



FORT ORD REUSE AUTHORITY

ANNUAL REPORT

Fiscal Year 2018-19

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INTRODUCTION

EXECUTIVE SUMMARY

NEARING THE FINISH LINE



Seaside's 2018 Surplus II demolition Kick-Off event.

During the 2018/2019 Fiscal Year, the Fort Ord Reuse Authority (FORA) experienced significant progress on multiple fronts. Specifically, FORA completed remaining munitions remedial activities, finished Surplus II building removal, received key mitigation payments from housing starts/sales, saw progress on design and environmental preparation for expansion of the California Central Coast Veterans Cemetery, documented ongoing increases in job production, approved new housing and commercial projects, and the Habitat Conservation Plan is being published for public review. Also, the Oak Woodlands planning process is nearing completion.

The FORA Board adopted a 2018 Transition Plan and an accompanying resolution which is guiding the dissolution of FORA's legislatively-mandated mission by conveying the obligations to underlying land use entities. The Transition Planning process has been

underway for three fiscal years, involving a wide range of full and frank meetings and discussions by three Ad Hoc Committees and regular updates, direction, and reports to/from the FORA Board.

Some of the past fiscal year highlights include:

- The Dunes on Monterey Bay, East Garrison and Sea Haven housing sales continued at close to projected levels.
- As part of the Dunes on Monterey Bay, the 40,000+ square-foot fast-casual retail project is thriving on the 3.7 acre site.
- The Monterey County Fire District East Garrison Station #7 opened in May 2018.
- FORA completed Oak Woodlands Planning recommendations for consideration by the City of Seaside and the County of Monterey.
- Following a \$6.8M Environmental Services Cooperative Agreement (ESCA) amendment for Munitions Monitoring and Reporting between the Army and FORA, an additional \$343,455 amendment to the ESCA was agreed to in March 2019 to assist land use jurisdictions by covering some additional portions of remaining items.
- CSU Monterey Bay completed or initiated several new building projects and enrollment increased to more than 7,200 students.
- Economic Development progress:
 - ▶ Jobs survey/update reported a 2% increase in jobs at former Fort Ord.

- ▶ Univeristy of California Monterey Bay Education Science and Technology Center (UCMBEST) completed its property auction with the sale closing escrow this summer.
- ▶ FORA staff sustained the Drone Automation Robotics Technology (DART) planning initiative toward future regional jobs generation.
- A water transfer was secured to enable development of the Veterans Transition Center shelter project.
- Barracks demolition in the "Surplus II" area to make way for future construction of the Seaside Campus Town was completed.
- South Boundary and Gigling Road projects are underway after prevailing in a lawsuit questioning project environmental impacts during replacement of the engineering consultant.

- FORA received another in the series of 20+ years of "clean" audits (audits without material or substantive exception).

The 2018-19 Fiscal Year achievements demonstrate a blend of ongoing and first-time successes with FORA continuing to fulfill requirements noted in the Base Reuse Plan while concurrently planning for ultimate transition of responsibilities to local land use jurisdictions with properties on former Fort Ord.



Michael A. Houlemard, Jr.
Executive Officer



The 2019 Association of Defense Communities John Lynch Community Leadership Award recipient Michael Houlemard, presented by Congressman Jimmy Panetta. The award recognizes and is given to an individual whose outstanding leadership has served as a model for other base closure commyunities across the country.

FORT ORD REUSE

REGIONAL ECONOMIC RECOVERY

PROGRESS

The Fort Ord Reuse Authority (FORA) was formed under State Law in 1994 to oversee the former military base reuse program and economic recovery from the 1991 closure of Fort Ord. Adopted in 1997, the Fort Ord Base Reuse Plan (BRP) provides the policy and land use framework to guide the reuse/recovery process. Framed on three principles of Economic Recovery, Educational Reuse, and Environmental Conservation, the reuse undertaking provides a balanced, resource-constrained program yielding new educationally-centered communities, vast areas of open space and conserved native habitats, new housing and job opportunities, and anticipated vibrant new town centers.

Significant realization of the BRP vision has been achieved over the past two decades, especially in the educational and environmental components of the mission. Remediation of land areas previously used for military training purposes has included:

1. Cleanup of military waste, groundwater contamination, and unexploded ordnance;
2. Land and native plant conservation; and,
3. Infrastructure improvements to water/sewer systems and roads now being used by our local residents and communities.

Housing Starts



Year	Active Projects
FY 14/15	2
FY 15/16	2
FY 16/17	3
FY 17/18	4
FY 18/19	4

New Housing	Pre FY 14/15	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19 Actual YTD* <i>(Projected)</i>
New Residential	281	89	256	283	273	275 (316)
Total CFD Revenues	\$27,004,803	\$1,982,669	\$5,202,626	\$7,329,706	\$6,507,501	\$6,770,775 <i>(\$7,780,236)</i>

*Thru 4/30/19

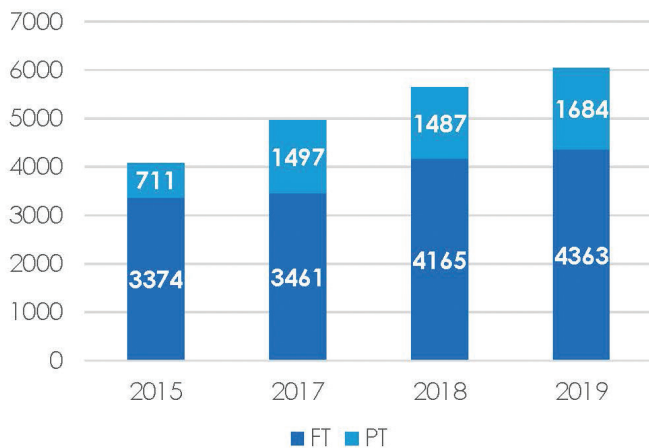
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(Regional Economic Recovery continued)

A centerpiece of the recovery, the California State University Monterey Bay (CSUMB) campus, has emerged as a shining light in reuse/recovery. Now in its 25th year, CSUMB has 7,200 full-time students, employs over 1,000 faculty and staff, and anticipates a student population of 15,000 by 2025.

In addition to the growth of CSUMB, new conservation and recreation lands have been preserved on approximately 18,000 of the 28,000 acres at former Fort Ord. The 14,500-acre Fort Ord National Monument recreational and open space area was dedicated by then-President Obama in 2012 and the 1000-acre Fort Ord Dunes State Park, which includes nearly four miles of Monterey Bay Marine Sanctuary shoreline, was dedicated in 2009. Together with 600 acres of the UC Fort Ord Natural Reserve and other associated conservation lands, these properties represent major conservation accomplishments in preserving native coastal habitat and providing community recreational uses for generations to come.

Jobs Survey



Year	Employers Surveyed
2015	72
2017	117
2018	133
2019	136

FORA 2019 JOBS SURVEY OVERVIEW

Full-Time and Part-Time Employment

Year	Full-Time	Part-Time
2015	3374	711
2017	3462	1497
2018	4165	1487
2019	4363	1684

SURVEY RESULTS

- 6% Jobs Increase
- 6047 Total Jobs
- 136 Employers

EMPLOYMENT

Employers

- 34% Other
- 22% Retail and Dining
- 14% Defense
- 12% Education
- 9% Professional
- 9% Civic and Community

Employees

Sector	Count
Defense	~2,400
Education	~1,500
Other	~1,500
Retail	~500
Civic	~300
Professional	~300

ABOUT THE SURVEY

- Base Reuse Plan Progress Metric
- 18,000 Jobs Goal
- 36% Complete

OrdForward.org

(Regional Economic Recovery continued)

New housing and businesses opportunities initially began with the 380-unit Seaside Highlands residential community as the first post-closure residential project to be completed. More recently, three new community developments have been created, two within the jurisdiction of the City of Marina (Dunes on Monterey Bay and Sea Haven) and one in the County of Monterey (Homes at East Garrison). These developments are among the 3,500 currently approved new housing units of the 6,100 units allowed in reuse of former Fort Ord. Along with residential construction, both the Dunes on Monterey Bay and East Garrison projects include major new town centers containing job-generating commercial and institutional development. The cities of Monterey, Seaside, and Del Rey Oaks also have future development plans on portions of their respective former Fort Ord lands.

FORA's Economic Development planning strategies include:

- Assisting in development of additional job creation and revenue generation opportunities—based on utilizing local and regional economic strengths (agriculture, tourism/hospitality, education, recreation, and government).
- Actively engaging with regional partners and community stakeholders.
- Retaining existing businesses and attracting new business and job creation options within the region.
- Developing and maintaining information resources regarding properties and options/opportunities available in reuse.
- Participating in regional economic development efforts and initiatives in coordination with other entities including the Monterey Bay Economic

Partnership, the City of Salinas Agtech ecosystem, Monterey County Business Council, CSUMB, UCSC and others.

- Measuring and reporting progress.

During the past fiscal year, FORA's economic development activities included:

1. Leading advancement of a regional economic development strategy focused on Drones, Automation & Robotics Technology (DART) in partnership with the City of Marina, CSUMB, UC Santa Cruz, Naval Post-graduate School, Monterey Bay Aquarium Research Institute, and many others. A capstone of this year's effort was the Monterey Bay DART Symposium, held June 21 at the Monterey Hyatt. This first annual event attracted over 160 participants from industry, academia and government to focus on the DART

opportunity. More information including speakers' presentations and highlights videos are available at <https://MontereyBayDART.org>;

2. Continuation of support and partnership with CSUMB Institute for Innovation & Economic Development (iiED) to grow the regional entrepreneurship ecosystem through its Annual Cycle of Innovation. More information is available at <https://StartupMontereyBay.org>;



3. Working with academic and industry partners to convene the 2nd Annual Monterey Bay Sustainable Hospitality Symposium, which brought together local, regional and global practitioners and thought leaders to advance sustainable hospitality. More information is available online at <https://Mbetr.org>;



4. Continuing to expand Central Coast Marketing Team impact in facilitating location opportunities for FORA jurisdictions and others regional partners. The past year’s strategic focus included supporting the DART initiative and developing community response to the new Opportunity Zone tax benefit provided in the 2017 Tax Cut & Jobs Act;
5. Completing a 4th year of an annual Jobs Survey on behalf of FORA member jurisdictions. Results indicate continued jobs and employers growth on the former Fort Ord—a total of 6047 positions (6% annual increase) and 136 employers. The full report is available online at <https://ordforward.org/2019-jobs-survey-report/>;
6. Continuing to sustain regular meetings under a partnership agreement for the UCMBEST Center and supporting the successful auction of the 49-acre West Campus; and,
7. Implementing additional multiple efforts to retain, expand and/or recruit business to the region.

