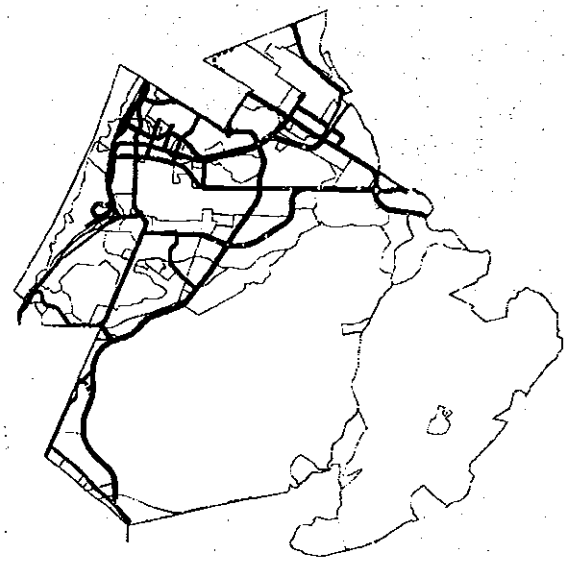
Public Draft

FORT ORD REUSE PLAN

Fort Ord Reuse Authority



May 1996

Appendix B:

BUSINESS AND OPERATIONS PLAN

CBP: COMPREHENSIVE BUSINESS PLAN
Sedway Kotin Mouchly Group

PFIP: PUBLIC FACILITIES IMPLEMENTATION PLAN
Reimer Associates

PSP: PUBLIC SERVICES PLAN
Angus McDonald & Associates

EDAW, Inc. and EMC Planning Group, Inc.

DELIVERABLES ASSOCIATED WITH
THE OPERATIONS PLAN COMPONENT OF
THE FORT ORD BASE REUSE PLAN

TASK NUMBER 2.6

COMPREHENSIVE BUSINESS PLAN

MAY 28, 1996

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DESCRIPTION AND CONTEXT OF THIS DRAFT DELIVERABLE

This report was prepared as part of the Business and Operations Plan Component of the Fort Ord Base Reuse Plan. The Fort Ord Base Reuse Operations Plan includes three discrete but related sections, namely:

- Public Facilities Implementation Plan (PFIP);
- Public Services Plan (PSP); and
- Comprehensive Business Plan (CBP).

The CBP is a synthesis of the economic, marketing and financial analyses related to the Reuse Plan. It is particularly concerned with the marketability of Fort Ord; with ensuring that the proposed uses are viable from both market acceptance and financial feasibility perspectives; and with ensuring that development is guided by a combination of market forces and Plan policies. The CBP evaluates the Plan's overall feasibility by utilizing a comprehensive financial model to simulate the first 20 years of the Reuse Plan buildout. It identifies major issues critical to the successful implementation such as the provision of adequate infrastructure, or of a housing supply consistent with an employment center driven by educational and research institutions. It focuses on how FORA can facilitate a successful outcome through its three primary functions, as defined by its founding legislation:

1. Maintenance and update of the adopted Reuse Plan;
2. Ensuring the provision of identified basewide facilities; and
3. Marketing and disposition of Fort Ord properties.

The information presented here is based on the ongoing planning efforts of the EDAW/EMC Team and draws largely from assumptions, strategies and findings from the Team's work. Among the primary sources for the CBP are the following:

- EDAW's land use/employment/residential forecasts;
- EDAW's growth management strategies report;
- SKMG's market analysis and property valuation reports;
- SKMG's identification of sites likely to develop within five years;
- Reimer's capital projects list and infrastructure cost estimates;
- AMA's report on financing alternatives;
- AMA's report on organizational assumptions; and
- AMA's public services and burden analyses.

Other important factors impacting the content of this document include a careful review of SB 899 and SB 1600 (and related amendments), the July 14, 1995, memorandum on FORA's role and functions, and ongoing discussions with FORA staff Board about FORA's role.

As this final version of the FORA CBP is finished, a number of important issues remain unresolved. For example, will there be a redevelopment agency or agencies? What will be FORA's main funding sources? In preparing the final CBP document, the Team had to make certain assumptions about these uncertainties. These are identified where appropriate.

COMPREHENSIVE BUSINESS PLAN: A RESOURCE FOR THE EDC APPLICATION

A critical element of the CBP is a financing strategy that will emerge from the iterative application of the reuse plan financial models, which project income and cash flow over the course of the plan buildout, especially during the 20-year period through 2015. The Team believes that this work, conducted as part of the CBP, will be directly useful in the upcoming EDC application, which will address a 15-year timeframe.

ORGANIZATION OF THE FORA COMPREHENSIVE BUSINESS PLAN

This FORA CBP is organized as follows:

I. Introduction and Statement of Purpose
II. Strategic Assessment
III. Economic Development Strategy and Marketing Plan
IV. Reuse Plan Development and Financial Projections
V. FORA Recommended Business Strategy and Operations Plan

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LIST OF EXHIBITS

FORA COMPREHENSIVE BUSINESS PLAN (CBP)

I. INTRODUCTION AND STATEMENT OF PURPOSE

The purpose of preparing a comprehensive business plan for FORA is to establish a framework and process through which FORA can make decisions in a manner consistent with its legislative mandate and its established goals and objectives. A good comprehensive business plan should provide a strategy for dealing with a changing, sometimes unpredictable, environment. In the context of implementing the Fort Ord Reuse Plan, an adequate comprehensive business plan must provide FORA with a practical framework and process for dealing with a range of potential outcomes and future scenarios, such as the following:

- changing macro-economic conditions in California;
- varying rates of economic growth on the peninsula;
- unpredictable differing levels of local, state and federal financial assistance for infrastructure;
- different outcomes relative to job generation and growth of specific industries; and
- actions taken (or not taken) by other independent institutions such as CSUMB and UCMBEST.

Of course, the specific components of a comprehensive business plan depend on the nature of the entity, and the "business" it is in. It is important to clearly state at the beginning of this document that this is FORA's comprehensive business plan. It is intended to guide FORA's implementation activities under the Reuse Plan. While it addresses the impacts on the various local governments, particularly with regard to fiscal issues, the CBP has been prepared primarily from the point of view of FORA, a local reuse authority (LRA).

Across the United States, LRAs are defining different roles for themselves, depending on their particular circumstances, constraints and opportunities. These roles range from a primary focus on planning and technical assistance, to much more comprehensive involvement in plan implementation through disposition, redevelopment, financing and operations. This latter, more proactive role mode is closer to that recommended by the Urban Land Institute's (ULI) Advisory Services Workshop on Base Reuse.[1] In FORA's case, the State legislature enacted two major pieces of legislation that directly and comprehensively address how FORA is intended to pursue the redevelopment of Fort Ord jointly with local government. Generally speaking, this legislation is consistent with the ULI's recommendations.

This document, the FORA CBP, is a synthesis of the economic, marketing and financial analyses related to the Reuse Plan. In contrast to the Public Facilities or Public Services plans,

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[1]ULI Advisory Services Workshop Report on DOD Base Disposition and Reuse Strategies, Fairfax, Virginia, August 1-2, 1994. The ULI is the premier professional organization of the real estate industry and is responsible for substantial research in real estate-related fields worldwide.

which it uses as sources, it is particularly concerned with the marketability of Fort Ord; with ensuring that the proposed uses are viable from both market acceptance and financial feasibility perspectives; and that development is guided both by market forces and by the Plan's policies. It assesses feasibility by utilizing a comprehensive financial model to simulate the first 20 years of the Reuse Plan buildout. It identifies major issues critical to the Plan's successful implementation, such as the provision of a housing supply consistent with an employment center driven by educational and research institutions. It focuses primarily on how FORA can facilitate a successful outcome through its three primary functions:

- marketing and disposition of Fort Ord properties;
- maintenance and update of the adopted Reuse Plan; and
- ensuring the provision of identified basewide facilities.

A. Origin of the Fort Ord Reuse Authority (FORA)

Fort Ord, established in 1917, comprises an area of approximately 44 square miles in northwestern Monterey County. This is approximately the same land area as that encompassed by the City and County of San Francisco. Of these approximately 28,000 acres, approximately 4,100 acres are within Seaside; approximately 3,100 acres are within Marina; and approximately 20,000 acres are within the unincorporated area of Monterey County. The cities of Del Rey Oaks, Monterey, and Sand City are also contiguous to the Fort Ord Military Reservation.

On January 29, 1990, the Secretary of Defense officially announced his proposals for defense installation realignment and closures, including the downsizing of Fort Ord. Five days after the announced proposal to close Fort Ord, Congressman Leon Panetta called together local leaders to respond to the proposed closure.

This began an interim period of community reaction to and planning for the proposed base closure, which effectively ended with the Base Closure Commission's recommendation to President Bush in July 1991. In the fall of 1992, the Fort Ord Reuse Group (FORG) was established, and its efforts resulted in an Initial Base Reuse Plan, approved by all the member jurisdictions[2] in April 1993. A revised version of this plan was adopted by FORA in December 1994, after the Army issued its EIS in July 1993.

In December of 1993, Senator Henry Mello proposed legislation (SB 899) to create a Fort Ord Reuse Authority (FORA). SB 899 was approved unanimously by the State Assembly Ways and Means Committee in April 1994. SB 899 was signed into law by Governor Wilson on May 10, 1994.

[2]Marina, Seaside, Monterey County, Del Rey Oaks, Sand City and Monterey.

On May 20, 1994, FORA, a public corporation of the State of California, was established to prepare, adopt, finance and implement a plan for the land occupied by Fort Ord. Key elements of an integrated strategy include plans for land use, transportation, conservation, recreation and a five-year capital improvement program. The Authority is governed by a 13-member Board consisting of three members of the Monterey County Board of Supervisors, two city council members each from the cities of Marina and Seaside, and one city council member from each of the cities of Carmel, Del Rey Oaks, Sand City, Monterey, Pacific Grove, and Salinas. Annually, the Board selects a Chair, First Vice-Chair, and Second Vice-Chair to preside over meetings and perform other duties as prescribed by the Board.

B. FORA's Mission and Role

1. Legislation: SB 899 and SB 1600

In passing SB 899, the legislature authorized FORA to "prepare, adopt, finance, and implement a plan for the future use and development of the territory occupied by the Fort Ord military base in Monterey County."

This bill authorized FORA to acquire and dispose of existing real property and facilities within the territory of Fort Ord, to plan, finance, and construct new public capital facilities within that territory, and to levy assessments, reassessments, special taxes, or development fees and to issue bonds to finance projects in accordance with specified state statutes.

SB 899 also "sunsets" FORA on the earlier of June 30, 2014, or that date by which 80 percent of the development and reuse called for in the Plan has been achieved.

The legislative intent with regard to FORA's mission was clearly set forth in SB 899:

(a) To facilitate the transfer and reuse of the real and other property comprising the military reservation known as Fort Ord with all practical speed.
(b) To minimize the disruption caused by the base's closure on the civilian economy and the people of the Monterey Bay area.
(c) To provide for the reuse and development of the base area in ways that enhance the economy and quality of life of the Monterey Bay community.
(d) To maintain and protect the unique environmental resources of the area.

The Legislature explicitly determined that

> The policy set forth in Section 67651 is most likely to be achieved if an effective governmental structure exists to plan for, finance, and carry out the transfer and reuse of the base in a cooperative, coordinated, balanced, and decisive manner.

Accordingly, the legislation intended FORA to be "the principal local public agent for the acquisition, lease disposition, and sale of real property transferred pursuant to the 'Pryor Amendment,' except as otherwise provided in this section."

Then, in August 1994, the Legislature followed up SB 899 with SB 1600, which augmented FORA's powers and enhanced its revenue base in order to ensure its ability to finance the base-wide facilities and services essential to implementation of the reuse plan. SB 1600 anticipated the extensive use of redevelopment powers, allowed the FORA Board to create a redevelopment agency, and mandated a specific allocation of tax increment revenues among FORA and local jurisdictions - regardless of whether or not FORA itself establishes a redevelopment agency. In passing SB 1600, the Legislature recognized the potential importance of redevelopment agency powers to the expeditious reuse of Fort Ord. Similar legislation had been passed for other base closure properties.

These two bills anticipated that FORA would be a major player in the planning, financing, disposition and management of Fort Ord properties. The legislation not only established FORA's powers in certain areas, e.g., planning and financing, but also put restrictions on local governments' powers within the former Fort Ord territory and required local plan and zoning conformance with the Reuse Plan.

2. Subsequent FORA Board Discussions of Role

In the past year, the FORA Board has defined its mission as follows:

- Take the lead in facilitating the transfer of property, as expeditiously and inexpensively as possible, from the Army to the local governments, who will sell or lease parcels to private sector developers and users.

- Develop a Reuse Plan that is both acceptable to local governments and feasible in terms of market acceptance and financial viability.

- Develop and implement a Capital Improvements Plan that includes appropriate financing mechanisms which facilitate the Reuse Plan.

- Develop a process for monitoring conformance with the CIP and Reuse Plan that maintains the integrity of the Plan, while allowing local communities and the private sector to build out the Reuse Plan as quickly as the market will permit.

- Take the lead in the marketing of Fort Ord and in promotion of economic development.

Based on this mission, the organizational approach implied is a FORA with a small, but highly skilled core staff and a strong emphasis on provision of basewide infrastructure and regional economic development.

This definition of FORA's role will not fully utilize the powers provided in SB 899 and SB 1600. This may raise significant implementation questions. As just one of many examples, SB 1600 anticipates that FORA and the local agencies will jointly make use of redevelopment powers, and that 35 percent of all tax increment revenue from any redevelopment project area will accrue to FORA. Likewise, SB 1600 provides for FORA, as the "principal local agent," to receive 50 percent of net proceeds from the sale and leasing of property to the private sector, unless otherwise agreed to by the parties. Yet, it is still unclear what RDAs and project areas will be created, and current Board policy precludes FORA from being involved in conveyance of specific sites to the private sector. Resolution of these uncertainties is obviously critical to FORA's financial viability and the overall reuse plan financing strategy.

Exhibits 1 and 1A summarize current assumptions about the respective roles of FORA and various local agencies in the Fort Ord Business and Operations Plan.

C. FORA's Vision, Goals, Objectives and Strategy

Since FORA's primary mission is the development and implementation of the Base Reuse Plan, its vision of Fort Ord is that set forth in the Reuse Plan — that of a reuse and redevelopment strategy organized by the "three E's" of Economic Development, Environment and Education, based on the rationale that economic development is the key to job generation and a successful reuse plan. At Fort Ord, economic development will be strongly influenced by the seven educational institutions expected to relocate there — both in terms of their own employment and the related high-tech and R&D employment they have the potential to generate. Two pre-requisites for this type of employment are the maintenance of a quality environment and appropriately priced high-quality housing.

EXHIBIT 1
FORT ORD BUSINESS AND OPERATIONS PLAN - DIVISION OF RESPONSIBILITIES

Function	STATE OF CALIFORNIA		Local Gov't.		REGIONAL AGENCIES		
	CSUMB	UCSC	Marina/ Seaside/ Monterey County	School & Special Dists.	AMBAG	FORA	Trans. Agency for Mont. County
Regional Planning							
Regional Growth Forecast					P	R	
Regional Transportation Improvement Prog. (RTIP)					R	R	P
Fort Ord Reuse Plan							
Plan Adoption/Local Plan Certification						P	
General Plan Amendment and Update	P	P	P			O	
Special Development Opportunity Amendments						P	
Reuse Plan Compliance and Enforcement							
Design Review			P			O	
Project Review	P	P	P			R	
Reuse Plan Administration/SB 1600 Conformance, etc.						P	
Base-wide Capital Facilities							
Planning and Programming						P	
Construction	P	P	P			O	
Marketing and Disposition							
Base-Wide Marketing		R	R			P	
Site-Specific Marketing and Disposition	P	P	P			R	
Disposition & Dev. Agreement Negotiations		P	P			R	
FORA Administration/Liaison							
Financial Controls and Accounting						P (1)	
Base-wide Facilities Financing						P	
Legislative Advocacy			R			P	
Economic Development Conveyance Negotiation			R			P	

Notes:

(1) It is suggested that FORA contract with the Monterey County Auditor Controller and Treasurer to perform this function.

KEY: **P = Primary Responsibility**
O = Oversight Responsibility
R = Review & Comment

Source: Angus McDonald & Associates; Sedway Kotin Mouchly Group.

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EXHIBIT 1A
FORT ORD REUSE PLAN - SUMMARY OF PUBLIC SERVICE RESPONSIBILITIES

Public Service	U.S. Gov't	State of California		Local Gov't.		Regional			Other
		CSUMB	UC-MBEST	Marina/ Seaside/ Monterey County	School & Special Dists.	AMBAG	FORA	Trans. Agency for Mont. County	
Police									
Territory in cities or unincorporated Monterey County				*					
CA State University, Monterey Bay (CSUMB)		*							(4)
Presidio of Monterey Annex	*								
Fire									
Territory in cities or unincorporated Monterey County				*					
CA State University, Monterey Bay (CSUMB)									
Presidio of Monterey Annex	*								
Libraries				*					
Criminal Justice				*					
Schools					*				
Public & Environmental Health				*					
Parks & Recreation									
Territory in cities or unincorporated Monterey County				*					
CA State University, Monterey Bay (CSUMB)				*					
Presidio of Monterey Annex				*					
Public Works									
Territory in cities or unincorporated Monterey County				*					
Wastewater Collection									
Territory in cities or unincorporated Monterey County									
Wastewater Treatment									(1)
Garbage Collection									(2)
Storm Water									
Transit Services									(3)
Base-wide Operations									
Habitat Management							*		
Water Supply and Distribution									

Notes:

(1) Monterey Regional Water Pollution Control Agency
(2) Franchisees to be selected by local jurisdictions
(3) Monterey / Salinas Transit
(4) Contract Services

Source: Sedway Kotin Mouchly Group.
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The current draft Reuse Plan includes the following statement of goals and objectives.

1. Quick Recovery and Long-term Economic and Fiscal Health of the Fort Ord Communities, the Monterey Peninsula, and the Region

Job Replacement. Replace the 16,000 to 17,000 jobs and economic activity lost due to the closure of Fort Ord as soon as possible.

Balanced Growth. Create a setting that is conducive to long-term balanced economic and employment growth and the fiscal solvency of the various local governments.

Rapid Redevelopment. Minimize deleterious consequences of closed and deteriorating Fort Ord properties through rapid redevelopment and reuse of properties with significant reuse potential.

Positive Fiscal Impact. Work closely with Fort Ord communities to (1) create a development pattern characterized by efficient infrastructure and services; (2) maximize uses that generate tax revenue that exceeds service costs; and (3) phase new infrastructure and development efficiently.

Managed Water Supply. Assure a sufficient water supply to accommodate the major economic and employment-generating uses, so as to accommodate 16,000 to 17,000 replacement jobs at Fort Ord by the time the 6,600 acre-feet per year of available water is in use. This includes balanced land use development, particularly for residential uses, to conserve water resources.

2. Environmental Responsibility

Habitat Management Plan. Assure the integrity of the abundant natural resource values at Fort Ord by promoting the implementation of the negotiated Habitat Management Plan (HMP).

Allocating the Costs of Habitat Management. Since the natural resource values within the areas to be managed to protect habitat will accrue to all of the lands within FORA, establish a principle of sharing the costs of habitat management equitably among all local agencies.

Open Space and Recreational Resources. Promote the compatible recreational use of the diverse open space and recreational resources at Fort Ord so that they will (1) enhance the quality of life for the future residents, students and workforce within FORA boundaries and the residents of the surrounding communities and (2) contribute to the diversity of the tourist economy of the Monterey Peninsula.

Visual Gateway to the Monterey Peninsula. Reinforce the character of the regional landscape at this primary gateway to the peninsula by protecting the visual corridor along Highway 1.

Sustainability. Utilize sound environmental planning practices to promote a development pattern that will reflect AMBAG's "Liveable Communities Initiative."

Clean-up of Hazardous Materials. Encourage the Department of Defense to pursue the effective clean-up of the hazardous materials at Fort Ord.

3. Comprehensive Regulatory Framework

Simple but Flexible Growth Management. Avoid unnecessarily costly and burdensome regulation that slows development approval and results in unpredictable outcomes.

Equitability. Put into place a growth management approach that will survive because it is equitable among participating jurisdictions.

Responsibility. Ensure that FORA will prepare a Base Reuse Plan and monitor its implementation as mandated in SB 899.

4. Regional Accountability

Integration of Long-range Plans for Fort Ord. Ensure that the Plan's vision for the reuse of Fort Ord is explicitly defined and regularly updated in order to facilitate coordinated regional planning.

II. STRATEGIC ASSESSMENT

A prerequisite of developing a long-term plan is an assessment of the status quo, of where the organization presently is relative to the expressed goals and objectives. The purpose of this section is to strategically and objectively assess how well positioned FORA is to successfully carry out its mission.

A. SPECIAL CHARACTERISTICS OF FORT ORD – ASSETS

Fort Ord possesses numerous assets, which should facilitate the development and implementation of a successful reuse plan.

1. National Model for Base Reuse

Fort Ord is one of a small number of such high-profile bases that have been designated as a national model. This should translate into relatively strong interest on the part of the federal government in the successful implementation of the Fort Ord Reuse plan. This federal interest should be expressed in a number of ways, e.g.:

- expeditious action on needed remediation;
- reasonable and realistic terms on the economic development conveyance; and
- receptivity to requests for funding of key plan elements.

2. Physical Setting

Fort Ord enjoys an incomparable physical setting, moderate climate and high-quality environment, making it a relatively attractive place to live and work — even by the high standards of Northern California.

3. Presence of Premier Educational Institutions

Seven outstanding educational institutions have located or will locate at Fort Ord.[3] This provides a "running start" as to early job replacement, a major economic development theme, and a critical mass for the economic development strategy. These educational institutions will provide highly trained employees, continuing education for companies that locate at Fort Ord, and a substantial quantity of students living and studying at Fort Ord, adding support for retailing and other businesses

[3]These are California State University, Monterey Bay (CSUMB), University of California, Santa Cruz (UCSC), Monterey Peninsula College (MPC), Monterey College of Law, Golden Gate University (GGU), Monterey Institute for Research in Astronomy (MIRA),and the Monterey Peninsula Unified School District (MPUSD).

4. Strong Base of Research Institutions

These research institutions include marine biology, astronomy, the Naval institutions, and laboratories and the planned technology transfer centers that are planned within the UCMBEST Center.

5. Existing Tourism

The area enjoys particularly strong tourism, attracting independent leisure travelers, group tours, and a strong meetings market that is nationally and internationally recognized.

6. Existing Agriculture

The agricultural industry continues to be an extremely important component of the Monterey County and Peninsula economies.

7. Strong Legislative Mandate

SB 899 and SB 1600 provide FORA with the authority and funding base that will enable it to accomplish its mission.

8. Relatively Good Base Operating Conditions

The reuse of Fort Ord is substantially enhanced by the operating utilities and driveable road system that currently exists under Army ownership on the base.

9. Improving Economic Climate in California and Silicon Valley

Recent regional and statewide reports indicate that the economies of the California and the Silicon Valley, in particular, are making strong recoveries.

B. Special Characteristics – Constraints

All of the above features are assets. On the other hand, the reuse of Fort Ord must overcome some liabilities or burdens, which will make the job more challenging. These include the following.

1. Fiscal Constraints

Local governments in California continue to labor under tremendous fiscal constraints due to Proposition 13 and the continuing general withdrawal of state financial support to local govern-

ment. Attitudes on the part of the educational institutions that ignore this reality are counter-productive. These constraints may limit the practical benefits of redevelopment to some extent.

2. Infrastructure Capacity and Costs

Potential problems exist due to capacity constraints relative to water and the supporting regional road system. Fort Ord is more like a completely new community than many bases. The costs associated with preparing the land for development may be so high as to make some Fort Ord sites noncompetitive. This potential problem was evident in the Preliminary UCMBEST Business Plan prepared in the summer of 1995.

3. Multiplicity of Local Jurisdictions

Nine different local governments are represented on the FORA Board. Three will have major jurisdictional interests within the plan area. With this multiplicity of entities will inevitably come a multiplicity of agendas and complexity of decision-making. This could make it more difficult for FORA to maintain the integrity of the Plan and to speak with one voice to the private sector with regard to the development agenda and process at Fort Ord. The ULI has stressed the importance to the private development community of a clear, consistent and predictable regulatory environment.

4. Lack of Control over Major Properties within Fort Ord

Numerous transfers of Fort Ord property from the Army to various organizations have occurred independently of FORA. Most notably, property has been transferred to CSUMB and to the University of California for the UCMBEST Center, each of which is undertaking its own planning efforts. Another significant property, including the former Fritche Field, has been transferred to Marina. Thus, FORA is planning for a property that contains substantial property not under its control. For example, the UCMBEST Center development has the potential for serving as a major catalyst for economic growth at Fort Ord. However, its planning efforts are outside the control of FORA.

5. Political Perceptions Regarding Entitlements

Northern California and the Monterey Peninsula in particular have reputations for being extremely sensitive on environmental or growth issues, and therefore represent a difficult regulatory environment. While not all communities severely restrict developers, the area is generally perceived this way.

C. Demographic and Employment Overview[4]

Prior to the closure of Fort Ord, the Monterey Peninsula housed about 33 percent of the county's population and 37 percent of its households, not including unincorporated areas such as the Carmel Valley.

The number of persons and households on the Peninsula has been severely reduced by the closure of Fort Ord. From a peak of 121,200 in 1991, population has declined to 104,900 in 1995. Similarly, the number of households declined from a peak of 42,200 in 1992 to 38,500 in 1995. The Salinas Valley, however, experienced a modest increase in population and employment during this period.

Since a peak of nearly 160,000 wage and salary jobs in 1990, approximately 11 percent, or nearly 18,000 jobs, have been lost in Monterey County through 1995, as indicated in Exhibit 2. Based upon figures provided by RKS Associates and the California Employment Development Department, the Team estimated that the county lost between 20,000 and 21,000 jobs as a result of the closure of Fort Ord. Between 2,000 and 3,000 jobs are estimated to have been gained in other various sectors of the county's economy.

SKMG estimated that wage and salary employment on the Peninsula totaled about 72,000 in 1990, declining to about 57,000 in 1995, reflecting 45 and 40 percent of county total employment, respectively. Thus, the Peninsula experienced a net loss of 15,000 jobs. With some probable job gains in tourism and other sectors, the Peninsula's employment loss from the closure of Fort Ord was likely greater than 15,000. Approximately 13,500 jobs were attributable to active duty military, and an additional 2,500 jobs were directly employed civilians. Additional losses were experienced in local service and retail jobs.

AMBAG forecasts a net gain of 88,000 jobs between 1995 and 2015, of which about 90 percent, or 79,000 jobs, would be captured by Monterey County. These numbers are generally reasonable, assuming the aggressive marketing and development of Fort Ord. Although a substantial portion of this employment growth is likely to be captured in the Salinas Valley, which has a strong outlook for economic growth, Fort Ord has the potential to achieve a significant capture.

Assuming successful redevelopment of Fort Ord, the Team believes that the Monterey Peninsula has the potential to capture between 25 and 35 percent of county employment growth, or between 20,000 and 25,000 jobs between 1995 and 2015.

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[4]Data discussed in this and the following section are excerpted from earlier reuse plan documents prepared in 1995 by EDAW and SKMG.

EXHIBIT 2
HISTORICAL AND PROJECTED EMPLOYMENT
MONTEREY COUNTY
1990 - 2015

	1990	1995	2015	Increase	
				1990-1995	1995-2015
Monterey County	159,900	142,200	221,600	(17,700)	79,400
Peninsula	72,000	57,000	79,500	(15,000)	22,500

Sources: California Economic Development Department; Association of Monterey Bay Area Governments; RKS Associates; and Sedway Kotin Mouchly Group.

D. Current Real Estate Market Conditions and Future Demand

The major land uses examined in this research effort include the following:

- light industrial and business park;
- office and research and development;
- residential;
- retail; and
- a limited number of "other uses," later identified as lodging facility, golf course and equestrian center.

The findings summarized below are premised on a number of critical assumptions about the national, state and regional economies, as well as the effectiveness of FORA's implementation of the Reuse Plan. The findings are based on SKMG's "Assessment of Planning Baseline and Market Data" and "Early Sites" reports and interviews with potential developers and users. Projected Fort Ord capture of future demand is summarized in Exhibit 3. Charts indicating projected absorption by land use are designated Figures 1 and 2.

1. Light Industrial

Light industrial space, including that typically found in light industrial or business parks, has experienced a historical demand for between 125,000 and 175,000 square feet of space annually in Monterey County. Most of this demand has been captured in the Salinas Valley. Recent demand for such space has been quite weak, reflecting the recent national and California recession and the closure of Fort Ord. Land prices range widely between $1.30 and $6.50 per square foot.

SKMG forecasts that industrial space demand in Monterey County will gradually increase to an average of 165,000 square feet per year during the next five years to 300,000 square feet annually between 2011 and 2015. Based on a review of these data, SKMG believes that Fort Ord has the potential to capture 25 percent of this demand, for a total of over 1.1 million square feet through 2015. Land prices (in 1996 dollars) averaging $3.00 per square foot for finished ready-to-build lots are assumed, including assessments.

2. Office and Research and Development

Office and research and development (R&D) space has typically experienced a historical demand for about 150,000 square feet annually in Monterey County. Most of this demand has been captured on the Peninsula. Demand has been particularly weak in recent years, reflecting the recessed economy, and vacancy rates are relatively high at about 12 percent. A substantial supply of land exists in excellent office and R&D parks.

EXHIBIT 3
FORT ORD DEVELOPMENT AND ABSORPTION POTENTIAL
1996 - 2015

Land Use	FAR/ DU/AC	1996 - 2000 Sq. Ft./Units	Acres	2001 - 2005 Sq. Ft./Units	Acres	2006 - 2010 Sq. Ft./Units	Acres	2011 - 2015 Sq. Ft./Units	Acres	Total 1996 - 2015 Sq. Ft./Units	Acres
Light Industrial/R&D/Office											
Light Industrial/Business Park	0 25 FAR	206,250	21	250,000	25	306,250	28	375,000	32	1,137,500	106
Office/R&D	0 25 FAR	300,000	28	382,000	35	488,000	45	624,000	57	1,794,000	165
Induced demand	0 25 FAR	0	0	250,000	23	300,000	29	375,000	34	925,000	86
Subtotal (Sq. Ft.)		**506,250**	**49**	**882,000**	**83**	**1,094,250**	**102**	**1,374,000**	**123**	**3,856,500**	**357**
Residential											
Reuse of Existing Units		1,522	---	0	---	0	---	0	---	1,522	---
Reuse of Existing CSU Units		1,253	---	0	---	0	---	0	---	1,253	
Detached											
Low Density	4 DU/AC	50	13	100	25	150	38	200	50	500	125
Medium Density	6 DU/AC	600	100	800	133	800	133	900	150	3,100	517
High Density	8 DU/AC	350	44	600	75	600	75	600	75	2,150	269
Attached											
Low Density	10 DU/AC	0	0	0	0	100	10	100	10	200	20
High Density	20 DU/AC	0	0	0	0	100	5	200	10	300	15
Subtotal (Units)		**3,775**	**156**	**1,500**	**233**	**1,750**	**261**	**2,000**	**295**	**9,025**	**945**
Retail											
Neighborhood/Community	.25 FAR	191,000	18	99,000	9	114,000	10	131,000	12	535,000	49
Regional/Outlet	.25 FAR	0	0	0	0	0	25	250,000	25	250,000	50
Subtotal (Sq/ Ft.)		**191,000**	**18**	**99,000**	**9**	**114,000**	**35**	**381,000**	**37**	**785,000**	**99**
Lodging											
Conference Center	.20 FAR	0	0	200	15	0	0	0	0	200	15
Resort/Hotel (Golf-Oriented)	.25 FAR	300	20	0	0	300	20	200	15	800	55
Subtotal		**300**	**20**	**200**	**15**	**300**	**20**	**200**	15	**1,000**	70
Recreation											
Equestrian Center		0	0	---	15	0	0	0	0	---	15
Golf Course		0	0	0	0	---	160	---	160	---	320

Sources: Sedway Kotin Mouchly Group.
D:\FORT_ORD\PROJECT4.WK4 / A [jde]

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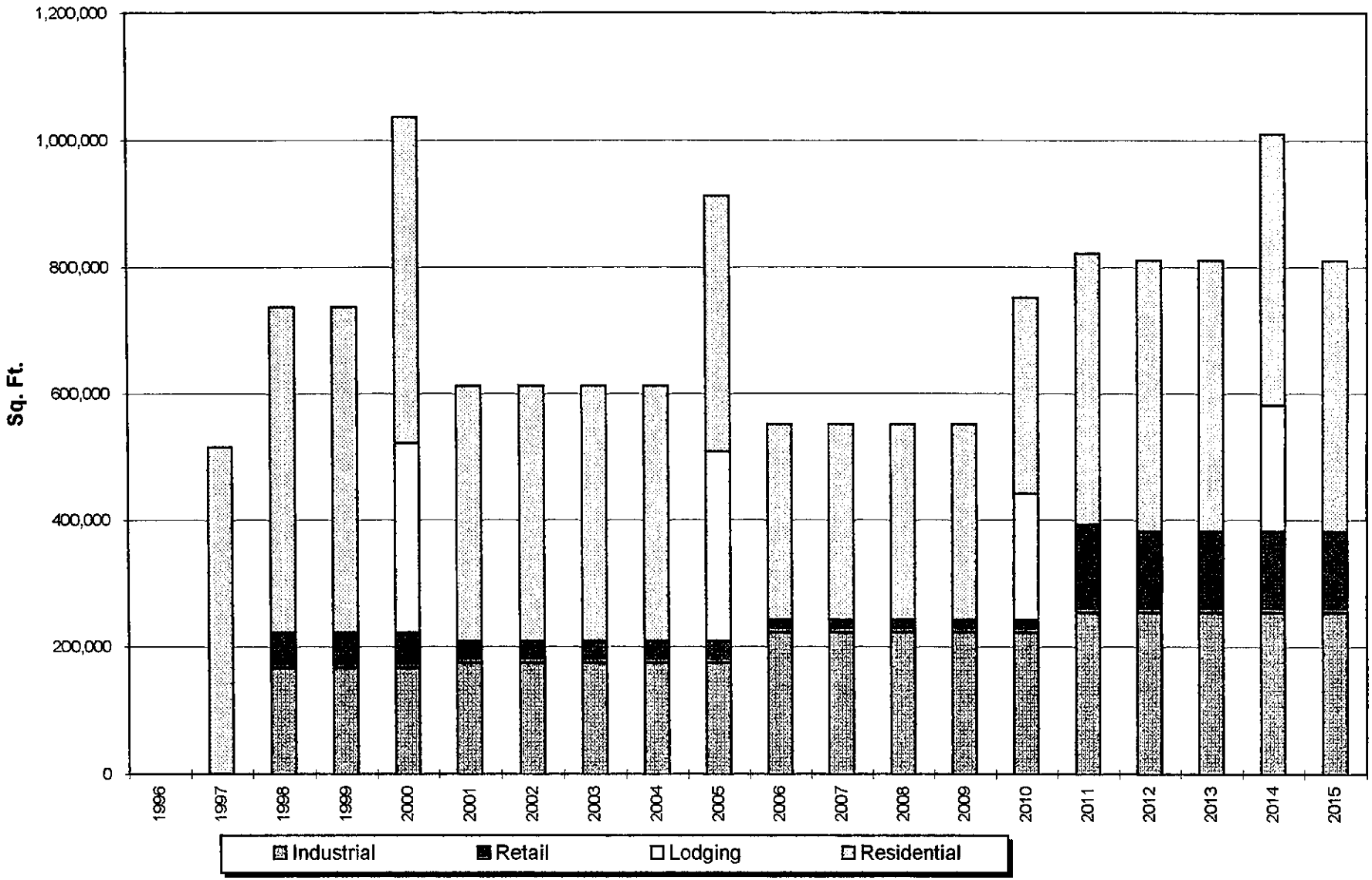
FIGURE 1

SKMG BASEWIDE BUSINESS PLAN Run No. 2.0 03/13/96

ANNUAL ABSORPTION BY LAND USE TYPE

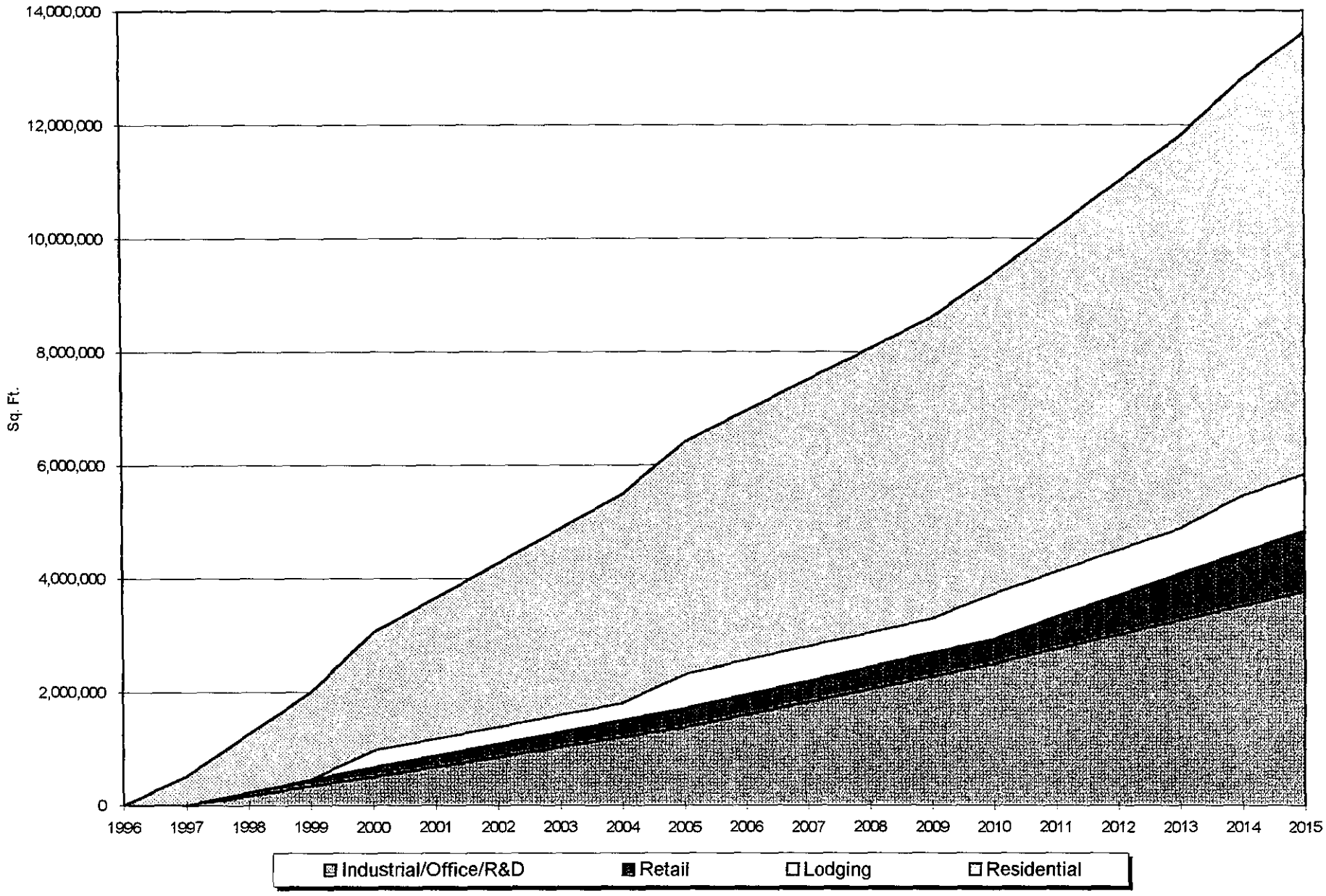


Scenario 1.0 - 2015 Buildout

FIGURE 2

SKMG BASEWIDE BUSINESS PLAN Run No. 2.0 03/13/96

CUMULATIVE ABSORPTION BY LAND USE TYPE



Scenario 1.0 - 2015 Buildout

Monterey County demand is projected to continue to average around 150,000 square feet annually during the next five years, increasing to 312,000 square feet annually between 2011 and 2015, as the Monterey County economy matures. SKMG believes that Fort Ord could capture 40 percent of this demand for a total of nearly 1.8 million square feet by 2015. In addition, SKMG believes that, with the development of the UCMBEST Center and aggressive and effective marketing, an additional 925,000 square feet of office and R&D space could be captured from Silicon Valley firms by 2015. Thus, over 2.7 million square feet of office and R&D space could be captured at Fort Ord by 2015. Land prices (in 1996 dollars) averaging $3.75 per square foot for finished ready-to-build lots are assumed, including assessments.

3. Residential

Absorption of new homes has historically averaged about 1,450 units annually in Monterey County. Of these, about 400 units, or 28 percent, have been captured on the Peninsula. In general, new home construction on the Peninsula has been for relatively expensive homes and multifamily housing, including subdivisions within Marina, Monterey, and unincorporated areas. However, there has been little construction on the Peninsula during the past three years. Within the Salinas Valley, numerous subdivisions have produced a strong volume of high-quality moderately-priced homes, priced in the $100,000-to-$250,000 range.

SKMG forecasts a demand for an average of 1,900 new homes annually in Monterey County during the next five years, increasing to 2,800 units annually between 2011 and 2015, based upon population, household and employment forecasts. SKMG forecasts that 70 percent of this demand will support market-rate new housing. Approximately 15 percent of this market-rate demand could be captured at Fort Ord during the first 10 years of development, increasing to 20 percent during the 2006-through-2015 period. Thus, between 1996 and 2015, SKMG forecasts a capture potential of 6,250 new housing units at Fort Ord. These include about 500 low-density homes priced in the $300,000 range and provided on average 10,000-square-foot lots, or alternatively on smaller lots fronting around a golf course; 3,100 homes on 6,000-square-foot average lots priced in the $200,000-to-$275,000 range; 2,150 homes on small 4,500- to 5,000-square-foot lots priced in the $150,000-to-$200,000 range; 200 townhomes in the $125,000-to-$150,000 range; and 300 rental apartments. In addition, SKMG forecasts demand for the reuse of approximately 1,300 units of existing housing, which could be temporarily leased, with some units eventually sold as condominiums after substantial rehabilitation. For Preston and Abrams parks, an average price between $90,000 and $100,000 is assumed. Within Patton Park, a senior housing provider is negotiating with the City of Marina to acquire approximately 400 units.

4. Retail

Retail sales volume in Monterey County had grown at a rapid rate through 1992, prior to closure of Fort Ord. While total sales have continued to grow in subsequent years, per capita sales have declined, reflecting a recessed economy. Despite a significant decrease in population, the construction of major new retail centers along with a resurgence in tourism on the

Peninsula have minimized the decline in retail spending. The Peninsula houses one traditional regional retail center, one factory outlet center, substantial specialty and tourist-related retailing, and concentrations of promotional retailing, particularly in Sand City and Seaside.

Convenience, neighborhood and community retail center development will be supported by capturing most local-serving on-site demand generated by residents, on-site employees, and students. During the first 20 years, SKMG forecasts a demand for approximately 554,000 square feet of such space. This equates to three neighborhood or community centers along with two or three small convenience retail centers.

In general, the Monterey Peninsula has been extremely successful in attracting regional retailing, including traditional regional retail, promotional and outlet retailing, and tourist-oriented specialty retailing. However, SKMG believes that demand will support a regional entertainment retail center at Fort Ord, focused on serving local residents. This center could include new emerging retail concepts, a cineplex, restaurants, and specialty shops. SKMG forecasts demand for approximately 250,000 square feet of such space during the 2011-through-2015 period at Fort Ord. However, sufficient acreage should be allocated to allow for an eventual expansion to 500,000 square feet.

5. Lodging

The Monterey Peninsula contains 191 lodging facilities with about 9,200 rooms. In 1995, the Peninsula achieved an average occupancy rate of approximately 75 percent and an average daily rate of $153. These figures are reflective of very strong performance. SKMG surveyed 14 of the higher quality facilities on the Peninsula having 3,144 rooms. These hotels have experienced very strong performance, with particularly high room rates, attracting a strong meeting market both in resort settings and within downtown Monterey.

SKMG forecasts that Fort Ord could capture 1,000 hotel rooms by 2015. These hotels should have excellent conference facilities and should generally be located on golf courses. However, there will also be demand for a smaller focused corporate conference facility and/or spa of about 200 to 250 rooms. This latter facility should be located either on a golf course or within an environmentally attractive setting.

6. Golf/Recreational

SKMG identified 16 golf courses in Monterey County available for public play. Most are located on the Peninsula and achieve strong rates and high volumes of play. The area contains several courses of world renown, which has made the Peninsula a major international golf destination.

Two additional golf courses could be supportable at Fort Ord in the next 20 years, in addition to the two existing courses. Demand will be partially derived by the planned resort hotel/

conference centers and on-site housing. In addition, an equestrian center would likely be supportable, assuming that it can be developed on property at below-market prices.

7. Conclusions

- When entitlements and infrastructure issues are resolved prior to disposition, there should be strong interest in Fort Ord **residential** sites.

- In the early years of the Plan, it will be more difficult to generate interest in developing light **industrial/business park and office/research and development park** uses. Once other new development at Fort Ord, such as residential and visitor-serving uses, begins, these business park sites should become more marketable. Thus, in the early years, interest should be expected to be moderate at best. However, this interest will likely be stronger if land can be purchased in small increments. Such phasing will reduce developers' holding costs, thereby making development more feasible.

- A major **neighborhood retail** center is unlikely until sufficient population develops to support it. Based upon SKMG's residential demand projections, support should emerge toward the end of the first five years of development.

- Interest could potentially emerge in **"big box" high-volume discount retail** on sites near U.S. Route 1 exits at Fort Ord.

- There is likely to be interest in a **resort hotel** development at Fort Ord on a site overlooking the golf courses. Such interest assumes preferred access to the golf course for hotel guests.

- SKMG has identified Silicon Valley firms as the primary targets for corporate relocation to Fort Ord. Typically, firms prefer to relocate divisions within easy commute distance of corporate headquarters. In addition, the Silicon Valley is one of the country's key generators of economic expansion.

- Historically, Silicon Valley firms have tended to be closely aligned with their location, within the world center of high-technology research and development. Therefore, any major relocation would generally not be considered. However, for some facilities, firms do occasionally consider sites within California or out-of-state. However, either type of sites must have good access from Silicon Valley.

- During the past ten years, the Silicon Valley real estate market experienced a major drop in values, especially in high-quality business parks. This decline in pricing resulted from diminished demand for space, which resulted from a number of factors. To some extent, this was due to a weakened national economy, but was also due to weakness in the U.S. high-technology industry. As a result, it has been relatively affordable for businesses to

remain and expand in Silicon Valley, contrasted with the 1970s and 1980s in which high land prices encouraged the relocation of divisions to less costly locations.

- SKMG forecasted, and recent economic reports confirm, continued strong growth and higher land values in Silicon Valley during the next five years. This trend is expected to accelerate. Thus, in future years, we expect that companies will be more motivated to seek lower cost locations for certain divisions. This could constitute a major opportunity for Fort Ord sites.

- Most Silicon Valley firms prefer not to pioneer new locations, but rather to wait for a major firm such as Hewlett-Packard to establish a facility in a new location and then follow.

- The presence of a University of California-affiliated project could be a substantial marketing advantage.

- Most interviewed firms perceive the Monterey Peninsula very favorably in terms of quality of life, a key issue for any corporate relocation.

- A major concern that employers have is the work force. In relocating a division, some current employees are likely to quit, requiring replacement at the new location. Monterey Peninsula is not viewed as having an established highly trained work force for the high-tech industry. While CSUMB is considered positively, it is yet an unknown in terms of the quality of its programs and students. Thus, most firms are likely to wait until more of a work force is established prior to considering relocation.

- Housing is a major concern of potential employers. In considering a relocation site, the availability of attractive and affordable housing for its employees is a key consideration. At present, the Monterey Peninsula is not viewed as having such housing. The Team strongly recommends that the development of attractive, moderately priced housing be a high priority in the early years of development at Fort Ord.

- Access between Fort Ord and Silicon Valley is a major concern. High-technology companies tend to require extensive interaction between employees within divisions and corporate headquarters. The current highways are not considered to provide adequate access. Thus, in order to facilitate the relocation of firms to Fort Ord, a high priority should be placed on improving the highway access from Fort Ord to U.S. 101.

- Fort Ord is likely to be an attractive location for start-up firms.

E. Potential for Generation of Employment

At the outset, it must be acknowledged that real estate development per se does not generate net new economic activity. Rather, it represents "capture" of market demand generated by broader macro-economic forces. Thus, Fort Ord sites will be competing to capture jobs from other locations.

Between 1995 and 2015, AMBAG projects the creation of 79,400 net additional jobs in Monterey County. This rate of growth would produce a net additional 4,000 jobs annually, reflecting an average growth rate of 2.2 percent. This level of growth would constitute a net addition (after subtracting the 20,000 to 21,000 Fort Ord-related losses) of between 58,000 and 59,000 jobs. The Team has estimated that, assuming a successful implementation of the Reuse Plan, Fort Ord should capture 25 to 35 percent of this job growth, or between 19,850 and 27,790 jobs in the 1995-to-2015 period. Therefore, by 2015, employment on the former Fort Ord properties is forecast to exceed the pre-closure figures.

However, a huge uncertainty about actual employment on Fort Ord relates to the prominence of UCMBEST in those job projections. UCMBEST is a speculative venture in at least two ways: first is the pure challenge of creating and establishing such a new center; a second concern relates to the development feasibility of the Center. This concern surfaced when the initial operations plan (published in June 1995) projected a project shortfall of more than $21 million. In other words, the capital costs of infrastructure were estimated to be more than twice the land value implied by the land uses in the plan. FORA's CIP financing plan must address this problem.

F. Infrastructure Assessment

1. Pre-existing Conditions on Base[5]

Roadways. The extensive base roadway systems has been well preserved, although roadway sections, particularly in residential areas, do not meet municipal dimensions, and safety standards for visibility and vertical geometry are not current. An immediate concern is how to restrict travel on the road system. There are simply more roads than initial reuse will require, and the associated policing, maintenance or fire prevention costs need to be avoided where possible, until the intended reuse is in place.

Potable Water System. The existing water supply system was found to have both operational and conditional deficiencies. Approximately half of the existing storage reservoirs and pumping stations require significant repairs, while roughly 25 percent of the existing water transmission

[5]This assessment is summarized from the original FORIS report.

pipelines are estimated to need replacement due to localized conditions. Of equal importance is the necessity to redrill existing wells to ensure productive life and also to meet current public health standards. At the same time, water treatment facilities must be installed at the wellheads so that delivery of potable supply can occur from any portion of the system rather than necessitating transfer of all water supply to the existing water treatment facility for redistribution throughout the reuse area. Installation of individual water meters at approximately 4,000 locations will also be necessary as a basis for revenue collection and also as a means of achieving water conservation goals.

Wastewater Collection System. A casualty of deferred maintenance, the existing sewerage system on Fort Ord requires repairs and standby power provision at all of the on-base pump stations (except the Final Pump Station to the Regional Interceptor Sewer) and the estimated replacement of 20 percent of the trunk sewer lines. However, the flow capacities in the existing system are adequate for planned reuse, and Army's past policy of purchasing treatment capacity in the regional wastewater reclamation plant has already resulted in the abandonment of on-site sewage treatment facilities except for an antiquated but functioning primary plant at East Garrison. That facility has been condemned by the County Health Officer and is scheduled for replacement.

Drainage. The four existing gravity flow pipe systems that convey storm water from the existing cantonment area to the ocean are performing well and are in good condition. However, the outfall structures that extend from the beach to discharge beyond the surf line are subject to both structural aging due to wave action and technical obsolescence under the best management practices guidelines that accompany upcoming storm water discharge regulations due in 1996. The Fort Ord drainage system is therefore obsolete in terms of discharge concept.

Energy Supply Systems. The electrical and natural gas distribution systems now serving Fort Ord depend upon connection points with Pacific Gas and Electric (PG&E) transmission lines as the source of supply from the transformer substation near Hays Hospital and the natural gas metering points on Second Avenue, Gigling Road and off Inter-Garrison Road. However, the Army's distribution systems are substandard under current State Public Utility Commission orders as well as modern installation practice. PG&E already provides distributed electrical service to the new housing areas on base, and those recently installed systems are up to code. Moreover, in the remaining cantonment area, a systematic rebuilding of the energy distribution facilities, including installation of individual meters, will be required. Redundancy of gas supply points is currently strong, but all electrical supply for Fort Ord now comes from one substation.

Communication Systems. The telephone and cable systems exist primarily as overhead lines on dual-use poles. They are subject to safety code violations under PUC orders, just as is the electrical distribution system. System rebuilding is required except in the few instances where underground conduits were installed by the Army within the last ten years. Clearly, the data

transfer and communication needs of institutions such as CSUMB and UCMBEST will probably require modern fiber-optic communication systems such as fiber-optic lines and central exchange operations. The current Army telephone exchange is outmoded, and replacement of that facility is required to support planned reuse.

2. Conclusions Regarding Existing Infrastructure

- The cost of upgrading existing infrastructure within Fort Ord to a condition of municipal service is estimated at $21.4 million. The budgeted cost of upgrading infrastructure within Fort Ord to a condition of municipal service has been included in this figure. This figure is a residual from the FORIS upgrade estimate of $45.8 million, which has been reduced for the following reasons:

  - Elimination of upgrade costs for the electrical, natural gas, and telephone systems on the assumption that a negotiated sale by the Army would transfer this responsibility to Pacific Gas & Electric Co. and to Pacific Bell;
  - Actual and anticipated grant funding by EDA for upgrade costs;
  - Assignment of storm drainage systems upgrade costs to a local assessment district and to the Army in support of ongoing POM Annex operation; and
  - Assignment of proportioned upgrade costs for the existing water supply and wastewater collection systems to the Army in support of ongoing POM Annex operation.

- The controlling factor for reuse, both phasing and buildout, is related to potable water supply. The fortunate historic availability of well-water sources is threatened over the next 30 years by salt water intrusion and, more immediately, by the threat of water basin adjudication, which may reduce pumpage.

- It is clear that additional sources of water will be essential to the buildout reflected in the Reuse Plan. FORIS considered wastewater reclamation and redistribution for irrigation; storm water diversion, storage and redistribution for irrigation; water supply importation via the Salinas Valley Water Transfer Project; and desalination as alternative water sources. All of these sources can be obtained but at a substantially higher cost of water delivered when capital and operating costs are considered.

- While provision of sewerage, drainage, transportation, and energy can be assured in order to facilitate the reuse of Fort Ord, it will be the proven availability of an adequate potable water supply that will govern the pace and extent of development. In other words, most infrastructure requirements can be physically provided as long as adequate construction dollars are available. In the case of potable water supply, the investment and time required to produce an uncontested desalinated or other new water supply will set the schedule for ultimate reuse buildout.

3. Phasing and Costs of Needed Infrastructure Improvements

As reuse of Fort Ord occurs, the need for a complementary infrastructure system will become essential to all those who live and work in the area. In fact, no plans for base reuse activities can be approved and, in practice, no reusers will be interested in making an investment of time and money at Fort Ord unless utility services and roadway access are assured. To adequately serve reuse needs, the existing infrastructure will require extensive improvement. The improvements will be in the form of typical public works projects such as road widening, utility upgrades, and drainage improvements.

The capacities and service limits of the base's infrastructure and utilities networks must be expanded to support planned development beyond the areas previously occupied by the Army. The infrastructure construction program is best seen as comprising three categories within which individual projects are grouped by utility system and then by time phase:

- upgrade of existing infrastructure to meet delivery standards associated with municipal operations and/or to perpetuate replacement of aging facilities;

- expansion of delivery capacities and geographic network for the "backbone" infrastructure systems intended to serve future development activity as set forth in the Reuse Plan; and

- onsite construction of streets, water, sewage lines, drainage systems, parks and habitat preservation facilities that will be implemented by private developers.

The first two categories identified above (for the most part, expected to be constructed in public rights of way or easements) are included in the PFIP and are addressed as to funding priority in the CIP budget.

As a corollary to Fort Ord reuse phasing, which has emerged from the land use planning of the EDAW/EMC Team, there are other constraining factors that influence infrastructure expansion and capital improvement budgeting. These factors are properly seen as "thresholds" that must be anticipated and then crossed by means of engineering plans, regulatory approvals, and/or financing availability. The primary threshold that must be anticipated in the reuse of Fort Ord is that of potable water supply.

Other of the infrastructure systems do not have the same absolute constraints as is imposed by potable water supply. However, there are several thresholds that reuse activity at Fort Ord will face and, with financial resources and response time, will pass over on the way to buildout of the base reuse plan.

Exhibit 4 displays the estimated funding levels and phasing for infrastructure upgrading and expansion, totaling $189.3 million. Each public service system requiring capital improvements was identified by Reimer Associates in the Public Improvement Project Listing. The CIP budgets are segregated by system and reflect the scheduling sequence anticipated in the scope of work, namely:

- each year for the first five years (1996-2000);
- every two years for the next six years (2001-2006);
- over the next four years (2007-1010); and
- over the next five years (2011-2015).

Costs are preliminary and reflect the conceptual nature of infrastructure planning to date. Costs do not include demolition, except as noted, hazardous waste or munitions clean up, environmental mitigation, or right-of-way within Fort Ord, agency fees, financing costs, or ongoing operations and maintenance. The schedule is based on route information available as of November 1995.

4. Necessary Demolition

On several key sites within Fort Ord, existing structures must be demolished in order to create a marketable building site. Preliminary estimates indicate basewide demolition costs of up to $120 million.

5. Implications for Marketability

Infrastructure issues bear directly and critically on the marketability of Fort Ord in several ways. First, there are certain specific improvements that are essential if the basic vision of the plan (in terms of type, timing and amounts of development) is to be realized. Additional water supply is one. Another such example is the expansion of the capacity of Highway 156, in order to seriously compete for Silicon Valley expansion sites.

As Exhibit 5, "Summary Cost Screen for all Capital Improvements," shows, the projected burden on light industry, business park and office/R&D is very high. In the Team's view, it is excessive and would preclude development for these uses, due to the relationship between land value and total burden. This table summarizes estimates for capital costs and for "in-tract" development costs per developable acre by land use.

