	\$ -	-	-	-	-	-	-	-	-	-	-
Stillwell Kidney - WFH (Army to Build) (1)	\$ 3,370,000	-	-	-	3,370,000	-	-	-	-	-	-
Office											
Del Rey Oaks Office (1)	\$ 56,000	29,000	-	29,000	-	-	-	-	-	-	-
Monterey City Office (1)	\$ 38,000	-	-	-	38,000	-	-	-	-	-	-
Monterey County Office	\$ -	-	-	-	-	-	-	-	-	-	-
Horse Park (1)	\$ 14,000	-	7,000	7,000	-	-	-	-	-	-	-
Landfill Commercial Development (1)	\$ 16,000	6,000	6,000	-	-	-	-	-	-	-	-
Inlarrgarrison Rd Office Park (1)	\$ 185,000	-	-	37,000	37,000	37,000	37,000	37,000	37,000	37,000	-
East Garrison I Office Development (3)	\$ 9,000	-	2,000	3,000	3,000	1,000	-	-	-	-	-
MST Bus Maint & Opns Facility (1)	\$ 12,000	-	-	-	-	-	-	-	-	-	-
Injin Office Park (3)	\$ 3,000	-	3,000	-	-	-	-	-	-	-	-
Dunes on Monterey Bay (3)	\$ 59,000	9,000	9,000	12,000	-	5,000	-	-	-	-	-
Airport Economic Development Area (1)	\$ 5,000	-	-	-	-	-	-	-	-	-	-
SVMHS Development (1)	\$ 12,000	-	-	-	-	-	-	-	-	-	-
TAMC TOD (office/public facilities) (1)	\$ 8,000	-	-	6,000	6,000	8,000	-	-	-	-	-
Main Gate Conference (1)	\$ 17,000	17,000	-	-	-	-	-	-	-	-	-
Seaside Office (Monterey Blues) (1)	\$ 1,000	-	-	-	-	-	-	-	-	-	-
Charwell School (1)	\$ 72,000	-	-	-	72,000	-	-	-	-	-	-
Monterey Peninsula Trade & Cont Cntr (1)	\$ -	-	-	-	-	-	-	-	-	-	-
Seaside Resort Golf Buildings (3)	\$ -	-	-	-	-	-	-	-	-	-	-
UC East Campus (1)	\$ -	-	-	-	-	-	-	-	-	-	-
UC Central South Campus (1)	\$ -	-	-	-	-	-	-	-	-	-	-
UC Central North & West Campuses (1)	\$ 164,000	16,000	16,000	16,000	16,000	-	-	-	-	88,000	-
Industrial											
Airport Economic Development Area (1)	\$ 149,000	8,000.00	8,000.00	8,000.00	15,000.00	15,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Industrial - City Corp. Yard (1)	\$ -	-	-	-	-	-	-	-	-	-	-

(1) Project proposed
 (2) Project approved by local jurisdiction
 (3) Project found consistent with Base Reuse Plan
 (4) Project completed

APPENDIX B

Community Facilities District Revenue

Jurisdiction	2011-12 to 2021-22 Total	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
TAMC TOD (1)	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dunes on Monterey Bay (3)	\$ 60,000	\$ -	\$ 10,000	\$ 20,000	\$ 4,000,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial - City Corp. Yard (1)	\$ 63,000	\$ -	\$ -	\$ -	\$ -	\$ 63,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial - Public/Private (1)	\$ 63,000	\$ -	\$ -	\$ -	\$ -	\$ 63,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monterey County Light Ind. (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Horse Park (1)	\$ 35,000	\$ -	\$ -	\$ 13,000	\$ 9,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landfill Industrial Park (1)	\$ 92,000	\$ -	\$ 10,000	\$ 10,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$ -
MST Bus Maint & Opns Facility (1)	\$ 31,000	\$ 31,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Seaside Corp Yard Shop (1)	\$ 6,000	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UC Central N. & W. Campuses (1)	\$ 58,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 28,000	\$ 6,000
Retail												
Del Rey Oaks Retail (1)	\$ 167,000	\$ -	\$ 167,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UC Central N. & W. Campuses (1)	\$ 1,006,000	\$ 106,000	\$ 106,000	\$ 106,000	\$ 106,000	\$ 106,000	\$ -	\$ -	\$ -	\$ -	\$ 584,000	\$ -
UC East Campus (1)	\$ 434,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UC Eight Street (1)	\$ 3,279,000	\$ -	\$ 328,000	\$ 328,000	\$ 328,000	\$ 328,000	\$ -	\$ -	\$ -	\$ -	\$ 1,967,000	\$ -
Monterey County Retail	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landfill Commercial Development (1)	\$ 837,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 293,000	\$ 293,000	\$ -	\$ -	\$ -
East Garrison I Retail (1)	\$ 334,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,000	\$ 167,000	\$ -	\$ -	\$ -	\$ -
Ord Market (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Horse Park (1)	\$ 3,512,000	\$ -	\$ -	\$ 836,000	\$ 836,000	\$ 836,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Main Gate Spa (1)	\$ 201,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Main Gate Large Format Retail (1)	\$ 732,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201,000	\$ 201,000	\$ -	\$ -	\$ -	\$ -
Main Gate In-Line Shops (1)	\$ 2,434,000	\$ -	\$ -	\$ -	\$ -	\$ 732,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Main Gate Department Store Anchor (1)	\$ 1,004,000	\$ -	\$ -	\$ -	\$ -	\$ 2,434,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Main Gate Restaurants (1)	\$ 510,000	\$ -	\$ -	\$ -	\$ -	\$ 1,004,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Main Gate Hotel Restaurant (1)	\$ 67,000	\$ -	\$ -	\$ -	\$ -	\$ 510,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Seaside Resort Golf Clubhouse (1)	\$ 136,000	\$ -	\$ -	\$ -	\$ 136,000	\$ -	\$ 67,000	\$ -	\$ -	\$ -	\$ -	\$ -
Dunes on Monterey Bay (3)	\$ 1,672,000	\$ -	\$ 460,000	\$ 836,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TAMC TOD (1)	\$ 628,000	\$ -	\$ -	\$ -	\$ 314,000	\$ 314,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel (rooms) (5)												
Del Rey Oaks Hotel (1) (464 rm)	\$ 3,413,000	\$ -	\$ 782,000	\$ 1,879,000	\$ 752,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DRO	\$ 722,000	\$ -	\$ 361,000	\$ 361,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Horse Park (Farmer Field) Hotel (1) (200 rm)	\$ 1,503,000	\$ -	\$ -	\$ -	\$ 1,503,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dunes - Limited Service (3) (100 rm)	\$ 752,000	\$ -	\$ 752,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dunes - Full Service (3) (400 rm)	\$ 3,006,000	\$ -	\$ -	\$ -	\$ -	\$ 3,006,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Seaside Golf Course Hotel (3) (330 rm)	\$ 2,480,000	\$ -	\$ -	\$ -	\$ 2,480,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Seaside Golf Course Timeshares (3) (170 rm)	\$ 1,278,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Main Gate Hotel (1) (250 rm)	\$ 1,879,000	\$ -	\$ -	\$ -	\$ 902,000	\$ 902,000	\$ 376,000	\$ -	\$ -	\$ -	\$ -	\$ -
UC East Campus (1) (250 rm)	\$ 1,879,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,879,000	\$ -	\$ -	\$ -	\$ -	\$ -
UC Central N. & W. Campuses (1) (150 rm)	\$ 1,127,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,127,000	\$ -
Total	\$ 238,818,000	\$ 5,054,000	\$ 23,365,000	\$ 39,357,000	\$ 48,567,000	\$ 47,406,000	\$ 39,082,000	\$ 10,866,000	\$ 6,179,000	\$ 3,876,000	\$ 15,276,000	\$ 25,000

Note: FORA Basewide Community Facilities District special tax rates are shown below, inflated to January 2002 based on rate and method of apportionment. Totals in table may not add due to rounding.

	Assigned 2002	Effective 7/1/10	Effective 7/1/11
New Residential (per sq. ft.)	\$ 34,324	\$ 46,205	\$ 33,700
Existing Residential (per sq. ft.)	10,320	13,862	10,132
Office & Industrial (per acre)	4,488	6,056	4,417
Retail (per acre)	92,766	124,985	91,096
Hotel (per room)	7,669	10,304	7,515

- (1) Project proposed
- (2) Project approved by local jurisdiction
- (3) Project found consistent with Base Reuse Plan
- (4) Project completed
- (5) Back up tables to this table 4 (Appendix B), including residential units and building squarefootages, can be requested at 631-863-3672
- (6) Please see description of Years 1, 2, & 3 at www.fora.org under section "FORA Documents," document titled "Developer Fee Schedule"

APPENDIX B
Land Sale Revenue

Jurisdiction	2011-12 to 2021-22 Total										
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<u>New Residential</u>											
Menlo Heights	N/A										
Cypress Knolls	3,650,000			3,650,000							
Dunes on Monterey Bay	21,000,000			14,250,000							
UC 8th Street		6,750,000									
East Garrison I					16,000,000						
Monterey Horse Park											
Monterey Horse Park											
UC East Campus - SF											
UC East Campus - MF											
Seaside Highlands Homes											
Seaside Resort Housing											
Seaside Housing (Eastside)											
Seaside Affordable Housing Obligator											
Workforce Housing (Army to Build)											
Workforce Housing (Seaside)											
Del Rey Oaks		5,000,000									
Other Residential											
<u>Existing/Replacement Residential</u>											
Preston Park											
Cypress Knolls											
Abrams B											
Shelter Outreach Plus											
Sunbay (former Thorson Park)											
Stillwell Kidney - WPH (Army to Build)											
<u>Office</u>											
Del Rey Oaks Office											
Monterey City Office											
Monterey County Office											
Horse Park											
Landfill Commercial Development											
Intergarrison Rd Office Park											
East Garrison I Office Development											
MST Bus Maint & Bus Opns Facility											
Dunes on Monterey Bay											
Airport Economic Development Area											
SVMHS Development											
Young Nak Church											
Seaside Office (Monterey Blues)											
Charwell											
Monterey College of Law											
Monterey Peninsula Trade & Conf Ctr											
UC East Campus											
UC Central South Campus											
UC Central North & West Campuses											
<u>Industrial</u>											
Airport Economic Development Area											
Industrial - City Corp. Yard											
Industrial - City Corp. Yard											
Industrial - Public/Private											
Monterey County Light Ind.											
Horse Park											
Landfill Industrial Park											
Seaside Corp Yard Shop											
UC Central North & West Campuses											
TOTAL	517,000	207,000	207,000	517,000	207,000	207,000	207,000	207,000	207,000	367,000	367,000

APPENDIX B
Land Sale Revenue

	Jurisdiction	2011-12 to 2021-22 Total	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Retail													
Del Rey Oaks Retail	DRO	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
UC Central North & West Campuses	UC/MAR	-	-	-	-	-	-	-	-	-	-	-	-
UC South Campus	UC/MAR	-	-	-	-	-	-	-	-	-	-	-	-
UC East Campus	UC/MCO	-	-	-	-	-	-	-	-	-	-	-	-
UC Eight Street	UC/MCO	-	-	-	-	-	-	-	-	-	-	-	-
Monterey County Retail	MCO	2,000,000	-	-	-	1,000,000	-	-	-	-	-	-	-
Landfill Commercial development	MCO	-	-	-	-	-	-	-	-	-	-	-	-
East Garrison Retail	MCO	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ord Market	MCO	-	-	-	-	-	-	-	-	-	-	-	-
Horse Park	MCO	-	-	-	-	-	-	-	-	-	-	-	-
Main Gate	SEA	5,054,000	-	2,527,000	2,527,000	-	-	-	-	-	-	-	-
South of Lightfighter Dr (swap)	SEA	802,000	-	401,000	401,000	-	-	-	-	-	-	-	-
Dunes on Monterey Bay	MAR	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Hotel (rooms)													
Del Rey Oaks Hotel	DRO	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Del Rey Oaks Timeshare	DRO	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Horse Park (Parker Flat) Hotel	MCO	-	-	-	-	-	-	-	-	-	-	-	-
Dunes - Limited Service	MAR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dunes - Full Service	MAR	-	-	-	-	-	-	-	-	-	-	-	-
Seaside Golf Course Hotel	SEA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Seaside Golf Course Timeshares	SEA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Main Gate Hotel	SEA	-	-	-	-	-	-	-	-	-	-	-	-
UC East Campus	UC/MCO	-	-	-	-	-	-	-	-	-	-	-	-
UC Central North & West Campuses	UC/MAR	-	-	-	-	-	-	-	-	-	-	-	-
Total		58,307,600	-	12,090,000	3,135,000	23,202,000	17,207,000	207,000	372,000	207,000	207,000	367,000	-

Note: FORA and local jurisdiction split land sales revenue 50/50 with FORA paying sales costs from its share. Actual land sales revenue may vary from that shown here and will be determined by appraisal at time of sale.

Sources: Economic & Planning Systems "Due Diligence" memorandum to FORA Board, July 21, 1999

Appendix C

Monterey Bay Regional Water Supply Program

Background

The Monterey Bay Regional Water Supply Project (Regional Project) is jointly proposed by the Marina Coast Water District (MCWD), the Monterey County Water Resources Agency (MCWRA), and the California American Water Company (CAW) to provide 13,100 AFY of replacement and new water supplies for the Monterey Peninsula and the former Fort Ord. The water supply is needed to replace existing supplies that are constrained by recent legal decisions affecting the Carmel River and Seaside Groundwater Basin water resources as well as to satisfy MCWD's obligations to provide a water supply adequate to meet the approved redevelopment of the former Fort Ord. The Regional Project would produce desalinated water, convey it to the existing CAW and MCWD distribution systems, and increase the system's use of storage capacity in the Seaside Groundwater Basin. The Regional Project is comprised of numerous projects and programs that, combined, meet the regional water supply needs. A Regional Project approach provides the opportunity for reducing costs, creating a broader base of benefits and beneficiaries, and provides a more environmentally sound, more reliable, and more sustainable water supply.

Project Benefits

- Maximizing sustainability
 - Potential for creating an environmental park in which facilities can be shared and power from the Monterey Regional Waste Management District's landfill can be used
 - Reducing carbon footprint
 - Reducing environmental impacts
 - Eliminating reliance upon outside sources of energy
 - Satisfying SWRCB Order 95-10 and avoiding a 50% reduction in available water supply
- Minimizing environmental impacts
 - Restoring sustainability of over drafted Seaside groundwater basin
 - Restoring flows in the Carmel River, improving and restoring habitat for threatened and endangered steelhead fish
 - Improving condition of seawater intruded Salinas Valley Groundwater Basin
 - Reducing discharges to the Monterey Bay National Marine Sanctuary
 - Creating an intrusion barrier in the Salinas Valley Groundwater Basin
- Maximizing reliability
- Potential for obtaining grant and State Revolving Fund Funding reducing the cost of water

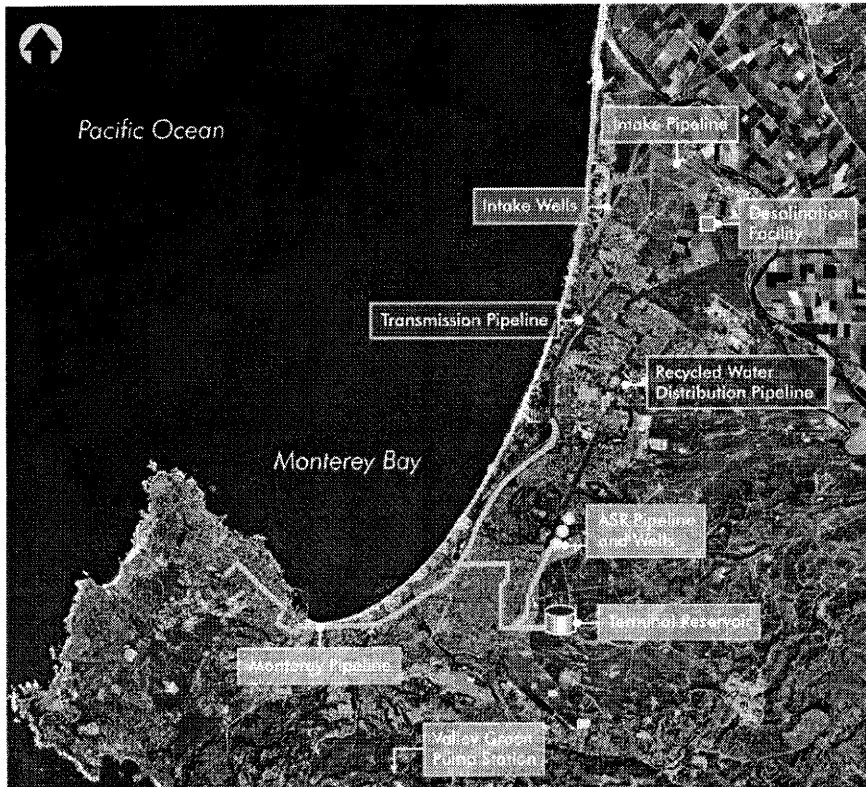
Definitions of Terms

1. **Acre-foot:** Equivalent to the volume of water required to cover 1 acre of land (43,560 square feet) to a depth of 1 foot. Equal to 325,851 gallons or 1,233 cubic meters.
2. **AFY:** Acre-feet per year
3. **Aquifer Storage and Recovery (ASR):** Process in which water is stored underground in a designated aquifer, to be extracted for future use.
4. **Desalination:** Water treatment process for the removal of salts from saline water to produce and provide potable water.
5. **mgd:** Million gallons per day
6. **Potable Water:** Water of a quality suitable for human consumption and which meets all applicable U.S. EPA and California Department of Public Health standards.
7. **Recycled Water or Reclaimed Water:** Wastewater treated to meet California Title 22 requirements. Depending on what level of treatment, recycled water can be used for various applications including irrigation to indirect potable reuse.

Components of the Regional Project

Component	Supply (AFY)	Description
Conservation		Water conservation efforts represent a potential demand reduction on the Monterey Peninsula. While it does not produce additional supply or yield, it is an important component of the analysis and was supported by public stakeholders.
Seaside Aquifer Storage and Recovery (ASR)	1,300	Consists of injecting excess winter flows from the Carmel River into the Seaside Groundwater Basin.
Sand City Desalination	300	This project is currently online.
Regional Urban Water Augmentation Project (RUWAP)	1,000	Recycled water will be produced at the Monterey Regional Water Pollution Control Agency (MRWPCA) and distributed to the MCWD. RUWAP has the capability of future expansion.
Regional Desalination Facility	10,500	Reverse osmosis treatment plant with a peak production rate of 10 million gallons per day (mgd). Source water anticipated to be a blend of ocean water and brackish water from wells located between Hwy 1 and the coastal dunes.
TOTAL	13,100	

Regional Project Overview Map



DEVELOPMENT FEE ALLOCATION AGAINST OBLIGATIONS OVER CIP HORIZON (11-12 - 21-22)

I. ALLOCATION OF CFD FEES AGAINST OBLIGATIONS

	\$	%	\$
Forecast Revenues from Developer Fees (DF)	238,755,000	Per Project	Per \$1
Cost Per Capital Projects:			
1 Transportation/Transit	118,650,859	49.70%	0.4970
2 Potable Water Augmentation	44,562,883	18.66%	0.1866
3 Storm Drainage System	-	0.00%	0.0000
4 Habitat Management (1)	32,457,560	13.59%	0.1359
5 Fire Rolling Stock	348,000	0.15%	0.0015
6 Property Management/Caretaker Costs	12,200,000	5.11%	0.0511
7 Other Costs & Contingency (less other revenues)	30,535,698	12.79%	0.1279
Totals	238,755,000	100.00%	1.0000

II. ALLOCATION TO TRANSPORTATION/TRANSIT

Transportation Costs - FORA Share		118,650,859		
Allocation of DF to Transportation		\$ 0.4970		
<u>Transportation Project Obligations</u>		<u>FORA Cost/Project</u>	<u>Allocation to Projects</u>	
		\$	%	\$
Regional Highway Projects				
R3	Highway 1-Seaside/Sand City	20,205,758	17.03%	0.0846
R10	Hwy 1- Monterey Road Interchange	3,300,999	2.78%	0.0138
R11	Hwy 156 - Freeway Upgrade	9,377,068	7.90%	0.0393
R12	Hwy 68 Operational Improvements	295,717	0.25%	0.0012
	Sub-total Regional	33,179,542	27.96%	0.1390
Off-Site Improvements				
1	Davis Rd n/o Blanco	670,285	0.56%	0.0028
2B	Davis Rd, s/o Blanco	11,230,348	9.47%	0.0470
4D	Widen Reservation, 4-lane to Watkins Gate	4,497,090	3.79%	0.0188
4E	Widen Reservation, Watkins Gt to Davis	2,930,358	2.47%	0.0123
8	Crescent St. extend to Abrams	1,199,141	1.01%	0.0050
	Sub-total Off-Site	20,527,222	17.30%	0.0850
On-Site Improvements				
FO2	Abrams (Crescent to 2nd Avenue connection)	1,004,281	0.85%	0.0042
FO5	8th. Street	4,992,257	4.21%	0.0209
FO6	Inter-Garrison	3,864,443	3.26%	0.0162
FO7	Gigling	7,144,045	6.02%	0.0299
FO9C	General Jim Moore Blvd	5,668,281	4.78%	0.0237
FO11	Salinas Avenue	4,017,123	3.39%	0.0168
FO12	Eucalyptus Road	4,658,669	3.93%	0.0195
FO13B	Eastside Pkwy	16,354,963	13.78%	0.0685
EO14	South Boundary Road upgrade	2,913,615	2.46%	0.0122
	Sub-total On-Site	50,617,677	42.66%	0.2120
	Total Transportation	104,324,441	87.93%	0.4370
Transit Capital Obligations				
T3	Transit Vehicle Purchase & Replacement	7,997,613	6.74%	0.0335
T22	Intermodal Centers	6,328,805	5.33%	0.0265
	Total Transit	14,326,418	12.07%	0.0600
	Grand Totals	118,650,859	100.00%	0.4970

Notes:

(1) 25% of each dollar collected is directly allocated to Habitat Management obligation. When this obligation is met, the % allocation to projects will change. Similarly, the allocation formula will change as other obligations are satisfied.

TABLE 5

FORT ORD REUSE AUTHORITY BOARD REPORT**OLD BUSINESS****Subject:** California Central Coast Veterans Cemetery – update**Meeting Date:** July 8, 2011**Agenda Number:** 6b**INFORMATION****RECOMMENDATION(S):**

Receive an update on the preparation of the draft Veterans Cemetery Memorandum of Understanding (“MOU”) (**Attachment A**).

BACKGROUND/DISCUSSION:

The City of Seaside, County of Monterey, and the Fort Ord Reuse Authority previously entered into an MOU regarding the Veterans Cemetery on April 28, 2009. Through this previous MOU, the parties committed the sale proceeds of an Endowment Fund parcel to fund the state-held Veterans Cemetery Endowment. The MOU updates and reaffirms commitments made in the previous MOU to coordinate completion of the Veterans Cemetery.

The City of Seaside, County of Monterey, FORA, Central Coast Veterans Cemetery Foundation (“CCVCF”), and others have recently studied possible solutions to fund the Veterans Cemetery Endowment. The draft MOU would allow flexibility for these entities to work together on a near-term funding strategy for the Veterans Cemetery Endowment fund. Staff anticipates returning to the Board for authorization to sign this MOU at the August Board meeting.

FISCAL IMPACT:

Reviewed by FORA Controller *M.F. for I.B.*

Staff time related to this item is included in FORA's annual budget.