For more information about reuse and redevelopment at former Fort Ord, visit the FORA economic development-oriented website OrdForward.com or contact Josh Metz at josh@fora.org

FORT ORD REUSE AUTHORITY BASE REUSE PLAN

COMPLIANCE

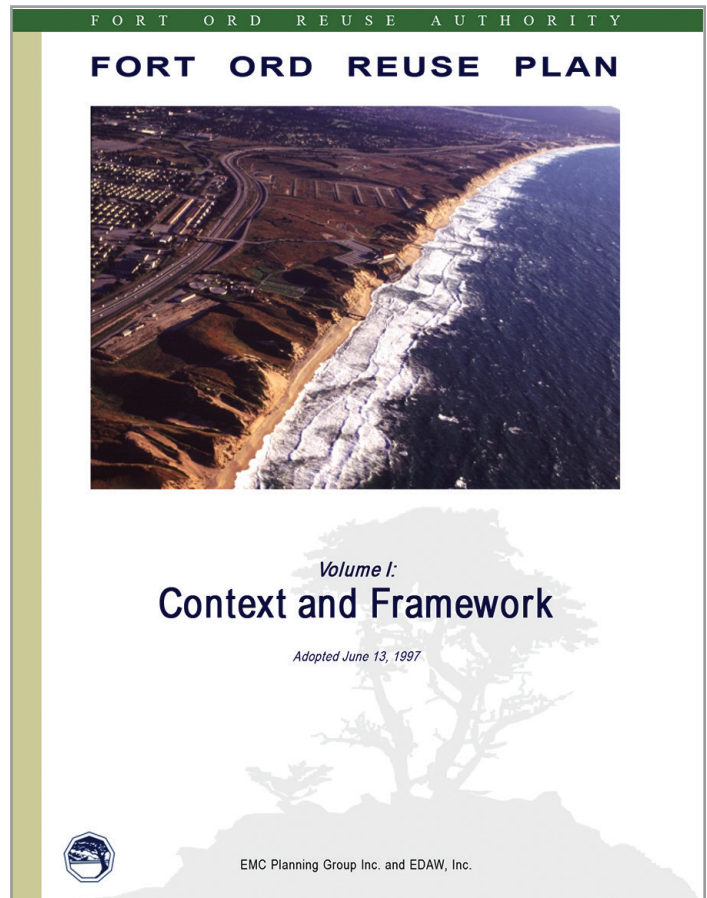
The Base Reuse Plan (BRP) is the guiding land use policy document for reuse and redevelopment of former Fort Ord. The BRP is a requirement under CA Law (Section 67700 - Authority Act), and was adopted in June 1997. A republished version of the BRP was completed in digital format in August 2001, incorporating various errata corrections and enabling digital referencing. The BRP envisioned a long-range timeframe for redevelopment of former Fort Ord.

Chapter 8 of the FORA Master Resolution required a BRP Reassessment be completed when 6,000 housing units were in place on former Fort Ord or by January 1, 2013. As the January 2013 deadline approached, the FORA Board authorized staff to contract with and direct EMC Planning Group, Inc. to complete the Reassessment. The 2012 final BRP Reassessment and Scoping Report were the culmination of that process, and identified a set of follow-up actions by category.

Categories I & II

In the BRP Reassessment Report, "Category I" consists of text/figure errata corrections to the BRP, and "Category II" involves BRP modifications due to FORA Board actions and regional plan consistency. Category I was completed in 2016. The results are posted on the fora.org website, under Planning/BRP and a hardcopy is available for review in the Community Information Center at the FORA office. Category II modifications were not undertaken during FY 2018-2019 and are not anticipated in the 2019-2020 FORA work plan.

Remaining Category II tasks relate to prior Board actions and Regional Plan consistency. Some FORA landholding jurisdictions are updating their General Plans and zoning maps. After those documents come to FORA for Consistency Determinations, staff will be able to attend to remaining Category II items.



Category III

In the definition/categorization used in the BRP Reassessment Report, Category III consists of policies and programs that were incomplete. FORA completed its remaining major BRP related project, the Regional Urban Design Guidelines, in 2016. In FY 2016-17 and 2017-18, FORA assisted the City of Seaside (Seaside) and County of Monterey's (County) efforts to finish BRP policies and programs designating an Oak Woodland Conservation Area within certain development parcels south of Intergarrison Road. In May 2016, after an extensive recruitment process,

(Base Reuse Plan continued)

FORA selected the planning firm of Denise Duffy & Associates (DD&A) to prepare a Draft Oak Woodland Conservation Area Map and Draft Oak Woodland Area Management and Monitoring Plan to advance Oak Woodland Policies and Programs for Seaside and County.

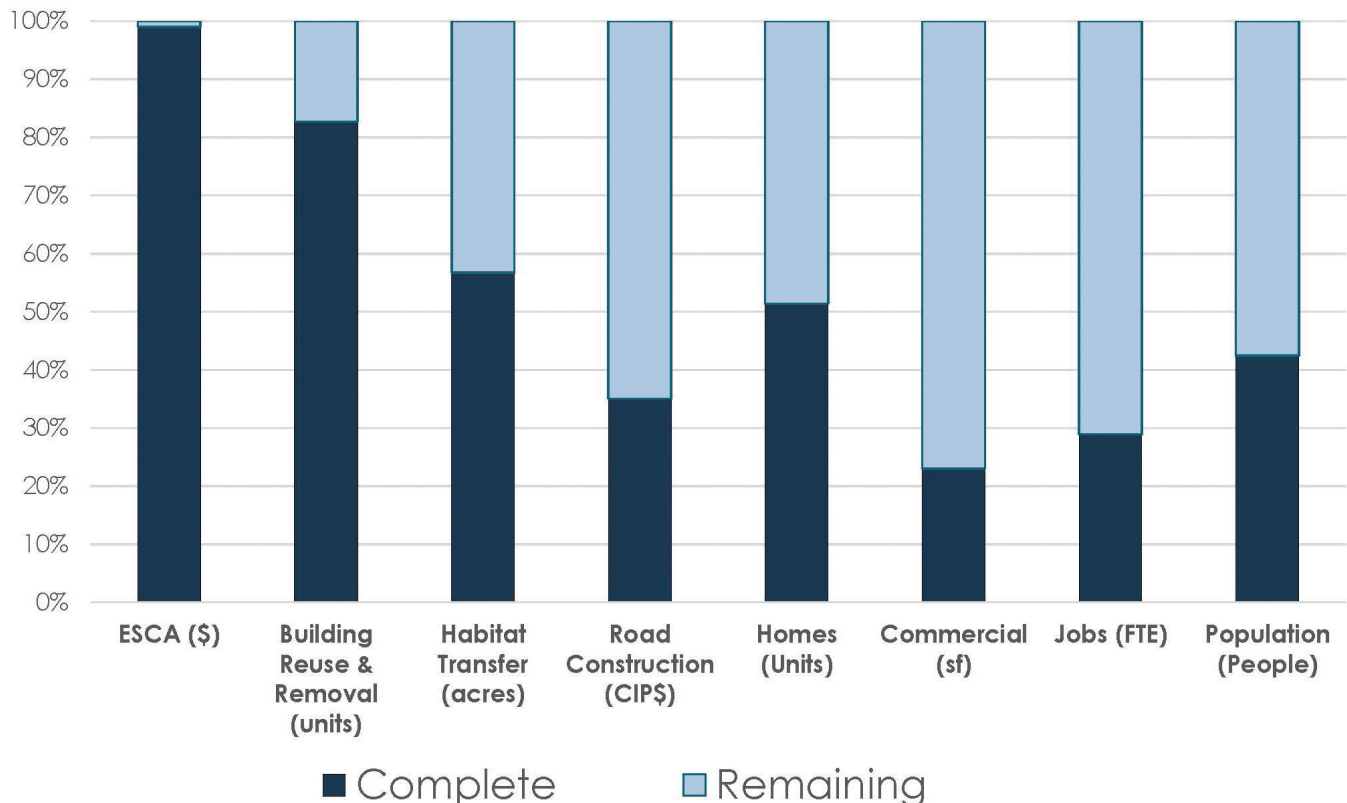


In FY 2017-18, DD&A assisted County and Seaside staff in the presentation of Oak Woodland Conservation Area concepts to the County of Monterey Fort Ord Committee and Board of Supervisors and the Seaside City Council. Seaside City Council weighed in on their preferred draft area in May 2018. The County Board of Supervisors weighed in on

In FY 2016-17, FORA staff engaged with Seaside and County to develop a public participation process which included an independent website about the collaborative conservation planning (oakwoodlands.org). Also, DD&A, FORA, Seaside, and the County coordinated two public meetings to gather input on County and Seaside’s BRP Oak Woodland Policies and Programs. In FY 2016-17, several land owners, including California State University Monterey Bay and Monterey Peninsula College, provided input to the planning effort.

their preferred draft area in June 2018. With that information, DD&A drafted the Management and Monitoring Plans for the jurisdictions. Seaside and County review processes have been delayed several months, however, when they finish their reviews, DD&A will continue the public participation process with public workshops on the draft plans and other project deliverables.

REUSE PROGRESS



Last Updated: 5/10/19

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PROGRESS REPORT

BASE REUSE PLAN

IMPLEMENTATION

Consistency Determinations

When a FORA member jurisdiction approves a legislative land use decision (such as a zoning or general plan amendment) within former Fort Ord, the FORA Board reviews the land use decision to certify consistency with the 1997 Base Reuse Plan (BRP). FORA also reviews a jurisdiction's development entitlement (such as a subdivision map, tentative map, parcel map, site plan, or building permit) approvals for BRP consistency. Development entitlement consistency determinations are administrative decisions made by the FORA Executive Officer. The Executive Officer informs the FORA Board of such administrative decisions, which may be appealed to the FORA Board.

If the FORA Board does not certify a consistency determination, the Board may suggest modifications. If suggestions are adopted by the applicable land use jurisdiction (county or cities) and transmitted back to the Board, they will be deemed approved upon confirmation by the Executive Officer. Should a land use jurisdiction decide not to accept the suggestions but instead proceed with a proposed project, the land use jurisdiction must resubmit its revised legislative land use decision to FORA for a new review and consistency determination.

Over the last several years, City of Seaside (Seaside) has pursued development of a new Draft General Plan (Seaside 2040). Seaside staff indicated to FORA that it will submit its Final General Plan (Seaside 2040) for a legislative land use decision consistency determination in Fiscal Year 2019-2020.

Seaside submitted a Zoning Code Update for a FORA consistency determination in July 2018. The Board certified it as consistent with the BRP in August 2018. Seaside also submitted the Senior Living development entitlement for a consistency determination in May 2019, and staff found it consistent. The development

consists of a 144-bed senior assisted living residential care facility of two stories located at 550 Monterey Road, between Seaside Highlands and Highway 1.

City of Marina (Marina) submitted a consistency determination request for the Marina Airport Master Plan Update and EIR in July 2018. The plan provides a framework for future lengthening of the airport runway to over 2,300 feet, and upgrades it from B-I to C-II design standards, incrementally. The Master Plan provides a basis for adding several hangars to the property in the future, future improvements to the general aviation building, and also future changes to the parachuting drop zone location. The FORA Board of Directors certified it as consistent with the BRP in August 2018.

In February 2019, Marina requested that the FORA Board certify its legislative land use decision and development entitlement for the Veteran's Transition Center Permanent Supportive Housing at 229-239 Hayes Circle submittal as consistent with the BRP. The project required a General Plan amendment to the land use designation for the 2.4-acre property classification from "Single Family Residential" to "Multi-Family Residential." This amendment granted a conditional use permit to increase the residential density to over 25 units per acre. The project is a three-story, seventy-one unit multi-family residential apartment complex. The FORA Board of Directors certified it as consistent with the BRP in March 2019.

Annual Reporting - Constraints Management

The BRP requires FORA to provide an annual report about the reuse, resource, and service levels related to planning and projects. Reporting addresses transportation improvement, water allocation, residential units and population, job creation, public services, and CIP conformance.