G. Strategic Assessment: Summary of Conclusions

Overall, FORA could be in a position to accomplish the mission spelled out for it in SB 899 and anticipated for Fort Ord in its designation as a national model of base reuse. From its spectacular natural setting and existing economic bases of tourism and agriculture, to its strong

FORT ORD OPERATIONS PLAN - CAPITAL IMPROVEMENT PROJECTS BUDGET

35,123.58

SUMMARY TABLE BY YEAR											
TOTAL PROJECT $S BY SYSTEM	BUDGET ALLOCATIONS BY YEAR										
	1996	1997	1998	1999	2000	2001-2002	2003-2004	2005-2006	2007-2010	2011-2015	TOTAL
TRANS-PORTATION	$0	$1,420,000	$7,090,000	$4,890,000	$6,480,000	$11,060,000	$5,490,000	$6,720,000	$51,630,000	$36,130,000	$136,510,000
WATER	$0	$532,000	$2,088,000	$2,308,000	$2,382,000	$2,480,000	$2,200,000	$2,200,000	$5,090,000	$18,920,000	$38,200,000
WASTEWATER	$0	$80,000	$400,000	$50,000	$80,000	$890,000	$175,000	$175,000	$480,000	$8,300,000	$10,630,000
HABITAT MANAGEMENT	$0	$2,800	$464,600	$180,800	$19,600	$0	$0	$0	$0	$0	$668,000
DRAINAGE	$0	$0	$0	$270,000	$1,940,000	$0	$0	$0	$0	$0	$2,210,000
PUBLIC SERVICES	$0	$0	$0	$0	$0	$0	$1,100,000	$0	$0	$0	$1,100,000
TOTAL	$0	$2,034,800	$10,042,600	$7,698,800	$10,901,600	$14,430,000	$8,965,000	$9,095,000	$57,200,000	$63,350,000	$189,318,000

* NOTE $5,600,000 FOR THE TRANSPORTATION COST WAS NOT ALLOCATED TO A SPECIFIC YEAR BUT HAS BEEN INCLUDED IN THE TOTAL

SET 3 - SUMMARY COST SCREEN FOR ALL CAPITAL IMPROVEMENTS

PHASE I - 2015

35,123.75

ALL SYSTEMS AREA BY USE	CAPITAL COST PER NET DEVELOPMENT ACRE TRANS-PORTATION	WATER	WASTE-WATER	HABITAT	FIRE	INTRACT DEVEL. 1 COST PER ACRE Inc. DRAINAGE BENEFIT FEE AS APPLICABLE	TOTAL BURDEN OF DEVELOPMENT COSTS PER ACRE
RESIDENTIAL							
Existing Housing - Low	$19,319	$11,923	$2,616	$241	$351	VARIES WITH UPGRADE	$34,449
Existing Housing - Med	$0	$0	$0	$0	$0		$0
Existing Housing - High	$54,661	$24,235	$5,671	$392	$351		$85,310
New - Low Density (4/ac)	$20,969	$12,942	$2,839	$261	$351	$80,000	$117,362
New - Medium Density (6/ac)	$31,497	$14,579	$3,554	$393	$351	$105,000	$155,373
New - High Density (8/ac)	$41,938	$19,412	$4,732	$523	$351	$105,000	$171,955
New - Attached (10/ac)	$45,608	$20,221	$4,732	$544	$351	$108,750 2	$178,206
New - Attached (20/ac)	$68,149	$40,442	$9,463	$653	$351	$105,000	$224,059
Subtotal Residential							
CSUMB Existing	INCLUDED BELOW						
CSUMB New	INCLUDED BELOW						
POM Annex Housing	INCLUDED BELOW						
TOTAL Residential							
RETAIL & VISITOR SERVING							
Convenience	$158,705	$15,387	$4,864	$0	$351	$75,000	$254,306
Neighborhood	$97,050	$16,631	$5,257	$0	$351	$75,000	$194,289
Regional/Outlet	$83,998	$16,933	$5,353	$0	$351	$76,500 2	$183,134
Visitor Serving	$90,866	$23,906	$8,001	$0	$351	$75,000	$198,124
TOTAL Retail & Visitor Serving							
LI/BP & OFFICE/R&D							
UC MBEST	$170,578	$8,905	$2,981	$0	$351	$69,000	$251,814
LI/BP	$47,062	$3,991	$1,336	$0	$351	$61,500	$114,240
Office/R&D	$151,006	$9,197	$3,078	$0	$351	$70,500 2	$234,132
TOTAL LI/BP & OFFICE/R&D							
PLANNED PUBLIC FACILITIES							
Other	$0	$0	$0	$0	$0		$0
Military Enclave	$0	$3,721	$322	$0	$0		$4,043
CSUMB	$60,729	$15,902	$5,323	$674	$0	$1750/AC ON 537 AC. 2	$84,377
Institutional (MPC,GGU,etc.) #	$11,029	$19,564	$6,548	$0	$351	$3,500 3	$40,993
Public Schools #	$0	$0	$0	$0	$0	#N/A	$0
TOTAL Public Facilities							
OPEN SPACE & RECREATION							
Habitat Protection	$0	$0	$0	$0	$0	#N/A	$0
New Golf Courses #	$3,456	$242	$91	$0	$351	$3,500 3	$7,641
State Parks #	$0	$0	$0	$0	$0	#N/A	$0
Equestrian Centers	$180	$520	$97	$0	$351		$1,148
Parks & Greens	$0	$0	$0	$0	$0	#N/A	$0
TOTAL OS & Recreation							

1. BASED ON REIMER ASSOCIATES EXPERIENCE + 15% CONTINGENCY
2. INCLUDES DRAINAGE BENEFIT ASSESSMENT WHICH IS CALCULATED AS SHOWN IN TABLE PRJ-6
3. BASED ON 36 HOLES @ $30,000/HOLE

legislative mandate and potentially strong education and research employment base, Fort Ord is probably better positioned to succeed than many closed bases. Over the long term, its potential assets should exceed its potential liabilities. The major challenge to will be to achieve balance

- between residential and employment-generating land uses;
- between the desire for rapid redevelopment and the desire for high-quality, sustainable development;
- between local and basewide decision-making; and
- between short- and long-term financial requirements.

Therefore, the key conclusions of the Strategic Assessment are as follows:

- Over the long term, the Plan should be financially feasible.

- In the nearer term, there will be more developer interest in residential and resort uses than other employment-generating uses.

- Also in the nearer term, the infrastructure costs of office/R&D and light industrial/ business park uses are prohibitive, and somehow must be mitigated if development is to occur.

- The likelihood that the Reuse Plan will achieve its employment objectives is extremely dependent on the successful implementation by the educational institutions of their plans — most importantly UCMBEST.

- Definition of an adequate financing strategy (including reality-based terms for the economic development conveyance from the Army) is essential to the goal of a quick recovery.

- Feasibility is also dependent on adequate and timely solutions to key infrastructure issues, such as the potable water capacity and Highway 156 capacity.

- There should be a net positive land value over the long term, but probably with significant deficits at certain points due to infrastructure costs and the time required to market and develop the properties.

III. ECONOMIC DEVELOPMENT STRATEGY AND MARKETING PLAN

As described above, the Base Reuse Plan Vision is premised on the "Three E's" of Economic Development, Education, and the Environment. The former is highly dependent on the latter two premises. More specifically, this vision of Fort Ord is one premised on

- a recognition that real estate development per se rarely represents net new economic activity, but rather "capture" of markets generated by larger economic forces;
- development of a significant employment center largely driven by the educational institutions;
- provision of a significant supply of new high-quality housing units at a wide range of prices to assist in attracting employers to Fort Ord;
- provision of a mix of housing types and products consistent with the projected diverse work force at Fort Ord; and
- establishment of early development momentum by taking advantage of existing infrastructure and housing units.

A. KEY ECONOMIC DEVELOPMENT CONCEPTS

The Base Reuse Plan's economic development strategy has the following fundamental components.

1. Market Strategy

The market strategy capitalizes on the strong existing market potential for residential development to (1) enhance the attractiveness of Fort Ord as a jobs center, especially for educational and R&D employees, by providing attractive housing at a wide range of price ranges to accommodate these employees; (2) generate early revenues for infrastructure improvements, thereby reducing the prohibitive infrastructure burden projections on employment generating uses; and (3) structure financial incentives to foster early development of employment-generating uses.

2. Infrastructure Strategy

The infrastructure strategy is based on maximizing the use of existing infrastructure improvements to support development in the initial years, and focusing on certain key long-term requirements such as water supply and Highway 156, while preserving the greatest flexibility to respond to future development opportunities.

3. Circulation Strategy

The circulation strategy is to augment the existing road network to the extent practical so that the most expensive improvements can be postponed as far into the future as possible. This strategy will (1) maximize the available capacity at the existing interchanges located on Highway 1; (2) utilize the existing roadway alignment and capacity in the Imjin Road Corridor for the longest period possible; (3) construct a new east-west roadway between Reservation Road (extending northeast along the Davis corridor to Salinas) and North-South Road to augment the capacity in the Imjin/Blanco corridor; (4) connect the existing Marina neighborhoods north of Fort Ord with the existing housing resources in the area formerly known as polygon 4; and (5) preserve sufficient ROWs to serve long-range build-out.

4. Community-building Strategy

This strategy is to capitalize on the valuable synergies that can be achieved by developing coherent and balanced communities that take advantage of the major existing assets and public investments. The community-building strategy will (1) provide a community that supports and takes advantage of the emerging CSUMB campus and other educational institutions; (2) build on the activity that is emerging at the new Marina Municipal Airport; (3) support the inherent opportunities at the UCMBEST Center to attract new technology-driven and research and development oriented employers; (4) fully integrate the developing communities within Fort Ord with the regional recreation and open space resources managed by the State Parks and BLM; (5) take advantage of the proximity to Highway 1 to create a gateway to Fort Ord; (6) utilize and leverage the two existing golf courses in Seaside; (7) integrate the existing housing stock into the surrounding communities; and (8) build on the continuing commitments by the Department of Defense represented by the DFAS, and the POM Annex and other elements of the military enclave.

5. Regulatory Strategy

The regulatory strategy establishes a positive development environment that provides certainty, consistency, predictability, and expeditious processing, and within which the nexus between entitlements, mitigations and allocation of costs is clear and defensible.

6. Fiscal Strategy

The fiscal strategy is to balance the cost of providing services with the potential revenue stream generated to the various jurisdictions within the Fort Ord boundaries to optimize the fiscal health and self-sufficiency of each governmental entity.

7. Use of Redevelopment

While it is currently unclear whether FORA, the County, Seaside and Marina will effect proposed areas as anticipated in SB 1600, redevelopment could be of major benefit and should be kept as an alternative financing strategy.

B. General Marketing and Disposition Action Plan

The overall marketing of Fort Ord properties should be guided by the following strategies:

1. Definition of a Single Location Name for Fort Ord Properties

Initially, it is important to capitalize on the area's strengths, one of which is the cache of the "Monterey" name. It is a near certainty that a reference to "the Monterey Crescent" or "South Monterey Bay" would have broader appeal to potential tenants, businesses, residents, and the private development community than identification with the "former Fort Ord" or its lesser known constituent communities. At this time, the Team does not recommend a specific name, but defining an identity should be an early priority. There are numerous examples of the importance of building an identity. One is Vail Associates' (VA) marketing of Beaver Creek, Colorado. The developers of the world-renowned Vail ski resort developed a new, very upscale resort and recreational community located 10 miles west of Vail. Initially, VA's approach was to develop and market Beaver Creek as a separate, independent and very exclusive resort, with little emphasis on its connections to Vail, either in terms of proximity or VA's corporate involvement. Over time, this marketing mistake became apparent. As a result, a new strategy evolved based on Vail/Beaver Creek as sister resorts. Later, the identity was strengthened, with the two resorts termed the "Vail Valley." These latter strategies have been much more successful, as they built on the established international identity of Vail.

2. Implement Early Sites Marketing Plan (see following Section III.C)

3. Establishment of a Single Set of Entitlement Procedures and Mechanisms

It is more important that local governments adopt a consistent and predictable set of rules and policies for their Fort Ord properties. This should include the following:

- effective, consistent CC&Rs, PUD provisions, etc.;
- a policy and procedures manual that clearly outlines the development approvals process and schedule, key regulatory criteria and objectives, and obligations of all involved parties; and
- a common, consistently used development agreement format.

More generally, it should be communicated clearly and often that the area, while environmentally aware, is also developer-friendly with an approved master land use and infrastructure plan, a program EIR (minimizing individual project review), and a predictable regulatory environment. If fast-track processing for high-priority sites can be established, this should be heavily marketed. Such a coordinated approach will not only support the overall marketing effort, but also reduce the likelihood of developers playing one local jurisdiction off against the other.

4. Establish a Common Approach to Pricing and Terms for Fort Ord Properties

FORA should encourage local jurisdictions to utilize common assumptions in pricing Fort Ord properties. This is critical, given the importance of land sales proceeds as a major source of revenue. It also increases the likelihood that individual jurisdictions will get the best possible deal. The natural venue for initiating this discussion is the negotiation of the terms of the economic development conveyance, since the local governments will need to be deeply involved in those discussions.

5. The Establishment of FORA as the Designated Fort Ord Marketing Agent

In terms of economies of scale and a consistent message, the Team recommends that FORA take the lead in marketing Fort Ord properties. It should create a comprehensive marketing strategy and plan for all Fort Ord sites and the surrounding environs, reflecting an overall vision and identity for the area. This will allow a more comprehensive and extensive marketing effort than could be afforded by the individual jurisdictions. As part of the regional marketing program, key representatives should make regular trips for presentations at appropriate forums, where preliminary introductions to the area can be made. Examples of such forums are conferences of such real estate organizations as the Urban Land Institute (ULI), International Council of Shopping Centers (ICSC), Value Retail News (VRN), National Association of Industrial and Office Parks (NAIOP), Association of American University Research Parks (AAURP), National Association of Corporate Real Estate (NACORE), the UCLA Hotel Industry Investment Conference, etc.

6. Establish Joint Marketing Programs with the Universities

FORA should take a proactive approach to joint marketing with both CSUMB and UCMBEST. All three entities have a huge stake in the success of the overall Reuse Plan. Thus, resources should be pooled for maximum impact. As previously discussed, CSUMB is likely to achieve development of some of its needed facilities through joint (public/private) development. UCMBEST prospective development is interwoven with development of other properties at Fort Ord.

7. Develop Mechanisms for Monitoring Market Conditions and Annually Prioritizing Development Offerings

FORA should contract for periodic market studies. This would not only be cheaper and better than numerous more localized analyses, but would increase the chance that all the potential sellers have comparable market information, and produce a resulting appreciation for development opportunities offered. Based on this objective outside analysis, the FORA and the jurisdictions with properties to sell or lease should establish a set of "rolling" annual marketing priorities for FORA's efforts. ("Rolling" means every year's plan would address two to three future years.) These annual priorities would help reinforce consistency with the Basewide CIP.

8. Create a "Marketing and Disposition Technical Assistance Team"

A small cadre of public/private development specialists could act as a resource to the local jurisdictions as they define marketing and disposition strategies for specific sites. Examples of the types of assistance they could provide are as follows:

- identification of appropriate developers and tenants;
- help in defining an appropriate marketing strategy for a given site, e.g., public RFP, sole source, master developer, fee developer;
- assistance with design, production and distribution of RFQs and RFPs;
- help in defining the appropriate method of disposition of sites, e.g., sale vs. lease, participation terms or not;
- help in evaluation of developers and proposals; and
- technical support in negotiation of transactions.

9. Create Linkages between Residential Development and Employment

Residential and industrial/business park and office/R&D development could be synergistic. To maximize these opportunities, FORA should encourage residential developers to target the marketing of their homes to new employers who are attracted to Fort Ord. In turn, new employers attracted to Fort Ord should make their employees aware of housing opportunities being developed at Fort Ord. In this way, residential and industrial/business park and office/ R&D developers will mutually benefit from this linked marketing. FORA should try to formalize this linkage by urging the local jurisdictions to make such linkage a criterion in developer selection.

10. Explore Establishment of Nonprofit Development Corporation

While detailed examination of this option is outside the scope of this contract, the Team strongly encourages FORA and local governments to study this option as a potential long-term institutional arrangement. Possible models include the City Center Development Corporation in San Diego and the Philadelphia Industrial Development Corporation in Philadelphia. Both

these entities provide marketing, financial and related technical disposition expertise to their respective jurisdictions.

11. Explore the Feasibility of Land Write-downs or Other Forms of Financial Assistance to "Prime the Pump" for One or More of the Office or Light Industry Sites Discussed in the Early Site Marketing Plan Below

The market analysis clearly indicated that non-residential development will be more difficult than residential development for some time. The preliminary analyses conducted as part of the UCMBEST studies reinforces this point. FORA should take the lead in devising strategies for accelerating job generating development. This should be a part of the EDC negotiations.

C. Early Sites Marketing Action Plan

The section of the CBP provides recommendations for marketing and disposition of properties that have strong potential for near-term disposition and development after the transfer of Fort Ord by the U.S. Army.

The Fort Ord Base Reuse Consulting Team has worked carefully to develop land use, infrastructure and phasing plans that will optimize a number of objectives:

- maximize market capture;
- minimize early infrastructure and service costs;
- provide fiscal benefits to all jurisdictions as early as possible;
- facilitate financial feasibility;
- minimize negative impacts on the Monterey County real estate market; and
- make sites available as early as possible that are attractive in market terms.

SKMG has identified sites that, based upon its market analysis, may have potential for development soon after conveyance. In general, these sites correspond to those sites identified by EDAW, Inc. for build-out by the year 2000. This is a reasonable time horizon within which developers will consider site acquisition for development. Some of these sites might be offered to developers prior to conveyance of the Fort Ord property by the U.S. Army so that disposition can occur immediately upon conveyance.

Even in this early disposition of sites, some consideration should be given toward establishing a single regional market identity, as recommended above. This suggests that a contract for a strategic marketing plan should be a top FORA priority.

The Early Sites are organized by land use, beginning with residential, where there is likely to be the most interest. Exhibit 6 summarizes the Early Sites Marketing Plan described below.

Exhibit 6
Summary of Early Sites Marketing Plan Recommendations

Site	Land Use	Development Program	Timing	Pricing to Developers	Target Market	Marketing and Disposition Strategy
1. Existing Housing, Marina	Attached Residential	Renovation of 1,300 existing units for lease and sale	Years 1-5	$35,000/unit "as is"	Renters; moderate-income buyers; retirees	Sell to 2-3 developers
2. Infill within Existing Housing Area, Marina	Detached Residential 8 du/acre	Develop 350 new units on infill sites between existing housing clusters	Years 1-5	$41,875/ unfinished lot	Moderate-income households	Sell to single developer; or package with adjacent existing units to 1 or 2 developers
3. Civic Center Mixed-use District, Marina	Detached Residential 6 du/acre	Develop 150 new units	Years 1-3	$52,500/ unfinished lot	Middle-income households	Sell to single developer
4. New Golf Course Community, Seaside	Detached Residential 6 du/acre	Develop 450 new units	Years 2-5	$52,500/ unfinished lot	Middle-income households	Sell all golf course community to single master developer; in turn, developer may sell to home builder
5. New Golf Course Community, Seaside	Detached Residential 4 du/acre	Develop 50 new units	Years 2-5	$75,000/ unfinished lot	High-income households	Sell all golf course community to single master developer; in turn, developer may sell either to single upscale home builder or numerous semi-custom home builders
6. Marina Municipal Airport District, Marina	Light industrial/business park	Develop 24.5 acres	Years 1-5	$3.00/sq.ft. average finished sites; $1.59/sq.ft. unfinished	Light industrial users	Market to single experienced industrial/ business park developer

Exhibit 6, cont.

Site	Land Use	Development Program	Timing	Pricing to Developers	Target Market	Marketing and Disposition Strategy
7. UCMBEST Center, Marina	Offices/R&D	Develop 11 acres	Years 2-5	$3.75/sq.ft. average finished sites; $2.17/sq.ft. unfinished	R&D users	Strategy subject to University of California plans
8. Mixed-use Corporate Center, Marina	Office/R&D	Develop 7.2 acres	Years 3-5	$3.75/sq.ft. average finished lots; $2.13/sq.ft. unfinished	Office/R&D users	Market to single developer after demolition of existing structures
9. East Garrison District, Monterey County	Office/R&D	Develop 6 acres	Years 2-5	$3.75/sq.ft. average finished lot; $2.13/sq.ft. unfinished	Office/R&D users	Market to single developer
10. Neighborhood Retail Center, Seaside	Retail	Develop 14-acre 153,000-sq.-ft. center	Years 4-5	$8.00/sq.ft. finished site; $6.28/sq.ft. unfinished	Local shoppers	Sell to experienced retail center developer
11. Convenience Retail Center, Monterey County	Retail	Develop 1-acre 11,000-sq.-ft. center	Years 4-5	$8.00/sq.ft. finished site; $6.28/sq.ft. unfinished	Local shoppers	Sell to experienced retail center developer
12. Regional Retail Center, Marina and Seaside	Retail	Develop 50-acre 500,000-sq.ft. center	Oppor-tunistic	$8.00/sq.ft. finished site; $6.24/sq.ft. unfinished	Regional shoppers	Sell in phased manner to master retail center developer

Exhibit 6, cont.

Site	Land Use	Development Program	Timing	Pricing to Developers	Target Market	Marketing and Disposition Strategy
13. Hotel Site, Seaside	Resort/Hotel/ Conference Center	Develop 300-room hotel adjacent to golf course on 9.5-acre site	Years 4-5	$20,000 per room or $14.50 per sq.ft. of site area finished; $12.70/sq.ft. unfinished	Leisure guests/ conference attendees	Sell to hotel developer; ensure priority guest play on golf course
14. Existing Golf Courses, Seaside	Golf Courses	Assume continued ownership by Army; recommend professional management	Year 1	None	Residents, resort guests	Lease to professional operator; ensure preferred resort guest play
Source: Sedway Kotin Mouchly Group						

1. Residential Sites — Existing Housing

Introduction. In the market analysis, demand by the year 2000 was forecast for (1) the reuse of the approximately 1,300 existing available housing units, assuming that they could be delivered as high-quality units at moderate cost; and (2) approximately 1,000 new market rate housing units of various products and locations within Fort Ord. The Consultant Team has selected the following sites as having the strongest near-term market potential.

Patton, Preston and Abrams Parks. The Consultant Team estimates that approximately 1,300 units of existing housing located within Patton, Preston and Abrams parks are available for reuse. Based upon previous analyses, this housing stock appears to be suitable for renovation. All of these units are located within the "Existing City of Marina Neighborhoods, Planned Residential District" (Polygon 4). The remaining units either are slated for transfer to homeless service providers through a McKinney Act conveyance or are appropriate for demolition. These housing units should be one of the earliest properties for disposition at Fort Ord.

Most of these 1,300 existing housing units are currently vacant and should be brought onto the market as soon as possible. SKMG endorses the efforts of the City of Marina to obtain interim control through a lease transfer from the Army. In their current vacant condition, the housing units are reportedly deteriorating at a rapid rate. If these housing units remain vacant awaiting their formal transfer to FORA, a conveyance which is unlikely to occur before mid-1996, much of this housing is likely to deteriorate significantly, possibly making reuse economically infeasible. An interim lease between the Army and FORA, however, would facilitate bringing this housing to market in the near term while it is in sufficiently sound condition for viable reuse. Upon conveyance, this housing should be targeted to three potential end users:

- moderate income households as renters;
- moderate income households as condominium buyers; and
- retirees.

SKMG believes that there will be strong developer interest in acquiring this housing for these market-rate uses. Segmentation of the market between the three target markets above will facilitate rapid absorption. In all three cases, developers would acquire portions of the property, obtain financing, renovate, market and manage or sell the units. The rental market can most immediately be targeted, given existing strong demand. While pricing will need to be highly competitive in the early years in order to absorb the large number of units, rental rates can be increased as demand strengthens, particularly as employment increases at Fort Ord.

The highest quality units at Preston and Abrams parks should be brought onto the market as for-sale condominiums as quickly as possible. SKMG believes that there will be an immediate demand for such units. These two- to four-bedroom units should achieve prices generally in the $90,000 to $100,000 range after renovation. However, absorption will not be rapid and is

likely to average between 50 and 100 units annually in the first years of sales. Thus, condominium developers should either take down relatively small numbers of units at a time, or should conduct dual strategies of rental and sale.

A proposal has been made by Lifespan to develop a senior housing community. According to Lifespan's proposal, the organization will acquire approximately 500 units at Patton Park. Of these, approximately 400 will be renovated and operated as independent living housing units for senior adults. The remaining 100 units would be demolished for the construction of various common-area facilities including a nursing home. Given the ability to deliver these one-story units at moderate prices, SKMG believes that the market will be strong for this senior housing development.

Given the large number of units proposed for reuse, SKMG recommends that two to three developers be selected for acquisition, renovation and marketing of these units. With a limited number of developers, a coordinated approach and economies of scale can be achieved.

Assuming these units can be taken down in phases, SKMG projects a net sales price to the developer averaging about $35,000 per unit.

2. Residential Sites – New Development

Infill Within Existing Housing Area (High-density Single-family Detached). The market assessment indicated a demand for about 350 units of high-density new single-family detached homes at Fort Ord by the year 2000. The Consultant Team has identified infill development opportunities in open space areas located between clusters of existing housing within the Preston, Abrams and Patton parks communities that are highly appropriate for such development. All of this housing is within the area termed by the Consultant Team the "Planned Residential District" within the Existing City of Marina Neighborhoods Planning Area (Polygon 4). These development sites benefit from immediate access to existing infrastructure, are topographically fairly level and are easy to develop.

SKMG recommends that approximately 44 acres of land within this area be made available for early developer disposition. This property could accommodate about 350 new homes built at an average density of eight units per acre, or lot sizes between 4,000 and 5,000 square feet. This density will allow a number of alternative configurations that have proved popular in the market at moderate prices. These products include zero lot line, cluster, and other types of small-lot single-family detached homes. Target pricing for these homes should be in the $150,000 to $200,000 range. In the early years of development, SKMG projects absorption of between 50 and 70 units annually.

SKMG recommends that infill sites initially be chosen in close proximity to existing Preston or Abrams park housing units that will be targeted for condominium conversion. Thus, the two adjacent for-sale projects will be mutually beneficial and will offer synergies in marketing.

Given the relatively small number of units to be developed over this five-year period, and to achieve economies of scale, SKMG recommends that only one developer be selected to produce these 350 new homes. Parcels might also be packaged with some of the existing units at Preston and Abrams parks. In this way, a more coordinated overall development would likely occur. In addition, it would provide the developers of new housing some control over the nearby reuse units, allowing them to ensure an overall high level of quality. SKMG projects a finished lot value of about $55,000 per lot. Assuming in-tract costs of $13,125 per lot provides a residual $41,875 per unfinished lot.

Medium-density Single-family Detached. Two sites have been identified for the optimal early development of medium-density single-family detached homes. These are homes built at an average density of six units per acre, for lots averaging around 6,000 square feet. The SKMG market assessment indicated demand for approximately 600 of such homes by the year 2000. The two sites are located in the City of Marina and the City of Seaside.

The site in Marina identified for early disposition and development is in the "Civic Center Mixed-Use District," also located within the "Existing City of Marina Neighborhoods Planning Area" of Fort Ord (Polygon 5a). This 35-net-acre site is planned for a mixture of uses, with 25 acres recommended for residential development at an average density of six units per acre. Thus, approximately 150 units can be accommodated on this site. These homes are recommended to be developed as part of a mixed-use site development, and will have a strong physical orientation to the existing City of Marina. In general, it is a topographically level site with immediate access to infrastructure, and which will be easy to develop. A single home builder should be selected to develop these units.

Within the Seaside Residential Planning Area, the Consultant Team has identified the "New Golf Course Community" for early development (Polygon 20). Approximately 75 acres within this larger area is recommended to be targeted for early disposition and development for approximately 450 medium-density single-family detached homes. Although not located along the golf course frontage, these units will benefit from the golf course proximity.

As will be discussed later, SKMG recommends that a master developer be selected for the overall "New Golf Course Community" development in order to ensure a consistency of quality and image. That master developer would likely select one or more home builders to produce the 450 units of medium-density single-family detached homes.

Homes on both sites are recommended to be targeted in the $200,000 to $275,000 price range. In order to provide a variety of product, SKMG recommends that at least two home builders be selected to provide this product. Absorption is forecast to average between 100 and 120 units annually during the initial years of development. SKMG projects a finished lot value of about $70,000 per lot. Assuming in-tract costs of $17,500 per lot produces an unfinished lot value of $52,500.

Low-density Single-family Detached. One site within the "New Golf Course Community District" in Seaside has been identified for initial low-density single-family detached housing development (Polygon 20a). The SKMG market assessment indicates a demand for approximately 50 such units by the year 2000. Approximately 12 acres will be required to accommodate this demand at an average density of four units per acre. Lots will average around 8,000 square feet.

SKMG recommends that these homes generally be priced in the $275,000 to $325,000 range for homes off the golf course. However, homes with golf course frontage should be priced in the $350,000 to $375,000 range. Absorption is projected to average around 10 units annually during the early years of development. As previously discussed, the new Golf Course Community should be marketed to a single master developer. That developer would likely either sell the low-density home property to a single land developer, or would develop the lots and market them to small custom home builders. SKMG projects a finished lot value of about $95,000 per lot. Assuming a $20,000 per lot in-tract cost produces an unfinished lot value of $75,000.

3. Business Park/Light Industrial Sites

SKMG has forecast a demand for approximately 200,000 square feet of industrial and business park space at Fort Ord by the year 2000. The Consultant Team has selected a single site as having the strongest near-term market potential, while also optimizing project goals. This site is within the "Marina Municipal Airport District" and the adjacent "Light Industrial/ Technology Center," both of which are in the Airport Planning Area (Polygons 1a and 1f). This area encompasses the Marina Municipal Airport.

Within these development sites, a total of approximately 108 acres have been identified for business park and light industrial use. Of this, 24.5 acres have been identified as having near-term development potential. This property benefits from having immediate access to infrastructure with convenient access to Reservation Road. Some users could benefit from the proximity of the airport.

Utilizing typical densities for similar properties in the county and allowing for the characteristics of the property, the Consultant Team estimates that this property will accommodate approximately 181,500 square feet of space at a floor area ratio (FAR) of 0.17. This relatively low density reflects the infill nature of the area within the Airport Planning District, which includes major existing structures.

This combined property should be targeted to both end-users and developers of speculative space. The property will need to be developed to complement the existing airport activities and some existing warehouse and hangar structures that are available for reuse. In the longer term, this property will benefit from its proximity to the proposed UCMBEST Center.

SKMG recommends that this site be marketed to a single land developer who will subdivide and construct the infrastructure for a business park. That developer would likely market these lots primarily to end users. In addition, this land developer may engage in some development activity on a build-to-suit basis, and, possibly in the longer term, on a speculative basis. SKMG projects finished lot sale prices averaging approximately $3.00 per square foot for this property, or $130,680 per acre. With in-tract costs of $61,500, unfinished lot prices would average $69,180 per acre.

4. Office/Research and Development Sites

SKMG has forecast a demand for approximately 300,000 square feet of office and research and development (R&D) space at Fort Ord by the year 2000. The Consultant Team has selected three sites as having the strongest near-term market potential, while also optimizing project goals:

- UCMBEST Center in City of Marina;
- Mixed-use Corporate Center in City of Marina; and
- East Garrison in Monterey County.

UCMBEST Center. The Consultant Team has identified a portion of the Airport Planning Area that is appropriate for office and research and development use. This property is known as "MBEST Cooperative Planning District" (Polygon 7c). Within this property, 11 acres have been targeted for near-term development that can accommodate approximately 134,000 square feet of space. This development reflects an FAR of 0.28, suitable for a campus-style office and research park environment. The site is strategically located along the frontage of Reservation Road, thereby providing excellent access and visibility. This property will comprise the first phases of development of the UCMBEST Center, and has already been transferred to the University of California. The development of this area should be carefully coordinated with the development of the adjacent business park within the Marina Municipal Airport District and the Light Industrial Technology Center. The University of California is currently preparing a business plan for this property.

Mixed-use Corporate Center. This strategic office and R&D site is located within the "Marina Town Center Planning Area," and offers frontage and visibility from the U.S. Route 1 freeway (Polygons 2a and 2b). Excellent access is provided at the nearby 12th Street and Main Gate exits located on both ends of the property. For near-term development, the Consultant Team has identified 7.2 acres that should accommodate about 110,000 square feet of space. This development reflects an FAR of 0.35, suitable for a corporate office park containing prominent high-visibility buildings of three stories. SKMG recommends that a single developer be selected to undertake a mixed-use development of the Corporate Center property. That developer could be a master developer who sells parcels to other developers, or could be the overall end-developer.

A portion of this area is currently occupied by old wooden structures formerly used by the Army for office space and other purposes. The Consultant Team determined that these structures have no long-term potential and recommends demolition. This demolition should be undertaken prior to the marketing of development sites. However, for portions of the "Mixed-use Corporate Center" not required for near-term development, buildings could be leased on an interim basis to cost-conscious office users, thereby providing some near-term revenue.

East Garrison District. Within the "East Garrison District, Reservation Road Planning Area" (Polygon 11b) in Monterey County's jurisdiction, the Consultant Team has identified a site appropriate for near-term development of office and R&D space. A planned realignment of Reservation and Inter-Garrison roads and their intersection creates a triangular site of approximately 30 acres, which will provide a highly accessible and visible site for development. With a modest hill and extensive vegetation, this site has the ability to serve as a highly attractive office/R&D park. In the near term, 6 acres have been identified as having a high level of development potential, and could accommodate about 52,000 square feet of space. This development reflects an FAR of 0.20, suitable for a campus-style park in a somewhat hilly environment. SKMG recommends a single developer for this site.

SKMG projects finished lot sales prices averaging about $3.75 per square foot for these office and R&D sites, or $163,350 per acre. In-tract costs are estimated at $69,000 for UCMBEST and $70,500 for other properties. Thus, net unfinished lots are valued at $93,350 per acre at UCMBEST and $92,850 per acre elsewhere.

Plans for the reuse of the remainder of the East Garrison are uncertain to date. The County is currently studying two distinct alternative scenarios for the property's reuse:

- A mixed-use private development scenario that aims to maximize the economic benefit to the County; and
- A public use of the property as a Regional Law Enforcement Training Center.

5. Retail Sites

SKMG has forecast demand for approximately 190,000 square feet of retail center space within the first five years of development at Fort Ord. The consultant team has identified two potential retail centers for development in the near term:

- a neighborhood retail center of approximately 153,000 square feet; and
- a convenience retail center of approximately 11,000 square feet.

Neighborhood Retail Center. An optimal site has been identified for the first significant retail center at Fort Ord. Located in the "University Village" within the University Planning Area

in Seaside (Polygons 20e and 20h), the property is located at the strategic intersection of Gigling and North South roads. A retail center requiring 14 acres of about 153,000 square feet in size will be a major near-term amenity to the residential communities within Fort Ord. This center will likely include supermarket and drug stores and would be the first phase of a retail center that would eventually be double the size. Retail space in this center will be supported by both the local residents and by students, faculty and staff at CSUMB. SKMG recommends that an experienced retail center developer be selected for the development of this strategic parcel. This development will probably be undertaken toward the end of the five-year period, when a sufficient population on the Fort Ord property will support the retail center.

Convenience Retail Center. A convenience retail center has been targeted for near-term development at Fort Ord comprising one acre and about 11,000 square feet of developed space. Tenants at this center will likely include a convenience market, cleaners, video rental and other convenience stores and services. A site has been targeted for near-term development within the "County Recreation/Habitat" district in the University Planning Area (Polygon 8a), located within Monterey County. This site is located on Imjin Road adjacent to an existing convenience center that is close to the CSUMB housing enclave.

Regional Retail Opportunity Site. Within the "Gateway Regional Entertainment District, University Planning Area" in Seaside and the "Mixed-use Corporate Center, Town Center Planning Area" in Marina (Polygons 15 and 2b) is an opportunity site for development. While the market study did not conclude that this is likely to be an early development site, opportunities may emerge for regional retail development on this strategic site. Therefore, the site should be marketed to retailers and retail developers.

SKMG projects a finished site sales price of about $8.00 per square foot for these retail center sites, or $348,480 per acre. In-tract costs have been estimated at $75,000 for neighborhood and convenience retail centers and $76,500 for regional/outlet retail centers. Thus, net unfinished sites are valued at $273,480 per acre for neighborhood/convenience centers and $271,980 per acre for regional outlet centers.

6. Hotel Site

SKMG has forecast demand for approximately 300 rooms in a resort hotel/conference center within the first five years of development at Fort Ord. The consultant team recommends as an optimal site for the first such hotel a location on the existing golf courses in the City of Seaside. As golf courses are a necessary requirement for most resort hotels on the Monterey Peninsula, advantage should be taken of these two good quality courses. Thus, we recommend Polygon 22 located within the Seaside Residential Planning Area on a site known as the "Visitor Serving Hotels and Golf Courses." This 375-acre site includes the two golf courses and sites that will accommodate the eventual development of 800 hotel rooms.

SKMG recommends that a 9- to 10-acre site within this area be marketed to a hotel developer for the near-term construction of an approximately 300-room hotel. This hotel should be developed by a highly experienced resort hotel developer who is aligned with an excellent operator. As discussed in the SKMG market assessment, this hotel should be of a four-star quality, and should be heavily targeted to the group meeting market.

SKMG forecasts that this finished hotel site would sell for around $14.50 per square foot, or $20,000 per room. Assuming a density of 31.5 rooms per acre, a value of $630,000 per acre is achieved for a finished site. In-tract costs are estimated at $75,000 per acre. Thus, a net value of $555,000 per acre is achieved for an unfinished site.

7. Golf Course Sites

The two existing 18-hole golf courses at Fort Ord are currently operated by the U.S. Army, are of very high quality and are quite popular, both with military personnel and local residents. It is SKMG's understanding that the Army intends to maintain ownership of the golf courses to provide preferred use by the Army, as a support function to the Presidio of Monterey Annex. SKMG recommends that a professional operator manage the golf courses.

If the Army should relinquish the golf courses, SKMG recommends that Seaside identify a high-quality master developer team that can integrate the excellent management of the golf courses with marketing or developing the hotel site, and developing the surrounding residential properties. It should be noted that the golf course should also provide for priority golf course play for hotel guests. Added value might be achieved by reconfiguring some holes of the golf course to achieve additional golf course frontage lots. This option should be explored.

In its market assessment, SKMG identified a market opportunity for upscale development surrounding these two existing golf courses in Seaside. However, the ability to create an upscale community is dependent upon the execution of an overall development program having a consistent high-quality image and theme. This can best be assured by the control that a master developer would provide.

The hotel development will be highly dependent upon access to golf course play by its guests. If no arrangement is made that ensures preferred hotel guest play, the hotel sites will be quite difficult to market, particularly to high-quality operators.

8. CSUMB

Traditionally, state university campuses in California were developed primarily with public funds and were built within established communities. Fort Ord is a different situation, more akin to starting a "new town." This must be recognized by CSUMB. As public funds have become increasingly scarce, new sources of funding for facilities has been sought. For example,

corporate and alumni donations have been raised for many facilities, while private developers have been attracted for student housing and commercial facilities.

CSUMB is a "new age" campus in that many new forms of funding development are likely to be used to develop this new campus in an era of limited public resources. Therefore, various projects such as housing, recreational and commercial developments are excellent prospects for joint public/private development. CSUMB is currently undertaking a campus master planning effort that will deal with these issues.

IV. REUSE PLAN DEVELOPMENT AND FINANCIAL PROJECTIONS

A. PROJECTED DEVELOPMENT TIMETABLE

The Fort Ord Base Reuse Consulting Team has worked carefully to develop land use, infrastructure and phasing plans that will optimize a number of objectives:

- maximize market capture;
- minimize early infrastructure and service costs;
- provide fiscal benefits to all jurisdictions as early as possible;
- facilitate financial feasibility;
- minimize negative impacts on Monterey County real estate markets; and
- make sites available as early as possible that are attractive in market terms.

Figure 3 is the Reuse Plan Land Use Map.

Generally, the development projected in the Plan is divided into pre- and post-2015, the year in which FORA will most likely cease operations. However, the Team has also identified sites that, based upon the market analysis, could develop soon after conveyance. These are discussed at length in the Marketing Strategy in Section V which follows.

The discussion of projected development is organized as follows:

For each land use, the basic Reuse Plan concept and rationale is described in the "Ultimate Development Location" section. Then, the concluding section outlines the Team's expectations with regard to the FORA "2015 Scenario" planning horizon. The CSUMB discussion is handled differently for obvious reasons.

Exhibits 7 and 8 are summary tables representing the distribution of development within the 2015 Scenario and the Ultimate Development Plan.

The discussion in this section introduces and explains these summary tables and the accompanying maps. It is organized as follows:

- Light Industrial/Business Park;
- Office/R&D;
- Residential;
- Retail and Service;
- Visitor-Serving Land Uses; and
- CSUMB.

FORT ORD REUSE PLAN

Fort Ord Reuse Authority (FORA)

Land Planning	EDAW, Inc. EMC Planning Group, Inc.
Market Analysis	Sedway Kotin Mouchly Group
Transportation Engineering	JHK and Associates
Civil Engineering	Reimer Associates
Fiscal Analysis	Angus McDonald Associates
Habitat Planning	Zander Associates
Public Communications	The Ingram Group
Community Development	Resource Corps International

LEGEND:

- SFD Low Density Residential
- SFD Medium Density Residential
- MFD High Density Residential
- Residential Infill Opportunities
- Planned Development Mixed Use District
- Business Park/Light Industrial Office/R&D
- + Convenience Retail
- Neighborhood Retail
- Regional Retail
- Visitor Serving
- (G) Golf Course Opportunity Site
- * Hotel Opportunity Site
- [Eq] Equestrian Center Opportunity Site
- Open Space/Recreation
- Habitat Management
- School/University
- University Medium Density Residential
- [H] Alternative High School Sites
- Public Facility/Institutional
- Military Enclave

SHEET TITLE:

DRAFT LAND USE CONCEPT: ULTIMATE DEVELOPMENT

0 750 1500 3000 4500

NORTH

SOURCE:
Jones & Stokes, 1995
Reimer Associates, (Re-Projected), 1995
Monterey County, 1995
EDAW, Inc., 1996

FIGURE: 3.3-1

SUMMARY LAND USE CONCEPT: 2015 SCENARIO

DRAFT FORT ORD REUSE PLAN

12 January 1996 (NOP)

EXHIBIT 7

LAND USE	TOTAL DEVELOPMENT					
	Acres	Percent of Buildout	Dwelling Units	Hotel Rooms	Commercial Square Feet (000's)	Employees
CSUMB (25,000 FTE)(units)(A)(B)	1,287	50%	3,803		n/a	1,600
POM ANNEX (units) (C)	782	100%	1,590		n/a	310
HOUSING (units)	1,379	64%	7,973			
BUSINESS PARK/LIGHT INDUSTRIAL/ OFFICE /R&D (000's SF)	399	30%			3,860	11,350
RETAIL (000's SF)	98	60%			1,066	2,372
VISITOR SERVING						
Hotels	45	56%		1,000	(D)	1,000
Golf (four 18 hole courses)	683					140
Other	10	40%				15
PARKS & OPEN SPACE						
Fort Ord Dunes State Park	991	100%				20
Other	1,023	100%				70
PUBLIC FACILITIES (incl. military)	979	99%			(E)	1,450
HABITAT MANAGEMENT	17,367	100%				15
AREAWIDE ROW's	1,147					
2015 TOTALS	**26,190**		**13,366**	**1,000**	**4,926**	**18,342**
PLANNED FUTURE DEVELOPMENT	1,788		8,866	790	9,078	27,115
ULTIMATE DEVELOPMENT TOTALS	27,978		22,232	1,790	14,004	45,457

SOURCE: EDAW, Inc.

(A) FTE = Full Time Equivalent student enrollment

(B) assessment generated on employees and students, not square footage

(C) existing retail assessed on basis of existing employees

(D) assessment generated on basis of rooms, not square footage

(E) assessment generated on basis of facilities, not square footage

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EXHIBIT 8

SUMMARY LAND USE CONCEPT: ULTIMATE DEVELOPMENT

DRAFT FORT ORD BASE REUSE PLAN

2 November 1995 (revised 14 Nov, 4 Dec, 8 Dec, 12 Jan)

LAND USE	MARINA		SEASIDE		MONTEREY CO.		TOTAL DEVELOPMENT				
	Acres	Units/SF/ Rooms	Acres	Units/SF/ Rooms	Acres	Units/SF/ Rooms	Acres	Percent (total acres)	Dwelling Units/Rooms	Square Feet (000's)	Employees
CSUMB (25,000 FTE) (units)(A)(B)	224	2,550	322	2,550	741	3,093	1,287	5%	8,193	n/a	3,200
POM ANNEX (units)(C)			782	1,590			782	3%	1,590	n/a	310
HOUSING (units)	704	4,152	818	5,113	520	3,184	2,042	7%	12,449		
BUSINESS PARK/LIGHT INDUSTRIAL/ OFFICE /R&D (000's SF)	549	5,360	0	0	797	6,676	1,346	5%		12,036	34,060
RETAIL (000's SF)	66	722	104	1,129	13	117	183	1%		1,968	4,372
VISITOR SERVING											
Hotels (rooms)	25	350	25	800	30	600	80	0%	1,750	(D)	1,750
Golf (four 18 hole courses)(F)			350	36	328	36	678	2%			140
Other (acres)					50		50				20
PARKS & OPEN SPACE											
Fort Ord Dunes State Park (rooms)			14		977	40	991	4%	40		60
Other	97		122		804		1,023	4%			70
PUBLIC FACILITIES (incl. military)	528		134		340		1,002	4%		(E)	1,460
HABITAT MANAGEMENT	599		1,099		15,669		17,367	62%			15
AREAWIDE ROW's	257		163		727		1,147	4%			
TOTALS	3,049		3,933		20,996		27,978	100%	24,022	14,004	45,457
units		6,702		9,253		6,277			(22,232 units)		
square feet (000's)		6,082		1,129		6,793			(1,790 rooms)		
% OF FORT ORD TOTALS	*11%*		*14%*		*75%*		*100%*				

SOURCE: EDAW, Inc.

(A) FTE = Full Time Equivalent student enrollment
(B) assessment generated on employees and students, not square footage
(C) existing retail assessed on basis of existing employees
(D) assessment generated on basis of rooms, not square footage
(E) assessment generated on basis of facilties, not square footage
(F) Accomodates 1 new 18-hole golf course and the redevelopment of 1 18-hole golf course to industrial use.
The plan also identifies 2 additional golf opportunity sites to be able to respond to market conditions.

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Other major features of the plan, including open space and recreation provisions and a wide range of public facilities that have been incorporated to reflect several years of community involvement, are illustrated in the Land Use Concept but are not discussed here, except as they directly relate to the proper integration of market-oriented uses with these other elements.

1. Light Industrial/Business Park Land Use

Intensity of Use. The typical development intensity for this use is a gross floor area ratio (FAR) of 0.20. This is based on a net 0.25 FAR identified in the market analysis as a proven development prototype. Some areas have been assigned lower FARs to account for the presence of significant stands of oak trees and more rolling topography. Parking would be on surface.

Ultimate Development Locations. The properties best located to capture projected market demand are in the City of Marina and in the county.

- *Marina's Airport Planning Area.* This area incorporates the "Marina Municipal Airport," the "Marina Light Industrial/Technology Center" (adjacent to UCMBEST), and the "North Airport Light Industrial Technology Center."

- *County's Reservation Road Planning Area.* This area extends along Reservation Road and incorporates the county portions of UCMBEST and the East Garrison District. This latter area is designated as a "Planned Development Mixed Use District" and could include a wide range of uses.

- *County's Eucalyptus Road Planning Area.* This area includes the University Corporate Center located along the extension of Gigling Road. This is an "opportunity site," located outside of the core infrastructure area. However, it is directly adjacent to the planned Salinas Transit Center and Army Motor Pool and located along the Gigling Road extension that is expected to be provided in the earlier stages of development. Because of the regional roadway improvements, this location will be on the corridor that connects the Main Gate interchange and the Davis Street connection to Salinas.

2015 Scenario. The identified market for this use in the 2015 scenario is 1,137,500 square feet. Approximately 760,000 square feet can be accommodated within the core infrastructure area that includes the Marina Municipal Airport and the Marina Light Industrial/Technical Center adjacent to UCMBEST. The remaining portion of this market (approximately 380,000 square feet) is located in the University Corporate Center. This second property is an opportunity site in the county on Gigling Road. The 2015 program represents about one-third of this district's ultimate capacity.

2. Office/R&D Land Use

Intensity of Use. The typical development intensity for this use is a gross floor area ratio of 0.20. This is based on a net 0.25 FAR identified as representing market-oriented development prototypes. As with light industrial/business park use, this intensity of development would rely on surface parking.

Ultimate Development Locations. There are numerous locations at Fort Ord that would be attractive to the office/R&D market, and the Land Use Concept accommodates them.

- *Marina Town Center Planning Area.* This area is designated as a Planned Development Mixed Use District. It includes the key frontage along Highway 1, as well as the University Office Park/R&D District surrounded by CSUMB, the Imjin/12th Street corridor, and open space/recreation assets to the east and west. In addition, it is anticipated that a small amount of this use would be compatible and desirable in the pedestrian-oriented, mixed-use village setting adjacent to the CSUMB campus.

- *Marina Airport Planning Area.* The UCMBEST Cooperative Planning District represents a significant location for this use. The area is presently served with infrastructure and accessible via Reservation Road and Blanco Road.

- *County South Gate Planning Area.* This area includes an office park/R&D district surrounding the planned visitor-serving hotel and golf course development. The combinations of uses anticipates the strong synergy between them. The area is located outside the core infrastructure area and would be developed as an "opportunity site." This is in the Del Rey Oaks sphere of influence.

- *County York Road Planning Area.* This area includes an office park/R&D district that is an extension of the existing Ryan Ranch development. The area will benefit from the development of a hotel and golf course nearby, but it is outside of the core infrastructure area and it is not expected to be developed before the Ryan Ranch is closer to build-out. This is in the City of Monterey sphere of influence.

- *County Reservation Road Planning Area.* This area includes the county's portion of UCMBEST and the East Garrison District.

UCMBEST Capacity. Prior planning studies for UCMBEST resulted in a development range of between 5.0 and 7.4 million square feet. The current planning for FORA utilizes the lower end of this range (5.0 million square feet) to represent the ultimate development capacity for UCMBEST. This reflects a number of converging conditions:

- *Share of Development Distribution.* Five million square feet still represents about 40 percent of the combined total for light industrial/business park and office/R&D capacity for the ultimate development at FORA.

- *Long-range Development Capacity.* Even with the reduction to 5.0 million square feet, the UCMBEST would still be able to accommodate 50 to 60 years of development (projecting an absorption similar to the first 20 years and more in line with the ultimate land capacity for the base as a whole).

- *Current UC Planning.* UC is currently reviewing its plans and has initiated a "marketing niche" study and related planning that should establish a tighter definition of the ultimate role of the property. Discussions with UCMBEST representatives indicate a willingness to consider a smaller development program pending the concurrent planning.

East Garrison Opportunities. This area is designated as a Planned Development Mixed Use District and could include a wide range of uses. Office/R&D uses are a potential consideration for a portion of the East Garrison. A location has been identified that would not conflict with any of the proposed activities associated with the POST and would benefit from its proximity to UCMBEST.

Some areas have been assigned higher FARs to reflect the specific market segment or strategic location that would be able to attract more intensive development (0.28 to 0.35 FAR). These intensities would generally rely on surface parking, although the higher end of the range could also result in some structured parking. The highest FAR (0.35) has been targeted at the Marina Town Center to reflect its key location at the heart of Fort Ord and its potential to play a significant long-range role in the reuse of the base.

2015 Scenario. The identified market for this use in the 2015 scenario is 2,719,000 square feet. Of this, 1,719,000 square feet could be captured by the UCMBEST, assuming an effective and aggressive marketing effort and positioning to achieve this absorption rate.

- *UCMBEST Role.* There are 1.7 million square feet located at UCMBEST for the purposes of the 2015 scenario. To provide sufficient flexibility to position the property to a wide market segment, the scenario assumes that the 1.7 million square feet are distributed among each of the three major sites. The 2015 scenario reflects approximately one-third of the ultimate capacity for the UCMBEST Center.

- *Marina Town Center.* This key asset with excellent visibility and accessibility is expected to be highly desirable as a development location and will help to establish the image and character of the reuse of the base. Nearly half of the non-UCMBEST office/R&D market has been assumed to be captured here.

The remaining 2015 market demand for office/R&D has been distributed to two additional locations. This distribution will add to the choices that are desirable to keep a healthy and competitive land market. Both are "opportunity sites" that are not presently served with core area infrastructure.

- *County Reservation Road Planning Area.* This is an identified location within the East Garrison that could accommodate approximately 200,000 square feet of development without compromising any other commitments to the remaining lands at the East Garrison. If developed in conjunction with POST-related uses in this period, the costs of extending infrastructure to this opportunity site could be equitably shared between the market-oriented and public benefit uses. (Current legislation in Sacramento would provide for the possibility of state bonds for infrastructure improvements for regional police offices training facilities.) The scenario assumes that this location could, under these circumstances, be developed very early and staged throughout the course of the 2015 horizon.

- *County South Gate Planning Area.* This area will benefit from the association with the planned hotel and golf course. It is expected that development would be staged to follow on the development of the amenity proposed within this planning area, take advantage of the shared infrastructure costs, and continue development after the close of the 2015 horizon.

3. Residential Land Use

Intensity of Use. Land use designations in the Ultimate Development Concept, however, reflect an aggregated average development intensity within which a range of residential prototypes would be appropriate. To provide flexibility and diversity within planning areas or districts, it is anticipated that the land use designation would set the range of permissible housing types and an overall maximum development intensity averaged over the entire planning area or district. The expected land use designations would specifically limit the character of individual projects by addressing the range of appropriate development prototypes. The land use designations for the Ultimate Plan envision the following:

- SFD Low Density Residential: up to 5 dwelling units per acre;
- SFD Medium Density Residential: 5 to 10 dwelling units per acre;
- MFD High Density Residential: 10 to 20 dwelling units per acre;
- Residential Infill Opportunities: 5 to 10 dwelling units per acre; and
- Planned Development Mixed-use District: 8 to 20 dwelling units per acre.

The designation of residential lands within the Ultimate Development Plan will provide a balance of land supply reflecting market demand segmentation.

Ultimate Development Locations. It is anticipated that the Plan will create diverse and distinctive residential enclaves with convenient services and integrated with appropriate public facilities, recreation, and open space amenities. It is anticipated that the Plan will also create mixed-use districts where residential uses are intricately enmeshed in an urban fabric that enhances the quality of the pedestrian environment.

The Marina residential development is located in the Existing Neighborhoods and in the Town Center Planning Area.

- *Existing City of Marina Neighborhoods.* This area includes a Planned Residential District that encompasses the existing housing stock in the Abrams, Preston, and Patton housing projects that stretches from the Del Monte extension to Reservation Road. This area also includes the Civic/Mixed Use District located adjacent to Reservation Road. The area is presently served by existing infrastructure. Many of the individual housing units in this area are subject to McKinney Act claims. Much of the housing stock is suitable for renovation, pending timely conveyance from the Army. In addition, a number of "infill opportunities" have been identified where sites can be developed which are easily served with the existing infrastructure. This infill development will enrich the mix of housing types with both small-lot single-family units and a limited amount of new attached townhomes within the Planning Area.

- *Marina Town Center Planning Area.* This is an area designated as Planned Development Mixed Use where residential use can appropriately be accommodated, ranging from small-lot single-family homes (at 8 dwelling units per acre in the Village) to attached townhomes (at 10 dwelling units per acre) and apartments and condominiums (up to 20 dwelling units per acre) throughout the area.

The Seaside residential development is located within the University Planning Area and three districts within the Residential Planning Area.

- *Seaside University Planning Area.* This is an area on the southern perimeter of the CSUMB campus that includes the University Village District between the campus and Gigling Road. This is designated a Planned Development Mixed Use District to encourage a vibrant village with significant retail, personal and business services.

- *New Golf Course Community District.* The new golf course community that will surround the existing golf courses will encompass the existing 291-unit Sun Bay apartment complex on Coe Road and replace the remaining residential stock with a range of homes. Development of this area is contingent on the reconfiguration of the existing POM Annex so that the Army residential enclave is located totally to the east of North-South Road. The district is designated as SFD Medium Density Residential.

- *Reconfigured POM Annex.* This district includes approximately 1,000 existing units on 344 acres in the POM Annex and an additional 302 acres of surrounding, vacant land that is intended to be developed for housing to replace the POM Annex housing west of North-South Road.

- *Planned Residential Extension Districts.* These are three discreet locations that provide a direct extension of the existing residential fabric of Seaside east onto Fort Ord properties. These three locations will be ultimately bounded on the east with a major arterial that will provide access to the future SR 68 alignment planned along the southern perimeter of Fort Ord. The locations are all designated as SFD Medium Density Residential.

Residential development can be potentially incorporated into three planning areas: the East Garrison in the Reservation Road Planning Area; a significant new community in the Eucalyptus Road Planning Area; and several residential development opportunities incorporated in CSUMB's long-range plans.

- *County Reservation Road Planning Area.* This area includes the East Garrison District, designated as a Planned Development Mixed Use District. This district may include a residential component, perhaps in a village setting incorporated into the designated historic district, depending on the ultimate location of the POST facilities within Fort Ord.

- *County Eucalyptus Road Planning Area.* A significant new residential area at the perimeter of the BLM lands and linking the POM Annex residential district in Seaside with the CSUMB housing areas north of Inter-Garrison Road. This district is designated as SFD Low Density Residential in order to provide the flexibility to protect over 20 percent of the land resources to retain a significant oak woodland community. A focal point of this community could be a golf course and visitor-serving hotel.

CSUMB Residential Development. CSUMB is pursuing a program aimed at housing 80 percent of the student population (25,000 FTE) as well as substantial portions of the faculty and staff. Assuming four students per unit (in a typical two-bedroom unit configuration), this 80 percent of the student population will require an estimated 5,100 "dwelling-unit equivalents." The University has not yet prepared a long-range campus plan. However, FORA planning requires that some reasonable development assumptions anticipate the potential ultimate development within campus lands. The campus lands are located in Marina, Seaside and the county.

- *Existing Residential Projects.* CSUMB presently has title to 1,253 residential units (primarily attached townhomes) in the area between Inter-Garrison Road and Imjin. An additional 175 acres have been identified for potential infill development within the district. The Ultimate Development Plan assumes 20 percent of this land will be retained for recreation and open space use, while the remaining 140 acres is infilled with compatible residential development at 8 dwelling units per acre. In all likelihood, CSUMB will pursue

a more diverse development program for the area. Many of the existing units in this area are currently occupied by CSUMB faculty, staff, and students. The campus does not envision housing lower-division undergraduates in this area, but it is suitable for upper-division undergraduate and graduate student housing.

- *Core Campus Student Housing.* CSUMB is presently retrofitting undergraduate dormitories into the existing building stock within the campus core. The Ultimate Development Plan anticipates a total of 5,100 housing unit equivalents within the core campus in order to accommodate the 80 percent targeted student housing need.

- *Infill Housing in the Campus Reserve.* In order to reserve a development potential for CSUMB reserve lands, the FORA Ultimate Development Plan assumes a program for infill housing at the eastern end of the CSUMB campus reserve area. The area is presently undeveloped and outside FORA's core infrastructure area. Nonetheless, it is a highly desirable location for faculty housing. The Ultimate Development Plan assumes that 20 percent of the approximately 150 acres will be retained as open space to protect the existing oak woodland community. The remaining 120 acres is assumed to be developed at 6 dwelling units per acre.

The Team believes there will be strong developer interest in acquiring this housing for these market-rate reuses. Segmentation into the three target markets above will facilitate quicker absorption. In all three cases, developers would acquire portions of the property, obtain financing, renovate, market and manage or sell the units. The rental market can most immediately be targeted, given existing strong demand. While pricing will need to be highly competitive in the early years in order to absorb the large number of units, rental rates can be increased as demand strengthens, as a result of employment increases at Fort Ord.

The highest quality units at Preston and Abrams parks should be marketed for sale as condominiums as soon as possible. The Team believes there will be an immediate demand for such units in the $90,000 to $100,000 range after renovation. However, since absorption is likely to average only 50 to 100 units annually in the first few years, developers should either "take down" relatively small numbers of units at a time, or employ dual strategies of rental and sale.

Lifespan has proposed to acquire approximately 500 units at Patton Park to develop a senior housing community. According to Lifespan's proposal, approximately 400 units will be renovated and operated as independent living housing units for senior adults. The remaining 100 units would be demolished for the construction of various common-area facilities including a nursing home. The Team believes that the market will be strong for this project.

2015 Scenario. The planning parameters for the 2015 scenario identified the demand for institutional (non-market generated) housing:

1,253 existing units reused by CSU (e.g., faculty and staff)
2,550 new student housing unit equivalents on the CSUMB core campus
1,590 units in a reconfigured POM Annex
5,393 total institutional (non-market generated) housing units

The market analysis for housing in the 2015 scenario projected a market demand for the following:

1,300 existing units reused in Marina;
500 detached units at 4 dwelling units per acre
3,100 detached units at 6 dwelling units per acre
2,160 detached units at 8 dwelling units per acre
200 attached units at 10 dwelling units per acre
200 attached units at 20 dwelling units per acre
7,460 total market-generated units

The 2015 scenario distributes this institutional need and "targeted" market-generated housing in the following way:

- *Existing Marina Neighborhoods.* The existing housing resources represent both an opportunity and a challenge for Marina. The newer housing stock will provide immediate residential opportunities within the city. We estimate that 1,300 units can be economically renovated and leased as apartments or sold as condominiums. It is anticipated that the city will entertain proposals that could replace substantial portions of the older and lower quality housing stock. Because of the resource represented by these existing units and the existing infrastructure that services them, this area will provide an important focus for development activity throughout the 2015 horizon.

- *POM Annex.* The reconfiguration of the POM Annex is key to Seaside's objectives for reuse of Fort Ord. The 2015 scenario assumes that all of the 1,000 existing units are occupied and all of the 590 replacement units are put into place east of North-South Road in the first five-year period.

- *Seaside New Golf Course Community.* With the reconfiguration of the POM Annex, all of the lands surrounding the golf courses will be available and will contribute to the creation of a significant new upscale community. Construction could commence in the early years on the southern portion of this area and extend into the existing POM Annex when the lands are available. It is anticipated that the lands would be sufficient to meet targeted housing needs throughout the 2015 horizon and be completed by the end of this planning period. Over 3,000 new residential units will supplement the existing 291 Sun Bay apartments located in this community.

- *Seaside University Village.* Seaside University Village is poised to become an important community focus in the 2015 horizon. This district will benefit from (1) the areawide roadway improvements in the Gigling corridor anticipated in this period; (2) the surrounding activity generated by CSUMB; (3) the adjacent reconfigured POM Annex; (4) the 750 employees at the DFAS; and (5) the development of a Monterey-Salinas Transit facility. It is anticipated that the Seaside University Village could provide an important gateway function for CSUMB and be the locus of a significant concentration of neighborhood retail, business and personal services. A housing program of 540 units at densities ranging from small-lot single-family at 8 units per acre to attached townhomes at 10 units per acre and multifamily attached housing at 20 units per acre will provide an appropriate mix to complement the non-residential uses.

- *CSUMB Program.* The 2015 scenario assumes that the existing 1,253 units will be in use by the campus but no residential infill will be accomplished. Fifty percent of the student housing will be built within the central core within the 2015 horizon and will be staged to reflect the projected student growth provided by the campus.

4. Retail and Service Centers

Intensity of Use. The typical development intensity for retail and service uses is a net 0.25 FAR. The regional and neighborhood retail uses are primarily located in the planning areas surrounding the western end of the CSUMB campus: (1) the Marina Town Center (mixed-use corporate center and Village); and (2) the Seaside University Planning Area (Gateway Regional Entertainment District and University Village). For these areas, approximately 20 percent of the land area is reserved for local-serving roads to accommodate a more urban development pattern. Convenience retail and services will be encouraged in a more dispersed pattern to support the residential development pattern. Retail and services are generally served with surface parking in a combination of off-street and on-street locations.