COORDINATION:

City of Seaside, County of Monterey, Executive Committee, and Administrative Committee.

Prepared by

Jonathan Garcia
Jonathan Garcia

Reviewed by

Jonathan Garcia for
Steve Endsley

Approved by

Michael A. Houlemard Jr.
Michael A. Houlemard, Jr.

DRAFT

AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF MONTEREY, THE CITY OF SEASIDE AND THE FORT ORD REUSE AUTHORITY REGARDING DEVELOPMENT OF THE CALIFORNIA CENTRAL COAST VETERANS CEMETERY

This AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING (MOU) regarding the development of the California Central Coast Veterans Cemetery (Cemetery) is entered into by and among COUNTY OF MONTEREY, a political subdivision of the state of California (County), the CITY OF SEASIDE, a municipal corporation, (City), the CENTRAL COAST VETERANS CEMETERY FOUNDATION, a non-profit corporation, and the FORT ORD REUSE AUTHORITY, a public corporation of the State of California (FORA) each individually referred to hereinafter as a Party, and collectively referred to hereinafter as the Parties. This MOU is dated for reference on _____, 2011.

RECITALS

A. On April 28, 2009 the Parties entered into a MOU to cooperate in the development of the California Central Coast Cemetery Plan (Plan) and to establish an Endowment fund for the Cemetery's continued operation as required by the State Office of Veteran's Affairs (State VA).

B. The Cemetery will be located on the former Fort Ord. The Cemetery site is identified in Exhibit 1. Portions of the Cemetery site are within the jurisdiction of the City and the County.

C. The Project. The Plan envisions development of a 178-gross acre site (Project) into six planned land use areas. These areas include: 1) the approximately 78.7-acre Cemetery, 2) three separate parcels for ancillary use, 3) habitat mitigation areas, and 4) two development parcels referred to as the Northern Endowment Opportunity Parcel and the Southern Development Area along with related rights-of-way and 5) other public improvement areas. The Project's areas are described as follows. These areas are designated on the Map attached as Exhibit 2:

a. Cemetery Burial Grounds including Ancillary Uses

Approximately 31.1 acres within City
Approximately 47.6 acres within County

- Ancillary Uses Adjacent to Burial Grounds:
- Approximately 1.8 acres in the northwestern border of the Cemetery
- Approximately 1.1 and .9 acres on the south border of the Cemetery.

b. Northern Endowment Fund Opportunity Parcel

- Approximately 28.7 acres within City
- Approximately 1.7 acres within County

c. Southern Development Area with Habitat Restoration Opportunity Area

- Approximately 30.4 acres within City
- Approximately 15.5 acres within County

D. State Cemetery Grant. Construction of the Cemetery is anticipated to be funded through a grant from the State Cemetery Grant Program offered by the U.S. Department of Veterans Affairs (VA) under its National Cemetery Administration. The grant can finance administration and design costs, cemetery features, and related equipment. The State Cemetery Grant Program requires that assurance of on-going operational funding for the Cemetery be in place prior to grant submission.

E. In addition to establishing an Endowment fund for the operation of the Cemetery, this Amended and Restated MOU establishes a mechanism to facilitate the design, construction and operation of the Cemetery.

F. The Parties concur that a framework be established for near-term Cemetery Endowment funding strategies.

This MOU should be interpreted to carry out these goals.

AGREEMENT

1. Use of Proceeds from sale of Development Parcels. The Parties collectively commit up to \$1.9 million to fund an Endowment for the long term operation and maintenance of the Cemetery, through the sale of either the Northern Endowment Fund Opportunity Parcel by the Parties or portions of the Southern Development Area with Habitat Restoration Opportunity Area within the City.
 - a. The County and City agree to work collaboratively to designate the Northern Endowment Fund Opportunity Parcel for future development.
 - b. The City agrees to comply with the development milestones outlined in Section 10 of this MOU. Those milestones pertain to the Northern Endowment Fund Opportunity Parcel.
 - c. The City may transfer, sell, or otherwise encumber the Southern Development Area with Habitat Restoration Opportunity Area lying within the City's jurisdiction. That option is conditioned on reaching an agreement to meet the required date and asset value necessary to fund the Endowment. The City may control the use of this portion of the Southern Development Area.
 - d. The County agrees to reserve its portion of the Southern Development Area with

Habitat Restoration Opportunity Area to meet future habitat designation requirements or as otherwise determined appropriate by the County. If the County sells fee title to this portion of the Southern Development Area, it must first offer it to the City on the same terms as the best offer received by the County. If the County develops this portion of the Southern Development Area, the County agrees to use its best efforts to coordinate the type of development with the City to ensure compatibility with the adjacent use (currently proposed as future residential use) located in the City's portion of the southern development area.

2. Principles for near-term funding strategy. The Parties agree to the following principles in pursuing a near-term funding strategy for the Cemetery Endowment fund:
 1. That all Parties be included.
 2. That the Northern Endowment Fund Opportunity Parcel will continue to be a primary mechanism to provide Cemetery Endowment funding.
 3. That the funding strategy be accomplished by June 30, 2012.
 4. That the funding strategy may include other entities upon consensus agreement.
 5. That the asset value of the Northern Endowment Fund Opportunity Parcel be the source of repayment if other collateral is used to secure Cemetery Endowment funding.
 6. To the extent possible, the Parties will work toward State of California legislation that would create a reimbursement mechanism, so that local contributions to the Cemetery Endowment fund, in excess of required operations and maintenance funding, would be reimbursed to the contributors.
3. Annexation. The entire Cemetery area (including the Northern Endowment Fund Opportunity Parcel) with the exception of the County's portion of the Southern Development Area with Habitat Restoration Opportunity Area (approx. 15.5 acres), shall be annexed to, and be included within City's corporate limits. If the County sells its portion of the southern development area to the City, this land sale area shall be annexed to the City. The Parties shall cooperate fully to accomplish annexation.
4. Land Conveyance. FORA agrees to convey title to the land described in Exhibit 1 in multiple conveyance events once the regulatory agencies have confirmed site closure. The land will be conveyed with applicable conveyance documentation, land use controls and deed restrictions. These include but are not restricted to the FOSET 5, Monterey County Ordinance Ordinance (Chapter 16.10 of the County Code), City of Seaside Ordinance Ordinance (Chapter 15.34 of the Seaside Municipal Code), and the Remedial Design/Remedial Action, Land Use Controls Implementation, and Operation and Maintenance Plan - Parker Flats Munitions Response Area Phase I. To reduce costs associated with land conveyance of the Cemetery to the California Department of Veterans Affairs ("CDVA"), County and City may elect to direct FORA to transfer the approximately 78.7-acre veterans cemetery parcel (31.1 acres within the City and 47.6 acres within the County) directly to CDVA. Such conveyance is not intended to include the Cemetery's ancillary use parcels.
5. Design and Construction of Cemetery. The State VA will be lead agency for the

proposed Cemetery and may designate FORA to act on its behalf. The Parties support the transfer of responsibility for the design and construction of the Cemetery to FORA.

6. Water Allocation. The Parties agree to request that the U.S. Army and Department of the Defense provide up to 105 acre-feet per year (AFY) of potable water for the Cemetery, ancillary uses adjacent to the Cemetery, and the Northern and Southern Development Areas. Water demand has been estimated to be 2.2 AFY for the Cemetery burial grounds. If necessary, the County agrees to allocate up to this amount of water (2.2 AFY) for the Cemetery burial grounds. Further, the Parties will work with the Marina Coast Water District (MCWD) and the Army to secure sufficient interim water necessary to establish Cemetery landscaping.
7. Environmental Disclosures. The Agency for Toxic Substances and Disease Registry (ATSDR) was established under the mandate of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980. CERCLA, also known as the "Superfund" law, authorized the U.S. Environmental Protection Agency (EPA) to conduct clean-up activities at hazardous waste sites. EPA was directed to compile a list of sites considered hazardous to public health. This list is termed the National Priorities List (NPL). The 1986 Superfund Amendments and Reauthorization Act (SARA) directed ATSDR to perform a public health assessment for each NPL site. In 1990, federal facilities were included as sites to be proposed for or listed on the NPL. EPA placed Fort Ord on the National Priorities List ("NPL") on February 21, 1990. The US Army, in consultation with EPA, is implementing groundwater and munitions and explosives of concern (MEC) remediation on former Fort Ord. FORA has entered into an Environmental Services Cooperative Agreement (ESCA) to complete a portion of the US Army's MEC remediation work on certain portions of former Fort Ord, which includes the California Central Coast Veterans Cemetery parcel, to be transferred from the US Army to FORA under the Finding of Suitability for Early Transfer 5 (FOSET 5). As FORA completes MEC remediation work through the ESCA on former Fort Ord and transfers this property to local jurisdictions, groundwater and soil Land Use Covenants (LUC) restricting certain property uses will transfer with the property to future owners.
8. Munitions Response Sites. Based on the uses as proposed in the 1997 Base Reuse Plan, FORA agrees to meet the requirement of the Administrative Order on Consent and receive regulatory site closure before transferring any of the properties described herein to Seaside, the County, or others as may be directed. FORA anticipates the portion of the Veterans Cemetery site that was remediated by the US Army and has an approved Record of Decision will be ready to transfer to the jurisdictions no later than July 2015, after the regulatory agencies have confirmed that site closure is complete in this area. In addition, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) covenant will need to be granted by the Army.
9. The FORA ESCA Team will have on-going remediation activities adjacent to the Veterans Cemetery which may require the removal or on-site detonation of any potentially explosive munitions found. This activity may impact construction and/or operations at the Veterans Cemetery site. If intrusive activity is to occur in an area where

MEC is expected, and for all MEC demolition operations, an exclusion zone will be established to ensure public safety. During any intrusive activity (e.g., excavations) in areas where MEC is likely to be present, the only personnel authorized to be inside the exclusion zone are personnel essential to the operation. When an exclusion zone includes public roads, businesses, residences, or ongoing construction projects, the affected entities or individuals will be notified and asked to temporarily relocate outside the exclusion zone.

10. Environmental Review. Parties shall cooperate with City as lead agency relating to the disposition of property to generate funds for the Endowment, including environmental review.

11. Milestones. The Parties endeavor to comply with the following schedule.

Task	Lead Agency	Completion Date
Approve Exclusive Negotiating Agreement (ENA) for Northern Endowment Fund Opportunity Parcel	City	September 18, 2010
Complete Habitat Conservation Plan (HCP)	FORA	August 1, 2012
Complete Annexation to City	City	April 1, 2013
Conduct Environmental Review of Endowment Parcel use	City	June 1, 2012 to September 16, 2012
Complete Disposition and Development Agreement for Northern Endowment Fund Opportunity Parcel	City	June 1, 2012 to September 16, 2012
Receive approval from Regulators & U.S. Army to transfer property from FORA to City of Seaside	FORA	December 2014
Convey land from FORA to City of Seaside	FORA	2015
Convey land/assets	City	Late 2015

12. County and Agency Approvals. The Director of Redevelopment and Housing of the County of Monterey, or his or her designee, is authorized to act on behalf of the County and the Agency as to matters of administration and interpretation of this MOU, except for matters expressly required in this MOU to be acted upon by the County's Board of Supervisors or the Agency's Board of Directors. The Director of

Redevelopment and Housing of the County of Monterey, or designee, at his or her sole discretion, may refer any matter under this MOU to the County Board of Supervisors or the Agency Board of Directors for action in a timely manner under this MOU.

13. City and City Agency Approvals. The City Manager of the City and the Executive Director of the Agency, or his or her designee, is authorized to act on behalf of the City and City Agency as to matters of administration and interpretation of the City's and City Agency's roles and responsibilities under this MOU, except for matters expressly required in this MOU to be acted upon by the City Council of City or the City Agency's Board of Directors.
14. Termination. The purpose of this MOU is to facilitate the June 2012, funding of an endowment for the operation of the California Central Coast Veterans Cemetery. The endowment needs to be funded by this date in order to formerly request funds for the construction of the cemetery under the State Cemetery Grant Program. If this purpose is frustrated by the failure to fund the endowment by the time stated, then this MOU may be terminated on thirty (30) days' notice by action of one or more of the legislative bodies of the County, City or FORA.
15. Amendment by Written Recorded Instrument. This MOU may be amended or modified in whole or in part, only by a written instrument executed by all of the parties.
16. Governing Law. This MOU shall be governed by and interpreted by and in accordance with the laws of the State of California.
17. Entire MOU. This MOU, along with any exhibits and attachments hereto, constitutes the entire MOU between the parties hereto concerning the subject matter hereof.
18. Interpretation. It is agreed and understood by the parties hereto that this MOU has been arrived at through negotiation and that no party is to be deemed the party which prepared this MOU within the meaning of Civil Code Section 1654.

IN WITNESS WHEREOF, the Parties have executed this MOU on the day and year set out opposite their respective signatures.

By:

Date:

CITY OF SEASIDE,
a municipal corporation

REDEVELOPMENT AGENCY OF THE CITY
OF SEASIDE,
a public body, corporate and politic

COUNTY OF MONTEREY,
a political subdivision of the State of California

CENTRAL COAST VETERANS CEMETERY
FOUNDATION, non-profit corporation

FORT ORD REUSE AUTHORITY
a public corporation of the State of California

FORT ORD REUSE AUTHORITY BOARD REPORT

OLD BUSINESS

Subject:	Preston Park	
Meeting Date:	July 8, 2011	ACTION
Agenda Number:	6c	

RECOMMENDATION(S):

- i. Approve Fiscal Year ("FY") 11/12 Preston Park Housing rent increases, while FORA staff works with City of Marina ("Marina") and Alliance staff to rectify FY 11/12 Preston Park budget issues (**Attachment A**).
- ii. Authorize the Executive Officer to execute amendment No. 4 to the Preston Park Management Agreement (**Attachment B**).

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority ("FORA") staff has reviewed the budget with the City of Marina ("Marina"). However, Marina has not reduced or eliminated Capital Expenditures in the FY 11/12 Preston Park budget as requested by FORA staff. Therefore, FORA staff does not recommend FORA Board approval of the FY 11/12 Preston Park budget as currently presented.

FORA and Marina have been negotiating sale of Preston Park from FORA to Marina for nearly two years. An appraisal in August 2010 established a value for Preston Park and significant capital improvements on the property would affect appraisal results. To avoid valuation issues, FORA staff does not intend to sign off on significant Preston Park capital improvement expenditures until the future sale of Preston Park is resolved.

The Marina City Council approved the FY 11/12 Preston Park budget at its June 28, 2011 meeting. According to the existing Preston Park management contract, if FORA does not act on the budget by July 1, the budget is deemed approved. The Preston Park budget includes significant capital expenses contrary to FORA's previous direction to Marina staff. Therefore, FORA staff intends to send a letter to Marina and Alliance staff to disapprove of the current proposed FY 11/12 Preston Park budget.

Amendment No. 4 to the Management Agreement would allow budget line items to cover expenses related to Alliance's Regional Manager's time and City of Marina's staff time for work as FORA's Agent. Both of these items are included in the FY 2011/12 budget. However, at its June 28, 2011 meeting, the Marina City Council approved a different version of amendment No. 4 than recommended by FORA staff.

FISCAL IMPACT:

Reviewed by FORA Controller *M.F. for I.B.*

Allowing rent increases to go into effect while outstanding budget items are resolved in the next month would maintain anticipated cash flow levels from Preston Park. If the rent increases are not approved, approximately \$5,000 per month will be lost in revenue from Preston Park.

COORDINATION:

Marina Staff, Alliance Staff, Administrative Committee, Executive Committee.

Prepared by *Jonathan Garcia* Jonathan Garcia Reviewed by *Jonathan Garcia for Steve Endsley* Steve Endsley
 Approved by *Michael A. Houlemard, Jr.* Michael A. Houlemard, Jr.

May 13, 2011

Mr. Anthony S. Altfeld
City Manager
City of Marina
211 Hillcrest Avenue
Marina, California 93933

Re: Preston Park 2011-2012 Proposed Budget

Dear Mr. Altfeld:

Pursuant to the terms outlined in the Management Agreement between the City of Marina, Preston Park and Alliance Communities, Inc and in accordance with the management agreement, please find enclosed the proposed Fiscal Year (FY) 2011 - 2012 budget for Abrams Park. We submitted a draft budget on January 13, 2011. We solicited input from City staff and residents. Residents were notified in writing in March that the draft budget was available at the management office and we conducted two meetings to review and discuss the budget on March 13th and April 13, 2011.

Revenues

The primary source of revenue is rents, Section 8 voucher payments and associated charges to residents. The market rent for new move-ins is calculated by comparable market rent levels in the competitive market throughout the year. The annual increase in market rents for in-place tenants shall be capped at the lesser of three percent (3%) or the Department of Labor's Consumer Price Index for San Francisco-Oakland-San Jose, All Items, for All Urban Consumers (referred to as CPI-U) Average percentage for the previous calendar year to be applied to the next fiscal year, provided that the increased rent for in-place tenants does not exceed the market rent charged to move-in tenants. These formulas were adopted by the City Council of the City of Marina and the Corporation Board of the Abrams B Non-Profit Corporation at a regular meeting duly held on the 2nd of June 2010.

Current Market Rent Conditions

The average two bedroom apartment in Marina rents for between \$1,135 and \$1,650 per month, which does not include utilities. Additionally, the comparables as outlined in the attached market survey of April 20, 2011 are significantly smaller in square footage than units at Preston Park.

In addition, Preston Park offers unique three bedroom town home floor plans, each with front and back yards, ample storage and garages, unlike comparative apartments in the surrounding area.

Preston Park residents are responsible for paying their own utilities; such as gas, water, electricity, sewer and trash. The market rate rent is adjusted to compensate for the cost of water use, utility costs and garbage not paid by residents at other communities in the area. Therefore, the budget assumes adjustments in rental rates in order to compensate such costs. Utility costs for 2011 - 2012 as published by the Monterey County Housing Authority (MCHA) are as follows, with average actual charges from the Marina Coast Water District and the Waste Management District:

	<u>Two Bedroom</u>	<u>Three Bedroom</u>
*Water	\$34	\$42
*Sewer	\$23	\$23
Garbage	\$17	\$19
Heating	\$9	\$12
Wtr Htg Gas	\$18	\$25
Cooking-Gas	\$9	\$13
Electric-other	\$16	\$23
Total	\$126	\$157

*Subject to change pending MCWD confirmation of use and 2011 proposed rate revision

Market Rents - In Place Residents

Per the approved rent formula a rent increase of 1.7%, the 2010 annual average, February to February Consumer Price Index increase for All Items, All Urban Consumers [San Francisco-Oakland-San Jose] is proposed as follows:

Unit Size	Starting Rent Range FY10/11	Proposed FY11/12 Rent	Change 8/1/11
Two Bedroom	\$1,146 - \$1,355	\$1,165 - \$1,378	\$19 - \$23
Three Bedroom	\$1,455 - \$1,700	\$1,479 - \$1,729	\$24 - \$29

As shown on the attached Market Survey of April 20, 2011, the proposed in-place market rents are within range, somewhat below, market rents of comparable units in the Marina/Seaside rental market. With the approved rent formula in 2010, the market rents for new move-ins are fluid throughout the year and change with the market conditions.

Affordable Rental Rates

Affordable rental rates are derived from median income schedules published by governmental agencies. Rental rates at Preston Park are based upon 50% and 60% of the median income for Monterey County. The U.S. Department of Housing and Urban Development calculates the maximum household income by family size in Monterey County, generally once a year. The rental rates are based upon families at 50% and 60% of the Monterey County median income for 2011 and allowances for the cost of utilities (as published by MCHA) are as noted on page 2 of this letter. HUD publishes rates between April and June each year and the rates can vary.

New rates for 2011 have not been published by HUD; therefore the enclosed budget assumes no increase for 2011, in some years there is no increase.

<u>2010/11 Rent</u>	<u>Two Bedroom</u>	<u>Three Bedroom</u>
50% (very low)	\$656	\$731
60% (low)	\$807	\$900

2010 Maximum Household Income Limits

Income Category	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
50%	\$26,450	\$29,750	\$33,050	\$35,700	\$38,350	\$41,000	\$43,650
60%	\$31,740	\$35,700	\$39,660	\$42,840	\$46,020	\$49,200	\$52,380

Rental Increase Implementation & Lease Signing

Upon City Council approval of the budget, rental increase notices will be mailed out on or before June 30, 2011; the new rental rates will become effective on August 1, 2011. Rents for in-place residents at market or affordable are increased once per year. New residents will be required to sign lease terms between 6 and 12 months, in-place residents will also be welcome to sign lease terms beyond their current month-to-month agreement.

Vacancy

The budget assumes a vacancy rate of 2.34%. The proposed vacancy rate factor allows enough time to prepare units immediately after a resident vacates the community, as well as sufficient time to place qualified applicants. Based on the local and surrounding counties, the vacancy rate is well within the acceptable range. When a unit is vacated, Alliance strives to fill the vacant unit within 7 to 10 business days, working from the waiting list if applicable.

Expenses

<u>Account</u>	<u>Proposed 2012</u>	<u>Projected 2011</u>	<u>Variance</u>	<u>%</u>	<u>Comments</u>
PAYROLL	\$477,863	\$517,838	\$40,201	.7.8%	Decrease due to the elimination of the painter position
LANDSCAPING	\$70,996	\$75,669	-4,673	-6.2%	Substantial reduction negotiated with new contractor
UTILITIES	\$98,514	\$94,406	\$4,108	4.4%	Based on amounts obtained by utility companies
REDECORATING	\$107,394	\$86,166	-\$21,228	-24.6%	Year over year increase due to the addition of contract painting and increased monies for fixtures and

					baseboards on turns
MAINTENANCE	\$73,708	\$75,767	\$2,095	2.7%	Decrease due to garage door repairs from resident accident in 2010 reimbursed/offset by insurance in Misc. income.
MARKETING	\$11,828	\$6,563	-\$5,265	-80.2%	Increase due to resident functions and outreach marketing
ADMINISTRATIVE	\$51,841	\$50,509	-\$1,333	-2.6%	Increase due to 2010 actual - increase in eviction cost
PROFESSIONAL SERVICES	\$161,794	\$146,415	-\$15,379	-10.5%	Increase in Alliance management fees based on total revenue growth and the addition of Capital Project Management fees
INSURANCE	\$170,593	\$170,592	-\$1	0%	Based on 2010 actual
AD-VALOREM TAXES	\$103,104	\$99,619	-\$3,485	-3.5%	Based on 2010 actual
NON ROUTINE MAINTENANCE	\$97,336	\$49,760	-\$47,576	-95.6%	Gutter cleaning, sidewalk grinding, tree trimming, and addition of extraordinary maintenance expense

Capital Reserves Fund

In accordance with the 2010 reevaluation of the Replacement Reserves Study conducted in April 2008, the budget includes \$2,088 per unit per year for long-term replacement reserves needs.

Capital Improvement Program

The 10-Year CIP was updated with the review of the property's as built plans, that were transferred from the offices of Mid-Peninsula Housing Coalition in November of 2010. The capital improvements will require the engagement of a capital contract/contractor to prepare for and manage the work. This process is best started and completed with the same management group, or dedicated personnel as otherwise progress can be delayed and communication lost.