Monitoring Transportation Improvements

The BRP requires FORA to work with the Transportation Agency for Monterey County (TAMC) to monitor both current and projected traffic service levels on links identified as “on-site” and “off-site” road segments in the BRP. TAMC and its consultant Kimley-Horn completed the “2017 FORA Fee Reallocation Study” which was incorporated into the FY 2017-18 Capital Improvement Plan approved in May 2017. Through this study, TAMC performed a comprehensive review of traffic service levels within “on-site,” “off-site,” and “regional” segments and reallocated FORA’s transportation mitigation funding.

The study analyzed two scenarios: Build Current FORA Capital Improvement Program (CIP) and Build Alternative CIP (same as Current CIP with a broader definition of Highway 1 Corridor projects to include transit enhancements and 2nd Avenue Extension, also known as Del Monte Boulevard Extension). Both the Current CIP and Alternative CIP scenarios provided sufficient capacity in the roadway network to address future growth-related transportation deficiencies.

The 2017 FORA Fee Reallocation Study resulted in the following outcomes:

- FORA will utilize the Alternative CIP scenario in the fee reallocation.
- FORA will apply Option B, Fund Local Improvements First (100% of on-site projects receive funding) rather than the Option A, Nexus (on-site projects receive partial funding).

Water Allocations and Monitoring

The FORA Board is required to determine whether a project is consistent with the BRP and if a project approved by the land use jurisdiction can or cannot be served by water supplied by the FORA water purveyor from the jurisdiction’s allocation or by water imported to the former Fort Ord from another available water source.

Table 1.1 shows former Fort Ord Land Use Jurisdictions’ groundwater allocations, sub-allocations, 2018 Consumption Amounts, Committed Amounts, and Remaining Amounts in Acre Feet per Year (AFY).

Table 1.2 shows Fort Ord Land Use Jurisdictions’ recycled water allocations. Recycled water is not yet available for delivery to Fort Ord water users, but will be provided by the recently approved "Pure Water Monterey" project.

Table 1.1—Former Fort Ord Water Allocations

Ord Community Land Use Jurisdiction	SVGB Allocation (AFY)	Suballocations to	2017 Consumption Amt. (AFY)	Committed Amt. (AFY)	Remaining Amt.(AFY)	Notes:
CSUMB	1,035		317.68	938	97	
		Campus Buildout projection to 2025	317.68	938		2007 Campus Master Plan FEIR
City of Del Rey Oaks	242.5		0	0	242.5	
		None	0	0		
City of Monterey	65		0	0	65	
		None	0	0		
County of Monterey	710		180.54	527.5	182.5	

Table 1.1—Former Fort Ord Water Allocations (continued)

Ord Community Land Use Jurisdiction	SVGB Allocation (AFY)	Suballocations to	2017 Consumption Amt. (AFY)	Committed Amt. (AFY)	Remaining Amt.(AFY)	Notes:
		East Garrison 1	175.54	470		Allocation reso. 05-268
		MPC	0	52.5		Allocation
		Construction	0.86	0.86		MCWD 10-year Annual Consumption Report (Consumption report)
		Other	4.14	4.14		Consumption report
UCMBEST	230		1.8	1.8	228.2	
		UCMBEST Center existing use	1.8	1.8		Consumption report
City of Seaside	1,012.5		303.26	808.74	203.76	
		Sunbay Apts.	54.20	120		Allocation 10/23/2001 (FORA – Army MOA Amendment #1)
		Brostrom Park (Bayview)	56.83	84.8		Allocation 10/23/2001 (FORA – Army MOA Amendment #1)
		Seaside Highlands	126.20	168.5		Allocation reso. 02-07
		Seaside Resort	1.23	161.4		Allocation reso. 05-44
		Monterey College of Law	0.49	2.6		Allocation reso. 04-20
		MPC	0.26	9.7		Allocation reso 09-36
		MPUSD	28	28		Consumption report
		Chartwell School	4.01	6.4		Allocation reso. 05-26
		Main Gate	0	149		WSA totalled 207 AFY. Allocation of 149 AFY on 5/15/2008

Table 1.1—Former Fort Ord Water Allocations (continued)

Ord Community Land Use Jurisdiction	SVGB Allocation (AFY)	Suballocations to	2017 Consumption Amt. (AFY)	Committed Amt. (AFY)	Remaining Amt.(AFY)	Notes:
		Blackhorse & Bayonet Golf Courses	1.21	1.21		Agreed on 4/1/10: 2,500 AF in exchange for 17 acre parcel; maximum 500 AFY (temporary) Consumption Report
		American Youth Hostel	0	5.5		Agreed on 12/15/2007: Joint Seaside City Council/RDA meeting - Army-Seaside land exchange
		Seaside Senior Living	0	40.8		City Council approval of IS/MND 8/18/2016
		Construction	13.65	13.65		Consumption Report
		Other	17.18	17.18		Consumption Report
CalVet	5		2.44	2.44	2.56	
		CCCVC	2.44	2.44		Army Water Deed dated 8/1/2014
U.S. Army	1,562		409.31	409.31	1,152.69	
		None	409.31	409.31		Consumption Report
State Parks & Rec.	39.5		0	0	39.5	
		None	0	0		
City of Marina	1,340		382.45	1,278.65	61.35	
		Abrams Park	54.5	54.5		Consumption Report
		Cypress Knolls	0	156.1		Allocation 11/8/2006
		Sea Haven	38.02	292.4		Allocation 3/3/2004
		Preston Park	61.29	61.29		Consumption Report
		Preston Shelter	5.92	5.92		Consumption Report

Table 1.1—Former Fort Ord Water Allocations *(continued)*

Ord Community Land Use Jurisdiction	SVGB Allocation (AFY)	Suballocations to	2017 Consumption Amt. (AFY)	Committed Amt. (AFY)	Remaining Amt.(AFY)	Notes:
		School	.23	.23		Consumption Report
		Dunes on Monterey Bay	131.4	593		Allocation 5/31/2005
		Rockrose Gardens	0.72	4.89		Allocation 6/9/2011
		Airport	7.5	7.5		Consumption Report
		MPC	2.04	7		Allocation 2/6/2007
		Imjin Office Park	2.47	2.47		Consumption Report
		VTC Permanent Supportive Housing	0	15		City Council approval of IS/MND 11/20/2018
		Construction	25.28	25.28		Consumption Report
		Other existing	53.07	53.07		Consumption Report
Marina Sphere	10		.85	1.5	8.5	
		Ord Market	.85	1.5		Ord Market Lease Agreement, dated 9/5/2006
Reserved to cover line loss	348.5		0	348.5		
Total GW:	6,600		1,598.33	4,316.44	2,283.56	

Sources: FORA, Marina Coast Water District (MCWD), MCWD 2017 Water Consumption Report per notes column.

Notes:

“SVGB Allocation (AFY)” means allocations of Salinas Valley Groundwater Basin water made by the FORA Board after US Army transferred the majority of its 6,600 AFY Salinas Valley Groundwater Basin water rights to FORA.

“Sub-allocations To” means FORA agency’s allocation of its water rights to a specific project or projects, entity, or tracking of 2018 consumption data when no project allocation exists.

“Committed amount (AFY)” means project sub-allocation, when it exists, or 2018 consumption data when no project allocation exists.

Table 1.2—Fort Ord Recycled Water Allocations

Ord Community Land Use Jurisdiction	Recycled Water Allocation (AFY)
CSUMB	87
UC MBEST	60
County of Monterey	134
City of Del Rey Oaks	280
City of Seaside	453
City of Marina	345
Subtotal	1,359
Line Loss	68
Former Fort Ord Recycled Water Total:	1,427

Notes:

“Recycled Water Allocation (AFY)” means allocations of Recycled Water made by the FORA Board in 2007.

A number of former Fort Ord development projects (such as Seaside Resort Golf Courses, Seaside Highlands, and East Garrison) now include recycled water infrastructure (purple pipes) to deliver recycled water for landscaping when it becomes available.

Residential Unit and Population Monitoring

The BRP notes that FORA will incorporate jurisdictions’ reports regarding residential population and numbers of units in the FORA annual report (3.11.5.4(b)). Based on current information, Table 2 shows the current population estimate on former Fort Ord and Table 3 shows projected population within 2019.

Table 2—Current Former Fort Ord Population Estimate

Category	Units	Occupancy /Unit	Population
POM Annex	1,590	2.6	4,134
CSUMB	1,253	2	2,506
East Garrison	873	2.6	2,270
Seaside Highlands	380	2.6	988
Seaside Resort	5	2.6	13
Dunes on Monterey Bay	448	2.6	1,165
Sea Haven	234	2.6	608
Preston Park	352	2.6	915
Abrams B	192	2.6	499
Housing Authority	56	2.6	146
Shelter Outreach Plus	39	2.6	101
Veterans Transition Center	13	2.6	34
Interim Inc	11	2.6	29
Sunbay	297	2.6	772
Bayview	225	2.6	585
Estimated Subtotal:	5,968		14,765
CSUMB beds			1,832
Promontory beds			579
Estimated Total:			17,176

Table 3—Projected 2019 Former Fort Ord Population Estimate

Category	Units	Occupancy/ Unit	Population
POM Annex	1,590	2.6	4,134
CSUMB	1,253	2	2,506
East Garrison	1,016	2.6	2,642
Seaside Highlands	380	2.6	988
Seaside Resort	7	2.6	18
Dunes on Monterey Bay	478	2.6	1,243
Sea Haven	295	2.6	767
Preston Park	352	2.6	915
Abrams B	192	2.6	499
Housing Authority	56	2.6	146
Shelter Outreach Plus	39	2.6	101
Veterans Transition Center	13	2.6	34
Interim Inc	11	2.6	29
Sunbay	297	2.6	772
Bayview	225	2.6	585
Estimated Subtotal:	6,204		15,379
CSUMB beds			1,832
Promontory beds			579
Estimated Total:			17,790

Job Creation Monitoring

The BRP requires that FORA incorporate job creation reports into its annual report (3.11.5.4(c)). FY 2018-19 job survey results show a total of 4,363 full-time and 1,684 part-time jobs on former Fort Ord. The data does not include temporary construction positions. Assuming two part-time jobs are roughly equivalent to 1 full-time job, there were an estimated 5,205 full-time equivalent (FTE) jobs on former Fort Ord at the time of the survey. The full job survey report is available online:

<https://fora.org/Reports/2019-Final-FORA-Jobs-Survey-Report.pdf>

With a current estimate of 5,968 residential units, the estimated jobs/housing balance at former Fort Ord is 0.87 jobs/dwelling unit. The BRP uses a target jobs/household ratio of 2.06.

Monitoring of Public Services

If a project approved by a land use jurisdiction does not meet FORA's level-of-service standards for public services, the FORA Board will be required to determine that the project is not consistent with the BRP. FORA staff received four development entitlement and legislative land use decision consistency determinations in FY 2018-19, described herein under "Consistency Determinations." None of them threatened FORA's level-of-service for adequate services for wastewater, habitat management, and fire protection.

(Base Reuse Plan Implementation continued)

Monitoring of CIP Conformance

Public agencies such as FORA and MCWD are charged with providing public facilities (roads, water, sewer) to existing and future users. One of FORA's roles is to match infrastructure plans with infrastructure needs. FORA fulfills this role in part through monitoring Capital Improvement Program conformance.