Ultimate Development Locations for Regional Retail. The two most viable locations for regional retail centers in a size range between 250,000 and 500,000 square feet are located along the Highway 1 frontage at the Main Gate and 12th Street interchanges.

- *Seaside Gateway Regional Entertainment District.* This is the important gateway to CSUMB and all of Fort Ord, identified as a location for an entertainment-oriented regional retail center. The property has a development capacity of approximately 475,000 square feet.

- *Marina Mixed-use Corporate Center.* This district, which extends along the Highway 1 frontage from the Seaside boundary north past 12th Street, has potential access from both Fort Ord interchanges. There is an opportunity to focus regional retail uses at the southern end, in connection with the regional retail uses planned for Seaside. The 12th Street Gate

also provides a second locus for a regional center. The Ultimate Development Plan allocates 30 acres to accommodate approximately 325,000 square feet within Marina.

2015 Scenario for Regional Retail. The forecast for regional retail demand is for approximately 250,000 square feet in the 2015 horizon. However, the Team has assumed an "opportunistic" expansion to 500,000 square feet by 2015. The 2015 scenario distributes 250,000 square feet each to Seaside and Marina. The identified location is the common boundary near the Main Gate Interchange. Each of these locations has the capacity to expand to accommodate a larger capture.

Ultimate Development Locations for Neighborhood Retail. Major neighborhood retail centers ranging from 75,000 to 300,000 square feet are planned in four locations.

- *Marina Mixed-use Corporate Center.* This is a location having a mixed-use character and convenient access, providing an excellent location for a significant neighborhood center. The center could provide the focus for a pedestrian-oriented district providing streetscape vitality and a neighborhood image for the surrounding development. The center could also be developed adjacent to a regional retail facility at the 12th Street Gate.

- *Marina Village.* This is the smallest of the neighborhood centers that would provide the focus for the village mixed-use development.

- *Seaside University Village.* A significant neighborhood retail center at this location will benefit from the mixed-use nature of the village, the adjacent activities at CSUMB, the reconfigured POM Annex, as well as provide convenient services to the Gigling Road traffic corridor. This is one of the best locations for a neighborhood retail center at Fort Ord.

- *Seaside Planned Residential Extension Districts.* A significant neighborhood retail center at this crossroads would serve the existing Seaside community and all of the planned residential districts on the south side of Fort Ord.

2015 Scenario for Neighborhood Retail. The strongest location for a new neighborhood center is within the Seaside University Village. In addition, the 2015 scenario locates a second major neighborhood center to the north within the Marina Mixed-use Corporate Center focused on residents of the northern portion of Fort Ord and adjacent residential areas of Marina. In addition, it would service the nearby office/R&D uses. Finally, the 2015 scenario locates a third neighborhood center at the North-South/Eucalyptus intersection.

Ultimate Development Locations for Convenience/Specialty Retail Centers. The Ultimate Development plan identifies potential locations for an additional nine convenience or specialty retail centers (10,000 to 50,000 square feet). The locations reflect an intention to provide smaller convenience or specialty centers to enhance the qualities of the residential neighbor-

hoods or provide a complementary focus for recreational or other public or civic uses. The intention of the plan will be to promote convenience centers that can enhance the sense of community without contributing to the proliferation of a strip commercial character.

2015 Scenario for Convenience/Specialty Retail Centers. The 2015 scenario distributes convenience/specialty centers to complement the entire development program. These locations include the following:

- *County*. An augmentation is planned of the existing center along Imjin corridor adjacent to the CSUMB housing enclave.

- *Seaside University Village*. There are two centers in this village that will enliven the mixed-use district.

- *Seaside New Golf Course Community*. A center is planned at one of the gateways to the new 3,000-home community, potentially convenient to the existing neighborhood schools located along North-South Road.

5. Visitor-serving Land Uses

Intensity of Use. Hotels are located in the Plan by specific "hotel opportunity sites" and will take on an appropriate size and character based on the setting. Building height limits are proposed as part of the design guidelines for the Plan. There are sufficient land resources to accommodate the distribution of hotel rooms in the Ultimate Plan within a low-rise building configuration. It is anticipated that most new hotel sites should also be associated with a golf course to enhance the operating performance of this visitor-serving land use.

Ultimate Development Locations. The Ultimate Development Land Use Concept identifies six opportunity sites for hotels within Fort Ord. The consultants recognize that all sites may not be developed as hotels but may serve as other uses. The Ultimate Development Program distributes a total of 1,790 rooms among these six locations.

- *Marina UCMBEST Cooperative Planning District.* Plans include a 150-room business hotel within the UCMBEST, catering to the UCMBEST visitors and anchoring a small convenience retail and service center.

- *Marina North Airport Light Industrial/Technology Center.* Plans include a 200-room hotel with golf course overlooking the Salinas Valley.

- *Existing Seaside Golf Courses.* There will be a total of 800 rooms built in phases within the existing 36-hole golf course.

- *Fort Ord Dunes State Park.* There are plans for a 40-room lodge and conference center to replace Stillwell Hall, located further back from the beach to avoid exposure to the erosion experienced at the Stillwell site. This is identified as a long-range development program for the state parks.

- *County Eucalyptus Planning Area.* A 300-room hotel will be built with a golf course. The hotel will provide a focal point for a new residential community. This location is set in the rolling hills adjacent to the BLM lands.

- *County South Gate Planning Area.* There are plans for a 300-room hotel to be built with a golf course and providing an amenity for a surrounding office/R&D park.

2015 Scenario. A total of 1,000 rooms have been distributed to reflect the capture forecast in the "Assessment of Planning Baseline and Market Data" (SKMG, November 7, 1995). The 2015 scenario distributes these as follows:

- *Existing Seaside Golf Courses.* This would consist of 500 rooms built in two phases within the existing golf course setting. It is anticipated that this is the strongest market location for a resort hotel in the initial years and is likely to be the first site developed.

- *County South Gate Planning Area.* This would consist of 300 rooms together with a new golf course. This hotel would provide a focal point for a office/R&D park. This location is an "opportunity site," outside the core infrastructure area, but will benefit from the independence from other related improvements.

- *Marina North Airport Light Industrial/Technology Center.* This would consist of 200 rooms together with a new golf course. This hotel is located to take advantage of the dramatic views of the Salinas Valley. This location is also an "opportunity site," but can take advantage of a single roadway entrance from Blanco Road. Long-range plans for this property accommodate an intensification of the site by means of replacing the golf course with a light-industrial/business park. This may be accomplished in conjunction with the development of Armstrong Ranch, which will provide a second roadway outlet and perhaps a replacement golf course for the hotel associated with the planned residential development.

CSUMB. CSUMB is currently undertaking a campus master planning effort to determine its pace of development.

B. Development Scenario: Preliminary Financial Results

1. Introduction

SKMG has completed a cash flow projection resulting from the development of Fort Ord through year 2015. Two analyses have been conducted: (1) cash flow accruing from base-wide development, irrespective of the agency or jurisdiction handling the revenue and costs; and (2) cash flow accruing to FORA. However, as part of this effort, no cash flow analysis has been conducted for the individual jurisdictions with property at Fort Ord.

This following cash flow simulations reflect the development program and schedule presented in the above sub-section IV-A. The base-wide CBP Model projects disposition and development-related revenues and costs for the Reuse Plan over the course of the year 2015 planning horizon. The development assumptions were taken directly from EDAW's land use plan as described in the preceding section IVA. The financing assumptions are based on the Public Facilities Financing Plan described in the Public Facilities Implementation Plan (PFIP) prepared by AMA. The major revenue sources assumed for the financing of basewide facilities, FORA operations, specified "local facilities," and Fort Ord's share of regional improvements are as follows:

- a one time Mello Roos Special Tax;
- water and sewer rate capital contribution;
- local development fees;
- grants and FORA member dues; and
- net proceeds from the sale of developable lands.

These projections are designed primarily from the basewide perspective of FORA, since they will be one of the Authority's main planning and management tools. The outputs herein are designed to inform FORA and its membership as to the overall financial feasibility of the Reuse Plan over the long term. In addition, the projections will be a primary source of financial data for FORA's own operating plan and capital and operating budgets. The key assumptions utilized in the simulation are summarized below.

Related modeling work conducted by Angus McDonald Associates, and summarized in its *Public Services Plan*, estimated the fiscal impacts of this development program on FORA and the affected local jurisdictions. The results of these two efforts were combined in order to formulate alternative financing strategies for Plan implementation. Before this can become definitive, decisions must be made with regard to FORA's role in a number of areas, including property management and disposition, the use of redevelopment, the provision of services, etc.

2. mmary Financial Results—Basewide Pro Forma

S: .IG has prepared a 20-year financial pro forma illustrating the sources and uses of funds a: ailable to Fort Ord resulting from the proposed development program. As summarized in Exhibit 9, the Reuse Plan generates an estimated surplus cash flow of approximately $102.4 million. Total basewide revenues are projected to be $497.0 million, including $261.4 million in land sales.

Basewide costs include infrastructure costs of $242.3 million and demolition costs of $120.0 million, considered to be necessary basewide to improve the marketing of the project. In addition, the $5.2 million Economic Development Administration (EDA) has been allocated for specific infrastructure, not included in the above infrastructure cost estimate. Ongoing FORA management and marketing costs are estimated at $20.8 million over the 20-year period. Habitat management costs are estimated at $3.3 million. The total basewide capital costs and operating budget is $394.6 million, resulting in a net cash flow of $102.4 million

3. Summary Financial Results—FORA Operations

Utilizing the same financial model, SKMG has illustrated the sources and uses of funds available to FORA on a preliminary basis subject to further discussion regarding formation of redevelopment project areas and allocation of net land sales proceeds. As shown in Exhibit 10, FORA is projected to achieve a $41.2 million surplus over the 20 years. This net revenue could provide a source for basewide infrastructure and local operating deficits. Revenues are projected to total $62.7 million, based upon 50 percent of land sale proceeds, less demolition costs. In addition, $10.1 million in federal grants and member dues are projected for revenue totaling $72.8 million.

The total cost of FORA operations over the 20-year period is estimated at $31.7 million, derived from eight categories of expenses and costs. As a result, net FORA total revenue is estimated at $41.2 million.

4. Municipal Service Costs

Angus McDonald & Associates, in its *Public Services Plan*, has determined that the municipalities and county, with jurisdiction over Fort Ord property, will experience an estimated net fiscal deficit totaling $20.0 million during the period through 2015 as a result of the redevelopment of the former military base. It must be clearly understood that this is an "order of magnitude" projection, and that actual fiscal outcomes will undoubtedly vary. They could be worse or better, depending on a variety of factors. Obviously, the local governments will require that FORA address this potential problem. One source for mitigating actual deficits would be available net land sales proceeds.

EXHIBIT 9
BASE-WIDE PRO FORMA
FORT ORD

	20Yr TOTAL	FY96/97	FY97/98	FY98/99	FY99/00	FY00/01	FY01/02	FY02/03	FY03/04	FY04/05	FY05/06
SOURCES OF FUNDS (000's)											
Land Sales @ 100%	**$260,667**	$0	$10,565	$11,187	$11,187	$14,554	$12,482	$12,482	$12,482	$12,482	$17,866
Special Tax & Development Fees											
CSUMB	**20,503**	0	0	1,139	1,139	1,139	1,139	1,139	1,139	1,139	1,139
MBEST											
Base-Wide	**7,409**	0	0	0	200	200	200	382	382	382	382
Local	**1,411**	0	0	0	38	38	38	73	73	73	73
FORA											
Base-Wide	**117,356**	0	3,919	6,128	6,128	8,054	5,314	5,314	5,314	5,314	7,240
Local	**34,179**	0	1,838	1,935	1,935	1,986	1,811	1,811	1,811	1,811	1,862
Property Tax Increment @ 0.000%	**0**	0	0	0	0	0	0	0	0	0	0
Federal & State Grants/Members Dues	**10,132**	5,735	365	224	224	224	224	224	224	224	224
Water & Sewer Reserves/Bond Financing	**48,830**	0	612	2,488	2,358	2,462	1,685	1,685	1,188	1,188	1,188
Total Cash Sources	**$500,487**	**5,735**	**17,299**	**23,101**	**23,208**	**28,656**	**22,893**	**23,109**	**22,612**	**22,612**	**29,973**
USES OF FUNDS (000's)											
Infrastructure (Base-wide & Local)	**$249,173**	$560	$2,595	$17,128	$10,045	$18,157	$11,176	$11,176	$11,609	$11,609	$6,254
EDA Infrastructure	**5,230**	5,230	0	0	0	0	0	0	0	0	0
Demolition Costs	**120,000**	0	0	24,000	0	0	24,000	0	0	24,000	0
FORA Operating Costs	**22,514**	1,210	1,210	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172
Property Management	**30,000**	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Habitat Management Costs	**3,260**	163	163	163	163	163	163	163	163	163	163
Marketing Incentives	**1,334**	0	0	220	220	894	0	0	0	0	0
Total Cash Uses	**$431,511**	**8,663**	**5,468**	**44,183**	**13,100**	**21,886**	**38,011**	**14,011**	**14,444**	**38,444**	**9,089**
Net Cash Flow	**$68,976**	**(2,928)**	**11,831**	**(21,082)**	**10,109**	**6,770**	**(15,118)**	**9,098**	**8,168**	**(15,832)**	**20,884**
Cumulative Cash Flow		**(2,928)**	**8,902**	**(12,180)**	**(2,071)**	**4,699**	**(10,419)**	**(1,320)**	**6,848**	**(8,984)**	**11,900**
KEY FINANCIAL DATA (000's)											
Cumulative Private Investment		$0	$10,565	$66,777	$131,633	$199,856	$307,194	$372,841	$438,489	$504,136	$575,167
Debt Balances		0	0	0	0	0	0	0	0	0	0
Net Present Value @ 10.0%	**$12,449**										

Continued . . .

EXHIBIT 9
BASE-WIDE PRO FORMA
FORT ORD

	20Yr TOTAL	FY06/07	FY07/08	FY08/09	FY09/10	FY10/11	FY11/12	FY12/13	FY13/14	FY14/15	FY15/16
SOURCES OF FUNDS (000's)											
Land Sales @ 100%	**$260,567**	$12,780	$12,780	$12,780	$12,780	$18,157	$14,772	$14,772	$14,772	$17,016	$14,772
Special Tax & Development Fees											
CSUMB	**20,503**	1,139	1,139	1,139	1,139	1,139	1,139	1,139	1,139	1,139	1,139
MBEST											
Base-Wide	**7,409**	382	480	480	480	480	480	769	578	578	578
Local	**1,411**	73	91	91	91	91	91	147	110	110	110
FORA											
Base-Wide	**117,356**	4,818	4,818	4,818	4,818	6,102	7,595	7,595	7,595	8,878	7,595
Local	**34,179**	1,645	1,645	1,645	1,645	1,679	1,817	1,817	1,817	1,851	1,817
Property Tax Increment @ 0.000%	**0**	0	0	0	0	0	0	0	0	0	0
Federal & State Grants/Members Dues	**10,132**	224	224	224	224	224	224	224	224	224	224
Water & Sewer Reserves/Bond Financing	**48,830**	1,188	1,393	1,393	1,393	1,393	5,444	5,444	5,444	5,444	5,444
Total Cash Sources	**$500,487**	**22,248**	**22,570**	**22,570**	**22,570**	**29,264**	**31,562**	**31,907**	**31,679**	**35,240**	**31,679**
USES OF FUNDS (000's)											
Infrastructure (Base-wide & Local)	**$249,173**	$4,069	$19,393	$19,393	$19,393	$19,393	$13,445	$13,445	$13,445	$13,445	$13,445
EDA Infrastructure	**5,230**	0	0	0	0	0	0	0	0	0	0
Demolition Costs	**120,000**	0	24,000	0	0	24,000	0	0	0	0	0
FORA Operating Costs	**22,514**	1,072	1,072	1,072	1,072	1,072	1,072	1,072	1,072	1,072	1,072
Property Management	**30,000**	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Habitat Management Costs	**3,260**	163	163	163	163	163	163	163	163	163	163
Marketing Incentives	**1,334**	0	0	0	0	0	0	0	0	0	0
Total Cash Uses	**$431,511**	**6,804**	**46,127**	**22,127**	**22,127**	**46,127**	**16,180**	**16,180**	**16,180**	**16,180**	**16,180**
Net Cash Flow	**$68,976**	**15,445**	**(23,557)**	**443**	**443**	**(16,863)**	**15,382**	**15,726**	**15,499**	**19,060**	**15,499**
Cumulative Cash Flow		**27,345**	**3,788**	**4,230**	**4,673**	**(12,190)**	**3,192**	**18,919**	**34,417**	**53,477**	**68,976**
KEY FINANCIAL DATA (000's)											
Cumulative Private Investment		$683,595	$749,965	$816,335	$882,706	$954,453	$1,055,595	$1,138,961	$1,221,456	$1,306,194	$1,408,688
Debt Balances		0	0	0	0	0	0	0	0	0	0
Net Present Value @ 10.0%	**$12,449**										

Sources: Sedway Kotin Mouchly Group
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EXHIBIT 10
FINANCIAL FEASABILITY MODEL
FORT ORD

	20Yr TOTAL	FY96/97	FY97/98	FY98/99	FY99/00	FY00/01	FY01/02	FY02/03	FY03/04	FY04/05	FY05/06
SOURCES OF FUNDS (000's)											
Land Sales @ 50%	**$46,667**	**$0**	$5,282	$16	$16	$1,699	$663	$663	$663	$663	$3,355
Property Tax Increment @ 0.000%	**0**	0	0	0	0	0	0	0	0	0	0
Federal & State Grants/Members Dues	**10,132**	5,735	365	224	224	224	224	224	224	224	224
Total Cash Sources	**$56,798**	**5,735**	**5,647**	**240**	**240**	**1,923**	**887**	**887**	**887**	**887**	**3,579**
USES OF FUNDS (000's)											
EDA Infrastructure	**5,230**	5,230	0	0	0	0	0	0	0	0	0
Plan Monitor/Update	**2,807**	174	174	137	137	137	137	137	137	137	137
CIP Planning/Programming	**4,810**	241	241	241	241	241	241	241	241	241	241
Marketing	**7,000**	400	400	400	400	400	400	400	400	400	400
Agency Mgmt/Gov't Liaison	**6,177**	309	309	309	309	309	309	309	309	309	309
Overhead	**1,720**	86	86	86	86	86	86	86	86	86	86
Habitat Management Costs	**3,260**	163	163	163	163	163	163	163	163	163	163
Total Cash Uses	**$31,004**	**6,603**	**1,373**	**1,335**	**1,335**	**1,335**	**1,335**	**1,335**	**1,335**	**1,335**	**1,335**
Net Cash Flow	**$25,794**	**(868)**	**4,274**	**(1,095)**	**(1,095)**	**588**	**(448)**	**(448)**	**(448)**	**(448)**	**2,244**
Cumulative Cash Flow		**(868)**	**3,406**	**2,311**	**1,216**	**1,804**	**1,356**	**908**	**461**	**13**	**2,257**

Continued . . .

EXHIBIT 10
FINANCIAL FEASABILITY MODEL
FORT ORD

	20Yr TOTAL	FY06/07	FY07/08	FY08/09	FY09/10	FY10/11	FY11/12	FY12/13	FY13/14	FY14/15	FY15/16
SOURCES OF FUNDS (000's)											
Land Sales @ 50%	**$46,667**	$812	$812	$812	$812	$3,501	$1,808	$1,808	$7,386	$8,508	$7,386
Property Tax Increment @ 0.000%	**0**	0	0	0	0	0	0	0	0	0	0
Federal & State Grants/Members Dues	**10,132**	224	224	224	224	224	224	224	224	224	224
Total Cash Sources	**$56,798**	**1,036**	**1,036**	**1,036**	**1,036**	**3,725**	**2,032**	**2,032**	**7,610**	**8,732**	**7,610**
USES OF FUNDS (000's)											
EDA Infrastructure	**5,230**	0	0	0	0	0	0	0	0	0	0
Plan Monitor/Update	**2,807**	137	137	137	137	137	137	137	137	137	137
CIP Planning/Programming	**4,810**	241	241	241	241	241	241	241	241	241	241
Marketing	**7,000**	300	300	300	300	300	300	300	300	300	300
Agency Mgmt/Gov't Liaison	**6,177**	309	309	309	309	309	309	309	309	309	309
Overhead	**1,720**	86	86	86	86	86	86	86	86	86	86
Habitat Management Costs	**3,260**	163	163	163	163	163	163	163	163	163	163
Total Cash Uses	**$31,004**	**1,235**	**1,235**	**1,235**	**1,235**	**1,235**	**1,235**	**1,235**	**1,235**	**1,235**	**1,235**
Net Cash Flow	**$25,794**	**(199)**	**(199)**	**(199)**	**(199)**	**2,490**	**797**	**797**	**6,375**	**7,497**	**6,375**
Cumulative Cash Flow		**2,058**	**1,860**	**1,661**	**1,462**	**3,952**	**4,749**	**5,547**	**11,922**	**19,419**	**25,794**

Notes:
(1) Net of Base-wide demolition, Highway 156 reserve costs, property management and marketing incentives amortized at $11 million per year from FY98/99 - FY2012/2013.

Source: Sedway Kotin Mouchly Group
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5. Major Assumptions

1. Demolition costs of $120 million are assumed.

2. Basewide infrastructure costs based on Reimer Associates' CIP costs to be spent by FORA. The total budget is now estimated to be $205.3 million, $16 million more than the projected $189.3 million in the original PFIP. In the meantime, it has been decided that the completion of Highway 156 improvements are too important to risk delay. The additional $16 million will be used to complete these improvements. See Exhibit 4 for detailed phasing.

3. Land sales are based on SKMG absorption projections (five-year increments). Revenues are assumed to be received one-fifth each year. Land values are reduced by in-tract improvement costs to be provided by developer. See Exhibit 11 for absorption by phase. See Exhibit 12 for land values by land use.

4. UCMBEST developers are assumed to pay $64,897 per acre of land area for development fees/special taxes related to basewide infrastructure improvements as land is sold or leased. It should be noted that these costs are substantially below those indicated in the PFIP infrastructure cost analysis, which would have resulted in a negative land value and effectively precluded development.

5. CSUMB is assumed to pay $38,180 per acre in development fees for the 537-acre initial development program. Payments are assumed to be made in 18 annual installments of $1.14 million beginning in FY1998-99.

6. No redevelopment project area formation is assumed.

7. FORA's operating costs, exclusive of "Marketing Incentives" average about $1.8 million annually during the first five years, compared to the current budget of $840,400. This is described more fully in Section V.

8. Marketing Incentives represents an allowance for financial contribution to stimulate early land sales to commercial and industrial users, a marketing incentive equal to 20 percent of wholesale land prices is provided for all nonresidential land sales during Phase I.

9. No security, fire, or interim property management/maintenance costs are assumed by FORA.

10. Habitat management costs of $163,000 per year are based on report by Zander Associates.

11. No revenue for water or sewer is assumed.

12. No inflation was assumed. Everything is expressed in 1996 dollars.

Exhibit 11
Absorption by Phase

	1996-2000	2001-2005	2006-2010	2011-2015	Total
Industrial/Business Park s.f.	199,000	233,000	300,000	408,000	1,140,000
R&D/Office s.f.	284,000	629,000	798,000	1,009,000	2,720,000
Retail s.f. - Neighborhood/ Convenience	163,000	163,000	109,000	109,000	544,000
Retail - Regional/Outlet	0	0	0	500,000	500,000
Hotel Rooms	300	300	200	200	1,000
Existing Units	800	500	0	0	1,300
4 DU/acre	48	100	152	200	500
6 DU/acre	600	800	800	900	3,100
8 DU/acre	350	600	600	610	2,160
10 DU/acre	0	0	100	100	200
20 DU/acre	0	0	100	100	200

EXHIBIT 12
LAND VALUE ASSUMPTIONS
FORT ORD

Area By Use	Retail Land Value ($/Acre)	Retail Value per Sq. Ft.	On-Site Cost per Acre (2)	Base-Wide & Local Facilities Fees ($/Acre) (4)	Wholesale Land Value per Acre	Net Realizable Value per Sq. Ft.
Residential						
Existing DU (1)	$35,000	n.a.	n.a.	$11,773	$23,227	n.a.
4 DU / AC	300,000	$6.89	$0	50,932	249,068	$5.72
6 DU / AC	315,000	7.23	0	75,696	239,304	5.49
8 DU / AC	335,000	7.69	0	100,464	234,536	5.38
10 DU / AC	295,000	6.77	0	107,600	187,400	4.30
20 DU / AC	295,000	6.77	0	149,820	145,180	3.33
Retail						
Convenience	348,480	8.00	75,000	227,770	45,710	1.05
Neighborhood	348,480	8.00	75,000	227,770	45,710	1.05
Regional / Outlet	348,480	8.00	76,500	227,770	44,210	1.01
Average			75,704	227,770	45,006	1.03
LI / BP & Office / R&D						
LI / BP	130,680	3.00	61,500	44,760	24,420	0.56
Office / R&D	163,350	3.75	70,500	62,938	29,912	0.69
Average			67,895	57,676	28,322	0.65
MBEST (3)	163,350	3.75	69,000	64,897	29,453	0.68
Lodging						
Hotel	631,620	14.50	75,000	197,670	358,950	8.24

Notes:
(1) Existing dwelling units are valued on a per unit basis.
(2) Reimer Associates estimates of developer required on-site improvement costs, 1/10/96.
(3) Allocation of capital costs per Reimer Associates estimates.
(4) Allocation of public improvements and land development costs per Angus McDonald & Associates, 5/15/96.

Sources: Angus McDonald & Associates; Reimer Associates; Sedway Kotin Mouchly Group.
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6. Summary of Data and Assumptions

Transportation and Infrastructure Costs (1996$). Basewide infrastructure costs of $205.3 million were estimated by Reimer Associates in the CIP budget. Additional project costs include $35.6 million for parks and recreation and other public facilities, which will be the responsibility of the local municipality.. Detailed spending by phase is shown in Exhibit 4 in Section II.

Land Use Demand Assumptions. The EDAW/EMC land use forecast indicates that the project will be developed under the timetable as shown in Exhibit 11.

Improved Land Value Assumptions (1996$). SKMG's market analysis determined initial unimproved and improved land values shown in Exhibit 12. In addition, base-wide and local facilities fees are indicated, for a net value of the land.

7. Financial Projections: Summary Results and Implications

SKMG's cash flow projections through year 2015, based on EDAW's land use plan, SKMG's market analysis, and the PFIP developed by AMA and Reimer, indicate that the Reuse Plan is financially feasible if it can be implemented as designed. This cash flow projection assumes careful phasing of infrastructure installation and the execution of an effective marketing strategy. This Reuse Plan is projected to generate a total net positive cash flow of approximately $69.0 million during the 20-year period. Current unimproved land value can be estimated to total approximately $12.5 million, utilizing an appropriate discount rate of 10 percent.

In considering current land value, there are numerous contingencies, uncertainties and potential problems which could combine to preclude or erode this generally positive projected outcome. Foremost among the major contingencies is a shortage of funding for key infrastructure costs, such as would result from a failure to reach agreement with CSUMB about their share of costs, failure to enact a city-county transportation impact fee, or failure to find the additional $16 million required to construct needed improvements to Highway 156. There are other contingencies as well, such as the actual cost of demolition.

In addition, as previously discussed, the Reuse Plan is estimated to produce a net fiscal deficit totaling approximately $20.0 during the 20-year development period within the three jurisdictions at Fort Ord. As indicated in Exhibit 13, the net total non-discounted revenue projected from development at Fort Ord would be reduced from $69.0 million to $49.0 million if an allowance is made to fund the fiscal shortfall that would be experienced by the local jurisdictions.

Exhibit 13
PRELIMINARY FINANCIAL SUMMARY - FORT ORD REUSE PLAN
1996 - 2015

Items	
Sources of Funds (millions)	
Land Sales (based on all cash sales)	$260.7
One Time Mello Roos Special Tax	$145.2
Local Development Fees	$35.6
Water and Sewer Fees & Reserves	$48.8
EDA Grant and Annual Dues	$10.2
Total Sources:	**$500.5**
Uses of Funds (millions)	
Basewide and Local Infrastructure	$249.2
EDA Projects	$5.2
Demolition	$120.0
FORA Operations	$22.5
Property Management/Maintenance	$30.0
Funding of Shortfall for Local Services	$20.0
Miscellaneous	$4.6
Total Uses(*1):	**$451.5**
Net Total Funds (millions)	
Total Sources Minus Uses (millions):	**$49.0**
Less: 10% Land Sales Contingency	**($26.1)**
Net Total Funds:	**$22.9**

*1. Costs are very preliminary, such as maintenance, property mgt., cost of financing, which may increase costs substantially.

Notes:
Sources: Sedway Kotin Mouchly Group.
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It should be noted that the cash flow projections for development of Fort Ord are highly dependent upon land price assumptions. For example, if land values declined by 10 percent in the local Monterey Peninsula market, total revenue would decline by $26.1 million, or more than one-half of net projected cash flow.

While some of these potential problems cannot be dealt with conclusively in the CBP, others can. In that regard, the Team strongly recommends that the additional $16 million needed to ensure timely completion of Highway 156 improvements be added to FORA's CIP responsibilities. This improvement is too critical to the success of the Reuse Plan's job generation strategy to be left uncertain. This will reduce the net positive land value projected in the Plan, but without its timely implementation, a major part of the basic reuse strategy would be jeopardized.

V. FORA RECOMMENDED BUSINESS STRATEGY AND OPERATIONS PLAN

A. INTRODUCTION

The preceding sections of the CBP summarized and synthesized those elements of the Team's work most relevant to the development of a cogent business strategy for the successful marketing, disposition and development of Fort Ord. This section describes the basic elements of a business strategy and how FORA would carry out its operational responsibilities under the Reuse Plan. However, as a preface, it is instructive to recall the major conclusions of the CBP synthesis.

1. Long-term Plan Viability

The results of the development and financial projections of the Reuse Plan through 2015 contain good news and bad news, both of which are important to the formulation of a basic business strategy for the Comprehensive Business Plan. On the positive side, the Reuse Plan should generate a significant net positive cash flow over the approximately 20 years, if the infrastructure can be properly phased and an effective marketing and disposition strategy implemented. Based on the financial projections, this positive cash flow should be in the range of $49.0 million, assuming that a portion of the cash flow is utilized to fund fiscal shortfalls within the local jurisdictions.

However, this positive result will not be realized unless effective business strategies are devised to overcome several potential barriers (the "bad news"). The most significant of these are as follows:

- The cumulative, net fiscal impact for the three local governments with land use jurisdiction does not exceed a negative $20 million over the same 20-year period.
- The prohibitive infrastructure cost burden on key employment generating uses is implied by the technical infrastructure cost analysis and allocation.
- The philosophy of the state university system has indicated that it will not pay its share of infrastructure costs
- The costs of demolition are prohibitive (estimated at $120 million basewide) on several key sites.
- The likelihood is that in the early years, based on the market analysis, it will be difficult to attract developers to the light industrial/business park and office/R&D sites, which are the keys to meeting the Plan's employment goals.

Clearly, if the Reuse Plan is to be successfully implemented as proposed, solutions to these potential problems must be found. This section summarizes the key business plan strategies and FORA's role in implementing them.

2. FORA's Role

Much has already been decided about the respective governmental responsibilities at Fort Ord. This was summarized earlier on Exhibits 1 and 1A. However, there is still considerable uncertainty about some aspects of FORA's role in the implementation of the CBP, and its legislative mandate. This uncertainty stems largely from inconsistencies between the role anticipated in its primary legislation (SB 899 and SB 1600), and the role prescribed by the current FORA Board. Examples of such areas of uncertainty include the following:

FORA's Role in the Marketing and Disposition of Specific Sites. The legislation describes FORA as the "principal agent for disposition" of sites intended for private development. Likewise, this primary role in disposition has been assumed by the Federal government. However, the Board has made it clear that it intends that FORA simply be a conduit through which the Army conveys the property to the individual jurisdictions for disposition by them.

Based on this Board direction, the assumption in the CBP is that FORA will have no direct role in disposition, but will have a major role in the marketing of Fort Ord sites to the private development community. In order to achieve the projected financial performance necessary to support the required infrastructure investment, FORA should establish the basic business parameters for the ultimate disposition of the land by the local entity. These terms should include standards of property management, and pricing and payment terms for land sales and leases.

The Extent of the Use of Redevelopment Powers and Project Areas. FORA's legislation clearly anticipated extensive use of redevelopment powers, including tax increment financing, assuming that it would accelerate the pace of redevelopment of the base at Fort Ord and provide greater certainty about the availability of financing for basewide infrastructure. To date, no final decision has been made, but the direction appears to be away from the use of redevelopment, based on the assumption that all new taxes generated at Fort Ord will be needed to fund current city and county operations. **The Team strongly recommends that FORA leave open the possibility of establishing a redevelopment agency because it could be an extremely useful tool in the Reuse Plan.**

FORA's Primary Sources of Funding. FORA's legislation describes several funding sources, including member fees, 50 percent of net proceeds from land sales and 35 percent of property tax increment from any FORA or local project area, the last of which can only be used for basewide infrastructure. The Team has assumed no property tax increment. The other two sources are assumed to be FORA's primary sources of funding, which will be utilized for basewide infrastructure, FORA operations and local fiscal deficit mitigation.

B. KEY BUSINESS STRATEGIES

In addition to the faithful implementation of the land use policies and the provision of adequate infrastructure, a successful business strategy at Fort Ord should include the following:

1. A program for sharing revenues and costs which produces a reasonable degree of fiscal equity among the affected local governments.

2. A coherent, basewide marketing strategy, which

   - is based on the positive image of the Monterey peninsula;
   - capitalizes on the presence of major state educational institutions; and
   - is more collaborative than competitive.

3. Creation of early development momentum by a successful implementation of the early sites marketing plan.

4. Creative financial incentives to facilitate development of employment generating uses, including at UCMBEST.

5. Maintenance of the capability to utilize redevelopment strategies and financing tools if needed to implement the Plan.

6. A flexible infrastructure plan that is capable of adapting to major development opportunities.

7. Effective advocacy of outside funding of regional transportation and other improvements.

Accordingly, this final section of the CBP outlines an operational plan for FORA that is based on these key business strategies and that recommends how FORA would carry out its SB 899 mission "to prepare, adopt, finance and implement a plan for the future use and development of the territory occupied by Fort Ord." The operations plan proposed here reflects the "minimalist" approach to FORA's role as directed by the Board — to the extent believed to be consistent with FORA's legislation and essential business strategies above.

C. FORA OPERATIONS

The defined major areas of FORA operational responsibility are listed below:

1. Administration, Liaison and Finance
2. Reuse Plan Conformance and Update

3. Capital Improvements Plan (CIP) Conformance and Update
4. Regional Marketing and Economic Development

Exhibit 14 provides a five-year projected operating budget for carrying out these responsibilities. All figures are in 1996 dollars.

1. Administration, Finance and Liaison

Based on its legislation, FORA will have an Executive Director. The Team recommends that this office should maintain direct and active involvement in certain key functions, namely:

- overall authority management, finance and administration;
- primary representation of FORA and liaison with both public and private sectors;
- direction of all efforts to arrange financing of basewide facilities and FORA operations, as well as facilitating revenue sharing arrangements; and
- legislative strategy and advocacy.

Important immediate priorities for the Executive Director include the following:

- the definition of the process and basic business terms for immediate re-conveyance of properties to the County and the cities of Seaside and Marina (this is essential given that FORA is serving as a conduit for conveyance to local government, which means that they, even more than FORA, will have to live with the terms of the EDC);

- the completion of the Economic Development Conveyance (EDC) application;

- the negotiation of the EDC; and

- the definition and implementation of an agreement among the three principal local jurisdictions for sharing the costs and revenues of the Reuse Plan.

Organization/Staffing

The office of the Executive Director should consist of that position plus assistants for legislation/ public affairs and financial administration, and adequate clerical support. FORA should also establish an ongoing relationship with a Financial Advisor firm. This firm should be, in the parlance of the profession, a "F. A.", not an investment banking firm whose incentives are transaction-driven.

Estimated Budget: $ 308,850

Table 14
FORA OPERATING BUDGET

	FY 96/97	FY 97/98	FY 98/99	FY 99/00	FY 00/01
PROGRAMS					
PLAN MONITOR/UPDATE	$325,500	$325,500	$286,500	$286,500	$286,500
CIP PLANNING/PROGRAMMING	$553,500	$553,500	$553,500	$553,500	$553,500
HABITAT MANAGEMENT	$163,000	$163,000	$163,000	$163,000	$163,000
MARKETING	$375,000	$425,000	$425,000	$375,000	$375,000
AGENCY MGT/GOV'T LIAISON	$308,850	$308,850	$308,850	$308,850	$308,850
TOTAL	**$1,725,850**	**$1,775,850**	**$1,736,850**	**$1,686,850**	**$1,686,850**
OVERHEAD					
OFFICE	$36,000	$36,000	$36,000	$36,000	$36,000
SUPPLIES	$40,000	$40,000	$40,000	$40,000	$40,000
OTHER	$10,000	$10,000	$10,000	$10,000	$10,000
	$86,000	**$86,000**	**$86,000**	**$86,000**	**$86,000**
TOTAL	**$1,811,850**	**$1,861,850**	**$1,822,850**	**$1,772,850**	**$1,772,850**

FORA STAFFING ESTIMATE		BENEFITS @	30.0%	INFLATION @	0.0%
	FY 96/97	FY 97/98	FY 98/99	FY 99/00	FY 00/01
PLAN MONITOR/UPDATE					
MANAGER	$78,000	$78,000	$78,000	$78,000	$78,000
ASSOC. PLANNER #1	$39,000	$39,000	$39,000	$39,000	$39,000
ASSOC. PLANNER #2	$39,000	$39,000	$0	$0	$0
CLERICAL	$19,500	$19,500	$19,500	$19,500	$19,500
CONSULTANT CONTRACTS	$150,000	$150,000	$150,000	$150,000	$150,000
	$325,500	**$325,500**	**$286,500**	**$286,500**	**$286,500**
CIP PLANNING/PROGRAMMING					$0
MANAGER	$97,500	$97,500	$97,500	$97,500	$97,500
ASSOC. ENGINEER #1	$65,000	$65,000	$65,000	$65,000	$65,000
ASSOC. ENGINEER #2	$58,500	$58,500	$58,500	$58,500	$58,500
HABITAT MGT (ALL COSTS)	$163,000	$163,000	$163,000	$163,000	$163,000
CLERICAL	$19,500	$19,500	$19,500	$19,500	$19,500
CONSULTANT CONTRACTS	$150,000	$150,000	$150,000	$150,000	$150,000
	$553,500	**$553,500**	**$553,500**	**$553,500**	**$553,500**
MARKETING					
MANAGER	$130,000	$130,000	$130,000	$130,000	$130,000
SPECIAL PROJECTS MGR #1	$78,000	$78,000	$78,000	$78,000	$78,000
SPECIAL PROJECTS MGR #2	$78,000	$78,000	$78,000	$78,000	$78,000
CLERICAL	$39,000	$39,000	$39,000	$39,000	$39,000
CONSULTANT CONTRACTS	$50,000	$100,000	$100,000	$50,000	$50,000
	$375,000	**$425,000**	**$425,000**	**$375,000**	**$375,000**
AGENCY MGT/GOV'T LIAISON					
EXECUTIVE DIRECTOR	$162,500	$162,500	$162,500	$162,500	$162,500
LEGISL /PUBLIC AFFAIRS	$41,600	$41,600	$41,600	$41,600	$41,600
FINANC./ACCOUNTING	$29,250	$29,250	$29,250	$29,250	$29,250
ADMINISTRATIVE ASSISTANT	$45,500	$45,500	$45,500	$45,500	$45,500
CONSULTANT CONTRACTS	$30,000	$30,000	$30,000	$30,000	$30,000
	$308,850	**$308,850**	**$308,850**	**$308,850**	**$308,850**
TOTAL	**$1,562,850**	**$1,612,850**	**$1,573,850**	**$1,523,850**	**$1,523,850**

SOURCE: Sedway Kotin Mouchly Group
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24-May-96

2. Reuse Plan: Adoption, Maintenance and Update

SB 899 assigns FORA the responsibility for preparation, adoption, review, revision and maintenance of the Reuse Plan. Once the Reuse Plan is adopted, FORA's responsibilities under SB 899 include the following:

- certification of local plans and zoning ordinances for conformance with the reuse plan;
- ongoing monitoring for Plan conformance;
- approval of all local land use decisions affecting property within FORA's jurisdiction;
- review of specific projects upon request by the Board or by virtue of appeal by any citizen;
- quarterly Reuse Plan Progress reports; and
- ongoing review and revision of the Reuse Plan as needed.

During the next year, FORA's work in this area will focus on the adoption of the Plan, initial review and certification of local plans and ordinances, and development of procedures (e.g., criteria for when FORA would initiate a review of a specific project), for the ongoing responsibilities outlined above.

Organization/Staffing

FORA should maintain a permanent planning staff with a Manager who reports to the Executive Director. It is likely that the level of staff resources required can be reduced after the completion of the Plan adoption, local plans certification, and the establishment of the ongoing Reuse Plan monitoring procedures.

Estimated Budget: $ 175,000 for Years 1 and 2; $136,500 thereafter

3. Capital Improvements Plan (CIP) Conformance and Update

FORA is responsible for financing capital improvements for basewide facilities. Government Code 67655 includes the following definition:

> "Base-wide facility" means a public capital facility which, in the judgment of the [Fort Ord Reuse Authority] board is important to the overall reuse of Fort Ord, and has significance beyond any single city or the unincorporated area of the county.

Basewide Capital Facilities Addressed in the Reuse Plan

- Transportation
- Water
- Wastewater
- Parks and Recreation
- Habitat Management

Public capital facilities required for the reuse of Fort Ord that do not meet the definition of "basewide facility" are defined as "local facilities."

Provision of adequate basewide infrastructure in a timely, cost-effective manner is among FORA's most important responsibilities. In the words of SB 899, "the Board shall undertake to plan for and arrange the provision of those facilities, including arranging for their financing and construction. The Board may . . . delegate any of those powers to one or more member agencies." The legislation thus seems to anticipate that it may be more efficient operationally for FORA to delegate much of the actual construction and operation of the infrastructure. However, the legislation does provide FORA with a broad range of revenue sources and financing techniques (including redevelopment tax increment), in order that FORA has the wherewithal to build the needed basewide facilities.

The role and resources assumed in the CBP are the following:

- primary responsibility for specifying the planning, timing of construction and means of financing of all basewide facilities as defined in SB 899;
- primary responsibility for "arranging" for the financing, construction and operation of basewide facilities;
- primary responsibility for ensuring local conformance to the Fort Ord CIP;
- basewide facilities will be financed on a "pay as you go" basis, from a one-time Mello Roos special tax,[6] development impact fees, surplus land sales proceeds,[7] plus a predominantly rate-based program for water and sewer system capital maintenance and expansion;

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[6]This tax will be collected at the local building permit counter and remitted immediately to FORA.

[7]"Surplus" above funding requirements for FORA operations.

- FORA will staff or contract for the operations of the Habitat Management program; and

- assuming an appropriate solution to FORA's year 2014 sunset requirement can be found, it will staff or contract for the operations of the water supply and distribution system.

No redevelopment property tax increment is assumed to be necessary or available for infrastructure.

During the next year, FORA's work in this area will focus on the adoption of the five-year CIP required by Section 65403, as well as the 20-year Fort Ord CIP and associated financing strategy for Phase 1 - 2015. In addition, FORA must define and adopt procedures for ensuring CIP conformance and for amendments that will permit development of key "opportunity sites" identified in Reuse Plan. Also important will be a decision about FORA's role in the water system, and definition of rates, rules and procedures for collection and administration of development fees, the special tax, etc.

Organization/Staffing

It is anticipated that FORA will maintain a small, permanent, highly skilled engineering staff to oversee the Fort Ord CIP. The CIP process is the primary means by which FORA, under the "minimalist" role assumption, can ensure faithful implementation of the Reuse Plan. In addition to this critical Plan conformance responsibility, there will be a need for staff or contractual arrangements to conduct or oversee Habitat Management, Water and Sewer activities.

Estimated Budget: $ 241,000

4. Regional Marketing and Economic Development

Based on Board direction, FORA's only involvement in property disposition (after conveyance from the Army to local jurisdictions) will be in basewide marketing and economic development. A proposed Marketing Plan was outlined in detail in Section III, above. Below is a summary of the strategies identified there.

1. Define Single Location Name (Marketing Identity) for Fort Ord Properties.

2. Develop Early Sites Marketing Program as summarized in Exhibit 6.

3. Establish FORA as the Designated Fort Ord Marketing Agent.

4. Establish Joint Marketing Programs with the Universities.

5. Establish Uniform Entitlement Procedures and Mechanisms.

6. Establish a Common Approach to Disposition Terms for Fort Ord Properties.

7. Create a "Marketing Technical Assistance Team."

8. Develop Mechanisms for Semi-annual Reports on Areawide Market Conditions and for "rolling"[8] Annual Prioritization of Basewide Development Offerings.

9. Create Linkage between Residential Development and Employment.

10. Explore the Feasibility of Major Land Write-downs or Other Forms of Financial Assistance to "Prime the Pump" for One or More of the Office or Light Industry Sites Discussed in the Early Site Marketing Plan below.

11. Explore Establishment of Nonprofit Development Corporation.

Organization/Staffing

This is a critical function. It should be staffed with highly skilled real estate and marketing professionals. The manager should have both development and marketing credentials. There should be several project manager level persons who are assigned specific high-priority Fort Ord properties to market. There should be substantial budgets for a early year marketing campaigns and outside consultants for help with some of the above strategies.

Estimated Budget: $375,000 to $425,000 over years 1-5

In light of the decision that FORA will not (unless asked for technical assistance) be directly involved in the disposition of specific sites, this may seem a large budget. In fact, it may be considered somewhat of a surrogate budget for a real "marketing and disposition" function, by which FORA would try to assert some influence over the main events that impact its ability to finance the needed infrastructure.

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[8]Rolling means that each year a two- to three-year set of projects would be identified. For example, in 1996, FORA would adopt a set of priority projects for 1996-98. In 1997, the priorities for 1997-99 would be set.

In the Team's opinion, the "rolling" annual prioritization of basewide development sites is essential to FORA's ability to implement the Reuse Plan and ensure timely provision of infrastructure.

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DELIVERABLES ASSOCIATED WITH
THE OPERATIONS PLAN COMPONENT OF
THE FORT ORD BASE REUSE PLAN

TASKS 4.2.1 4.2.2 4.2.3 4.2.5 4.2.13 4.2.14

FINAL
PUBLIC FACILITIES IMPLEMENTATION PLAN (PFIP)

MAY 17, 1996

PREPARED BY:

REIMER ASSOCIATES
INFRASTRUCTURE ENGINEERS

WITH INPUT FROM:

(ANGUS MCDONALD & ASSOCIATES, EDAW, INC., JHK & ASSOCIATES AND ZANDER ASSOCIATES)

FOR THE:

FORT ORD BASE REUSE PLANNING TEAM

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REIMER ASSOCIATES
ANGUS MCDONALD & ASSOCIATES
THE INGRAM GROUP

CONTEXT OF THIS REPORT

It is anticipated that the Fort Ord Reuse Operations Plan, when completed in March of 1996, will contain three discrete sections, namely:

- **Comprehensive Business Plan (CBP)**
- **Public Facilities Implementation Plan (PFIP)**
- **Public Services Plan (PSP)**

This report brings together information from the EDAW/EMC 2015 reuse plan, from previous deliverables for the Operations Plan, and from the published Fort Ord Reuse Infrastructure Study (FORIS). These sources are the basis for Capital Improvement Projects (CIP) budgets to guide expenditures in support of planned reuse activities.

This budgetary guidance has direct application to the construction of the financing program which will be included as part of the final PFIP. It is also indicative of the sequencing of the array of public improvement projects of Fort Ord in accordance with the EDAW/EMC land use plan and phasing considerations.

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PFIP 5. PUBLIC FACILITIES IMPLEMENTATION PLAN

PFIP 1. Public Improvement Project Selection

1.1 BACKGROUND FOR THIS REPORT

This report has been prepared as part of the Operation Plan Component of the Fort Ord Base Reuse Plan. The information presented in this chapter is based upon current base reuse planning effort by the EDAW/EMC Team and draws from assumptions, strategies and finding as prepared by this Team. The foundation for the analysis contained in the Operation Plan is EDAW's November 2, 1995, land use/employment/residential forecasts, which were revised/updated on November 14, 1995 and on December 4, 1995.

The capital costs assigned to each public improvement project are based upon concept plans at a scale of 1":1000'. Costs are preliminary and present the conceptual nature of infrastructure planning to date. Costs do not include demolition, except as noted, hazardous waste or munitions clean up, environmental mitigation, or right-of-way within Fort Ord, agency fees, financing costs or on-going operations and maintenance. The schedule is based on route information available as of November 1995. The EDAW/EMC Team Members assume no liability for changes in quantities or prices due to unforeseen or subsequent conditions or for changes directed by controlling agencies. The costs presented are those expected at mid-year 1995 and no future cost escalation is included. They include a 15% contingency and 20% for Engineering, Administration, Surveying, Soils Investigations and Construction Management.

As is apparent, no capital improvement costs are included for electrical, gas or communication systems. It is assumed that transfer of these facilities will take the form of negotiated sales between the Army and qualified private utilities. Therefore systems upgrade and expansion costs are expected to be included in the rate structure of those utilities.

The work related to the infrastructure systems draws from the original work completed by Reimer Associates in the Fort Ord Reuse Infrastructure Study (FORIS) Master Plan Report. In addition, the information developed by Reimer Associates for the Defense Conversion Action Grant Application has been taken into account in the selection of projects. The transportation project selection and allocation of costs was based upon JHK's rerun of the TAMC model based on the new land use plan presented to FORA by EDAW/EMC.

Additional background and input for this report comes from conversations and interviews with Monterey County, the Cities of Seaside and Marina and other appropriate local and regional agencies.

1.2 AUTHORS OF AND PARTICIPANTS IN THIS REPORT

The work presented on the following pages is the result of a collective effort with the following participants.

1.2.1 Authors:	Responsibility:
Reimer Associates:	Infrastructure Systems Evaluation and Identification; Overall Project Selection, Costing, and Phasing; and Report Coordination and Preparation.
Angus McDonald & Associates:	Public Services Evaluation and Funding Sources Identification.
Input from:	Responsibility:
JHK Associates:	Transportation Modeling, Project Listing, Costing and Allocation.
EDAW, Inc.:	Parks and Recreation Project Identification and Costing.
Zander and Associates:	Habitat Management Costs.
SKMG:	Early Site Identification

1.3 REPORT ORGANIZATION AND ASSUMPTIONS

This report represents the deliverables which respond to Task 4.2.1, 4.2.2 and 4.2.3 of the Scope of Work and is reinforced by a detailed discussion of Sources of Financing. The reader will find the financing discussion Sections 1.4, 1.5 and 1.6. Section 1.7 displays the public improvement projects selected for inclusion in the Capital Improvement Budget phases through 2015 and Section 1.8 presents the 05-04 Infrastructure Cost Analysis. (05-04 is the version identifier - signifying the 5th version of the Reuse Plan and the 4th modification to the infrastructure analysis on that plan. This nomenclature has been used since 1993). The selection process employed is that of isolating the "backbone" infrastructure elements which are of base-wide service significance. The service demands placed on each such element is then calculated from the land use patterns and intensities as reported in the EDAW December 8, 1995 database. The element is then sized to accommodate the service demand and phased in respect to the expected time of development through 2015. Since the overall "backbone" infrastructure plan has been laid out to serve ultimate buildout, there is a resulting provision for some carryover capacity which is constructed before 2015 but will provide service capacity beyond that date. It is the infrastructure engineers judgment which is called upon to match current service requirement with a balanced infrastructure and to present that system in the form of a Capital Improvement Budget.

The following comparison displays infrastructure costs by system category for both the 04-03 Infrastructure Cost Analysis as presented in the FORIS Master Plan in December 1994 and the current cost figures. As expected, the ensuing 12 months since December 1994 have helped to clarify certain infrastructure issues which have cost implications. These issues include:

- Defense Conversion Action Grant award from EDA and the reasonable chance of obtaining "Round 2" grant funding.
- Reduction in polygon development densities and infilling so that capacities in existing systems can utilized for a longer period before expansion is required.

- A better balance between jobs and housing which reduces trip generation across base boundaries.
- Plans of Action Recommendations to serve Southwest and Northwest service areas from neighboring off-base water and sewer systems are followed.
- Accommodation of the POM Annex relocation program to be concentrated east of North/South Road. This response requires infrastructure extension into polygons not previously scheduled for service before 2015.
- Army investigation and repair of the existing sanitary sewers on base.
- TAMC Model runs to validate allocation of transportation costs based upon "select link" analysis.

Table PFIP1-1
Comparison of Infrastructure Cost Analyses - Versions 04-03 and 05-04

Infrastructure System	Current 05-04 Infrastructure Cost Figures	FORIS 04-03 Phase 1 Figures
Transportation System	$136,510,000	$152,395,000
Water Supply System	$38,200,000 (Reused water project costs are not included)	$56,720,000
Wastewater Collection System	$10,630,000	$22,960,000
Drainage	$3,590,000	$2,500,000
Parks and Recreation	$22,575,000 Local jurisdiction financed	Not included. Considered as on-site costs
Habitat Management	$668,000	Not included. Considered as on-site costs
Public Services	$1,110,000	Not included
Energy Supply	Not included. Considered as Utility Co. obligation	$35,425,000
Total - rounded	**$213,500,000**	**$270,000,000**

1.4 SOURCES OF FINANCING

1.4.1 Introduction

The present section describes the possible sources of financing for public capital facilities in the jurisdiction of Fort Ord. Consideration is also given to financing for ongoing operations - the revenues and charges that will be available year after year to operate and maintain capital facilities once they are constructed.

The section is organized as follows:

- The fundamental objective of the financing plan for capital facilities and for ongoing operations is stated
- Sources of financing are described.
- An order of preferences for sources of financing is presented.
- Policy issues are described These issues must be solved before the financing plan can be implemented.

1.4.2 Overall Objectives for Financing Plan

The key objective of the financing plan is to provide as much certainty as possible that capital facilities and ongoing operations can be financed, without destroying the underlying economics of the proposed land uses at Fort Ord.

Experience with large development projects in general and base re-use projects in particular has demonstrated that certainty about sources of financing for infrastructure is a key ingredient to success. If land developers - particularly developers who have the option to select projects throughout the United States - have full assurances about what will be required of them, they will purchase land or make other economic decisions at a price that will permit a profit to be made. On the other hand, if sources of financing (or other uncertainties that will affect development) exist, developers will either forego the opportunity to participate in the reuse of Fort Ord or will exact financial terms that may have an adverse physical result on the affected local government.

A recommendation is presented subsequently that FORA depend only on sources of financing that are certain or highly likely. This recommendation is motivated primarily by a desire to offer as much certainty as can exist in major development projects in the 1990's. If relative certainty about financial and other terms and conditions are stated at the outset, development organizations that might not otherwise consider a project in California will give the reuse potential of Fort Ord due consideration.

1.4.3 Disclaimer

The present report is being published at a point in time when certain key facts about the territory within Fort Ord are not yet known. For example, the potential acceptability of Cities and the County of Transportation Impact Fees is not yet been tested.

Accordingly, the recommendations in the present section are subject to change, depending on facts that will become known as other tasks in the FORA reuse planning program are completed.

1.4.4 Sources of Financing

The present section deals with alternative sources of financing that might be considered. Section 1.5 presents the recommendation for the preference order in which these potential financing sources should be used.

1.4.4.1 Federal and State Funding

The issue of the appropriate assumption to be made about external sources of financing over the next 20 years is a particularly vexing one. It is extremely difficult to make forecasts or even plausible conjectures about new sources of financing that may become available from the Federal and State governments for use by local governments in California.

The quest for a conservative and realistic financing plan suggests that the financing plan should include only future financing sources that can readily be foreseen. Unfortunately, a conservative or pessimistic approach has a way of becoming a self-fulfilling prophecy.

As a specific example, if only limited financial support is assumed from the State Transportation Improvement Program (STIP), then locally-controlled sources of financing must be used in the absence of State/Federal funding. This assumption will potentially have a negative impact on Monterey County's priorities compared to other STIP-eligible projects in California when future STIPS are adopted.

After extensive discussions with knowledgeable key informants at the local, State, and Federal levels, a conservative/pessimistic stance was assumed.

- Federal/State funding would be available only to fulfill existing commitments.
- Funding for transit operations and fleet replacement would continue at its present level (in terms of per capita real dollar) through Fiscal Year 2015/16.
- There is no basis for an assumption that federal support for Amtrak will increase over the planning horizon.
- Financing for the Fort Ord transportation system will depend significantly on development-related sources of financing such as development impact fees, special

benefit assessments and (possibly) special taxes levied by a Mello-Roos Community Facilities District. (Development-related financing is discussed extensively in a following section.)

Every effort should be made to prove the conservative/pessimistic scenario incorrect. Every effort should be made pursue any and all funds available from the federal government, the State of California, public/private partnerships, etc. If these fund-raising efforts are successful, dependence on development-related financing (described subsequently) can be reduced.

1.4.4.2 Local General Funds

Traditionally in California, the General Fund of cities and counties has been available to pay for public capital improvements as well as for ongoing operations. In the 1990's the General Fund surplus to pay for capital facilities is the exception - and frequently the rare exception - rather than the rule. For the moment it is assumed that General Fund financing from the affected cities or from Monterey County will not be available. If the fiscal analysis that will be prepared in Task 4.2.13 indicates that development on the territory within Fort Ord will produce a General Fund surplus, then this assumption is subject to revision.

1.4.4.3 New Sources of Financing

The possibility of establishing entirely new sources of financing in Monterey County has been discussed previously. For example, the Transportation Agency for Monterey County (TAMC) established a Transportation Financial Options Ad Hoc Committee to study the issue of new sources of financing for roads and transit. After reviewing the work of the Ad Hoc Committee and after discussions with key informants, the consultant team concluded that success in establishing new sources of financing that would be available at Fort Ord was low.

The probability of the potential ballot measures to raise motor vehicle fuel tax, sales tax on fuel and general sales tax or to approve the innovative Vehicle Miles Traveled (VMT) measure may be lowered if roadway improvements to permit the reuse of Fort Ord are included among the projects to be financed. Voters who are currently resident in Monterey County may ask, "Why should we pay for roads for those new people?"

If any of the financing sources being considered by the Ad Hoc Committee are enacted, the funds will not be sufficient to meet travel demands of the existing Monterey County population. Projects with an alternate source of financing (e.g., development-related financing) will not fare well in the competition for new funds.

1.4.4.4 Rate-Based Financing

In California, capital and operating expenses for municipal-type enterprises such as water supply and waste water treatment are financed from user charges, frequently referred to as "rates." Rate-based financing refers to any form of financing in which the ratepayers are charged the full cost for the service being provided and (with increasing frequency) are also charged for the capital investment required to finance public facilities.

During the Fort Ord Reuse Infrastructure Study (FORIS), a clear direction emerged that water supply and distribution and wastewater collection and treatment would be financed insofar as possible from the rate base for these services. A detailed organizational and economic analysis was prepared and is assumed in the present report[1] to be adopted FORA policy.

1.4.4.5 Fuel Tax

Traditionally, the tax on motor fuel shared between the State of California, county governments, and city governments was used in part to pay for capital improvements. This has generally not been the case for at least ten years. Jurisdictions are hard-pressed to maintain their target standard of road maintenance with their fuel tax allotment.

It is assumed that the fuel tax shared between the State of California and cities and counties in California will continue to be collected under existing allocation rules and the existing tax rate. The fuel tax to Monterey County and its cities will continue to grow as growth and development takes place, but real per capita purchasing power will decline, given the assumption that the tax rate per gallon does not increase. Fuel tax will be devoted to maintenance and replacement of the existing system and will not be available to finance the capital improvements that are being suggested in the present study. If subsequent analysis indicates that the fuel tax will not be consumed by future road maintenance requirements, the issue will be reconsidered.

1.4.4.6 Public/Private Financing Partnerships

The term "public/private financing partnership" can be defined broadly as any technique for financing public improvements that involves some degree of cooperation between a public agency and a private party. The definition is narrowed somewhat in the following text to include only forms of public/private financial cooperation that are intended to further the economic development objectives of the Fort Ord Reuse Plan.

Forms of public/private financing arrangements that have been used in California cover a wide range of levels of cooperation. For example, a minimal level of cooperation occurs when landowners advance funds to build a public improvement project. The public agency enters into a

[1] Fort Ord Reuse Authority. June 19, 1995. *FORA: Water Supply Mission Organizational Report and Economic Analysis.* Prepared by Reimer Associates and Administrative Budget Counseling. Edited by James Feeney, FORA Staff Engineer.

reimbursement agreement with the landowners to reimburse them for a portion of the cost, when other landowners who benefit from the public improvement apply for authorization to develop their property. Common examples are a roadway extension that provides access to a particular property or a sewer line extension that permits the property to be developed.

A higher level of public/private cooperation is required when a public agency enters into a disposition and development agreement with a private party. The agreement specifies standards of development, business terms, etc. This form of public/private cooperation has been used most frequently by redevelopment agencies in California, but the model applies more generally.