Forrest White, Director of Asset Engineering and Robert Gochee, Asset Engineering Project Manager at Alliance Residential are the managers of capital improvement projects at Preston Park which may include:

- 1) Exterior painting
- 2) Roof replacement
- 3) Fence slat replacement
- 4) Signage
- 5) Maintenance truck replacement
- 6) Landscape and irrigation upgrades, repairs and turf replacement
- 7) Pavement Seal coat
- 8) Lighting improvements, subject to revisions with additional lighting costs under review by CPTED
- 9) Moisture sensing controls
- 10) Bulletin board upgrades
- 11) Pet stations with scoop bags
- 12) Tree replacement
- 13) Turf Replacement
- 14) Irrigation Replacement
- 15) A&E permit fees for landscape
- 16) Resident Business Center
- 17) Clubhouse upgrades
- 18) Playground refurbishing and removal

Accomplishments

It has been a pleasure working with residents and the City of Marina over the past year. With the support of residents a number of positive changes have occurred within both Abrams Park and Preston Park. Some of Alliance's accomplishments include:

- 1) Common Area Maintenance: In 2010 the basketball courts were refurbished, and lights on pathways and playgrounds were upgraded and repaired.
- 2) Communication Tools: A monthly newsletter is personally delivered to every home once a month. Residents are encouraged to contribute to the newsletter. The newsletter provides information on community related events, good housekeeping rules for the community and safety tips.
- 3) Marina Police Department Coordination: Management staff and the Marina Police Department continuously meet frequently and have worked closely in

efforts to clean up the property, including vehicle abatement, parking on the grass, double parking, vehicles with expired tags, and abandoned vehicles.

- 4) Long Term Residents: We continuously strive to upgrade the units of our long term residents by painting, upgrading appliances, and replacing flooring.
- 5) Mary Jo Zenk Maintenance Audit: An internal audit and quality control inspection was conducted. The findings reported work orders, maintenance items, and annual inspections were completed in a timely basis with the work well done.
- 6) Grievance Procedure Revisions: Mary Jo Zenk worked with the PAPTA on revisions which were approved by the City Council and FORA on April 8, 2011 and will be available to residents shortly.

Summary of Preston Park FY11/12 Budget

	<u>2011/12 Budget</u>	<u>2010/11 Projected</u>	<u>2010/11 Budget</u>
Total Income	\$5,205,768	\$5,063,904	\$5,108,226
Total Operating Expense	\$1,424,971	\$1,373,303	\$1,342,260
Net Operating Income	\$3,780,797	\$3,690,600	\$3,765,965
Net Income	\$3,607,517	\$3,517,321	\$3,765,965

We will continue to look for new ways to improve our services over the coming year and remain committed to meeting the objectives set by the City of Marina.

Please feel free to contact me should you have additional questions or concerns at (925) 640-3333. I look forward to receiving approval of the final budget prior to June 21, 2011, in order to implement rental increases by August 1, 2011.

Regards,

Jill Hammond
Regional Manager

Cc: Jennifer Coile, City of Marina
Douglas Yount, Director of Development Services
Jim Krohn, Chief Financial Officer, Alliance Communities, Inc.
Annette Thurman, Vice President of Operations, Alliance Communities, Inc.

Attachments:

- 2011/2012 Budget
- Market Survey



**PRESTON PARK
2012 STANDARD BUDGET
CONSOLIDATION & SIGN-OFF**

Physical Occupancy 97.89 % 98.98 %
Economic Occupancy 98.85 % 99.84 %

Gross Market Potential	\$5,269,692	\$124,570	2.4%
Market Gain/Loss to Lease	(\$71,744)	\$9,823	12.0%
Non-Rentable Apartments	(\$40,244)	\$22,710	36.1%
Rental Concessions	\$0	\$0	0.0%
Delinquent Rent	\$0	\$0	0.0%
Vacancy Loss	(\$128,271)	(\$16,054)	-13.6%
Prepaid/Previous Paid Rent	\$0	\$0	0.0%
Other Month Rent/Delinquency Recovery	\$728	(\$728)	-100.0%
Bad Debt Expense	(\$1,066)	\$304	22.2%
Other Resident Income	\$38,425	\$1,441	3.8%
Miscellaneous Income	\$9,612	\$6	0.1%
Corp Assesment Income	\$0	\$0	0.0%
Retail Income	\$0	\$0	0.0%
TOTAL INCOME	\$4,206,768	\$4,093,904	2.8%
PAYROLL	\$477,683	\$141,868	7.7%
LANDSCAPING	\$70,969	\$4,673	6.2%
UTILITIES	\$28,514	(\$4,109)	-4.4%
REDECORATING	\$107,304	(\$21,228)	-9.4%
MAINTENANCE	\$78,708	\$2,059	2.7%
MARKETING	\$11,828	(\$5,265)	-80.2%
ADMINISTRATIVE	\$91,841	(\$1,333)	-2.6%
RETAIL EXPENSE	\$0	\$0	0.0%
PROFESSIONAL SERVICES	\$181,784	(\$15,379)	-10.6%
INSURANCE	\$170,692	(\$1)	0.0%
AD-VALOREM TAXES	\$103,104	(\$3,469)	-3.5%
NON ROUTINE MAINTENANCE	\$97,338	\$48,780	96.6%
TOTAL OPERATING EXP	\$1,434,971	(\$47,578)	-3.8%
NET OPERATING INCOME	\$2,771,797	\$441,426	2.6%
DEBT SERVICE	\$0	\$0	0.0%
DEPRECIATION	\$173,280	(\$1)	0.0%
AMORTIZATION	\$0	\$0	0.0%
PARTNERSHIP	\$0	\$0	0.0%
EXTRAORDINARY COST	\$0	\$0	0.0%
NET INCOME	\$2,598,517	\$441,426	2.6%
CAPITAL EXPENDITURES	\$5,019,828	(\$2,785,319)	-108.2%
MORTGAGE PRINCIPAL	\$0	\$0	0.0%
TAX ESCROW	\$0	\$0	0.0%
INSURANCE ESCROW	\$0	\$0	0.0%
INTEREST ESCROW	\$0	\$0	0.0%
REPLACEMENT RESERVE	\$734,978	\$117	0.0%
REPLACEMENT RESERVE REIMBURSEM	(\$3,014,009)	(\$2,988,429)	787.1%
WIP	\$0	\$0	0.0%
OWNER DISTRIBUTIONS	\$3,040,000	\$0	0.0%
DEPRECIATION AND AMORTIZATION	(\$173,280)	\$2,577	1.5%
NET CASH FLOW	(\$81,562)	(\$8)	-48.3%

Owner - FORA

Date

Asset Manager - City of Marina

Date

COO

Date

VP

Date

Regional Manager

Date

Business Manager

Date

Alliance Residential, LLC makes no guarantee, warranty or representation whatsoever in connection with the accuracy of this Operating Budget as it is intended as a good faith estimate only.

**PRESTON PARK
2012 STANDARD BUDGET
DETAIL BUDGET COMPARATIVES**

INCOME		BUDGET		ACTUAL		VARIANCE	
DESCRIPTION	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	%
RENTAL INCOME							
8102 Gross Market Potential	\$5,598,482	\$5,293,862	\$124,570	2.4%			
8103 Market Grant Fees to Lease	(85,127)	(71,744)	\$13,383	12.0%			
ACTUAL POTENTIAL RENT	\$5,513,355	\$5,222,118	\$191,234	3.5%			
Non-Rent Revenue Apartments	(440,244)	(382,850)	\$57,394	13.0%			
8120 Rental Concessions	\$0	\$0	\$0	0.0%			
8125 Delinquency Rent	\$0	\$0	\$0	0.0%			
8130 Vacancy Loss	(128,271)	(111,008)	\$17,263	-13.5%			
8135 Proprietor/Previous Paid Rent	\$0	\$0	\$0	0.0%			
8140 Other Monthly Rent/Delinquency Recovery	\$0	\$729	(\$729)	-100.0%			
8145 End Debt Expense	(1,068)	(1,840)	\$772	22.2%			
TOTAL RENTAL INCOME	\$5,073,111	\$4,839,268	\$233,843	4.6%			
Physical Occupancy	97.88 %	98.98 %					
Economic Occupancy	86.85 %	88.64 %					

OTHER REVENUE INCOME		BUDGET		ACTUAL		VARIANCE	
DESCRIPTION	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	%
8205 Laundry	\$0	\$0	\$0	0.0%			
8210 Washer/Dryer Income	\$0	\$0	\$0	0.0%			
8211 Washer/Dryer Expense	\$0	\$0	\$0	0.0%			
8216 Resident Fees	\$664	\$664	\$0	0.0%			
8220 Carpet Income	\$0	\$0	\$0	0.0%			
8221 Garage Income	\$0	\$0	\$0	0.0%			
8226 Damage/Cleaning Fees	\$17,850	\$16,069	\$1,781	6.1%			
8230 Phone System Income	\$0	\$0	\$0	0.0%			
8233 Phone System Expense	\$0	\$0	\$0	0.0%			
8235 Storage Income	\$0	\$0	\$0	0.0%			
8240 Termination Fees	\$1,000	\$1,000	\$0	0.0%			
8246 MTM Premium	\$0	\$0	\$0	0.0%			
8250 Application Fees	\$7,011	\$6,858	\$153	2.2%			
8255 Pet Fees	\$0	\$0	\$0	0.0%			
8260 NSF/Late Fees	\$12,000	\$11,076	\$924	7.7%			
8265 Resident Utility Bill Back Income	\$0	\$0	\$0	0.0%			
8270 Alarm Income	\$0	\$0	\$0	0.0%			
8275 BMAKT Income	\$0	\$0	\$0	0.0%			
8280 Transfer Fees	\$0	\$0	\$0	0.0%			
8285 Mail Services	\$0	\$0	\$0	0.0%			
8290 Reservation Income	\$0	\$0	\$0	0.0%			
8295 Police Fee Reimbursement	\$0	\$0	\$0	0.0%			
TOTAL OTHER REVENUE INCOME	\$18,861	\$16,924	\$1,937	10.3%			

MISCELLANEOUS INCOME		BUDGET		ACTUAL		VARIANCE	
DESCRIPTION	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	%
8300 Miscellaneous Income	\$0	\$0	\$0	0.0%			
8310 Clubhouse Income	\$0	\$0	\$0	0.0%			
8315 Vending Income	\$0	\$0	\$0	0.0%			
8325 Interest Income	\$8,812	\$8,897	(\$85)	-1.0%			
8330 Cable Income	\$0	\$0	\$0	0.0%			
8331 Cable Expense	\$0	\$0	\$0	0.0%			
8335 Collection Income	\$0	\$0	\$0	0.0%			
8340 End Debt Income	\$0	\$0	\$0	0.0%			
TOTAL MISCELLANEOUS INCOME	\$8,812	\$8,897	(\$85)	-1.0%			
CORPORATE APT INCOME							
8405 Corp/ Apartment Income	\$0	\$0	\$0	0.0%			
8406 Corp/ Apartment Expense	\$0	\$0	\$0	0.0%			
TOTAL CORPORATE APT INCOME	\$0	\$0	\$0	0.0%			
RETAIL INCOME							
8505 Retail Income	\$0	\$0	\$0	0.0%			
8506 Retail Income CAM	\$0	\$0	\$0	0.0%			
8508 Retail Income Tax	\$0	\$0	\$0	0.0%			
8509 Retail Income Insurance	\$0	\$0	\$0	0.0%			
TOTAL RETAIL INCOME	\$0	\$0	\$0	0.0%			
TOTAL INCOME	\$5,091,972	\$4,956,292	\$135,680	2.7%			



PRESTON PARK
2012 STANDARD BUDGET
DETAIL BUDGET COMPARATIVES

OPERATING EXPENSES

ACCOUNT	2011	2012	% CHG
PAVING			
Administrative Salaries	\$136,122	\$140,618	3.1%
Maintenance Salaries	\$204,362	\$191,894	-6.0%
Bonus	\$88,319	\$27,202	-69.3%
Payroll Taxes	\$88,319	\$27,202	-69.3%
Payroll Benefits and Burden	\$63,128	\$69,402	10.0%
Non-Staff Labor	\$0	\$0	0.0%
New Hire Expense	\$20	\$2,350	11,750%
TOTAL PAVING	\$477,863	\$371,528	-22.2%

ACCOUNT	2011	2012	% CHG
LANDSCAPING			
Landscape Monthly Service	\$62,400	\$66,880	7.2%
Landscape Other	\$5,180	\$4,108	-20.3%
Irregular/Unplanned Repairs	\$2,468	\$1,051	-57.2%
TOTAL LANDSCAPING	\$70,048	\$72,039	2.8%

ACCOUNT	2011	2012	% CHG
UTILITIES			
Electric - Common Area	\$18,884	\$18,384	-2.6%
Electric - Visual	\$6,859	\$6,348	-7.5%
Gas - Common Area	\$1,398	\$1,277	-8.7%
Gas - Visual	\$1,009	\$1,048	3.9%
Water	\$13,869	\$13,084	-5.6%
Inflation	\$0	\$0	0.0%
Sewer	\$67,000	\$64,868	-3.2%
Toilet Removal	\$3,164	\$2,785	-12.3%
Cable Expense	\$0	\$0	0.0%
LEBB Reimbursement	\$0	\$0	0.0%
TOTAL UTILITIES	\$96,814	\$94,409	-2.4%

ACCOUNT	2011	2012	% CHG
REDECORATING			
Redecorating - General Cleaning	\$2,895	\$3,104	7.3%
Redecorating - Carpet/Tile	\$2,891	\$6,485	120.7%
Redecorating - Painting Supplies	\$18,027	\$17,816	-1.2%
Redecorating - Painting Contract	\$66,230	\$27,349	-58.8%
Redecorating - Paint	\$25,400	\$1,858	-92.6%
Redecorating - Disposables	\$3,000	\$4,143	37.5%
Redecorating - Appliance Repair	\$0	\$180	100.0%
Redecorating - Carpet Repair	\$0	\$0	0.0%
TOTAL REDECORATING	\$107,343	\$61,285	-43.0%

ACCOUNT	2011	2012	% CHG
MAINTENANCE			
Building & Structure	\$2,840	\$4,080	44.7%
Elevator Maintenance	\$0	\$0	0.0%
Electrical	\$14,851	\$14,851	0.0%
Plumbing	\$13,140	\$13,080	-0.4%
HVAC	\$3,180	\$3,181	0.0%
Supplies	\$4,320	\$4,395	1.7%
Housekeeping	\$1,140	\$1,140	0.0%
Small Equipment	\$2,800	\$3,877	38.1%
Pest Control	\$8,540	\$8,727	2.1%
Sustaining Food	\$0	\$0	0.0%
Maintenance Guarantees	\$0	\$35	100.0%
Stove Removal	\$0	\$0	0.0%
Window/Curtain	\$7,820	\$7,877	0.7%
Keys & Locks	\$4,398	\$4,498	2.3%
Fire Extinguish, 1st Aid	\$2,700	\$2,700	0.0%
Alarm Expense	\$1,548	\$1,548	0.0%
Maintenance Other	\$4,820	\$3,445	-28.3%
Maintenance Uniforms	\$2,800	\$2,845	1.6%
Appliance Repair	\$0	\$0	0.0%
Capital Repair	\$0	\$0	0.0%
TOTAL MAINTENANCE	\$73,798	\$78,797	6.8%

ACCOUNT	2011	2012	% CHG
MARKETING			
Advertising Print	\$2,300	\$2,300	0.0%
Advertising Product Exp.	\$0	\$0	0.0%
Apartment Management/Leads	\$198	\$198	0.0%
Advertising Internal, Radio & TV	\$1,890	\$885	-53.2%
Collateral	\$480	\$0	-100.0%
Advertising Other	\$0	\$0	0.0%
Dues, Memberships & Subscriptions	\$570	\$570	0.0%
Resident Functions	\$5,700	\$1,840	-67.8%
Signage	\$0	\$0	0.0%
Marketing Promotion	\$300	\$412	37.3%
Lease/Broker Fees	\$0	\$0	0.0%
Resident Events	\$0	\$0	0.0%
Resident Retention	\$0	\$0	0.0%
Medical Maintenance	\$0	\$0	0.0%
Other Marketing - Non Advertisement	\$0	\$0	0.0%
Stopper Reports	\$540	\$540	0.0%
TOTAL MARKETING	\$11,238	\$6,289	-44.1%

**PRESTON PARK
2012 STANDARD BUDGET
DETAIL BUDGET COMPARATIVES**

ADMINISTRATIVE

7626	Telephone	\$0	\$0	\$0	\$0	0.0%
7631	Pagers	\$0	\$0	\$0	\$0	0.0%
7632	Answering Service	\$0	\$0	\$0	\$0	0.0%
7633	Office Supplies	\$4,430	\$4,444	\$24	\$24	0.5%
7639	Office Exp/Printers/Repairs	\$2,700	\$2,745	\$45	\$45	1.7%
7638	Postage/Express Mail	\$5,400	\$5,418	\$18	\$18	0.3%
7638	Printing	\$200	\$200	\$0	\$0	0.0%
7640	Licenses & Subscriptions	\$3,812	\$3,903	\$91	\$91	2.4%
7645	Courtesy Fund	\$0	\$0	\$0	\$0	0.0%
7650	Training & Education	\$762	\$762	\$0	\$0	0.0%
7655	Enrollment Legal Fees	\$7,800	\$7,811	\$11	\$11	0.1%
7660	Credit Bureau Fees	\$3,172	\$3,271	\$99	\$99	3.1%
7665	Bank Charges/Credit Card Fees	\$2,780	\$1,584	(\$1,196)	(\$1,196)	-44.5%
7670	Travel & Entertainment	\$3,220	\$2,899	(\$321)	(\$321)	-12.8%
7675	Administrative Other	\$0	\$0	\$0	\$0	0.0%
7680	Charitable Contribution Exp.	\$0	\$0	\$0	\$0	0.0%
7685	Administrative Uniforms	\$5,051	\$5,400	\$349	\$349	7.0%
7690	Computer Expense	\$3,000	\$3,000	\$0	\$0	0.0%
7695	Renters Insurance	\$0	\$0	\$0	\$0	0.0%
7698	Bad Debt Expense	\$0	\$0	\$0	\$0	0.0%
TOTAL ADMINISTRATIVE		\$81,641	\$86,898	\$5,257	\$5,257	6.4%

7705	Retail Expense	\$0	\$0	\$0	\$0	0.0%
7710	Retail Administrative Expense	\$0	\$0	\$0	\$0	0.0%
7711	Retail Electricity	\$0	\$0	\$0	\$0	0.0%
7712	Retail Gas	\$0	\$0	\$0	\$0	0.0%
7713	Retail Water	\$0	\$0	\$0	\$0	0.0%
7714	Retail Sewer	\$0	\$0	\$0	\$0	0.0%
7715	Retail Telephone	\$0	\$0	\$0	\$0	0.0%
7716	Retail Trash Removal	\$0	\$0	\$0	\$0	0.0%
7720	Retail Cleaning	\$0	\$0	\$0	\$0	0.0%
7725	Retail Landscaping	\$0	\$0	\$0	\$0	0.0%
7730	Retail Window Cleaning	\$0	\$0	\$0	\$0	0.0%
7735	Retail Security	\$0	\$0	\$0	\$0	0.0%
7740	Retail Repairs & Maintenance	\$0	\$0	\$0	\$0	0.0%
7741	Retail Parking Lot Maintenance	\$0	\$0	\$0	\$0	0.0%
7742	Retail Parking Lot Lighting	\$0	\$0	\$0	\$0	0.0%
7745	Retail HVAC	\$0	\$0	\$0	\$0	0.0%
7746	Retail Elevator Maintenance	\$0	\$0	\$0	\$0	0.0%
7750	Retail Monitoring	\$0	\$0	\$0	\$0	0.0%
7765	Retail Storage	\$0	\$0	\$0	\$0	0.0%
7768	Retail Storm Removal	\$0	\$0	\$0	\$0	0.0%
7769	Retail Roof Repair	\$0	\$0	\$0	\$0	0.0%
7770	Retail Painting	\$0	\$0	\$0	\$0	0.0%
7775	Retail Fire Protection System	\$0	\$0	\$0	\$0	0.0%
7780	Retail Machinery & Equipment	\$0	\$0	\$0	\$0	0.0%
7785	Retail Management Fee	\$0	\$0	\$0	\$0	0.0%
7790	Retail Real Estate Tax Expense	\$0	\$0	\$0	\$0	0.0%
7795	Retail Insurance Expense	\$0	\$0	\$0	\$0	0.0%
TOTAL RETAIL EXPENSE		\$0	\$0	\$0	\$0	0.0%
TOTAL CONTROLLABLE EXPENSES		\$82,141	\$93,318	\$11,177	\$11,177	13.6%

NON CONTROLLABLE EXPENSES

PROFESSIONAL SERVICES						
8105	Management Fees	\$150,144	\$150,000	(\$144)	(\$144)	-0.1%
8107	Incentive Fees	\$0	\$0	\$0	\$0	0.0%
8108	Asset Mgt Fees	\$23,400	\$12,851	(\$10,549)	(\$10,549)	-45.1%
8110	Accounting/Audit Fees	\$0	\$0	\$0	\$0	0.0%
8115	Partnership Legal Fees	\$0	\$0	\$0	\$0	0.0%
8120	Tax Consulting Fees	\$0	\$0	\$0	\$0	0.0%
8125	Professional Services - Other	\$0	\$0	\$0	\$0	0.0%
8130	Ad. Asses. Costs & Fees	\$0	\$0	\$0	\$0	0.0%
TOTAL PROFESSIONAL SERVICES		\$150,144	\$162,851	\$12,707	\$12,707	8.5%

INSURANCE

8295	Property & Liability Insurance	\$165,200	\$165,200	\$0	\$0	0.0%
8210	Casualty Loss	\$0	\$0	\$0	\$0	0.0%
8215	Other Insurance	\$6,304	\$6,304	\$0	\$0	0.0%
TOTAL INSURANCE		\$171,504	\$171,504	\$0	\$0	0.0%

AD-VALOREM TAXES

8305	Real Estate Taxes	\$103,104	\$99,019	(\$4,085)	(\$4,085)	-3.9%
8310	Personal Property Taxes	\$0	\$0	\$0	\$0	0.0%
8315	Taxes Other	\$0	\$0	\$0	\$0	0.0%
8320	Local/City Tax	\$0	\$0	\$0	\$0	0.0%
8325	Public Fee	\$0	\$0	\$0	\$0	0.0%
TOTAL AD-VALOREM TAXES		\$103,104	\$99,019	(\$4,085)	(\$4,085)	-3.9%

NON ROUTINE MAINTENANCE

8410	Buildings and Structures	\$51,300	\$13,300	(\$38,000)	(\$38,000)	-74.1%
8415	Furniture & Fixtures	\$0	\$2,400	\$2,400	\$2,400	100.0%
8420	Paving & Landscaping	\$12,152	\$23,000	\$10,848	\$10,848	89.3%
8425	Apartment Interiors	\$25,000	\$0	(\$25,000)	(\$25,000)	-100.0%
8429	Flooring - Carpet	\$0	\$0	\$0	\$0	0.0%
8427	Flooring - Other	\$0	\$0	\$0	\$0	0.0%
8430	Other Non-Routine	\$25,004	\$0	(\$25,004)	(\$25,004)	-100.0%
TOTAL NON ROUTINE MAINTENANCE		\$113,456	\$38,700	(\$74,756)	(\$74,756)	-65.9%
TOTAL NON CONTROLLABLE EXPENSES		\$334,800	\$334,800	\$0	\$0	0.0%
TOTAL OPERATING EXP		\$1,626,971	\$1,573,303	(\$53,668)	(\$53,668)	-3.3%
NET OPERATING INCOME		\$3,786,797	\$3,696,699	(\$90,098)	(\$90,098)	-2.4%