The BRP states that if a project approved by a land use jurisdiction cannot be served by adequate infrastructure, the FORA Board is required to determine the project is not consistent with the BRP. FORA staff reviewed four development entitlement and legislative land use decision consistency determinations in FY 2018-19, described herein under "Consistency Determinations."

Seaside Senior Living was found to require mitigation for traffic, namely Mitigation Measure TRA-1, shifting employee schedules to reduce a pulse of traffic at the Fremont Boulevard-Highway 1 ramps. Operation of the senior living facility would result in a projected water demand of 40.8 AFY. Water supply is available to meet the demand.

Marina's Municipal Airport Master Plan Update also has a mitigation measure related to transportation/circulation, "TR/mm-1: Future development projects at the Airport shall comply with all City traffic policies, including the payment of traffic mitigation fees towards needed street or intersection improvements, when applicable." (IS/MND, draft November 2017)

Marina's Veteran's Transition Center Permanent Supportive Housing 229-239 Hayes Circle had very low impact on transportation and circulation, but cumulative impacts were addressed through an identified mitigation measure, signalization at an intersection. Potable water is sufficient for the project through a transfer of 15 AFY from the Army on January 5, 2018.

PROGRESS REPORT

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

FORA's Capital Improvement Program (CIP) was created in 2001 to establish Board policy, authorize annual activity, provide a planning/projections tool, and monitor mitigation obligations from the 1997 Fort Ord Base Reuse Plan (BRP). The CIP is a policy approval mechanism for ongoing BRP mitigation requirements as well as other capital improvements established by FORA Board policy. The CIP is revisited annually by the FORA Board to assure that projects are implemented on a timely basis.

Recently, FORA worked with consultants to complete two studies: the 2017 FORA Fee Reallocation Study, and the Biennial Formulaic Fee Review.

CIP Studies

Planning studies that FORA initiated in Fiscal Year (FY) 2018/19 consisted of: 1) the Transition Plan Transportation Study, implemented by Whitson Engineers and their sub-consultant Kimley-Horn, and coordinated with Transportation Agency for Monterey County (TAMC); and, 2) the Biennial Formulaic Fee Review, implemented by Economic & Planning Systems, Inc. (EPS) for the FORA Community Facilities District (CFD) special tax. These studies will provide important information to the FORA Board, Administrative Committee, CIP Committee, jurisdictions, public, and developers concerning levels of service, cost, and funding for FORA transportation projects and other FORA CIP projects such as building removal.

Forecasting

CIP development forecasting is subject to economic and market forces. Annual jurisdictions' development forecast updates remain the best method for CIP programming since timing of project implementation is within the purview of individual jurisdictions. Consequently, the FORA Administrative Committee annually reviews jurisdictions' development forecasts to reflect project schedules and market changes.

In FY 2010/11, FORA had EPS perform a review of CIP costs and contingencies (CIP Review – Phase I Study), which resulted in a 27% across-the-board CFD special tax/development fee reduction in May 2011. Additional reductions of 23.6% and 17% in CFD special tax/development fees took effect in 2012 and 2014. In 2017, the FORA Board approved a 0.8% CFD special tax/development fee increase based on a recommendation from the Biennial Formulaic Fee Review. In July 2019, the FORA CFD special tax/development fee increased by 3.01% based on the prior year's construction cost index (CCI).

Costs and Fee Assignments

Costs assigned to individual CIP elements were first estimated in May 1995 and published in the draft 1996 BRP. Subsequently, Transportation/Transit costs were updated with the 1997 Fort Ord Transportation Study and 2005 FORA Fee Reallocation Study. After completion of the 2017 FORA Fee Reallocation Study and annually thereafter, FORA has adjusted its Transportation/Transit costs to reflect updated engineers' estimates for specific improvements and to reflect the Engineering News Record CCI inflation factors.

CIP Revenue Sources

The primary CIP revenue sources are the CFD special tax/development fee and land sale proceeds. These primary sources are augmented by loans, property taxes, and grants. The CFD special tax/development fee has been adjusted annually to account for inflation, with an annual cap of 5%. The FORA CFD special tax/development fee pays for mitigations including Transportation/Transit projects, Habitat Management obligations, and Water Augmentation. Land sale proceeds are designated to fund Building Removal Program costs per FORA Board policy. After funding FORA building removal obligations, additional land sale proceeds can fund other CIP projects.

Project Accomplishments

FORA has actively implemented capital improvement projects since 1995. As of the last reporting period, FORA has completed:

A. Transit/Transportation

\$72M in roadway improvements had been made through the prior reporting period, including underground utility installation and landscaping, predominantly funded by US Department of Commerce – Economic Development Administration (EDA) grants (with FORA paying required local match), State support in the form of Defense Adjustment Matching grants, FORA CFD fees, loan proceeds, payments from

participating jurisdictions/agencies, property tax payments, and a FORA bond issue. In total, over 50 lane miles of new or refurbished roadways and bike lanes have been completed.

Specific projects have been:

- Safety improvements at various locations, including:
 - 1) replacement striping and weed abatement along South Boundary Road, Coe Avenue, Imjin Road and 2nd Avenue;
 - 2) installation of bicycle shoulders and street lighting on Inter-Garrison Road; and,
 - 3) pavement overlays on Imjin Parkway Road into the Marina Municipal Airport and Reservation Road from Imjin to Blanco. These projects were funded through a \$5.2 million EDA grant and FORA matching funds.

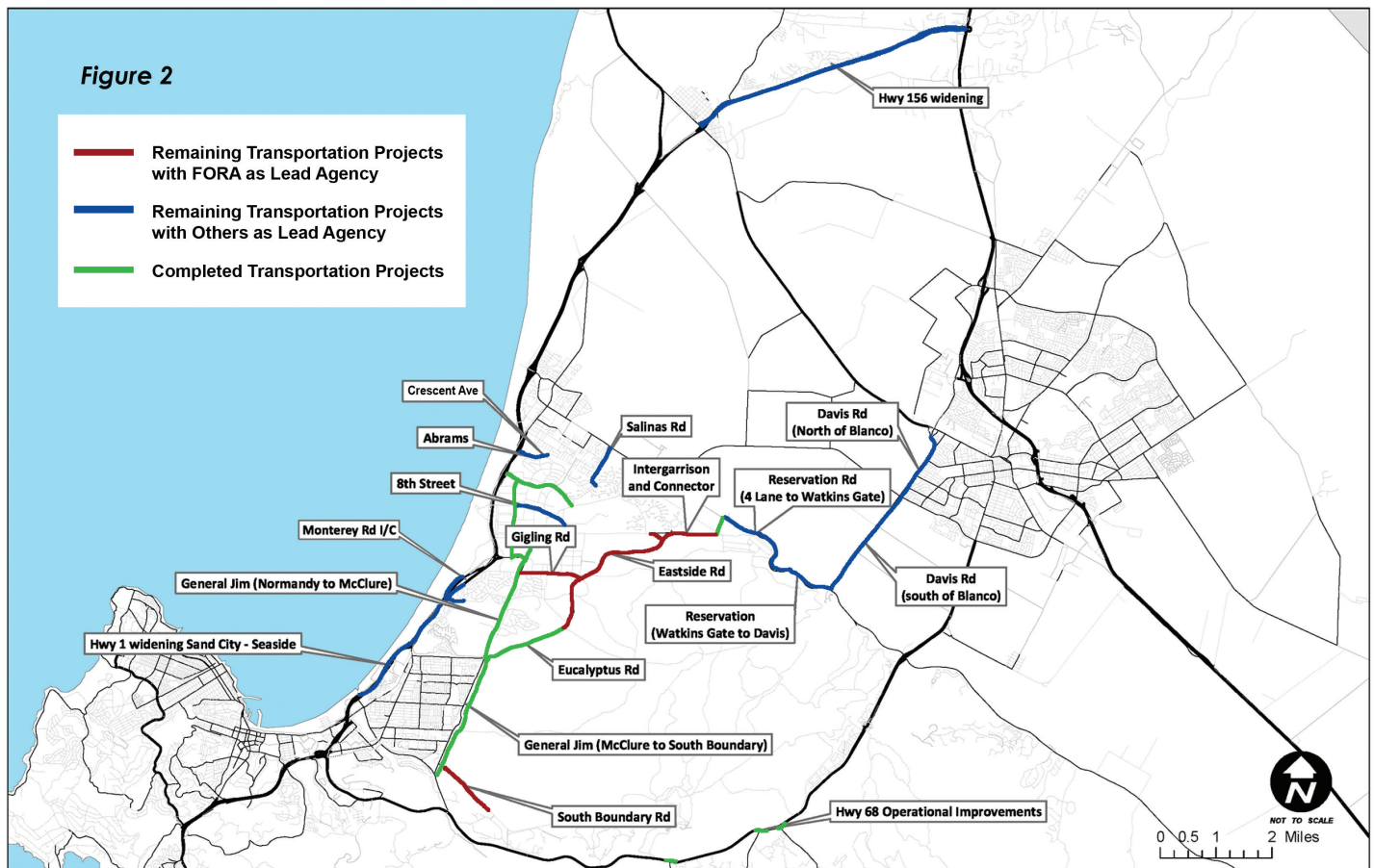


Figure 2: Remaining Transportation Projects

(Capital Improvement Program continued)

- Roadway improvement in the form of widening and adding signals to General Jim Moore Boulevard (GJMB) and Highway 218 (Canyon Del Rey Boulevard), and realignment of General Jim Moore Boulevard from Light Fighter Drive to 4th Avenue through a \$1 million EDA grant/FORA matching funds. GJMB Phases I through VI produced 22 total lane miles in roadway construction.
- Construction of new roadway, communication ducts, and storm drains with funding from a \$2.1 million EDA grant for University Drive and Research Drive on property owned by the University of California’s Monterey Bay Educational, Science and Technology Center (UC MBEST).
- Construction of new roadway, bicycle lanes, native landscaping and sound walls along California Avenue from Reindollar Avenue to Imjin Parkway with funding from a \$2 million EDA grant/FORA matching funds.
- Construction of new roadway, bicycle lanes, native landscaping and sound walls along California Avenue from Reindollar Avenue to Imjin Parkway with funding from a \$2 million EDA grant/FORA matching funds.
- Construction of Rancho Saucito Road in the City of Monterey, connecting Ryan Ranch Road to South Boundary Road, creating a “connection” between the existing boundaries of the cities of Monterey and Del Rey Oaks and their extended city limits on the former Fort Ord. This project included 1 lane mile of new roadway and was also constructed using EDA grant/FORA matching funds.
- South Boundary Overlay: With remaining EDA grant funds from the California Avenue/ Rancho Saucito Road projects, South Boundary Road (from Rancho Saucito Road to General Jim Moore Boulevard) received a pavement overlay and fresh striping.
- MBEST & University Drive: The connection and opening of the intersection of MBEST and University Drives with Blanco Road.
- Reservation, Blanco & Imjin Roads: Roadway and intersection widening, signalization, pavement overlay, fresh striping, and installation of a



separated bike path along Reservation Road to Imjin Parkway. The bike path was funded by a grant from the Monterey Bay Unified Air Pollution Control District and the roadway projects were funded by a \$9.8 million EDA grant/FORA matching funds, which also financed other projects noted below.