Perhaps the most detailed level of public/private cooperation exists when a private entity constructs and operates a public improvement, within guidelines and business terms supplied by a public agency. An example that has recently occurred in California is the construction of toll roads that will be operated by a private entity for a fixed number of years.

In each of the above examples, two characteristics are present. First, the objectives of a public agency are being served. Second, there must be enough economic incentive in the arrangement for the private party to incur both the cost and the risk.

The term "partnership" should not be interpreted as implying equality of representation in the partnership, or even a complete matching of goals and objectives. As with any "partnership", the "partnership agreement" specifies the authorities and responsibilities of each party. A public/private financing partnership in no way implies any surrendering of a public agency's ability and responsibility to protect the public interest.

All of the development-related financing arrangements that are described in the following section are public/private financing partnerships. Even the forms of financing described previously (e.g., state and federal grants) can be structured so that the financing leverages economic development objectives.

Experience elsewhere in California has confirmed that a public agency can facilitate economic development by offering incentives, at the same time that requirements to finance public improvements are imposed. As one example, consider a situation where an assessment district will be used to finance public improvements and where some of the land uses within the assessment district would create employment opportunities or foster other economic development objectives. It would be possible for the public agency to offer an incentive in the form of reduced assessments, offset by use of redevelopment tax increment. The redevelopment tax increment would offset the special assessment that would otherwise have been due from a land development project that meets economic development objectives.

Public/private partnership financing is particularly useful to facilitate the reuse of Fort Ord. The following characteristics applicable to reuse of Fort Ord should be noted

Disclosure. An absolute key to the successful development of Fort Ord is complete and total disclosure of the terms and conditions (including terms for financing public improvements) that

will be imposed on development. There must also be complete disclosure of the land use entitlements that developers will receive. With complete disclosure, the public agency and the developer can negotiate business terms that meet public objectives and that are economically realistic.

Land Value-Based Financing. If disclosure (as described above) is complete, reuse of Fort Ord will be aided by a unique situation. Before land is conveyed to FORA and ultimately to local governments with land use jurisdiction over territory within Fort Ord, the terms and conditions for financing public improvements will be known in detail. Also, future land use entitlements, development standards, etc. will be known.

Accordingly, a private party can offer a price for land within the jurisdiction of Fort Ord in its "as is" condition with a high degree of certainty about the costs that will be incurred to bring the land from its "as is" condition to a condition where the land is marketable to a builder or a final user. The private party will have a high degree of knowledge about the price that could be offered for the land "as is" and still meet profit objectives when the land is sold to a final user.

If some form of partnership financing is negotiated between a public agency and a private party, the economic consequences of this partnership arrangement can be factored into the price that is offered for the land in its "as is" condition. As one example, a reimbursement agreement might be negotiated wherein (say) a road improvement is programmed in an early year of the planning period to provide access to a property that has high development potential. The initial developer might be offered a reimbursement agreement wherein the ultimate owners of other property that benefit from this roadway improvement would make reimbursement. (There are provisions under California law to require that reimbursement include the payment of interest to the party being reimbursed. The desirability of this clause depends on the particulars of the situation).

A private sector buyer of land will factor in the net present value of any required investment in infrastructure, when the purchase price is negotiated. The requirement for advancing funds by a private party could also be factored into the negotiations of terms of an Economic Development Conveyance.

An extensive discussion of the economics of development-related financing begins on page PFIP 1-10.

Gap Financing. Major land development projects frequently impose the highest level of risk and offer the highest returns to early-stage developers. The unique and rather spectacular location of the territory within Fort Ord and the presence of an open-and-operating campus of the California State University will minimize certain private sector development risks. Nonetheless early development at Fort Ord will require an expectation of a return adequate to the risk involved.

A form of public/private partnership financing that may be applicable to the reuse of Fort Ord is an extension of the example used above, where a developer advanced the cost of a single improvement. A situation may be found to exist at Fort Ord wherein development simply will not occur unless a developer makes a significant initial investment in public improvements. This

investment would be in addition to the ordinary costs associated with development. If this is the case, it would be appropriate to enter into a disposition and development agreement between a public agency and a private party that recognized both the necessity for "gap" financing and the return that the risk of providing significant up-front investment would require.

The concept of "gap financing" with adequate economic regards for the risk incurred is applicable to the terms of the original Economic Development Conveyance as well as to subsequent transfers of ownership. Initial financing from the U.S. Government, particularly to finance the costs of remediation of existing deficiencies, may be essential to the successful reuse of Fort Ord. Payment terms under an Economic Development Conveyance can provide a fair and adequate return for this additional investment by the U.S. Government.

1.4.4.7 Development-Related Financing

The Fort Ord Reuse Financing Plan will depend significantly on development-related financing. Accordingly, this technique of financing is discussed extensively.

Definition: The term, "development-related financing" refers to revenues that are directly generated by growth and development. There are two generic classes of development-related financing. Development impact fees which are collected at or near the time of development can finance infrastructure if it is possible to stage infrastructure and not require major initial investments. This class of financing is described as "pay as you go."

The other development-related class of financing is municipal bonds that are sold to investors. The interest on these bonds is tax-free to the investor, and the proceeds of the bonds are used to construct public improvements. The bondholders are repaid over time, by assessment liens or special taxes paid by homeowners and businesses in the area of benefit. The common examples of development-related bonded debt that are currently used in California are special assessment bonds and bonds issued by a Mello-Roos Community Facilities District.

This class of financing is referred to as "pay as you use."

Development impact fees are the preferred method of financing if projects can be staged in pace with development and if very large or "big-ticket" public improvement projects can be avoided. The preference for development impact fees is based on the fact that the costs of issuing bonds (e.g., underwriters' discounts, bond counsel's legal fees, reserves or credit enhancements) are avoided. Also, every effort can be made to structure a bond issue such that landowners will pay their assessment liens or taxes in a timely manner rather than let the bonds go into default. If there is a default on assessment or tax payments, foreclosure procedures are initiated by the issuing public agency. Assuming there is a reasonable market value for the land, the delinquent assessment or special tax obligation is paid by the new buyer.

Development-related bond issues in California are commonly structured such that absolutely no legal liability falls on the issuing agency if the bonds go into default. Nonetheless, the name of the issuing agency is in the largest type font on the face of the bond. There is at least some

perception of risk to the credit standing of the issuing agency if default occurs. This risk (however slight) is avoided if development impact fees are used.

While development impact fees and development-related bond financing appear to be quite different, their economic structure is quite similar. They both depend on a reasonable market value of the land, after the financed public improvements have been constructed. In the case of development impact fees, a reasonable buyer must perceive a probability of reasonable rate of return on invested capital, after the development impact fees have been paid.

In the case of bonded debt, there are two requirements for land value. First, the developer must anticipate that buyers will discount their willingness to pay for a finished real estate product because of the existence of an obligation to pay bonded debt. The cost of bringing land to a state of readiness for development, plus the burden of assessments or other forms of bonded debt, plus an allowance for developer profit, must be equal to or less than the market value of the land.

Secondly, since the public agency is not required to "make good" on a bond issue that goes into default, municipal bond underwriters and, ultimately, bond buyers will look to the underlying value of the land and compare this land value with the total bond obligation. An acceptable minimal relationship between bond obligations and land value must be preserved.

Under today's financial conditions a multiplier of 3.0 is considered minimal and a multiplier of at least 4.0 is preferred by bond buyers.[2]

Two-Tier Fees: It is frequently the case that public improvements cannot be sized precisely so that added capacity exactly meets the added demand. Capacity is normally added in discreet increments. For example, a street must be widened in increments of full lanes and this frequently provides more capacity than would absolutely require to meet the Level of Service (LOS) target by the end of the planning period.

The financing plan for the Fort Ord Reuse Plan can deal with this situation by dividing the entire planning period into subperiods. A development impact fee is adopted for each time period within the overall twenty-year planning horizon such that the fee is adequate to meet the LOS and timing standards for development which occurs during that time period. For example, if the cost per Dwelling Unit Equivalent is higher for the first seven years, then a fee is adopted that will provide adequate cash flow for this seven-year period.

In the situation described above, even though capacity in excess of demand for the (presumed) seven-year period was unavoidably produced, this capacity will also benefit those who develop after Year Seven.[3] Accordingly, a fee is collected until the capacity has been consumed and is used to reimburse those who unavoidably paid a higher fee during Years One through Seven.

[2] Land value is measured at the point when the bond proceeds have been used to build public improvements and these improvements are in place. If the multiplier is 4.0 this means that the land value that secures payment of the bond issue must be at least four times the face amount of the bond issue.

The two-tier financing technique summarized above has been used in other jurisdictions in California (e.g., in the Antelope Area of unincorporated Sacramento County and in the City of Turlock).

In the case of the Fort Ord Reuse Plan, the issue is particularly important. Significant roadway capacity will frequently be "left over" at the end of the entire twenty-year planning period. In other words, newly expanded roadways will be above the LOS target at the end of Year 2015. Development that occurs after the end of the present planning period will benefit from the capacity that was provided during the present planning period. This was unavoidable because, as noted in the example presented above, a street must be widened in increments of full lanes.

FORA should re-evaluate growth, trends and forecasts regularly and should impose a development impact fee on those developers who will utilize the excess capacity of a facility, if any has been created. The money collected from these developers should be placed into a development fee account and, at regular intervals, after the facility is built, may be distributed to the developers who paid the original development impact fee used to construct the facility. This distribution would be in proportion to the original fee contributed from each developer, plus an allowance for interest from the date of contribution. Developers who wish to participate in this reimbursement program are expected to enter into an agreement with FORA. This agreement will generally provide that if future development occurs that would utilize excess capacity of a public facility, and if FORA is able to collect development impact fees from such development, then the developer would be reimbursed for a portion of the development impact fee that he or she has paid.

It should be understood that reimbursement is not guaranteed. In practice, a portion of the total fee collected in the early years is described as "Subject to Contingent Reimbursement" (STCR). If development continues to occur as expected after an improvement has been constructed, then a portion of the impact fee collected will be available to reimburse those paid the higher-than-average costs. If development does not continue after a roadway improvement is in place, then those who paid the higher fee will have paid a fair and equitable fee since the construction of additional capacity was unavoidable.

Although a two-tier impact fee would be levied under FORA's statutory authority, it would be collected by the local jurisdictions in the same manner as any other fee.

Economics of Development-Related Financing: There is a finite economic limit on the extent to which development-related sources of financing will be available at Fort Ord. This limit is established by the realities of the real estate market place.

Two initial principles must first be established.

[3] Herein lies the power of two-tier fees. If everyone paid the average, the improvement could be built only when the full cost of the improvement had been collected. In practical situations the Level of Service would have deteriorated to an unacceptable level before sufficient revenues had accrued.

In terms of the final incidence of the economic burden, there is little basic difference between a development impact fee collected at the time of development and a development-related tax or assessment collected over many years to repay bonded debt. The ability to pay an impact fee or pay an annual assessment/ special tax depends on there being economic use of land for which public improvements are being provided.

The second principle concerns the final incidence of development impact fees or assessments/special taxes. Colloquially, "Who pays impact fees?"

The assertion is frequently heard that impact fees are passed on to the homeowner or other consumers. In general, this is neither theoretically nor practically the case. In the specific circumstances surrounding reuse of Fort Ord, this is almost certainly not the case.

In the most simple (and simplistic!) economic model, development-related charges, whether impact fees, assessments, or special taxes, are capitalized by the marketplace in terms of a lower value of underdeveloped land. The reasoning is as follows:

- In a perfect market, with perfect information, the value of land ready for development is set by the marketplace. Competing projects throughout the region (whether or not they are burdened by development charges) establish market value.

- Both financial capital and entrepreneurial skills are highly mobile. A developer has no incentive to accept reduced profit margins at Fort Ord, particularly given perceived risks of a pioneering form of development. Targets for profit margins will not be lowered.

- Accordingly, sophisticated developers will buy land at a price that permits them to pay development-related charges, maintain profit margins, and sell land in a ready-to-build state at the prevailing market price.

The Residual Land Value (RLV) is the value of the land after subtracting an allowance for profit, a sales commission, allowance for on-site development costs, and allowance for all forms of development-related financing that will be imposed to pay for infrastructure and other public improvement.

There is an absolute upper limit to the total financing capacity available from development-related financing for all public improvements that are competing for development-related financing. That upper limit is the amount of financing that would drive the Residual Land Value down to zero.

In most circumstances, neither the market place nor political realities would permit a financing plan that literally consumes the residual market value of undeveloped land. In the present circumstance, it may be both practical and necessary to devote all or virtually all of the value of undeveloped land to finance the public improvements that will make reuse of Fort Ord possible. Market values of land in a ready-to-build state are set by market forces, not by wishes. Costs to achieve this ready-to-build state are statements of fact, once a level of service for transportation

and other public services has been established. The residual value of the land is the market value minus the costs that must be incurred to make the land marketable.

In a very real sense, undeveloped land is "worth what it's worth!" If the cost to demolish existing structures and provide infrastructure consumes all or nearly all of the residual land value, this is a fact that even the federal government is powerless to counter.

In many cases the economic model described above is excessively simplistic. In a strong market, with strong buyer demand, it may indeed be possible to pass forward development impact fees in the form of higher home prices. Decisions made by a couple in model homes or in sales pavilions often involve more than calculations of expected net present values of cost streams.

Practical observations in projects elsewhere in California suggest that even in strong markets the model for the development and sale of commercial and industrial lands more clearly approximates the simple model described above. Land is developed by sophisticated buyers with full knowledge of market values. Such buyers know the economic effect of all costs (including development-related charges) on market value of raw land. In other words, observations of behavior transactions involving commercial and industrial property verify that development-related charges are capitalized in the form of lower land values for raw, undeveloped land.

The specific circumstances of Fort Ord suggest that a model of development-related costs capitalized in the form of lower land values will be applicable to <u>all</u> lands that are ultimately in private ownership.

Assume for the purposes of analysis that lands will be conveyed by the federal government to the Fort Ord Reuse Authority under an Economic Development Conveyance (EDC). These lands will ultimately be conveyed to private developers, under the terms of the Fort Ord Reuse Plan and appropriate disposition and development agreements. Developers with the sophistication and financial strength necessary to participate in this form of redevelopment will most certainly be aware of the underlying economics of land use. They will acquire land and participate in the redevelopment process only if the overall economics of each development project permit development-related charges to be paid while maintaining a profit margin appropriate to the risks being incurred, given the developers' estimate of land in a ready-to-build condition.

Another characteristic of the economics of development at Fort Ord should be noted. Given proper information and communications, a potential developer of land at Fort Ord will not be as sensitive to comparative levels of development impact fees in other jurisdictions in the market area, as is usually the case. In the conventional case, when land for development is being purchased from private owners, a developer will be very concerned about the level of development impact fees in a jurisdiction, compared to fee levels in other jurisdictions. High levels of impact fees will ultimately result in lower values of raw land, but an individual landowner may decide to delay sale to a developer. This wait can be as long as the time required for the next generation of landowners to be in a position to make decisions about the land.

In the case of Fort Ord, however, local governments, as the "interim landowner," can negotiate disposition and development agreements with sophisticated developers in the context of the economic realities that apply at Fort Ord. Transactions will close at prices for raw land that are realistic, given market values of land in a ready-to-build condition and given the cost to bring land from its current condition to a ready-to-build condition.

Development Exactions: Development exactions at the time each final subdivision map is recorded are a form of development-related financing that has become very popular in certain areas of California. If a developer does not have land-use entitlements, there have been many instances where a public agency will exact commitments to finance infrastructure or provide other amenities, as a condition of approval.

The use of exactions might initially appear to be a particularly fruitful possibility at Ford Ord, given that no one has development entitlements. Even the moderating influence of the recent Supreme Court case of Dolan v. Tigard may not be applicable. Mrs. Dolan had the necessary zoning for her property when exactions were demanded. A would-be developer at Fort Ord would not have these entitlements.

Whatever the superficial attractions of exactions as a tool of development or redevelopment, they are (at least in the opinions of the authors of the present report) an extremely hazardous form of infrastructure finance.

Particularly in the early years, it will be very important that developmental projects at Fort Ord become "success stories" that can be advertised in the national real estate market. Given California's national reputation as a place where development is difficult, a vigorous program of development actions will hardly be perceived as an incentive to come to Fort Ord and assume the risks of development.

The same comments might be made about the effects of exactions agreed upon in the original disposition and development agreement as was made about development impact fees or development-related bond financing. None of these techniques of financing are thought to add to the profitability of development projects.

In fact, if the Fort Ord Reuse Plan is described and disclosed properly, early-on exactions, development impact fees or development-related bond financing will not be an impediment to development. If land values after public improvements are in place are high enough to justify payment of the development-related financing -- a fact to be confirmed during the FORA re-use study -- there will be little or no disincentive to undertake a development project. A sophisticated developer will insist on paying a price for raw land that will permit the development-related financing to be paid, and a reasonable profit to be made, as compensation for investment and development risk. If the project is part of an Economic Development Conveyance (EDC), the terms of economic participation between the developer, the local agency and the federal agency can be negotiated such that they are economically realistic, given expected land values.

Put more bluntly, all concerned can "buy right" if they can reasonably estimate post-redevelopment market values and if all of the terms and conditions that will be imposed on the developer are known before a final agreement is reached.

A Cities-County Road Impact Fee: A conclusion has emerged from Task 4.2.3 that major roadway projects to serve the territory within Fort Ord are not necessarily located physically within the boundaries of what was Fort Ord. Similarly, roadway facilities that are located physically on Fort Ord serve development in other jurisdictions (i.e., off the Fort Ord territory) in Fort Ord Transportation Impact Area.

A key requirement for development impact fees[4] in California is that a valid nexus exists (in this case) between a roadway capital improvement and all of the development that contributes to the demand for this improvement. Accordingly, if development impact fees are to be used to finance roadway improvements affecting the territory within Fort Ord, it will be necessary to establish a cities-county development impact fee involving the participation of all the cities in Fort Ord Transportation Impact Area and Monterey County itself. The work that was completed in Task 4.2.3 provides the numerical basis for an appropriate assignment of financial responsibility between development on Fort Ord and development elsewhere in Monterey County.

Cooperative cities-county fees are not without precedent in California. For example, a cooperative arrangement exists between Stanislaus County and its cities. This does not translate into a statement that cities-county fee programs can be implemented easily. This point is discussed further on page PFIP 1-23.

1.4.5 Redevelopment Tax Increment

California has decades of experience with a form of financing that is particularly applicable to areas undergoing redevelopment. Total property tax collected in Monterey County is shared between the applicable city (if the area is in a city), the applicable school districts, and a number of Special Districts. A complex formula, developed after Proposition 13 was passed, controls the manner in which annual change in taxable value and resulting property tax is shared among the taxing agencies. Redevelopment tax increment is based on the following sequence of steps:

- At a given point in time (normally when a Redevelopment Area is established), the allocation of property tax revenues among the taxing entities is noted. The amounts to each agency are referred to as the "frozen base".

From that point forward, any increase in total property tax revenues goes not to the various local governments but to a redevelopment agency. The redevelopment agency then uses this tax increment to accomplish the purposes of the agency's redevelopment plan. Normally, twenty percent of revenues must be allocated to housing programs.

[4] The required findings for a valid development impact fee in California are summarized in Government Code §66000 et seq.

There is an apparent particular advantage to the use of redevelopment tax increment to finance roadways and other public improvements on Fort Ord. The property tax base is currently zero because the land is owned by a federal agency. If a redevelopment area is formed prior to a sale to a private owner or other entity subject to property taxation, the entire property tax revenue (measured from a frozen base of zero) would apparently be available for purposes of the redevelopment agency.

This apparent strength is, in fact, a weakness. The redevelopment agency may indeed have a fruitful stream of tax increment to use for redevelopment purposes, but the other local governments continue to be responsible to provide for ongoing operations. There are numerous examples in California where a city with a redevelopment agency finds itself to be facility-rich and program-poor. For example, funding is adequate to finance a new police station, but funding is scarce in the extreme to pay the police officers who staff this new station.

An aggressive use of redevelopment tax increment will be recommended as a source of financing for roadways and other public improvements if (and only if!) the fiscal analysis being done by the FORA re-use team confirms that local government revenues other than the property tax will be adequate to support the ongoing program of each jurisdiction.

As of the date of the publications of this report, the fiscal analysis indicates that property tax increment will not be available to fund Base-wide facilities. The entire property tax will be required to pay for the cost of on-going services.

1.4.6 Benefit Assessments for Maintenance

The use of benefit assessments (sometimes incorrectly referred to as "parcel taxes") to maintain various facilities has a long history in California. Benefit assessments were traditionally used for local programs that clearly benefit abutting property, such as maintaining street lights or roadway medians. In fact a key enabling statute is titled the Landscape and Lighting Act of 1972, Street and Highways Code Section 22500.

In recent years the breadth of purpose and the physical location of activities that have been construed to provide a local benefit has expanded greatly. For example, a recent court case permits the use of a benefit assessment to maintain a park that is located a significant distance from the properties that were found to benefit.

A clear candidate for the use of a maintenance assessment district in the Fort Ord Reuse Plan is the annual cost of maintaining and operating the Multispecies Habitat Management Plan (HMP)[5] for the territory within Fort Ord. Successful implementation of the HMP will provide a clear

[5] Zander Associates and The Center for Natural Lands Management. July 1995. *FORA Habitat Management Requirements.* Prepared for the Fort Ord Reuse Authority

benefit to all local governments with jurisdiction of lands within Fort Ord. It is recommended that ongoing costs of the HMP that are not borne by the Department of Interior, Bureau of Land Management (BLM) should be financed by a uniform benefit assessment collected over the developable areas within Fort Ord.

Subsequent legal research may raise questions about whether existing statutes permit a benefit-assessment district to maintain wildlife habitat. There may also be a question about whether a benefit assessment can be levied on lands that have not yet developed. If either source of uncertainty arises, enabling legislation should be sought immediately to provide for a maintenance assessment procedure that is applicable to the circumstances of the land within the jurisdiction of Fort Ord.

1.4.7 Financing to Remedy Existing Deficiencies

In general, development-related financing cannot be used to finance an existing deficiency in capacity or function of a public facility. Development-related financing can be used only to provide new capacity to serve new development.

In the special circumstance of the territory within Fort Ord, this generalization is not applicable. Any existing deficiencies within the Fort Ord boundary that are not remedied by the U.S. Army can be remedied using development-related financing. The key difference between Fort Ord and the conventional situation is that service capacity within the Fort Ord boundary is available to serve new users, once deficiencies have been remedied. In effect, new capacity is being provided through the act of remedying deficient facilities.

Deficiencies beyond the boundary of Fort Ord are not eligible for financing from development-related sources. This poses a significant difficulty since there are numerous existing deficiencies on the roadway system. Development-related financing can finance new capacity (e.g., on Highway 68) but a source of financing for the cost of bringing capacity to the point that existing traffic could be served at the target level of service, must be financed from some source of financing other than a development-related source of financing.

Selecting a source of financing for existing roadway deficiencies outside of Fort Ord is not within the scope of the present task. The effort cited previously by the Transportation Agency for Monterey County is the best current hope for a program that will determine how existing deficiencies should be financed.

1.5 PREFERENCE FOR SOURCES OF FINANCING

The previous section discussed sources of financing that could be considered for capital facilities and for ongoing operations. The present section presents specific recommendations as to sources of financing. The section also mentions certain financing principles.

1.5.1 A Commitment to Maintenance

Financing for new public service capacity should not be at the expense of expenses for operations and maintenance. Further, recognition should be given to the fact that additional capacity (e.g., roadway capacity) to serve reuse of Fort Ord will itself require maintenance during the planning period through 2015/16. It is recommended that provisions for the financing of operations and maintenance be made before any decision made about the financing of capital facilities. In other words, operations and maintenance is, in effect, taken "off the top" before an evaluation is made of capacity to finance capital improvements.

This recommendation is particularly significant for road maintenance. Experience with fiscal studies elsewhere in Monterey County and elsewhere in California suggest that the cost to maintain the existing road network plus new capacity will consume the fuel tax revenues that will become available.

1.5.2 Base-Wide and Local Facilities

The Fort Ord Reuse Authority has a role in financing capital improvements for base-wide facilities only. Government Code δ67655 includes the following definition:

> (b) *"Base-wide facility" means a public capital facility which, in the judgment of the [Fort Ord Reuse Authority] board is important to the overall reuse of Fort Ord, and has significance beyond any single city or the unincorporated area of the county.*

Public capital facilities required for the reuse of Fort Ord that do not meet the definition of "base-wide facility" are defined as "local facilities."

The financing plan to support the Fort Ord Reuse Plan that is being prepared by FORA is concerned only with Base-wide facilities. However, the cost of local facilities required for the reuse of Fort Ord (e.g., neighborhood and community parks in each jurisdiction where the demand is created by growth and development of land within Fort Ord) is presented, even though preparing a financing plan for local facilities is not a FORA responsibility. As a practical matter local governments will very probably select a form of development-related financing. Accordingly the burden of financing local facilities as well as the burden of financing base-wide facilities must be considered before a decision can be made about the economic reasonableness of facility financing, compared to market value of land that will exist after public facilities are in place.

1.5.3 Hierarchy of Financing Preferences

The following statement of preferences for sources of financing was originally stated in the document; Fort Ord Reuse Group. *Preliminary Draft. Summary of Base Reuse Plan,* February 8, 1994, pages 19-20. This order of preference is recommended for the Financing Plan of the Fort Ord Reuse Plan.

Rate-based financing was not included in the original list of preferences. A statement is added to the list, in italics.

> "Federal Funds. Federal grants and direct Federal investment are being pursued actively and aggressively. In addition, every effort will be made to encourage the Federal Government to make direct investments in Fort Ord to remedy existing deficiencies or needs for remediation.
>
> State of California. Economic development programs or other grant programs available from the State of California may be highly relevant to the process of reusing Fort Ord. Every opportunity will be explored to consider such sources of financing.
>
> If Federal and State funds are insufficient, then the preference for locally-controlled financing is shown in the following paragraphs. Particularly in the early years after Fort Ord goes into private ownership, Monterey County and the affected cities may suffer fiscal distress. If cannot realistically be assumed that General Fund revenues will be available to finance Infrastructure at Fort Ord or that the local governments can participate in Federal or State loan programs unless the lending agency accepts as the sole source of payment a special tax on the land that benefits from the investment.
>
> - *Financing obtained from, or secured by, a consumer rate-base (e.g. water or sewer rates) will be used wherever practical. Rates will be used to finance capital facilities and to pay the annual cost of operations and maintenance.*
>
> - Development impact fees, collected at or near the time of development, will be used wherever practical to finance the expansion and capacity that are necessary to accommodate the demand for new capacity at Fort Ord. Demand should be met as closely as practical to the time when development will occur.
>
> - Enhancements to development impact fees, such as borrowing (with interest) between development impact fee accounts or employing other comparable devices, will be used if traditional development impact fees, considered alone, would not produce sufficient cash in time to build each public improvement when it is required.
>
> - Development-related bond financing (e.g., conventional special assessment bonds or bonds issued by a Mello-Roos Community Facilities Districts) will be considered. Bonds will be used only if conventional development impact fees, or enhanced versions of these development impact fees, are incapable of providing sufficient cash flow to fund an improvement when it required. An example would be a major expansion of water supply that cannot practically be stage in small increments and that must be available early in the planning

period, because a reliable water supply must be available before development can occur.

- Redevelopment tax increment may be particularly applicable to reuse of Fort Ord, since the taxable assessed value of the military base is zero. As soon as a parcel comes under private ownership, the Monterey County Assessor's estimate of taxable assessed value is, in effect, the "increment" above the starting point of zero. Accordingly, if the parcel is in a redevelopment area, some or all of this increment (taxed at the 1 percent base tax rate) could be available for purposes of the redevelopment agency. At the same time, each local government will bear in mind that property tax that is not available to support the cost for ongoing services such as law enforcement, fire protection and general government."

All of the forms of development-related financing (e.g., development impact fees, redevelopment tax increment) in the list will require the types of cooperation that are essential to public/private financing arrangements. The cooperation intrinsic to a disposition and development under a redevelopment-type arrangement is an obvious example. Development-related bond financing requires either landowner consent or the absence of a landowner protest. Formation of a financing district virtually always involves negotiations between a public agency and the affected landowners. Even development impact fees, which can be imposed by ordinance, require an assessment of economic realities as viewed from the private sector.

At any time that public/private financing arrangements are being negotiated, the public agency can be mindful of short-term and long-term economic development objectives that would be served. For example, a project that provides employment opportunities and strengthens the local tax base can be aided by a restaging of public improvements in the Fort Ord Reuse Plan CIP. If necessary, additional financial incentives (e.g., offsetting development impact fees that would otherwise be due with funds available because of redevelopment tax increment) can be considered.

1.5.4 Recommendations For Financing

The recommendations for sources of financing for each class of base-wide facilities is summarized in Table PFIP 1-2.

Table PFIP 1-2
Recommended Sources of Financing

Facility Class	Recommended Source of Financing for Base-Wide Facilities	
	For Capital Investment	For Annual Operations
Water	Rate-based (Note 1)	Rate-based
Sewer	Rate-based (Note 1)	Rate-based
Drainage Existing Facilities	Tributary Polygon Impact Fee (Note 1)	Tributary polygon benefit assessment
Drainage New Facilities	On-Site cost borne by developer	Drainage facilities maintained by landowner (see Note 2)
Roads	Cities-County Roadway Impact Fee	Fuel Tax from each jurisdiction, supplemented if necessary by each jurisdiction's General Fund
Parks	Local financing from each jurisdiction (Note 3)	General Fund of each jurisdiction (Note 3)
Habitat Management	Base-wide assessment district	Base-wide assessment district
Police Facilities	Local financing	General Fund of each jurisdiction
Fire Facilities (see Note 4)	Base-wide development impact fee	General Fund of each jurisdiction under a cost-sharing agreement
General Facilities (Notes 3 and 5)	Local financing from each jurisdiction	General Fund of each jurisdiction

Note 1 A contribution is expected from the U.S. Army for infrastructure upgrades related to the POM Annex.

Note 2 The local jurisdiction will have a regulatory responsibility to assure that drainage facilities are maintained.

Note 3 No parks of more than local significance were identified.

Note 4 Alternative arrangements for fire services are currently being evaluated. If a new station or other capital item(s) are of Base-wide significance because of operating efficiencies or improved protection that effects more than one jurisdiction, the sources of financing will be as shown.

Note 5 Examples include administrative space, corporation yards, etc.

Note 6 In each case where a development impact fee is recommended, this is a preliminary recommendation. Cash flow considerations may require the use of bonded debt. See page PFIP 1-10 for a discussion of the use of bonded debt.

1.6 FINANCING POLICY AND TECHNICAL ISSUES FOR BASE-WIDE FACILITIES

Certain issues about sources of financing will require additional discussion with FORA staff and additional analysis. These issues are discussed in the following paragraphs.

1.6.1 Implementing the Cities-County Road Impact Fee

An explicit acknowledgment is appropriate. The task of implementing a road impact fee to be collected and expended cooperatively by Monterey County and by the cities in Fort Ord Transportation Impact Area is not an easy undertaking. Presentations and discussions should begin immediately to demonstrate to the affected local governments the essential nature of a source of financing that fairly distributes the cost of roads between land on Fort Ord and land not on Fort Ord.

At the same time, an effort must begin to clarify the administrative arrangements that would be appropriate, if a number of separate jurisdictions are each collecting a common cities-county road impact fee.

1.6.2 Transit - A Special Case

It is now well understood that, with certain very specialized exceptions, it is impossible to support the operations of a transit system from farebox revenues, let alone provide financing capacity for purchase or replacement of the vehicle feet and other required capital facilities. Financial support in addition to farebox revenues now comes from federal funds administered by the Federal Transit Administration (FTA) funds administered by the state of California, State Transit Assistance (STA), and a portion of the locally-collected retail sales tax administered under the Transportation Development Act (TDA).

Key informants expressed great pessimism about the long term (and short term, for that matter!) future of transit operating subsidies from the federal government. Surprisingly, given recent activity in the State legislature, key informants were confident that both STA and TDA were dependable and steady sources of revenue for transit operations and fleet replacement.

The recommended stance regarding transit finance is to avoid either a surrender into pessimism and negativism or a carrying forward of unrealistic expectations. The consultants' recommendation is that a somewhat optimistic assumption be made. Total funds available for transit operations per capita, measured in dollars of real purchasing power, will equal the per capita levels that were budgeted for the 1995/96 fiscal year. If predictions about a decreasing role in transit operations for the federal government come true, then his assumption will be optimistic. If new sources of financing for transit operations are enacted, then the assumption will be pessimistic. In either case, adjustment can be made on an annual basis to deal with the fiscal realities that emerge.

The practical result of the recommended assumption will lead to the following:

- The estimate of constant per capita revenues for transit operations (measured in constant dollars of real purchasing power) will be applied to the development forecast for Fort Ord that will be assembled by the FORA reuse planning team. The per capita revenue estimate will also be applied to the development forecast outside of Fort Ord that was developed by AMBAG.

- A reasonable estimate of farebox recovery (expressed as a percent of cost of transit operations and fleet replacement) will be made.

- A level of transit service and transit ridership will be prepared that is realistic, given the estimate of financing capacity for ongoing operations.

It should be noted that the above series of steps assumes that a reasonable rate of fleet replacement will be included in the operating budget. For the moment, it will be assumed that initial increases in the size of the transit fleet will be financed from some form of development-related financing.

1.6.3 Financing Subzones

Assembly Bill 1600, codified as Government Code 66000, et seq., incorporated into statute a description of what was and was not an acceptable development impact fee in California. The statutes describe what had been considered by practitioners to be recommended practice for setting development impact fees.

The most significant effect of Assembly Bill 1600 was to discontinue the practice of "averaging" impact fees over geographically- distinct areas of a jurisdiction. City attorneys and county counsel became more insistent that if there is a difference in facility cost (measured per dwelling unit or per Dwelling Unit Equivalent) that this difference be acknowledged. Financing subzones within a jurisdiction became more the norm than the exception.

This trend has been particularly apparent in the setting of roadway impact fees. Cities of even modest size frequently have four or more roadway financing subzones.

It is a virtual certainty that a technically valid Cities-County Roadway Impact Fee for an area as large as Fort Ord Transportation Impact Area will require multiple financing subzones. These subzones have not yet been selected, pending approval in principle of the use of a Cities-County Road Impact Fee.

The technical effort to define financing subzones should begin as soon as further study is authorized regarding the establishment of a Cities-County Roadway Impact Fee. The Cost Analysis Techniques utilized in the FORIS Report to accurately establish the nexus between land uses and infrastructure cost represents a major step in this direction.

1.7 PUBLIC IMPROVEMENT PROJECT LISTING

The following tables present the set of public improvement projects recommended for construction between 1996 and 2015. The tables are arrayed by infrastructure system category. With the exception of the Parks and Recreation Project Table which includes facilities under local jurisdiction, the improvement projects listed are those which support base-wide activities as "backbone" systems or are intended to implement base-wide goals. For example, provision for water meters applies to individual existing buildings but implements base-wide water conservation goals.

Costs include 15% contingency and 20% for engineering design, soil and field surveys, construction management and engineering supervision.

Following the project tables, maps of the land use polygons, the transportation analysis zones (TAZs) and the public improvement projects for the transportation, water and sewer systems are included for reader reference.

Table PFIP 1-3
Public Improvement Project Listing - Transportation System

35,205.42

REGIONAL TRANSPORTATION IMPROVEMENTS					SOURCES OF FUNDING				
					CAPITAL COSTS			OPERATING COSTS	
					CITIES - COUNTY ROADWAY IMPACT FEE			FUEL TAX + GEN. FUND AS NECESSARY	
FACILITY	SEGMENT FROM	SEGMENT TO	IMPROVEMENT DESCRIPTION	TOTAL COSTS	JHK/ AMA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
HWY 1 - HATTON CANYON	CARPENTER	- CARMEL RIVER	CONSTRUCT NEW FREEWAY	$43,000,000	NOT SIGNIFICANT *1*					
HWY 1 - NORTH COUNTY	COUNTY LINE	- CASTRO-VILLE	UPGRADE TO 4 LANE FREEWAY	$60,000,000	NOT SIGNIFICANT *1*					
US101 - PRUNEDALE	ECHO VALLEY	- ESPINOSA RD.	CONSTRUCT NEW FREEWAY	$236,000,000	NOT SIGNIFICANT *1*					
US101 - INTERCHANGES	BORONDA RD.	- AIRPORT	WIDEN FWY / IMPROVE INTCH.	$50,000,000	NOT SIGNIFICANT *1*					
HWY 68 - *T-1*	HWY 1	- SAN BEN-ANCIA RD.	CONSTRUCT 4 LANE BYPASS FREEWAY *2*	$177,000,000	10.2%	18,050,000				18,050,000
HWY 156 *T-2-r*	CASTRO-VILLE	- US101	WIDEN TO 4 LANE EXPWY.	$50,000,000	68.0% *3*	34,000,000			34,000,000	
HWY 183	SALINAS	- CASTRO-VILLE	WIDEN TO 4 LANE EXPWY.	$59,000,000	NOT SIGNIFICANT *1*					
WESTSIDE BYPASS	US101	- BLANCO RD.	CONSTRUCT NEW 4 LANE EXPWY	$90,000,000	POST 2015					
BUS ACQUISTION *T-3*	NOT APPLICABLE		PURCHASE OF 15 BUSES (FROM FORIS REPORT)	$4,950,000	100%	4,950,000	1,650,000	1,650,000		1,650,000
			TOTALS	$769,950,000		$57,000,000	$1,650,000	$1,650,000	$34,000,000	$19,700,000

1 DOES NOT MEET NEXUS CRITERIA - ANGUS MACDONALD & ASSOCIATES.

2 FIGURE FROM CALTRANS.

3 BASED ON FORT ORD RELATED % OF FUTURE GROWTH - SKMG, INC.

OFFSITE ROADWAY IMPROVEMENTS FROM TAMC STUDY

SOURCES OF FUNDING

CAPITAL COSTS
CITIES - COUNTY
ROADWAY IMPACT FEE

OPERATING COSTS
FUEL TAX
+ GEN. FUND AS NECESSARY

FACILITY	SEGMENT FROM	SEGMENT TO	IMPROVEMENT DESCRIPTION		JHK/ AMA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
DAVIS ROAD *T-4*	SALINAS RIVER CROSSING		4 LANE BRIDGE NO ROADWAY WIDENING THRU 2015	$5,000,000	40.6%	2,030,000		0	2,030,000	
BLANCO ROAD *T-5.1*	RESERVATION ROAD	- SALINAS RIVER	WIDEN FROM 2 TO 4 LANES (4,500' X $320 / L.F.) - RD.	$1,440,000	51.2%	740,000	740,000			
	SALINAS RIVER	- ALISAL RD	WIDEN FROM 2 TO 4 LANES (20,700' X $320 / L.F.) (2,500' X $200/L.F.)							
			RD.	$7,120,000	51.2%	3,650,000		5,600,000		
T-5.2			BRIDGE	$3,440,000	51.2%	1,760,000				
			R.W.	$370,000	51.2%	190,000				
RESERVATION ROAD *T-6*	FT. ORD BOUNDARY	- BLANCO RD.	WIDEN FROM 4 TO 6 LANES WITH TURNING LANES (7,000' X $573 / L.F.)	$4,010,000	61%	2,450,000		2,450,000		
RESERVATION ROAD CONNECTION *T-7*	INTERGARRISON RD.		CONSTRUCT NEW 4 LANE ARTERIAL (4,500' X $756 / L.F.)	$3,400,000	82.3%	2,800,000	2,800,000			
RESERVATION ROAD *T-8*	INTER-GARRISON RD.	- WATKINS GATE	CONSTRUCT NEW 4 LANE ARTERIAL TO BARLOY CANYON RD. - RET. WALL	$500,000		410,000				
			(3,400' X $756 / LF.)	$2,580,000	82.3%	2,120,000				3,100,000
			(2,300' X $300 / L.F.)	$690,000		570,000				
DEL MONTE BLVD IN MONTEREY *T-9*	HWY 68 MONTEREY CITY LIMITS	- FREMONT BLVD	WIDEN TO 5 LANES INCLD. RIGHT-OF-WAY (ROW) ACQUISITION	$10,000,000	22%	2,200,000				2,200,000
DEL MONTE BLVD. IN MARINA *T-10*	RESERVATION RD.	- FT ORD BOUNDARY	WIDEN TO 6 LANES (3,700' X $499 / L.F.)	$1,840,000	80.5%	1,480,000			1,480,000	
			ROW	$3,730,000	80.5%	3,000,000			3,000,000	
HWY 218 *T-11*	NORTH/SOUTH RD.	- HWY 68	WIDEN TO 4 LANES (3,500' X $600 / L.F.)	$2,100,000	45.5%	960,000		960,000		
			ROW	$1,490,000	45.5%	680,000		680,000		

FACILITY	SEGMENT FROM	SEGMENT TO	IMPROVEMENT DESCRIPTION		JHK/ AMA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
CALIFORNIA AVE.	REINDOLLAR	- 3RD AVE.	CONSTRUCT NEW 2	$600,000						
	AVE.		LANE ARTERIAL							
T-12	(IN DCAG - ROUND 2)		<>	DCAG	100%		0			
CALIFORNIA AVE.	REINDOLLAR	- RESER-	UPGRADE & EXTEND AS							
		VATION RD.	2 LANE ARTERIAL	$960,000	37.5%	360,000	180,000		180,000	
			(3,000 L.F. X $320 / L.F.)	$900,000	37.5%	340,000	340,000			
T-13			ROW							
CRESCENT	EXTENSION TO ABRAMS RD		CONSTRUCT NEW							
COURT	ABRAMS RD. TO PATTON		2 LANE ARTERIAL	$720,000	100%	720,000	720,000			
T-14	SCHOOL		<>							
			TOTALS	$50,890,000		$26,460,000	$4,780,000	$9,690,000	$6,690,000	$5,300,000

<> RIGHT OF WAY FOR OFFSITE IMPROVEMENTS IS EXPECTED TO BE SUPPLIED BY LOCAL JURISDICTIONS FOR PROJECTS WITH 100% CONSTRUCTION COST ASSIGNED TO FORT ORD.

ONSITE ROADWAY IMPROVEMENTS

SOURCES OF FUNDING

CAPITAL COSTS
CITIES - COUNTY
ROADWAY IMPACT FEE

OPERATING COSTS
FUEL TAX
+ GEN. FUND AS NECESSARY

FACILITY		SEGMENT FROM	TO	IMPROVEMENT DESCRIPTION	TOTAL COSTS	JHK/ AMA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
VARIOUS LOCATIONS	T-15	26± MILES OF INTERIM SAFETY AND REHAB. IMPROVEMENTS (FUNDED - DCAG - ROUND 1)		AS REQUIRED BY GATE OPENINGS	$1,100,000	100%	GRANT	GRANT			
VARIOUS LOCATIONS		IMPROVEMENTS FOR STREETS INTENDED FOR CONTINUED USE.		REHAB, SIGHT DISTANCE, DRAINAGE, GEOMETRIC, UPGRADE & SAFETY							
RESERVATION RD.	T-16.1	BLANCO RD.	- E. GARRISON	IMPROVEMENTS ON EXISTING STREET INTENDED FOR CONTINUED USE (29± MI. X $36.25 / L.F.)	$5,600,000	100%	5,600,000	2,800,000	2,800,000		
MONTEREY RD.	T-16.2	COE AVE.	- N.S. ROAD								
ABRAMS RD.	T-16.3	SALINAS ST.	- INTER - GARRISON								
INTERGARRISON AND 8TH ST.	T-16.4	ABRAMS	- E. GARRISON (LESS ENTRY SECTION)								
PARKER FLATS RD	T-16.5	GIGLING	- EUCALYPTUS								
COE AND EUCALYPTUS	T-16.6	PARKER FLATS	- FREMONT								
NORTH SOUTH RD	T-16.7	GIGLING	- BROADWAY (LESS FUTURE 4 LANE SECTION)								
1ST AVE.	T-16.8	12TH ST.	- 8TH ST.								
10TH ST.	T-16.9	1ST AVE.	- 3RD ST.								
3RD AVE.	T-16.10	CALIFORNIA AVE.	- 8TH ST.								
NORMANDY RD.	T-16.11	MONTEREY	- PARKER FLATS								
8TH AVE.	T-16.12	8TH ST.	- GIGLING								
COL. DURHAM RD.	T-16.13	N/S RD.	- 7TH AVE.								

FACILITY		SEGMENT FROM	TO	IMPROVEMENT DESCRIPTION		JHK/ AMA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
VARIOUS LOCATIONS		INTERIM REHAB OF ARTERIALS TO BE REBUILT		WIDENING, BASE REPAIR, DRAINAGE IMPROVEMENTS RESURFACING, SIGNING, STRIPING AND TRANSITIONS (44,000 L.F. X $100 / L.F.)	$4,400,000		3,080,000				
IMJIN RD	T-17.1	RESERVATION RD.	- CALIF. AVE.			50.0%		550,000			
NORTH SOUTH RD.	T-17.2	BROADWAY	- SOUTH BOUNDARY RD.			54.0%			600,000		
2ND AVE.	T-17.3	11TH ST.	- 1ST ST.			72.3%		430,000			
INTER-GARRISON	T-17.4	7TH	- ABRAHMS RD.			85.0%			600,000		
EUCALYPTUS	T-17.5	NORTH SOUTH ROAD	- PARKER FLAT			100%		900,000			
VARIOUS LOCATIONS		"GATEWAY" IMPROVEMENTS AT ENTRY POINTS (IN DCAG - ROUND 2)		CONSTRUCTION OF NEW 4 LANE DIVIDED ARTERIAL ENTRANCES WITH LAND-SCAPING & ENTRY SIGNAGE							
IMJIN ROAD	T-18.1	CONTROL TOWER RD	- RESERVATION RD.	2,760 L.F.	$2,300,000	20.0%	460,000 + GRANT	460,000			
NORTH SOUTH ROAD	T-18.2	1ST ST. AT 2ND AVE.	- N/S RD AT PX SERVICE STATION	3,300 L.F. + SIGNAL	$3,200,000	20.0%	640,000 + GRANT	640,000			
11TH ST.	T-18.3	12TH ST. GATE	- 2ND AVE.	1,200 LF.	$1,000,000	20.0%	200,000 + GRANT	200,000			
NORTH SOUTH RD.	T-18.4	S. BOUNDARY RD	- HWY 218	1,000 L.F. + SIGNAL	$1,200,000	20.0%	240,000 + GRANT	240,000			
INTER-GARRISON RD.	T-18.5	NEW INTERSECTION WITH RESERVATION RD.		1,000 L.F. REALIGN & SIGNAL	$1,500,000	20.0%	300,000 + GRANT	300,000			
12TH ST.	T-19	12TH ST GATE	- CALIFORNIA AVE.	CONSTRUCT NEW 4 LANE ARTERIAL (5,500 L.F. X $755 / L.F.)	$4,150,000	50.0%	2,080,000	2,080,000			

FACILITY	SEGMENT FROM	SEGMENT TO	IMPROVEMENT DESCRIPTION		JHK/ AMA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
CALIFORNIA AVE. T-20	3RD. AVE.	- 12TH ST.	CONSTRUCT NEW 2 LANE ARTERIAL (2,100 L.F. X $602 / L.F.)	$1,270,000	37.5%	480,000	480,000			
8TH ST. T-21	HWY 1 BRIDGE	- 2ND AVE.	UPGRADE AS 2 LANE ARTERIAL WITH TURNING POCKETS & LANDSCAPING (2,000 L.F. X $420 / L.F.)	$840,000	85%	710,000	710,000			
INTERMODAL TRANSPORTATION CENTERS T-22	DESIGNATED LOCATION ON 1ST AVE. SOUTH OF 8TH ST. PARK & RIDE - 12TH & IMJIN PARK & RIDE - 8TH & GIGGLING		LUMP SUM	$1,600,000 $900,000 $1,100,000	100%	3,600,000	$1,600,000		900,000	$1,100,000
GIGLING RD. T-23	N/S RD.	- DFAS	REBUILD AS 4 LANE ARTERIAL (3,000 L.F. X 588 / L.F.)	$1,760,000	71%	1,250,000	1,250,000			
SALINAS ST. T-24	RESERVATION RD.	- ABRAMS RD.	CONSTRUCT NEW 2 LANE ARTERIAL (4,000 L.F. X $603 / L.F.)	$2,410,000	100%	2,410,000	2,410,000			
REMOVED T-25										
IMJIN / 12TH ST. T-26	CALIFORNIA AVE.	- RESERVATION RD.	WIDEN TO 4 LANE ARTERIAL (7,500 L.F.X($755 - $100)/L.F.)	$4,910,000	50.0%	2,460,000		2,460,000		
2ND AVE. T-27	DELMONTE (FORT ORD BOUNDARY)	- 12TH ST.	LANE ARTERIAL (4,000 L.F. X $755 / L.F.) + DEMOLITION-87kSFX$7/SF	$3,020,000 $610,000	72.3% 100%	2,180,000 610,000		2,180,000 610,000		
COE AVE. T-28	N/S RD	- FREMONT BLVD.	UPGRADE TO 2 LANE ARTERIAL	NO IMPROVEMENTS PROPOSED						
2ND AVE. T-29	12TH ST.	- 1ST AVE.	WIDEN TO 4 LANE ARTERIAL (5,5000 L.F.X($755 - $100)/L.F.)	$3,600,000	72.3%	2,600,000			2,600,000	
CALIFORNIA AVE. T-30	12TH ST.	- 8TH ST.	CONSTRUCT NEW 2 LANE LANE ARTERIAL (2,500 L.F. X $603 / L.F.)	$1,510,000	37.5%	570,000			570,000	
8TH ST. T-31	4TH AVE.	- 6TH AVE.	CONSTRUCT NEW 2 LANE ARTERIAL (3,300 L.F. X $603 / L.F.)	$2,000,000	85.0%	1,700,000			1,700,000	

FACILITY	SEGMENT FROM	SEGMENT TO	IMPROVEMENT DESCRIPTION		JHK/ AMA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
8TH ST. T-32	2ND AVE and 6TH AVE.	- 4TH AVE. - INTER-GARRISON RD.	UPGRADE TO 2 LANE ARTERIAL (3,100 L.F. X $320 / L.F.)	$990,000	85.0%	840,000				840,000
NORTH SOUTH RD. T-33	SOUTH OF NORMANDY RD.	- COE AVE.	WIDEN TO 4 LANE ARTERIAL (5,400 L.F. X $588 - $100 / L.F.)	$2,640,000	54.0%	1,430,000			1,430,000	
NORTH SOUTH RD. T-34	COE AVE.	- NEW ENTRY	UPGRADE TO 2 LANE ARTERIAL (11,000 L.F. X $320 / L.F.)	$3,520,000	54.0%	1,900,000				1,900,000
GIGLING RD. T-35	DFAS	- EASTSIDE RD.	CONSTRUCT NEW 4 LANE ARTERIAL (4,600 L.F. X $603 / L.F.)	$2,770,000	71.0%	1,970,000			1,970,000	
EASTSIDE RD. T-36	IMJIN RD.	- GIGLING RD.	CONSTRUCT NEW 2 LANE ARTERIAL (10,000 L.F. X $603 / L.F.)	$6,030,000	72.4%	4,370,000			4,370,000	
EUCALYPTUS RD. T-37	N/S RD.	- PARKER FLAT	UPGRADE TO 2 LANE ARTERIAL (9,000 L.F. X $320 / L.F.)	$2,880,000	100%	2,880,000				2,880,000
INTER-GARRISON RD. T-38	8TH AVE.	- EAST GARRISON	UPGRADE TO 2 LANE ARTERIAL (14,000 L.F. X $320 / L.F.)	$4,480,000	85.0%	3,810,000				3,810,000
ABRAMS RD. T-39	2ND AVE	- PATTON SCHOOL	CONSTRUCT NEW 2 LANE ARTERIAL (1,000 L.F. X $603 / L.F.)	$600,000	100%	600,000				600,000
BLANCO ROAD EXTENSION TO IMJIN T-40	RESERVATION ROAD	- IMJIN ROAD	CONSTRUCT NEW 4 LANE ARTERIAL (5,400 L.F. X $755 / L.F.)	$4,080,000	100%	4,080,000		4,080,000		
			THIS COST IS SHOWN AS 100% FORT ORD RESPONSIBILITY ALTHOUGH OTHER IMJIN ROAD/ BLANCO ROAD IMPROVEMENTS ARE ALLOCATED ONLY 50% TO FORT ORD. THE ASSUMPTION IS THAT FUTURE REGIONAL IMPROVEMENTS (BEYOND 2015) WILL BE SOLELY RESPONSIBLE FOR A GRADE SEPARATION STRUCTURE AT RESERVATION AND BLANCO ROADS.							
		TOTALS		$77,970,000		$53,050,000	$15,050,000	$13,330,000	$13,540,000	$11,130,000
GRAND TOTAL FOR TRANSPORTATION IMPROVEMENTS				$898,810,000		$136,510,000	$21,480,000	$24,670,000	$54,230,000	$36,130,000

Table PFIP 1-4
Public Improvement Project Listing - Water System

35,205.46

POTABLE WATER SUPPLY AND DISTRIBUTION IMPROVEMENTS					SOURCES OF FUNDING				
					CAPITAL COSTS RATE - BASED	OPERATING COSTS RATE - BASED			
FACILITY	LOCATION	WATER SYS IMPROVEMENT DESCRIPTION	CAPITAL COST	RA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
WATER SUPPLY WELLS 29 30-31-32 *W-1*	POLYGON 9A POLYGON 7A	REDRILL 4 EXISTING WELLS TO DEEPER AQUIFER 2 WELLS IN DCAG GRANT 2 WELLS IN DCAG GRANT - ROUND 2	$2,760,000	0%	0 (1,380,000 GRANT) 0 (1,380,000 GRANT AP)	GRANT GRANT APPLICATION			
DISINFECTION STATION *W-2*	POLYGON 9A	INSTALL NEW CHLORINATION & FLUORIDATION EQUIPMENT IN EXISTING PUMP STATION AND CONNECT TO RAW WATER COLLECTOR FROM WELL FIELD	$160,000	0%	0 (160,000 GRANT)	GRANT			
BOOSTER PUMPS AT MAIN STATION *W-3*	POLYGON 4	REPLACE MAIN PUMPS AND ELECTRICAL / STAND-BY POWER SYSTEMS - ZONES B & C	$3,830,000	75% 25%	2,870,000 TO POM ANNEX	2,870,000			
E ZONE STORAGE TANK *W-4*	POLYGON 25	NEW 1.3 MG STORAGE TANK WITH 24", 18" & 12" CONNECTING PIPE LINES							
		TANK	$350,000						
		24" - 1000' @ 166 / L.F.	$170,000	75%	1,370,000	1,370,000			
		18" - 4,500' @ 124 / L.F.	$560,000						
		12" - 7,500' @ 100 / L.F.	$750,000						
				25%	TO POM ANNEX				

ASSUMPTIONS:

1. POTABLE WATER SUPPLY FOR THE SOUTHWEST SERVICE AREA IS BY REDIRECTION OF THE GOLF COURSE WELL SUPPLY TO THE CAL AMERICAN WATER DISTRIBUTION SYSTEM.
2. POTABLE WATER SUPPLY TO THE NORTHWEST SERVICE AREA (NORTH OF AIRPORT) IS ACCOMPLISHED BY EXTENDING THE MCWD SYSTEM THROUGH ARMSTRONG RANCH.
3. RECLAIMED WATER FOR IRRIGATION USES ON FOUR GOLF COURSES AND AREAS WITH SIGNIFICANT LANDSCAPED AREAS SUCH AS CSUMB, MBEST, AIRPORT, MAJOR PARKS AND SCHOOLS WILL BE SUPPLIED THROUGH MARINA, SEASIDE AND DEL REY OAKS. THESE IMPROVEMENTS WILL BE PUBLIC AGENCY FINANCED (MRWPCA OR MCWD) AND PAID FOR THROUGH REUSED WATER RATES BASED ON METERED FLOWS TO USERS.