PRESTON PARK
2012 STANDARD BUDGET
DETAIL BUDGET COMPARATIVES



DEBT SERVICE	0000	00	00	00	0.0%	0.0%
Debt Service - Debt Service-Zoo Mortgage	9010	\$0	\$0	\$0	0.0%	0.0%
Debt Service - Development	9011	\$0	\$0	\$0	0.0%	0.0%
Other Lease Payments	9018	\$0	\$0	\$0	0.0%	0.0%
Other Lease Payments-Int Escrow	9020	\$0	\$0	\$0	0.0%	0.0%
Other Lease Payments-Int Escrow	9028	\$0	\$0	\$0	0.0%	0.0%
TOTAL DEBT SERVICE		\$0	\$0	\$0	0.0%	0.0%

DEPRECIATION	9100	00	00	00	0.0%	0.0%
Deprec - Land Lease	9110	\$0	\$0	\$0	0.0%	0.0%
Deprec - Building	9115	\$0	\$0	\$0	0.0%	0.0%
Deprec - Furniture & Fixtures	9120	\$3,084	\$3,083	(\$1)	0.0%	0.0%
Deprec - Parking & Landscaping	9128	\$0	\$0	\$0	0.0%	0.0%
Deprec - Apartment Selections	9130	\$160,416	\$160,417	\$1	0.0%	0.0%
Deprec - Other Capital		\$173,880	\$173,278	(\$602)	0.0%	0.0%
TOTAL DEPRECIATION		\$337,380	\$337,381	\$1	0.0%	0.0%

AMORTIZATION	9210	00	00	00	0.0%	0.0%
Amortization Expense	9220	\$0	\$0	\$0	0.0%	0.0%
Amortization - Loan Cost		\$0	\$0	\$0	0.0%	0.0%
TOTAL AMORTIZATION		\$0	\$0	\$0	0.0%	0.0%

PARTNERSHIP	9400	00	00	00	0.0%	0.0%
Legal	9410	\$0	\$0	\$0	0.0%	0.0%
Audit and Tax Preparation	9415	\$0	\$0	\$0	0.0%	0.0%
Asset Management Fee	9416	\$0	\$0	\$0	0.0%	0.0%
Supervisory Fee	9417	\$0	\$0	\$0	0.0%	0.0%
Admin Expense	9418	\$0	\$0	\$0	0.0%	0.0%
Interest Expense	9420	\$0	\$0	\$0	0.0%	0.0%
Travel Partnership	9430	\$0	\$0	\$0	0.0%	0.0%
Interest Income - Development		\$0	\$0	\$0	0.0%	0.0%
TOTAL PARTNERSHIP		\$0	\$0	\$0	0.0%	0.0%

EXTRAORDINARY COST	9510	00	00	00	0.0%	0.0%
Extraordinary Cost		\$0	\$0	\$0	0.0%	0.0%
TOTAL EXTRAORDINARY COST		\$0	\$0	\$0	0.0%	0.0%
NET INCOME		\$3,897,417	\$3,817,321	\$80,096	2.6%	2.6%

CAPITAL EXPENDITURES	1410	\$2,177,824	\$0	(\$2,177,824)	-100.0%	0.0%
Building and Structures	1415	\$0	\$0	\$0	0.0%	0.0%
Furniture & Fixtures	1416	\$12,000	\$407	(\$11,593)	-204.8%	0.0%
Auto/Trucks	1420	\$484,532	\$0	(\$484,532)	-100.0%	0.0%
Paving & Landscaping	1425	\$211,970	\$200,100	(\$11,870)	-5.6%	0.0%
Apartment Selections	1428	\$0	\$0	\$0	0.0%	0.0%
Carpet/Paint - Rehab	1429	\$0	\$0	\$0	0.0%	0.0%
Appliance - Rehab	1430	\$123,900	\$0	(\$123,900)	-100.0%	0.0%
Other Capital		\$3,210,226	\$389,808	(\$2,820,418)	-88.2%	0.0%
TOTAL CAPITAL EXPENDITURES		\$3,210,226	\$389,808	(\$2,820,418)	-88.2%	0.0%

MORTGAGE PRINCIPAL	2205	\$0	\$0	\$0	0.0%	0.0%
Mortgage Principal		\$0	\$0	\$0	0.0%	0.0%
TOTAL MORTGAGE PRINCIPAL		\$0	\$0	\$0	0.0%	0.0%

TAX ESCROW	1305	\$0	\$0	\$0	0.0%	0.0%
Tax Escrow		\$0	\$0	\$0	0.0%	0.0%
TOTAL TAX ESCROW		\$0	\$0	\$0	0.0%	0.0%

INSURANCE ESCROW	1340	\$0	\$0	\$0	0.0%	0.0%
Insurance Escrow		\$0	\$0	\$0	0.0%	0.0%
TOTAL INSURANCE ESCROW		\$0	\$0	\$0	0.0%	0.0%

INTEREST ESCROW	1341	\$0	\$0	\$0	0.0%	0.0%
Interest Escrow		\$0	\$0	\$0	0.0%	0.0%
TOTAL INTEREST ESCROW		\$0	\$0	\$0	0.0%	0.0%

REPLACEMENT RESERVE	1345	\$724,978	\$726,093	\$1,117	0.0%	0.0%
Replacement Reserve Imposed		\$724,978	\$726,093	\$1,117	0.0%	0.0%
TOTAL REPLACEMENT RESERVE		\$724,978	\$726,093	\$1,117	0.0%	0.0%

REPLACEMENT RESERVE REIMBURSEMENT	1345	(\$3,014,009)	(\$347,079)	(\$2,666,930)	767.1%	767.1%
Replacement Reserve Reimbursement		(\$3,014,009)	(\$347,079)	(\$2,666,930)	767.1%	767.1%
TOTAL REPLACEMENT RESERVE REIMBURSEMENT		(\$3,014,009)	(\$347,079)	(\$2,666,930)	767.1%	767.1%

WFP	1801	\$0	\$0	\$0	0.0%	0.0%
WFP		\$0	\$0	\$0	0.0%	0.0%
WFP - Contra Operating	1802	\$0	\$0	\$0	0.0%	0.0%
TOTAL WFP		\$0	\$0	\$0	0.0%	0.0%

OWNER DISTRIBUTIONS	9010	\$3,040,000	\$3,040,000	\$0	0.0%	0.0%
Owner Distributions		\$3,040,000	\$3,040,000	\$0	0.0%	0.0%
TOTAL OWNER DISTRIBUTIONS		\$3,040,000	\$3,040,000	\$0	0.0%	0.0%

DEPRECIATION AND AMORTIZATION	9100	(\$173,280)	(\$170,709)	\$2,571	1.5%	1.5%
Depreciation and Amortization		(\$173,280)	(\$170,709)	\$2,571	1.5%	1.5%
TOTAL DEPRECIATION AND AMORTIZATION		(\$173,280)	(\$170,709)	\$2,571	1.5%	1.5%

NET CASH FLOW		(\$0)	(\$0)	\$0	0.0%	0.0%
NET CASH FLOW		(\$0)	(\$0)	\$0	0.0%	0.0%

PRESTON PARK 2011/2012 SUMMARY COMPARATIVES REVERSE ACCTNG

INCOME									
GROSS MARKET POTENTIAL	\$5,294,145	\$5,263,862	\$5,388,432	\$124,570		\$94,287	2.4%	\$94,287	1.8%
MARKET GAIN/LOSS TO LEASE	(\$326,706)	(\$71,744)	(\$63,121)	(\$8,623)		(\$463,586)	-12.0%	(\$463,586)	-88.0%
NON-REVENUE APARTMENTS	(\$33,581)	(\$62,954)	(\$40,244)	(\$22,710)		\$6,663	-36.1%	\$6,663	19.8%
RENTAL CONCESSIONS	\$0	\$0	\$0	\$0		\$0	0.0%	\$0	0.0%
DELINQUENT RENT	\$0	\$0	\$0	\$0		\$0	0.0%	\$0	0.0%
VACANCY LOSS	(\$125,969)	(\$111,208)	(\$126,271)	\$15,064		\$302	13.5%	\$302	0.2%
PREPAID/PREVIOUS PAID RENT	\$0	\$0	\$0	\$0		\$0	0.0%	\$0	0.0%
OTHER MONTHS' RENT/DELINQUENT	\$0	\$726	\$0	(\$726)		\$0	-100.0%	\$0	0.0%
BAD DEBT EXPENSE	\$0	(\$1,369)	(\$1,065)	(\$304)		\$1,065	-22.2%	\$1,065	100.0%
OTHER RESIDENT INCOME	\$34,729	\$36,984	\$38,425	\$1,441		\$3,696	3.9%	\$3,696	10.6%
MISCELLANEOUS INCOME	\$465,608	\$9,607	\$9,612	\$5		(\$455,996)	0.1%	(\$455,996)	-97.9%
CORPORATE APT INCOME	\$0	\$0	\$0	\$0		\$0	0.0%	\$0	0.0%
RETAIL INCOME	\$0	\$0	\$0	\$0		\$0	0.0%	\$0	0.0%
TOTAL INCOME	\$5,108,226	\$5,063,904	\$5,205,768	\$141,865		\$97,543	2.8%	\$97,543	1.9%

OPERATING EXPENSES									
PAYROLL	\$504,582	\$517,838	\$477,863	(\$39,976)		(\$26,719)	-7.7%	(\$26,719)	-5.3%
LANDSCAPING	\$104,700	\$75,669	\$70,996	(\$4,673)		(\$33,704)	-6.2%	(\$33,704)	-32.2%
UTILITIES	\$100,944	\$94,406	\$98,514	\$4,108		(\$2,430)	4.4%	(\$2,430)	-2.4%
REDECORATING	\$51,416	\$86,166	\$107,394	\$21,228		\$55,978	24.6%	\$55,978	108.9%
MAINTENANCE	\$68,803	\$75,767	\$73,708	(\$2,059)		\$4,905	-2.7%	\$4,905	7.1%
MARKETING	\$6,939	\$6,563	\$11,828	\$5,265		\$4,889	80.2%	\$4,889	70.5%
ADMINISTRATIVE	\$45,839	\$50,509	\$51,191	\$683		\$5,353	1.4%	\$5,353	11.7%
RETAIL EXPENSE	\$0	\$0	\$0	\$0		\$0	0.0%	\$0	0.0%
TOTAL CONTROLLABLE EXPENSES	\$883,223	\$90,918	\$892,144	(\$21,658)		\$8,921	-1.8%	\$8,921	1.0%

NON CONTROLLABLE EXPENSES									
PROFESSIONAL SERVICES	\$139,352	\$146,415	\$161,794	\$15,379		\$22,443	10.5%	\$22,443	16.1%
INSURANCE	\$167,022	\$170,592	\$170,593	\$1		\$3,571	0.0%	\$3,571	2.1%
AD-VALOREM TAXES	\$103,104	\$99,619	\$103,104	\$3,485		\$0	3.5%	\$0	0.0%
NON ROUTINE MAINTENANCE	\$49,560	\$49,760	\$97,336	\$47,576		\$47,776	95.6%	\$47,776	96.4%
TOTAL NON CONTROL EXPENSES	\$459,038	\$466,386	\$532,827	\$66,441		\$73,790	14.2%	\$73,790	16.1%

TOTAL OPERATING EXP	\$1,342,260	\$1,373,303	\$1,424,971	\$51,668		\$82,711	3.8%	\$82,711	6.2%
----------------------------	--------------------	--------------------	--------------------	-----------------	--	-----------------	-------------	-----------------	-------------

NET OPERATING INCOME	\$3,765,965	\$3,690,600	\$3,780,797	\$90,197		\$14,831	2.4%	\$14,831	0.4%
-----------------------------	--------------------	--------------------	--------------------	-----------------	--	-----------------	-------------	-----------------	-------------

DEBT SERVICE	\$0	\$0	\$0	\$0		\$0	0.0%	\$0	0.0%
DEPRECIATION	\$0	\$173,279	\$173,280	(\$1)		\$173,280	0.0%	\$173,280	100.0%
AMORTIZATION	\$0	\$0	\$0	\$0		\$0	0.0%	\$0	0.0%
PARTNERSHIP	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
EXTRAORDINARY COST	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0

NET INCOME	\$3,765,965	\$3,517,321	\$3,607,517	\$90,196	2.8%	(\$158,448)	-4.2%
CAPITAL EXPENDITURES							
MORTGAGE PRINCIPAL	\$1,616,564	\$1,419,379	\$2,688,048	\$1,268,670	89.4%	\$1,121,741	69.4%
TAX ESCROW	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
INSURANCE ESCROW	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
INTEREST ESCROW	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
REPLACEMENT RESERVE	\$725,965	\$735,093	\$734,976	\$117	0.0%	(\$9,011)	-1.2%
REPLACEMENT RESERVE REIMBURS	(\$1,616,564)	(\$347,576)	(\$3,014,005)	\$2,666,429	797.1%	\$1,397,441	86.4%
WIP	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
OWNER DISTRIBUTIONS	\$3,040,000	\$3,040,000	\$3,040,000	\$0	0.0%	\$0	0.0%
DEPRECIATION AND AMORTIZATION	\$0	(\$170,703)	(\$173,280)	\$2,577	1.5%	\$173,280	100.0%
NET CASH FLOW	\$0	(\$0)	\$0	\$0	40.3%	(\$0)	-148.6%

COMMUNITY DESCRIPTION	
Street address	682 Wahl Court
City, State, Zip Code	Marina, CA 93933
Telephone	(831) 384-0119
Construction type	Mixed use
Year built	1987
Owner	FORA and City of Marina
Management	Alliance Residential Company
Total units	352
Physical occupancy	98%

COMMUNITY RATINGS	
Location	B
Visibility	C
Curb appeal	B
Condition	C
Interiors	C
Amenities	D

PAYER OF UTILITIES	
Gas	Resident
Electric	Resident
Water	Res/Meter
Sewer	Resident
Trash	Resident
Cable TV	N A
Internet	Resident
Pest control	Community
Valet trash	N A

FEES, DEPOSITS, AND LEASE TERMS	
Application fee	\$42
Lease terms	MTM, 6-12 months
Short term premium	N/A
Refundable security deposit	Equal to one month's rent
Administrative fee	\$0
Non refundable pet deposit	N/A
Pet deposit	\$250 covers up to 2 pets
Pet rent	N/A

CONCESSIONS
No concessions. Community is partially Below Market Rent and Section 8 Housing

COMMENTS
Every home has an attached garage, spacious backyard, and pets are permitted. \$25 fee for end unit. Access to a full size sports park.

APARTMENT AMENITIES			
Accent color walls	No	Paneled doors	Yes
Air conditioning	No	Patio/Balcony	Yes
Appliance color	White	Refrigerator	Frost-Free
Cable TV	No	Roman tubs	No
Ceiling	9-foot	Security system	No
Ceiling fans	No	Self cleaning oven	Yes
Computer desk	No	Separate shower	No
Crown molding	No	Upgraded counters	No
Fireplace	No	Upgraded flooring	Plush Cpt
Icemaker	No	Upgraded lighting	No
Kitchen pantry	Yes	Vaulted ceiling	No
Linen closets	Yes	Washer/Dryer	No
Microwave	No	W/D connection	Full size
Outside storage	No	Window coverings	Vertical

COMMUNITY AMENITIES			
Access gates	No	Free DVD/movie library	No
Addl rentable storage	No	Laundry room	No
Attached garages	Yes	Movie theater	No
Barbecue grills	No	Parking structure	No
Basketball court	Yes	Pet park	No
Billiard	No	Playground	Yes
Business center	No	Pools	No
Club house	Yes	Racquetball	No
Concierge services	No	Reserved parking	No
Conference room	No	Sauna/Jacuzzi	No
Covered parking	No	Tennis court	No
Detached garages	No	Volleyball	No
Elevators	No	Water features	No
Fitness center	No	WiFi	No

FLOORPLANS AND RENTS

Floorplan Type	Unit Description	# of Units	% of Units	Square Feet	Rent per Unit				Concessions		Effective Net Rents	
					Low	High	Average	Avg PSF	Mos Free	Term	Average	Avg PSF
2X1		10	3%	1,150	\$1,305	\$1,305	\$1,305	\$1.13	0.00	0.00	\$1,305	\$1.13
2X1.5		76	22%	1,278	\$1,405	\$1,430	\$1,417	\$1.11	0.00	0.00	\$1,417	\$1.11
2X1.5		141	40%	1,323	\$1,430	\$1,455	\$1,442	\$1.09	0.00	0.00	\$1,442	\$1.09
3X2.5		125	36%	1,572	\$1,725	\$1,750	\$1,737	\$1.10	0.00	0.00	\$1,737	\$1.10
Total / Weighted Average		352	100%	1,397	\$1,526	\$1,550	\$1,537	\$1.10	0.00	0.00	\$1,537	\$1.10

COMMUNITY DESCRIPTION	
Street address	Various
City, State, Zip Code	
Telephone	
Construction type	Garden
Year built	
Owner	Variable
Management	Variable
Total units	4
Physical occupancy	100%

COMMUNITY RATINGS	
Location	
Visibility	
Curb appeal	
Condition	
Interiors	
Amenities	

PAYER OF UTILITIES	
Gas	Resident
Electric	Resident
Water	Community
Sewer	Community
Trash	Community
Cable TV	Resident
Internet	Resident
Pest control	Community
Valet trash	N A

FEES, DEPOSITS, AND LEASE TERMS	
Application fee	\$0
Lease terms	Variable
Short term premium	\$0
Refundable security deposit	Variable
Administrative fee	\$0
Non refundable pet deposit	\$0
Pet deposit	Variable
Pet rent	\$0

CONCESSIONS
\$400 off a 12 month lease, \$200 off a 6 month lease

COMMENTS

APARTMENT AMENITIES			
Accent color walls	No	Paneled doors	No
Air conditioning	No	Patio/Balcony	No
Appliance color	No	Refrigerator	No
Cable TV	No	Roman tubs	No
Ceiling	No	Security system	No
Ceiling fans	No	Self cleaning oven	No
Computer desk	No	Separate shower	No
Crown molding	No	Upgraded counters	No
Fireplace	No	Upgraded flooring	No
Icemaker	No	Upgraded lighting	No
Kitchen pantry	No	Vaulted ceiling	No
Linen closets	No	Washer/Dryer	No
Microwave	No	W/D connection	No
Outside storage	No	Window coverings	No

COMMUNITY AMENITIES			
Access gates	No	Free DVD/movie library	No
Addl rentable storage	No	Laundry room	No
Attached garages	Yes	Movie theater	No
Barbecue grills	No	Parking structure	No
Basketball court	No	Pet park	No
Billiard	No	Playground	No
Business center	No	Pools	No
Club house	No	Racquetball	No
Concierge services	No	Reserved parking	No
Conference room	No	Sauna/Jacuzzi	No
Covered parking	Yes	Tennis court	No
Detached garages	No	Volleyball	No
Elevators	No	Water features	No
Fitness center	No	WiFi	No

FLOOR PLANS AND RENTS

Floorplan Type	Unit Description	# of Units	% of Units	Square Feet	Rent per Unit				Concessions		Effective Net Rents	
					Low	High	Average	Avg PSF	Mos Free	Term	Average	Avg PSF
2X1		1	25%	1,000	\$1,225	\$1,250	\$1,238	\$1.24	0.00	0.00	\$1,238	\$1.24
2X1.5		1	25%	1,100	\$1,375	\$1,400	\$1,388	\$1.26	0.00	0.00	\$1,388	\$1.26
3X2		1	25%	1,100	\$1,695	\$1,800	\$1,748	\$1.59	0.00	0.00	\$1,748	\$1.59
3X2		1	25%	1,600	\$1,850	\$2,200	\$2,025	\$1.27	0.00	0.00	\$2,025	\$1.27
Total / Weighted Average		4	100%	1,200	\$1,536	\$1,663	\$1,599	\$1.33	0.00	0.00	\$1,599	\$1.33

COMMUNITY DESCRIPTION	
Street address	682 Wahl Court
City, State, Zip Code	Marina, CA 93933
Telephone	(831) 384-0119
Construction type	Mixed use
Year built	1978
Owner	City of Marina
Management	Alliance Residential Company
Total units	192
Physical occupancy	99%

COMMUNITY RATINGS	
Location	B
Visibility	B
Curb appeal	C
Condition	C
Interiors	C
Amenities	D

PAYER OF UTILITIES	
Gas	Resident
Electric	Resident
Water	Res/Meter
Sewer	Resident
Trash	Resident
Cable TV	Resident
Internet	Resident
Pest control	Community
Valet trash	N A

FEES, DEPOSITS, AND LEASE TERMS	
Application fee	\$42
Lease terms	MTM, 6-12 months
Short term premium	N/A
Refundable security deposit	Equal to one months' rent
Administrative fee	\$0
Non refundable pet deposit	N/A
Pet deposit	\$250 covers up to 2 pets
Pet rent	N/A

CONCESSIONS
Community is partially Below Market Rent and Section 8 Housing

COMMENTS
All units come with an attached garage and large patio or balcony. Extra \$50 fee for downstairs 2BR. Extra \$25 fee for 4BR end unit.