- Imjin Parkway: Construction of Imjin Parkway (realignment of 12th Street) from Imjin Road to the intersection of 2nd Avenue. This project included 10 lane miles of new roadway, bike lanes, separated bike paths, two signalized intersections and the installation and relocation of utilities. In 2003, FORA received a TAMC Transportation Excellence Award for Imjin Parkway.
- 2nd Avenue & Imjin Parkway Completion: Construction of the remainder of Imjin Parkway from 2nd Avenue to Highway 1, including the new Highway 1 North off-ramp, and upgrade and widening of 2nd Avenue from Imjin Parkway to Light Fighter Drive, including street and signal lights. This project produced 10 lane miles and was funded through a \$3.9 million EDA grant.

(Capital Improvement Program continued)

- **2nd Avenue Completion:** Telecommunications conduit installation, irrigation and landscaping, and bike lane striping to complete 2nd Avenue construction. This project utilized remaining EDA grant funds.
- **Coordination with Other Agencies:** FORA worked with Marina Coast Water District (MCWD) to enable water and wastewater facilities installation in conjunction with FORA's construction projects. This cooperative approach allowed MCWD significant savings while adding approximately 14.5 miles of potable water pipeline and 10 miles of recycled water pipeline.
- FORA has been funding its transit obligation through reimbursing MST's purchase or replacement of transit vehicles. Additionally, the BRP envisioned a "multimodal corridor" providing transit services between the Peninsula and Salinas. After a series of stakeholder meetings and community workshops, TAMC determined a preferred multimodal corridor route and a conceptual plan that will be used as a guiding document for development and roadway designs.

B. Habitat Management

FORA has provided upfront HCP preparation/California Environmental Quality Act (CEQA) funding and created a long-term endowment for HCP implementation. FORA has dedicated 30.2% of CFD special tax/development fee collections to build to a funding target of \$51.5 million for endowment funds necessary to implement habitat management responsibilities in perpetuity. FORA expects to set aside roughly \$17.8 million by June 30, 2020 toward this target.

C. Water Augmentation

FORA's accomplishments in the 2018/19 Fiscal Year built on the collaborative work of MCWD, Monterey Regional Water Pollution Control Agency (MRWPCA) and FORA to advance the previously approved Regional Urban Water Augmentation Project (RUWAP). The FORA Board approved a \$6M RUWAP Pipeline Reimbursement Agreement in September 2016. FORA has reimbursed portions of the \$6M for the completion of the trunk-line engineering. MCWD completed

RUWAP Pipeline construction in the previous fiscal year. MCWD began work in past two fiscal years with consultant EKI Environment & Water, Inc. to explore future water augmentation sources to meet future Fort Ord water needs.

D. Building Removal

Previously, FORA accomplished \$36.4 million in building removal at the Dunes on Monterey Bay, East Garrison, Imjin Parkway, Imjin Office Park site, and Seaside Surplus II.

In FY 18/19, FORA went out to bid to remove 19 buildings in Seaside Surplus II. Resource Environmental, Inc. was awarded the contract and substantially completed the building removal work by May 2019.

FORA is entitled to a \$19.4 million credit to future land sale for Marina Community Partners' phases II and III of the Dunes on Monterey Bay project. The last remaining FORA building removal obligation is \$4.6 million at the Marina Stockade.



E. Property Management and Caretaker Costs

In FY 2010/11, FORA contracted with EPS to perform a review of CIP costs and contingencies (CIP Review – Phase I Study). During the Phase I Review process, FORA jurisdictions expressed concern about accepting 1,200+ acres of former Fort Ord properties without sufficient resources to manage them. These obligations are not BRP required CEQA mitigations, but are considered base-wide obligations (similar to FORA's portion of building removal). In FY 2015/16, the FORA Board approved a Jurisdiction-Incurred

(Capital Improvement Program continued)

Caretaker Costs Reimbursement Policy which states that FORA funding for caretaker costs shall be determined by “allocating a maximum of \$500,000 from the prior fiscal year’s property taxes collected and designated to the FORA CIP.” FORA sets caretaker costs funding through the approved FORA CIP. FORA provided approximately \$450,000 to jurisdictions in Caretaker Cost funding in FY 2018/19.

F. Fire-Fighting Enhancement

The BRP originally identified a need for a fire station to monitor and control wild fires on the former Fort Ord and assigned a \$1.1 million FORA obligation. FORA staff met with area fire chiefs, public works directors and city managers who determined that purchasing firefighting equipment for existing fire departments would better serve anticipated reuse and wildland areas of the former Fort Ord. In July 2003, the FORA Board authorized the lease-purchase of five pieces of fire-fighting equipment, including four fire engines, one each for fire departments of Marina, Seaside, Monterey and Ord Military Community, and one fire tender for Monterey County Regional Fire District. The final payment was made in 2014 and this obligation is retired.

G. Storm Drainage Systems(including grants received—obligation retired)

Funds to design and construct alternative storm water runoff disposal systems allowed for the removal of storm water outfalls. As a BRP CEQA obligation, FORA was required to eliminate the disposal of storm water runoff from the former Fort Ord into the Monterey Bay National Marine Sanctuary. Additionally, the Final BRP Environmental Impact Report (FEIR) specifically addressed the need to remove four storm water outfalls that were discharging storm water runoff into the Sanctuary, creating canyon-like erosion within the Fort Ord Dunes State Beach. In 1999, FORA received an EDA planning grant for the removal of the outfalls and creation of storm water retention basins, and an EDA construction grant in 2001 for a total of \$1.6 million. FORA coordinated extensively with the U.S. Fish and Wildlife Service due to presence of the threatened Western Snowy Plover at the project site.

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



CLEANUP & REMEDIATION

ACCOMPLISHMENTS



The U.S. Army (Army) and FORA entered negotiations in Spring 2005 for an Army-funded Environmental Services Cooperative Agreement (ESCA) addressing “cleanup”/remediation of Army Munitions and Explosives of Concern (MEC) on approximately 3,340 former Fort Ord acres.

In 2007, the Army awarded FORA \$98M for MEC cleanup to address remnant hazard safety issues resulting from previous Army munitions training operations conducted at the former Fort Ord.

The 1997-adopted FORA Base Reuse Plan defines the reuse and recovery programs for Economic Development Conveyance (EDC) properties. The ESCA enabled MEC removal on EDC property not yet certified for transition from military to civilian use.

The planned ESCA MEC remediation field activities are now complete and ESCA field teams have:

- Recovered over 4,900 munitions items and 50,000 pounds of munitions debris;
- Sifted over 150,000 cubic yards of soil; and
- Removed residual Army cultural debris (115,000 pounds).

During these critical public safety actions, worker and public security was sustained and there were no injuries.

In January 2017, the Department of Toxic Substances Control (DTSC) - during their review of past Army cleanup work - asked the ESCA team to expand Seaside fieldwork

to assure effectiveness of past munitions remediation work, which was completed in the summer of 2017.

Once documentation of the ESCA field work and process is complete, the Army will issue proposed remedy plans and, ultimately, Records of Decision (ROD). Since the regulatory agencies have agreed that remediation is complete on the County North Munitions Removal Area (MRA) and Parker Flats Phase I properties, FORA has transferred these properties to the County of Monterey and Monterey Peninsula College.

Other ESCA properties remain closed as the Regulators review the field work documentation and develop safety controls, if needed. Until regulatory review, concurrence and site closure is received, the ESCA property is not open to the public. Regulatory approval does not determine end use. The underlying jurisdictions are authorized to impose or limit zoning, decide property density or make related land use decisions in compliance with the FORA Base Reuse Plan.

Since 2007, the ESCA Remediation Program (ESCA RP) has worked with local jurisdictions and community groups to provide safe coordinated access through ESCA properties to the Fort Ord National Monument. The ESCA RP has also diligently conserved former Fort Ord ecological resources and has:

- Managed 15 threatened and endangered species on approximately 3,340 acres;



Photography: Laura Vidauri/FORA ESCA Remediation Program/laura@fora.org

- Restored 14 acres of Coastal Chaparral habitat (Sprouting/ planting more than 30,000 native plant seedlings);
- Removed invasive weed species such as Ice Plant, French Broom and Pampas Grass;
- Continually removed illegally dumped materials on ESCA properties;
- Sponsored a Volunteer Trash Cleanup Day for 2 miles of former Fort Ord roads; and
- Removed dilapidated Army structures such as latrines, range towers and training structures.

The ESCA team continues to actively monitor biological resources and track restoration activities on ESCA properties. The ESCA 2017 Annual Natural Resource Monitoring, Mitigation and Management Report was published in January 2018 and can be found in the Army Administrative Record. The ESCA RP provides environmental stewardship on a yearly basis for the ESCA properties through erosion control; managing trespassing and illegal dumping; and performing Army sensitive species monitoring and reporting.

Since 2007 ESCA RP's robust community engagement and outreach program has been effective in communicating valuable information concerning; safe access, access restrictions, and corridors, program updates via Informal Community Workshops, FORA Board meetings, Army Community Information Workshops, ESCA website, newsletters, program brochures, Facebook, Twitter presence, and an ESCA Hotline.

In April 2018, the ESCA team hosted the first in a series of Land Use Control Training Workshops for the jurisdictions. These workshops will continue through 2018 and are designed to prepare the Jurisdictions for managing the ESCA property they will receive in 2019. In 2017, FORA and the Army negotiated an ESCA Amendment for FORA to provide Long-Term Management of ESCA property Long-Term Obligations and provide for Post-Closure MEC Find Assessments until 2028. In this capacity, FORA will manage the Jurisdictions and their Developer (including public utilities) UXO Construction Support requests and needs including UXO Awareness Training and acting as the conduit between them, the Regulatory Agencies and Army when their Developer Construction Support needs are reviewed. In Fall of 2017, the Army awarded FORA \$6.8 million dollars to provide this long-term management.

For more information about the ESCA RP or MEC work, please visit the ESCA RP website at: foraescarp.com



The ESCA team from left to right: FORA staff, Stan Cook and Laura Vidauri; Westcliff Engineers, Aimee Houghton and Jeff Swanson.

PAST & CURRENT

BUILDING REMOVAL

EFFORTS

FORA and FORA-Assisted Building Removal History

The adopted 1997 Base Reuse Plan (BRP) provided for negotiations with the U.S. Army to allow “no cost” transfer of property to local land use jurisdictions. A major contributing consideration underlying the “no cost” Economic Development Conveyance (EDC) land transfer was the impact of cleanup and removal of over 90 years of Army buildings at the former Fort Ord.

The Army left behind approximately 3,500 buildings that offered little or no use to the civilian community, ranging in age from the 1930s to the late 1980s. These buildings have deteriorated over time, contain various

forms of hazardous materials and are frequently target sites for vandalism and illegal dumping in close proximity to various occupied buildings. Jurisdictions see little or no future uses for the remaining dilapidated buildings as it is cost prohibitive to remodel the structures due to hazardous materials, health and safety and building code issues, and engineering challenges.