FACILITY	LOCATION	WATER SYS IMPROVEMENT DESCRIPTION	CAPITAL COST	RA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
BOOSTER PUMP STATION *W-5*	POLYGON 9A	UPGRADE OF EXISTING ZONE B TO ZONE C BOOSTER PUMP STATION	$280,000	100%	280,000		280,000		
STORAGE RESERVOIRS									
ZONE B	POLYGON 16	REHABILITATE EXISTING	$250,000						
ZONE C	POLYGON 18	STORAGE TANKS	$250,000	75%	560,000	560,000			
ZONE D	POLYGON 20C		$250,000						
W-6				25%	TO POM ANNEX				
DISTRIBUTION SYSTEMS	CANTONMENT/ AIRFIELD AREAS	REHABILITATE AND UPGRADE EXISTING DISTRIBUTION SYSTEMS OVER 75% OF 7,900 AC. SERVICE AREA	(.75) X $11,500,000 $8,630,000	75%	6,470,000	1,600,000	1,600,000	1,600,000	1,670,000
W-7				25%	TO POM ANNEX				
METERING	CANTONMENT/ AIRFIELD AREAS	METER INSTALLATION AT EXISTING BUILDINGS SCHEDULED TO REMAIN 4,000 @ 300 / EA	$1,200,000	61%	720,000	720,000			
W-8				39%	TO POM ANNEX				
STORAGE RESERVOIRS & PUMPING STATIONS	POLYGON 17A/16	NEW 3.0 MG STORAGE TANK AND BOOSTER PUMP STATION ON INTERGARRISON ROAD							
ZONE B *W-9.1*		TANK	$730,000						
		PUMP STA.	$600,000	100%	2,600,000				2,600,000
		18" - 1,000 L.F. @ 124 / L.F.	$120,000						
		12" - 11,500 L.F. @ 100 / L.F.	$1,150,000						
ZONE D *W-9.2*	POLYGON 18	NEW BOOSTER PUMPING STA.	$690,000	100%	690,000			690,000	

FACILITY	LOCATION	WATER SYS IMPROVEMENT DESCRIPTION	CAPITAL COST	RA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
ZONE A *W-9.3*	POLYGON 8A	NEW 3.2 MG STORAGE TANK AND 18" DISTRIBUTION REINFORCING LOOP IN MARINA VILLAGE AREA							
		TANK	$830,000						
		18" - 10,500 L.F. @ 124 / L.F.	$1,300,000	100%	2,130,000				2,130,000
DISTRIBUTION SYSTEMS	CANTONMENT / AIRFIELD AREAS	NEW DISTRIBUTION FACILITIES TO SERVE NEW OR INTENSIFIED LAND USE PARTICULARLY IN THE AIRPORT, MBEST AND SOUTHWEST AREAS AS NEEDED							
		24" - 4,000 L.F. @ 166 L.F.	$660,000						
		18" - 42,000 L.F. @ 124 L.F.	$5,260,000	100%	11,740,000		3,900,000	3,900,000	3,940,000
W-10		12" - 58,200 L.F. @ 100 L.F.	$5,820,000						
ADDITIONAL WATER SUPPLY	POLYGON 14C	DESALINATION FACILITY TO MEET 1/3 OF THE POST 2015 WATER REQUIREMENTS (3975 AFY) BASED ON SANTA BARBARA CONSTRUCTION COST PLUS DESIGN							
		$4,800 PER AF PER YEAR CONSTRUCTION							
		$720 CONTINGENCY							
		$1,100 DESIGN SURVEYS & CONSTRUCTION MGMT							
		$6,620 PER AF PER YEAR CAPACITY							
W-11		X 1325 AFY	$8,770,000		8,770,000				$8,770,000
GRAND TOTAL FOR POTABLE WATER SYSTEMS			$45,370,000		$38,200,000	$7,120,000	$5,780,000	$6,190,000	$19,110,000

Table PFIP 1-5
Public Improvement Project Listing - Wastewater System

35,205.46

WASTEWATER COLLECTION SYSTEM AND PUMP STATION IMPROVEMENTS

SOURCES OF FUNDING

	CAPITAL COSTS RATE-BASED	OPERATING COSTS RATE-BASED

FACILITY	LOCATION	IMPROVEMENT DESCRIPTION	CAPITAL COST	RA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
EXISTING SEWAGE PUMP AND LIFT STATIONS *WW-1*	VARIOUS LOCATIONS	UPGRADE 18 STATIONS INCLUDING BOOKER ST. PUMP STATION BYPASS DCAG - ROUND 2	$1,330,000	0%	0 + GRANT	0 + GRANT			
TRUNK SEWERS AND FORCE MAINS *WW-2*	VARIOUS LOCATIONS	REPLACE OBSOLETE SECTIONS	$1,800,000	100%	1,800,000	200,000	400,000	600,000	600,000
ORD VILLAGE PUMPIN STATION *WW-3*	POLYGON 12	ENLARGE AND UPGRADE EXISTING STATION *COMBINED DCAG ROUNDS 1 AND 2*	$730,000	0%	0 + GRANTS				
GIGLING PUMP STATIO BYPASS LINE *WW-4*	POLYGON 20h	NEW GRAVITY SEWER TO THE ORD VILLAGE STATION TO ALLOW ABANDONMENT OF GIGLING STATION							
		18" - 6,500' @ 140/L.F.	$910,000	0%					
		12" - 4,300' @ 85/L.F.	$370,000	0%	POM ANNEX SHARE				
INTERCEPTOR SEWER *WW-5*	POLYGON 22	NEW GRAVITY INTERCEPTOR TO CONNECT TAZ 779 TO TAZ 780 AND CONVEY FLOW FROM BOTH TO ORD VILLAGE STATION							
		12" - 8,500' @ 85/L.F.	$720,000	100%	720,000		720,000		

FACILITY	LOCATION	IMPROVEMENT DESCRIPTION	CAPITAL COST	RA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
BOOKER STREET PUMP STATION BYPASS *PART OF WW-1*	POLYGON 2a	NEW GRAVITY SEWER FROM BOOKER STATION SITE TO AND ACROSS HWY 1 TO CONNECT WITH EXISTING FORT ORD INTERCEPTOR WEST OF HWY 1 ALLOWING ABANDONMENT OF BOOKER STATION 12" - 1,500' @ 175/L.F.	INCLUDED ABOVE						
RESERVATION ROAD PUMP STATION AND COLLECTION SYSTEM *WW-6*	POLYGON 6a	NEW STATION GRAVITY COLLECTION MAINS 15" - 3,500' @ 105/L.F. 8" - 11,400' @ 50/L.F. FORCE MAIN TO MARINA 6" -4,500' @ 50/L.F. *COMBINED DCAG ROUNDS 1 AND 2*	$300,000 $370,000 $570,000 $220,000	0% 0% 0% 0%	0 + GRANTS				
EAST GARRISON PUMP STATION AND OUTFALL SYSTEM *WW-7*	POLYGON 11b	PUMP STATION FORCE MAIN 4" - 5,400' @ 45/L.F. GRAVITY INTERCEPTOR 8" - 2,400' @ 50/L.F.	$50,000 $240,000 $120,000	100% 100% 100%	410,000	410,000			
WASTEWATER TREATMENT CAPACITY *WW-8*	MRWPCA REGIONAL PLANT	BUY-IN PAYMENT TO MRWPCA FOR CAPACITY REQUIRED IN EXCESS OF 3.3 MGD AT $10Million/MGD	$7,700,000	100%	7,700,000				7,700,000
TOTALS FOR WASTEWATER SYSTEM IMPROVEMENTS			$14,100,000		$10,630,000	$610,000	$1,120,000	$600,000	$8,300,000

Table PFIP 1-6
Public Improvement Project Listing - Parks and Recreation

35,205.48

COMMUNITY PARK IMPROVEMENTS					SOURCES OF FUNDING					
					CAPITAL COSTS LOCAL FINANCING BY JURISDICTION			OPERATING COSTS GENERAL FUND OF EACH JURISDICTION		
JURISDICTION		LOCATION	PARK/REC IMPROVEMENT DESCRIPTION	CAPITAL COST	FORT ORD ALLOCATION					
					%	$	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
SEASIDE	P-1	POLYGON 18 50 AC. TOTAL 17 AC. DEVELOPED THRU 2015	NEW PARK FACILITY FACILITIES / BUILDINGS SOCCER - 1 / TOILETS BASEBALL - 1 / MAINT. BASEBALL LIT - 1 PLAYGROUND / OFF STREET PICNIC AREA / PARKING MEADOW	$3,420,000	100%	SAME	3,420,000			
	P-2	POLYGON 24 25 AC. TOTAL 2 AC. DEVELOPED THRU 2015	EQUESTRIAN ACCESS AND TRAILHEAD TO BLM REGIONAL RECREATION AREA OFF STREET PARKING	$285,000	100%	SAME				285,000
MARINA	P-3	POLYGON 2G 39.5 AC. TOTAL 5 AC. DEVELOPED THRU 2015	TRANSITION FROM EXISTING EQUESTRIAN CENTER TO PARK SOCCER FIELD	$1,410,000	100%	SAME			1,410,000	
	P-4	POLYGON 17A 46 AC. TOTAL 16.5 AC. DEVELOPED THRU 2015	EQUESTRIAN ACCESS AND TRAILHEAD TO BLM REGIONAL RECREATION AREA OFF STREET PARKING	$2,510,000	100%	SAME		2,510,000		
			TOTALS	$7,625,000		SAME	$3,420,000	$2,510,000	$1,410,000	$285,000

NEIGHBORHOOD PARK IMPROVEMENTS

SOURCES OF FUNDING

CAPITAL COSTS — LOCAL FINANCING BY JURISDICTION

OPERATING COSTS — GENERAL FUND OF EACH JURISDICTION

JURISDICTION		LOCATION	PARK/REC IMPROVEMENT DESCRIPTION	CAPITAL COST	FORT ORD ALLOCATION %	$	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
MARINA	*P-5*	POLYGON 4 27.25 AC. TOTAL 10 AC DEVELOPED THRU 2015	EXISTING PARK TO BE DEMOLISHED FOR CLEANUP. PARK RECONSTRUCTION TO INCLUDE: FIELDS: FOOTBALL, BASEBALL FACILITIES: RUNNING TRACK, OFF STREET PARKING	$1,955,000	100%	SAME		1,955,000		
	P-6	POLYGON 2A 10AC. TOTAL 10 AC. DEVELOPED THRU 2015	EXISTING GYMNASIUM AND INDOOR SWIMMING POOL AS CENTER FACILITIES FOR A NEW PARK. EXISTING OFF ST. PARKING ADDED FACILITIES PLAYGROUND, OUTSIDE BASKETBALL COURT	$2,230,000	100%	SAME	2,230,000			
SEASIDE	*P-7*	POLYGON 15 8 AC. TOTAL 8 AC. DEVELOPED THRU 2015	NEW PARK FACILITY FACILITIES: SOCCER, BASEBALL (LITTLE LEAGUE), PLAYGROUND, MEADOW BUILDINGS: TOILETS, MAINT., OFF STREET PARKING	$2,430,000	100%	SAME		2,430,000		
	P-8	POLYGON 20E 5 AC. TOTAL 5 AC. DEVELOPED THRU 2015	NEW PARK FACILITY OF URBAN NATURE FACILITIES: TENNIS COURT, BASKETBALL CT. BUILDINGS: TOILETS, OFF STREET							

JURISDICTION		LOCATION	PARK/REC IMPROVEMENT DESCRIPTION		CAPITAL COST	FORT ORD ALLOCATION					
						%	$	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
SEASIDE CONT'D			PLAYGROUND PICNIC AREA MEADOW	PARKING	$1,235,000	100%	SAME			1,235,000	
	P-9	POLYGON 20G 10 AC. TOTAL 10 AC. DEVELOPED THRU 2015	NEW PARK ADJACENT TO EXISTING SCHOOL FIELDS BASEBALL BASKETBALL CT. PICNIC AREA MEADOW	BUILDINGS TOILETS MAINT. OFF STREET PARKING	$2,670,000	100%	SAME	2,670,000			
	P-10	POLYGON 20H 10 AC. TOTAL 10 AC. DEVELOPED THRU 2015	NEW PARK WITH RECREATION CENTER FACILITIES TENNIS COURTS BASKETBALL CT. PLAYGROUND PICNIC AREA MEADOW	BUILDINGS REC. CENTER TOILETS OFF STREET PARKING	$2,995,000 PART OF POM ANNEX RELOCATION	100%	SAME		2,995,000		
MONTEREY COUNTY	*P-11*	POLYGON 21A 10 AC. TOTAL 10 AC. DEVELOPED THRU 2015	NEW PARK COORDINATED WITH HABITAT MANAGEMENT FACILITIES PLAYGROUND PICNIC AREA MEADOW	BUILDINGS REC. CENTER OFF STREET PARKING	$1,435,000	100%	SAME				1,435,000
				TOTAL	$14,950,000		SAME	$4,900,000	$7,380,000	$1,235,000	$1,435,000
GRAND TOTAL FOR PARKS AND RECREATION IMPROVEMENTS					$22,575,000		SAME	$8,320,000	$9,890,000	$2,645,000	$1,720,000

Table PFIP 1-7
Public Improvement Project Listing - Habitat Management Related

35,205.48

HABITAT MANAGEMENT				SOURCES OF FUNDING				
				CAPITAL COSTS		OPERATING COSTS		
				BASE-WIDE IMPACT FEES		BASE-WIDE BENEFIT ASSESSMENT		
LOCATION	HABITAT MANAGEMENT IMPROVEMENT DESCRIPTION		COST TO NEW DEVE-LOPMENT	CAPITAL COST * $	FORT ORD ALLOCATION			
	ITEM	TYPE			1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
POLYGON 1A	FENCING TO HABITAT AREA		REQ'RD					
HM-1	MANAGEMENT PLAN	PLAN		$47	47			
POLYGON 1B	FENCING	PERIMETER; AROUND EQUIP. BY AIRPORT	REQ'RD					
	ROAD TO LIGHTS	MAINT. BY AIRPORT	REQ'RD					
	GATES	POWDER RIVER GATE		$3,312	3,312			
	MANAGEMENT PLAN	PLAN		$207	207			
	RESTORATION Cscrub	REVEGETATION - HAND CREWS		$299	299			
HM-2	RESTORATION Cscrub	REVEGETATION - MATERIALS		$6,900	6,900			
POLYGON 1C	BARRIER TO HABITAT AREAS		REQ'RD					
POLYGONS	FENCING: SOUTH SIDE	BUILT/MAINT'NED BY AIRPORT	REQ'RD					
1D & 1E	FENCING	BARRIER ON BLONCO ROAD	REQ'RD					
HM-3	MANAGEMENT PLAN	MANAGEMENT PLAN		$104	104			
POLYGON 2A	YP PRESERVE WITH CE		REQ'RD					
	TRAFFIC BARRIER	18" CURBS ON ROADS AROUND	REQ'RD					
	GATES	VEHICLE BARRIER		$345	345			
	FENCING	SPLIT RAIL TRIANGULAR		$101,775	101,775			
HM-4	MANAGEMENT PLAN	MANAGEMENT PLAN		$156	156			
POLYGON 4	FENCE TO 5C		REQ'RD					
	PUBLIC NATURAL AREA POCKET	POCKET RETENTION	REQ'RD					
POLYGON 5A	BARRIARS	FIRE BREAKS; DRAINAGE TO BLM						
POLYGON 5B	MARINA HAS TURNED THIS PARCEL OVER TO THE UNIVERSITY TO GO WITH POLYGON 5C.							
POLYGON 10A	BARRIERS	FIREBREAKS; DRAINAGE TO PRESERVES	REQ'RD					

* ZANDER ASSOCIATES

LOCATION	HABITAT MANAGEMENT IMPROVEMENT DESCRIPTION		COST TO NEW DEVE-	CAPITAL COST *	FORT ORD ALLOCATION			
	ITEM	TYPE	LOPMENT	$	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
POLYGON	INTERGARRISON ROAD	POST AND CABLE FENCE		$55,890	55,890			
11A	RESERVATION ROAD	POST AND CABLE FENCE		$33,534	33,534			
	FENCING AT HOUSING	REQUIREMENT OF UC	REQ'RD					
	ON EAST SIDE ROAD	POST AND CABLE		$24,840	24,840			
	GATES	LOCKS		$83	83			
	ROAD RESTORATION	REVEG.- PLAN & SUPERVISE		$2,332	2,332			
	MANAGEMENT PLAN	PLAN		$311	311			
	FIRE MGMT. PLAN	PLAN		$276	276			
	ROAD RESTORATION	REVEGETATE		$159,583	159,583			
	SPRAYERS	MATERIALS		$69	50			
HM-5	SIGNS (3.5 MI. PERIM @ 500')	SIGNS		$331	331			
POLYGON	PRESERVATION AS PUBLIC		REQ'RD					
11B	NATURAL AREA							
	FENCING	CHAIN LINK ALONG NEW HWY.	REQ'RD					
	GATES	CHAIN LINK ALONG NEW HWY.	REQ'RD					
	FIREBREAKS / BARRIERS TO		REQ'RD					
	OPEN AREA							
	ROAD RESTORATION	REVEG. - SUPERVISE & PLAN		$3,588	3,588			
	MANAGEMENT PLAN	MANAGEMENT PLAN		$828	828			
	FIRE MGMT. PLAN	PLAN		$552	552			
	ROAD RESTORATION	REVEGETATE DIRT ROADS		$1,507	1,507			
HM-6	ROAD RESTORATION	EQUIP. AND PLANTS		$4,140	4,140			
POLYGON	PARK RULES RE: HABITAT		REQ'RD					
17A	COMPLIANCE PARK							
POLYGON	REPAIR AND REPLACE	POST AND CABLE		$17,512	17,512			
17B	FENCE EXPANSION	POST AND CABLE		$192,510	192,510			
	GATES	CABLE GATES WITH LOCKS		$83	83			
	ROAD RESTORATION	REVEG. SUPERVISION AND		$1,794	1,794			
		PLANNING						
	MANAGEMENT PLAN	PLAN		$414	414			
	FIRE MGMT. PLAN	PLAN		$414	414			
	ROAD RESTORATION	REVEGETATE SOME DIRT RDS		$1,507	1,507			
	INTERPRETIVE	INTERPRETIVE SIGNS		$2,070	2,070			
HM-7	KIOSK	INTERP. KIOSK		$1,311	1,311			

* ZANDER ASSOCIATES

LOCATION	HABITAT MANAGEMENT IMPROVEMENT DESCRIPTION		COST TO NEW DEVE-	CAPITAL COST *	FORT ORD ALLOCATION			
	ITEM	TYPE	LOPMENT	$	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
POLYGON	RETAIN OAK STRIP WITH CE		REQ'RD					
19A	P&C FENCING	HIGHWAY FROM HABITAT	REQ'RD					
	SIGNIFICANT PARKING CURB	TO BLM & HABITAT AREAS	REQ'RD					
	BARRIER	FIREBRKS;DRAINAGE TO BLM;	REQ'RD					
	ROAD MAINTENANCE	COUNTY RESPONSIBILITY	REQ'RD					
	ECOLOGIST / REVG.	SUPERVISION / PLAN		$3,588	3,588			
	MANAGEMENT PLAN	MANAGEMENT PLAN		$621	621			
	FIRE MANAGEMENT PLAN	FIRE PLAN		$414	414			
	ROAD RESTORATION	REVEGETATE DIRT ROAD		$1,001	1,001			
HM-8	ROAD RESTORATION	EQUIP. AND PLANTS		$4,140	4,140			
POLYGON	PUBLIC NATRL AREA POCKET		REQ'RD					
20C	BARRIERS	FIREBRKS;DRAINAGE TO BLM;	REQ'RD					
HM-9	MANAGEMENT PLAN	PLAN		$104	104			
POLYGON	RETAIN OAK STRIP WITH CE		REQ'RD					
21A	P&C FENCING	HIGHWAY FROM HABITAT	REQ'RD					
	SIGNIFICANT PARKING CURB	TO BLM HABITAT AREAS	REQ'RD					
	BARRIERS	FIREBRKS;DRAINAGE TO BLM; HABITAT AREAS	REQ'RD					
	ROAD MAINTENANCE	COUNTY RESPONSIBILITY	REQ'RD					
	ROAD RESTORATION	REVEG. SPECIALIST PLAN,		$897	897			
	MANAGEMENT PLAN	MANAGEMENT PLAN		$311	311			
	FIRE MGMT PLAN	FIRE PLAN						
	ROAD RESTORATION	REVEGETATE DIRT ROADS - HABITAT		$1,001	1,001			
HM-10	ROAD RESTORATION	EQUIP. AND PLANTS		$2,760	2,760			
POLYGON	RETAIN OAK STRIP WITH CE		REQ'RD					
21B	P&C FENCING	HIGHWAY FROM HABITAT	REQ'RD					
	SIGNIFICANT PARKING CURB	TO BLM HABITAT AREAS	REQ'RD					
	BARRIERS	FIREBRKS/DRAINAGE TO BLM; HABITAT AREAS	REQ'RD					
	ROAD MAINTENANCE	COUNTY RESPONSIBILITY	REQ'RD					
	ROAD RESTORATION	REVEG. SPECIALIST SUPERVISION / PLAN		$1,794	1,794			
	MANAGEMENT PLAN	MANAGEMENT PLAN		$414	414			
	ROAD RESTORATION	REVEG. DIRT ROADS - HAB		$1,507	1,507			
HM-11	ROAD RESTORATION	REVEG. AND RESTORATION - HAB		$4,140	4,140			

* ZANDER ASSOCIATES

LOCATION	HABITAT MANAGEMENT IMPROVEMENT DESCRIPTION		COST TO NEW DEVE-	CAPITAL COST *	FORT ORD ALLOCATION			
	ITEM	TYPE	LOPMENT	$	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
POLYGON 23	PUBLIC NATURAL AREA	OAK POCKET E. END	REQ'RD					
	POCKET							
HM-12	MANAGEMENT PLAN	PLAN		$104	104			
POLYGON 24	BARRIERS	FIREBREAKS; DRAINAGE TO	REQ'RD					
		BLM						
POLYGON	BARRIERS	FIREBREAKS; DRAINAGE	REQ'RD					
29A		CONTROL						
POLYGON	NO DRAINAGE TO FROGPOND		REQ'RD					
29C								
POLYGON	NO DRAINAGE TO FROGPOND		REQ'RD					
29D								
POLYGON	PARK RULES RE: HABITAT		REQ'RD					
29E	DRAINAGE CONTROL		REQ'RD					
POLYGON	FENCE POND / DRAINAGE	CHAIN LINK		$24,219	24,219			
30A	MANAGEMENT PLAN	PLAN		$207	207			
	SIGNS	1/500' OF 21,000' FRONTAGE		$348	348			
HM-13		TO BLM						
POLYGON	SIGNS	METAL / 500'		$83	83			
30B								
HM-14								
POLYGON	SIGNS	METAL 500' (27900LF)		$497	497			
30C		REMOVABLE						
	SIGNS	ENTRANCE SIGN, REMOVABLE		$828	828			
HM-15	MANAGEMENT PLAN	PLAN		$104	104			
POLYGON	NO REQUIREMENTS; PARKS TO COMPLETE AND MAINTAIN NATURAL HABITAT.							
31A								
POLYGON	FENCING TO FROGPOND	POST AND CABLE	REQ'RD					
31B	SIGNING TO FROGPOND		REQ'RD					
31B	NO DRAINAGE TO FROGPOND		REQ'RD					
POLYGON 32	BARRIERS	FIREBREAKS, DRAINAGE,	REQ'RD					
		EROSION CONTROL						
	GRAND TOTAL HABITAT MANAGEMENT PROJECTS (ROUNDED)			$668,000	$668,000			

* ZANDER ASSOCIATES

Table PFIP 1-8
Public Improvement Project Listing - Drainage System

35,205.48

EXISTING DRAINAGE SYSTEMS MODIFICATIONS				SOURCES OF FUNDING				
				CAPITAL COSTS TRIBUTARY AREA BENEFIT DISTRICT		OPERATING COSTS MAINTANCE ASSESSMENT BY WATERSHED THROUGH JPA		
FACILITY	LOCATION	IMPROVEMENT DESCRIPTION	CAPITAL COST	RA %	FORT ORD ALLOCATION $	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
STORM WATER OUTFALLS									
A	POLYGON 12 WEST OF HWY 1	BIFURCATON OF EXISTING DRAINAGE OUTFALL WEST OF HWY 1., SITE GRADING TO	$1,380,000	0%	SERVES POM ANNEX 100% TO ARMY				
B & C & D *D-1*	POLYGONS 13 & 14 WEST OF HWY 1	PROVIDE STILLING BASIN AND SPREADING BASIN TO ALLOW STORM WATER FLOWS TO FOLLOW NATURAL FLOW LINES. REMOVAL OF OUTFALL PIPES FROM BEACH AREA WEST OF DUNES.	$2,210,000	100%	SERVES CSUMB AND CITY OF MARINA 2,210,000	2,210,000			
					ASSESS AS BENEFIT FEES AT $1750+/- PER AC. FOR TAZs 759, 760, 761, 762, 770, 771.				
GRAND TOTAL FOR DRAINAGE SYSTEM MODIFICATIONS			$3,590,000		$2,210,000	$2,210,000 *	$0	$0	$0

* DEPENDS UPON NPDES PROGRAM ENFORCEMENT SCHEDULES.

Table PFIP 1-9
Public Improvement Project Listing - Public Services

PUBLIC SERVICES (See Note 1)					SOURCES OF FUNDING				
					CAPITAL COSTS		OPERATING COSTS		
					BASE-WIDE IMPACT FEES		GENERAL FUND		
FACILITY	LOCATION	IMPROVEMENT DESCRIPTION	CAPITAL COST	AMA %	FORT ORD ALLOCATION				
					$	1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
FIRE STATION PS-1	TO BE DETERMINED	SEE NOTE 2	$1,110,000	100%	1,110,000		1,110,000		
	GRAND TOTAL FOR PUBLIC SERVICES		$1,110,000		$1,110,000	$0	$1,110,000	$0	$0

NOTE 1: THE OPERATIONS PLAN COMPONENT OF THE FORT ORD BASE REUSE PLAN CONSIDERED THE FOLLOWING SERVICES:

1. POLICE
2. FIRE
3. LIBRARIES
4. CRIMINAL JUSTICE
5. ADMINISTRATION AND GENERAL GOVERNMENT (INCLUDING PLANNING AND FINANCE)
6. SCHOOLS
7. PUBLIC AND ENVIRONMENTAL HEALTH
8. PARKS AND RECREATION
9. PUBLIC WORKS
10. SOCIAL SERVICE
11. EMERGENCY

ADDITIONAL DEMANDS FOR THESE SERVICES WOULD BE GENERATED BY REUSE OF THE TERRITORY WITHIN FORT ORD AND ADDITIONAL FACILITIES WOULD BE REQUIRED. HOWEVER, WITH THE POSSIBLE EXCEPTION DESCRIBE IN NOTE 2, IT WAS CONCLUDED THAT THESE FACILITIES WOULD BE OF LOCAL, RATHER THAN BASE-WIDE SIGNIFICANCE.

THE ADDITIONAL OPERATIONS AND MAINTENANCE EXPENSES ASSOCIATED WITH THESE ADDITIONAL LOCAL FACILITIES WILL BE CONSIDERED IN THE FORTHCOMING FISCAL ANALYSIS.

NOTE 2: ALTERNATIVE ARRANGEMENTS FOR PROVIDING FIRE SERVICE ARE CURRENTLY BEING EVALUATED AND ALLOWANCE IS BEING MADE IN THIS DRAFT OF THE FORA PROJECT LIST FOR ONE NEW FIRE STATIONS.

THE CONCLUSION MAY BE REACHED THAT A NEW STATION (POSSIBLY WITH JOINT STAFFING FROM MORE THAN ONE OF THE CURRENT FIRE SERVICE PROVIDERS) WOULD PROVIDE COST SAVINGS OR A HIGHER LEVEL OF PROTECTION FOR MORE THAN ONE JURISDICTION. IN SUCH A CASE, A BASE-WIDE DEVELOPMENT IMPACT FEE COULD BE USED TO FINANCE THE STATION.

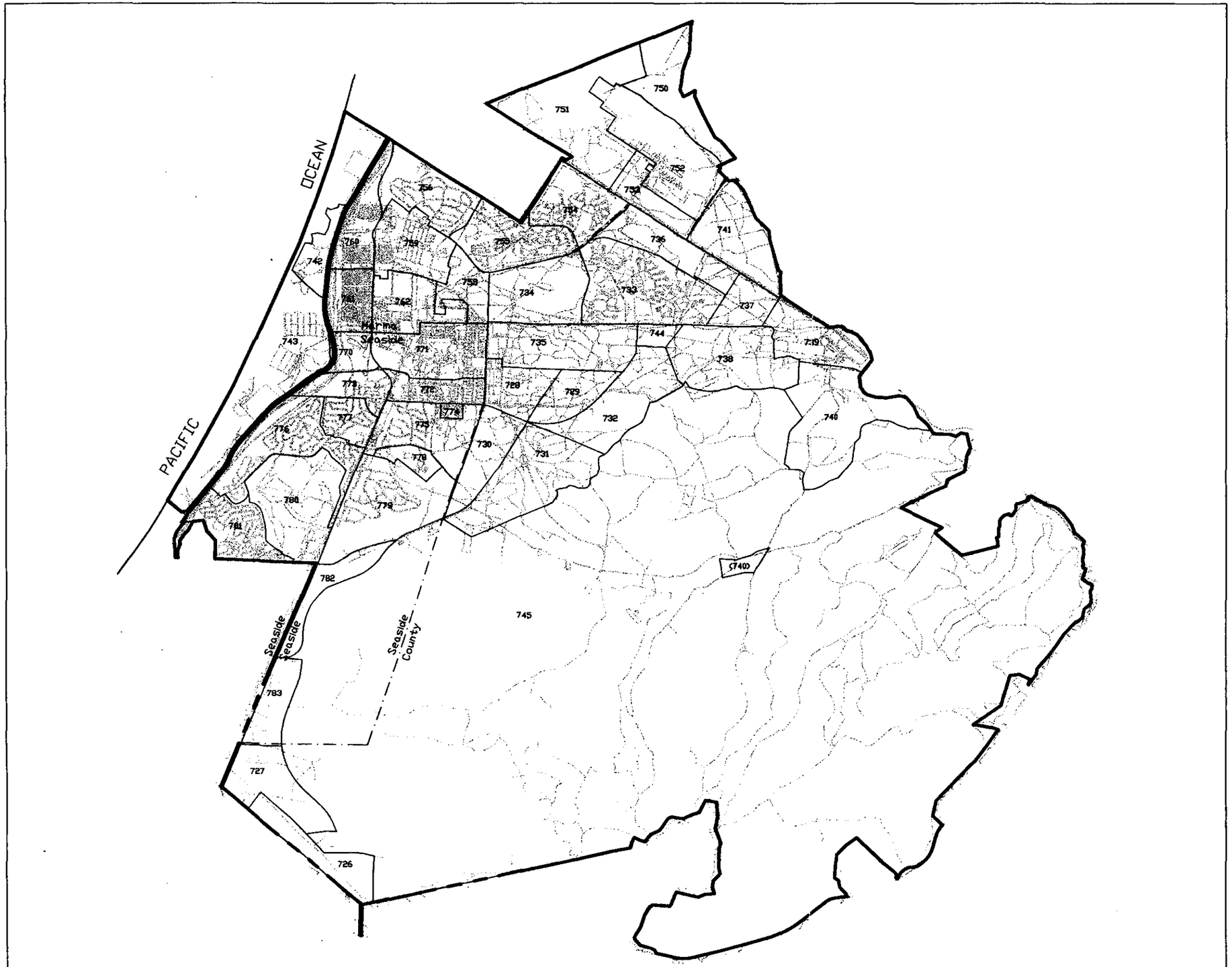
Table PFIP 1-10
Public Improvement Project Listing
Summary of Capital Investment for Infrastructure

BASEWIDE IMPROVEMENTS 35,205.39

	TOTAL $	FORT ORD ALLOCATION			
		1996 - 2000	2001 - 2005	2006 - 2010	2011 - 2015
TRANSPORTATION					
REGIONAL IMPROVEMENTS	$57,000,000	$1,650,000	$1,650,000	$34,000,000	$19,700,000
OFFSITE IMPROVEMENTS FROM TAMC STUDY	$26,460,000	$4,780,000	$9,690,000	$6,690,000	$5,300,000
ONSITE ROADWAY IMPROVEMENTS	$53,050,000	$15,050,000	$13,330,000	$13,540,000	$11,130,000
WATER					
POTABLE WATER SUPPLY & DISTRIBUTION	$38,200,000	$7,120,000	$5,780,000	$6,190,000	$19,110,000
WASTEWATER					
WASTEWATER COLLECTION SYSTEM AND PUMP STATION IMPROVEMENTS	$10,630,000	$610,000	$1,120,000	$600,000	$8,300,000
HABITAT					
HABITAT MANAGEMENT	$668,000	$668,000	$0	$0	$0
DRAINAGE					
EXISTING DRAINAGE SYSTEMS MODIFICATIONS	$2,210,000	$2,210,000	$0	$0	$0
FIRE PROTECTION					
FIRE STATION	$1,110,000	$0	$1,110,000	$0	$0
SUMMARY BY PHASE	$189,328,000	$32,088,000	$32,680,000	$61,020,000	$63,540,000

IMPROVEMENTS - FINANCED BY LOCAL JURISDICTIONS

PARKS & RECREATION					
COMMUNITY PARK IMPROVEMENTS	$7,625,000	$3,420,000	$2,510,000	$1,410,000	$285,000
NEIGHBORHOOD PARK IMPROVEMENTS	$14,950,000	$4,900,000	$7,380,000	$1,235,000	$1,435,000
SUMMARY BY PHASE	$22,575,000	$8,320,000	$9,890,000	$2,645,000	$1,720,000



FORT ORD BASE REUSE PLAN

Fort Ord Reuse Authority (FORA)

Land Planning	EDAW, Inc.	San Francisco, CA
	ESIC Planning Group, Inc.	Monterey, CA
Market Analysis	Bedrosy Keith Mosaddy Group	San Francisco, CA
Transportation Engineering	JHK and Associates	Emeryville, CA
Civil Engineering	Reimer Associates	So. San Francisco, CA
Habitat Planning	Zander Associates	Novato, CA
Public Communications	The Ingram Group	Pacific Grove, CA

LEGEND:

- Fort Ord Boundary
- 720 — TAZ Boundary and ID
- City Boundary
- Existing Roadway

SOURCE:

DRAWING	DESCRIPTION	BY

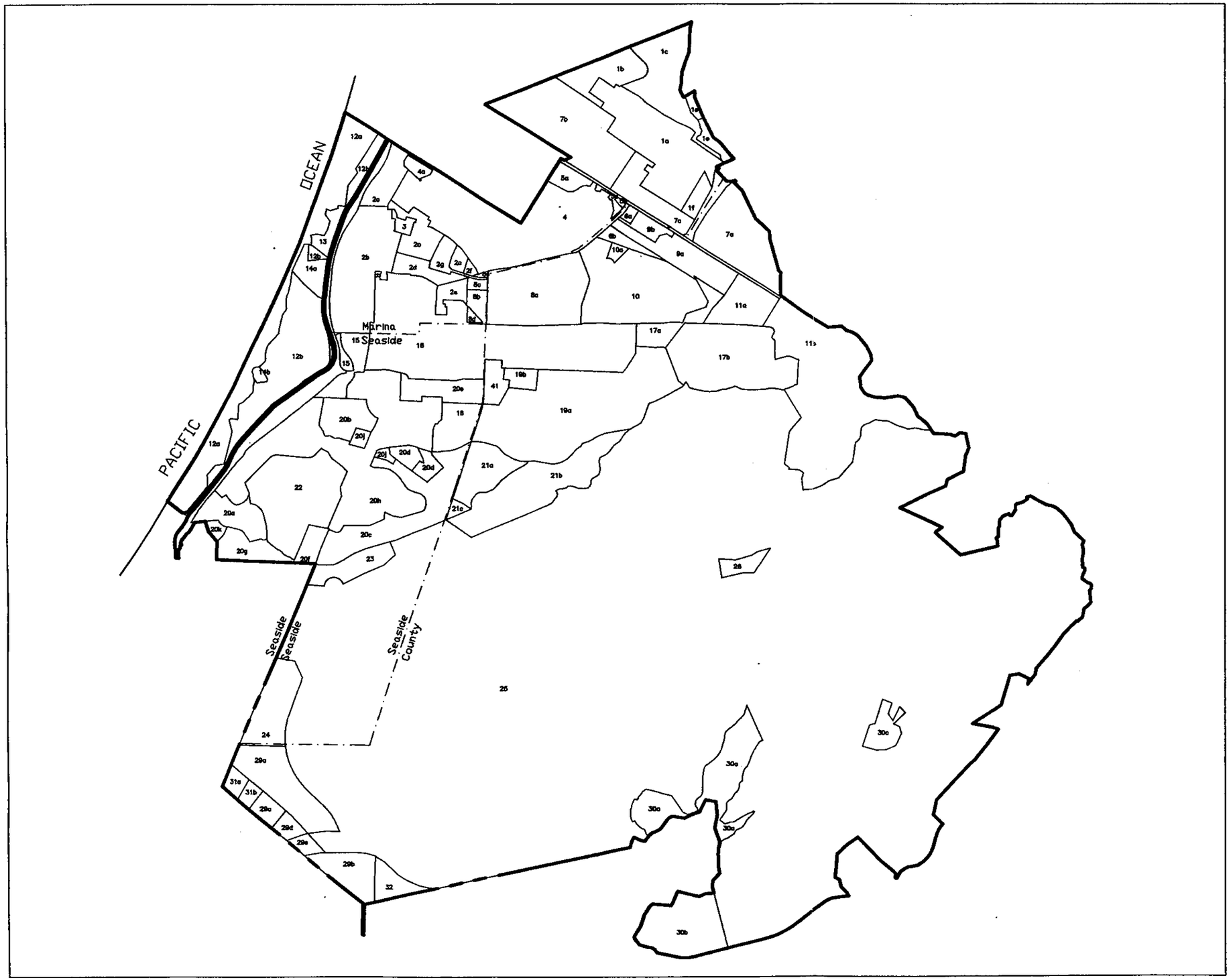
REIMER ASSOCIATES
INFRASTRUCTURE PLANNERS • CIVIL ENGINEERS • SURVEYORS

SHEET TITLE:

TRANSPORTATION ANALYSIS ZONES (TAZ)

FIGURE PFIP 1-1

NOT TO SCALE



FORT ORD BASE REUSE PLAN

Fort Ord Reuse Authority (FORA)

Land Planning	EDAW, Inc.	San Francisco, CA
	ESC Planning Group, Inc.	Monterey, CA
Market Analysis	Sedway Kotin Moseley Group	San Francisco, CA
Transportation Engineering	JSK and Associates	Sherryville, CA
Civil Engineering	Reimer Associates	So. San Francisco, CA
Habitat Planning	Zander Associates	Novato, CA
Public Communications	The Ingram Group	Pacific Grove, CA

LEGEND:

Fort Ord Boundary

Land Use Polygons

1a — Land Use Identification

SOURCE:

DRAWING	DESCRIPTION	BY

REIMER ASSOCIATES
INFRASTRUCTURE PLANNERS • CIVIL ENGINEERS • SURVEYORS

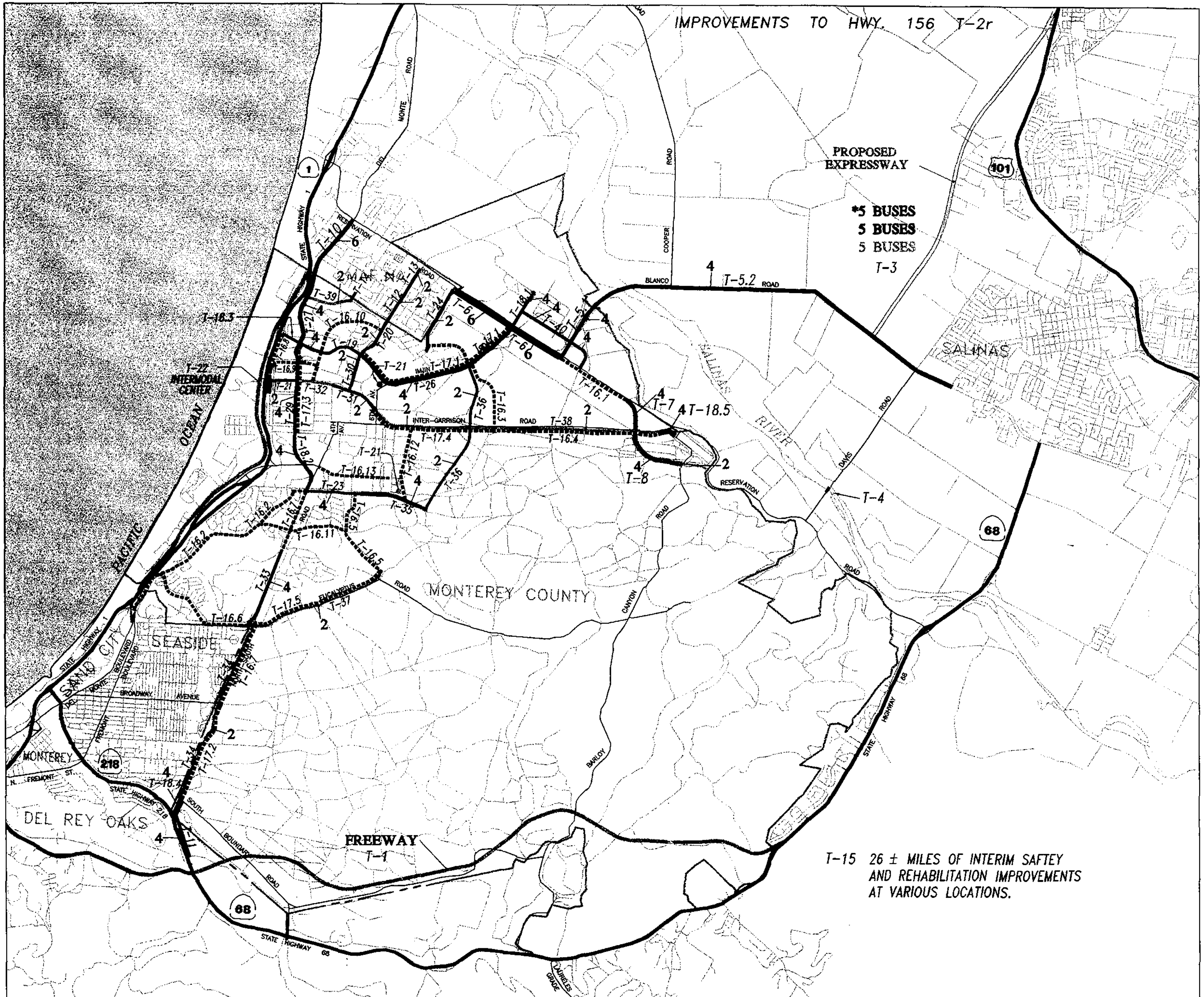
SHEET TITLE:

LAND USE POLYGONS FOR BASE REUSE

FIGURE PFIP 1-2

NOT TO SCALE

PFIP 1-49



FORT ORD
CAPITAL IMPROVEMENT PROJECTS

Fort Ord Reuse Authority [FORA]

Land Planning	EDAW, Inc.
	EMC Planning Group, Inc.
Market Analysis	Sedway Kotin Mouchly Group
Transportation Engineering	JHK and Associates
Civil Engineering	Reimer Associates
Habitat Planning	Zander Associates
Public Communications	The Ingram Group

LEGEND:

- PHASE I - 1996 / 2000
- PHASE II - 2001 / 2005
- PHASE III - 2006 / 2010
- PHASE IV - 2011 / 2015
- INTERIM OR UPGRADE IMPROVEMENTS ON EXISTING ROUTES.
- T-# CIP PROJECT NUMBER
- 4 NUMBER OF PROPOSED LANES

SOURCE:

DRAWING	DESCRIPTION	BY
NEWTRANS.DWG	PROPOSED TRANSPORTATION	EDAW
FTORDQDS.DWG	FORT ORD BACKGROUND	MCPD
BND-100.DWG	FORT ORD BOUNDARY	EDAW

REIMER ASSOCIATES

INFRASTRUCTURE PLANNERS • CIVIL ENGINEERS • SURVEYORS

SHEET TITLE:

PHASED TRANSPORTATION SYSTEM TO THE YEAR 2015

FIGURE PFIP 1-3

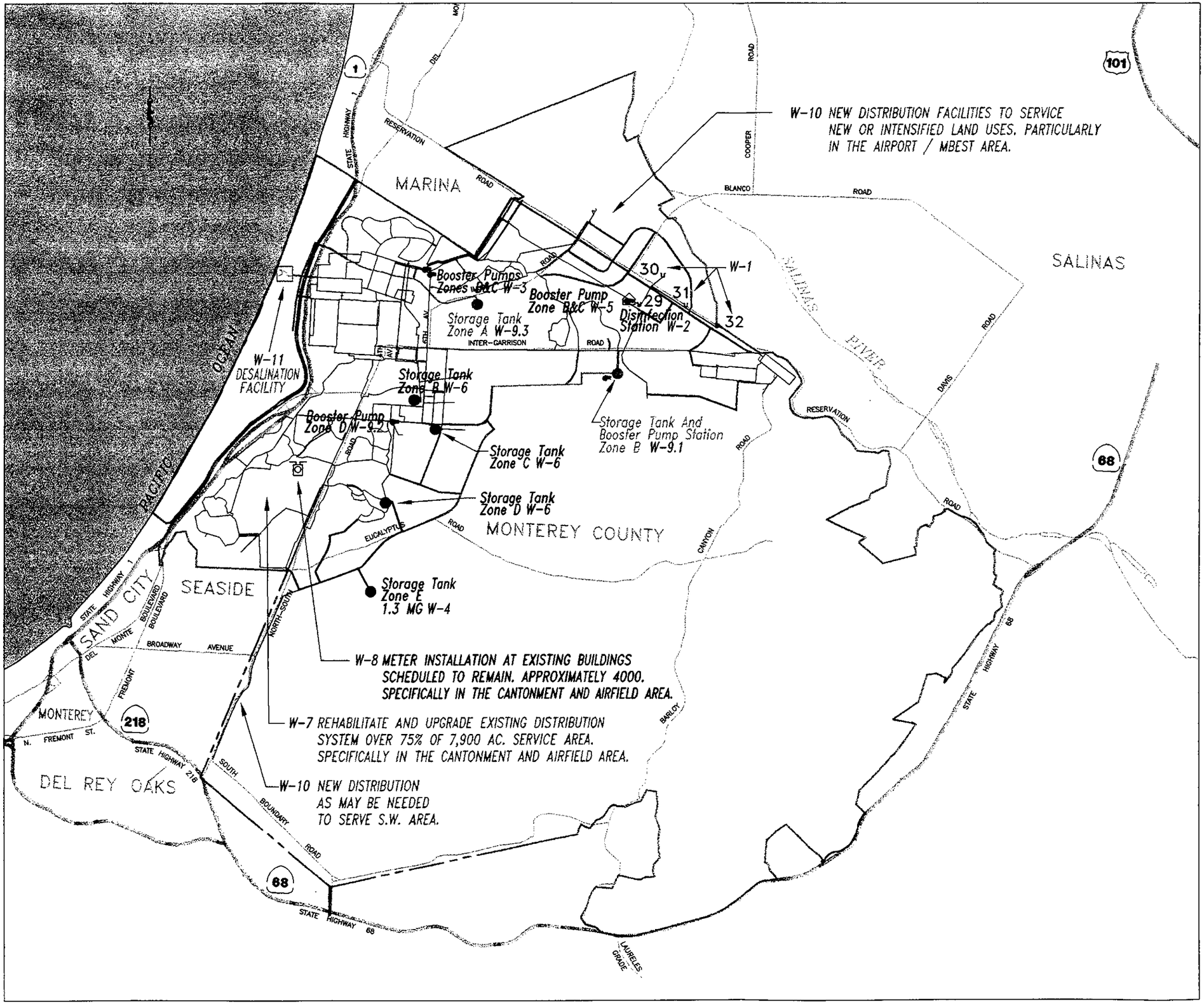
0 750 1500 3000 4500
GRAPHIC SCALE

NORTH

PLOT DATE: 3/6/96

PAGE: PFIP 1-50

DRAWN BY: EPA
CHECKED BY: POR



FORT ORD
CAPITAL IMPROVEMENT PROJECTS

Fort Ord Reuse Authority (FORA)

Land Planning	EDAW, Inc.
	EMC Planning Group, Inc.
Market Analysis	Sedway Kolis Wimbly Group
Transportation Engineering	JRK and Associates
Civil Engineering	Reimer Associates
Habitat Planning	Zander Associates
Public Communications	The Ingram Group

LEGEND:

- EXISTING WATER DISTRIBUTION SYSTEM
- WELL
- PUMP
- DISINFECTION STATION
- DESALINATION PLANT
- PHASE I - 1996 / 2000
- PHASE II - 2001 / 2005
- PHASE III - 2006 / 2010
- PHASE IV - 2011 / 2015
- PHASE ALL - 1996 / 2015
- W-# CIP PROJECT NUMBER

SOURCE:

NEWTRANS.DWG	PROPOSED TRANSPORTATION	EDAW
FTORDOOS.DWG	FORT ORD BACKGROUND	MCPD
BND-100.DWG	FORT ORD BOUNDARY	EDAW
UTIL.DWG	FORT ORD UTILITIES	RA
DRAWING	DESCRIPTION	BY

REIMER ASSOCIATES
INFRASTRUCTURE PLANNERS • CIVIL ENGINEERS • SURVEYORS

SHEET TITLE:

PHASED WATER SYSTEM TO THE YEAR 2015

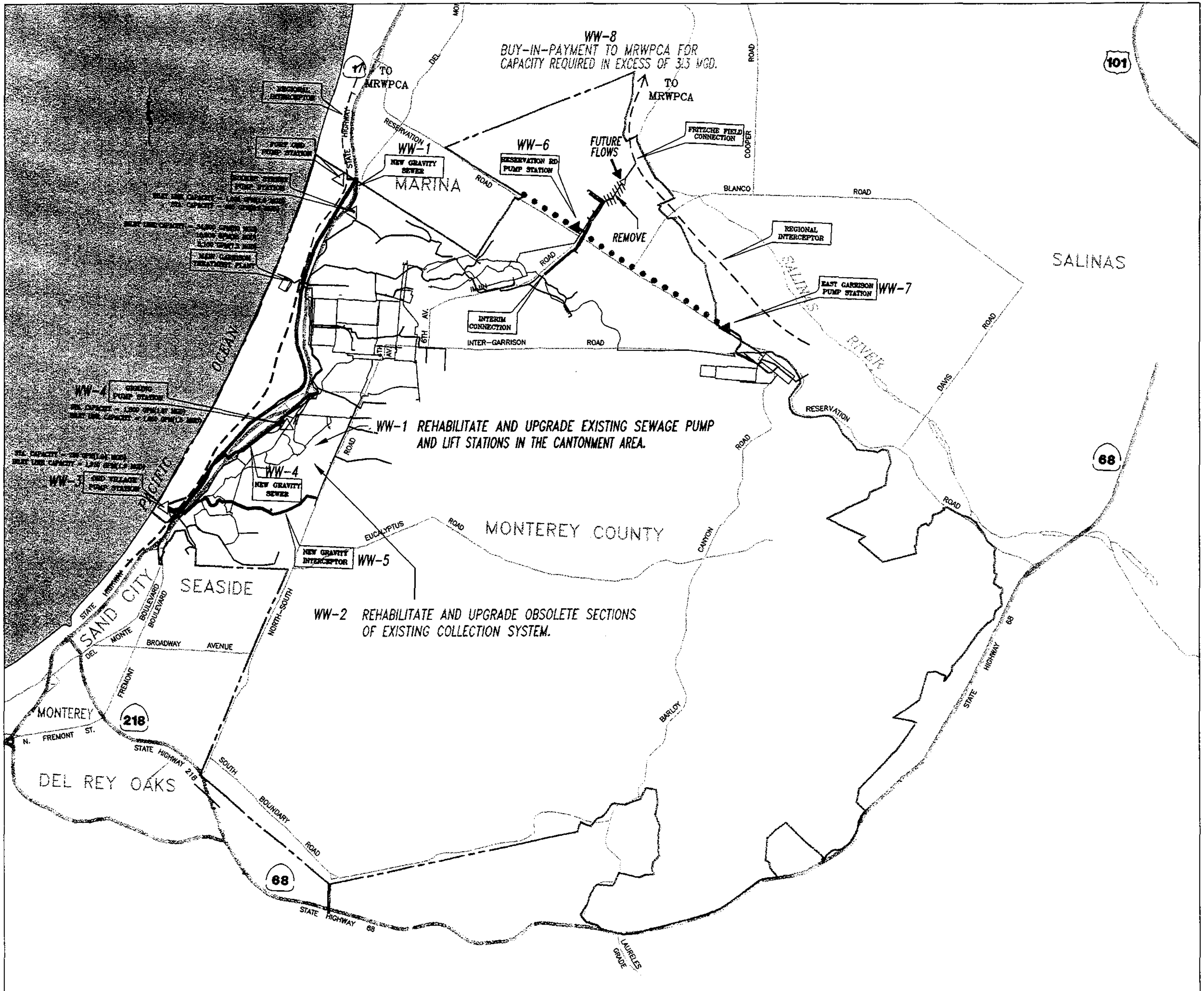
FIGURE PFIP 1-4

GRAPHIC SCALE 0 750 1500 3000 4500

NORTH

PLOT DATE: 3/6/96

DRAWN BY: EPA
CHECKED BY: POR



FORT ORD
CAPITAL IMPROVEMENT PROJECTS

Fort Ord Reuse Authority (FORA)

Land Planning	EDAW, Inc.
	EMC Planning Group, Inc.
Market Analysis	Sedway Kotin Mouchly Group
Transportation Engineering	JHK and Associates
Civil Engineering	Reimer Associates
Habitat Planning	Zander Associates
Public Communications	The Ingram Group

LEGEND:

- EXISTING WASTEWATER DISTRIBUTION SYSTEM
- REGIONAL INTERCEPTOR
- PROP. PUMP STATION
- EXIST. PUMP STATION
- PHASE I - 1996 / 2000
- PHASE II - 2001 / 2005
- PHASE III - 2006 / 2010
- PHASE IV - 2011 / 2015
- PHASE ALL - 1996 / 2015
- WW-# CIP PROJECT NUMBER

SOURCE:

DRAWING	DESCRIPTION	BY
NEWTRANS.DWG	PROPOSED TRANSPORTATION	EDAW
FTORDODS.DWG	FORT ORD BACKGROUND	MCPD
BND-100.DWG	FORT ORD BOUNDARY	EDAW
UTIL.DWG	FORT ORD UTILITIES	RA

REIMER ASSOCIATES
INFRASTRUCTURE PLANNERS • CIVIL ENGINEERS • SURVEYORS

SHEET TITLE:

PHASED WASTEWATER SYSTEM TO THE YEAR 2015

FIGURE PFIP 1-5

GRAPHIC SCALE

NORTH

PLOT DATE: 3/6/96

PAGE: PFIP 1-52

DRAWN BY: EPA
CHECKED BY: POR

PFIP-2 05 - 04 INFRASTRUCTURE COST ANALYSIS

2.1 Summary of Probable Costs for 2015 Initial Phase of Ft Ord Base Reuse Plan

This 05-04 Infrastructure Cost Analysis has been formulated to allocate a "burden" of development costs to the array of land use categories included in the Fort Ord Base Reuse Plan as of Dec. 1995. (05-04 is the version identifier - signifying the 5th version of the Reuse Plan and the 4th modification to the infrastructure analysis on that plan. This nomenclature has been used since 1993). The costs included represent the upgrading of the "backbone" infrastructure systems which exist at Fort Ord and the selective expansion of those systems to serve the 2015 first phase of the Ultimate Base Reuse Plan. In addition, an intract development cost on a per acre basis is also identified which is representative of the investment by private developers in site grading, streets, utilities and local drainage in order to prepare a parcel for any of the several commercial/residential real estate uses which are part of the Base Reuse Plan. No demolition costs, except as noted, environmental clean up costs or on-going operation or maintenance costs are included.

In arriving at the development cost burden allocated to each land use category, the demand for service to be provided by the infrastructure systems is first predicted for each use by phase of development. That demand is proportioned to the total infrastructure system service requirement for all land uses and parcels included in the particular phase. The cost of infrastructure system upgrade and improvement is then assigned to each land use category based upon a percentage of total cost which represents the ratio of demand for service from the land use in respect to the total service demand by phase. Proportioned infrastructure costs allocated to each land use by acre are then accumulated for all of the "backbone" infrastructure systems. When appropriate, an intract development cost per acre is also added.

The tables which summarize the 05-04 Cost Analysis are arrayed in the following order:

SET 1 - LAND USE DISTRIBUTION

This table displays the land use categories by jurisdiction and lists the net acreage available for development. Source of this tabulation is the EDAW December 4, 1995 database which bifurcates the Base Reuse Plan land uses into pre-2015 and post-2015 time frames.

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS

A table for each infrastructure element which has a requirement for capital investment and/or for operational costs over the 20 year period to 2015 is included. Individually, these tables set forth the basis of demand for the infrastructure elements by land use category. A percentage of the total demand by infrastructure element is also calculated for each land use. Where applicable, other demand characteristics for the particular services are also reported which are relative to capacity constraints.

SET 3 - SCHEDULE OF PROBABLE CAPITAL COSTS

A table for each infrastructure element with the total requirement for capital investment over the 20 year period to 2015 is included. Individual projects reported in Section 1.7 are aggregated for each infrastructure category at the left side of each table and a cumulative cost reported for the time period through 2015. A portion of total cost is then assigned to each land use category based on either demand for services percentages calculated in SET 2 or in the case of the Transportation System it is an assigned percentage (a discussion of this is found in Chapter PFIP-5). The costs thus allocated are divided by the development area served resulting in an Incremental Cost for each Infrastructure Element per acre.

The last two tables in SET 3 summarize the totality of capital costs for each land use through 2015, first without regard to financing source and second, to reflect those costs which are likely to be real estate based.

Thus, the final page in the 05-04 Analysis tabulates a Total Burden of Development Costs per acre which reflects a true "nexus" of service/improvement demand and allocated capital cost. This particular format for the presentation of infrastructure costs leads directly to valuation analysis of base properties. A more conventional grouping of infrastructure capital cost by system can be found in Table PFIP 1-1 on page PFIP 1-3.

05-04 INFRASTRUCTURE COST ANALYSIS

2.2 SET 1

LAND USE DISTRIBUTION

Source: REIMER ASSOCIATES

SET 1 - LAND USE DISTRIBUTION

NET ACREAGE - PHASE I - 2015 (FROM EDAW DEC. 8, 1995 DATABASE)

35,137.7

LAND USE PARCEL DESIGNATION	SEASIDE DU/SF/ RMS/JOBS	SEASIDE NET DEV. ACRES	MARINA DU/SF/ RMS/JOBS	MARINA NET DEV. ACRES	COUNTY (Incl. DRO & Monterey) DU/SF/ RMS/JOBS	COUNTY (Incl. DRO & Monterey) NET DEV. ACRES	STATE PARKS DU/SF/ RMS/JOBS	STATE PARKS NET DEV. ACRES	TOTAL NET DEV. ACRES
RESIDENTIAL									
Existing Housing - Low (DU&AC)	0	0.0	1,522	413.0	0	0.0	0	0.0	413.0
Existing Housing - Med (DU&AC)	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Existing Housing - High (DU&AC)	291	24.3	0	0.0	0	0.0	0	0.0	24.3
New - Low Density (4/ac) (DU&AC)	500	125.0	0	0.0	0	0.0	0	0.0	125.0
New - Medium Density (6/ac) (DU&AC)	2,562	426.7	150	25.0	390	64.6	0	0.0	516.3
New - High Density (8/ac) (DU&AC)	512	64.0	1,648	206.0	0	0.0	0	0.0	270.0
New - Attached (10/ac) (DU&AC)	100	10.0	100	10.0	0	0.0	0	0.0	20.0
New - Attached (20/ac) (DU&AC)	200	10.0	0	0.0	0	0.0	0	0.0	10.0
Subtotal Residential	**4,165**	**660.0**	**3,420**	**654.0**	**390**	**64.6**	**0**	**0.0**	**1,378.6**
CSUMB Existing (DU&AC)	0	0.0	0	0.0	1,253	236.0	0	0.0	236.0
CSUMB New (DU&AC)	1,275	127.5	1,275	127.5	0	0.0	0	0.0	255.0
POM Annex Housing (DU&AC)	1,590	646.4	0	0.0	0	0.0	0	0.0	646.4
TOTAL Residential	**7,030**	**1,433.9**	**4,695**	**781.5**	**1,643**	**300.6**	**0**	**0.0**	**2,516.0**
RETAIL & VISITOR SERVING									
Convenience (SF&AC)	54,450	5.0	21,780	2.0	65,340	6.0	0	0.0	13.0
Neighborhoood (SF&AC)	250,470	23.0	174,240	16.0	0	0.0	0	0.0	39.0
Regional/Outlet (SF&AC)	250,470	23.0	250,470	23.0	0	0.0	0	0.0	46.0
Visitor Serving (ROOMS&AC)	500	15.0	200	15.0	300	15.0	0	0.0	45.0
TOTAL Retail & Visitor Serving		**66.0**		**56.0**		**21.0**		**0.0**	**143.0**
LI/BP & OFFICE/R&D									
UC MBEST (SF&AC)	0	0.0	439,085	36.0	1,310,198	107.0	0	0.0	143.0
LI/BP (SF&AC)	0	0.0	761,167	108.4	378,972	58.0	0	0.0	166.4
Office/R&D (SF&AC)	0	0.0	442,134	29.0	527,076	60.5	0	0.0	89.5
TOTAL LI/BP & OFFICE/R&D	**0**	**0.0**	**1,642,386**	**173.4**	**2,216,246**	**225.5**	**0**	**0.0**	**398.9**
PLANNED PUBLIC FACILITIES									
Other (JOBS&AC)	160	60.4	75	425.8	80	207.8	10	23.3	717.2
Military Enclave (JOBS&AC)	1,130	445.7	0	0.0	210	44.6	0	0.0	490.3
CSUMB (JOBS&AC)	1,200	38.6	400	13.0	0	0.0	0	0.0	51.6
Institutional (MPC,GGU,etc.) (JOBS&AC)	0	28.1	115	23.6	125	93.2	0	0.0	144.9
Public Schools (JOBS&AC)	150	98.5	25	25.2	0	0.0	0	0.0	123.7
TOTAL Public Facilities	**2,490**	**671.3**	**475**	**487.5**	**290**	**345.6**	**10**	**23.3**	**1,527.7**
OPEN SPACE & RECREATION									
Habitat Protection (SF&AC)	0	0.0	49,000	616.2	72,000	16,599.1	0	0.0	17,215.3
New Golf Courses (JOBS&AC)	0	0.0	35	184.7	35	149.0	0	0.0	333.7
State Parks (JOBS&AC)	0	13.9	0	0.0	0	0.0	20	918.8	932.8
Equestrian Centers (JOBS&AC)	0	0.0	0	0.0	20	50.0	0	0.0	50.0
Parks & Greens (JOBS&AC)	10	107.9	10	57.6	40	205.4	0	0.0	370.9
TOTAL OS & Recreation		**121.8**		**858.5**		**17,003.5**		**918.8**	**18,902.6**
ACREAGE BY JURISDICITON LESS HABITAT & PARKS		**2,171.2**		**1,683.0**		**1,091.7**		**23.3**	**4,969.2**

05-04 INFRASTRUCTURE COST ANALYSIS

2.3 SET 2

LAND USE INVENTORY AND DEMAND FORECASTS

Source: REIMER ASSOCIATES

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS - TRANSPORTATION

PHASE I

35,137.88

TRANSPORTATION AREA BY USE	BASIS OF TRIP GENERATION		TRIP ** GENERATION FACTOR		AVERAGE DAILY TRIPS (ADT) RESIDENTIAL	NON-RES	% OF TOTAL ADT	ALLOCATED TO PEAK HOUR	PM PEAK HOUR TRAFFIC IN	OUT
RESIDENTIAL										
Existing Housing - Low	1,522	DU	9.14	PER DU	13,911		6.86%	10%	974	417
Existing Housing - Med	0		6.34	PER DU	0		0.00%	10%	0	0
Existing Housing - High	291		5.46	PER DU	1,589		0.78%	10%	111	48
New - Low Density (4/ac)	500	DU	9.14	PER DU	4,570		2.25%	10%	320	137
New - Medium Density (6/ac)	3,102	DU	6.34	PER DU	19,668		9.69%	10%	1,377	590
New - High Density (8/ac)	2,160		6.34	PER DU	13,694		6.75%	10%	959	411
New - Attached (10/ac)	200	DU	5.46	PER DU	1,092		0.54%	9%	69	29
New - Attached (20/ac)	200	DU	5.46	PER DU	1,092		0.54%	9%	69	29
Subtotal Residential	**7,975**	**DU**			**55,616**		**27.41%**		**3,878**	**1,662**
CSUMB Existing	1,253	DU	INC. BELOW							
CSUMB New	2,550	DU	INC. BELOW							
POM Annex Housing	1,590	DU	INC. BELOW							
TOTAL Residential	**13,368**	**DU**			**55,616**		**27.41%**		**3,878**	**1,662**
RETAIL & VISITOR SERVING										
Convenience	315	EMP	15.65	PER EMP		4,923	2.43%	9%	222	222
Neighborhoood	944	EMP	15.65	PER EMP		14,770	7.28%	9%	665	665
Regional/Outlet	1,113	EMP	15.65	PER EMP		17,422	8.59%	9%	784	784
Visitor Serving	1,000	EMP/RM	9.14	PER RM		9,140	4.50%	7%	384	256
TOTAL Retail & Visitor Serving	**3,372**	**EMP**				**46,256**	**22.80%**		**2,054**	**1,926**
LI/BP & OFFICE/R&D										
UC MBEST	5,831	EMP	3.67	PER EMP		21,400	10.55%	14%	599	2,397
LI/BP	2,280	EMP	3.67	PER EMP		8,369	4.12%	14%	234	937
Office/R&D	3,231	EMP	3.67	PER EMP		11,857	5.84%	12%	285	1,138
TOTAL LI/BP & OFFICE/R&D	**11,342**	**EMP**				**41,625**	**20.52%**		**1,118**	**4,472**
PLANNED PUBLIC FACILITIES										
Other	190	EMP	1.34	PER EMP		255	0.13%	12%	6	24
Military Enclave	1,590	DU +	6.34	PER DU						
POM Annex, Golf, RC, DFAS, N. Guard	1,340	EMP	6	PER EMP	10,081	8,482	9.15%	12%	1,050	1,177
CSUMB	12,500	STD	1.58	PER STD	11,452	19,750	15.38%	9%	533	1,244
Institutional (MPC,GGU,etc.)	240	EMP	8.91	PER EMP		2,138	1.05%	8%	51	120
Public Schools	2,800	STD	1.25	PER STD		3,500	1.73%	5%	53	123
TOTAL Public Facilities					**21,533**	**34,125**	**27.43%**		**1,694**	**2,688**
OPEN SPACE & RECREATION										
Habitat Protection	15	EMP	1.34	PER EMP		20	0.01%	14%	1	2
New Golf Courses	2	# COURSES	1010	PER COURSE		2,020	1.00%	9%	55	127
State Parks	20	EMP	22.3	PER EMP		446	0.22%	7%	19	12
Equestrian Centers	20	EMP	15.65	PER EMP		313	0.15%	7%	13	9
Parks & Greens	60	EMP	15.65	PER EMP		939	0.46%	7%	39	26
TOTAL OS & Recreation						**3,738**	**1.84%**		**126**	**177**
TOTALS					**77,149**	**125,744**	**100.00%**		**8,870**	**10,926**
					TOTAL ADT	***202,893***		***TOTAL PM TRAFFIC***	***19,795***	***TRIPS***

** NOTE: JHK PROVIDED BASIS OF TRIP DEMAND FIGURES.

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS - WATER

PHASE I - 2015

35,137.88

WATER AREA BY USE	BASIS OF WATER DEMAND		WATER DEMAND FACTORS		(A) WATER DEMAND (AFY)	(B) WATER DMD (MGD) (A) X .00089	(C) RECLAIMED WATER OPT. (AFY)	(D) POTABLE WATER DMD INC. WATER IN RESERVE IN ( )		% OF PHASE DEMAND	(E) STORAGE PLANNED BY PRESSURE ZONE (MG)		
RESIDENTIAL											A	NEW	3.2
Existing Housing - Low	1,522	DU	0.40	AFY/DU	609	0.54		(240)	609	11.99%			
Existing Housing - Med	0	DU	0.30	AFY/DU	0	0.00			0	0.00%			
Existing Housing - High	291	DU	0.25	AFY/DU	73	0.06		(32)	73	1.43%			
New - Low Density (4/ac)	500	DU	0.40	AFY/DU	200	0.18		(75)	200	3.94%		EX	—
New - Medium Density (6/ac)	3,102	DU	0.30	AFY/DU	931	0.83		(306)	931	18.34%		DEMAND	3.2
New - High Density (8/ac)	2,160	DU	0.30	AFY/AC	648	0.58		(200)	648	12.77%			
New - Attached (10/ac)	200	DU	0.25	AFY/AC	50	0.04		(20)	50	0.99%			
New - Attached (20/ac)	200	DU	0.25	AFY/AC	50	0.04		(20)	50	0.99%			
Subtotal Residential	**7,976**	**DU**			**2,660**	**2.28**		(893)	**2,660**	**60.44%**	**B**	NEW	3.0
CSUMB Existing	1,253	DU	ASSIGNED BELOW										
CSUMB New	2,550	DU	ASSIGNED BELOW										
POM Annex Housing	1,590	DU	ASSIGNED BELOW									EX	2.0
TOTAL Residential	**13,368**	**DU**			**2,660**	**2.28**			**2,660**	**60.44%**		DEMAND	4.9
RETAIL & VISITOR SERVING													
Convenience	141,570	SF	0.00021	AFY/SF	30	0.03	5		25	0.49%			
Neighborhoood	424,710	SF	0.00021	AFY/SF	89	0.08	9		80	1.58%			
Regional/Outlet	500,940	SF	0.00022	AFY/SF	110	0.10	14		96	1.90%	**C**		—
Visitor Serving	1,000	rooms	45	/300 rooms	150	0.13	17		133	2.62%		EX	4.0
TOTAL Retail & Visitor Serving	**1,067,220**	**SF**			**379**	**0.34**	**45**		**334**	**6.58%**		DEMAND	2.2
LI/BP & OFFICE/R&D													
UC MBEST	1,749,282	SF	0.0001	AFY/SF	175	0.16	17		157	3.10%			
LI/BP	1,140,139	SF	0.00008	AFY/SF	91	0.08	9		82	1.62%			
Office/R&D	969,210	SF	0.00012	AFY/SF	116	0.10	15		102	2.00%	**D**	NEW	—
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	**SF**			**382**	**0.34**	**41**		**341**	**6.72%**		EX	2.0
PLANNED PUBLIC FACILITIES			200	GPD/EMP								DEMAND	1.9
Other	190	EMP	+ ASSIGNED		73	0.06	4		69	1.36%			
Military Enclave	POM Annex, Golf, RC, DFAS, N. Guard		Army Figure (1729 AFY) minus 10% for loss		1,556	1.38	630		926	ASSIGNED	**E**	NEW	1.3
CSUMB	542.6	AC	ASSIGNED		1,255	1.12	188		1,067	21.02%		EX	
Institutional (MPC,GGU,etc.) *1*	144.9	AC	2.65	AFY/AC	384	0.34	33		350	6.90%		DEMAND	1.3
Public Schools *2*	123.7	AC	2.2	AFY/AC	272	0.24	180		93	1.82%			
TOTAL Public Facilities					**3,640**	**3.16**	**1,036**		**2,606**	**31.10%**			
OPEN SPACE & RECREATION											**S5**	NEW	2.0
Habitat Protection	121,000	SF	0.00012	AFY/SF	15	0.01			15	0.29%		EX	—
New Golf Courses *4*	333.7	AC	ASSIGNED		640	0.57	630		10	0.20%		DEMAND	2.0
State Parks *3*	932.8	AC	ASSIGNED		49	0.04			49	0.97%			
Equestrian Centers	50.0	AC	ASSIGNED		60	0.05			60	1.18%			
Parks & Greens	370.9	AC	1.50	AFY/AC	556	0.50	428		128	2.52%			
TOTAL OS & Recreation					**1,320**	**1.17**	**1,058**		**261**	**5.16%**			
TOTALS			**A + 10% FOR LOSS**		**8,999**	**8.01**	C+10% **2,397**	D+10%	**6,602**	**B + 10%**	**TOTAL**		**17.6**

PHASE I WATER DEMAND		***CUMULATIVE WATER***	***TO CALCULATE % OF PHASE***
W/ PROJECTED REUSE	**6,602**	***DEMAND (AFY)*** **8,999**	***DIVIDE (D) BY 5075 WHICH IS***
	AFY	***RECLAIMED OPT.*** **2,397**	***POTABLE DEMAND - MILITARY***

1 - 17.5 AC = MPC & MIRA
84 AC = MPC (East Gar)/Post
6 AC = GGU 9 AC = MPC
28 AC = BOQ

2 - Public School AC includes 13 AC equivalent for Seaside HS

3 - Includes water supply assigned to State Parks area west of Hwy. 1 as noted to the right.