APARTMENT AMENITIES			
Accent color walls	No	Paneled doors	No
Air conditioning	No	Patio/Balcony	Yes
Appliance color	No	Refrigerator	FrostFree
Cable TV	Yes	Roman tubs	No
Ceiling	9-foot	Security system	No
Ceiling fans	No	Self cleaning oven	No
Computer desk	No	Separate shower	No
Crown molding	No	Upgraded counters	No
Fireplace	No	Upgraded flooring	Plush Cpt
Icemaker	No	Upgraded lighting	No
Kitchen pantry	No	Vaulted ceiling	Yes
Linen closets	Yes	Washer/Dryer	No
Microwave	No	W/D connection	Full size
Outside storage	No	Window coverings	1" mini

COMMUNITY AMENITIES			
Access gates	No	Free DVD/movie library	No
Add rentable storage	No	Laundry room	No
Attached garages	Yes	Movie theater	No
Barbecue grills	No	Parking structure	No
Basketball court	Yes	Pet park	No
Billiard	No	Playground	Yes
Business center	No	Pools	No
Club house	Yes	Racquetball	No
Concierge services	No	Reserved parking	No
Conference room	No	Sauna/Jacuzzi	No
Covered parking	No	Tennis court	No
Detached garages	No	Volleyball	No
Elevators	No	Water features	No
Fitness center	No	WiFi	No

FLOORPLANS AND RENTS

Floorplan Type	Unit Description	# of Units	% of Units	Square Feet	Rent per Unit				Concessions		Effective Net Rents	
					Low	High	Average	Avg PSF	Mos Free	Term	Average	Avg PSF
2X1		94	49%	1,000	\$1,250	\$1,300	\$1,275	\$1.28	0.00	0.00	\$1,275	\$1.28
4X2		43	22%	1,700	\$1,795	\$1,820	\$1,808	\$1.06	0.00	0.00	\$1,808	\$1.06
4X2		35	18%	1,800	\$1,795	\$1,820	\$1,808	\$1.00	0.00	0.00	\$1,808	\$1.00
4X2		20	10%	1,800	\$1,795	\$1,820	\$1,808	\$1.00	0.00	0.00	\$1,808	\$1.00
Total / Weighted Average		192	100%	1,386	\$1,528	\$1,565	\$1,547	\$1.12	0.00	0.00	\$1,547	\$1.12

COMMUNITY DESCRIPTION	
Street address	5200 Coe Avenue
City, State, Zip Code	Seaside, CA 93955
Telephone	(831) 394-2515
Construction type	High-rise
Year built	1989
Owner	Sunbay Resort Associates
Management	Sunbay Suites
Total units	266
Physical occupancy	99%

COMMUNITY RATINGS	
Location	A
Visibility	B
Curb appeal	A
Condition	B
Interiors	B
Amenities	C

PAYER OF UTILITIES	
Gas	Resident
Electric	Resident
Water	Community
Sewer	Community
Trash	Community
Cable TV	Resident
Internet	Resident
Pest control	Resident
Valet trash	Resident

FEES, DEPOSITS, AND LEASE TERMS	
Application fee	\$30
Lease terms	Month to Month & 6 Month Lease
Short term premium	\$225
Refundable security deposit	\$500
Administrative fee	\$0
Non refundable pet deposit	N/A
Pet deposit	N/A
Pet rent	N/A

CONCESSIONS

COMMENTS
WWW.SUNBAYSUITES.COM

APARTMENT AMENITIES			
Accent color walls	No	Paneled doors	No
Air conditioning	No	Patio/Balcony	Yes
Appliance color	No	Refrigerator	FrostFree
Cable TV	No	Roman tubs	No
Ceiling	No	Security system	No
Ceiling fans	Yes	Self cleaning oven	No
Computer desk	No	Separate shower	No
Crown molding	No	Upgraded counters	Laminate
Fireplace	Gas	Upgraded flooring	Plush Cpt
Icemaker	No	Upgraded lighting	No
Kitchen pantry	Yes	Vaulted ceiling	No
Linen closets	Yes	Washer/Dryer	No
Microwave	Yes	W/D connection	No
Outside storage	No	Window coverings	Vertical

COMMUNITY AMENITIES			
Access gates	Yes/2	Free DVD/movie library	No
Addl rentable storage	No	Laundry room	Yes
Attached garages	No	Movie theater	No
Barbecue grills	Yes	Parking structure	No
Basketball court	No	Pet park	No
Billiard	No	Playground	Yes
Business center	No	Pools	Yes/5
Club house	Yes	Racquetball	No
Concierge services	No	Reserved parking	No
Conference room	No	Sauna/Jacuzzi	Yes
Covered parking	Yes	Tennis court	Yes
Detached garages	No	Volleyball	No
Elevators	No	Water features	No
Fitness center	Yes	WiFi	No

FLOORPLANS AND RENTS

Floorplan Type	Unit Description	# of Units	% of Units	Square Feet	Rent per Unit				Concessions		Effective Net Rents	
					Low	High	Average	Avg PSF	Mos Free	Term	Average	Avg PSF
Studio		32	12%	345	\$825	\$835	\$830	\$2.41	0.00	0.00	\$830	\$2.41
1X1		64	24%	500	\$905	\$1,030	\$968	\$1.94	0.00	0.00	\$968	\$1.94
2X1		85	32%	650	\$1,100	\$1,170	\$1,135	\$1.75	0.00	0.00	\$1,135	\$1.75
2X2		85	32%	700	\$1,210	\$1,285	\$1,248	\$1.78	0.00	0.00	\$1,248	\$1.78
Total / Weighted Average		266	100%	593	\$1,055	\$1,133	\$1,094	\$1.84	0.00	0.00	\$1,094	\$1.84

COMMUNITY DESCRIPTION	
Street address	269 Reservation Road
City, State, Zip Code	Marina, CA 93933
Telephone	(831) 384-9725
Construction type	Garden
Year built	1978
Owner	DYI Properties
Management	DYI Properties
Total units	48
Physical occupancy	97%

COMMUNITY RATINGS	
Location	C
Visibility	C
Curb appeal	C
Condition	C
Interiors	C
Amenities	C

PAYER OF UTILITIES	
Gas	Resident
Electric	Resident
Water	Community
Sewer	Community
Trash	Community
Cable TV	Resident
Internet	Resident
Pest control	Community
Valet trash	N A

FEES, DEPOSITS, AND LEASE TERMS	
Application fee	\$25
Lease terms	MTM
Short term premium	N/A
Refundable security deposit	1 months rent
Administrative fee	\$0
Non refundable pet deposit	N/A
Pet deposit	N/A
Pet rent	N/A

CONCESSIONS
\$150 off first months rent for Year Lease

COMMENTS
No Pets allowed, upgraded units include new kitchen counter tops and cabinets

APARTMENT AMENITIES			
Accent color walls	No	Paneled doors	No
Air conditioning	No	Patio/Balcony	Yes
Appliance color	White	Refrigerator	No
Cable TV	Yes	Roman tubs	No
Ceiling	No	Security system	No
Ceiling fans	No	Self cleaning oven	Yes
Computer desk	No	Separate shower	No
Crown molding	No	Upgraded counters	Other
Fireplace	No	Upgraded flooring	No
Icemaker	No	Upgraded lighting	No
Kitchen pantry	No	Vaulted ceiling	No
Linen closets	No	Washer/Dryer	No
Microwave	No	W/D connection	No
Outside storage	Yes	Window coverings	Vertical

COMMUNITY AMENITIES			
Access gates	Yes/2	Free DVD/movie library	No
Add rentable storage	No	Laundry room	Yes
Attached garages	No	Movie theater	No
Barbecue grills	Yes	Parking structure	No
Basketball court	No	Pet park	No
Billiard	No	Playground	Yes
Business center	No	Pools	No
Club house	No	Racquetball	No
Concierge services	No	Reserved parking	No
Conference room	No	Sauna/Jacuzzi	No
Covered parking	Yes	Tennis court	No
Detached garages	Yes	Volleyball	No
Elevators	No	Water features	No
Fitness center	No	WiFi	No

FLOORPLANS AND RENTS

Floorplan Type	Unit Description	# of Units	% of Units	Square Feet	Rent per Unit				Concessions		Effective Net Rents	
					Low	High	Average	Avg PSF	Mos Free	Term	Average	Avg PSF
2X1		48	100%	1,000	\$1,225	\$1,300	\$1,263	\$1.26	0.00	0.00	\$1,263	\$1.26
Total / Weighted Average		48	100%	1,000	\$1,225	\$1,300	\$1,263	\$1.26	0.00	0.00	\$1,263	\$1.26

COMMUNITY DESCRIPTION	
Street address	187 Palm Avenue
City, State, Zip Code	Marina, CA 93933
Telephone	(831) 384-5619
Construction type	Garden
Year built	
Owner	Pioneer Properties
Management	Pioneer Properties
Total units	108
Physical occupancy	99%

COMMUNITY RATINGS	
Location	C
Visibility	C
Curb appeal	C
Condition	C
Interiors	C
Amenities	C

PAYER OF UTILITIES	
Gas	Resident
Electric	Resident
Water	Community
Sewer	Community
Trash	Community
Cable TV	Resident
Internet	Resident
Pest control	Community
Valet trash	N A

FEES, DEPOSITS, AND LEASE TERMS	
Application fee	\$15
Lease terms	MTM
Short term premium	N/A
Refundable security deposit	1 months rent
Administrative fee	\$0
Non refundable pet deposit	N/A
Pet deposit	\$500
Pet rent	\$0

CONCESSIONS
None

COMMENTS
1 parking spot per unit, additional spots \$5 each

APARTMENT AMENITIES			
Accent color walls	No	Paneled doors	No
Air conditioning	No	Patio/Balcony	No
Appliance color	No	Refrigerator	No
Cable TV	Yes	Roman tubs	No
Ceiling	No	Security system	No
Ceiling fans	No	Self cleaning oven	No
Computer desk	No	Separate shower	No
Crown molding	No	Upgraded counters	No
Fireplace	No	Upgraded flooring	No
Icemaker	No	Upgraded lighting	No
Kitchen pantry	No	Vaulted ceiling	No
Linen closets	No	Washer/Dryer	No
Microwave	No	W/D connection	No
Outside storage	No	Window coverings	No

COMMUNITY AMENITIES			
Access gates	No	Free DVD/movie library	No
Addl rentable storage	No	Laundry room	Yes
Attached garages	No	Movie theater	No
Barbecue grills	No	Parking structure	No
Basketball court	No	Pet park	No
Billiard	No	Playground	No
Business center	No	Pools	No
Club house	No	Racquetball	No
Concierge services	No	Reserved parking	No
Conference room	No	Sauna/Jacuzzi	No
Covered parking	Yes	Tennis court	No
Detached garages	No	Volleyball	No
Elevators	No	Water features	No
Fitness center	No	WiFi	No

FLOORPLANS AND RENTS

Floorplan Type	Unit Description	# of Units	% of Units	Square Feet	Rent per Unit				Concessions		Effective Net Rents	
					Low	High	Average	Avg PSF	Mos Free	Term	Average	Avg PSF
1X1		54	50%	618	\$900	\$950	\$925	\$1.50	0.00	0.00	\$925	\$1.50
2X1		54	50%	736	\$1,000	\$1,150	\$1,075	\$1.46	0.00	0.00	\$1,075	\$1.46
Total / Weighted Average		108	100%	677	\$950	\$1,050	\$1,000	\$1.48	0.00	0.00	\$1,000	\$1.48

Preston Park Resident Charges

Preston Park					
Payer of Utilities		Parking Summary			
Gas	Resident	Attached garages	Yes	Application fee	\$42
Electric	Resident	Concierge services	No	Lease terms	MTM, 6-12 months
Water	Res/Meter	Conference room	No	Short term premium	N/A
Sewer	Resident	Movie theater	No	Refundable security deposit	Equal to one month's rent
Trash	Resident	Pools	No	Administrative fee	\$0
Cable TV	N A			Non refundable pet deposit	N/A
Internet	Resident			Pet deposit	\$250 covers up to 2 pets
Pest control	Community			Pet rent	N/A
Valet trash	N A				

Shadow Market Competition					
Payer of Utilities		Parking Summary			
Gas	Resident	Attached garages	Yes	Application fee	\$0
Electric	Resident	Concierge services	No	Lease terms	Variable
Water	Community	Conference room	No	Short term premium	\$0
Sewer	Community	Movie theater	No	Refundable security deposit	Variable
Trash	Community	Pools	No	Administrative fee	\$0
Cable TV	Resident			Non refundable pet deposit	\$0
Internet	Resident			Pet deposit	Variable
Pest control	Community			Pet rent	\$0
Valet trash	N A				

Abrams Park					
Payer of Utilities		Parking Summary			
Gas	Resident	Attached garages	Yes	Application fee	\$42
Electric	Resident	Concierge services	No	Lease terms	MTM, 6-12 months
Water	Res/Meter	Conference room	No	Short term premium	N/A
Sewer	Resident	Movie theater	No	Refundable security deposit	Equal to one months' rent
Trash	Resident	Pools	No	Administrative fee	\$0
Cable TV	Resident			Non refundable pet deposit	N/A
Internet	Resident			Pet deposit	\$250 covers up to 2 pets
Pest control	Community			Pet rent	N/A
Valet trash	N A				

Sunbay Suites					
Payer of Utilities		Parking Summary			
Gas	Resident	Attached garages	No	Application fee	\$30
Electric	Resident	Concierge services	No	Lease terms	Month to Month & 6 Month Lease
Water	Community	Conference room	No	Short term premium	\$225
Sewer	Community	Movie theater	No	Refundable security deposit	\$500
Trash	Community	Pools	Yes/5	Administrative fee	\$0
Cable TV	Resident			Non refundable pet deposit	N/A
Internet	Resident			Pet deposit	N/A
Pest control	Resident			Pet rent	N/A
Valet trash	Resident				

Marina Square Apartments					
Payer of Utilities		Parking Summary			
Gas	Resident	Attached garages	No	Application fee	\$25
Electric	Resident	Concierge services	No	Lease terms	MTM
Water	Community	Conference room	No	Short term premium	N/A
Sewer	Community	Movie theater	No	Refundable security deposit	1 months rent
Trash	Community	Pools	No	Administrative fee	\$0
Cable TV	Resident			Non refundable pet deposit	N/A
Internet	Resident			Pet deposit	N/A
Pest control	Community			Pet rent	N/A
Valet trash	N A				

Marina del Sol					
Payer of Utilities		Parking Summary			
Gas	Resident	Attached garages	No	Application fee	\$15
Electric	Resident	Concierge services	No	Lease terms	MTM
Water	Community	Conference room	No	Short term premium	N/A
Sewer	Community	Movie theater	No	Refundable security deposit	1 months rent
Trash	Community	Pools	No	Administrative fee	\$0
Cable TV	Resident			Non refundable pet deposit	N/A
Internet	Resident			Pet deposit	\$500
Pest control	Community			Pet rent	\$0
Valet trash	N A				

Preston Park Amenities Comparison

Description	Preston Park	Shadow Market Competition	Abrams Park	Sunbay Suites	Marina Square Apartments	Marina del Sol
Total units	352	4	192	266	48	108
Year built	1987	0	1978	1989	1978	0
Location	B	0	B	A	C	C
Visibility	C	0	B	B	C	C
Curb appeal	B	0	C	A	C	C
Condition	C	0	C	B	C	C
Interiors	C	0	C	B	C	C
Amenities	D	0	D	C	C	C

Apartment Amenities						
Accent color walls	No	No	No	No	No	No
Air conditioning	No	No	No	No	No	No
Appliance color	White	No	No	No	White	No
Cable TV	No	No	Yes	No	Yes	Yes
Ceiling	9-foot	No	9-foot	No	No	No
Ceiling fans	No	No	No	Yes	No	No
Computer desk	No	No	No	No	No	No
Crown molding	No	No	No	No	No	No
Fireplace	No	No	No	Gas	No	No
Icemaker	No	No	No	No	No	No
Kitchen pantry	Yes	No	No	Yes	No	No
Linen closets	Yes	No	Yes	Yes	No	No
Microwave	No	No	No	Yes	No	No
Outside storage	No	No	No	No	Yes	No
Paneled doors	Yes	No	No	No	No	No
Patio/Balcony	Yes	No	Yes	Yes	Yes	No
Refrigerator	Frost-Free	No	FrostFree	FrostFree	No	No
Roman tubs	No	No	No	No	No	No
Security system	No	No	No	No	No	No
Self cleaning oven	Yes	No	No	No	Yes	No
Separate shower	No	No	No	No	No	No
Upgraded counters	No	No	No	Laminate	Other	No
Upgraded flooring	Plush Cpt	No	Plush Cpt	Plush Cpt	No	No
Upgraded lighting	No	No	No	No	No	No
Vaulted ceiling	No	No	Yes	No	No	No
Washer/Dryer	No	No	No	No	No	No
W/D connection	Full size	No	Full size	No	No	No
Window coverings	Vertical	No	1" mini	Vertical	Vertical	No

Community Amenities						
Access gates	No	No	No	Yes/2	Yes/2	No
Addl rentable storage	No	No	No	No	No	No
Attached garages	Yes	Yes	Yes	No	No	No
Barbecue grills	No	No	No	Yes	Yes	No
Basketball court	Yes	No	Yes	No	No	No
Billiard	No	No	No	No	No	No
Business center	No	No	No	No	No	No
Club house	Yes	No	Yes	Yes	No	No
Concierge services	No	No	No	No	No	No
Conference room	No	No	No	No	No	No
Covered parking	No	Yes	No	Yes	Yes	Yes
Detached garages	No	No	No	No	Yes	No
Elevators	No	No	No	No	No	No
Fitness center	No	No	No	Yes	No	No
Free DVD/movie library	No	No	No	No	No	No
Laundry room	No	No	No	Yes	Yes	Yes
Movie theater	No	No	No	No	No	No
Parking structure	No	No	No	No	No	No
Pet park	No	No	No	No	No	No
Playground	Yes	No	Yes	Yes	Yes	No
Pools	No	No	No	Yes/5	No	No
Racquetball	No	No	No	No	No	No
Reserved parking	No	No	No	No	No	No
Sauna/Jacuzzi	No	No	No	Yes	No	No
Tennis court	No	No	No	Yes	No	No
Volleyball	No	No	No	No	No	No
Water features	No	No	No	No	No	No
WiFi	No	No	No	No	No	No

Preston Park

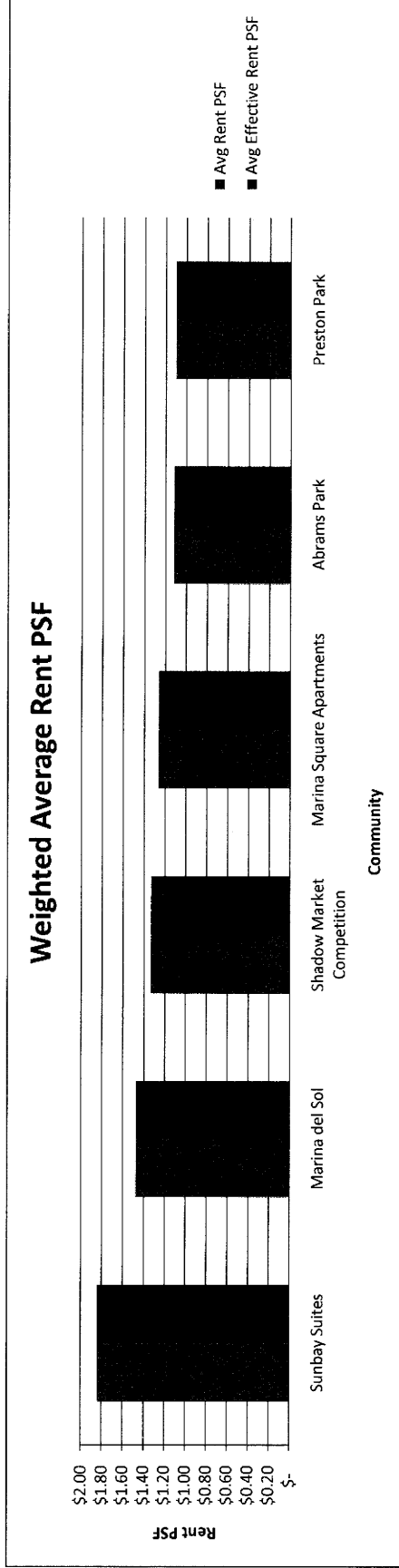
Concessions and General Comments Comparison

Preston Park	
Concessions No concessions. Community is partially Below Market Rent and Section 8 Housing	General Comments Every home has an attached garage, spacious backyard, and pets are permitted. \$25 fee for end unit. Access to a full size sports park.
Shadow Market Competition	
Concessions \$400 off a 12 month lease, \$200 off a 6 month lease	General Comments
Abrams Park	
Concessions Community is partially Below Market Rent and Section 8 Housing	General Comments All units come with an attached garage and large patio or balcony. Extra \$50 fee for downstairs 2BR. Extra \$25 fee for 4BR end unit.
Sunbay Suites	
Concessions	General Comments WWW.SUNBAYSUITES.COM
Marina Square Apartments	
Concessions \$150 off first months rent for Year Lease	General Comments No Pets allowed, upgraded units include new kitchen counter tops and cabinets
Marina del Sol	
Concessions None	General Comments 1 parking spot per unit, additional spots \$5 each

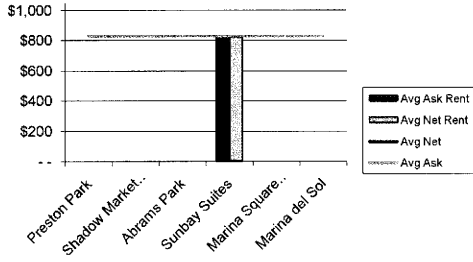
Preston Park Market Survey Summary

Comp	Community Name	# of Units	Square Feet	Percent Occupied	Percent Leased	Rent per Unit			Concessions		Effective Net Rents Average	Avg PSF	Year Built	Rehab	Management Company
						Low	High	Average	Mos Free	Term					
Comp 3	Sunbay Suites	266	593	99%	99%	\$1,055.15	\$1,132.76	\$1,093.96	0	0	\$1,093.96	1.84	1989	No	Sunbay Suites
Comp 5	Marina del Sol	108	677	99%	99%	\$ 950.00	\$1,050.00	\$1,000.00	0	0	\$1,000.00	1.48		No	Pioneer Properties
Comp 1	Shadow Market Competition	4	1,200	100%	0%	\$1,536.25	\$1,662.50	\$1,599.38	0	0	\$1,599.38	1.33		No	Variable
Comp 4	Marina Square Apartments	48	1,000	97%	97%	\$1,225.00	\$1,300.00	\$1,262.50	0	0	\$1,262.50	1.26	1978	No	DYI Properties
Comp 2	Abrams Park	192	1,386	99%	100%	\$1,528.18	\$1,565.42	\$1,546.80	0	0	\$1,546.80	1.12	1978	Yes	Alliance Residential Company
Subject	Preston Park	352	1,397	98%	100%	\$1,525.81	\$1,550.10	\$1,537.47	0	0	\$1,537.47	1.10	1987	No	Alliance Residential Company

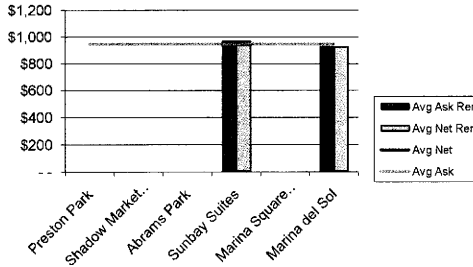
Comp	Community Name	Concessions
Subject	Preston Park	
Comp 1	Shadow Market Competition	No concessions. Community is partially Below Market Rent and Section 8 Housing
Comp 2	Abrams Park	\$400 off a 12 month lease, \$200 off a 6 month lease
Comp 3	Sunbay Suites	Community is partially Below Market Rent and Section 8 Housing
Comp 4	Marina Square Apartments	\$150 off first months rent for Year Lease
Comp 5	Marina del Sol	None



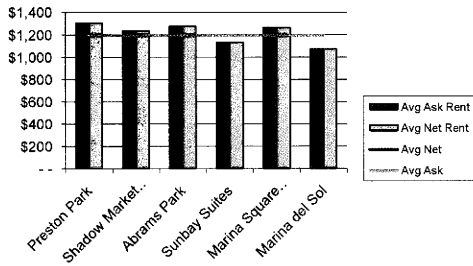
Preston Park Unit Comparison



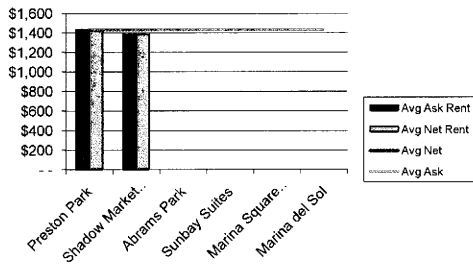
Studio								
Community	Units	Sq Ft	Avg Ask	PSF	Months Free	Term	Avg Net	PSF
Preston Park	--	--	--	--	--	--	--	--
Shadow Market Competition	--	--	--	--	--	--	--	--
Abrams Park	--	--	--	--	--	--	--	--
Sunbay Suites	32	345	\$830	\$2.41	--	--	\$830	\$2.41
Marina Square Apartments	--	--	--	--	--	--	--	--
Marina del Sol	--	--	--	--	--	--	--	--
Total/ Weighted Average	32	345	\$830	\$2.41	--	--	\$830	\$2.41



1X1								
Community	Units	Sq Ft	Avg Ask	PSF	Months Free	Term	Avg Net	PSF
Preston Park	--	--	--	--	--	--	--	--
Shadow Market Competition	--	--	--	--	--	--	--	--
Abrams Park	--	--	--	--	--	--	--	--
Sunbay Suites	64	500	\$968	\$1.94	--	--	\$968	\$1.94
Marina Square Apartments	--	--	--	--	--	--	--	--
Marina del Sol	54	618	\$925	\$1.50	--	--	\$925	\$1.50
Total/ Weighted Average	118	554	\$948	\$1.73	--	--	\$948	\$1.73