Since its inception, FORA has actively pursued understanding former Fort Ord building removal complexities and costs. At the same time, FORA continues to apply lessons learned to manage removal costs while protecting human health and the environment. Since 1996, FORA has removed

Building Removal Activity History

Activity	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
FORA Deconstruction																							
FORA Asbestos																							
FORA Reuse Hierarchy																							
FORA Contractor Quals																							
FORA LBP																							
FORA Characterization																							
FORA Imjin																							
FORA 2nd Ave																							
FORA/CSUMB Recovery																							
FORA/Dunes																							
FORA East Garrison																							
FORA Imjin Office Park																							
FORA ESCARemoval																							
FORA 4470																							
FORA/CSUMB Grant App																							
FORA Grant App																							
Seaside Surplus II																							
Marina Stockade																							
CSUMB Wood Blds																							
CSUMB Concrete Blds																							
Army RCI																							

(Building Removal continued)

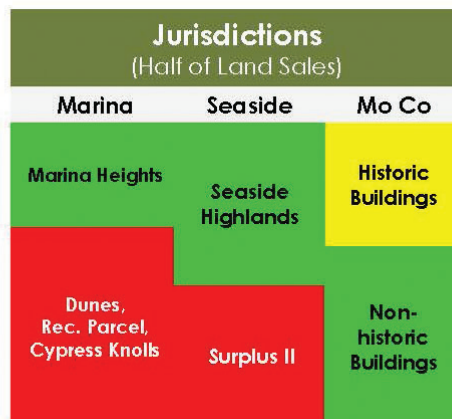
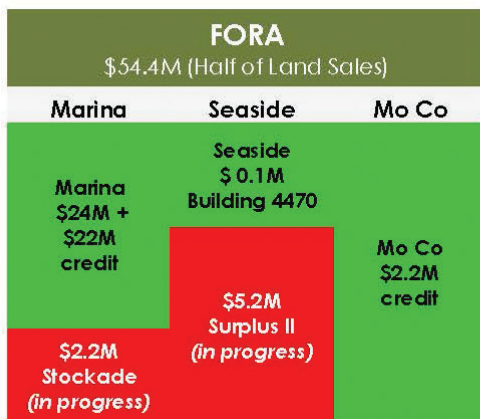
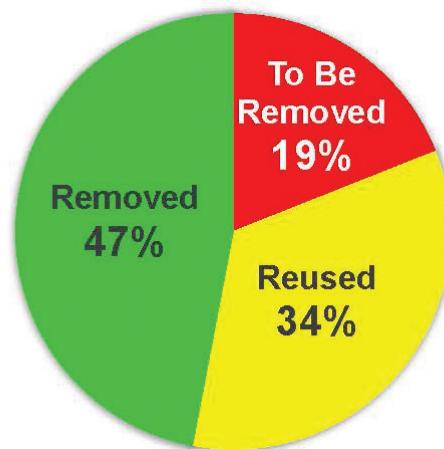
over 500 World War II (WWII) era wooden structures (approximately 4,000,000 square feet), achieving an approximate 90% building material recycling rate (by weight). Over the course of FORA's building removal program, the potential for job creation and economic recovery through opportunities in deconstruction, building reuse, and recycling were researched, and remediation techniques established that created efficiency and identified cost savings. FORA shared these lessons learned with California State University Monterey Bay (CSUMB) to establish a building removal program for their approximately 330 former Army buildings.

Snapshot of Comprehensive Building Removal on the former Fort Ord to date

FORA has provided approximately \$48.3 million in funding or land-sales revenue reduction to remove buildings or assist jurisdictions and their land reuse developers with removal. To date, FORA, CSUMB, the Army's Residential Communities Initiative and the jurisdictions (with the help of their developers) have coordinated to reuse or remove buildings on the former Fort Ord. The diagram illustrates the status of building reuse and removal on the former Fort Ord.

Reuse/Removal Obligation Status

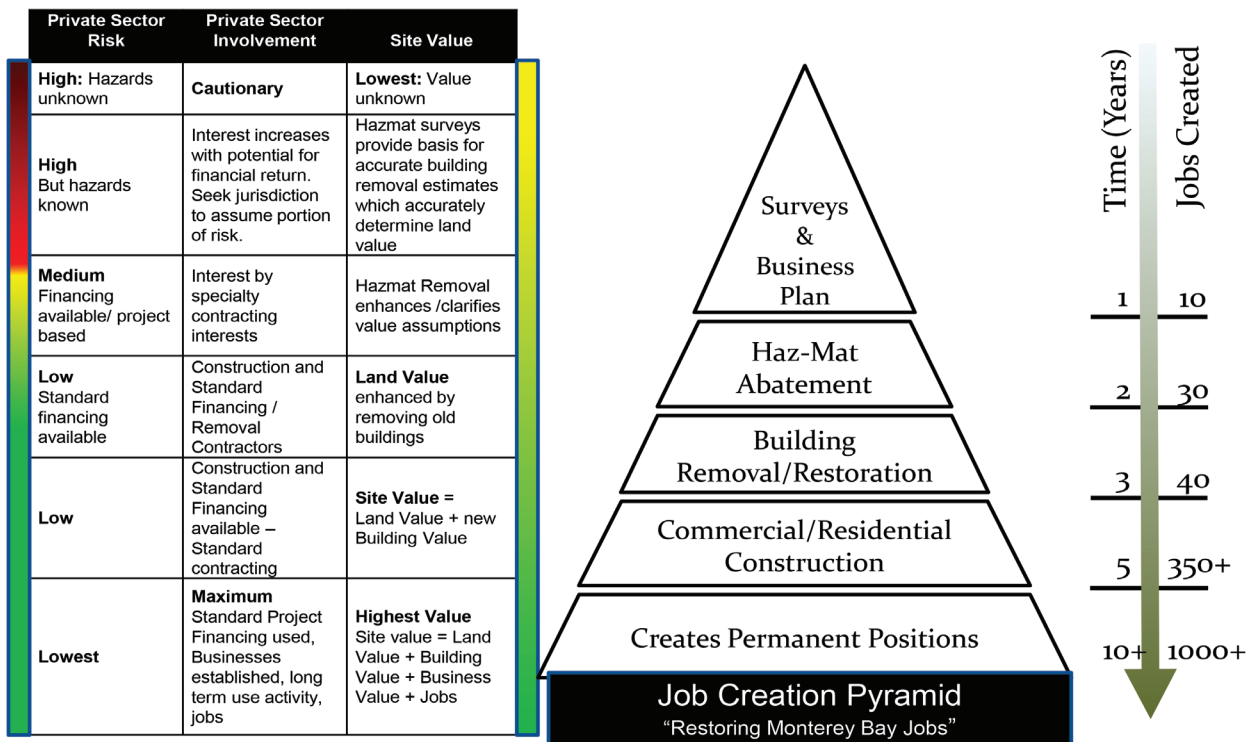
Buildings left by Army 1994



A map illustrating building reuse and removal status and where it has occurred is available on our website: fora.org/BuildingRemoval.

(Building Removal continued)

Building Removal “Economics”



A full history of building removal can be found in the CIP online: fora.org.

FORA Building Removal Obligation in the Cities of Seaside and Marina

FORA’s building removal obligation in the City of Seaside was to expend \$5.5M on building removal at the Surplus II properties, comprised of 50 acres located north of the Defense Manpower Data Center between Gigling and Colonel Durham Roads. In 2016, FORA hired an Industrial Hygienist to perform HazMat assessment of the Surplus II buildings. In Fiscal Year (FY) 2018-19 FORA contracted with a) Don Chapin to detach, cap, and repair the underground wet utilities and b) Resource Environmental, Inc. (REI) to abate and remove 20 of the 27 Surplus II buildings. FORA issued a Certificate of Substantial Completion to REI in June 2019, effectively completing FORA’s building removal obligation at Surplus II. FORA anticipates the contractors to complete the final punch list items and finalize the final closeout requirements in the first quarter of FY 2019-20.

Similarly, FORA’s building removal obligation also includes City of Marina owned Stockade property, made

up of 13.4 acres located east of the Marina Equestrian Center between 9th Street and Imjin Parkway. Early in 2016, FORA and Marina staff began Stockade removal discussions. In February 2017, the FORA Board awarded an Industrial Hygienist professional services contract to Vista Environmental. Vista completed the Stockade HazMat assessment. In November 2017 the Board awarded Harris and Associates (H&A) a Services Contract. H&A has submitted 60% plans, specifications and estimates (PS&E) for Stockade building removal. FORA Board has adjusted the Stockade Building Removal Budget to \$4.4M in the FY 2018-19 Capital Improvement Program.

In FY 2018-19 FORA contracted with Don Chapin to detach, cap, and repair the underground wet utilities at the Stockade. In June 2019, FORA staff issued a Notice of Intent to Advertise Invitations to Bid on the Stockade Abatement and Building Removal. Staff expects the public bidding process for abatement and demolition contractors to be complete with abatement starting in the first quarter of FY 2019-20.

Habitat Conservation Plan Development

FORA has pursued completion of the Fort Ord Habitat Conservation Plan (HCP) as the best basewide/holistic mechanism to implement the conservation elements of the Base Reuse Plan and the habitat protection requirements of the U.S. Army's Habitat Management Plan. In FORA's initial effort, FORA requested, and the U.S. Army agreed, that a combined 1996 Habitat Management Plan (HMP) Implementing/Management Agreement be presented alongside and in conjunction with the Army's draft HMP.

The Army subsequently elected to de-couple FORA's effort from the HMP and received approval for its HMP in 1997. Because an HCP was required as part of the reuse process, FORA prepared a draft Fort Ord Multispecies HCP along its own track. Completing the HCP will allow U.S. Fish & Wildlife Service (USFWS) and the California Department of Fish & Wildlife (CDFW) to issue Federal and State Incidental Take Permits (ITPs) related to listed species protected under the Federal Endangered Species Act (ESA) and California Endangered Species Act (CESA). Such permits will enable jurisdictions to meet their HMP habitat management requirements and realize reuse

of the former Fort Ord as envisioned in the 1997 Fort Ord Base Reuse Plan.

The HCP provides the framework for ensuring conservation of special status plant and animal species (HCP species) and the natural communities that support them on former Fort Ord. The HCP incorporates relevant information from the HMP, and would supersede the HMP as the primary conservation planning document for non-federal recipients of Fort Ord land. The protections in the HCP will ensure species viability in perpetuity.

The HCP can be coordinated by a Joint Powers Authority, dubbed the Fort Ord Regional Habitat Cooperative (Cooperative). The Cooperative would include: FORA, County of Monterey, City of Marina, City of Seaside, City of Del Rey Oaks, City of Monterey, California State Parks, University of California (UC), California State University Monterey Bay (CSUMB), Monterey Peninsula College, Monterey Peninsula Regional Park District, Marina Coast Water District, and the Bureau of Land Management (BLM). The Cooperative and its member responsibilities to the HCP base-wide ITPs, and ITPs conditions that the HCP must be properly implemented, ensures that the permit holders (permittees) will commit to implementing funding and mitigation obligations under the HCP.

FORA provided funding for the HCP preparation and has funded interim habitat management at the UC Fort Ord Natural Reserve (UC FONR). In addition, FORA has dedicated 30.2% of funds collected through its Community Facilities District (CFD) Special Tax/Development Fee to build the UC FONR and Cooperative Endowments. FORA expects to have set aside \$17.8 million for habitat management by June 30, 2020. Assuming CDFW certifies an endowment payout rate of 4.5% annually, it is estimated that \$33.7 million will remain to fully fund the endowments after 2020.