Use	Water Supply	Polygon
SA	2.0 AFY	14b
MUA	15.0 AFY	14a
DHZ	32.0 AFY	12b

4 - Golf Course demand includes 5 AFY allotment of potable water for each clubhouse facility.

5 - Single tank site for southwest area to serve multiple pressure zones.

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS - WASTEWATER

PHASE I - 2015

35,137.66

WASTEWATER AREA BY USE	BASIS OF WATER DEMAND		WATER DMD BASIS OF WASTEWATER FLOW (MGD)	WASTE-WATER FLOW FACTORS	AVERAGE FLOW RATES MGD	AVERAGE FLOW RATES GPM †	% OF PHASE DMD	I&I ADDED FLOW (GPM)	PEAK FLOW RATE (GPM)
RESIDENTIAL									
Existing Housing - Low	1,522	DU	0.54	210 GPD/DU	0.320	222	9.32%	22	577
Existing Housing - Med	0	DU	0.00	175 GPD/DU	0.000	0	0.00%	0	0
Existing Housing - High	291	DU	0.06	140 GPD/DU	0.041	28	1.19%	3	74
New - Low Density (4/ac)	500	DU	0.18	210 GPD/DU	0.105	73	3.06%	7	190
New - Medium Density (6/ac)	3,102	DU	0.83	175 GPD/DU	0.543	377	15.83%	38	980
New - High Density (8/ac)	2,160	DU	0.58	175 GPD/DU	0.378	263	11.02%	26	683
New - Attached (10/ac)	200	DU	0.04	140 GPD/DU	0.028	19	0.82%	2	51
New - Attached (20/ac)	200	DU	0.04	140 GPD/DU	0.028	19	0.82%	2	51
Subtotal Residential	**7,975**	**DU**	**2.28**		**1.442**	**1,002**	**42.06%**	**100**	**2,604**
CSUMB Existing	1,253	DU	INC. BELOW						
CSUMB New	2,550	DU	INC. BELOW						
POM Annex Housing	5,393	DU	INC. BELOW						
TOTAL Residential	**13,368**	**DU**	**2.28**		**1.442**	**1,002**	**42.06%**	**100**	**2,604**
RETAIL & VISITOR SERVING									
Convenience	141,570	SF	0.02	0.85	0.019	13	0.55%	1	34
Neighborhoood	424,710	SF	0.07	0.85	0.061	42	1.77%	4	110
Regional/Outlet	500,940	SF	0.09	0.85	0.073	51	2.12%	5	131
Visitor Serving	1,000	rooms	0.12	0.90	0.107	74	3.11%	7	192
TOTAL Retail & Visitor Serving	**1,067,220**	**SF**	**0.30**		**0.259**	**180**	**7.54%**	**18**	**467**
LI/BP & OFFICE/R&D									
UC MBEST	1,749,282	SF	0.14	0.90	0.126	88	3.68%	9	228
LI/BP	1,140,139	SF	0.07	0.90	0.066	46	1.92%	5	119
Office/R&D	969,210	SF	0.09	0.90	0.082	57	2.38%	6	147
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	**SF**	**0.30**		**0.273**	**190**	**7.97%**	**19**	**494**
PLANNED PUBLIC FACILITIES									
Other	190	EMP	0.06	0.90	0.055	38	1.61%	4	100
Military Enclave	POM Annex, Golf, RC, DFAS, N. Guard		0.82	0.90	0.742	515	ASSIGNED	52	1,339
CSUMB	Housing & Emp		0.95	0.90	0.854	593	24.92%	59	1,543
Institutional (MPC,GGU,etc.)	144.9	AC	0.31	0.90	0.281	195	8.19%	19	507
Public Schools	123.7	AC	0.08	0.95	0.078	54	2.28%	5	141
TOTAL Public Facilities			**2.23**		**2.010**	**1,396**	**37.00%**	**140**	**3,630**
OPEN SPACE & RECREATION									
Habitat Protection	121,000	SF	0.01	0.90	0.012	8	0.34%	1	21
New Golf Courses	333.7	AC	0.01	ASSIGNED	0.009	6	0.26%	1	16
State Parks	932.8	AC	0.04	0.70	0.031	21	0.89%	2	55
Equestrian Centers	50.0	AC	0.05	0.50	0.027	19	0.78%	2	48
Parks & Greens	370.9	AC	0.11	0.95	0.108	75	3.16%	8	195
TOTAL OS & Recreation			**0.23**		**0.186**	**129**	**5.43%**	**13**	**336**
TOTALS	without line loss		**5.34**		**4.17**	**2,896**	**100.00%**	**290**	**7,530**

CUMULATIVE WASTEWATER FLOWS ABOVE 3.3 MGD = ***0.87 MGD***

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS
PARKS AND RECREATION

PHASE I - 2015

35137.75

PARKS AND RECREATION AREA BY USE	BASIS OF DEMAND		BASIS OF PARKS & REC. DEMAND (NET DEV. AC)	RESIDENTIAL SKMG/ *AMA* PPH *1*	POPULATION	*AMA* DEMAND FACTOR	POPUL. SERVED	BLDG SF PER EMP FACTOR	EMPLOYMENT *EDAW* JOBS	*AMA* DEMAND FACTOR	POPUL. SERVED	TOTAL POPUL. SERVED	% OF DEMAND
RESIDENTIAL													
Existing Housing - Low	1,522	DU	413.0	3.0	4,566	1.0	4,566					4,566	19.78%
Existing Housing - Med	0	DU	0.0	2.5	0	1.0	0					0	0.00%
Existing Housing - High	291	DU	24.3	1.5	437	1.0	437					437	1.89%
New - Low Density (4/ac)	500	DU	125.0	3.0	1,500	1.0	1,500					1,500	6.50%
New - Medium Density (6/ac)	3,102	DU	516.3	3.0	9,306	1.0	9,306					9,306	40.31%
New - High Density (8/ac)	2,160	DU	270.0	3.0	6,480	1.0	6,480					6,480	28.07%
New - Attached (10/ac)	200	DU	20.0	2.5	500	1.0	500					500	2.17%
New - Attached (20/ac)	200	DU	10.0	1.5	300	1.0	300					300	1.30%
Subtotal Residential	**7,975**	**DU**	**1,378.6**		23,089		**23,089**					**23,089**	**100.00%**
CSUMB Existing Units	1,253	DU	236.0	3.0	3,759	0.0	0					0	
CSUMB New Units	2,550	DU	255.0	1.5	3,825	0.0	0					0	
POM Annex Housing	1,590	DU	646.4	3.0	4,770	0.0	0					0	
TOTAL Residential	**13,368**	**DU**	**2,516.0**		35,443		**23,089**					**23,089**	
RETAIL & VISITOR SERVING													
Convenience	141,570	SF	13.0					450	315	0.0		0	
Neighborhoood	424,710	SF	39.0					450	944	0.0		0	
Regional/Outlet	500,940	SF	46.0					450	1,113	0.0		0	
Visitor Serving	1000	RMS	45.0					1	1,000	0.0		0	
TOTAL Retail & Visitor Serving			**143.0**						3,372			**0**	
LI/BP & OFFICE/R&D													
UC MBEST	1,749,282	SF	143.0					300	5,831	0.0		0	
LI/BP	1,140,139	SF	166.4					500	2,280	0.0		0	
Office/R&D	969,210	SF	89.5					300	3,231	0.0		0	
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	**SF**	**398.9**						11,342			**0**	
PLANNED PUBLIC FACILITIES													
Other	190	JOBS	717.2					ASSIGNED	190	0.0		0	
Military Enclave	1,340	JOBS	490.3					ASSIGNED	1,340	0.0		0	
CSUMB	1,600	JOBS	51.6					ASSIGNED	1,600	0.0		0	
Institutional (MPC,GGU,etc.)	240	JOBS	144.9					ASSIGNED	240	0.0		0	
Public Schools	175	JOBS	123.7					ASSIGNED	175	0.0		0	
TOTAL Public Facilities	**3,545**	**JOBS**	**1,527.7**						3,545			**0**	
OPEN SPACE & RECREATION													
Habitat Protection	121,000	SF	17,215.3					ASSIGNED	15	0.0		0	
New Golf Courses	70	JOBS	333.7					ASSIGNED	70	0.0		0	
State Parks	20	JOBS	932.8					ASSIGNED	20	0.0		0	
Equestrian Centers	20	JOBS	50.0					ASSIGNED	20	0.0		0	
Parks & Greens	60	JOBS	370.9					ASSIGNED	60	0.0		0	
TOTAL OS & Recreation			**18,902.6**						185			**0**	
TOTALS			**23,488.2**		35,443		**23,089**		18,444			**23,089**	**100.00%**

1 PPH = PERSONS PER HOUSEHOLD

AMA = FIGURES FROM ANGUS MCDONALD & ASSOCIATES

EDAW = FIGURES FROM EDAW, INC.

SKMG = FIGURES FROM SEDWAY KOTIN MOUCHLY GROUP

NOTE: PARKS & RECREATION COSTS ARE NOT CONSIDERED TO BE A BASE-WIDE COST AND THEREFORE NO COST RELATED INFORMATION WILL BE FOUND IN SET 3.

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS
HABITAT MANAGEMENT

PHASE I - 2015

35137.75

HABITAT MANAGEMENT AREA BY USE	BASIS OF DEMAND		BASIS OF HABITAT DEMAND (NET DEV. AC)	RESIDENTIAL SKMG/ *AMA* PPH *1*	POPULATION	*AMA* DEMAND FACTOR	POPUL. SERVED	BLDG SF PER EMP FACTOR	EMPLOYMENT *EDAW* JOBS	*AMA* DEMAND FACTOR	POPUL. SERVED	TOTAL POPUL. SERVED	% OF DEMAND
RESIDENTIAL													
Existing Housing - Low	1,522	DU	413.0	3.0	4,566	1.0	4,566					4,566	14.89%
Existing Housing - Med	0	DU	0.0	2.5	0	1.0	0					0	0.00%
Existing Housing - High	291	DU	24.3	1.5	437	1.0	437					437	1.42%
New - Low Density (4/ac)	500	DU	125.0	3.0	1,500	1.0	1,500					1,500	4.89%
New - Medium Density (6/ac)	3,102	DU	516.3	3.0	9,306	1.0	9,306					9,306	30.34%
New - High Density (8/ac)	2,160	DU	270.0	3.0	6,480	1.0	6,480					6,480	21.13%
New - Attached (10/ac)	200	DU	20.0	2.5	500	1.0	500					500	1.63%
New - Attached (20/ac)	200	DU	10.0	1.5	300	1.0	300					300	0.98%
Subtotal Residential	**7,975**	**DU**	**1,378.6**		23,089		**23,089**					**23,089**	**75.27%**
CSUMB Existing Units	1,253	DU	236.0	3.0	3,759	1.0	3,759					3,759	12.26%
CSUMB New Units	2,550	DU	255.0	1.5	3,825	1.0	3,825					3,825	12.47%
POM Annex Housing	1,590	DU	846.4	3.0	4,770	0.0	0					0	
TOTAL Residential	**13,368**	**DU**	**2,516.0**		35,443		**30,673**					**30,673**	**100.00%**
RETAIL & VISITOR SERVING													
Convenience	141,570	SF	13.0					450	315	0.0		0	
Neighborhoood	424,710	SF	39.0					450	944	0.0			
Regional/Outlet	500,940	SF	46.0					450	1,113	0.0		0	
Visitor Serving	1000	RMS	45.0					1	1,000	0.0		0	
TOTAL Retail & Visitor Serving			**143.0**						3,372			**0**	
LI/BP & OFFICE/R&D													
UC MBEST	1,749,282	SF	143.0					300	5,831	0.0		0	
LI/BP	1,140,139	SF	166.4					500	2,280	0.0		0	
Office/R&D	969,210	SF	89.5					300	3,231	0.0		0	
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	**SF**	**398.9**						11,342			**0**	
PLANNED PUBLIC FACILITIES													
Other	190	JOBS	717.2					ASSIGNED	190	0.0		0	
Military Enclave	1,340	JOBS	490.3					ASSIGNED	1,340	0.0		0	
CSUMB	1,600	JOBS	51.6					ASSIGNED	1,600	0.0		0	
Institutional (MPC,GGU,etc.)	240	JOBS	144.9					ASSIGNED	240	0.0		0	
Public Schools	175	JOBS	123.7					ASSIGNED	175	0.0		0	
TOTAL Public Facilities	**3,130**	**JOBS**	**1,527.7**						3,545			**0**	
OPEN SPACE & RECREATION													
Habitat Protection	121,000	SF	17,215.3					ASSIGNED	15	0.0		0	
New Golf Courses	70	JOBS	333.7					ASSIGNED	70	0.0		0	
State Parks	20	JOBS	932.8					ASSIGNED	20	0.0		0	
Equestrian Centers	20	JOBS	50.0					ASSIGNED	20	0.0		0	
Parks & Greens	60	JOBS	370.9					ASSIGNED	60	0.0		0	
TOTAL OS & Recreation			**18,902.6**						185			**0**	
TOTALS			**23,488.2**		35,443		**30,673**		18,444			**30,673**	**100.00%**

1 PPH = PERSONS PER HOUSEHOLD

AMA = FIGURES FROM ANGUS MCDONALD & ASSOCIATES

EDAW = FIGURES FROM EDAW, INC.

SKMG = FIGURES FROM SEDWAY KOTIN MOUCHLY GROUP

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS
FIRE PROTECTION

SET 3
FIRE PROTECTION SCREEN

PHASE I - 2015

35,137.81

FIRE PROTECTION AREA BY USE	BASIS OF DEMAND		BASIS OF FIRE DEMAND (NET DEV. AC)	*AMA* DEMAND FACTOR		ACRES SERVED	% OF DEMAND	*(NOTE 1)* % OF BURDEN	ALLOCATED COST OF ONE FIRE STATION @ $1,110,000	INCREMENTAL COST OF FIRE STATION BY AC.
RESIDENTIAL										
Existing Housing - Low	1,522	DU	413.0	1.0		413.0	11.82%	18.10%	$200,879	$486
Existing Housing - Med	0	DU	0.0	1.0		0.0	0.00%	0.00%	$0	$0
Existing Housing - High	291	DU	24.3	1.0		24.3	0.69%	1.06%	$11,810	$486
New - Low Density (4/ac)	500	DU	125.0	1.0		125.0	3.58%	5.48%	$60,799	$486
New - Medium Density (6/ac)	3,102	DU	516.3	1.0		516.3	14.78%	22.62%	$251,128	$486
New - High Density (8/ac)	2,160	DU	270.0	1.0		270.0	7.73%	11.83%	$131,325	$486
New - Attached (10/ac)	200	DU	20.0	1.0		20.0	0.57%	0.88%	$9,728	$486
New - Attached (20/ac)	200	DU	10.0	1.0		10.0	0.29%	0.44%	$4,864	$486
Subtotal Residential	**7,975**	**DU**	**1,378.6**			**1,378.6**	**39.46%**	**60.41%**	**$670,532**	
CSUMB Existing Units	1,253	DU	236.0	0.0		0.0	0.00%	0.00%	$0	$0
CSUMB New Units	2,550	DU	255.0	0.0		0.0	0.00%	0.00%	$0	$0
POM Annex Housing	1,590	DU	646.4	0.0		0.0	0.00%	0.00%	$0	$0
TOTAL Residential	**13,368**	**DU**	**2,516.0**							
RETAIL & VISITOR SERVING										
Convenience	141,570	SF	13.0	1.0		13.0	0.37%	0.57%	$6,323	$486
Neighborhoood	424,710		39.0	1.0		39.0	1.12%	1.71%	$18,969	$486
Regional/Outlet	500,940	SF	46.0	1.0		46.0	1.32%	2.01%	$22,353	$486
Visitor Serving	1,000	RMS	45.0	1.0		45.0	1.29%	1.97%	$21,888	$486
TOTAL Retail & Visitor Serving	**1,067,220**	**SF**	**143.0**			**143.0**	**4.09%**	**6.26%**	**$69,533**	
LI/BP & OFFICE/R&D										
UC MBEST	1,749,282	SF	143.0	1.0		143.0	4.09%	6.27%	$69,554	$486
LI/BP	1,140,139	SF	166.4	1.0		166.4	4.76%	7.29%	$80,921	$486
Office/R&D	969,210	SF	89.5	1.0		89.5	2.56%	3.92%	$43,532	$486
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	**SF**	**398.9**			**398.9**	**11.42%**	**17.48%**	**$194,006**	
PLANNED PUBLIC FACILITIES										
Other	190	JOBS	717.2	1.0		717.2	20.53%	0.00%	$0	$0
Military Enclave	1,340	JOBS	490.3	0.0		0.0	0.00%	0.00%	$0	$0
CSUMB	1,600	JOBS	51.6	0.0		0.0	0.00%	0.00%	$0	$0
Institutional (MPC,GGU,etc.)	240	JOBS	144.9	1.0		144.9	4.15%	6.35%	$70,463	$486
Public Schools	175	JOBS	123.7	1.0		123.7	3.54%	0.00%	$0	$0
TOTAL Public Facilities	**3,130**	**JOBS**	**1,527.7**			**985.8**	**28.21%**	**6.35%**	**$70,463**	
OPEN SPACE & RECREATION										
Habitat Protection	121,000	SF	17,215.3	0.0	*1*	0.0	0.00%	0.00%	$0	
New Golf Courses	70	JOBS	333.7	0.5	*2*	166.8	4.77%	7.31%	$81,147	$486
State Parks	20	JOBS	932.8	0.0		0.0	0.00%	0.00%	$0	
Equestrian Centers	20	JOBS	50.0	1.0		50.0	1.43%	2.19%	$24,319	$486
Parks & Greens	60	JOBS	370.9	1.0		370.9	10.61%	0.00%	$0	$0
TOTAL OS & Recreation			**18,902.6**			**587.7**	**16.82%**	**9.50%**	**$105,466**	
TOTALS			**23,488.2**			**3,493.9**	**100.00%**	**100.00%**	**$1,110,000**	

1 THE BURDEN OF FIRE PROTECTION IN THE HABITAT AREA IS SPREAD BACK TO RESIDENTIAL, COMMERCIAL, ETC.

2 SUBJECT TO REVISION AFTER DISCUSSION WITH FIRE OFFICALS

AMA = FIGURES FROM ANGUS MCDONALD & ASSOCIATES

NOTE 1 *Costs are spread based on a % of Burden which is calculated by spreading costs only to those uses that will be able to contribute and not to "public" type of uses (ie schools).*

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS

GENERAL FACILITIES (office space, corporation yard, etc.)

PHASE I - 2015

35137.75

GENERAL FACILITIES AREA BY USE	BASIS OF DEMAND		BASIS OF GEN FACS. DEMAND (NET DEV. AC)	RESIDENTIAL SKMG/ *AMA* PPH *1*	POPULATION	*AMA* DEMAND FACTOR	POPUL. SERVED	BLDG SF PER EMP FACTOR	EMPLOYMENT *EDAW* JOBS	*AMA* DEMAND FACTOR	POPUL. SERVED	TOTAL POPUL. SERVED	% OF DEMAND
RESIDENTIAL													
Existing Housing - Low	1,522	DU	413.0	3.0	4,566	1.0	4,566					4,566	14.98%
Existing Housing - Med	0	DU	0.0	2.5	0	1.0	0					0	0.00%
Existing Housing - High	291	DU	24.3	1.5	437	1.0	437					437	1.43%
New - Low Density (4/ac)	500	DU	125.0	3.0	1,500	1.0	1,500					1,500	4.92%
New - Medium Density (6/ac)	3,102	DU	516.3	3.0	9,306	1.0	9,306					9,306	30.52%
New - High Density (8/ac)	2,160	DU	270.0	3.0	6,480	1.0	6,480					6,480	21.25%
New - Attached (10/ac)	200	DU	20.0	2.5	500	1.0	500					500	1.64%
New - Attached (20/ac)	200	DU	10.0	1.5	300	1.0	300					300	0.98%
Subtotal Residential	**7,975**	**DU**	**1,378.6**		23,089		**23,089**					**23,089**	**75.72%**
CSUMB Existing Units	1,253	DU	236.0	3.0	3,759	0.0	0					0	
CSUMB New Units	2,550	DU	255.0	1.5	3,825	0.0	0					0	
POM Annex Housing	1,590	DU	646.4	3.0	4,770	0.0	0					0	
TOTAL Residential	**13,368**	**DU**	**2,516.0**		35,443		**23,089**					**23,089**	
RETAIL & VISITOR SERVING													
Convenience	141,570	SF	13.0					450	315	0.5	157	157	0.52%
Neighborhoood	424,710		39.0					450	944	0.5	472	472	1.55%
Regional/Outlet	500,940	SF	46.0					450	1,113	0.5	557	557	1.83%
Visitor Serving	1,000	RMS	45.0					1	1,000	0.5	500	500	1.64%
TOTAL Retail & Visitor Serving			**143.0**						3,372		**1,686**	**1,686**	**5.53%**
LI/BP & OFFICE/R&D													
UC MBEST	1,749,282	SF	143.0					300	5,831	0.5	2,915	2,915	9.56%
LI/BP	1,140,139	SF	166.4					500	2,280	0.5	1,140	1,140	3.74%
Office/R&D	969,210	SF	89.5					300	3,231	0.5	1,615	1,615	5.30%
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	**SF**	**398.9**						11,342		**5,671**	**5,671**	**18.60%**
PLANNED PUBLIC FACILITIES													
Other	190	JOBS	717.2					ASSIGNED	190	0.0			
Military Enclave	1,340	JOBS	490.3					ASSIGNED	1,340	0.0			
CSUMB	1,600	JOBS	51.6					ASSIGNED	1,600	0.0			
Institutional (MPC,GGU,etc.)	240	JOBS	144.9					ASSIGNED	240	0.0			
Public Schools	175	JOBS	123.7					ASSIGNED	175	0.0			
TOTAL Public Facilities	**3,545**	**JOBS**	**1,627.7**						3,545				
OPEN SPACE & RECREATION													
Habitat Protection	121,000	SF	17,215.3					ASSIGNED	15	0.0			
New Golf Courses	70	JOBS	333.7					ASSIGNED	70	0.5	35	35	0.11%
State Parks	20	JOBS	932.8					ASSIGNED	20	0.0			
Equestrian Centers	20	JOBS	50.0					ASSIGNED	20	0.5	10	10	0.03%
Parks & Greens	60	JOBS	370.9					ASSIGNED	60	0.0			
TOTAL OS & Recreation			**18,902.6**						185		**45**	**45**	**0.15%**
TOTALS			**23,488.2**		35,443		**23,089**		18,444		**7,402**	**30,491**	**100.00%**

1 PPH = PERSONS PER HOUSEHOLD

AMA = FIGURES FROM ANGUS MCDONALD & ASSOCIATES

EDAW = FIGURES FROM EDAW, INC.

SKMG = FIGURES FROM SEDWAY KOTIN MOUCHLY GROUP

NOTE: NO CAPITAL FACILITIES ARE ASSOCIATED WITH THIS SERVICE AND THEREFORE NO COST RELATED INFORMATION WILL BE FOUND IN SET 3.

Source: AMA

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS
LAW ENFORCEMENT
PHASE I - 2015

35137.75

LAW ENFORCEMENT AREA BY USE	BASIS OF DEMAND		BASIS OF LAW ENF. DEMAND (NET DEV. AC)	RESIDENTIAL SKMG/ *AMA* PPH *1*	POPULATION	*AMA* DEMAND FACTOR	POPUL. SERVED	BLDG SF PER EMP FACTOR	EMPLOYMENT *EDAW* JOBS	*AMA* DEMAND FACTOR	POPUL. SERVED	TOTAL POPUL. SERVED	% OF DEMAND
RESIDENTIAL													
Existing Housing - Low	1,522	DU	413.0	3.0	4,566	1.0	4,566					4,566	19.37%
Existing Housing - Med	0	DU	0.0	2.5	0	1.0	0						
Existing Housing - High	291	DU	24.3	1.5	437	1.0	437						
New - Low Density (4/ac)	500	DU	125.0	3.0	1,500	1.0	1,500					1,500	6.36%
New - Medium Density (6/ac)	3,102	DU	516.3	3.0	9,306	1.0	9,306					9,306	39.48%
New - High Density (8/ac)	2,160		270.0	3.0	6,480	1.0	6,480						
New - Attached (10/ac)	200	DU	20.0	2.5	500	1.0	500					500	2.12%
New - Attached (20/ac)	200	DU	10.0	1.5	300	1.0	300					300	1.27%
Subtotal Residential	**7,975**	DU	**1,378.6**		23,089		**23,089**					**16,172**	**68.60%**
CSUMB Existing Units	1,253	DU	236.0	3.0	3,759	0.0	0						
CSUMB New Units	2,550	DU	255.0	1.5	3,825	0.0	0						
POM Annex Housing	1,590	DU	646.4	3.0	4,770	0.0	0						
TOTAL Residential	**13,368**	DU	**2,616.0**		35,443		**23,089**					**16,172**	
RETAIL & VISITOR SERVING													
Convenience	141,570	SF	13.0					450	315	0.5	157	157	0.67%
Neighborhoood	424,710		39.0					450	944	0.5	472	472	2.00%
Regional/Outlet	500,940	SF	46.0					450	1,113	0.5	557	557	2.36%
Visitor Serving	1,000	RMS	45.0					1	1,000	0.5	500	500	2.12%
TOTAL Retail & Visitor Serving			**143.0**						3,372			**1,686**	**7.16%**
LI/BP & OFFICE/R&D													
UC MBEST	1,749,282	SF	143.0					300	5,831	0.5	2,915	2,915	12.37%
LI/BP	1,140,139	SF	166.4					500	2,280	0.5	1,140	1,140	4.84%
Office/R&D	969,210	SF	89.5					300	3,231	0.5	1,615	1,615	6.85%
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	SF	**398.9**						11,342		**5,671**	**5,671**	**24.06%**
PLANNED PUBLIC FACILITIES													
Other	190	JOBS	717.2					ASSIGNED	190	0.0			
Military Enclave	1,340	JOBS	490.3					ASSIGNED	1,340	0.0			
CSUMB	1,600	JOBS	51.6					ASSIGNED	1,600	0.0			
Institutional (MPC,GGU,etc.)	240	JOBS	144.9					ASSIGNED	240	0.0			
Public Schools	175	JOBS	123.7					ASSIGNED	175	0.0			
TOTAL Public Facilities	**3,130**	**JOBS**	**1,527.7**						3,545				
OPEN SPACE & RECREATION													
Habitat Protection	121,000	SF	17,215.3					ASSIGNED	15	0.0			
New Golf Courses	70	JOBS	333.7					ASSIGNED	70	0.5	35	35	0.15%
State Parks	20	JOBS	932.8					ASSIGNED	20	0.0			
Equestrian Centers	20	JOBS	50.0					ASSIGNED	20	0.5	10	10	0.04%
Parks & Greens	60	JOBS	370.9					ASSIGNED	60	0.0			
TOTAL OS & Recreation			**18,902.6**						185		**45**	**45**	**0.19%**
TOTALS			**23,488.2**		35,443		**23,089**		18,444		**5,716**	**23,674**	**100.00%**

1 PPH = PERSONS PER HOUSEHOLD

AMA = FIGURES FROM ANGUS MCDONALD & ASSOCIATES

EDAW = FIGURES FROM EDAW, INC.

SKMG = FIGURES FROM SEDWAY KOTIN MOUCHLY GROUP

NOTE: NO CAPITAL FACILITIES ARE ASSOCIATED WITH THIS SERVICE AND THEREFORE NO COST RELATED INFORMATION WILL BE FOUND IN SET 3.

Source: AMA

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS
SCHOOLS

PHASE I - 2015

35137.75

PARKS AND RECREATION AREA BY USE	BASIS OF DEMAND		BASIS OF SCHOOLS DEMAND (NET DEV. AC)	*SKMG* AVERAGE HOUSE SIZE (SF)	TOTAL DEMAND (000)	% OF DEMAND
RESIDENTIAL						
Existing Housing - Low	1,522	DU	413.0	1,400	2,131	10.23%
Existing Housing - Med	0	DU	0.0	1,400	0	0.00%
Existing Housing - High	291	DU	24.3	1,500	437	2.10%
New - Low Density (4/ac)	500	DU	125.0	2,700	1,350	6.48%
New - Medium Density (6/ac)	3,102	DU	516.3	2,300	7,135	34.26%
New - High Density (8/ac)	2,160	DU	270.0	2,300	4,968	23.86%
New - Attached (10/ac)	200	DU	20.0	1,500	300	1.44%
New - Attached (20/ac)	200	DU	10.0	1,000	200	0.96%
Subtotal Residential	**7,976**	**DU**	**1,378.6**		**16,520**	**79.33%**
CSUMB Existing Units	1,253	DU	236.0	1,400	1,754	8.42%
CSUMB New Units	2,550	DU	255.0	1,000	2,550	12.25%
POM Annex Housing	1,590	DU	646.4	#N/A	#N/A	
TOTAL Residential	**13,368**	**DU**	**2,516.0**		**20,824**	**100.00%**
RETAIL & VISITOR SERVING						
Convenience	141,570	SF	13.0			
Neighborhoood	424,710		39.0			
Regional/Outlet	500,940	SF	46.0			
Visitor Serving	1,000	RMS	45.0			
TOTAL Retail & Visitor Serving			**143.0**			
LI/BP & OFFICE/R&D						
UC MBEST	1,749,282	SF	143.0			
LI/BP	1,140,139	SF	166.4			
Office/R&D	969,210	SF	89.5			
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	**SF**	**398.9**			
PLANNED PUBLIC FACILITIES						
Other	190	JOBS	717.2			
Military Enclave	1,340	JOBS	490.3			
CSUMB	1,600	JOBS	51.6			
Institutional (MPC,GGU,etc.)	240	JOBS	144.9			
Public Schools	175	JOBS	123.7			
TOTAL Public Facilities	**3,130**	**JOBS**	**1,527.7**			
OPEN SPACE & RECREATION						
Habitat Protection	121,000	SF	17,215.3			
New Golf Courses	70	JOBS	333.7			
State Parks	20	JOBS	932.8			
Equestrian Centers	20	JOBS	50.0			
Parks & Greens	60	JOBS	370.9			
TOTAL OS & Recreation			**18,902.6**			
TOTALS			**23,488.2**		**20,824**	**100.00%**

1 PPH = PERSONS PER HOUSEHOLD

EDAW = FIGURES FROM EDAW, INC.

AMA = FIGURES FROM ANGUS MCDONALD & ASSOCIATES

SKMG = FIGURES FROM SEDWAY KOTIN MOUCHLEY GROUP

NOTE: NO CAPITAL FACILITIES ARE ASSOCIATED WITH THIS SERVICE AND THEREFORE NO COST RELATED INFORMATION WILL BE FOUND IN SET 3.

Source: AMA

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS
LIBRARIES
PHASE I - 2015

35137.75

LIBRARIES AREA BY USE	BASIS OF DEMAND		BASIS OF LIBRARY DEMAND (NET DEV. AC)	RESIDENTIAL SKMG/ *AMA* PPH 1	POPULATION	*AMA* DEMAND FACTOR	POPUL. SERVED	BLDG SF PER EMP FACTOR	EMPLOYMENT *EDAW* JOBS	*AMA* DEMAND FACTOR	POPUL. SERVED	TOTAL POPUL. SERVED	% OF DEMAND
RESIDENTIAL													
Existing Housing - Low	1,522	DU	413.0	3.0	4,566	1.0	4,566					4,566	15.88%
Existing Housing - Med	0	DU	0.0	2.5	0	1.0	0					0	0.00%
Existing Housing - High	291	DU	24.3	1.5	437	1.0	437					437	1.52%
New - Low Density (4/ac)	500	DU	125.0	3.0	1,500	1.0	1,500					1,500	5.22%
New - Medium Density (6/ac)	3,102	DU	516.3	3.0	9,306	1.0	9,306					9,306	32.36%
New - High Density (8/ac)	2,160	DU	270.0	3.0	6,480	1.0	6,480					6,480	22.53%
New - Attached (10/ac)	200	DU	20.0	2.5	500	1.0	500					500	1.74%
New - Attached (20/ac)	200	DU	10.0	1.5	300	1.0	300					300	1.04%
Subtotal Residential	**7,575**	**DU**	**1,378.6**		**23,089**		**23,089**					**23,089**	**80.28%**
CSUMB Existing Units	1,253	DU	236.0	3.0	3,759	0.0							
CSUMB New Units	2,550	DU	255.0	1.5	3,825	0.0							
POM Annex Housing	1,590	DU	646.4	3.0	4,770	0.0							
TOTAL Residential	**13,368**	**DU**	**2,616.0**		**35,443**		**23,089**					**23,089**	
RETAIL & VISITOR SERVING													
Convenience	141,570	SF	13.0					450	315	0.0			
Neighborhoood	424,710		39.0					450	944	0.0			
Regional/Outlet	500,940	SF	46.0					450	1,113	0.0			
Visitor Serving	1,000	RMS	45.0					1	1,000	0.0			
TOTAL Retail & Visitor Serving			**143.0**						3,372				
LI/BP & OFFICE/R&D													
UC MBEST	1,749,282	SF	143.0					300	5,831	0.5	2,915	2,915	10.14%
LI/BP	1,140,139	SF	166.4					500	2,280	0.5	1,140	1,140	3.96%
Office/R&D	969,210	SF	89.5					300	3,231	0.5	1,615	1,615	5.62%
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	**SF**	**398.9**						11,342		**5,671**	**5,671**	**19.72%**
PLANNED PUBLIC FACILITIES													
Other	190	JOBS	717.2					ASSIGNED	190	0.0			
Military Enclave	1,340	JOBS	490.3					ASSIGNED	1,340	0.0			
CSUMB	1,600	JOBS	51.6					ASSIGNED	1,600	0.0			
Institutional (MPC,GGU,etc.)	240	JOBS	144.9					ASSIGNED	245	0.0			
Public Schools	175	JOBS	123.7					ASSIGNED	150	0.0			
TOTAL Public Facilities	**3,130**	**JOBS**	**1,527.7**						3,525				
OPEN SPACE & RECREATION													
Habitat Protection	121,000	SF	17,215.3					ASSIGNED	15	0.0			
New Golf Courses	70	JOBS	333.7					ASSIGNED	70	0.0			
State Parks	20	JOBS	932.8					ASSIGNED	20	0.0			
Equestrian Centers	20	JOBS	50.0					ASSIGNED	30	0.0			
Parks & Greens	60	JOBS	370.9					ASSIGNED	60	0.0			
TOTAL OS & Recreation			**18,902.6**						195				
TOTALS			**23,488.2**		35,443		**23,089**		18,434		**5,671**	**28,760**	**100.00%**

1 PPH = PERSONS PER HOUSEHOLD

AMA = FIGURES FROM ANGUS MCDONALD & ASSOCIATES

EDAW = FIGURES FROM EDAW, INC.

SKMG = FIGURES FROM SEDWAY KOTIN MOUCHLY GROUP

NOTE: NO CAPITAL FACILITIES ARE ASSOCIATED WITH THIS SERVICE AND THEREFORE NO COST RELATED INFORMATION WILL BE FOUND IN SET 3.

Source: AMA

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS

HUMAN SERVICES FACILITIES (Criminal Justice, Health Services, etc.)

PHASE I - 2015

35137.75

HUMAN SERVICES FACS AREA BY USE	BASIS OF DEMAND		BASIS OF HUMAN SRV. DEMAND (NET DEV. AC)	RESIDENTIAL SKMG/ *AMA* PPH *1*	POPULATION	*AMA* DEMAND FACTOR	POPUL. SERVED	BLDG SF PER EMP FACTOR	EMPLOYMENT *EDAW* JOBS	*AMA* DEMAND FACTOR	POPUL. SERVED	TOTAL POPUL. SERVED	% OF DEMAND
RESIDENTIAL													
Existing Housing - Low	1,522	DU	413.0	3.0	4,566	1.0	4,566					4,566	14.89%
Existing Housing - Med	0	DU	0.0	2.5	0	1.0	0					0	0.00%
Existing Housing - High	291	DU	24.3	1.5	437	1.0	437					437	1.42%
New - Low Density (4/ac)	500	DU	125.0	3.0	1,500	1.0	1,500					1,500	4.89%
New - Medium Density (6/ac)	3,102	DU	516.3	3.0	9,306	1.0	9,306					9,306	30.34%
New - High Density (8/ac)	2,160	DU	270.0	3.0	6,480	1.0	6,480					6,480	21.13%
New - Attached (10/ac)	200	DU	20.0	2.5	500	1.0	500					500	1.63%
New - Attached (20/ac)	200	DU	10.0	1.5	300	1.0	300					300	0.98%
Subtotal Residential	**7,376**	**DU**	**1,378.6**		23,089		**23,089**					**23,089**	**75.27%**
CSUMB Existing Units	1,253	DU	236.0	3.0	3,759	1.0	3,759					3,759	12.26%
CSUMB New Units	2,550	DU	255.0	1.5	3,825	1.0	3,825					3,825	12.47%
POM Annex Housing	1,590	DU	646.4	3.0	4,770	0.0	0					0	0.00%
TOTAL Residential	**13,368**	**DU**	**2,616.0**		35,443		**30,673**					**30,673**	**100.00%**
RETAIL & VISITOR SERVING													
Convenience	141,570	SF	13.0					450	315	0.0			
Neighborhoood	424,710	SF	39.0					450	944	0.0			
Regional/Outlet	500,940	SF	46.0					450	1,113	0.0			
Visitor Serving	1,000	RMS	45.0					1	1,000	0.0			
TOTAL Retail & Vistor Serving			**143.0**						3,372				
LI/BP & OFFICE/R&D													
UC MBEST	1,749,282	SF	143.0					300	5,831	0.0			
LI/BP	1,140,139	SF	166.4					500	2,280	0.0			
Office/R&D	969,210	SF	89.5					300	3,231	0.0			
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	**SF**	**398.9**						11,342				
PLANNED PUBLIC FACILITIES													
Other	190	JOBS	717.2					ASSIGNED	190	0.0			
Military Enclave	1,340	JOBS	490.3					ASSIGNED	1,340	0.0			
CSUMB	1,600	JOBS	51.6					ASSIGNED	1,600	0.0			
Institutional (MPC,GGU,etc.)	240	JOBS	144.9					ASSIGNED	240	0.0			
Public Schools	175	JOBS	123.7					ASSIGNED	175	0.0			
TOTAL Public Facilities	**3,545**	**JOBS**	**1,527.7**						3,545				
OPEN SPACE & RECREATION													
Habitat Protection	121,000	SF	17,215.3					ASSIGNED	15	0.0			
New Golf Courses	70	JOBS	333.7					ASSIGNED	70	0.0			
State Parks	20	JOBS	932.8					ASSIGNED	20	0.0			
Equestrian Centers	20	JOBS	50.0					ASSIGNED	20	0.0			
Parks & Greens	60	JOBS	370.9					ASSIGNED	60	0.0			
TOTAL OS & Recreation			**18,902.6**						185				
TOTALS			**23,488.2**		35,443		**30,673**		18,444			**30,673**	**100.00%**

1 PPH = PERSONS PER HOUSEHOLD

AMA = FIGURES FROM ANGUS MCDONALD & ASSOCIATES

EDAW = FIGURES FROM EDAW, INC.

SKMG = FIGURES FROM SEDWAY KOTIN MOUCHLY GROUP

NOTE: NO CAPITAL FACILITIES ARE ASSOCIATED WITH THIS SERVICE AND THEREFORE NO COST RELATED INFORMATION WILL BE FOUND IN SET 3.

Source: AMA

05-04 INFRASTRUCTURE COST ANALYSIS

2.4 SET 3

SCHEDULE OF PROBABLE CAPITAL COSTS

Source: REIMER ASSOCIATES

SET 3 - TRANSPORTATION SCREEN

PHASE I - 2015

35,137.81

ESTIMATED COST OF ROAD SYSTEM UPGRADE ALLOCATED TO FORT ORD PROPERTIES	CAPITAL COST (000s)	ESTIMATED COST OF ADDED TRANSPORTATION IMPROVEMENTS ALLOCATED TO FORT ORD PROPERTIES	CAPITAL COST (000s)
STAGE I & II a. INTERIM UPGRADES 26 +/- MILES	1,100 GRANT	MAJOR ARTERIAL ONSITE IMPROVEMENTS	38,930
SAFETY AND REHAB IMPROVEMENT ON STREETS IN CONTINUED USE 26 +/- MILES	5,600	REGIONAL ARTERIAL IMPROVEMENTS OFF-SITE INCLUDING R/W	26,460
INTERIM REHAB OF b. ARTERIALS SCHEDULED FOR REBUILDING	3,080	PARTICIPATION IN HWY 68	52,050
GATEWAY IMPROVEMENTS AT ENTRY POINTS	9,200 LESS 7,360 GRANT	FIXED GUIDEWAY FROM c. STATE HWY 1 THROUGH FORT ORD TO SALINAS INCLUDING R/W	0
		BUS ACQUISITION AND INTERMODAL TRANS. CENTER	8,550
TOTAL COST FOR UPGRADE	**$10,520**	**TOTAL COST FOR NEW IMPROVEMENTS**	**125,990**
CUMULATIVE COST FOR EXISTING SYSTEM UPGRADE PLUS ADDED TRANSPORTATION IMPROVEMENTS			**$136,510**

SEE TABLE PRJ-1 IN SECTION 1.7 FOR PROJECT DESCRIPTIONS

a. GRANT FUNDED PROJECTS NOT INCLUDED IN TOTAL.

b. ESTIMATED AT 15% OF COST OF REBUILDING.

c. BLANCO ROAD ROUTE - POST 2015

NOTE 3: The basis for this % comes from a Dwelling Unit Equivalent (DUE) calculation. Please refer to section 1.6.3 for a detailed discussion. Costs are spread based on a % of Burden which is calculated by spreading costs only to those uses that will be able to contribute and not to "public" type of uses (ie schools).

TRANSPORTATION AREA BY USE	(NOTE 3) % OF DUE BURDEN	ALLOCATED TRANS-PORTATION COSTS	DEVELOP-MENT AREA SERVED	INCRE-MENTAL COST OF TRANSPOR-TATION PER ACRE
RESIDENTIAL				
Existing Housing - Low	6.24%	$8,521,087	413.0	$20,632
Existing Housing - Med	0.00%	$0	0.0	$0
Existing Housing - High	1.04%	$1,417,400	24.3	$58,377
New - Low Density (4/ac)	2.05%	$2,799,306	125.0	$22,394
New - Medium Density (6/ac)	12.72%	$17,367,654	516.3	$33,638
New - High Density (8/ac)	8.86%	$12,093,001	270.0	$44,789
New - Attached (10/ac)	0.71%	$974,158	20.0	$48,708
New - Attached (20/ac)	0.53%	$727,819	10.0	$72,782
Subtotal Residential	**32.16%**	**$43,900,425**	**1,378.6**	
CSUMB Existing		INC. BELOW		
CSUMB New		INC. BELOW		
POM Annex Housing	0.00%	INC. BELOW		
TOTAL Residential	**32.16%**		**1,378.6**	
RETAIL & VISITOR SERVING				
Convenience	1.61%	$2,203,415	13.0	$169,493
Neighborhoood	2.96%	$4,042,237	39.0	$103,647
Regional/Outlet	3.02%	$4,122,716	46.0	$89,708
Visitor Serving	3.20%	$4,366,917	45.0	$97,043
TOTAL Retail & Visitor Serving	**10.79%**	**$14,735,284**	**143.0**	
LI/BP & OFFICE/R&D				
UC MBEST	19.08%	$26,050,849	143.0	$182,174
LI/BP	6.13%	$8,361,989	166.4	$50,261
Office/R&D	10.57%	$14,433,772	89.5	$161,271
TOTAL LI/BP & OFFICE/R&D	**35.78%**	**$48,846,610**	**398.9**	
PLANNED PUBLIC FACILITIES				
Other	0.00%	$0	717.2	$0
Military Enclave	0.00%	$0	1,136.7	$0
CSUMB	18.98%	$25,910,373	542.6	$47,754
Institutional (MPC,GGU,etc.)	1.25%	$1,706,457	144.9	$11,779
Public Schools	0.00%	$0	123.7	$0
TOTAL Public Facilities	**20.23%**	**$27,616,830**	**2,665.1**	
OPEN SPACE & RECREATION				
Habitat Protection	0.00%	$0	17,215.3	$0
New Golf Courses	0.90%	$1,231,695	333.7	$3,691
State Parks	0.00%	$0	932.8	$0
Equestrian Centers	0.13%	$179,156	50.0	$3,583
Parks & Greens	0.00%	$0	370.9	$0
TOTAL OS & Recreation	**1.03%**	**$1,410,850**	**18,902.6**	
TOTALS	**100.00%**	**$136,510,000**	**23,488.2**	

SET 3 - WATER SCREEN

PHASE I - 2015

35,137.77

ESTIMATED COST OF UPGRADE TO MAINTAIN OPERATIONS	CAPITAL COST (000s)	ESTIMATED COST OF ADDED WATER SYSTEM COMPONENTS	CAPITAL COST (000s)
UPGRADE SOURCE AND TREATMENT *a.*	2,920 GRANT		
UPGRADE/REPAIR OF STORAGE TANKS	560	SOURCE/ TREATMENT COST - WELLS *b.* DESALINATION PLANT	NONE
UPGRADE/REPAIR OF PUMPING STATIONS	3,150	STORAGE TANK, BOOSTER PUMPING STATION, & CONNECTION PIPELING COSTS	6,790
		REUSED WATER TRANSMISSION SYSTEM COST *c.*	NONE
UPGRADE/REPAIR OF EXISTING MAJOR PIPELINES	6,470	ADDITIONAL WATER SUPPLY 1,325 AFY DESAL PLANT	8,770
METERING	720	DISTRIBUTION PIPELINE COST	11,740
TOTAL COST FOR UPGRADE *d.*	**$10,900**	**TOTAL COST FOR NEW WATER SYSTEM**	**27,300**
CUMULATIVE COST FOR EXISTING SYSTEM UPGRADE PLUS ADDED WATER SYSTEM COMPONENTS			**$38,200**

SEE TABLE PRJ-2 IN SECTION 1.7 FOR PROJECT DESCRIPTIONS

a. GRANT FUNDED PROJECTS NOT INCLUDED IN TOTAL.
b. USE MCWD WELL FOR DEEP AQUIFER SUPPLY.
c. ANTICIPATES FINANCING BY OTHER PUBLIC AGENCIES.
d. AN ADDITIONAL $4,230,000 IS ALLOCATED TO THE POM ANNEX BASED ON THE 25% SHARE FACTOR IN THE JONES & STOKES REPORT TO THE ARMY.

NOTE 1: Costs are spread based on a % of Burden which is calculated by spreading costs only to those uses that will be able to contribute and not to "public" type of uses (ie schools).

WATER AREA BY USE	(NOTE 1) % OF BURDEN	ALLOCATED WATER COSTS BASED ON % OF WATER DMD	DEVELOP-MENT AREA SERVED	INCREMENTAL COST OF WATER SERVICE PER ACRE
RESIDENTIAL				
Existing Housing - Low	12.89%	$4,924,262	413.0	$11,923
Existing Housing - Med	0.00%	$0	0.0	$0
Existing Housing - High	1.54%	$588,436	24.3	$24,235
New - Low Density (4/ac)	4.23%	$1,617,694	125.0	$12,942
New - Medium Density (6/ac)	19.71%	$7,527,462	516.3	$14,579
New - High Density (8/ac)	13.72%	$5,241,330	270.0	$19,412
New - Attached (10/ac)	1.06%	$404,424	20.0	$20,221
New - Attached (20/ac)	1.06%	$404,424	10.0	$40,442
Subtotal Residential	**54.21%**	**$20,708,031**	**1,378.6**	
CSUMB Existing	0.00%	INC. BELOW		
CSUMB New	0.00%	INC. BELOW		
POM Annex Housing	0.00%	INC. BELOW		
TOTAL Residential	**54.21%**		**1,378.6**	
RETAIL & VISITOR SERVING				
Convenience	0.52%	$200,025	13.0	$15,387
Neighborhoood	1.70%	$648,607	39.0	$16,631
Regional/Outlet	2.04%	$778,166	46.0	$16,933
Visitor Serving	2.82%	$1,075,767	45.0	$23,906
TOTAL Retail & Visitor Serving	**7.07%**	**$2,702,565**	**143.0**	
LI/BP & OFFICE/R&D				
UC MBEST	3.33%	$1,273,412	143.0	$8,905
LI/BP	1.74%	$663,983	166.4	$3,991
Office/R&D	2.15%	$823,140	89.5	$9,197
TOTAL LI/BP & OFFICE/R&D	**7.23%**	**$2,760,535**	**398.9**	
PLANNED PUBLIC FACILITIES				
Other	0.00%	$0	717.2	$0
Military Enclave	ASSIGNED	< $4,230,000>	1,136.7	$3,721
CSUMB	22.59%	$8,628,377	542.6	$15,902
Institutional (MPC,GGU,etc.)	7.42%	$2,834,299	144.9	$19,564
Public Schools	0.00%	$0	123.7	$0
TOTAL Public Facilities	**30.01%**	**$11,462,676**	**2,665.1**	
OPEN SPACE & RECREATION				
Habitat Protection	0.00%	$0	17,215.3	$0
New Golf Courses	0.21%	$80,885	333.7	$242
State Parks	0.00%	$0	932.8	$0
Equestrian Centers	1.27%	$485,308	50.0	$9,706
Parks & Greens	0.00%	$0	370.9	$0
TOTAL OS & Recreation	**1.48%**	**$566,193**	**18,902.6**	
TOTALS	**100.00%**	**$38,200,000**	**23,488.2**	

SET 3 - WASTEWATER SCREEN

PHASE I - 2015

35,137.77

ESTIMATED COST OF UPGRADE TO MAINTAIN OPERATIONS	CAPITAL COST (000s)	ESTIMATED COST OF ADDED WASTEWATER SYSTEM COMPONENTS	CAPITAL COST (000s)
UPGRADE/REPAIR OF PUMPS AND LIFT STATIONS *a.*	1,330 GRANT	BUY-IN TO MRWPCA *c.*	7,700
CLEAN/TELEVISE AND REPALACE DETERIOATED PORTIONS OF TRUNK SEWERS AND FORCE MAINS	GRANT CORPS CONTRACT	REPLACE OBSOLETE SECTIONS *b.*	1,800
DIVIDE COLLECTION SYSTEM, BYPASS GIGLING PUMP STATION, AND UPGRADE ORD VILLAGE PUMP STATION		SYSTEM TO SERVE SW AREA *d.*	NONE
		LIFT STATION INTERCEPTORS AND FORCE MAINS *c.*	1,130
TOTAL COST FOR UPGRADE	*GRANT & ARMY FUNDED*	TOTAL COST FOR NEW FACILITIES	10,630
COST FOR EXISTING SYSTEM UPGRADE PLUS ADDED WASTEWATER SYSTEM COMPONENTS			$10,630

SEE TABLE PRJ-3 IN SECTION 1.7 FOR PROJECT DESCRIPTIONS

a. GRANT FUNDED PROJECTS NOT INCLUDED IN TOTAL.

b. BASED ON JONES & STOKES REPORT TO THE ARMY ON UPGRADE COSTS

c. BUY-IN COSTS ARE CALCULATED ON THE BASIS OF $10 PER GALLON PER DAY. THE ASSUMPTION IS MADE THAT THE CURRENT ARMY CAPACITY IN THE REGION TREATMENT PLAN (3.3 MGD - POM ANNEX FLOW) WILL BE AVAILABLE TO SERVE THE REUSE AREA WITHOUT CHARGE.

d. LOW INITIAL FLOWS CAN BE ACCOMMODATED IN EXISTING SYSTEM. UPSIZING REQUIRED POST 2015.

NOTE 1: Costs are spread based on a % of Burden which is calculated by spreading costs only to those uses that will be able to contribute and not to "public" type of uses (ie schools).

WASTEWATER AREA BY USE	(NOTE 1) % OF BURDEN	ALLOCATED WASTEWATER COSTS BASED ON % OF DMD	DEVELOP-MENT AREA SERVED	INCREMENTAL COST OF WASTE-WATER SERVICE PER ACRE
RESIDENTIAL				
Existing Housing - Low	10.16%	$1,080,257	413.0	$2,616
Existing Housing - Med	0.00%	$0	0.0	$0
Existing Housing - High	1.30%	$137,894	24.3	$5,671
New - Low Density (4/ac)	3.34%	$354,881	125.0	$2,839
New - Medium Density (6/ac)	17.26%	$1,834,814	516.3	$3,554
New - High Density (8/ac)	12.02%	$1,277,571	270.0	$4,732
New - Attached (10/ac)	0.89%	$94,635	20.0	$4,732
New - Attached (20/ac)	0.89%	$94,635	10.0	$9,463
Subtotal Residential	**45.86%**	**$4,874,487**	**1,378.6**	
CSUMB Existing	0.00%	INC. BELOW		
CSUMB New	0.00%	INC. BELOW		
POM Annex Housing	0.00%	INC. BELOW		
TOTAL Residential	**45.86%**		**1,378.6**	
RETAIL & VISITOR SERVING				
Convenience	0.59%	$63,230	13.0	$4,864
Neighborhoood	1.93%	$205,030	39.0	$5,257
Regional/Outlet	2.31%	$245,985	46.0	$5,353
Visitor Serving	3.39%	$360,062	45.0	$8,001
TOTAL Retail & Visitor Serving	**8.22%**	**$874,306**	**143.0**	
LI/BP & OFFICE/R&D				
UC MBEST	4.01%	$426,214	143.0	$2,981
LI/BP	2.09%	$222,237	166.4	$1,336
Office/R&D	2.59%	$275,507	89.5	$3,078
TOTAL LI/BP & OFFICE/R&D	**8.69%**	**$923,959**	**398.9**	
PLANNED PUBLIC FACILITIES				
Other	0.00%	$0	717.2	$0
Military Enclave	ASSIGNED	< $366,000>	1,136.7	$322
CSUMB	27.17%	$2,887,941	542.6	$5,323
Institutional (MPC,GGU,etc.)	8.92%	$948,648	144.9	$6,548
Public Schools	0.00%	$0	123.7	$0
TOTAL Public Facilities	**36.09%**	**$3,836,589**	**2,665.1**	
OPEN SPACE & RECREATION				
Habitat Protection	0.00%	$0	17,215.3	$0
New Golf Courses	0.29%	$30,418	333.7	$91
State Parks	0.00%	$0	932.8	$0
Equestrian Centers	0.85%	$90,241	50.0	$1,805
Parks & Greens	0.00%	$0	370.9	$0
TOTAL OS & Recreation	**1.14%**	**$120,659**	**18,902.6**	
TOTALS	**100.00%**	**$10,630,000**	**23,488.2**	

SET 3 - HABITAT MANAGEMENT SCREEN

PHASE I - 2015

35,137.61

ESTIMATED COST OF MANAGEMENT PLANS	CAPITAL COST (000s)	ESTIMATED COST OF RESTORATION	CAPITAL COST (000s)
FIRE RESTORATION AND MANAGEMENT PLAN	20	ROAD RESTORATION AND REVEGETATION	189
		LIMITED FENCING, SIGNS AND GATES	450
		MISCELLANEOUS	9
TOTAL COST FOR MANAGEMENT PLANS	20	TOTAL COST FOR RESTORATION	648
CUMULATIVE COST FOR HABITAT MANAGEMENT			$668

SEE TABLE PRJ-6 IN SECTION 1.7 FOR PROJECT DESCRIPTIONS

NOTE 2: Habitat Management Costs are spread only to residential uses.