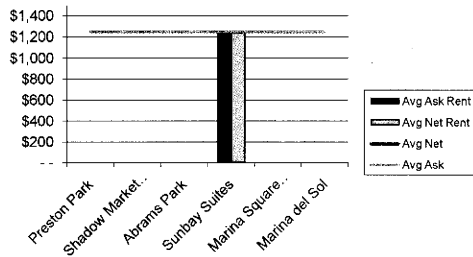


2X1								
Community	Units	Sq Ft	Avg Ask	PSF	Months Free	Term	Avg Net	PSF
Preston Park	10	1,150	\$1,305	\$1.13	--	--	\$1,305	\$1.13
Shadow Market Competition	1	1,000	\$1,238	\$1.24	--	--	\$1,238	\$1.24
Abrams Park	94	1,000	\$1,275	\$1.28	--	--	\$1,275	\$1.28
Sunbay Suites	85	650	\$1,135	\$1.75	--	--	\$1,135	\$1.75
Marina Square Apartments	48	1,000	\$1,263	\$1.26	--	--	\$1,263	\$1.26
Marina del Sol	54	736	\$1,075	\$1.46	--	--	\$1,075	\$1.46
Total/ Weighted Average	292	854	\$1,196	\$1.44	--	--	\$1,196	\$1.44



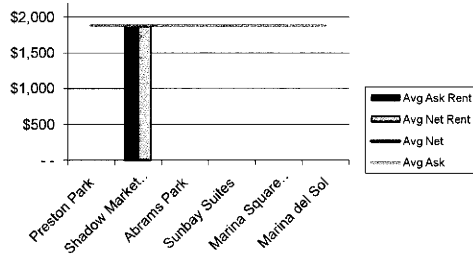
2X1.5								
Community	Units	Sq Ft	Avg Ask	PSF	Months Free	Term	Avg Net	PSF
Preston Park	217	1,307	\$1,433	\$1.10	--	--	\$1,433	\$1.10
Shadow Market Competition	1	1,100	\$1,388	\$1.26	--	--	\$1,388	\$1.26
Abrams Park	--	--	--	--	--	--	--	--
Sunbay Suites	--	--	--	--	--	--	--	--
Marina Square Apartments	--	--	--	--	--	--	--	--
Marina del Sol	--	--	--	--	--	--	--	--
Total/ Weighted Average	218	1,306	\$1,433	\$1.10	--	--	\$1,433	\$1.10

Preston Park Unit Comparison



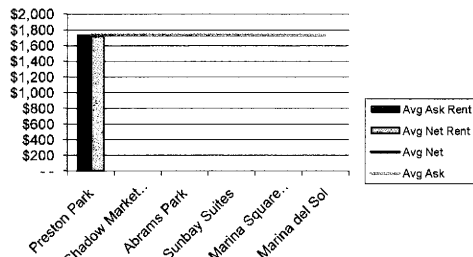
2X2

Community	Units	Sq Ft	Avg		Months		Avg	
			Ask	PSF	Free	Term	Net	PSF
Preston Park	--	--	--	--	--	--	--	--
Shadow Market Competition	--	--	--	--	--	--	--	--
Abrams Park	--	--	--	--	--	--	--	--
Sunbay Suites	85	700	\$1,248	\$1.78	--	--	\$1,248	\$1.78
Marina Square Apartments	--	--	--	--	--	--	--	--
Marina del Sol	--	--	--	--	--	--	--	--
Total/ Weighted Average	85	700	\$1,248	\$1.78	--	--	\$1,248	\$1.78



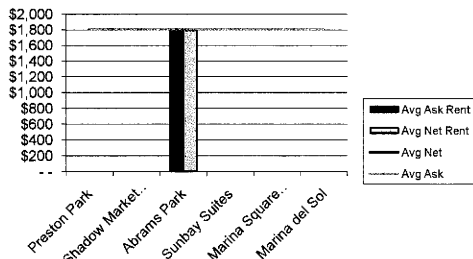
3X2

Community	Units	Sq Ft	Avg		Months		Avg	
			Ask	PSF	Free	Term	Net	PSF
Preston Park	--	--	--	--	--	--	--	--
Shadow Market Competition	2	1,350	\$1,886	\$1.43	--	--	\$1,886	\$1.43
Abrams Park	--	--	--	--	--	--	--	--
Sunbay Suites	--	--	--	--	--	--	--	--
Marina Square Apartments	--	--	--	--	--	--	--	--
Marina del Sol	--	--	--	--	--	--	--	--
Total/ Weighted Average	2	1,350	\$1,886	\$1.43	--	--	\$1,886	\$1.43



3X2.5

Community	Units	Sq Ft	Avg		Months		Avg	
			Ask	PSF	Free	Term	Net	PSF
Preston Park	125	1,572	\$1,737	\$1.10	--	--	\$1,737	\$1.10
Shadow Market Competition	--	--	--	--	--	--	--	--
Abrams Park	--	--	--	--	--	--	--	--
Sunbay Suites	--	--	--	--	--	--	--	--
Marina Square Apartments	--	--	--	--	--	--	--	--
Marina del Sol	--	--	--	--	--	--	--	--
Total/ Weighted Average	125	1,572	\$1,737	\$1.10	--	--	\$1,737	\$1.10



4X2

Community	Units	Sq Ft	Avg		Months		Avg	
			Ask	PSF	Free	Term	Net	PSF
Preston Park	--	--	--	--	--	--	--	--
Shadow Market Competition	--	--	--	--	--	--	--	--
Abrams Park	98	1,756	\$1,808	\$1.03	--	--	\$1,808	\$1.03
Sunbay Suites	--	--	--	--	--	--	--	--
Marina Square Apartments	--	--	--	--	--	--	--	--
Marina del Sol	--	--	--	--	--	--	--	--
Total/ Weighted Average	98	1,756	\$1,808	\$1.03	--	--	\$1,808	\$1.03

Preston Park Rankings by Type

Sorted by Average Ask Rent

Sorted by Average Net Rent

Studio

Community	# of Units	Square Feet	Unit Description	Average ask rent
Sunbay Suites	32	345		\$830
AVERAGE		345		\$830

Studio

Community	# of Units	Square Feet	Unit Description	Average net rent
Sunbay Suites	32	345		\$830
AVERAGE		345		\$830

1X1

Community	# of Units	Square Feet	Unit Description	Average ask rent
Sunbay Suites	64	500		\$968
AVERAGE		554		\$948
Marina del Sol	54	618		\$925

1X1

Community	# of Units	Square Feet	Unit Description	Average net rent
Sunbay Suites	64	500		\$968
AVERAGE		554		\$948
Marina del Sol	54	618		\$925

2X1

Community	# of Units	Square Feet	Unit Description	Average ask rent
Preston Park	10	1,150		\$1,305
Abrams Park	94	1,000		\$1,275
Marina Square Apartments	48	1,000		\$1,263
Shadow Market Competition	1	1,000		\$1,238
AVERAGE		854		\$1,196
Sunbay Suites	85	650		\$1,135
Marina del Sol	54	736		\$1,075

2X1

Community	# of Units	Square Feet	Unit Description	Average net rent
Preston Park	10	1,150		\$1,305
Abrams Park	94	1,000		\$1,275
Marina Square Apartments	48	1,000		\$1,263
Shadow Market Competition	1	1,000		\$1,238
AVERAGE		854		\$1,196
Sunbay Suites	85	650		\$1,135
Marina del Sol	54	736		\$1,075

2X1.5

Community	# of Units	Square Feet	Unit Description	Average ask rent
Preston Park	141	1,323		\$1,442
AVERAGE		1,306		\$1,433
Preston Park	76	1,278		\$1,417
Shadow Market Competition	1	1,100		\$1,388

2X1.5

Community	# of Units	Square Feet	Unit Description	Average net rent
Preston Park	141	1,323		\$1,442
AVERAGE		1,306		\$1,433
Preston Park	76	1,278		\$1,417
Shadow Market Competition	1	1,100		\$1,388

Preston Park Rankings by Type

Sorted by Average Ask Rent

Sorted by Average Net Rent

2X2

Community	# of Units	Square Feet	Unit Description	Average ask rent
Sunbay Suites	85	700		\$1,248
AVERAGE		700		\$1,248

2X2

Community	# of Units	Square Feet	Unit Description	Average net rent
Sunbay Suites	85	700		\$1,248
AVERAGE		700		\$1,248

3X2

Community	# of Units	Square Feet	Unit Description	Average ask rent
Shadow Market Competition	1	1,600		\$2,025
AVERAGE		1,350		\$1,886
Shadow Market Competition	1	1,100		\$1,748

3X2

Community	# of Units	Square Feet	Unit Description	Average net rent
Shadow Market Competition	1	1,600		\$2,025
AVERAGE		1,350		\$1,886
Shadow Market Competition	1	1,100		\$1,748

3X2.5

Community	# of Units	Square Feet	Unit Description	Average ask rent
Preston Park	125	1,572		\$1,737
AVERAGE		1,572		\$1,737

3X2.5

Community	# of Units	Square Feet	Unit Description	Average net rent
Preston Park	125	1,572		\$1,737
AVERAGE		1,572		\$1,737

4X2

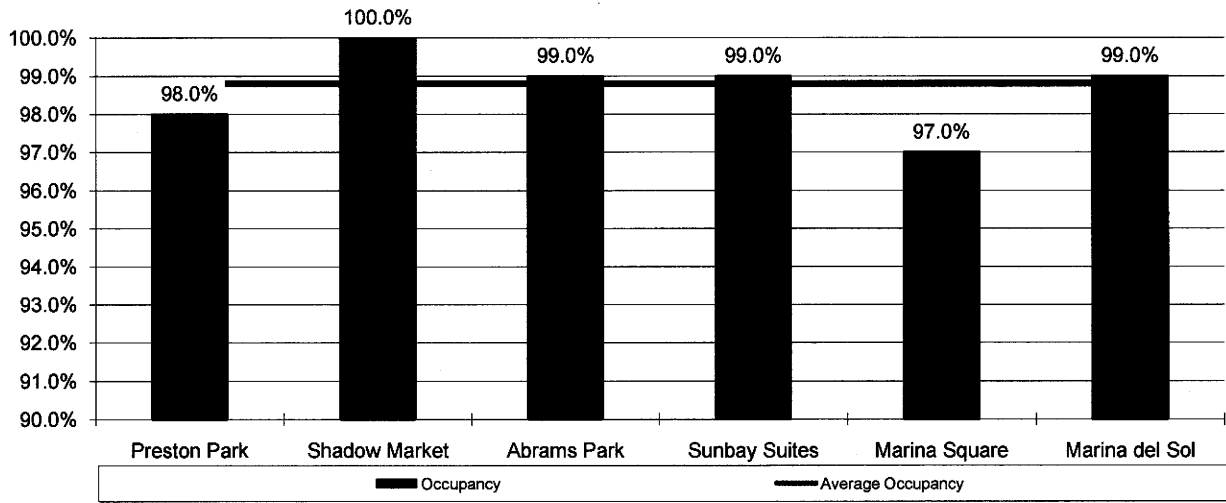
Community	# of Units	Square Feet	Unit Description	Average ask rent
Abrams Park	43	1,700		\$1,808
Abrams Park	35	1,800		\$1,808
Abrams Park	20	1,800		\$1,808
AVERAGE		1,756		\$1,808

4X2

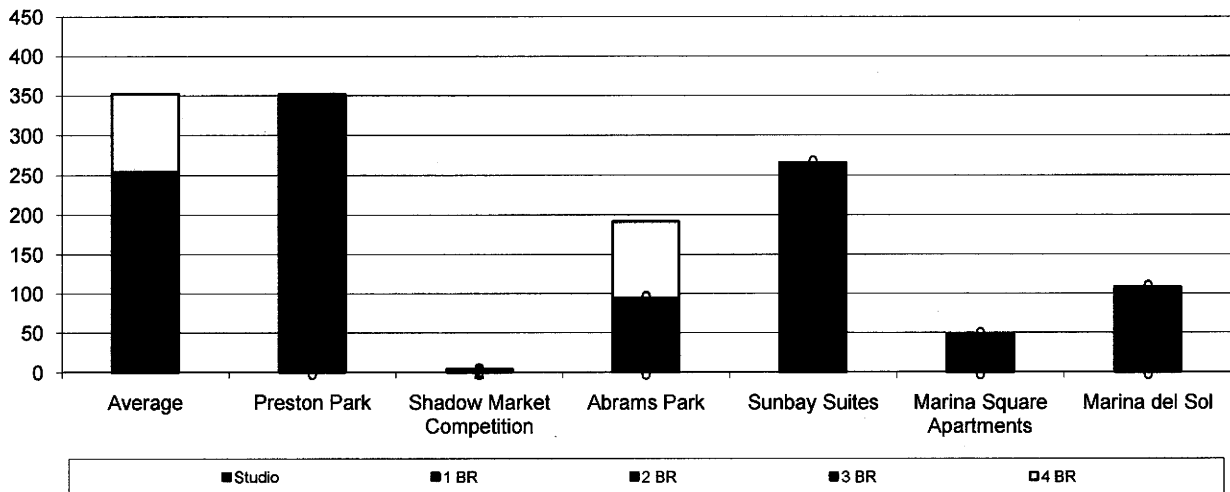
Community	# of Units	Square Feet	Unit Description	Average net rent
Abrams Park	43	1,700		\$1,808
Abrams Park	35	1,800		\$1,808
Abrams Park	20	1,800		\$1,808
AVERAGE		1,756		\$1,808

Preston Park Historical and Current Market Occupancy

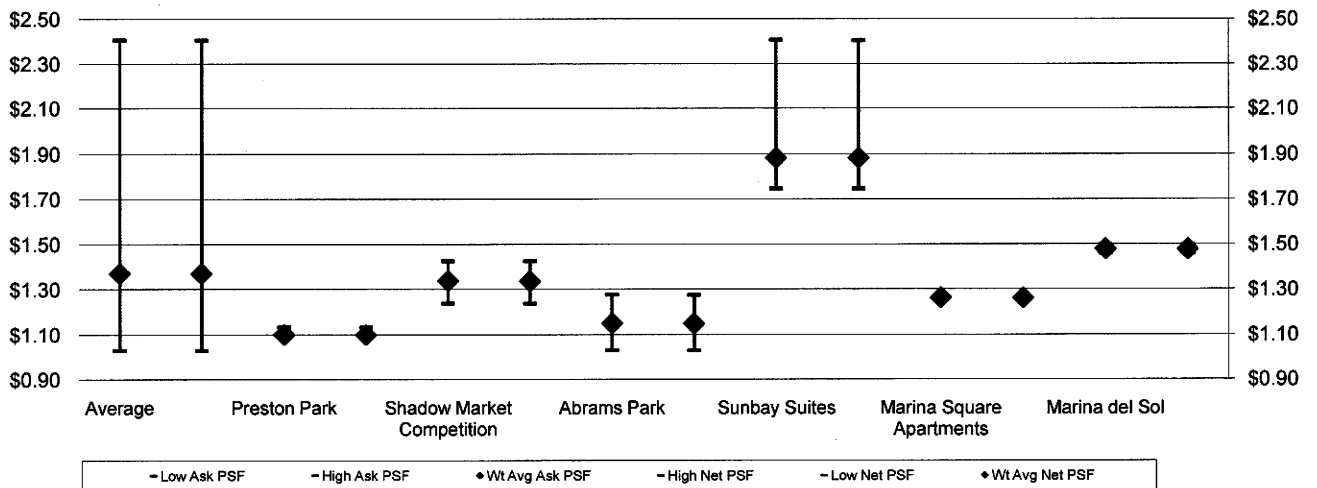
Preston Park Current Occupancy vs Comparison Communities



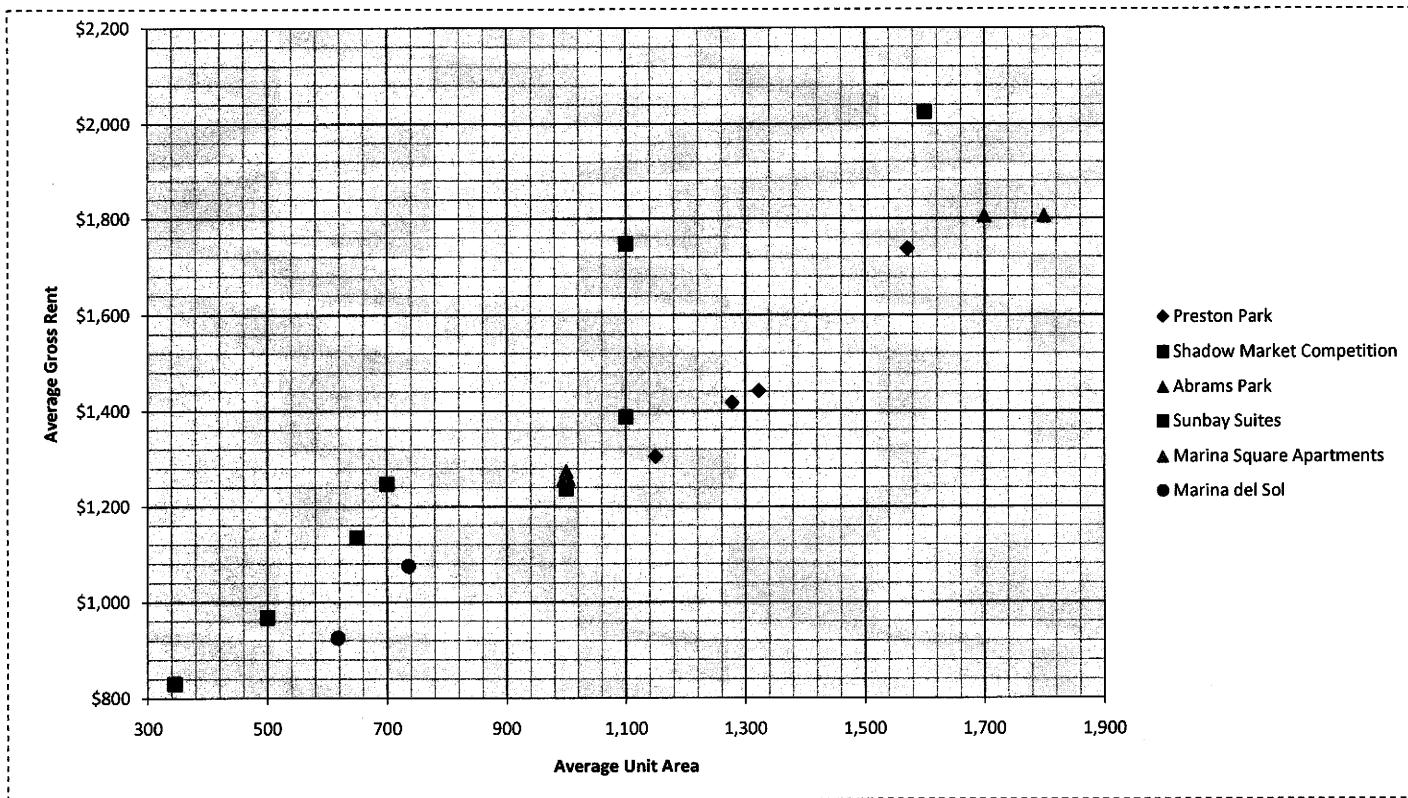
Unit Type Mix Across Communities



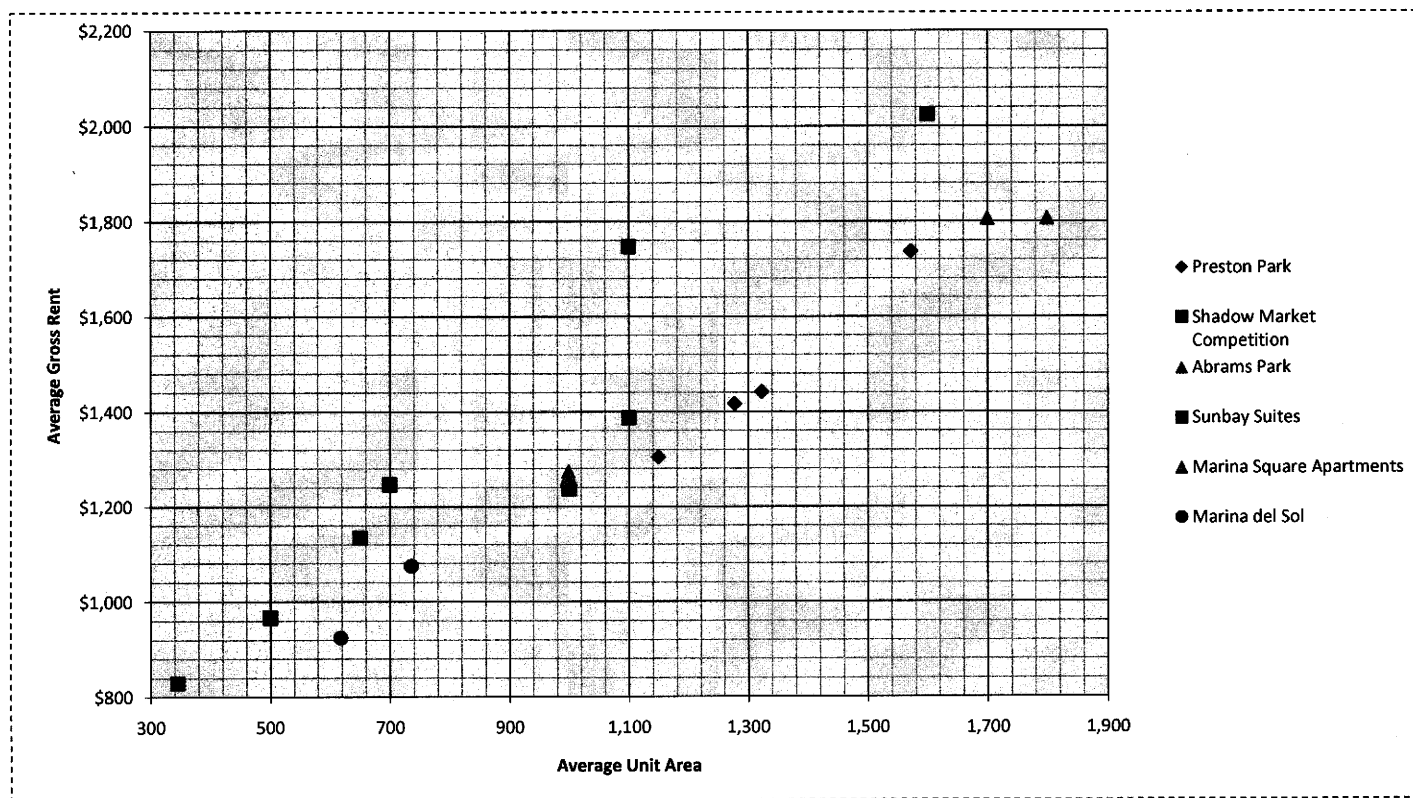
Preston Park Ask Rent vs. Net Rent PSF



Comps Gross



Comps Effective



Competitor Information

Preston Park		Phone #	(831) 384-0119
		Mgmt Co:	Alliance Residential Company
% Occupied	98.0%		
% Leased	100.0%		
# of Traffic for the week	0	Closing Ratio	
# of Gross Leases for the week	0		0%
# of Net Leases for the week	0		
Prior week occupied	98.0%		
Prior week leased	100.0%		
Rent changes			
Specials	No concessions. Community is partially Below Market Rent and Section 8 Housing		
Locators			

Shadow Market Competition		Phone #	Variable
		Mgmt Co:	
% Occupied	100.0%		
% Leased	0.0%		
# of Traffic for the week	0	Closing Ratio	
# of Gross Leases for the week	0		0%
# of Net Leases for the week	0		
Prior week occupied	100.0%		
Prior week leased	0.0%		
Rent changes			
Specials	\$400 off a 12 month lease, \$200 off a 6 month lease		
Locators			

Abrams Park		Phone #	(831) 384-0119
		Mgmt Co:	Alliance Residential Company
% Occupied	99%		
% Leased	100%		
# of Traffic for the week	0	Closing Ratio	
# of Gross Leases for the week	0		0%
# of Net Leases for the week	0		
Prior week occupied	99%		
Prior week leased	100%		
Rent changes			
Specials	Community is partially Below Market Rent and Section 8 Housing		
Locators			

Sunbay Suites		Phone #	(831) 394-2515
		Mgmt Co:	Sunbay Suites
% Occupied	99%		
% Leased	99%		
# of Traffic for the week	0	Closing Ratio	
# of Gross Leases for the week	0		0%
# of Net Leases for the week	0		
Prior week occupied	99%		
Prior week leased	99%		
Rent changes			
Specials			
Locators			

Marina Square Apartments		Phone #	(831) 384-9725
		Mgmt Co:	DYI Properties
% Occupied	97%		
% Leased	97%		
# of Traffic for the week	0	Closing Ratio	
# of Gross Leases for the week	0		0%
# of Net Leases for the week	0		
Prior week occupied	98%		
Prior week leased	98%		
Rent changes			
Specials	\$150 off first months rent for Year Lease		
Locators			

Marina del Sol		Phone #	(831) 384-5619
		Mgmt Co:	Pioneer Properties
% Occupied	99%		
% Leased	99%		
# of Traffic for the week	0	Closing Ratio	
# of Gross Leases for the week	0		0%
# of Net Leases for the week	0		
Prior week occupied	98%		
Prior week leased	98%		
Rent changes			
Specials	None		
Locators			

		Phone #	
		Mgmt Co:	
% Occupied	0.0%		
% Leased	0.0%		
# of Traffic for the week	0	Closing Ratio	
# of Gross Leases for the week	0		0%
# of Net Leases for the week	0		
Prior week occupied	0.0%		
Prior week leased	0.0%		
Rent changes			
Specials			
Locators			

		Phone #	
		Mgmt Co:	
% Occupied	0%		
% Leased	0%		
# of Traffic for the week	0	Closing Ratio	
# of Gross Leases for the week	0		0%
# of Net Leases for the week	0		
Prior week occupied	0%		
Prior week leased	0%		
Rent changes			
Specials			
Locators			

		Phone #	
		Mgmt Co:	
% Occupied	0.0%		
% Leased	0.0%		
# of Traffic for the week	0	Closing Ratio	
# of Gross Leases for the week	0		0%
# of Net Leases for the week	0		
Prior week occupied	0.0%		
Prior week leased	0.0%		
Rent changes			
Specials			
Locators			

Average Occupancy:	74.0%
Average Traffic:	0
Average Closing Ratio:	0.0%
Average # of Leases/wk:	0

CITY OF MARINA

**AMENDMENT NO. 4 TO MANAGEMENT AGREEMENT
FOR PRESTON PARK**

This Amendment No. 4 ("Amendment") to the Management Agreement by and between the Fort Ord Reuse Authority (FORA), a California public entity, hereinafter referred to as "Owner," Alliance Communities Inc, a Delaware corporation, hereinafter referred to as "Operator," and the City of Marina, a California charter city, hereinafter referred to as "Agent," is made and entered into as of the ____ day of _____ 2011. Only the numbered paragraphs of said Agreement which are being amended or deleted are set forth in this Amendment.