The Western Snowy Plover.

(Habitat Conservation & Management continued)



The HCP funding program is also based on annual Federal and State appropriations to BLM and California State Parks. State ITPs are linked to BLM activities and funding, while Federal ITPs are only linked to State and local HCP activities and funding. The Cooperative would control annual budget line item expenditures pertaining to duties assigned to the Cooperative. FORA would fund the Cooperative and UC FONR Endowments and startup costs using CFD Special Tax/Development Fee collections. The current draft HCP includes a cost and funding chapter which provides planning-level cost estimates for HCP implementation and identifies funds to pay for implementation.

Significant work accomplished recently:

- FORA and its consultants made revisions and prepared an additional screen check draft HCP distributed for Wildlife agencies and permittees' review in July 2017.
- CDFW submitted their outstanding comments in June 2018.

- USFWS Solicitor's office and regional office submitted comments on the pre-public draft HCP in November 2018 and the pre-public draft Environmental Impact Statement/Environmental Impact Report (EIS/EIR) in April 2019 (USFWS is project lead under National Environmental Protection Act.)
- FORA and its consultants made final revisions and completed the Public Review Draft HCP in June 2019.
- Denise Duffy & Associates has been making final revisions and preparing the Public Review Draft EIS/EIR with an anticipated completion in July 2019.

The HCP is expected to be released for public review in 2018-19. Given FORA's expected transition in 2020, this important project will have to be resolved in the near future, or otherwise re-envisioned. Visit the FORA website for more information: www.fora.org.

FORT ORD REUSE AUTHORITY

TRANSITION PLANNING

UPDATE



Current California State legislation (Government Code section 67000 and following) states that the Fort Ord Reuse Authority (FORA) will sunset on June 30, 2020, unless there is a change to state law extending this date. Accordingly, FORA staff began discussion meetings with FORA Board members in 2015. Since that time FORA established three ad hoc committees to meet, confer and advise the Board on how to proceed with transition planning regarding contractual obligations, outstanding CEQA mitigations (habitat, water, and transportation), and munitions and explosives clean up obligations which will still be required post 2020.

During the first part of 2018, staff compiled charts of the obligations, liabilities, and assets of the agency. The 2018 Transition Ad-Hoc Committee received, reviewed, and analyzed those matters and addressed multiple other matters such as: applicability of new development fees on already entitled development, funding gaps for outstanding obligations, and possible revenue sharing. The first draft background Transition Plan was presented to the Board on June 8, 2018 with a follow on workshop on July 13, 2018. The Transition

Plan took the form of a Board resolution in the Fall of 2018, continuing to address the requirements noted by California law and in coordination with State Legislative Offices and the Local Agency Formation Commission (LAFCO) staff and counsel. After considerable Board debate and votes on December 14 and 19, 2018 the 2018 Fort Ord Reuse Authority Transition Plan was forwarded/transmitted to LAFCO before December 31, 2018 as required by State Law.

In January 2019, Senator Monning introduced Senate Bill (SB) 189, which among other things extends FORA and the Community Facilities District (CFD) by two (2) years (through June 30, 2022). Additionally, it restructures the FORA board to that of a 8 member (5 voting) board of the underlying land use jurisdictions to oversee property tax, CFD, and other revenues, provides opportunity to revise the CFD boundaries as replacement revenue sources are adopted, and includes a California Environmental Quality Act exemption. Since then, SB 189 has advanced through State Assembly and Senate committees and upon final voting results, may then be forwarded to the Governor for consideration/signature.

PAST & CURRENT

PROPERTY TRANSFERS

STATUS TO DATE

The United States Army Fort Ord Military Reservation was listed for downsizing/closure in the 1991 round of Base Realignment and Closure (BRAC). The Base "flag" was ceremoniously taken down in 1994, property transfers commenced shortly thereafter.

The former Fort Ord is approximately 28,000 acres/45 square miles in size. The Army retained approximately 800 acres of the former Fort Ord to sustain military missions in the region and has been transferring title of the remainder to charitable organizations, sister federal agencies, State entities, and local communities through various transfer agreements. Many of these land title transfers do not involve FORA in the title transfer, ownership and decision process. FORA's role in Fort Ord property title transfer is limited, and once completed, FORA will no longer own or hold interest in lands on the former Fort Ord.

After the closure of Fort Ord, the Army was directed by Congress to convey land to qualified governmental and non-profit applicants that serve the public. Under federal property transfer law and McKinney Act provisions, these land transfers are known as Public Benefit Conveyance (PBC) transfers. Title to land under PBC transfers go from the Army through the applicant's federal sponsoring agency (i.e., Department of Education) to the applicant. FORA is not in the chain of title for PBC property transfers. PBC property transfers account for approximately 2,600 acres of the former Fort Ord.

Other portions of the surplus property on the former Fort Ord were requested by federal agencies. The Army transferred title to those properties directly to its sister agencies. FORA was not in the chain of title for federal to federal land title transfers, and these title transfers account for approximately

14,663 acres of the former Fort Ord—mostly to the Bureau of Land Management (BLM) for the Fort Ord National Monument.

Certain property transfers were directed by Congressional action to the City of Seaside, others were governed by pre-existing agreements with the US Army, and select acreage/buildings were transferred under special educational economic development terms to the University of California and the California State University.

FORA, representing the jurisdictions, negotiated an Economic Development Agreement with the Army for other properties on the former Fort Ord. These Economic Development Conveyance (EDC) land title transfers originate with the Army who conveys properties to FORA for subsequent or concurrent transfer to the appropriate underlying land-use jurisdiction or designee. EDC property title transfers account for approximately 9,000 acres of the former Fort Ord.

As noted in the section of this report, in 2007 FORA was awarded an Environmental Services Cooperative Agreement (ESCA) contract from the Army to remediate Munitions and Explosives of Concern (MEC) on the portion of EDC properties that the Army still had to transfer to FORA. Once remediation is complete and approved by the Army, US EPA, and California DTSC the property will transfer to the jurisdictions (Monterey County, Cities of Seaside, Monterey and Del Rey Oaks, CSUMB, Monterey Peninsula College) as originally planned in the Fort Ord Base Reuse Plan. FORA and the jurisdictions have entered into agreements for the jurisdictions to provide Emergency Services while FORA holds the land.

EDC PROPERTY TRANSFER PROCESS DESCRIPTION:

- Per FORA/Jurisdiction Implementation Agreements executed 2001: Section 4. Acquisition from Army; Disposition to Jurisdiction.
 - a. FORA shall diligently seek to acquire the portions of Jurisdiction Property from the Army identified within the EDC Agreement.

(Property Transfer continued)

- b. Concurrently with FORA’s acquisition of Jurisdiction property from the Army (or at such other times as the Parties may agree in writing), FORA shall transfer such property to the Jurisdiction, and the Jurisdiction shall accept such property. Upon transfer, such property shall become Jurisdiction-owned property. Each transfer shall include the deed restrictions and notices found in Exhibit F.
 - c. FORA shall keep the Jurisdiction informed about any conveyance of Jurisdiction property from the Army to FORA. FORA shall also prepare documents needed to convey property from FORA to the Jurisdiction.
 - d. If FORA decides to lease portions of the Jurisdiction property to a third party after transfer from the Army to FORA, but prior to its transfer to the Jurisdiction, FORA agrees to obtain the Jurisdiction’s prior written consent to such lease. FORA also agrees to distribute to the Jurisdiction fifty percent (50%) of the Sale or Lease Proceeds as defined in Section 1r.
 - e. The Jurisdiction may direct FORA to transfer property directly to a third party rather than to the Jurisdiction. If the Jurisdiction so elects, the distribution of Sale or Lease Proceeds as defined in Section 1r shall apply to the direct transfer.
- Per FORA/Jurisdiction Memorandum of Agreements Regarding Property Ownership and Responsibilities during the Period of Environmental Services to Remove Munitions and Explosives of Concern executed 2007:

FORA TO JURISDICTION PROPERTY TRANSFER ACTION ITEM CHECKLIST

Property Transfer Action Item	Responsible Party	Transfer Status
Army/FORA enter into a Memorandum of Agreement that defines the terms under which FORA receives property from Army on behalf of the jurisdictions.	FORA	Completed 2000
FORA/Jurisdiction enter into an Implementation Agreement that defines the terms under which FORA will transfer property to the jurisdictions.	FORA and Jurisdiction	Complete 2001
FORA/Jurisdictions enter Memorandum of Agreement that define terms under which FORA holds property on behalf of the jurisdictions during munitions remediation. (Not applicable to all property transfers.)	FORA and Jurisdiction	Complete 2007 Applies to ESCA Properties
Jurisdiction letter to FORA designating specific property transfer to the jurisdiction’s designees as outlined in the FORA/Jurisdiction Implementation Agreement. (Not applicable to all property transfers.)	Jurisdiction	As needed
FORA receives property from the US Army through an Army/FORA in-deed.	FORA	Property by Property
The US Army issues amendments to the original Army/FORA in-deed amending the munitions related land use restrictions.	Army	Applies to ESCA Properties
FORA receives US EPA and California DTSC confirmation that the ESCA Munitions Remediation efforts are completed. (Not applicable to all transfers.)	FORA	Applies to ESCA Properties
FORA prepares draft FORA/Jurisdiction out-deed, sends to Jurisdiction.	FORA	Property by Property
The jurisdiction makes arrangements for a licensed California Land Surveyor to perform land surveys and produce legal descriptions and maps for use in the draft FORA/ Jurisdiction out-deed.	Jurisdiction	Property by Property
Jurisdiction review of the draft FORA/Jurisdiction out-deed.	Jurisdiction	Property by Property
Final FORA/Jurisdiction out-deed preparation.	FORA	Property by Property
FORA signs FORA/Jurisdiction out-deed. Provide original to Jurisdiction.	FORA	Property by Property
The Jurisdiction executes and records the FORA/Jurisdiction out-deed.	Jurisdiction	Property by Property

(Property Transfer continued)

CURRENT ARMY/FORA PROPERTY TRANSFER ACTIONS:

To address the Fort Ord current property transfer workload and incorporate recent changes in Army property transfer policies FORA and the Army have initiated bi-weekly Property Transfer conference calls. The conference calls link FORA with Army property transfer specialists and attorneys locally, in Sacramento and Washington, DC. The upcoming property transfer workload for 2019, included, easements, remediation CERCLA Warrantees, Deeds, Deed Amendments and habitat deeds for protected species.

The Army recently transferred a .45 acre parcel to FORA which will be transferred to the City of Monterey with Yedon's Piperia, a protected species. The Army and FORA are working on transferring a 1.15 acre portion of Seaside Surplus II property known as Parcel L36. Properties L2.3 and L2.4.1 were rescinded by Monterey Salinas Transit and the Army is drawing up environmental and transfer documents to transfer these 27 acres to FORA as EDC Parcels that will become

County of Monterey properties. FORA has requested an easement through a short section of Army retained Ord Community to access the former medical Officers Barracks in Seaside. The Army, FORA and California Department of Toxic Substance Control are in the process of amending ESCA property Covenants Restricting Use of Property. The Army is preparing the ESCA properties' CERLA Warrantees and Deed Amendments. Once the Army deed amendments are complete FORA will be transferring approximately 2,100 acres to the underlying Jurisdictions in 2019.