HABITAT MANAGEMENT AREA BY USE	NOTE 2 % OF BURDEN	ALLOCATED HABITAT COSTS BASED ON % OF DMD	NET DEVELOP-MENT AREA SERVED	INCREMENTAL COST OF HABITAT SERVICE PER ACRE
RESIDENTIAL				
Existing Housing - Low	14.69%	$99,439	413.0	$241
Existing Housing - Med	0.00%	$0	0.0	$0
Existing Housing - High	1.42%	$9,506	24.3	$392
New - Low Density (4/ac)	4.89%	$32,667	125.0	$261
New - Medium Density (6/ac)	30.34%	$202,677	516.3	$393
New - High Density (8/ac)	21.13%	$141,123	270.0	$523
New - Attached (10/ac)	1.63%	$10,889	20.0	$544
New - Attached (20/ac)	0.98%	$6,533	10.0	$653
Subtotal Residential	**75.27%**	**$502,834**	**1,378.6**	
CSUMB Existing	12.26%	$81,864	236.0	$347
CSUMB New	12.47%	$83,302	255.0	$327
POM Annex Housing	0.00%	$0	646.4	$0
TOTAL Residential	**100.00%**	**$668,000**	**2,516.0**	
RETAIL & VISITOR SERVING				
Convenience		$0	13.0	$0
Neighborhoood		$0	39.0	$0
Regional/Outlet		$0	46.0	$0
Visitor Serving		$0	45.0	$0
TOTAL Retail & Visitor Serving		**$0**	**143.0**	
LI/BP & OFFICE/R&D				
UC MBEST		$0	143.0	$0
LI/BP		$0	166.4	$0
Office/R&D		$0	89.5	$0
TOTAL LI/BP & OFFICE/R&D		**$0**	**398.9**	
PLANNED PUBLIC FACILITIES				
Other		$0	717.2	$0
Military Enclave		$0	490.3	$0
CSUMB		$0	51.6	$0
Institutional (MPC,GGU,etc.)		$0	144.9	$0
Public Schools		$0	123.7	$0
TOTAL Public Facilities		**$0**	**1,527.7**	
OPEN SPACE & RECREATION				
Habitat Protection		$0	17,215.3	$0
New Golf Courses		$0	333.7	$0
State Parks		$0	0.0	#DIV/0!
Equestrian Centers		$0	50.0	$0
Parks & Greens		$0	0.0	$0
TOTAL OS & Recreation		**$0**	**17,599.0**	
TOTALS	**100.00%**	**$668,000**	**22,184.5**	

SET 2 - LAND USE INVENTORY AND DEMAND FORECASTS

FIRE PROTECTION

PHASE I - 2015

SET 3

FIRE PROTECTION SCREEN

35,137.81

FIRE PROTECTION AREA BY USE	BASIS OF DEMAND		BASIS OF FIRE DEMAND (NET DEV. AC)	*AMA* DEMAND FACTOR		ACRES SERVED	% OF DEMAND	*(NOTE 1)* % OF BURDEN	ALLOCATED COST OF ONE FIRE STATION @ $1,110,000	INCREMENTAL COST OF FIRE STATION BY AC.
RESIDENTIAL										
Existing Housing - Low	1,522	DU	413.0	1.0		413.0	11.82%	18.10%	$200,879	$486
Existing Housing - Med	0	DU	0.0	1.0		0.0	0.00%	0.00%	$0	$0
Existing Housing - High	291	DU	24.3	1.0		24.3	0.69%	1.06%	$11,810	$486
New - Low Density (4/ac)	500	DU	125.0	1.0		125.0	3.58%	5.48%	$60,799	$486
New - Medium Density (6/ac)	3,102	DU	516.3	1.0		516.3	14.78%	22.62%	$251,128	$486
New - High Density (8/ac)	2,160	DU	270.0	1.0		270.0	7.73%	11.83%	$131,325	$486
New - Attached (10/ac)	200	DU	20.0	1.0		20.0	0.57%	0.88%	$9,728	$486
New - Attached (20/ac)	200	DU	10.0	1.0		10.0	0.29%	0.44%	$4,864	$486
Subtotal Residential	**7,975**	**DU**	**1,378.6**			**1,378.6**	**39.46%**	**60.41%**	**$670,532**	
CSUMB Existing Units	1,253	DU	236.0	0.0		0.0	0.00%	0.00%	$0	$0
CSUMB New Units	2,550	DU	255.0	0.0		0.0	0.00%	0.00%	$0	$0
POM Annex Housing	1,590	DU	646.4	0.0		0.0	0.00%	0.00%	$0	$0
TOTAL Residential	**13,368**	**DU**	**2,516.0**							
RETAIL & VISITOR SERVING										
Convenience	141,570	SF	13.0	1.0		13.0	0.37%	0.57%	$6,323	$486
Neighborhoood	424,710		39.0	1.0		39.0	1.12%	1.71%	$18,969	$486
Regional/Outlet	500,940	SF	46.0	1.0		46.0	1.32%	2.01%	$22,353	$486
Visitor Serving	1,000	RMS	45.0	1.0		45.0	1.29%	1.97%	$21,888	$486
TOTAL Retail & Visitor Serving	**1,067,220**	**SF**	**143.0**			**143.0**	**4.09%**	**6.26%**	**$69,533**	
LI/BP & OFFICE/R&D										
UC MBEST	1,749,282	SF	143.0	1.0		143.0	4.09%	6.27%	$69,554	$486
LI/BP	1,140,139	SF	166.4	1.0		166.4	4.76%	7.29%	$80,921	$486
Office/R&D	969,210	SF	89.5	1.0		89.5	2.56%	3.92%	$43,532	$486
TOTAL LI/BP & OFFICE/R&D	**3,858,632**	**SF**	**398.9**			**398.9**	**11.42%**	**17.48%**	**$194,006**	
PLANNED PUBLIC FACILITIES										
Other	180	JOBS	717.2	1.0		717.2	20.53%	0.00%	$0	$0
Military Enclave	1,340	JOBS	490.3	0.0		0.0	0.00%	0.00%	$0	$0
CSUMB	1,600	JOBS	51.6	0.0		0.0	0.00%	0.00%	$0	$0
Institutional (MPC,GGU,etc.)	240	JOBS	144.9	1.0		144.9	4.15%	6.35%	$70,463	$486
Public Schools	175	JOBS	123.7	1.0		123.7	3.54%	0.00%	$0	$0
TOTAL Public Facilities	**3,130**	**JOBS**	**1,527.7**			**985.8**	**28.21%**	**6.35%**	**$70,463**	
OPEN SPACE & RECREATION										
Habitat Protection	121,000	SF	17,215.3	0.0	*1*	0.0	0.00%	0.00%	$0	
New Golf Courses	70	JOBS	333.7	0.5	*2*	166.8	4.77%	7.31%	$81,147	$486
State Parks	20	JOBS	932.8	0.0		0.0	0.00%	0.00%	$0	
Equestrian Centers	20	JOBS	50.0	1.0		50.0	1.43%	2.19%	$24,319	$486
Parks & Greens	60	JOBS	370.9	1.0		370.9	10.61%	0.00%	$0	$0
TOTAL OS & Recreation			**18,902.6**			**587.7**	**16.82%**	**9.50%**	**$105,466**	
TOTALS			**23,488.2**			**3,493.9**	**100.00%**	**100.00%**	**$1,110,000**	

1 THE BURDEN OF FIRE PROTECTION IN THE HABITAT AREA IS SPREAD BACK TO RESIDENTIAL, COMMERCIAL, ETC.

2 SUBJECT TO REVISION AFTER DISCUSSION WITH FIRE OFFICALS

AMA = FIGURES FROM ANGUS MCDONALD & ASSOCIATES

NOTE 1 Costs are spread based on a % of Burden which is calculated by spreading costs only to those uses that will be able to contribute and not to "public" type of uses (ie schools).

SET 3 - SUMMARY COST SCREEN FOR ALL CAPITAL IMPROVEMENTS

PHASE I - 2015

35,137.80

ALL SYSTEMS AREA BY USE	CAPITAL COST PER NET DEVELOPMENT ACRE TRANS-PORTATION	WATER	WASTE-WATER	HABITAT	FIRE	INTRACT DEVEL. *1* COST PER ACRE inc. DRAINAGE BENEFIT FEE AS APPLICABLE	TOTAL BURDEN OF DEVELOPMENT COSTS PER ACRE
RESIDENTIAL							
Existing Housing - Low	$20,632	$11,923	$2,616	$241	$486	VARIES WITH UPGRADE	$35,898
Existing Housing - Med	$0	$0	$0	$0	$0		$0
Existing Housing - High	$58,377	$24,235	$5,671	$392	$486		$89,162
New - Low Density (4/ac)	$22,394	$12,942	$2,839	$261	$486	$80,000	$118,923
New - Medium Density (6/ac)	$33,638	$14,579	$3,554	$393	$486	$105,000	$157,650
New - High Density (8/ac)	$44,789	$19,412	$4,732	$523	$486	$105,000	$174,942
New - Attached (10/ac)	$48,708	$20,221	$4,732	$544	$486	$106,750 *2*	$181,442
New - Attached (20/ac)	$72,782	$40,442	$9,463	$653	$486	$105,000	$228,828
Subtotal Residential							
CSUMB Existing	INCLUDED BELOW						
CSUMB New	INCLUDED BELOW						
POM Annex Housing	INCLUDED BELOW						
TOTAL Residential							
RETAIL & VISITOR SERVING							
Convenience	$169,493	$15,387	$4,864	$0	$486	$75,000	$265,230
Neighborhoood	$103,647	$16,631	$5,257	$0	$486	$75,000	$201,022
Regional/Outlet	$89,708	$16,933	$5,353	$0	$486	$76,500 *2*	$188,980
Visitor Serving	$97,043	$23,906	$8,001	$0	$486	$75,000	$204,436
TOTAL Retail & Visitor Serving							
LI/BP & OFFICE/R&D							
UC MBEST	$182,174	$8,905	$2,981	$0	$486	$69,000	$263,546
LI/BP	$50,261	$3,991	$1,336	$0	$486	$61,500	$117,575
Office/R&D	$161,271	$9,197	$3,078	$0	$486	$70,500 *2*	$244,533
TOTAL LI/BP & OFFICE/R&D							
PLANNED PUBLIC FACILITIES							
Other	$0	$0	$0	$0	$0		$0
Military Enclave	$0	$3,721	$322	$0	$0		$4,043
CSUMB	$47,754	$15,902	$5,323	$674	$0	$1750/AC ON 537 AC. *2*	$71,403
Institutional (MPC,GGU,etc.) #	$11,779	$19,564	$6,548	$0	$486	$3,500 *3*	$41,878
Public Schools #	$0	$0	$0	$0	$0	#N/A	$0
TOTAL Public Facilities							
OPEN SPACE & RECREATION							
Habitat Protection	$0	$0	$0	$0	$0	#N/A	$0
New Golf Courses #	$3,691	$242	$91	$0	$486	$3,500 *3*	$8,011
State Parks #	$0	$0	$0	$0	$0	#N/A	$0
Equestrian Centers	$3,583	$9,706	$1,805	$0	$486		$15,580
Parks & Greens	$0	$0	$0	$0	$0	#N/A	$0
TOTAL OS & Recreation							

1. BASED ON REIMER ASSOCIATES EXPERIENCE + 15% CONTINGENCY
2. INCLUDES DRAINAGE BENEFIT ASSESSMENT WHICH IS CALCULATED AS SHOWN IN TABLE PRJ-6
3. BASED ON 36 HOLES @ $30,000/HOLE

PFIP 3. Operational Conditions and Capital Improvement Projects (CIP) Budget

3.1 BASIS FOR THIS CHAPTER

This chapter has been prepared as part of the Operation Plan Component of the Fort Ord Base Reuse Plan. The information presented here is based upon current base reuse planning efforts by the EDAW/EMC Team and draws from assumptions, strategies and findings as prepared by this Team. The foundation for the analysis contained in the Operation Plan is EDAW's November 2, 1995, land use/employment/residential forecasts, which were revised/updated on November 14, 1995 and on December 4, 1995.

As is apparent, no capital improvement costs are included for electrical, gas or communication systems. It is assumed that transfer of these facilities will take the form of negotiated sales between the Army and qualified private utilities. Therefore systems upgrade and expansion costs are expected to be included in the rate structure of those utilities.

The work related to the infrastructure systems draws from the original work completed by Reimer Associates in the Fort Ord Reuse Infrastructure Study (FORIS) Master Plan Report. In addition, the information developed by Reimer Associates for the Defense Conversion Action Grant Application has been taken into account in the selection of projects. The transportation project selection and allocation of costs was based upon JHK's rerun of the TAMC model and reflects the 2015 land use forecasts presented to FORA by EDAW/EMC.

Additional background and input for this report comes from conversations and interviews with Monterey County, the Cities of Seaside and Marina and other appropriate local and regional agencies.

3.2 THRESHOLDS

As a corollary to Fort Ord reuse activity phasing which has emerged from the land use planning considerations of the FORA Working Group, the Administrative Committee and the EDAW/EMC Planning Team, there are other constraining factors which influence infrastructure phasing and capital improvement budgeting. These factors are properly seen as "thresholds" which must be anticipated and then crossed by means of engineering plans, regulatory approvals and/or financing capabilities. The primary threshold which must be anticipated in the reuse of Fort Ord is that of potable water supply. The reader of this report will find much discussion of the water supply situation in Section 4.1 - Water System of the FORIS Master Plan Report and in Section 3.5.6 which follows. By reason of an Army agreement with the Monterey County Water Resources Agency, a potable water supply of 6,600 acre feet per year is assured from well water source until a replacement supply is made available by the Monterey County Resources Agency.

This supply is obtained from the Salinas Ground Water Basin. In addition, 425 acre feet per year is currently drawn from the Seaside Ground Water Basin for golf course irrigation. When a reclaimed water distribution system is constructed to deliver treated wastewater to the Fort Ord golf courses for irrigation purposes, the 425 acre feet of well water could then be considered as an additional potable water source. The total of 7,000+ acre feet per year constitutes the upper limit of potable water supply on which reuse activities, including the residual Presidio of Monterey Annex, can depend.

Thus, the available potable water, while a significant quantity, is a limit which will constrain ultimate development until investment in and regulatory permission to import reclaimed water via a constructed delivery system is obtained and until approval of and investment in a new water source (now seen as desalination facilities) has been committed. On the other hand, due to salt water intrusion into the Salinas ground water basin, adjudication may result in reducing the available water supply from well sources thus restricting the extent of initial development accordingly.

The projection of water demand for the EDAW/EMC 2015 Reuse Plan can be found in Chapter PFIP 2, specifically on FORA 05-04 page PFIP 2-7. Interestingly, those water demand projects show that the 6,600 afy supply of potable water will serve the "drinking water" requirements of the 2015 plan with a 13% reserve if water conservation measures are implemented.

Other of the infrastructure systems do not have the same absolute constraint as is imposed by potable water supply. However, there are several other thresholds which reuse activity at Fort Ord will face and, with financial resources and response time, will pass over on the way to buildout of the Base Reuse Plan.

After water, the next universal constraint will be the ability to finance the capital cost and then to meet the annualized cost of operations for the whole array of infrastructure and public services required to support the Reuse Plan. The FORA 05-04 cost analysis in Chapter PFIP 2 provides a basis for exploring the balance between created land values - thus demand for services - and capital costs for improvements to meet that demand. FORA concern as to the annual cost of providing a full range of public services is evident from the scope of work for the in-progress Operations Plan. Financing plans for capital improvement projects and public service cost are the essential products of the Operations Plan and the annualized monetary thresholds of individual utility and transportation systems are reported in Section 3.4, Capital Improvement Projects (CIP) Budgets which follows.

Another type of threshold is evident in the planned expansion of the wastewater collection system. In this case, the threshold is essentially topographic. When reuse activities extend eastward of 8th Avenue, new wastewater collection systems are required. Development in the Airfield Area, East Garrison and in the mid-base area south of Inter-Garrison Road to Eucalyptus Road falls into this category. FORIS assigns wastewater flows west of the 8th Avenue line to the current system of gravity sewers, lift stations, force mains and pump stations which now serve Fort Ord's Main Garrison. Reuse activity through 2015 is expected to generate wastewater flows of 4.07 mgd at

buildout which is in excess of the 3.3 mgd treatment capacity that the Army now owns in the regional treatment plant. These flows are tributary to the Monterey Regional Water Pollution Control Agency (MRWPCA) regional interceptor sewer via the existing Fort Ord pump station. The current 3.3 mgd capacity of this sewerage system will therefore have to be expanded in all of its various sectors including treatment capacity purchase in the regional plant. However, 3.3 million gallons per day (mgd) of existing wastewater collection and treatment capacity offers the clear advantage of supporting the first major increment of planned reuse.

On the other side of the 8th Avenue topographic threshold, however, sewerage system planning is different and several options deserve attention. The minor wastewater disposal capacity available via the Fritzche Airfield outfall to the Salinas interceptor sewer (.020 mgd) and at the "condemned" East Garrison plant are totally inadequate to serve the planned reuse. When the topographic parameters of the reuse area east of 8th Avenue are used to define a wastewater collection system, it is found that all routes lead to the low point in the southeast quadrant of the Reservation Road/Imjin Road intersection. A new wastewater pumping station is required at that point and is scheduled for construction in 1996-97 by means of FORA'S Defense Conversion Action Grant.

3.3 OPERATIONAL CONDITIONS SUMMARY

The reuse of Fort Ord is substantially enhanced by the operating utilities and driveable roadway system which exist under Army ownership of the base. As discussed above, The Army's historic claim to well water pumpage rights - substantiated by buy-in to Monterey County Water Resources Agency Zone 2-2a - and to previously purchased wastewater treatment capacity in MRWPCA's regional plant are important basic assets for reuse. This capacity and the working infrastructure allows economic recovery activities to begin immediately. There is, however, the mixed blessing of inheriting both the strengths and weaknesses of the existing infrastructure.

FORIS originally focused on the usability of the existing systems and on the cost of upgrading those systems so that they become the heart of the expanded network of streets and utilities which is designed to serve the array of proposed land use in the 12/12/94 Initial Base Reuse Plan. Although there are important modifications to the Initial Base Reuse Plan to be found in the EDAW/EMC reuse plan, the geographic footprint of development has remained essentially unchanged. As the result, adaptation of the FORIS infrastructure concept plans to the EDAW/EMC land use configuration has been in the form of downsizing - where intensity of use has been reduced - or in advancing the points in time when capacity expansion is required. As a total comparison however, the reduced cost reflected in the 05-04 analysis (Chapter PFIP 2) is primarily due to the elimination of energy supply and reused water distribution system costs which are now assigned to other agencies.

As taken from the FORIS Report, operational conditions of the existing infrastructure are summarized as follows:

Roadways: The extensive base roadway system has been remarkably well preserved and the Army utilizes an established pavement management system to schedule repairs. Roadway sections, particularly in residential areas, do not meet municipal dimensions. Safety standards for visibility and vertical geometry are not current. One immediate concern is how to restrict travel on the road system. There are simply more roads than reuse will require and the associated policing, maintenance or fire prevention costs need to be avoided where possible.

Potable Water System: The existing water supply system was found to have both operational as well as conditional deficiencies. Approximately half of the existing storage reservoirs and pumping stations require significant repairs while roughly 25% of the existing water transmission pipelines are estimated to need replacement due to localized conditions. Of equal importance is the necessity to redrill existing wells to insure productive life and also to meet current public health standards. At the same time, water treatment facilities should be installed in proximity to the well heads so that delivery of potable supply can occur from any portion of the system rather than necessitating transfer of all water supply to the existing water treatment facility and then redistribution throughout the reuse area. Installation of individual water meters at approximately 4,000 locations will also be necessary as a basis for revenue collection and also as a means of achieving water conservation goals.

Wastewater Collection System: As the result of deferred maintenance, the existing sewerage system on Fort Ord requires repairs and standby power provision at all of the on-base pump stations and the estimated replacement of 20% of the trunk sewers or force mains. However, the flow capacities in the existing system are adequate for planned reuse and the Army's past policy of purchasing treatment capacity in the regional wastewater reclamation plant has already resulted in the abandonment of on-site sewage treatment facilities except for an antiquated but functioning primary plant at East Garrison scheduled for abandonment. In addition, the Army has contracted for a TV survey and repair of distressed sections for the entire gravity sewer system which is now in operation on Fort Ord. This program is scheduled for the 94/95 fiscal year.

Drainage: The four existing gravity flow pipe systems which convey storm water from the existing cantonment area to the ocean are performing well and are in good condition. However, the outfall structures which extend from the beach to discharge beyond the surf line are subject to both structural aging due to wave action and technical obsolescence under the best management practices guidelines which are part of storm water discharge regulations due in 1996. The Fort Ord drainage system is therefore obsolete in terms of discharge concept. The modifications required will be that of truncating the outfall pipelines just to the west of Highway 1 and allowing the storm water to flow through re-contoured wetlands toward the ocean - fronting dunes. This configuration basically reestablishes any wetland habitat which predates firing range construction by the Army and allows concentration and potential diversion of storm water flows for reuse.

It must be noted that the ongoing programs for infrastructure maintenance as well as the experienced personnel of the Army's Directorate of Housing and Engineering who were responsible for operations and maintenance of all on-base infrastructure have essentially disappeared. This loss of program, funding and people are dramatic casualties of the closure of Fort Ord. Currently minimal maintenance functions are carried out by the local Navy Public Works Center which primarily supports the Navy Post Graduate School in Monterey. However, this function is probably best described as a response to failures rather than as a preventive maintenance program.

Municipalities and the County of Monterey are exploring the terms under which these local agencies could take over infrastructure maintenance on Fort Ord. This is an important step to be encouraged as a cost-effective response to an on-going Army problem and as the best means of building the systems familiarity so important to efficient and sustained infrastructure operation.

3.4 CAPITAL IMPROVEMENT PROJECT BUDGET

The tables which follow display the time-phased funding levels for infrastructure upgrading and expansion. Each public service system requiring capital improvements has been identified in Section 1.7, Public Improvement Project Listing which was made available to all FORA Agencies on January 11, 1996. The CIP budgets which follow are segregated by system and reflect the scheduling sequence anticipated in the scope of work; namely:

- Each year for the first 5 years (1996-2000)
- Every two years for the next 6 years (2001-2006)
- Over the next 4 years (2007-2010)
- Over the next 5 years (2011-2015)

The capital costs assigned to each public improvement project are based upon concept plans at a scale of 1":1000'. Costs are preliminary and present the conceptual nature of infrastructure planning to date. Costs do not include demolition, except as noted, hazardous waste or munitions clean up, environmental mitigation, or right-of-way within Fort Ord, agency fees, financing costs or on-going operations and maintenance. The schedule is based on route information available as of November 1995. The EDAW/EMC team members assume no liability for changes in quantities or prices due to unforeseen or subsequent conditions or for changes directed by controlling agencies. The costs presented are those expected at mid-year 1995 and no future cost escalation is included. They include 15% Contingency and 20% for engineering, administration, surveying, soils investigations and construction management.

In normal municipal public works practice, capital improvement budgets are prepared on an annual basis to a five year horizon. These are "rolling" budgets for which a new fifth year capital cost projection is added yearly. As the reader will find, in this report, an annualized five year budget has been created followed by probable capital costs for two year periods over the next six

years, and then by consolidated budgets for subsequent four and five year periods. This variation from 1 to 5 year budget increments reflects the imprecise nature of 20 year projections.

Table PFIP 3-1

Capital Improvement Projects (CIP) Budget - Transportation

PRJ-# = PROJECT IDENTIFICATION NUMBERS FROM PROJECT SELECTION TABLES

35,202.64

	TRANSPORTATION PROJECTS									
	PROJECT DESCRIPTION	CIP BUDGET	FUNDING PERIODS							
PRJ-#	(FUNDING SOURCE)		1996	2000	2001	2006	2007	2010	2011	2015
T-1	HWY 86	TOTAL COST	96		01		07		11	
	CONSTRUCT 4-LANE	$177,000,000	97		02					
	BYPASS FREEWAY	FORT ORD COST	98		03					$18,050,000
		$18,050,000	99		04		12			
			00		05				15	
					06					
T-2r	HWY I56	TOTAL COST	96		01		07		11	
	WIDEN TO 4-LANE	$50,000,000	97		02			$34,000,000		
	EXPRESSWAY	FORT ORD COST	98		03					
		$34,000,000	99		04		12			
			00		05				15	
					06					
T-3	BUS ACQUISITION	TOTAL COST	96		01		07		11	
	PURCHASE OF	$4,950,000	97	$330,000	02	$660,000				
	15 BUSES	FORT ORD COST	98	$330,000	03					$1,650,000
		$4,950,000	99	$330,000	04	$660,000	12			
			00	$660,000	05				15	
YEARS.					06	$330,000				
STUDY.	DAVIS RD	TOTAL COST	96		01		07		11	
IP 3-10)	4-LANE BRIDGE	$5,000,000	97		02			$2,030,000		
		FORT ORD COST	98		03					
		$2,030,000	99		04		12			
			00		05				15	
					06					
	BLANCO RD		96		01		07		11	
T-5.1	RESERVATION-SALINAS	TOTAL COST	97	$170,000	02					
	WIDEN FROM 2 TO	$1,440,000	98	$570,000	03					
	4-LANES	FORT ORD COST	99		04		12			
		$740,000	00		05				15	
					06					

TRANSPORTATION PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS 1995	2000	2005	2006	2010	2011	2015
T-5.2	COOPER-ALISAL RDS	TOTAL COST	96		01			11	
	WIDEN FROM 2 TO	$10,930,000	97		02	$4,400,000			
	4-LANES	FORT ORD COST	98		03				
	ROAD, BRIDGE, ROW	$5,600,000	99		04		10		
			00	$1,200,000	05			15	
					06				
T-6	RESERVATION RD	TOTAL COST	96		01		07	11	
	WIDEN FROM 4 TO	$4,010,000	97		02				
	6-LANES WITH TURNING	FORT ORD COST	98		03				
	LANES	$2,450,000	99		04	$480,000	10		
			00		05			15	
					06	$1,970,000			
T-7	RESERVATION RD	TOTAL COST	96		01		07	11	
	CONNECTION	$3,400,000	97		02				
	CONSTRUCT NEW	FORT ORD COST	98	$400,000	03				
	4-LANE ARTERIAL	$2,800,000	99	$2,400,000	04		10		
			00		05			15	
					06				
T-8	RESERVATION RD	TOTAL COST	96		01		07	11	
	CONSTRUCT NEW	$3,770,000	97		02				
	4-LANE ARTERIAL	FORT ORD COST	98		03				$3,100,000
	TO BARLOY CANYON RD	$3,100,000	99		04		10		
			00		05			15	
					06				
T-9	DEL MONTE BLVD	TOTAL COST	96		01		07	11	
	IN MONTEREY	$10,000,000	97		02				
	WIDEN TO 5-LANES	FORT ORD COST	98		03				$2,200,000
	INCLUDING ROW	$2,200,000	99		04		10		
	ACQUISITION		00		05			15	
					06				
T-10	DEL MONTE BLVD	TOTAL COST	96		01			11	
	IN MARINA	$5,570,000	97		02		$4,480,000		
	WIDEN TO 6-LANE	FORT ORD COST	98		03				
	AND ROW	$4,480,000	99		04		10		
			00		05			15	
					06				

TRANSPORTATION PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS 1996	2000	2001	2006	2007	2010	2011	2015
T-11	HWY 218	TOTAL COST	96		01		07		11	
	WIDEN TO 4-LANES	$3,590,000	97		02	$680,000				
	AND ROW	FORT ORD COST	98		03					
		$1,640,000	99		04	$960,000	14			
			00		05				15	
					06					
T-12	CALIFORNIA AVE	TOTAL COST	96		01		07		11	
	CONSTRUCT NEW	$600,000	97	($600,000)	02					
	2-LANE ARTERIAL	FORT ORD COST	98		03					
	(DCAG)	(GRANT)	99		04		15			
			00		05				15	
					06					
T-13	CALIFORNIA AVE	TOTAL COST	96		01		07		11	
	UPGRADE & EXTEND	$1,860,000	97	$280,000	02			$180,000		
	AS 2-LANE ARTERIAL	FORT ORD COST	98	$170,000	03					
	AND ROW	$700,000	99	$70,000	04		15			
			00		05				15	
					06					
T-14	CRESCENT COURT	TOTAL COST	96		01		07		11	
	EXTENSION TO	$720,000	97	$90,000	02					
	ABRAMS RD	FORT ORD COST	98	$630,000	03					
		$720,000	99		04		14			
			00		05				15	
					06					
T-15	VARIOUS LOCATIONS	TOTAL COST	96	($1,100,000)	01		07		11	
	SAFETY AND REHAB	$1,100,000	97		02					
	AS REQUIRED BY		98		03					
	GATE OPENINGS	FORT ORD COST	99		04		15			
	(DCAG)	(GRANT)	00		05				15	
					06					

TRANSPORTATION PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS 1996	2000		2006		2010	2011	2015
	VARIOUS LOCATIONS	TOTAL COST	96		01		07		11	
	STREET IMPROVEMENTS	$5,600,000	97		02					
T-16.1	RESERVATION RD	FORT ORD COST	98		03					
T-16.2	MONTEREY RD	$5,600,000	99		04		10			
T-16.3	ABRAMS RD		00		05				15	
T-16.4	INTER-GARRISON RD				06					
T-16.5	PARKER FLATS RD		PRIORITIES FOR THESE STREET IMPROVEMENTS WILL BE BASED ON DEFICIENCY INFORMATION FROM PROJECT *T-15.*							
T-16.6	COE & EUCALYPTUS RDS									
T-16.7	NORTH SOUTH RD									
T-16.8	1ST AVE									
T-16.9	10TH ST									
T-16.10	3RD AVE									
T-16.11	NORMANDY RD									
T-16.12	8TH AVE									
T-16.13	COL. DURHAM RD									
	VARIOUS LOCATIONS	TOTAL COST								
	REHAB OF ARTERIALS	$4,400,000								
		FORT ORD COST								
		$3,080,000								
T-17.1	IMJIN RD	$550,000	96		01		07		11	
T-17.2	NORTH SOUTH RD	$600,000	97	$550,000	02	$600,000				
T-17.3	2ND AVE	$430,000	98		03					
T-17.4	INTER-GARRISON	$600,000	99	$430,000	04	$600,000	10			
T-17.5	EUCALYPTUS	$900,000	00	$900,000	05				15	
					06					
	VARIOUS LOCATIONS									
	GATEWAY IMPROVEMENTS AT ENTRY POINTS									
T-18.1	IMJIN RD	TOTAL COST	96		01		07		11	
		$2,300,000	97		02					
		FORT ORD COST	98	$460,000	03					
		$460,000	99		04		10			
		+	00		05				15	
	(DCAG 2ND ROUND)	(GRANT)			06					

TRANSPORTATION PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS 1996	2000	2001	2006	2010	2011	2015
T-18.2	NORTH SOUTH RD	TOTAL COST	96		01		07	11	
		$3,200,000	97		02				
		FORT ORD COST	98	$640,000	03				
		$640,000	99		04		10		
		+	00		05			15	
	(DCAG 2ND ROUND)	(GRANT)			06				
T-18.3	11TH ST	TOTAL COST	96		01		07	11	
		$1,000,000	97		02				
		FORT ORD COST	98	$200,000	03				
		$200,000	99		04		10		
		+	00		05			15	
	(DCAG 2ND ROUND)	(GRANT)			06				
T-18.4	NORTH SOUTH RD	TOTAL COST	96		01		07	11	
		$1,200,000	97		02				
		FORT ORD COST	98	$240,000	03				
		$240,000	99		04		10		
		+	00		05			15	
	(DCAG 2ND ROUND)	(GRANT)			06				
T-18.5	INTER-GARRISON RD	TOTAL COST	96		01		07	11	
		$1,500,000	97		02				
		FORT ORD COST	98	$300,000	03				
		$300,000	99		04		10		
		+	00		05			15	
	(DCAG 2ND ROUND)	(GRANT)			06				
T-19	12TH ST	TOTAL COST	96		01		07	11	
	CONSTRUCT NEW	$4,150,000	97		02				
	4-LANE ARTERIAL	FORT ORD COST	98	$2,080,000	03				
		$2,080,000	99		04		10		
			00		05			15	
					06				
T-20	CALIFORNIA AVE	TOTAL COST	96		01			11	
	CONSTRUCT NEW	$1,270,000	97		02				
	2-LANE ARTERIAL	FORT ORD COST	98	$150,000	03				
		$480,000	99	$330,000	04		10		
			00		05			15	
					06				

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS 1996	2000	2001	2006	2007	2010	2011	2015
	TRANSPORTATION PROJECTS									
T-21	8TH ST	TOTAL COST	96		01		07		11	
	UPGRADE NEW	$840,000	97		02					
	2-LANE ARTERIAL	FORT ORD COST	98	$710,000	03					
	WITH TURNING	$710,000	99		04		10			
	POCKETS AND		00		05				15	
	LANDSCAPING				06					
T-22	INTERMODAL	TOTAL COST	96		01		07		11	
	TRANSIT CENTER &	$3,600,000	97		02			$900,000		
	PARK & RIDE FACILITIES	FORT ORD COST	98		03					$1,100,000
		$3,600,000	99		04		10			
			00	$1,600,000	05				15	
					06					
T-23	GIGLING RD	TOTAL COST	96		01		07		11	
	REBUILD AS 4-LANE	$1,760,000	97		02					
	ARTERIAL	FORT ORD COST	98	$210,000	03					
		$1,250,000	99	$1,040,000	04		10			
			00		05				15	
					06					
T-24	SALINAS ST	TOTAL COST	96		01		07		11	
	CONSTRUCT NEW	$2,410,000	97		02					
	2-LANE ARTERIAL	FORT ORD COST	98		03					
		$2,410,000	99	$290,000	04		10			
			00	$2,120,000	05				15	
					06					
T-25	*REMOVED*									
T-26	IMJIN/12TH ST	TOTAL COST	96		01		07		11	
	WIDEN TO 4-LANE	$4,910,000	97		02	$2,460,000				
	ARTERIAL	FORT ORD COST	98		03					
		$2,460,000	99		04		10			
			00		05				15	
					06					

TRANSPORTATION PROJECTS										
	PROJECT DESCRIPTION	CIP BUDGET	FUNDING PERIODS							
PRJ-#	(FUNDING SOURCE)		1996	2000	2001	2006	2007	2010	2011	2015
T-27	2ND AVE	TOTAL COST	96		01		07		11	
	CONSTRUCT NEW	$3,630,000	97		02					
	4-LANE ARTERIAL	FORT ORD COST	98		03					
	AND	$2,790,000	99		04	$2,790,000	10			
	DEMOLITION		00		05				15	
					06					
T-28	COE AVE	TOTAL COST	96		01		07		11	
	UPGRADE TO 2-LANE	NO IMPROVEMENTS	97		02					
	ARTERIAL	PROPOSED	98		03					
		FORT ORD COST	99		04		10			
			00		05				15	
					06					
T-29	2ND AVE	TOTAL COST	96		01		07		11	
	WIDEN TO 4-LANE	$3,600,000	97		02					
	ARTERIAL	FORT ORD COST	98		03					
		$2,600,000	99		04		10			
			00		05				15	
					06	$2,600,000				
T-30	CALIFORNIA AVE	TOTAL COST	96		01		07		11	
	CONSTRUCT NEW	$1,510,000	97		02			$570,000		
	2-LANE ARTERIAL	FORT ORD COST	98		03					
		$570,000	99		04		10			
			00		05				15	
					06					
T-31	8TH ST	TOTAL COST	96		01		07		11	
	CONSTRUCT NEW	$2,000,000	97		02			$1,700,000		
	2-LANE ARTERIAL	FORT ORD COST	98		03					
		$1,700,000	99		04		10			
			00		05				15	
					06					

TRANSPORTATION PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS 1996	2000	2001	2006	2007	2010	2011	2015
T-32	8TH ST UPGRADE TO 2-LANE ARTERIAL	TOTAL COST $990,000 FORT ORD COST $840,000	96 97 98 99 00		01 02 03 04 05 06		07 10		11 15	$840,000
T-33	NORTH SOUTH RD WIDEN TO 4-LANE ARTERIAL	TOTAL COST $2,640,000 FORT ORD COST $1,430,000	96 97 98 99 00		01 02 03 04 05 06		07 10	$1,430,000	11 15	
T-34	NORTH SOUTH RD UPGRADE TO 2-LANE ARTERIAL	TOTAL COST $3,520,000 FORT ORD COST $1,900,000	96 97 98 99 00		01 02 03 04 05 06		07 10		11 15	$1,900,000
T-35	GIGLING RD CONSTRUCT NEW 4-LANE ARTERIAL	TOTAL COST $2,770,000 FORT ORD COST $1,970,000	96 97 98 99 00		01 02 03 04 05 06		07 10	$1,970,000	11 15	
T-36	EASTSIDE RD CONSTRUCT NEW 2-LANE ARTERIAL	TOTAL COST $6,030,000 FORT ORD COST $4,370,000	96 97 98 99 00		01 02 03 04 05 06		07 10	$4,370,000	11 15	

TRANSPORTATION PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS 1995	2000		2006		2010	2011	2015
T-37	EUCALYPTUS RD	TOTAL COST	96		01		07		11	
	UPGRADE TO 2-LANE	$2,880,000	97		02					
	ARTERIAL	FORT ORD COST	98		03					$2,880,000
		$2,880,000	99		04		1			
			00		05				15	
					06					
T-38	INTER-GARRISON	TOTAL COST	96		01		07		11	
	UPGRADE TO 2-LANE	$4,480,000	97		02					
	ARTERIAL	FORT ORD COST	98		03					$3,810,000
		$3,810,000	99		04		10			
			00		05				15	
					06					
T-39	ABRAMS RD	TOTAL COST	96		01		07		11	
	CONSTRUCT NEW	$600,000	97		02					
	2-LANE ARTERIAL	FORT ORD COST	98		03					$600,000
		$600,000	99		04		10			
			00		05				15	
					06					
T-40	BLANCO ROAD EXTENSION	TOTAL COST	96		01		07		11	
	CONSTRUCT NEW	$4,080,000	97		02					
	4-LANE ARTERIAL	FORT ORD COST	98		03					
		$4,080,000	99		04	4,080,000	10			
			00		05				15	
					06					
	ALL TRANSPORTATION	TOTAL COST	96	$0	01		07		11	
	PROJECTS	$360,810,000	97	$1,420,000	02	$8,800,000		$51,630,000		
		FORT ORD COST	98	$7,090,000	03					$36,130,000
		$136,510,000	99	$4,890,000	04	$9,570,000	10			
			00	$6,480,000	05				15	
					06	$4,900,000				

Table PFIP 3-2

Capital Improvement Projects (CIP) Budget - Water System

PRJ-# = PROJECT IDENTIFICATION NUMBERS FROM PROJECT SELECTION TABLES

35,205.49

	WATER SYSTEM PROJECTS									
	PROJECT DESCRIPTION	CIP BUDGET	FUNDING PERIODS							
PRJ-#	(FUNDING SOURCE)		1996	2000	2001	2006	2007	2010	2011	2015
W-1	WATER SUPPLY WELLS	TOTAL COST	96	($1,380,000)	01		07		11	
	REDRILL WELLS 29, 30, 31	$2,760,000	97	($1,380,000)	02					
	& 32 TO DEEPER AQUIFER	FORT ORD COST	98		03					
	(EDA GRANT)	(GRANT)	99		04		10			
			00		05				15	
					06					
W-2	DISINFECTION STATION	TOTAL COST	96	($160,000)	01		07		11	
	INSTALL NEW EQUIPMENT	$160,000	97		02					
	IN EXISTING PUMP STATION	FORT ORD COST	98		03					
	(EDA GRANT)	(GRANT)	99		04		10			
			00		05				15	
					06					
W-3	BOOSTER PUMPS AT	TOTAL COST	96		01		07		11	
	MAIN STATION	$3,830,000	97	$460,000	02					
	REPLACE MAIN PUMPS &	FORT ORD COST	98	$1,205,000	03					
	ELECTRICAL/STANDBY	$2,870,000	99	$1,205,000	04		10			
	POWER SYSTEMS - ZONES		00		05				15	
YEARS.	B & C				06					
STUDY.	E ZONE STORAGE TANK	TOTAL COST	96		01		07		11	
IP 3-10)	CONSTRUCT NEW 1.3 MG	$1,830,000	97		02					
	STORAGE TANK WITH	FORT ORD COST	98		03					
	CONNECTING PIPELINES	$1,370,000	99	$220,000	04					
			00	$1,150,000	05				15	
					06					

WATER SYSTEM PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS							
			1996	2000	2001	2006	2007	2010	2011	2015
W-5	BOOSTER PUMP STATION	TOTAL COST	96		01		07		11	
	UPGRADE OF EXISTING	$280,000	97		02	$280,000				
	ZONE B TO ZONE C	FORT ORD COST	98		03					
	BOOSTER PUMP	$280,000	99		04		10			
	STATION		00		05				15	
					06					
W-6	STORAGE RESERVOIRS	TOTAL COST	96		01		07		11	
	REHAB EXISTING TANKS	$750,000	97	$22,000	02					
		FORT ORD COST	98	$183,000	03					
		$560,000	99	$183,000	04		10			
			00	$172,000	05				15	
					06					
W-7	DISTRIBUTION SYSTEMS	TOTAL COST	96		01		07		11	
	REHAB & UPGRADE	$8,630,000	97		02	$640,000		$1,280,000		
	EXISTING DISTRIBUTION	FORT ORD COST	98	$600,000	03					$1,670,000
	SYSTEMS OVER 75% OF	$6,470,000	99	$500,000	04	$640,000	10			
	SERVICE AREA		00	$500,000	05				15	
					06	$640,000				
W-8	METERING	TOTAL COST	96	($190,000)	01		07		11	
	METER INSTALLATION AT	$1,200,000	97	$50,000	02					
	EXISTING BUILDINGS	FORT ORD COST	98	$100,000	03					
	SCHEDULED TO REMAIN	$720,000	99	$200,000	04		10			
		+	00	$370,000	05				15	
	(FUNDING SOURCE)	(GRANT)			06					
	STORAGE RESERVOIRS	TOTAL COST	96		01		07		11	
	AND PUMPING STATIONS	$2,600,000	97		02					
W-9.1	ZONE B - NEW 3.0 MG	FORT ORD COST	98		03					$2,600,000
	STORAGE TANK AND	$2,600,000	99		04		10			
	BOOSTER STATION ON		00		05				15	
	INTER-GARRISON RD				06					

WATER SYSTEM PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS							
			1996	2000	2001	2006	2007	2010	2011	2015
W-9.2	ZONE D - NEW BOOSTER PUMP STATION	TOTAL COST $690,000 FORT ORD COST $690,000	96		01		07		11	
			97		02			$690,000		
			98		03					
			99		04		10			
			00		05				15	
					06					
W-9.3	ZONE A - NEW 3.2 MG STORAGE TANK AND DISTRIBUTION REINFORCING LOOP IN MARINA VILLAGE AREA	TOTAL COST $2,130,000 FORT ORD COST $2,130,000	96		01		07		11	
			97		02					
			98		03					$2,130,000
			99		04		10			
			00		05				15	
					06					
W-10	DISTRIBUTION SYSTEMS NEW DISTRIBUTION FACS. TO SERVE NEW OR INTENSIFIED LAND USES IS THE AIRPORT, MBEST AND SW AREAS AS NEEDED	TOTAL COST $11,740,000 FORT ORD COST $11,740,000	96		01		07		11	
			97		02	$1,560,000		$3,120,000		
			98		03					$3,750,000
			99		04	$1,560,000	10			
			00	$190,000	05				15	
					06	$1,560,000				
W-11	ADDITIONAL WATER SUPPLY DESALINATION FACILITY TO MEET 1/3 OF THE POST 2015 WATER REQUIREMENTS	TOTAL COST $8,770,000 FORT ORD COST $8,770,000	96		01		07		11	
			97		02					
			98		03					$8,770,000
			99		04		10			
			00		05				15	
					06					
	ALL WATER SYSTEM PROJECTS	TOTAL COST $45,370,000 FORT ORD COST $38,200,000	96	$0	01		07		11	
			97	$532,000	02	$2,480,000		$5,090,000		
			98	$2,088,000	03					$18,920,000
			99	$2,308,000	04	$2,200,000	10			
			00	$2,382,000	05				15	
					06	$2,200,000				

Table PFIP 3-3

Capital Improvement Projects (CIP) Budget - Wastewater System

PRJ-# = PROJECT IDENTIFICATION NUMBERS FROM PROJECT SELECTION TABLES

35,205.49

	WASTEWATER SYSTEM PROJECTS									
	PROJECT DESCRIPTION	CIP BUDGET	FUNDING PERIODS							
PRJ-#	(FUNDING SOURCE)		1995	2000	2001	2006	2011	2010	2011	2015
WW-1	UPGRADE EXISTING	TOTAL COST	96	($1,330,000)	01		6		11	
	SEWAGE PUMP AND LIFT	$1,330,000	97		02					
	STATIONS AND NEW		98		03					
	BOOKER STREET PUMP		99		04		10			
	STATION BYPASS SEWER	FORT ORD COST	00		05				15	
	(DCAG 2ND ROUND)	(GRANT)			06					
WW-2	TRUNK SEWERS AND	TOTAL COST	96		01				11	
	FORCE MAINS	$1,800,000	97	$30,000	02	$170,000		$480,000		
	REPLACE OBSOLETE	FORT ORD COST	98	$40,000	03					$600,000
	SECTIONS	$1,800,000	99	$50,000	04	$175,000	10			
			00	$80,000	05				15	
					06	$175,000				
WW-3	ORD VILLAGE PUMPING	TOTAL COST	96	($730,000)	01		07		11	
	STATION	$730,000	97		02					
	ENLARGE AND UPGRADE		98		03					
	EXISTING STATION	FORT ORD COST	99		04		10			
	(COMBINED DCAG ROUNDS 1&2)	(GRANT)	00		05				16	
YEARS.					06					
STUDY.	GIGLING PUMP STATION	TOTAL COST	96	($1,280,000)	01		07		11	
IP 3-10)	BYPASS LINE	$1,280,000	97		02					
	NEW GRAVITY SEWER TO		98		03					
	ORD VILLAGE STATION	FORT ORD COST	99		04		10			
	(COMBINED DCAG ROUNDS 1&2)	(GRANT)	00		05				16	
					06					

WASTEWATER SYSTEM PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS							
			1996	2000	2001	2006	2007	2010	2011	2015
WW-5	INTERCEPTOR SEWER	TOTAL COST	96		01		07		11	
	NEW GRAVITY	$720,000	97		02	$720,000				
	INTERCEPTOR TO	FORT ORD COST	98		03					
	CONNECT AND CONVEY	$720,000	99		04		10			
	FLOWS		00		05				15	
					06					
WW-6	RESERVATION RD PUMP	TOTAL COST	96	($180,000)	01		07		11	
	STATION AND COLLECTION	$1,460,000	97	($1,280,000)	02					
	SYSTEM		98		03					
	NEW STATION AND MAINS	FORT ORD COST	99		04		10			
	(COMBINED DCAG ROUNDS 1&2)	(GRANT)	00		05				15	
					06					
WW7	EAST GARRISON PUMP	TOTAL COST	96		01		07		11	
	STATION AND OUTFALL	$410,000	97	$50,000	02					
	SYSTEM	FORT ORD COST	98	$360,000	03					
	PUMP STATION, FORCE	$410,000	99		04		10			
	MAIN AND GRAVITY		00		05				15	
	INTECEPTOR				06					
WW-8	WASTEWATER	TOTAL COST	96		01		07		11	
	TREATMENT CAPACITY	$7,700,000	97		02					
	BUY-IN PAYMENT TO	FORT ORD COST	98		03					$7,700,000
	MRWPCA	$7,700,000	99		04		10			
			00		05				15	
					06					
	ALL WASTEWATER	TOTAL COST	96	$0	01		07		11	
	SYSTEM PROJECTS	$15,430,000	97	$80,000	02	$890,000		$480,000		
		FORT ORD COST	98	$400,000	03					$8,300,000
		$10,630,000	99	$50,000	04	$175,000	10			
			00	$80,000	05				15	
					06	$175,000				

Table PFIP 3-4

Capital Improvement Projects (CIP) Budget - Habitat Management

PRJ-# = PROJECT IDENTIFICATION NUMBERS FROM PROJECT SELECTION TABLES

35,205.49

	HABITAT MANAGEMENT PROJECTS									
	PROJECT DESCRIPTION	CIP BUDGET	FUNDING PERIODS							
PRJ-#	(FUNDING SOURCE)			2000		2006		2010		2015
HM-1	POLYGON 1A MANAGEMENT PLAN	TOTAL COST $47 FORT ORD COST $47		$47						
HM-2	POLYGON 1B GATES, MANAGEMENT PLAN AND REVEGETATION	TOTAL COST $10,718 FORT ORD COST $10,718		$207 $3,312 $7,199						$285,000
HM-3	POLYGON 1A MANAGEMENT PLAN	TOTAL COST $104 FORT ORD COST $104		$104				$1,410,000		
YEARS.										
STUDY.	POLYGON 2A	TOTAL COST								
IP 3-10)	GATES, FENCING AND MANAGEMENT PLAN	$102,276 FORT ORD COST $102,276		$156 $102,120						

HABITAT MANAGEMENT PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS 1996	2000	2001	2006	2007	2010	2011	2015
HM-5	POLYGON 11A	TOTAL COST	96		01		07		11	
	POST & CABLE FENCE,	$277,249	97	$587	02					
	REVEGETATION PLAN,	FORT ORD COST	98	$117,010	03					
	MANAGEMENT PLAN,	$277,249	99	$159,652	04		10			
	FIRE PLAN, LOCKS,		00		05				15	
	MATERIALS AND SIGNS				06					
HM-6	POLYGON 11B	TOTAL COST	96		01		07		11	
	ROAD RESTORATION,	$10,615	97		02					
	MANAGEMENT PLAN AND	FORT ORD COST	98	$1,380	03					
	FIRE PLAN	$10,615	99	$9,199	04		10			
			00		05				15	
					06					
HM-7	POLYGON 17B	TOTAL COST	96		01		07		11	
	POST AND CABLE FENCE,	$217,615	97	$828	02					
	GATES AND LOCKS,	FORT ORD COST	98	$210,105	03					
	REVEGETATION PLAN,	$217,615	99	$3,301	04		10			
	MANAGEMENT PLAN,		00	$3,381	05				15	
	FIRE PLAN, SIGNS				06					
HM-8	POLYGON 19A	TOTAL COST	96		01		07		11	
	REVEGETATION PLAN,	$9,764	97		02					
	MANAGEMENT PLAN,	FORT ORD COST	98		03					
	FIRE PLAN, REVEGETATION,	$9,764	99	$1,035	04		10			
	AND ROAD RESTORATION		00	$8,729	05				15	
					06					
HM-9	POLYGON 20C	TOTAL COST	96		01		07		11	
	MANAGEMENT PLAN	$104	97	$104	02					
		FORT ORD COST	98		03					
		$104	99		04		10			
			00		05				15	
					06					

HABITAT MANAGEMENT PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS									
			1996	2000	2001	2006	2007	2010	2011	2015
HM-10	POLYGON 21A	TOTAL COST	96		01		07		11	
	REVEGETATION PLAN,	$4,969	97	$311	02					
	MANAGEMENT PLAN,	FORT ORD COST	98	$4,658	03					
	AND ROAD RESTORATION	$4,969	99		04		10			
			00		05				15	
					06					
HM-11	POLYGON 21B	TOTAL COST	96		01		07		11	
	ROAD RESTORATION	$7,855	97		02					
	MANAGEMENT PLAN	FORT ORD COST	98		03					
		$7,855	99	$414	04		10			
			00	$7,441	05				15	
					06					
HM-12	POLYGON 23	TOTAL COST	96		01		07		11	
	MANAGEMENT PLAN	$104	97	$104	02					
		FORT ORD COST	98		03					
		$104	99		04		10			
			00		05				15	
					06					
HM-13	POLYGON 30A	TOTAL COST	96		01		07		11	
	CHAIN LINK FENCE,	$24,774	97	$207	02					
	MANAGEMENT PLAN AND	FORT ORD COST	98	$24,567	03					
	SIGNS	$24,774	99		04		10			
			00		05				15	
					06					
HM-14	POLYGON 30B	TOTAL COST	96		01		07		11	
	SIGNS	$83	97		02					
		FORT ORD COST	98	$83	03					
		$83	99		04		10			
			00		05				15	
					06					

HABITAT MANAGEMENT PROJECTS

PRJ-#	PROJECT DESCRIPTION (FUNDING SOURCE)	CIP BUDGET	FUNDING PERIODS							
			1996	2000	2001	2006	[illegible]	2010	2011	2015
HM-15	POLYGON 30C	TOTAL COST	96		[illegible]		[illegible]		11	
	SIGNS AND	$1,429	97	$104	02					
	MANAGEMENT PLAN	FORT ORD COST	98	$1,325	03					
		$1,429	99		04		10			
			00		05				15	
					06					
	ALL HABITAT	TOTAL COST	96	$0	01		07		11	
	MANAGEMENT PROJECTS	$668,000	97	$2,800	02					
	($s ROUNDED)	FORT ORD COST	98	$464,600	03					
		$668,000	99	$180,800	04		10			
			00	$19,600	05				15	
					06					

Table PFIP 3-5

Capital Improvement Projects (CIP) Budget - Drainage System

PRJ-# = PROJECT IDENTIFICATION NUMBERS FROM PROJECT SELECTION TABLES

35,205.49

	DRAINAGE PROJECTS									
	PROJECT DESCRIPTION	CIP BUDGET	FUNDING PERIODS							
PRJ-#	(FUNDING SOURCE)			2000		2006		2010		2015
D-1	STORM WATER OUTFALLS	TOTAL COST								
	B & C & D	$2,210,000								
	PROVIDE STILLING BASINS	FORT ORD COST								
	SPREADING BASIN.	$2,210,000		$270,000						
	REMOVAL OF OUTFALL			$1,940,000						
	PIPES									
	ALL DRAINAGE	TOTAL COST		$0						
	PROJECTS	$2,210,000		$0						
		FORT ORD COST		$0						
		$2,210,000		$270,000						
				$1,940,000						

NOTE: THE STAGING ALLOCATION DEPENDS UPON NPDES PROGRAM ENFORCEMENT SCHEDULES

* NOTE $5,600,000 FOR THE TRANSPORTATION COST IS INCLUDED IN THE TOTAL, HOWEVER WAS NOT ALLOCATED TO SPECIFI PHASING FOR THESE IMPROVEMENTS WILL BE BASED ON DEFICIENCY INFORMATION FROM A SAFETY AND REHABILITATION S (see page PFIP 3-10)

Table PFIP 3-6

Capital Improvement Projects (CIP) Budget - Public Services

PRJ-# = PROJECT IDENTIFICATION NUMBERS FROM PROJECT SELECTION TABLES

35,205.49

PUBLIC SERVICES PROJECTS									
	PROJECT DESCRIPTION	CIP BUDGET	FUNDING PERIODS						
PRJ-#	(FUNDING SOURCE)			2000		2006		2010	2015
PS-1	FIRE STATION	TOTAL COST $1,110,000 FORT ORD COST $1,110,000				$1,110,000			
	ALL PUBLIC SERVICES PROJECTS	TOTAL COST $1,110,000 FORT ORD COST $1,110,000				$1,110,000			

* NOTE $5,600,000 FOR THE TRANSPORTATION COST IS INCLUDED IN THE TOTAL, HOWEVER WAS NOT ALLOCATED TO SPECIFI
PHASING FOR THESE IMPROVEMENTS WILL BE BASED ON DEFICIENCY INFORMATION FROM A SAFETY AND REHABILITATION S
(see page PFIP 3-10)

Table PFIP 3-7

Capital Improvement Projects (CIP) Budget - Summary

PRJ-# = PROJECT IDENTIFICATION NUMBERS FROM PROJECT SELECTION TABLES											
TOTAL PROJECT $S BY SYSTEM	BUDGET ALLOCATIONS BY YEAR										
	1996	1997	1998	1999	2000	2001-2002	2003-2004	2005-2006	2007-2010	2011-2015	TOTAL
* *PRJ-#* TRANSPORTATION	$0	$1,420,000	$7,090,000	$4,890,000	$6,480,000	$8,800,000	$9,570,000	$4,900,000	$51,630,000	$36,130,000	$136,510,000
WATER	$0	$532,000	$2,088,000	$2,308,000	$2,382,000	$2,480,000	$2,200,000	$2,200,000	$5,090,000	$18,920,000	$38,200,000
WASTEWATER	$0	$80,000	$400,000	$50,000	$80,000	$890,000	$175,000	$175,000	$480,000	$8,300,000	$10,630,000
HABITAT MANAGEMENT	$0	$2,800	$464,600	$180,800	$19,600	$0	$0	$0	$0	$0	$668,000
DRAINAGE	$0	$0	$0	$270,000	$1,940,000	$0	$0	$0	$0	$0	$2,210,000
PUBLIC SERVICES	$0	$0	$0	$0	$0	$0	$1,110,000	$0	$0	$0	$1,110,000
TOTAL	$0	$2,034,800	$10,042,600	$7,698,800	$10,901,600	$12,170,000	$13,055,000	$7,275,000	$57,200,000	$63,350,000	$189,328,000

* NOTE $5,600,000 FOR THE TRANSPORTATION COST IS INCLUDED IN THE TOTAL, HOWEVER WAS NOT ALLOCATED TO SPECIFIC YEARS. PHASING FOR THESE IMPROVEMENTS WILL BE BASED ON DEFICIENCY INFORMATION FROM A SAFETY AND REHABILITATION STUDY.
(see page PFIP 3-10)

3.5 UTILITY SYSTEMS TRANSITION STRATEGY

3.5.1 Background

The Record of Decision covering the closure of Fort Ord (December 1993) contained a number of mitigation measures related to utility systems transfer. Chief among these is Mitigation Measure 5 which states:

> *The Army will conduct periodic maintenance for infrastructure and utilities system components, until the system components are disposed, transferred, or abandoned. Utility systems include water supply and distribution, sewage collection and disposal, storm drainage collection and disposal, electrical and gas supply and distribution and telephone and communication systems.*
>
> ***Monitoring Program:***
>
> *Responsibility:* *Army*
>
> *Timing:* *As-needed basis; pursuant to standard maintenance procedures for infrastructure*
>
> *Standards for Compliance:* *Continuous maintenance of service*
>
> *Compliance Verification:* *Army*

The standard for compliance set forth in Mitigation Measure 5, i.e. continuous maintenance of service, has become of primary importance to the Fort Ord Reuse Authority (FORA) which has also articulated the goal of "seamless" transition of utility service from military to civilian operational control.

The initial Fort Ord Base Reuse Plan approved by FORA in December 1994 and the Fort Ord Reuse Infrastructure Study (FORIS) Master Plan (January 1995) have provided the basis for and report on the utility systems upgrading and expansion requirements as specifically presented in the 04-03 Infrastructure Cost Analysis (04 indicates the fourth plan, 03 indicates the third modification of the analysis). More recently, during the latter half of 1995, a new plan with somewhat reduced buildout expectations has been brought to FORA by the EDAW/EMC Team. As the result, a new Infrastructure Cost Analysis designated 05-04 has been prepared which is reported in Chapter PFIP 2.

During 1995, members of the Army's Training and Doctrine Command (TRADOC) who assumed Garrison responsibility from the Army's Forces Command (FORSCOM) in October 1994 proceeded to initiate transfer of three of the operating utility systems, namely, electrical and natural gas distribution and telephone communication systems, to privately-held public utility corporations. In a series of meetings between Army representatives and Pacific Gas and Electric

Company (PG&E) and with the nominal acquiescence of FORA, negotiations to transfer the existing on-base electrical and gas distribution systems has been on-going over the past year. Although initially rumored to involve a PG&E demand for $48 million as the cost of upgrading the existing Army systems to California Public Utility Commission (CPUC) standards, it is now assumed that with certain abandonments of service, PG&E will take over the electrical and gas systems from the Army as a zero-cost negotiated sale.