Recitals

- A. On December 7, 2007, the Owner and Agent entered into an Agreement ("Agreement") with Operator for services related to management of the property commonly known as Preston Park consisting of 354 units ("Units") [2 are used for management purposes] located at 682 Wahl Court, Marina, CA 93933 (the "Property").
- B. Subsequent to execution of the Agreement on December 7, 2007, the Agent has taken certain actions to approve policies that result in inconsistencies in the Agreement.
- C. On July 7, 2010, the Agent and Owner approved Amendment No. 1 to the Management Agreement.
- D. On December 14, 2010, the Agent and Owner approved Amendment No. 2 to the Management Agreement.
- E. On January 25, 2011, the Agent and ~~on April 8, 2011 the~~ Owner approved Amendment No. 3 to the Management Agreement.

Terms and Conditions

In consideration of the mutual promises contained herein, Owner, Agent and Operator agree that the terms and conditions set forth herein are incorporated into the Agreement.

1. Section 4.2.k(ii), Employment of Personnel, is amended to read as follows (new language shown by underline):

"4.4.k (ii)

The salaries, wages, other compensation, benefits (including without limitation social security, taxes, worker's compensation insurance, and the like), travel, training and other Property-related expenses of all on-site, field or maintenance employees of Operator working on or with respect to the Property shall be expense of the Property and included in the approved budget for the Property. The property related expenses of Executive personnel of Operator who are assigned to on-site Property management for twenty percent (20%) of their time or more may also be included in the approved budget. Operator shall provide to Owner, at Owner's request, payroll and time sheets for all such employees. Notwithstanding the foregoing, wages and other compensation of employees performing services for Operator at properties other than the

Property, shall be reimbursed to Operator pro rata based on the portion of working hours involved in services to the Property and such other properties; provided that Operator shall be reimbursed for any roving maintenance supervisor providing services to the Property at the rate of \$50 per hour for such services (or such amount as may be reflected in the approved Budget). Operator shall solicit and receive approval from Owner to utilize the services of a roving maintenance supervisor prior to services being rendered.”

2. Section 5.2. Expenses of Owner, is amended to add a new sub-section (t) in the list of reimbursable expenses to read as follows:

“5.2 ~~Operator~~ Owner may pay the following expenses directly from the Trust ~~Account Agreement~~ subject to the conditions and limitations set forth elsewhere in this Agreement:

“(t) Reasonable ~~Administrative~~ expenses including of the ~~City Agent’s~~ staff devoted to oversight of the Management Agreement and Capital Project Manager Agreement(s) and liaison with residents. These expenses are limited to the amount included in the Preston Park budget as approved by the Owner and Agent and may not exceed 1/2% (one half of a percent) of the gross revenues.”

No changes to sub-sections a) through s) or the last paragraph of Section 5.2

All other provisions of the Agreement not in conflict with this Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

OWNER:
FORT ORD REUSE AUTHORITY

By: _____
Michael A. Houlemard, Jr. Executive Officer

Date: ___, 2011

Approved as to Form

Authority Counsel

AGENT:
CITY OF MARINA

By: _____
Anthony J. Altfield, City Manager

Date: ____, 2011

Attest: (Pursuant to Resolution: 2011-

By:
Anita Shepherd-Sharp, Acting Deputy City Clerk

Approved as to Form

City Attorney

Risk Manager

OPERATOR:

ALLIANCE COMMUNITIES INC.

By: _____

Name: _____

Title: _____

Date: _____, 2011

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject:	Outstanding Receivables	
Meeting Date:	July 8, 2011	INFORMATION/ACTION
Agenda Number:	8a	

RECOMMENDATIONS:

- I. Receive a Fort Ord Reuse Authority (FORA) outstanding receivables update as of June 30, 2011.
- II. Accept 50% Marina payment on unpaid Neeson Road development fee - retiring this receivable.
- III. Authorize the execution of the revised Memorandum of Agreement (MOA) with the City of Marina for repayment of outstanding and due FY 08-09 tax increment (Attachment A).

BACKGROUND/DISCUSSION:

FORA has several significant outstanding receivables. FORA Late Fee policy requires receivables older than 90 days be reported to the Board.

	Item Description	Amount Owed	Amount Paid	Amount Outstanding
1	City of Del Rey Oaks PLL Loan Payment 09-10	182,874	0	182,874
	PLL Loan Payment 10-11	256,023	0	256,023
2	City of Marina Tax Increment 08-09	108,862	52,400	56,462
	Tax Increment 07-08	109,310 *		109,310
	<i>*Amount not confirmed by Marina</i>			
	CFD Fees	19,617	17,619 **	1,998
<i>**Assumes 50% split</i>				
3	City of Seaside Tax Increment 03-10	358,830	180,000	178,830
	Total outstanding receivables			\$ 785,497

1. City of Del Rey Oaks (DRO)

- PLL insurance annual payments: In 2009, DRO cancelled its agreement with its project developer who previously made the PLL loan payments. The FORA Board approved a payment plan for DRO and the interim use of FORA funds to pay the premium until DRO finds a new developer (who will be required by the City to bring the PLL Insurance coverage current). DRO agreed to make interest payments on the balance owed until this obligation is repaid, and they are current.

Payment status: First Vice Chair Mayor Edelen informed the Board and Executive Committee members about DRO plan to borrow or secure funds from new developer to pay off this obligation.

2. City of Marina (Marina)

- CFD fee: Marina approved development entitlements for the Neeson Road projects in 2004 and 2008 without collecting the CFD/development fee (\$19.6K total) as required by Section 6(a) of the FORA/Marina Implementation Agreement.

Payment status: FORA contacted, invoiced and collected payments from two owners. The third owner disputed the \$3,996 obligation arguing expired statute of limitations. FORA Counsel reviewed the issue and believes this statute of limitations point may be valid. In April 2011, the FORA Executive Committee and Board requested the Marina FORA Board representative to either secure payment from the owner or Marina. Marina offered, and Chair Potter accepted, an offer from Marina to pay half the delinquent fee. On June 22, Marina Council approved 50% Neeson Rd payment to FORA.

- Tax increment (TI): In the fall of 2010, as directed by the FORA Board during the Capital Improvement Program review, FORA conducted an audit of TI revenue that FORA collects from the Cities of Seaside, Marina and Monterey County. The results indicated that FORA is owed property TI payments from Seaside and Marina. Both cities acknowledged the debt.

At the March 2011 meeting, the FORA Board authorized an MOA with Marina for a phased repayment of the FY 08-09 TI underpayment and approved MOA modifications requested by Marina (reduced interest rate, longer repayment period). Marina staff subsequently changed the amount owed without discussing this with FORA and forwarded that version for Marina Council consideration. As directed by the Board, staff worked with Marina to resolve the amount owed. On June 27, both parties agreed that Marina owes FORA \$108,861.57 for FY 08-09 based on Marina's recent reconciliation of the TI payment calculations with the County. That review confirmed incorrect payments to pass through agencies and resulting inaccurate payments to Marina for several fiscal years including FY 08-09. According to Marina, the County has since made the corrections.

Since the last Board meeting, FORA has received additional information from the County demonstrating underpayment by Marina also for FY 07-08; based on the County information, that amount should be about \$109K. FORA staff is working with Marina staff about confirming the amount as Marina's Agency Counsel is reviewing pass throughs from FY 2003 – 2009.

Payment status: Marina paid the first installment payment of the FY 08-09 underpayment on time; the next payment is due November 1, 2011. FY 07-08 TBD.

3. **City of Seaside (Seaside)**

- Tax increment: Please see paragraph 2 above regarding Seaside tax increment underpayment.

At the February 2011 meeting, FORA Board approved an MOA with Seaside for a phased repayment of this obligation.

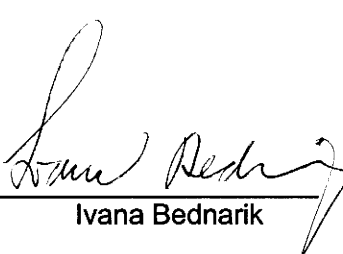
Payment status: Seaside paid the first and second installment on time. The next (third) installment payment is due January 31, 2012.

FISCAL IMPACT:

Negative. FORA expends its own resources until these receivables are collected.

COORDINATION:

Executive Committee

Prepared by 
Ivana Bednarik

Approved by 
Michael A. Houlemard, Jr.

**REVISED MEMORANDUM OF AGREEMENT
BY AND BETWEEN
THE FORT ORD REUSE AUTHORITY AND
THE REDEVELOPMENT AGENCY OF THE CITY OF MARINA
FOR PAYMENT OF TAX INCREMENT PASS-THROUGH REVENUE**

THIS MEMORANDUM OF AGREEMENT ("MOA"), dated for reference as March 1, 2011, by and between the **Fort Ord Reuse Authority** ("FORA"), a corporation of the State of California created, operated and existing under the laws of the State of California and the **Redevelopment Agency of the City of Marina**, (Agency), collectively referred to as "the Parties."

I. RECITALS

1.1 State Law entitles FORA to receive a percentage of the tax increment ("TI") revenue generated from redevelopment projects within the Agency's jurisdiction on the former Fort Ord. This revenue is collected by the County of Monterey ("County") and paid to the Agency, and is referred to herein as the "pass-through TI." The Agency pays the pass-through TI to FORA.

1.2 As a part of FORA's Capital Improvement Program review, FORA conducted review of the fiscal years 08-09 and 09-10 TI revenue and retained an auditor who confirmed an underpayment in FY 08-09 by the Agency.

1.3 The balance due from the Agency to FORA is ~~\$124,232 (One Hundred Twenty Four Thousand Two Hundred Thirty Two Dollars)~~ \$108,861.57 (One Hundred Eight Thousand Eight Hundred Sixty One Dollars and Fifty Seven Cents).

1.4 FORA seeks a near-term repayment to meet its obligations and Agency agrees to repayment of the pass-through previously underpaid in two (2) installments as set forth below.

1.5 The Agency proposes a payment plan to retire this balance due as set forth in this MOA.

II. TERMS AND CONDITIONS

2.1 The Agency agrees to pay FORA the outstanding pass-through TI balance due of ~~\$124,232~~ 108,861.57 in two equal installment payments.

2.2 Principal: The Parties agree to the following payment schedule:

First Installment:	May 1, 2011	\$62,116.00 <u>52,399.81</u>
Second Installment:	November 1, 2011	\$62,116.00 <u>56,461.7682</u>
Total		\$124,232.00 <u>108,861.567</u>

2.3 Interest: The outstanding principal balance shall bear simple interest at the rate of one percent (1%) per annum from February 1, 2011 until full repayment of the principal.

III. GENERAL TERMS

3.1 Further Actions. Each of the parties agrees to execute and deliver to the other such documents and instruments and to take such actions, as may reasonably be required to give effect to the terms and conditions of this Agreement.

3.2 Modification. This Agreement is not subject to amendment or modification except in writing and signed both the parties hereto.

3.3 Assignment. Neither party may assign all or portions of its rights and obligations under this Agreement

without prior written approval from the other party. Any party shall not unreasonably withhold approval of an assignment.

3.4 Interpretation. This Agreement has been negotiated by and between representatives of each party hereto and their staffs, all persons knowledgeable in the subject matter of this Agreement, which was then reviewed by the respective legal counsel of each party. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the purpose of the Parties and this Agreement.

3.5 Attorney's Fees. If any controversy, claim or dispute arises relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the other party reasonable expenses, attorney's fees and costs. Monterey County will be the venue for hearing any disputes.

3.6 Notice and Correspondence. Any notice required to be given to any party shall be in writing and deemed given if personally delivered upon the other party or deposited in the United States mail, and sent certified mail, return receipt requested, postage prepaid and addressed to the other party at the address set forth below or sent via facsimile transmission during normal business hours to the party to which notice is given at the telephone number listed for fax transmission.

Redevelopment Agency of the City of Marina
Tony Altfeld, Executive Director
Redevelopment Agency of the City Marina
211 Hillcrest Avenue
Marina, CA 93933
Telephone: (831) 884-1278
Facsimile: (831) 384-9148

Ft. Ord Reuse Authority
Michael Houlemard, Executive Officer
Fort Ord Reuse Authority
100 12th St., Building 2880
Marina, California 93933
Telephone: (831) 883-3672
Facsimile: (831) 883-3675

3.7 Areas of Non-Responsibility. Neither party shall be liable for commitments made to a third party by the other party which are:

- a. contrary to this Agreement or
- b. not specifically included within the obligations of the parties hereto.

Each party shall defend, indemnify and hold the other harmless for any claims, costs, damages or other liability arising from such statements, representations or commitments.

3.8 No Third Party Rights. This Agreement shall not create any benefits or rights in or to a third party.

IN WITNESS WHEREOF, FORA and the Agency, by their duly authorized representatives, have executed this Agreement as of the date first written above.

FORT ORD REUSE AUTHORITY

By: _____
Michael A. Houlemard, Jr., Executive Officer

As to form: _____
Gerald D. Bowden, Authority Counsel

REDEVELOPMENT AGENCY OF THE CITY OF MARINA

By: _____
Anthony Altfeld, Executive Director

As to form: _____
Rob Wellington, Agency Counsel

FORT ORD REUSE AUTHORITY BOARD REPORT	
EXECUTIVE OFFICER'S REPORT	
Subject:	Administrative Committee Report
Meeting Date:	July 8, 2011
Agenda Number:	8b
INFORMATION	

RECOMMENDATION:

Receive a report from the Administrative Committee.

BACKGROUND/DISCUSSION:

Joint Administrative Committee and Capital Improvement Program Committee meetings were held on June 1 and June 15, 2011. Approved minutes of both meetings are attached.

FISCAL IMPACT:

Reviewed by FORA Controller M.F. for 1.3.

Staff time for this item is included in the approved FY 10-11 budget.

COORDINATION:

Administrative Committee

Prepared by Daylene Alliman
Daylene Alliman

Approved by Michael A. Houlemard, Jr.
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY

100 12th Street, Building 2880

Marina, CA 93933

(831) 883-3672 (TEL) · (831) 883-3675 (FAX) · www.fora.org

APPROVED

**MEETING MINUTES OF THE
JOINT ADMINISTRATIVE / CAPITAL IMPROVEMENT PROGRAM ("CIP") COMMITTEE MEETING
Wednesday, June 1, 2011**

1. Call to order at 8:15 A.M. - Noting a quorum was present, Co-Chair Daniel Dawson called the meeting to order at 8:15 AM. The following people, as indicated by signatures on the roll sheet, were present:

Michael Houlemard, FORA
Jim Feeney, FORA
Diana Ingersoll, City of Seaside
Jim Arnold, FORA
Ray Corpuz, City of Seaside
Rob Robinson, BRAC
Graham Bice, MBEST
John Marker, CSUMB
Jonathan Garcia, FORA
Vicki Nakamura, MPC
Crissy Maras, FORA
Beth Palmer, Monterey Downs
Brian Boudreau, Monterey Downs
Anya Spear, CSUMB
Daniel Dawson, City of DRO

Nick Nichols, Monterey County
Daylene Alliman, FORA
Bob Schaffer, MCP
Patrick Breen, MCWD
Todd Muck, TAMC
Laura Cohan, FORA
Debby Platt, City of Marina
Ian Gillis, Urban Community Partners (UCP)
Keith McCoy, UCP
Kathleen Lee, County of Monterey
Carl Niizawa, MCWD
Pat Ward, Bestor Engineers
Tim O'Halloran, City of Seaside
Scott Hilk, MCP
Dennis Allion, City of DRO

2. Pledge of Allegiance - Co-Chair Dawson asked Diana Ingersoll, who agreed, to lead the pledge of allegiance.

3. Acknowledgements, announcements and correspondence – Rob Robinson announced Army detonations of unexploded ordnance later in the day between 1:00 and 3:00 pm. Executive Officer Houlemard reported that the Bill Monning town hall meeting, conducted in the City of Seaside, was attended by about 60 residents. They voiced concern about smart meters installed on the former Fort Ord and tree removal necessitated by development. Mr. Houlemard informed them that the Base Reuse Plan is built on sustainability and focuses on preserving the environment, which can only be accomplished through a balanced jobs and housing program and the funds received from developing the former base.

4. Public comment period - none

5. Approval of the May 4, 2011 meeting minutes - On a motion made by Ray Corpuz and seconded by Todd Muck, the minutes were approved as presented.

6. Receive informal notes of May 18, 2011 meeting - The notes were deemed received by the committee. No formal action was necessary.

7. Old Business

a. Capital Improvement Program ("CIP")

i. Review proposed transportation/transit expenditures

ii. Review other proposed CIP expenditures

iii. Recommend Board approval of FY 11-12 through 21-22 CIP

Senior Planner Jonathan Garcia reported that updated development forecasts were received from all land use jurisdictions. However, due to timing issues, the proposed expenditure tables are not available for review and therefore the CIP document will not be presented to the Board in June. The FORA operating budget will be presented, and can be adopted, separately from the CIP.

FORA Joint Administrative and Capital Improvement Program Committee Meeting

June 1, 2011

Page 1

8. New Business

a. Renewable energy feasibility study application to EPA

Mr. Garcia said that FORA recently applied for a grant opportunity for the EPA to conduct a renewable energy feasibility study. The application is attached to the draft staff report in the packet. If the former Fort Ord is selected, study results would inform Fort Ord land use jurisdictions of renewable energy and solar power resources. Participation is optional with no cost to the jurisdictions.

b. MCWD update on the Regional Urban Water Augmentation Program ("RUWAP")

MCWD General Manager Jim Heitzman reported that a permit application was submitted to the Coastal Commission with a hopeful approval date in August. Unlike last year, bond funding availability is lower and interest rates are higher. However, MCWD is talking to banks about incrementally borrowing \$300M as funds are needed, which may help avoid about \$80M in finance fees which would likely occur under a bond issuance. Additionally, MCWD qualifies for between \$50M and \$200M through the State Revolving Fund under their reclamation program at 2.86% which would drastically lower the project cost on an expected 20-year payback plan. The landfill has been good to work with as they offer 20-year increments of power. A combination of these possible options could cause water rates to level out over the years.

Other notes include: 1) several permits are still needed, including the Coastal Commission permit; 2) some design changes have caused a slight delay; 3) once development begins, MCWD fee collection will pay down debt incurred; 4) through FORA roadway construction projects, MCWD installs piping required for the project; and 5) MCWD's easement across the Armstrong Ranch allows pipe installation upon demand.

Debby Platt asked when new water rates would go into effect. Mr. Heitzman responded that rates would be in place once the water goes into use. He additionally noted that the Coastal Commission views lack of support from the land use jurisdictions as affirmation that the project is not wanted, which is harming MCWD's position with them. He asked members to send letters to express their support of, and need for, recycled water through this project. Mr. Heitzman noted that online libraries were available at regionalwaterproject.com and waterformonterey.com.

9. June 10, 2011 FORA Board meeting – agenda review

A joint MCWD/FORA Board meeting, which begins at 3:00 pm, is being held to conduct a public hearing and review/approve proposed budgets and rates. The regular FORA Board meeting begins at 3:30 pm. The consent agenda includes the minutes and authorization to award a construction contract for the General Jim Moore Boulevard and Eucalyptus Road completion project. Low bids allow the award of all schedules within the bid documents. Veteran's cemetery funding and the Preston Park budget and management agreement amendment are consent agenda items as well. On Old Business item 4a, "second vote" will be added to the title (ESCA special access requests); 4c may be pulled if MPC comments are not received in sufficient time; 4d represents an MOU between FORA, Monterey County and the City of Seaside that requires an updated timeline and responsibilities; 4e is being moved to the July agenda; 4f was reviewed by the Finance Committee and will be reviewed by the Executive Committee later this afternoon. Finance Committee recommendations include hiring an assistant planner to work on the Base Reuse Plan assessment and a larger reserve amount (about \$1M). Executive Officer's Report items include an update regarding AB 1250 which FORA is reviewing to send comments to Luis Alejo. Under the travel report, the ADC conference in Virginia this July may provide an opportunity to travel to Washington DC. Under outstanding receivables, FORA is working with the City of Marina to resolve minor issues.