For additional details about property transfers, please see the US Army's website and follow the link to the Parcel Database Search:

Former Fort Ord Environmental Cleanup:
fortordcleanup.com

Parcel Database Search at:
<http://fortordcleanup.com/parcel-search-tool/>

AUDIT & BUDGET FINANCIAL SUMMARY

REPORTS

Fiscal Year 2017-18 Annual Financial Audit

FORA maintained financial stability during the 2017-18 fiscal year due to revenue strength, management efficiency, Board oversight, and general national and local economic condition improvement. Moss, Levy & Hartzheim (MLH) performed the Fiscal Year (FY) 2017-18 financial audit and issued an unmodified opinion with respect to all FORA operations including findings of no questionable costs relative to FORA's internal control structure. MLH further opined that the FORA financial statements present fairly, in all material respects, FORA's financial position as of June 30, 2018. A copy of the annual financial report is available at www.fora.org.

Fiscal Year 2018-19 Annual Budget

FORA's FY 2018-19 budget was reviewed by the FORA Finance Committee (FC) and Executive Committee (EC). The FC recommended to the Board that sufficient funds were available for budget adoption and the EC recommended approval of a 3% cost of living adjustment (COLA). The 2018-19 Annual Budget was adopted by the FORA Board on June 8, 2018.

In addition to FORA's recurring consulting expenses such as the Annual Auditor, Public Information, Human Resources, and Legislative consultants, the adopted budget included: 1) continued designation of funds for California Public Employees Retirement System (CalPERS) pension liabilities through FORA

transition and building removal obligations; 2) FORA Sunset/Transition funding increased due to additional costs for Local Area Formation Commission (LAFCO) application fee, indemnification fund and consultants; and 3) prorating the multi-year FORA/Army Environmental Cooperative Agreement (ESCA) funding to depict upcoming fiscal year expenditures. Office/administrative expenditures increased as a result of one-time expenditures, reclassifications, and funding for community outreach and marketing.

The Annual Budget also included a Capital Improvement Program (CIP) revenues and expenditures summary providing a comprehensive representation of the 2018-19 fiscal year and 2019-20 projected FORA finances and programs. Itemized CIP projects are dependent upon collection of actual development fees and land sale and land lease revenues. The primary revenue sources in FY 18-19 were developer fees, property taxes, and ESCA grant proceeds.

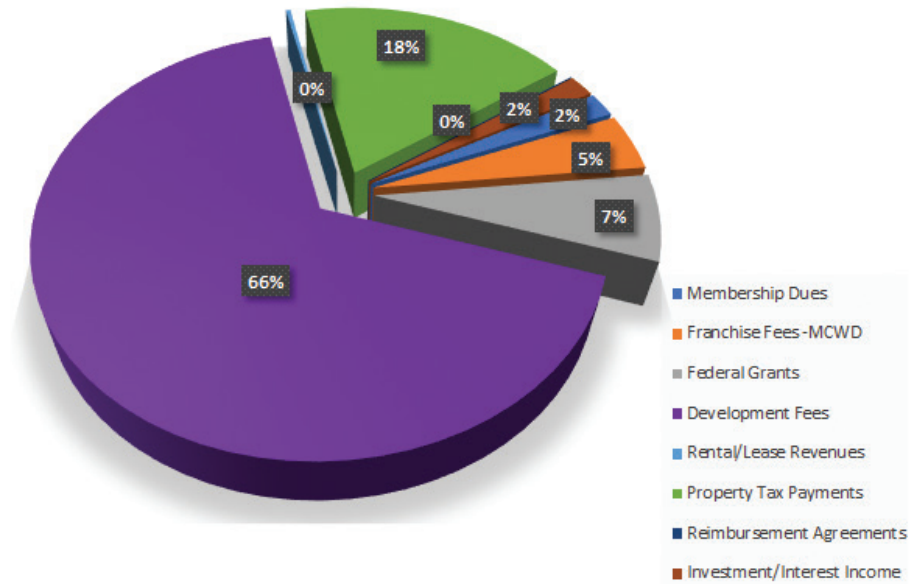
The mid-year budget, amended and approved by the FORA Board on March 8, 2019, included several CIP and General Fund adjustments. Revenues increased by \$68K and expenditures decreased by \$2.9M primarily due to Capital Projects deferral of FORA Transportation Contingency to FY 2019-20 based on delays to construction design schedule. FORA Board approved investing an additional \$1M of Reserve funds for the CalPERS Retirement Liability for a total of \$6.7M in the 115 Trust.

Fiscal Year 2018-19 Mid-Year Budget Summary

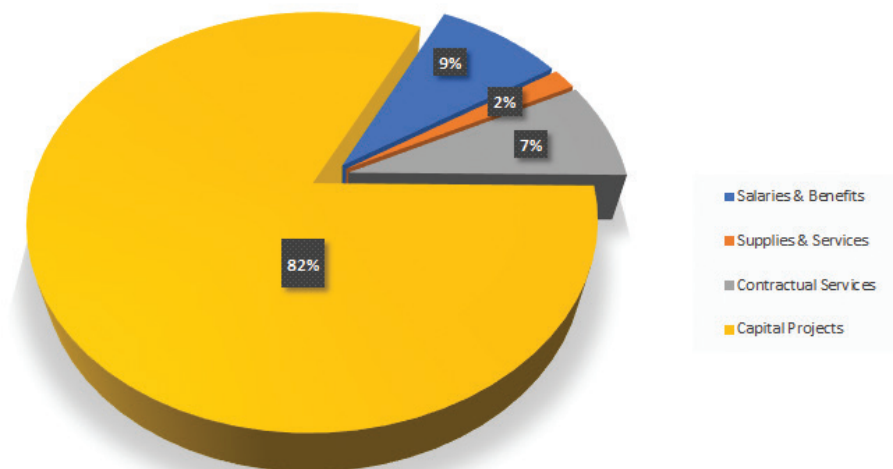
Budget Revenues	\$ 16,156,479
Budgeted Expenditures	\$ 32,326,991
Excess Revenues over (under) Expenditures	\$(16,170,512)
Beginning Fund Balance (7-1-2017)	\$ 47,934,306
Ending Fund Balance (6-30-2018)	\$ 31,763,794

(Financial Summary continued)

FY 18-19 Revenues: \$16,156,479



FY 18-19 Expenditures: \$32,326,991



The complete FY 2018-19 Budget is available on FORA's website: www.fora.org

BOARD OF DIRECTORS

VOTING MEMBERS

Officers:

Chair of the Board
1st Vice Chair
Past Chair

County of Monterey Supervisor Jane Parker*
Salinas Mayor Joe Gunter*
Marina Councilmember Frank O’Connell*

Jurisdiction Representatives:

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

Supervisor John Phillips
Supervisor Mary Adams
Councilmember John Gaglioti
Mayor Pro-tem Gail Morton
Vice Mayor Alan Haffa
Mayor Ian Oglesby*
Councilmember Jon Wizard
Mayor Mary Ann Carbone
Councilmember Cynthia Garfield*
Councilmember Jan Reimers

EX-OFFICIO MEMBERS

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

Congressman Jimmy Panetta
Senator Bill Monning
Assemblymember Mark Stone
Debbie Hale
Dr. P.K. Diffenbaugh
Dr. Scott Brandt
Dr. Eduardo Ochoa*
Colonel Greg Ford
Bill Collins
Dr. Walter Tribley
Hunter Harvath
Dr. Matt Zefferman

* Members of the FORA Executive Committee

TEAM MEMBERS

EXECUTIVE OFFICE

Executive Officer	Michael A. Houlemard, Jr.
Assistant Executive Officer	Steve Endsley
Deputy Clerk/Executive Assistant	Heidi Lizarbe
Authority Counsel	Jon Giffen

STAFF MEMBERS

Principal Planner	Jonathan Brinkmann
Senior Program Manager	Standen Cook
Accounting Officer	Hermelinda Flores
Administrative Coordinator	Shawn Hall
Senior Planner	Mary Israel
Economic Development Manager	Josh Metz
Principal Analyst	Robert Norris
Economic Development Assistant	Justine Ramirez
Controller/Finance Manager	Helen Rodriguez
Senior Project Manager	Peter Said
Principal Analyst	Jen Simon
Program Coordinator	Laura Vidaurri
Administrative Assistant	Amber Watson

ACRONYMS & ABBREVIATIONS

ACM	Asbestos Containing Materials
ADC	Association of Defense Communities
AMBAG	Association of Monterey Bay Governments
AOC	Administrative Order on Consent
ARRA	American Recovery & Reinvestment Act
Army	United States Department of the Army
BLM	Bureau of Land Management
BRAC	Base Realignment and Closure
BRP	Base Reuse Plan
CCCVC	California Central Coast Veterans Cemetery
CCVCF	Central Coast Veterans Cemetery Foundation
CDFW	California Department of Fish and Wildlife
CDGS	California Department of General Services
CDVA	California Department of Veterans Affairs
CESA	California Endangered Species Act
CIC	Community Information Center
CIP	Capital Improvement Program
CSUMB	California State University Monterey Bay
DOD	United States Department of Defense
DRO	Del Rey Oaks
DTSC	Department of Toxic Substances Control
EC	Fort Ord Reuse Authority Executive Committee
EDA	Economic Development Administration
EDC	Economic Development Conveyance
EIR	Environmental Impact Report
EPA	United States Environmental Protection Agency
EPS	Economic & Planning Systems
ESA	Endangered Species Act
ESCA	Environmental Services Cooperative Agreement
FC	Fort Ord Reuse Authority Finance Committee
FEIR	Final Environmental Impact Report
FONR	Fort Ord Natural Reserve
FORA	Fort Ord Reuse Authority
FOST	Finding of Suitability to Transfer
FY	Fiscal Year
HCP	Habitat Conservation Plan
HMP	Habitat Management Plan
HBR	Hierarchy of Building Reuse

ACRONYMS & ABBREVIATIONS

IA	Implementation Agreement
LAFCO	Local Agency Formation Commission
LBP	Lead Based Paint
LUCIP/OMP	Land Use Control Implementation Plan/Operation and Maintenance Plan
MBEST	Monterey Bay Education, Science and Technology Center of University of Santa Cruz
MCP	Marina Community Partners
MCWD	Marina Coast Water District
MOA	Memorandum of Agreement
MPC	Monterey Peninsula College
MEC	Munitions and Explosives of Concern
MOUT	Military Operations in Urban Terrain
MRWPCA	Monterey Regional Water Pollution Control Agency
MST	Monterey-Salinas Transit
OEA	Office of Economic Adjustment (Secretary of Defense)
PBC	Public Benefit Conveyance
PDP	Pilot Deconstruction Project
PFIP	Public Facilities Improvement Plan
PLL	Pollution Legal Liability Insurance
PRAC	Post Reassessment Advisory Committee
ROD	Record of Decision
RUDG	Regional Urban Design Guidelines
RUWAP	Regional Urban Water Augmentation Project
SCADA	Supervisory Control and Data Acquisition
TAMC	Transportation Agency for Monterey County
TAC	Transition Ad-Hoc
TTF	Transition Task Force
VIAC	Veterans Issues Advisory Committee
USFWS	United States Fish and Wildlife Service
UXO	Unexploded Ordnance
WWOC	Water Wastewater Oversight Committee