10. Items from Members - none

11. Adjournment - The meeting was adjourned at 9:00 AM.

Meeting notes prepared by Crissy Maras, Administrative Coordinator

FORT ORD REUSE AUTHORITY

100 12th Street, Building 2880

Marina, CA 93933

(831) 883-3672 (TEL) · (831) 883-3675 (FAX) · www.fora.ca.gov

APPROVED

MEETING MINUTES OF THE JOINT ADMINISTRATIVE / CAPITAL IMPROVEMENT PROGRAM ("CIP") COMMITTEE MEETING Wednesday, June 15, 2011

1. **Call to order at 8:15 A.M.** - Noting a quorum was present, Fort Ord Reuse Authority ("FORA") Executive Officer Michael A. Houlemard Jr. called the meeting to order at 8:15 AM. The following people, as indicated by signatures on the roll sheet, were present:

Michael Houlemard, FORA
Jim Feeney, FORA
Diana Ingersoll, City of Seaside
Jim Arnold, FORA
Ray Corpuz, City of Seaside
Graham Bice, MBEST
John Marker, CSUMB
Jonathan Garcia, FORA
Vicki Nakamura, MPC
Crissy Maras, FORA
Pat Ward, Bestor Engineers
Daniel Dawson, City of DRO
Jim Cook, Monterey County
Bob Brown, CSUMB

Nick Nichols, Monterey County
Daylene Alliman, FORA
Bob Schaffer, MPC
Patrick Breen, MCWD
Don Bachman, FAMO
Debby Platt, City of Marina
Ian Gillis, Urban Community Partners (UCP)
Keith McCoy, UCP
Tim O'Halloran, City of Seaside
Carl Nizawa, MCWD
Anya Spear, CSUMB
Scott Hilk, MPC
Steve Endsley, FORA

2. **Pledge of Allegiance** - Executive Officer Houlemard asked Bob Schaffer, who agreed, to lead the pledge of allegiance.

3. **Acknowledgements, announcements and correspondence** - Fort Ord Reuse Authority ("FORA") Executive Officer Michael A. Houlemard, Jr. announced that the County Board of Supervisors held a hearing and approved the Whispering Oaks project. Jim Cook noted Mr. Houlemard's comments during the hearing and added that the follow-on process would focus on the back country and the importance of finding trail connections. Access to the back country will be an asset to CSUMB and their students. Mr. Houlemard noted that during the hearing, several people said the Base Reuse Plan ("BRP") was "wrong". However, they may not be aware of work done since 2004 that validates the BRP. Especially work over the last year on the Capital Improvement Program ("CIP") review process which validated the amount of development and corresponding fee levels. If the BRP were revised to include fewer houses/less development, a higher development fee would be likely in order to fund remaining BRP obligations. Bob Schaffer added that the public may not be aware that the Habitat Conservation Plan reserves 18,000 acres of open space and that it's important to get that message out. Keith McCoy announced an open house on Tuesday June 21st at 6PM for trail discussions and pizza.

Additionally, Mr. Houlemard reported that there seemed to be some confusion amongst the Supervisors about airport development and that an update on the MBEST visioning process may help.

4. **Public comment period** - none

5. **Approval of the June 1, 2011 meeting minutes** - Mr. Houlemard noted that the minutes incorrectly reflected that he had been the chair of the June 1st meeting. The minutes will be revised to correctly reflect that Mr. Dawson chaired the June 1st meeting. On a motion made by Ray Corpuz and seconded by Todd Muck, the minutes were approved as revised.

6. Old Business

a. Habitat Conservation Plan – update

Senior Planner Jonathan Garcia directed Committee Members to a draft agenda in the packet for a June 21st HCP meeting, being held in the FORA “Barn”. The meeting will be held in two segments; the first part will address the EIS/EIR and comments received from the US Fish and Wildlife Service, the second part will address the HCP and how agency comments and feedback will be incorporated into the document. Prior to the meeting, Committee Members will receive a copy of regulator comments via email, along with any documents (or a link to an online document hosting site) that will be presented or discussed at the meeting. Chair Houlemard added his thanks to Bill Collins and the US Army for their help on the HCP.

b. Capital Improvement Program (“CIP”) – update

This meeting provides time for the Committee to review the two presented tables and provide feedback to staff in the effort to provide final tables at the June 29th meeting. Mr. Garcia recognizes TAMC and Todd Muck’s efforts on Table 2 (transportation and transit). After the Board made the fee reductions, FORA collected updated development forecasts from jurisdictions, which together caused a change in funding estimates. Mr. Garcia noted that Table 3 had been updated with the new fee level and the updated contingency items approved by the Board per the CIP review process.

Mr. Garcia reviewed Table 2, noting that R3a and R3b now appear when last year only R3 appeared. TAMC recommended breaking R3 into two parts to direct funding to the Monterey Branch line, keeping the overall total the same. The funding shown for R13 and R14 reflect grant matching funds. Most of the other projects were placed as funding was available. FORA staff kept the project start the same as TAMC recommendations but due to funding issues, many were stretched out for longer periods of time to accommodate funding shortfalls. Mr. Garcia specifically requested feedback on projects programmed in the upcoming fiscal year. He asked that feedback be submitted by Friday so the entire CIP document can be reviewed by the Administrative Committee on the 29th for recommendation to the Board in July.

Nick Nichols asked if Table 2 reflected the timing of when the projects would actually be implemented. FORA Senior Project Manager responded that due to very little time to balance the budget and work on the project spread, there was still some refinement to be done. Mr. Nichols noted that project FO6 should be a part of a single project with Eastside Parkway and similarly, so should Gigling Road. Mr. Arnold responded that something similar to that comment would be reflected during the refinement. Doug Yount noted that it appeared the projects were spread out over time to accommodate funding.

Don Bachman asked if there were any impediments to TAMC’s efforts, like agreements previously in place, rules on the use of certain funds, or previously set priorities. Mr. Arnold responded that two reimbursement agreements were in place; one with the City of Marina for projects 8, FO2, FO5 and FO11, and one with Monterey County for project 2B. A little less than 50% of developer fees collected is allocated towards transportation and transit, of that 50%, a certain percentage is allocated to each transportation project individually. Mr. Bachmann asked if the in-place agreements were working as intended, or if they should be updated. Instead of allocating money to projects that aren’t ready simply because of an in-place agreement, projects ready to be delivered could receive funding instead. Mr. Arnold noted that the Sierra Club settlement agreement requires that FORA shows its fiscal ability to fund all projects. Mr. Houlemard added that beyond the Sierra Club agreement, 25% of the fee is set aside for habitat funding, and transportation projects can be prioritized based on grant opportunities available, etc. Funding one project, or one mitigation, leaves less funding available for everything else. Possibly, the Phase II work for the CIP review process could show a more efficient way than collecting 25% of developer fees to build to an endowment.

Mr. Yount noted that it would be helpful to sync projects with development needs so that there’s a close linkage between the collection of fees and delivery of the project. He added that some work has been completed under Marina’s Reimbursement Agreement with FORA and they are waiting for reimbursement. He also added that 8th Street should be moved up to match the timing of Intergarrison and Gigling Roads.

FORA Director of Planning and Finance Steve Endsley noted that there is a chance to review the priorities and timing every year.

FORA Administrative Coordinator Crissy Maras added that there is room to consolidate some of the projects, that three projects were specifically mentioned: Intergarrison, Gigling and 8th Street, and that all other input from the jurisdictions needs to be received by Friday this week in order to revise the table and send it out electronically. Mr. Yount asked if there was a reason that this draft table was so different from the table the group saw previously as a part of the CIP review. Ms. Maras responded that when the TAMC-created Table 2 was input into Table 3, it showed deficits ranging from \$5M to \$10M occurring every year through 2017/18. This draft table was an attempt to balance the budget. Through the refinement process Mr. Arnold described, some of the projects will be more appropriately timed, grouped and/or consolidated. She again requested that any other feedback be submitted by the end of the week.

c. CIP Phase II study – update

Mr. Endsley noted that staff recently held a kickoff meeting with EPS regarding their CIP Phase II study. EPS is focusing their effort on the near-term elements of the Phase II study, including the Habitat Conservation Plan endowment pay out rate issue. Mr. Houlemard noted that several pieces from the Phase II study will fit into the BRP assessment and the timing of legislation needed regarding the FORA transition. Since several categories overlap, we need to make sure that the work is done as comprehensively as possible. Committee members requested a periodic update on EPS's progress.

7. New Business – none

8. Follow Up to the June 10, 2011 FORA Board Meeting

Mr. Houlemard reported that the Board had approved the preliminary budget, which includes the BRP assessment and the addition of one staff person to work on that project. He noted that FORA staff will work with the jurisdictions to take a coordinated approach to consultant selection, which needs to start this fall so the assessment can be complete by 01/01/13 per the Sierra Club agreement.

Mr. Yount added that the word "assessment" was a good word to use regarding this process as it might deter people from thinking the process is an "update" or "redo". An assessment is very straight forward. There may be no need to open the BRP and change a lot of things. An assessment may show that the BRP is still valid and should be implemented. Mr. Houlemard added that the word "assessment" was a very important part of the Sierra Club negotiation, versus "modifying" or "changing", etc. Both sides wanted to know that the BRP would not change drastically, so both sides approved the use of the word assessment. All of the underlying agreements in place rely on the BRP moving forward. Chapter 8 of the FORA Master Resolution describes three triggers for BRP assessment: allocation of an augmented water supply, building permit for the 6001st dwelling unit, or 01/01/13. Some work of the assessment may include updating things we know more about now, like the location of ordnance, the transportation program, storm drainage, listed species, etc.

Other follow-up from the Board meeting includes: the City of Marina will review the Preston Park items that were pulled from the consent agenda; an agreement was approved that will allow us to move ahead with access to ESCA lands; the CIP was moved from June to July; construction contract with Top Grade was authorized; and the Eastside Parkway agreement was approved with the removal of two sentences. Staff will start getting signatures on the agreement as a next step.

9. Items from Members – On June 27th an MBEST leadership visioning process meeting is scheduled.

11. Adjournment - The meeting was adjourned at 9:27 AM.

Meeting minutes prepared by Crissy Maras, Administrative Coordinator

FORT ORD REUSE AUTHORITY BOARD REPORT	
EXECUTIVE OFFICER'S REPORT	
Subject: Legislative Committee Report	
Meeting Date: July 8, 2011	INFORMATION
Agenda Number: 8c	

RECOMMENDATION:

Receive a report regarding the Legislative Committee ("LC") meeting held on June 27, 2011.

BACKGROUND/DISCUSSION:

The LC focuses primarily on state and federal legislation that impacts former Fort Ord redevelopment. The Fort Ord Reuse Authority's ("FORA's) state and federal staff representatives give reports at each committee meeting, particularly when legislatures are in session. The recent focus of the state and federal legislation includes the budget, California Central Coast Veterans Cemetery, redevelopment, FORA extension, BRAC cleanup, and the Veterans Clinic. The LC met on June 27, 2011 and the members reviewed the reports from the legislative offices and JEA & Associates.

The draft minutes will be available at the August board meeting.

FISCAL IMPACT:

Reviewed by FORA Controller M.F. for I.B.

Staff time for this item is included in the approved FY 10-11 budget.

COORDINATION:

Legislative Committee and JEA and Associates.

Prepared by Daylene Alliman
Daylene Alliman

Approved by Michael A. Houlemard, Jr.
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Habitat Conservation Plan – status report

Meeting Date: July 8, 2011

Agenda Number: 8d

INFORMATION

RECOMMENDATION(S):

Receive a status report regarding the Habitat Conservation Plan (“HCP”) and State of California 2081 Incidental Take Permit (“2081 permit”) preparation process.

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority (“FORA”), with the support of its member jurisdictions and consultant team, is on a path to receive approval of a completed basewide HCP and 2081 permit in 2013, concluding with the US Fish and Wildlife Service (“USFWS”) and California Department of Fish and Game (“CDFG”) issuing crucial federal and state permits.

ICF International (formerly Jones & Stokes), FORA’s HCP consultant, completed a pre-public administrative draft HCP on December 4, 2009. FORA member jurisdictions completed a comment and review period, which ended February 26, 2010. At this time, USFWS has commented on all draft HCP sections, while CDFG has provided limited feedback.

On January 24, 2011, Chair/Supervisor Dave Potter, Executive Officer Michael A. Houlemard, Jr., Acting Assistant Executive Officer Steve Endsley, and Authority Counsel Jerry Bowden met with John Laird, the Natural Resources Secretary, in Sacramento. During the meeting, FORA legislative representatives described the year-long delay in CDFG’s review of the draft HCP and requested immediate feedback and a commitment to meeting HCP approval schedule milestones. CDFG has been more engaged in the process since this time and reaffirmed their commitment to the process when milestones were missed this Spring.

FORA hosted an in-person coordination meeting on Tuesday June 21, 2011. The results of the meeting were generally positive. USFWS and CDFG provided feedback to Denise Duffy and Associates (“DD&A”) on the draft Environmental Impact Statement/Environment Impact Report (“EIS/EIR”) document. USFWS and CDFG agreed to an expanded habitat range assumption for the Monterey Ornate Shrew (“MOS”), provided the HCP cost assumptions were adjusted to include the costs of expanded baseline MOS surveys. The result of this decision is that the MOS can be included as a covered HCP species under the current Habitat Management Area reserve system, the last technical problem to be resolved. Next steps include ICF International’s delivery of the 3rd Administrative Draft HCP September 1, 2011 and DD&A’s completion of the Draft EIS/EIR document in September, each for internal review.

The meeting included discussion of the HCP schedule, which showed issuance of USFWS and CDFG incidental take permits anticipated in August of 2013 (**Attachment A**). The primary reasons for this delay in the HCP schedule are:

- 1) USFWS’s request for several chapter reorganizations/revisions,
- 2) USFWS’s request to submit a 3rd Administrative Draft HCP to USFWS and CDFG after review by FORA, FORA’s member agencies, and BLM, and

3) USFWS and CDFG's delay or lack of comments on the 2nd Administrative Draft HCP – Dec. '09 (complete USFWS comments received on April 26, 2011 and limited CDFG comments received).

Due to the discussion, ICF International is updating the schedule based on current feedback. Some schedule milestones have statutory review requirements (set in law) that cannot be adjusted, such as NEPA and CEQA review periods. For several other milestones, FORA and its member agencies do not have direct control, such as USFWS and CDFG review periods. FORA and its member agencies can speed the process of a few milestones by limiting FORA, FORA's member agencies, and BLM's review of the draft HCP document to a few weeks instead of several months (this time-savings is not reflected in the current schedule).

FISCAL IMPACT:

Reviewed by FORA Controller M.F. for I.B.

ICF International and Denise Duffy and Associates' (FORA's NEPA/CEQA consultant) contracts have been funded through FORA's annual budgets to accomplish HCP preparation.

COORDINATION:

Executive Committee, Administrative Committee, Legislative Committee, HCP working group, FORA Jurisdictions, USFWS and CDFG personnel, ICF International, Denise Duffy and Associates, and various development teams.

Prepared by Jonathan Garcia Reviewed by Jonathan Garcia for Steve Endsley
Approved by Michael A. Houlemard, Jr.

Table 1. Schedule for Installation-Wide Multispecies Habitat Conservation Plan for Former Fort Ord, California

EIR/EIS	Status																		
	2011				2012				2013										
	J	F	M	A	M	J	J	A	M	M	A	M	J	J	A	S	O	N	D
1 Prepare 1st Admin Draft EIS/EIR	█	█	█	█															
2 Review Period																			
3 Prepare 2nd Admin Draft EIS/EIR																			
4 Solicitor review (3 weeks)																			
5 Prepare Public Review EIS/EIR																			
6 Prepare and publish Notice of Availability in Federal Register (see HCP-7 above)																			
7 Prepare and publish CEQA Notice of Availability (1 - 2 months)																			
8 Public/Agencies Review Period (90 days)																			
9 Respond to public comments/Prepare st Admin Draft Final EIS/EIR																			
10 Review Period																			
11 Prepare Final Public Draft EIS/EIR - clear for publication																			
12 Publish Notice of Final EIS, HCP and IA Availability in Federal Register																			
13 Publish CEQA Notice of Determination - Permit Applicants																			
14 CEQA Notice of Determination--CDFG																			
15 30 day public review period																			
16 See Approval Process steps																			
17 Federal Prep and Pub of <i>Record of Decision (ROD)</i>																			
18 30 day CEQA challenge period																			

Table 1. Schedule for Installation-Wide Multispecies Habitat Conservation Plan for Former Fort Ord, California

Status	2011												2012												2013											
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Implementing Agreement																																				
1 Prepare 2nd Admin Draft IA	DONE																																			
2 Wildlife Agency and Working Group Review Period	[Gantt bar: Jan-Mar 2011]																																			
7 Prepare 3rd Admin Draft IA	[Gantt bar: Apr-Jun 2011]																																			
8 Review 3rd Admin Draft IA (Permit Applicants and BLM only)	[Gantt bar: Jul-Sep 2011]																																			
9 Respond to comments	[Gantt bar: Oct-Dec 2011]																																			
10 Review 3rd Admin Draft IA (Permit Applicants, BLM, Wildlife Agencies)	[Gantt bar: Jan-Mar 2012]																																			
11 Prepare Screen-check Draft IA	[Gantt bar: Apr-Jun 2012]																																			
12 Review Pre-Screen-check Draft IA (Permit Applicants and BLM only)	[Gantt bar: Jul-Sep 2012]																																			
13 Prepare Screen-check Draft IA	[Gantt bar: Oct-Dec 2012]																																			
14 Review Screen-check Draft IA (Wildlife Agencies)	[Gantt bar: Jan-Mar 2013]																																			
15 Prepare Public Draft IA	[Gantt bar: Apr-Jun 2013]																																			
16 Prepare and publish Notice of Availability in Federal Register (see HCP-12 above)	[Gantt bar: Jul-Sep 2013]																																			
17 Public/Agencies Review period (90 days)	[Gantt bar: Oct-Dec 2013]																																			
18 Prepare Final IA	[Gantt bar: Jan-Mar 2014]																																			
19 See Approval Process steps	[Gantt bar: Apr-Jun 2014]																																			
Approval Process																																				
1 Permit Applicants and BLM Approval of Final Plan, Final EIR/EIS and Final IA	[Gantt bar: Jul-Sep 2014]																																			
2 Establish Implementing Entity	[Gantt bar: Oct-Dec 2014]																																			
3 Implementing Entity approves Final Plan, EIR/EIS and Implementing Agreement	[Gantt bar: Jan-Mar 2015]																																			
4 See EIR/EIS steps 11, 12 and 13	[Gantt bar: Apr-Jun 2015]																																			
5 Local Agencies Adopt Imp Ordinances	[Gantt bar: Jul-Sep 2015]																																			
6 Wildlife Agencies Approval of Plan, EIR and EIS and IA	[Gantt bar: Oct-Dec 2015]																																			
7 FG Findings Preparation	[Gantt bar: Jan-Mar 2016]																																			
8 FWS Findings/Biological Opinion	[Gantt bar: Apr-Jun 2016]																																			
9 Permits issued by FWS	[Gantt bar: Jul-Sep 2016]																																			
10 Permits issued by CDFG	[Gantt bar: Oct-Dec 2016]																																			

FORT ORD REUSE AUTHORITY BOARD REPORT**EXECUTIVE OFFICER'S REPORT****Subject:** Executive Officer's Travel Report**Meeting Date:** July 8, 2011**Agenda Number:** 8e**INFORMATION****RECOMMENDATION(S):**

Receive a Fort Ord Reuse Authority ("FORA") Executive Officer report regarding Association of Defense Communities ("ADC") Board meeting and Defense Policy Forum held May 8 – 11, 2011 in Washington, DC.

BACKGROUND/DISCUSSION:

ADC unites the diverse interests of communities, state governments, the private sector and the military on issues of base closure and realignment, community military partnerships, defense real estate, mission growth, mission sustainment, military privatization, and base redevelopment.

The purpose of the annual board meeting is to ensure that activities are tied to measurable goals and objectives including the annual budget and work plan. As former ADC President, FORA Executive Officer Michael Houlemard is instrumental in this process.

Mr. Houlemard participated on a panel of speakers who introduced the ADC Strategy to Extend Community-Military Partnerships topic by describing the City of Monterey's, model for providing municipal services to the Presidio of Monterey and the Naval Postgraduate School, and discussed examples of how these agreements can go beyond municipal services, and the potential for Department of Defense to recognize and support community-military planning organizations.

FISCAL IMPACT:

Reviewed by FORA Controller M.F. for 1.3.

All hotel and airfare costs are reimbursed by ADC. Conference registration fee and travel incidentals were covered by the approved FORA budget and according to FORA's travel policy.

COORDINATION:

Executive Committee and ADC members.

Prepared by

Daylene Alliman
Daylene Alliman

Approved by

Michael A. Houlemard, Jr.
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Fort Ord Reuse Authority FY 2010-11 Annual Report

Meeting Date: July 8, 2011

Agenda Number: 8f

INFORMATION

RECOMMENDATION(S):

Receive the FY 2010-11 Fort Ord Reuse Authority Annual Report.

BACKGROUND/DISCUSSION:

Fort Ord Reuse Authority ("FORA") staff provides project and activity updates on a regular basis to apprise the FORA Board of Directors, local and regional jurisdictions, legislature offices, community members and the business leadership of the reuse progress. FORA staff expects to distribute the Annual Report to local, national, state and/or regional entities at meetings, conventions, and to the public. The Annual Report will be distributed to the FORA Board of Directors at the July 8th, 2011, Board Meeting.

FISCAL IMPACT:

Reviewed by Controller: M.F. for 1, B.

Printing costs and staff time for this item were included in the approved FY 10-11 budget.

COORDINATION:

FORA Staff

Prepared by Laura Cohan
Laura Cohan

Approved by Michael A. Houlemard, Jr.
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Reimbursement Agreements: Outside Agency Access to FORA/ESCA property – update

Meeting Date: July 8, 2011
Agenda Number: 8g

INFORMATION

RECOMMENDATION(S):

Receive a Fort Ord Reuse Authority (“FORA”) Executive Officer update report regarding Reimbursement Agreements from outside agencies seeking to access Environmental Services Cooperative Agreement (“ESCA”) properties.

BACKGROUND/DISCUSSION:

On June 10, 2011, the FORA Board granted approval for the Executive Officer to execute reimbursement agreements for ARCADIS U.S., Inc. (“ARCADIS”) to provide Unexploded Ordnance (“UXO”) support services to outside agencies requesting access to FORA-owned ESCA property prior to these properties receiving regulatory site closure. The FORA Board also authorized the Executive Officer to modify the existing FORA/ARCADIS Remedial Service Agreement under Contract Change Order #5 to allow ARCADIS to provide UXO support services to outside agencies. The FORA Executive Officer recently executed a reimbursement agreement with the Monterey Peninsula Water Management District (“MPWMD”) to support their Santa Margarita Well Aquifer Storage Recharge Project which is located on ESCA property, west of General Jim Moore Boulevard and south of Eucalyptus Road. The MPWMD Santa Margarita Well Aquifer Storage Recharge project is the result of a court order requiring MPWMD to mitigate use of the Seaside Aquifer.

FISCAL IMPACT:

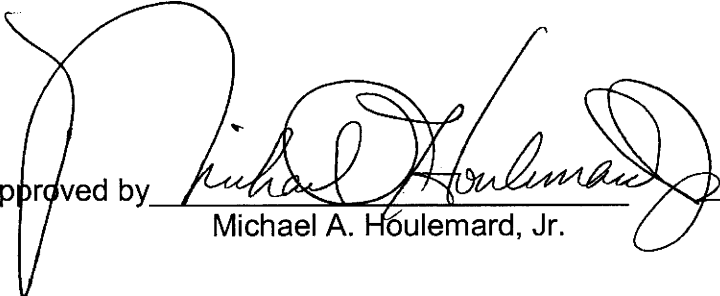
Reviewed by FORA Controller 

There will be no impact to FORA because ARCADIS services and FORA staff time will be reimbursed to FORA by MPWMD.

COORDINATION:

Not applicable.

Prepared by 
Stan Cook

Approved by 
Michael A. Houlemard, Jr.