Parallel negotiations with Pacific Bell Co., the privately-held public utility company which now serves the newer housing areas within Fort Ord and provides all off-site connecting communications lines to the Base Telephone Exchange have proved to be less fruitful. As the result of failed negotiations with Pacific Bell, the Army circulated a request for proposal from any qualified provider of telephone communication service to take over the Army's on-base system and to continue telephone service to the Presidio of Monterey (POM) Annex. The opening of proposals was scheduled for February 14, 1996. Specific Army action on the telephone communication system transfer is currently under reconsideration.

The transfer of the utility systems as discussed above has revealed an on-going conflict between Army and FORA interests. The particular transfers from the Army to PG&E and to Pac Bell were recommended in the FORIS Master Plan. In the actual negotiations, however, concerns over utility right of way transfers surfaced as a major stumbling block. The public utility companies had the goal of avoiding utility relocation costs to future public rights of way and also to minimize franchise fees. The municipal members of FORA were equally committed to maintaining the well-established precedents under which public utility companies now operate in California.

At the same time, the Army's intention to minimize its on-going maintenance and operational responsibilities in response to Mitigation Measure 5 has become clear. As the potential for generating income for the Base Closure Account has diminished with the recognition of offsetting infrastructure upgrade and demolition cost, and with the President's 5 Point Plan as well as the Pryor Amendment focus on economic revitalization goals, the Army's remaining financial option is to rid itself of ongoing-maintenance/operating costs as soon as possible. From FORA's point of view, however, it is equally clear that the operational costs associated with utility systems operations should not be assumed until sufficient base reuse has been realized to pay the price of utility systems operation and maintenance.

Simply stated, then, utility transfer strategy at Fort Ord confronts the mutually exclusive goals of a seller (Army) who can gain only by a quick transfer of utility operational responsibility and a buyer (whether FORA or Public Utility) who needs to avoid a financial commitment until the Army's land transfer process AND market acceptance of the reuse opportunity results in sufficient on-base occupancy to carry the utility costs. This dilemma, it would appear, is not unique to Fort Ord. It is also apparent that the operational planning context to which FORA's Consultant Team responds is meant to favor civilian reuse feasibility and not Army preference for an immediate termination of utility service responsibility.

3.5.2 Transition Strategy for Energy-Related Utility Systems

As pointed out in the FORIS Master Plan , the existing electrical power supply situation at Fort Ord exhibits the weakness of a single source of power at the PG&E owned transformer substation in the vicinity of Hayes Hospital. As conceptualized in FORIS, redundancy in power source would be necessary for a within-the-base distribution system to serve the Reuse Plan. FORIS also suggests that this redundancy should be accomplished by construction of a new transformer station in the vicinity of the Reservation Road and Blanco Road intersection. Unfortunately, it is also apparent that the cost of achieving redundancy and, thus, a defense against power outage from a single source can only be achieved at an uneconomic cost requiring more than 50 years of payout before break-even.

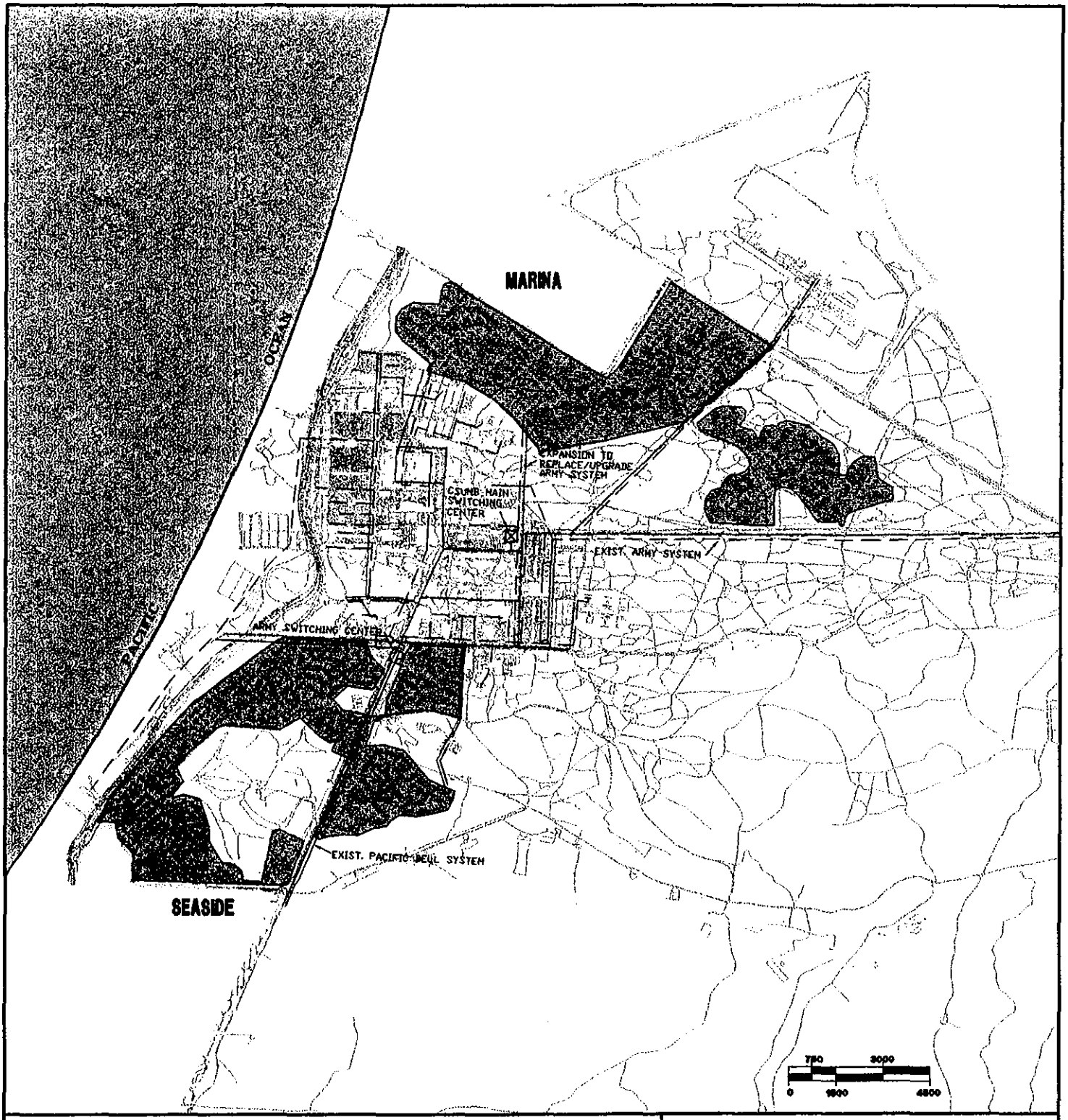
PG&E, on the other hand, has the option of adding outage protection on Fort Ord from neighboring distribution systems in Seaside and Marina. In addition, as power supplier of record in the area, PG&E also has the valid reputation as a reliable purveyor of electrical energy.

In the case of natural gas supply, the advantage of PG&E as the logical local purveyor is somewhat less apparent. Because of the Company's high pressure gas supply transmission which parallels Hwy. 1 through the Base and then bifurcates the main reuse area via an east-west gas main which roughly parallels InterGarrison Road, there is no absence of service points at which local distribution can be separated from the transmission system. This fortunate physical configuration allows a number of service options to be conceptualized and economically implemented. In addition, PG&E's operating philosophy appears to be more supportive of local distribution alternatives for natural gas. Consequently, the FORIS Master Plan reports a stronger economic potential for municipal or FORA gas distribution configurations than for a similar electrical distribution system.

On balance, however, the unproved operating potential of local land use entities in the role of energy purveyor argues for perpetuation of PG&E's well-established role. Success in attracting reusers to Fort Ord must be based on minimizing the risk of tenancy. It appears, therefore, that the proven service capability of PG&E is a significant asset in support of reuser activities. Consequently, the utility transition strategy for energy systems argues for a negotiated sale of the electrical and gas distribution systems by the Army to Pacific Gas and Electric as the energy supply purveyor under control of CPUC.

3.5.3 Transition Strategy for the Telephone Communication System

As reported previously in Section 3.5.1, Pacific Bell (Pac Bell) telephone company has withdrawn from negotiations for a negotiated sale of the existing Army telephone system. As shown by the map on the following page (Figure PFIP 3-1), Pac Bell already serves a significant portion of Fort Ord's on-base housing. Consequently, the failure of negotiations appears to have more to do with Pac Bell's reluctance to inherit responsibility for an antiquated system as well as to accept potential relocation costs as opposed to any absence of interest in serving the reuse area.



FORT ORD — CALIFORNIA

TELEPHONE DISTRIBUTION SYSTEM

LEGEND

- ARMY SYSTEM
- PACIFIC BELL SYSTEM
- PHASE I EXPANSION TO REPLACE/UPGRADE ARMY SYSTEM
- CURRENT AREAS SERVED BY PACIFIC BELL SYSTEM
- FORT ORD BOUNDARY

REIMER ASSOCIATES
INFRASTRUCTURE PLANNERS • CIVIL ENGINEERS • SURVEYORS

NORTH

FIGURE PFIP 3-1

PLOT DATE: 3/14/96

PAGE PFIP 3-31

DRAWN BY: EPA

CHECKED BY: POR

Because of the apparent extent of telephone service currently provided by Pac Bell up to the boundaries and even within the Fort Ord Military Reservation, the FORIS Master Plan recommended that this utility systems be transferred to Pac Bell. In addition, Pac Bell's provision of significant fibre-optic data transmission capacity for the Monterey Bay Region through its California Research and Education Network (CALREN) program was seen as a favorable and supportive contribution to the reuse potential at Fort Ord. What is at stake in the failed negotiations between the Army and Pac Bell is the "seamlessness" of transfer rather than any competing transition strategy.

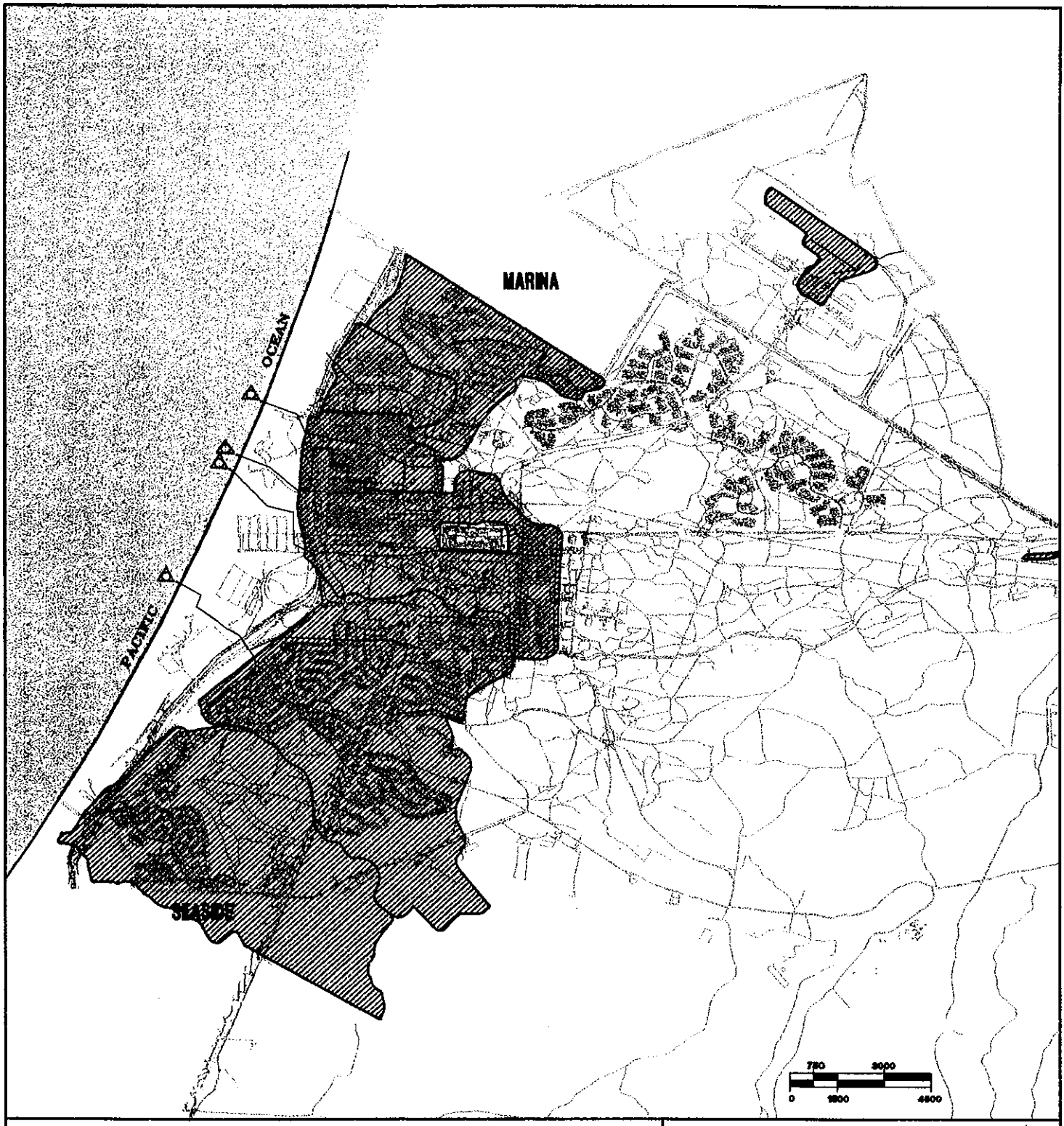
Pac Bell appears ready and willing to extend voice, T.V. and data communication services anywhere on Fort Ord but prefers to do so under its current service extension rules. In effect, the economics of new system extension and resulting operational efficiencies outweighs any short term financial gain from an existing customer base. Unfortunately, this decision by Pac Bell - while not altering the likelihood that the FORIS recommendation as telephone service provider will prevail - faces FORA with more of a priority to complete some form of public right of way transfer from the Army so as to furnish Pac Bell the necessary routes for service extensions.

As of March 1, 1996 there has been no formal announcement of the Army's position concerning transfer or abandonment of the existing on-base telephone system. In light of the failed negotiations with Pac Bell and/or the unopened solicitations of interest from other qualified communication purveyors. This issue is in limbo. Clearly, FORA has no financial means, no operating capability nor any immediate necessity to become the telephone system owner/operator. The most apparent transition strategy appears to be that of reaching agreement with Pac Bell and the land use entities who will ultimately be responsible for Fort Ord land as to a mutually satisfactory means of making public right of way available for utilities extension purposes.

The marketing necessity of offering reuse lands at Fort Ord with a high level of voice, T.V. and data communication service is readily apparent. Pac Bell is seen as a currently available and highly reliable communication services provider. There appears to be no transition strategy evident other than for FORA to engage Pac Bell in right of way provision discussions if or when the Army notifies FORA of its intent to abandon the existing telephone system. Continuity of communication service to the POM Annex, to DFA's and to other Federal installations will be an Army problem while direct Pac Bell service to CSUMB and to the Airport area will have to be separately negotiated by the public benefit transferees.

3.5.4 Transition Strategy for Existing Storm Water Drainage Facilities.

The transition of responsibility for drainage facilities is singularly related to the piped systems which currently serve the cantonment areas of the Main Base at Fort Ord. As can be seen from the map on the following page (Figure PFIP 3-2), the existing drainage systems generally serve the areas westerly of 7th Avenue to Hwy. 1. Exceptions are found in the isolated drainage systems serving the Airport and East Garrison. In those areas it is expected that the maintenance



FORT ORD — CALIFORNIA

STORM WATER SYSTEM

LEGEND

- EXISTING IMPROVEMENTS
- DRAINAGE BOUNDARIES
- OUTFALL TO BAY
- FORT ORD BOUNDARY

REIMER ASSOCIATES

601 Gateway Boulevard, Suite 600 • South San Francisco, CA 94080-7006 • 415/871-7170 FAX 415/871-0634
P.O. Box 513 • Marina, CA 93933-0513 • 408/883-3290 FAX 408/883-3299
2184 Bloom Drive, Suite C • Pleasanton, CA 94566-2813 • 510/417-1520 FAX 510/417-1383

INFRASTRUCTURE PLANNERS • CIVIL ENGINEERS • SURVEYORS

NORTH

FIGURE PFIP 3-2

PLOT DATE: 3/14/96

PAGE PFIP 3-33

DRAWN BY: EPA

CHECKED BY: POR

responsibility for the existing drainage systems accompanies the Public Benefit Conveyances. For the future drainage facilities necessary to serve new reuse polygons beyond the cantonment area, it is expected that individual percolation basins receiving runoff from adjacent development will constitute the means of storm water disposal. Consequently, maintenance responsibility is expected to remain with the future reuse activity and no transition strategy is required.

In the case of the four existing piped drainage systems which now extend West of Hwy. 1 to ocean outfalls beyond the Fort Ord Dunes, there is a financial responsibility which must be attached to the transition strategy. It is a forgone conclusion that control of surface water discharge to the Monterey Bay Sanctuary as well as impending National Pollution Discharge Elimination Standards (NPDES) will require abandonment of the existing drainage outfalls. Fortunately, there is no opposition from the State Parks and Recreation Department for a permanent solution to the existing drainage discharges by simply "Daylighting" the current flows by ending the piped systems west of Hwy. 1 within the small arms ranges. With proper grading, stilling basins to trap suspended material in the drainage runoff followed by natural drainage swales would serve to return riparian habitat to the area. At the same time, elimination of the ocean-front discharge structures would remove both hazards and visual blight from the beaches.

The transition strategy, then, starts with a means of insuring funding for the drainage system modifications described above. Of the four systems involved, the largest one serves the POM Annex, two serve CSUMB and the Marina Town Center area, and the fourth serves the Marina University Village area. In the case of the POM Annex system, the Army's studies which accompanied the Base Closure E.I.S. cited a POM Annex collateral cost of $1,000,000 to modify the drainage outfall. It is expected that both the cost of drainage modifications (currently estimated at $1,380,000) and the continuing responsibly for maintenance will rest with the Army as part of POM Annex operations or as may be transferred under a third party maintenance contract.

The remaining three systems with ocean outfalls, as well as the two additional piped systems to the North which currently discharge to percolation areas, all serve the City of Marina and/or CSUMB. In order to generate the estimated $2,210,000 to truncate the ocean outfalls and create new discharge conditions, it is proposed that an assessment of $1750 per acre be levied against the specific acreage which is tributary to the three ocean outfalls. In addition, this same area plus the northerly polygons in the City of Marina tributary to the two remaining piped drainage would be combined into a Drainage Maintenance Assessment District which would pay an annual fee to Marina to meet drainage facility maintenance costs. By this means, a specific transition of responsibility for the existing drainage systems can be anticipated and the means of funding both current modifications and on-going maintenance provided.

3.5.5 Transition Strategy for Existing Roadways

The transition process for existing roadways can be simply stated and has been approved by all land use jurisdictions. The transitional goal is that of assigning ownership to individual land use

jurisdiction for the rights of way which fall within their jurisdictional boundaries. There are two types of right of way to be transferred; namely

1 - Those created around the existing roadway centerlines which are to remain in the Reuse Plan as major corridors, and

2 - Those created in new location to augment the current roadway system and/or to serve future reuse areas.

The actual transfer procedure for both right of way and continuing maintenance responsibility is now expected to be accomplished by means of an overall Economic Development Conveyance of base-wide property from Army to FORA followed by a subsequent transfer of jurisdictionalized segments to the municipalities and County. FORA's responsibility to carry out its reuse planning mission for the entire base is realized at this transfer stage. The jurisdictions will receive land through which the roadway corridors of base-wide significance will have been reserved for public access and will be continuos across jurisdictional boundaries.

The only exception to jurisdictional control over internal transportation corridors will apply to the Intermodal Transportation Corridor right of way across Fort Ord claimed under Public Benefit Conveyance (via FTIP designation) by the Transportation Agency of Monterey County (TAMC) and to ownership of the Multi-Modal Transfer Center footprint as well as two Park and Ride Lots claimed by TMAC or Monterey Salinas Transit (MST)

There are several other rights of way for State or County Highways for which transfer of ownership and maintenance responsibility has already been accomplished. Monterey County has received title to those rights of way for Reservation Road between the Marina City Boundary and Hwy. 68 which fall within the Military Reservation. Monterey County has received title to Blanco Road right of way between the northern Fort Ord boundary and Reservation Road. State of California, Department of Transportation, will receive title to the right of way for Hwy. 1 and this agency also holds an easement over a 1000' wide corridor along the South boundary of Fort Ord which is being studied as an alternate route to Hwy. 68.

The individual jurisdictions must also come to grips with another level of transitional strategy for the myriad of existing roadways of less than base-wide significance. These existing streets will "come with the land", so to speak, with obvious retrocession of any Army or FORA responsibility. Many of these roadways, although paved, are clearly superfluous to future use. For reasons of public safety and security, many of them need to be barricaded or obliterated particularly so when they provide ready access to habitat management areas. Consequently, a roadway elimination program should be planned by each jurisdiction.

A second consequence is the inheriting of what are likely to become public streets for local service within neighborhoods. While driveable and currently providing utility system corridors, virtually all of these Army-constructed streets are deficient in width when measured against municipal standards, and deficient in capacity when measured against parking requirements. A

strategy to designate these streets for private ownership and require construction of new off street parking pads may be one solution.

In any case, the transition of roadways of base-wide significance for Army to FORA to individual jurisdictions has been defined and will occur at the completion of the Economic Development Conveyance process. FORA commitment of Economic Development Administration (EDA) grant funds to provide safety upgrades, signing and stripping is currently underway, for some 26 miles of on-base roadways. While this commitment signifies FORA's intention to help the Army meet the goals of ROD Mitigation Measure 5, it also apparent that a care and custody agreement with the Army for on-base roadway, water supply and wastewater collection systems is long overdue. Current efforts to conclude a maintenance agreement between County and Army constitutes the best current transitional strategy for a "seamless" operational transition.

3.5.6 Transition Strategy for Water Supply and Distribution System

With the formation of FORA in May of 1994, a significant repository for information concerning water supply, demand and operational factors has become available. This information is reported in the Fort Ord Reuse Infrastructure Study (FORIS) and, based on the FORIS report, presentations made to FORA's Infrastructure Technical Advisory Committee (ITAC), to FORA's Administration Committee and to the FORA Board in December of 1994.

At the direction of the FORA Administration Committee, ITAC was also requested to summarize water and sewer system operational alternatives. That summary, became available for FORA review in early 1995. On March 18, FORA convened a Water Workshop open to the public and specifically intended to provide a common information base on water supply issues for the FORA Board Members. Representatives from the Monterey County Water Resources Agency, the FORIS Team, and the FORA Infrastructure Technical Advisory Committee participated in the presentation. Prior to the Workshop, a Water Information Package was distributed to all FORA participants which included extracts from the FORIS Report and ITAC's alternatives analysis.

The Water Workshop was successful in focusing FORA attention on upcoming decisions concerning water supply issues for Fort Ord. At the same time, detailed requests for historic water use figures for each reuse polygon as well as initial discussions on water allocation intentions emerged as issues on which more information was desired. Continuing attention to water supply and operational subjects became the venue of the Administration Committees Ad Hoc Water Subcommittee.

It is timely for FORA to reach agreement as to the policies which will guide the transition of Fort Ord's water supply and distribution facilities from Army to Civilian control. The immediacy of this transition is apparent in the letter from Col. Roszkowski which can be found on the following pages.

DEPARTMENT OF THE ARMY

HEADQUARTERS UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND
FORT MONROE, VIRGINIA 23651-5000

May 19, 1995

REPLY TO
ATTENTION OF

Base Realignment and
Closure Office

RECEIVED
MAY 3 1 1995

Mr. Jack Barlich, Chair
Fort Ord Reuse Authority
Building T2800, 12th Street
Marina, California 93933

Dear Mr. Barlich:

The Army has received several unsolicited proposals for the purchase of water and sewer (wastewater) systems on Fort Ord. Before the Army proceeds with disposal of these systems as well as the storm water system, we would like to determine if the Fort Ord Reuse Authority (FORA) is desirous of obtaining ownership. FORA can obtain ownership by one of three methods--public benefit conveyance, economic development conveyance, or negotiated sale.

- Public benefit conveyance for public health purposes. The utility systems as well as other property declared excess to Army's needs were screened during the initial screening of former Fort Ord property. During this period, the Cities of Marina and Seaside submitted applications to Health and Human Services (HHS) to acquire the water and sewer systems at Fort Ord. These applications were returned to the Cities in a letter from HHS dated August 16, 1993, with the explanation that HHS was "able to accept an application from only one entity, which must carry full responsibility for the use of the property." As the legislated reuse authority, FORA qualifies as the preferred entity. To utilize this method of conveyance, an application should be submitted to and approved by the sponsoring Federal agency, HHS.

- Economic development conveyance (EDC). If the transfer of utilities is desired by EDC, they should be included as part of an economic development conveyance request for significant portions of Fort Ord.

- Negotiated sale at estimated fair market value.

Figure PFIP 3-3

If FORA decides to obtain the water and sewer systems, we will include the water allocations and wastewater treatment capacity of Fort Ord with the exception of those determined by the Army to be necessary for the Presidio of Monterey Annex. These water allocations and the wastewater treatment capacity will be retained by the Army.

The Army's disposal action may also include the water and sewer systems located within property being retained by the Federal government (POM Annex, Silas B. Hayes Building, U.S. Army Reserve Center, and Bureau of Land Management) and any systems previously identified for support of these properties. The systems will also include those parts that were retained by the Army in previous parcel transfer/disposals, e.g., universities, etc.

If FORA decides not to take either the water or sewer system, the Army intends to proceed with disposal. This will be done by competitive sale. We will consult with FORA on the development of the solicitation package and criteria for ranking of proposals received. Our goal is to dispose of the systems to purveyor(s) who can provide continued quality service to the reusers of Fort Ord and the remaining Federal government activities.

Request FORA notify this office within thirty (30) days from the date of this letter of their intentions regarding ownership of these systems.

This letter has been coordinated with Headquarters, Department of the Army, U.S. Army Corps of Engineers, U.S. Army Center for Public Works, and the Presidio of Monterey.

Sincerely,

Joseph A. Roszkowski
Colonel, U.S. Army
Director, Operations

Copies Furnished:

Honorable Sam Farr, House of Representatives
Office of the Secretary of Defense, Base Transition Office

Figure PFIP 3-3 cont'd

It is significant that Col. Roszkowski's letter offers the possibility of a Public Benefit Conveyance as the means of transfer of the water supplies and facilities from the Army to FORA. This conveyance would appear to be in FORA's best interests and, as such, warrants a favorable response.

3.5.6.1 FORA Water Service Implementation Goals

In the process of exploring water supply and operation options, the FORA Committees have also become forums for articulation of the individual goals and preferences of FORA members. This section summarizes both the consensus goals and subjects where important differences of opinion were evident.

- Continuity of supply, reliability of delivery and seamlessness of transfer from Army to civilian control are common goals. Support for sufficient allocation of water to insure CSUMB "mid-range" buildout also has general support.

- The manner in which water service responsibilities are transferred and future water policies are set should reflect a "statesman" role by FORA.

- When defining its long-term water supply program, FORA should avoid conflict with established agricultural interests, and should institute review/allocation procedures which will not allow "hoarding: of water resources by any jurisdiction.

- Although a wholesale/retail organization of the water delivery function has been proposed, some ITAC members prefer the simplicity of a single water agency or public utility. At the same time, however, other members do not wish to see a single purveyor and favor individual land use agencies having the option to make their own arrangements within City/County boundaries.

- In establishing water rates, a strong diversity of opinion is apparent between those who wish to minimize operating costs for the first reusers and those who prefer to set a "desal" water rate initially which will generate a sinking fund for construction of the future desalination facility.

- Concerning allocation of the current water supply, a similar difference of opinion exists. Those in favor of protecting the initial interest of reusers and the cities call for definitive allocations while those who see the assurance of future supply as the common goal oppose allocations. The no allocation view would be coupled with the setting of a water rate structure which produces a reserve to cover future water supply costs and thus would assure a continuity of supply for all reusers.

Subsequent AdHoc Water Subcommittee discussions have been interpreted to reflect FORA's objectives and approach concerning water supply as follows:

FORA should:

- o RETAIN CONTROL OF AT LEAST 10% OF THE AVAILABLE WATER RESOURCES as a strategic reserve while allocating the remainder to the land use jurisdictions as an assured supply to encourage reuse.

- o USE THE REUSE INFRASTRUCTURE STUDY AS A GUIDE TO FORECAST CAPITAL NEEDS AND REASSESS THOSE NUMBERS ROUTINELY so as to determine need to shift emphasis on improvement or to adjust the rate of capital improvement funding.

- o ESTABLISH A THRESHOLD OF ACTUAL WATER USAGE THAT WILL TRIGGER INITIATION OF THE DESALINATION FACILITY FINANCING FUND. Water rates should be "ramped up" from initial O&M costs to, first, include repair and replacement reserves and, finally, to meet the desalination facility financing requirements beyond the threshold point.

3.5.6.2 Concerning Strategic Water Planning

This discussion intends to place water resource and operational issues impacting the reuse of Fort Ord into their regional context. Water has long been and will continue to be a contentious issue for both the Monterey Peninsula and Salinas Valley. Although the region is arid and environmentally sensitive, it sustains significant agricultural and urban economies. Any reuse of Fort Ord resulting in a marked increase in water demand will require compromise, creativity and difficult decisions. Institutional, jurisdictional, economic and political forces may pose more of a challenge than will technical issues.

FORA must decide upon the ownership and operation of water supply systems, both existing and future, to provide potable and non-potable water to the base. Supplies will include some combination of groundwater, desalinated seawater, and reclaimed wastewater. Institutional relationships and the reference for either public or private system ownership will largely influence the selection of water supply purveyor(s). The water distribution purveyor could be the water supply purveyor, or a completely separate agency. Potable and non-potable water distribution systems should probably be owned and operated by the same entity to avoid right-of-way complexities and minimize the chances for cross connecting the systems. Some of the following factors will play a role in determining the future purveyors. Purveyor options include, but are not necessarily limited to:

- Form a new public utility to supply and/or distribute water to Fort Ord. This agency would work under the auspices of both MCWRA and MPWMD; and would own and operate a desalination plant and potentially a reclaimed water treatment facility.

- Chose an existing agency to purvey water, such as the MCWRA, one of the cities, or MCWD.

- Extend the jurisdiction of suppliers which are currently outside of Fort Ord; for example, the Marina Coast Water District.

- Grant a private franchise to a public utility (e.g. California American Water Company or California Water Service).

- Obtain appropriate legislation so that the Fort Ord Reuse Agency could assume water supply duties.

Jurisdictional Issues

The Fort Ord base is under the jurisdiction of both the Monterey County Water Resources Agency (MCWRA) and the Monterey Peninsula Water Management District (MPWMD). Each of these agencies have specific reporting requirements regarding extractions and well registration. Each of these agencies is also empowered to control water use if that use will impact existing supplies.

The privatization of federal land and the possibility of adjudication raises significant water rights issues. Privatization of federal land may impart to the newly created parcels overlying water rights. If so, each land owner would be legally entitled to unregulated use (as long as the use was reasonable and beneficial) of underlying water on the parcel. This could impact the ability to limit water use to the historical demand. Some legal mechanism of transferring water rights to the operator of the water system will likely be necessary.

The possibility of adjudication of the Salinas Groundwater Basin raises questions regarding the ability to pass extraction history along with the land during the conversion of federal to private land. Improper handling of land transfer could result in the inability to maximize the use of the limited water supply. Some questions that will eventually be answered include:

- Will individual properties be given a prorata share of the historic pumping?

- If land is transferred to private holding yet remains undeveloped for a period of time, does extraction history persist on this land?

Economic and Political Strategies

In light of the cost of desalinated water (capital improvements alone cost $6 million for every 1 MGD of capacity; operational costs are even higher compared to annualized capital cost), the use of desalination should be delayed as long as possible. Reclaimed water use will determine the amount of desalinated water required, and the economics of delivering the reclaimed water to users will probably be more important than the economics of obtaining the water. Analysis shows that the annual costs of delivering reclaimed water from elsewhere is roughly equivalent to treating wastewater on base. In fact, when examined on a capital basis alone, the cost of reclaimed water (regardless of source) is not that different than the cost of desalinated water. However, the operational costs of desalinating seawater are much higher than those of treating municipal wastewater.

The water system infrastructure proposed to serve ultimate development at Fort Ord has been based on the premise that one entity would own and operate the system. That is, the new service area would be contiguous with the existing Fort Ord boundaries. This is consistent with recommendations from the California Department of Health Services (letter of June 6, 1994) and the Monterey County Water Resources Agency. There has been some interest, however, from parties interested in multiple political jurisdictions for water service. There is also a cost savings to be realized of the Southwest and Northwest reuse polygons are served from water systems adjacent to the Base rather than by system extensions from within the Base.

From a public health, economic, and operational standpoint, operating a water system of this size under a single jurisdiction will always be the most attractive option. Fort Ord is situated on top of old dune sand dunes, and the resulting variation in topography necessitates several water service pressure zones. Any politically driven jurisdictional boundaries will almost invariably cross one or more of these pressure zones. Each zone is a water service entity unto itself. Water enters each zone from either a supply source or another zone, and is either consumed within that zone or sent off to another. The system also operates so that for the most part, water for fires and other emergency demands is stored and distributed within the zone of demand. In short, each zone must stand on its own.

To illustrate this, a portion of Fort Ord's ultimate system has been broken off into a "Seaside Service Area" for a two purveyor (water retailer) system. The jurisdictional boundary for this illustrative case would follow Seaside's City Limits on the east, the southwest boundary of CSU-Monterey Bay on the north, and the Highway 1 on the west. A small portion of the southern development area would also be included in the Seaside Service Area.

Accommodating two separate water systems would necessitate an independent potable water supply and transmission system to each water purveyor as well as two separate sets of storage and distribution facilities. The most cost-effective water supply and transmission system alternative appears to be that consisting of an independent water wholesaler who would deliver water from the Salinas Valley, blend this water with local wells and a new desalination plant, and distribute the water to each of the two

water purveyors' boundaries. Because of the hilly nature of the old sand dunes, at least two pump stations would be required along this transmission line. Since demand at each system turnout could vary greatly, equalization tanks would also be necessary to provide smooth pump operation. At least $5.8 million in additional capital improvements would be needed to facilitate a two purveyor system. Most facilities will be required immediately upon system separation, with the exception of a desalination supply line and possibly some staged pumping. In addition, more local storage facilities and perhaps some additional local distribution pipeline may also be needed. These local system costs are not included in the $5.8 million cited above.

The concept of a two-purveyor system could be expanded to a multi-purveyor system with three or more separate operating agencies. In general however, as more and more agencies are added, the operational and economic problems mount exponentially.

3.5.6.3 Options Matrix

The following matrix displays the range of options which have been open to discussion during FORA consideration of water supply and operational issues.

Table 3-8

Water-Related Issue	← RANGE OF OPTIONS →			
Operation and Ownership of Current Water Supply	Existing city or county agencies to handle water production and purveyor functions or Cities and County independently select water purveyors	Private franchise granted to public utilities for total water service or Service areas of existing water supply agencies are expanded to include Fort Ord or MCWRA serves as wholesaler to one or two water purveyors	New public utility formed to handle water production and purveyor functions or FORA functions as water wholesaler producing and supplying water to a number of local purveyors (with a sunset clause)	FORA produces and purveys water supply or FORA solicits bids from all interested parties and awards water supply and purveyor function to entity which offers best deal
Source of Future Water Supply (Beyond supply by well or from SVWTP source)	*Although desalination of seawater has been identified as the most available source to meet ultimate water requirements, all other optional sources such as reclaimed water, storm water, and imported water will also be considered.*			
Quantification of Available Water Supply	5200 ac. ft./yr. Reduced by reason of pending adjudication and/or well permit insecurity	6600 ac. ft./yr. Based on Agreement No. A - 06404 between MCWRA and the United States of America	7000 ac. ft./yr. Based on Agreement No. A - 06404 and the conversion of the "golf course" well to potable supply	7900 ac. ft./yr. Based on Agreement No. A - 06404 <u>plus</u> golf course well conversion <u>plus</u> possible supply from other agencies
	Although supply figures vary in discussion from 5200 to 7900 ac. ft./yr., a common assumption of 6600 ac. ft./yr. is accepted by FORA.			

Water-Related Issue	← RANGE OF OPTIONS →			
Allocation of 6600 ac. ft./yr. of "Army-owned" Ground Water Supply from the Salinas Valley Water Basin	Historic use within local government jurisdictions without regard to future reuse plan	Apply prorata reduction to all reuse plan land uses so that total demand does not exceed 6600 ac. ft./yr.	Serve priority parcels determined by FORA board	First come/first served
	(An extensive Discussion of Allocation Alternatives is presented in section 3.5.6.5) Allocation becomes a non-issue if water rates are set to generate a financing fund for desal plant construction by the time the new water supply is needed.			
Financing of Water Supply and Treatment Upgrades	Depend upon grants or bond Issuance	Charge users at a prorata price which exceeds production costs so as to generate funds for expansion. Ramp-up rates for future supply funding based on demand trigger.	Select a justifiable combination of wholesale and purveyor rates which will match the rates of other water companies and retain the income for expansion and/or desal plant financing	Establish the cost of producing desalinated water and set water rates at this level. Use excess income in early years to create financing fund for desal plant
	The common assumption is that the entity which controls the water supply has the obligation to fund the cost of expanding that supply in order to fully serve the FORA Reuse Plan.			
New Operational Concepts	Water Users Reps (Universities, Purveyors, Army) function as Board of Water Commissioners under FORA to make all water decisions	Water consortium formed by users to accept water system transfer from FORA and to be responsi-ble for capital improvements and service contracts	Joint Powers Agency created through which all FORA members participate in income generated from water revenues	Non Profit Corporation created in which FORA members can invest in order to earn shareholder returns

3.5.6.4 Wholesale/Retail Responsibilities

As covered in the Options Matrix presented in Section 3.6.6.3, the organization of future water supply operations at Fort Ord can vary from a) single utility which controls the available water supply and then provides all production and purveyor services to b) a multiplicity of purveyors who obtain water from a central source and then distribute that supply to individual customers within the service areas. The FORIS Report contains the recommendation that a single agency should be responsible for owning and operating the water supply facilities and that a limited number of water purveyors be designated to distribute water to individual customers. The expressed logic behind this recommendation is as follows:

1. The point-source nature of the water supply facilities - i.e., concentrated well fields or defined imported water connection or single desalination facility - argues for a solely responsible supply agency which will also insure a long term base-wide financing program to secure additional water supplies.

2. The limiting of the number of purveyors is based on the economic realities that the delivery systems costs increase along with the number of purveyors due primarily to storage and connections redundancy.

With respect to the water policy implications of FORA's role as either potable water wholesaler, or as receiver of the water supply/distribution system for transfer to a water purveyor, the analytical groundwork has been completed in the FORIS Report. In fact, the first action plan which came from the FORIS process proposed the concept that all reuse activities at Fort Ord should pay a water bill reflecting desalinated water cost. FORIS also suggests that water wholesaled to local purveyor (or purveyors) for distribution to individual customers is the proper sequence of water supply operations.

The rationale for FORA'S water role is based upon the following factors:

1. The current potable well water sources, Wells 29 though 32, are concentrated in a discrete geographic sector of the Base.

2. The Army's contract which authorizes pumping of up to 6600 ac.ft./yr. from Zone 2-2A of the Monterey County Water Resources Agency (MCWRA) is expected to be transferred to one entity via a public benefit conveyance.

3. Future water supply sources either to replace the existing well supply or to provide "new" water sources are also expected to be "point" sourced rather than dispersed source and thus are compatible with a single wholesale entity delivering to local purveyors the consolidated water supply.

4. In the case of the "new" water supplies which will have to be planned for, permitted, and constructed over the next 15 to 20 years, a single responsible agency to finance and implement a consistent water resources program is essential. Both singularity of purpose and full potential for financing of the future water supply facilities are important attributes which define the water wholesaler role. In effect, water system improvements are transferred from real estate based financing to rate based financing which, in turn, makes development more feasible.

5. By maintaining control over such an important aspect of water utility as the source and cost of treated water, FORA can significantly influence the water rates which are charged by purveyor(s) as well as water consumption practices within their service areas.

3.5.6.5 Economic Analysis

(Independently Prepared by Richard Milbrodt of Budget Administrative Counseling, Sacramento, Ca.)

This section deals with analysis of the possible management of the water sewer program and how the operation and capital needs can be financed. Financing is keyed to use. Water system capital and operating costs are paid from water sales, connections to the system and water meters rental. Capital costs are separated between repair/replacement of existing facilities and new construction with financing from sinking funds or by debt issuance secured by water sales revenue. The cost of operation is paid from water sales.

Objectives of the water system financing plan are: to maintain competitive water tariffs with local agencies; to develop an equitable system for all users; to provide economic incentives for land development; and to secure a stable revenue source for FORA administration, of the water supply aspects of the program. Three alternative financing plans are presented. One is a preferred plan. The text explains each plan and accompanying tables illustrate application of the alternative financing schemes.

The financing plan has four basic objectives:

1) Integration of utility service and implementation of base re-use plan with participation by land use entities.
2) Minimizes FORA risk.
3) Provides economically viable development opportunity.
4) Maximizes FORA income for future needs.

Assumptions

The assumptions used in preparing this economic analysis are as follows:

- Water meters can be charged to users on a standby basis.
- All existing and future users can be charged a connection fee.
- No federal/state assistance is available for capital needs.
- Maximum annual water loss will not exceed 560 acre feet.
- One-half of current water system facilities can be maintained through an annual reserve of 1% of estimated system cost set aside for that purpose.
- One-half of current water system will be replaced through upgrades.
- Both system upgrade and new construction will be undertaken concurrently. Phasing of these capital improvements without concurrent management will reduce expenditures and increase revenues.
- Cost estimates provided by the Public Facilities Implementation Plan are current and appropriate to this analysis.
- Distribution of water is a responsibility of purveyor(s).
- Seasonal fluctuations in water demand will not distort an annual average rate of use.
- Water conservation practices will not materially reduce estimates of water demand for the system, since demand will exceed supply by 2015.
- Investments of cash balanced by FORA will earn an average rate of return of 4% per annum.
- Public agencies served will not be entitled to either payments in lieu of property taxes or franchise fees from system earnings.
- Rates charged for reused water are not part of this study.
- POM water sales will be reduced from the basic schedule

All plans presented use 1995 dollars. It is anticipated that system managers will establish an annual cost adjustment review process using the Engineering News Record or similar index and that the water sales rate schedule will be adjusted to keep pace with the cost adjustments. In all plans, the maximum water rates charged are consistent with the rates in effect as of May 1, 1995 for the nearest available private utility competitor (Cal-Am Water Co.).

Financing Plan A (Uniform Financing Plan)

The distinguishing characteristics of this plan are; relatively uniform revenue base throughout the full 20 year period; all forms of revenue utilized at the start and continue at the same level except for cost index changes. These revenue sources include: water meter rental, water sales, connection fees, interest earnings on balances available, state/federal assistance.

This plan distributes all costs of the water system to four revenue sources: water sales, connection fees, meter rentals and interest earned on available balances. Capital improvements are separated between restoration and replacement (R & R) of existing facilities; new construction facilities and

future construction of the desalination plant. The latter plant is financed from the proceeds of a sinking fund. R & R and new construction costs are apportioned equally between debt issuance (50% of system improvements) and reserve funds set aside annually (50% of system improvements). After an interim period, higher rates go into effect in 2001 to start a sinking fund for future major facilities.

Both wholesale and retail water rate schedules generally match the existing rate tariffs of the nearest available private utility and will finance obligations of FORA and the costs separate purveyors distributing water.

A contingency reserve has been established for the operation and administration of the water system. Interest has been estimated from available balances including this contingency fund which will not be required in all years. Because the projected finances depend heavily upon estimated water consumption, it has been deemed necessary to allow for seasonal fluctuations in actual use arising from either conservation practices, weather conditions or both. This adjustment to the total estimated available operating revenue provides a further protection against unplanned contingency events.

The water sales by FORA are priced at $1.44 per cubic foot for the first 800 feet of use and $1.50 per cubic foot over the minimum. The computation of water sales for the purveyors are estimated at $0.25 per cubic foot for the first 800 feet of use and $0.64 thereafter.

Meter rent is $20/month; connection fees are $2,000. Cash flow needed to start up period can be furnished through short term borrowing using future revenues to repay debt. Capital value in water system will provide security for the borrowing . A contingency reserve has been provided to meet such unknown requirements as equipment, vehicles, space rental and other need for operations that may not be available from the U.S. Army transfer. The Table shown for Plan A begins with the year 2001 because the interim period is deemed as start up years and allows for gradual build up of new connections and services. A summary of the start up water supply/production budget requirements follows:

Function	1996	1997	1998	1999	2000
Salaries	$205(000)	$216(000)	$251(000)	$261(000)	$268(000)
Svs/Supp	100	105	110	115	134
Cont.	25	30	33	35	38
Total	$330	$351	$394	$310	$440

Staffing would begin with 6.5 positions increasing to 7.5 at start of 2001 budget.

Table PFIP 3-9
Water System Financing Plan Summary
Plan A

	2001	2005	2014
REVENUE			
Water Sales - Level 1	1,377,648	2,503,296	3,756,960
Connection Fees	290,000	290,000	290,000
Meter Rent	435,000	1,044,000	1,680,000
Interest	1,408	2,816	4,224
	2,104,056	3,840,112	5,731,184
EXPENDITURES			
Debt Retirement	432,000	919,559	1,459,084
Operation Costs	352,000	704,000	1,056,000
Administration Costs	52,800	105,000	158,400
RESERVES			
R & R	500,000	500,000	500,000
Operations	35,200	70,400	105,600
Desal Plant	435,000	1,044,000	1,100,000
Agency Payments	250,000	300,000	500,000
Adjustment/fluctuations in water use	47,056	197,153	852,100
	2,104,056	**3,840,112**	**5,731,184**

Desal plant (Phase I) fully funded in 2012; Phase II funding in 2014. Estimated cost of construction of a desalination plant is $12.5 million.

Financing Plan B (Deferred Improvement Plan)

The distinguishing characteristic of this plan is a deferred start on reserving funds for capital improvements which results in a low start-up revenue structure. Debt management is postponed until a date determined by the FORA Board. Meter rentals are charged only for one year (start-up year and dropped until needed at a later time. The first year income can be used to supplement water sales revenues and provide cash flow to lessen short term borrowing and help fund start-up costs.

This alternative is based upon several policy decisions regarding capital improvements:

1) That the desal plant will be financed from debt issued at a later time period, perhaps not until start of construction in 2012;
2) That the construction of new facilities will require debt issued following the establishment of water operations and the retirement of that debt will be from income other than water sales. This would mean grants, connection fees and meter rental income (the latter is needed only for the start up year).

As with Plan A, the water rate schedule is competitive with the nearest available private utility. The major difference being a more favorable allocation of the water rates between FORA, as wholesaler, and the retailing agencies. Plan B offers an allocation of 50% of water sales revenue to the wholesaler and the retailer.

Allocating future capital costs to revenue sources other than water sales has the advantage of avoiding shortfall in debt redemption because of declines in water consumption. It does, however, impose major costs at the front end of construction because connection and development fees have to be levied at an amount that will reduce debt payments. For example, under this alternative, the connection fee in start up years would be $8,500 with annual escalation thereafter. Meter rental would start at $20 per month and increase to an estimated $45 per month.

FORA operating costs are fully funded under this plan from the revenue earned on sale of water. An adjustment for possible fluctuation in actual water use from projected demand has also been established in this plan.

Water rates are established for the sale of water by FORA at a rate of $1.20 per 100 cubic foot for the first 800 feet and $1.00 per foot thereafter. Water rates for purveyors are computed at $0.49 per 100 feet for the first 800 feet and $0.69 per 100 feet thereafter.

Table PFIP 3-10
Water System Financing Plan Summary
Plan B

	1996	2005	2014
REVENUE			
Water Sales - Level 1	951,840	1,735,680	2,596,800
Meter Rent	261,000	-	-
Interest	1,408	2,816	4,224
	1,214,248	1,738,496	2,601,024
EXPENDITURES			
Operation Costs	352,000	704,000	1,056,000
Administration Costs	52,800	105,000	158,400
RESERVES			
R & R	500,000	500,000	500,000
Operations	35,200	70,400	105,600
Total Reserves	535,200	570,400	605,600
Agency Costs	250,000	300,000	500,000
Adjustment/fluctuations in water use	24,248	59,096	281,024
	1,214,248	**1,738,496**	**2,601,024**

FINANCING PLAN C (Staged Plan)

The distinguishing characteristic of the plan is that the future desal plant is only funded in part through annual contributions to a sinking fund and other major capital improvements are deferred until future years.

This plan attempts to offer a compromise financing between Plan A and Plan B. Under this concept the capital improvement costs are partly funded by a sinking fund established annually from water sales and partly funded by a future debt issue. Meter rentals and connection fees supplement a proportionate share of debt retirement that is paid from water sales revenue. The primary advantage of this concept is to lower debt costs in the early, start-up years and defer major capital improvements to a point where development has been relatively well in place and the market can absorb higher costs.

FORA administrative expenses are fully paid with this plan as is the cost of R & R for current system improvements. Approximately $19.81 million of capital construction cost is financed from connection fee revenues ($11.33 million) and water sales and meter rentals ($8.48 million).

The estimated cost of water sales by FORA is $1.20 per 100 cubic feet for the first 800 feet and $1.45 per 100 feet thereafter. The estimated water sales by purveyors is $0.49 per 100 feet for the first 800 feet and $0.69 per 100 feet thereafter.

Table PFIP 3-11
Water System Financing Plan Summary
Plan C

	1996	2005	2014
REVENUE			
Water Sales - Level 1	1,305,000	2,366,400	3,558,000
Meter Rent	348,000	696,000	960,000
Interest	1,408	2,816	4,224
	1,654,408	3,065,216	4,522,224
EXPENDITURES			
Debt Retirement	432,000	919,559	1,459,084
Operation Costs	352,000	704,000	1,056,000
Administration Costs	500,000	105,000	158,400
RESERVES			
R & R Reserve	52,800	500,000	500,000
Operations	35,200	70,400	105,600
Total Reserves			
Agency Costs	250,000	300,000	500,000
Adjustment/fluctuations in water use	24,248	466,257	743,140
	1,654,408	**3,065,216**	**4,522,224**

Desal plant would be 40% funded by connection fees sinking fund and would require a bond issue for the remaining costs.

Major Distinction between Financing Plans

This subsection summarizes the major differences between the three alternative financing plans presented in this section.

Plan A - Uniform Financing Plan:

- Desal plant fully funded with annual increments set aside for meter rental revenues.
- Water sales & connection fees to pay all other costs with uniformity over planning period.
- Water sales price is $1.44/1st 800 cft; $1.50 per 100 cft thereafter.

Plan B - Deferred Improvement Plan:

- Desal plant not funded with annual increments, must be funded by borrowing.
- Meter rent used first year only for cash flow; then dropped to re-start when capital plan implemented.
- Connection fees postponed until 2012 when desal plan financing undertaken.
- Water sales price is $1.20/1^{st}$ 800 cft; $1.00 per 100 cft thereafter.
- Using recommended cap on water rates, distribution share to retailer highest of the three plans because capital improvements are deferred using bonds issued at a later time and spread over longer term.

Plan C - Staged Plan:

- Desal plant is 40% funded from revenues; remainder financed by debt insurance at a later time.
- Connection fees excluded from plan until desal plant financing established.
- Entire program funded from water sales.
- Water sales price is $1.20/1^{st}$ 800 cft; $1.45 per 100 cft thereafter.
- Capital improvement plan staged so that no debt is required for first three years; R&R program staged so the annual increments are not uniform but increase to meet planned work.

Preferred Water Financing Plan

Plan A as shown above is the preferred alternative among the three choices that are available. The reasons for this preference are as follows:

1) An economic incentive to proceed at an early date with development is created by the lower connection fees and related water system expenses prior to occupancy.
2) The tariffs for sale of water, both for wholesaler and retailer, offer a margin of safety for possible drops in water consumption while still being competitive with other water suppliers serving the area.
3) Capital costs are spread over water sales revenue and other revenues.
4) Construction of the desalination plant will be fully financed by the time that construction planning and development must take place.
5) No investment is required to capitalize the water system.
6) Replacement/repair of current system uniformly scheduled.
7) Avoids reliance on real estate based financing which improves opportunity for financing other infrastructure needs.
8) Capital available for system improvements as needed.
9) Provides management flexibility to deal with unforeseen future events through use of reserves for capital needs.
10) Provides opportunity to link wastewater improvement financing with water usage by including a fee for future capital costs with water service charges.

FORA Operating Revenues: Using the water system as a revenue source to finance FORA operations creates a distinct benefit to member agencies who would otherwise be required to contribute to funding for the same purpose. The analysis shows that over a period of time, the operating experience may result in added revenues from water sales that could be considered for added contribution to members and/or a reduction in water rates depending upon policy and legal considerations.

Risk Factors: The factor of risk in managing a water system is difficult to measure. Of course it is mandatory to continue without interrupting the delivery of water service. There would appear to be possibly three risk events that could occur: catastrophic, reliability and overly optimistic estimates of new connections and water consumption. The best insurance against these contingencies is Plan A which establishes larger reserve funds to hedge against unforeseen events. All the plans offer management scenarios. Rescheduling capital improvements would be required but this is manageable. In addition, state and federal assistance are usually available after catastrophic events. If the system needs reliability improvements before capital reserves are available, the need can be met with short term borrowing secured by future water sales revenues. If estimates for future new connections (and water use) are too high, then the need for capital improvements and R& R work is lessened and can b stretched out to lessen expenditures.

Summary

It is economically feasible to establish FORA as wholesaler of water to the Fort Ord service area or as a partnership with a selected water purveyor responsible for both supply and distribution. At the same time it is feasible to include wastewater financing with water system management. FORA can furnish water quantities required at a competitive price schedule. Purchasers of FORA supplied water can finance their costs within the same competitive pricing structure. Capital costs and operating costs can be fully financed under the preferred alternative from a combination of water sales, meter rentals, connection fees and miscellaneous income sources. A combination of long term indebtedness and pay as you go capital financing provides user equity and meets FORA objectives for implementation of reuse plans.

3.5.6.6 Allocation Alternatives

As previously reported FORA's consultants have contacted or received information from the following water agencies concerning allocation policies: Amador County Water Agency, El Dorado Irrigation District, Marina Coast Water District, Placer County Water Agency, Sacramento City and County, Tahoe Regional Planning Agency

A common lament concerning any allocation policy is as follows:

> *"Allocation of water supply results in a very bureaucratic system involving forms, procedures, scheduled application or review periods, political pressure, public meetings and, inevitably, appeals to change the allocation policy."*

It is a common view that any allocation system represents a major administrative burden to be avoided if at all possible and, if implemented, that an allocation system should also include a buy-in provision for water in reserve so as to insure that sufficient operative income is generated whether or not water is consumed.

Allocation Scenarios

The generic concepts which are seen as the basis of allocation system are those of historic use (essentially riparian rights); current use (appropriative rights) and/or future use (assigned rights). Water purveyors, in most cases, have no control over future use and thus resort to a first come-first served concept. If supply constraint occurs, due to drought as an example, then users are given a common water conservation goal as a percentage reduction of their then current use.

The attributes of using one or another of the use factors as a basis of water allocation can be summarized as follows:

Historic Use
- Depends upon quantifiable water use.
- Favors past land utilization.
- Minimizes system expansion cost.
- Matches water supply with previous land parcelization.

Current Use
- Utilizes current, meterable water records.
- Favors most recent land use and consumption patterns.
- Matches water supply with contemporary land parcels.
- Accommodates current market forces.

Future Use
- Reflects planned future activities over a new service area.
- Leads to equal protection of future consumers usually on a first come-first served basis.
- Substitutes projections reflecting water conservation and future land use policies for metered water consumption and current practices.
- Has little flexibility to accommodate yet unknown demands for water.

A specific allocation program for each of the concepts summarized above is described in subsequent sections of this report and quantified in the Allocation Table.

First Come-First Served

- There is one other generic approach to water allocation which deserves explanation. That is the "First Come - First Served" concept which in effect seeks to avoid a hard and fast allocation of water supplies on any basis except actual usage. As practiced by either public or private purveyors of water in most municipal venues, an adequate

availability of water is secured by means of advance planning for and ongoing financing of the future facilities require to meet projected water consumption requirements.

Under the First Come - First Served concept, it is the actual consumption of the water supply which, through prudent meter rates, generates the dollars necessary to expand capacity. When FORA's responsibility to implement a base reuse plan is considered in respect to this water supply concept, it seems evident that the flexibility to serve any and all reuse opportunities which comply with the Final Plan is a desirable goal. There is a built-in assumption that FORA will use the advantage of the currently available water supply to both accommodate reuse AND to fund future supply acquisitions costs.

In respect to the Historic, Current or Future Use Allocation concepts summarized above, it is proper to consider First Come - First Served as a part of each concept. If an allocation system is warranted in order to offer future certainty of supply for land use entities, it is also highly desirable to incorporate some flexibility to accommodate emerging market opportunities. To the extent that any allocation system incorporates such flexibility by including an unallocated reserve, then First Come - First Served applies to that reserve.

If the goal of maximizing flexibility to accommodate reuse is primary then no allocation program is needed and all potential water customers - (within the allowed Reuse Plan) are encouraged. Credibility as to the permanence of water availability in respect to a particular project is provided by means of a "Will Serve" letter. Such letters are commonly issued by water purveyors throughout California.

Alternatively, however, when selection of an allocation procedure is necessary to achieve local consensus on water supply availability, then some degree of the First Come - First Served concept should also be included so as to provide a measure of flexibility.

Assumptions

In preparing the water allocation scenarios, the following assumptions have been made:

In respect to All Scenarios;

- That the agreement between Monterey County Water Resources Agency and the Army for a potable water supply of 6,600 AFY remains valid.

In respect to Historic Use;

- That irrigation water for the existing golf courses was supplied primarily from the golf courses well in a amount up to 400+ AFY and was augmented from the potable water supply, to the extent of 230 AFY.
- That the 5,200 AFY of Historic Use represents the highest consumption level during the Army's tenure at Fort Ord.

In respect to Current and Future Uses;

- That Col. Mettee - McCuchon's correspondence of October 13, 1995 and November 9, 1995 establishes the Army's current water requirements at 1,729 AFY, including 10% for line loss, and 630 +/- AFY for golf course irrigation. When golf course irrigation is transferred to Seaside, the Army allocation is (1729 - 133 line loss - 230 potable water used for irrigation) =1366 AFY.
- That the infrastructure report prepared by Bestor Engineers for California State University, Monterey Bay establishes the CSUMB (25,000 FTES) build out water requirements at 2,510 AFY and that the CSUMB 2015 (12,5000 FTES) water requirements are 1,255 AFY or less.
- That the EDAW Summary Tables for Land Use at 2015 (December 4, 1995 version) prevails as the Final Reuse Plan.
- That reused water becomes available to augment the well water supplies.

Water Allocation on the Basis of Historic Use

In the case of Fort Ord, historic use assignable to each reuse polygon would be that of the previous water consumption by the Army. The Table PFIP 3-12 on the following page prepared by R.F. Ducoing* presents historic use by polygon and represent the best available information on historic water consumption. Interestingly, the historic military water consumption is reported as a maximize of 5,200 acre feet per year (AFY) which will allow 1,400 AFY of added future supply to be accommodated within the 6,600 AFY total supply provided in the Monterey County Water Resource Agency (MCWRA) agreement (or 1,825 AFY if the Golf Course Well supply is included). When the historic use by polygon data is transferred to land use jurisdiction the allocation shown in Column A of Allocation Table (found in Table PFIP 3-13).

In respect to Fort Ord and for reasons of simplicity, firm water allocation and, at the same, implementation of FORA's Base Reuse Plan, it appears that water allocation based on Historic Use could be implemented on the following basis.

A. Water allocation by polygon would conform to the Historic Water Use Table constructed by Mr. Ducoing. This allocation basis will encourage land utilization which is serveable via the existing water system. In addition, the principles of water conservation are followed since infilling under the Base Reuse Plan would be encouraged and would allow increased densities in respect to the historic water allocations.

* R.F. Ducoing is a previous member of Fort Ord's Directorate of Housing and Engineering civilian staff. Mr. Ducoing was in charge of the source allocationand energy conservation programs at Fort Ord.

Table PFIP 3-12
Historical Water Useage By Polygon
Source: RF Ducoing

POLYGON #	LAND USE	ACREAGE	ACRE/YR
1a	AIR	401.0	25
1b	HAB	137.9	0
1c	LI	283.4	0
1d	HAB	0.0	0
1e	HAB	36.2	0
1f	TECH	56.3	0
2a	RETAIL	87.9	10
2b	HR/CBUS	339.9	731
2c	TECH	107.1	14
2d	RETAIL/HR	61.3	10
2e	CORP	42.0	30
2f	TC	8.8	0
2g	EQC	34.7	10
3	UNIV-CC	19.9	107
4	LR	664.8	811
4a	SCHOOL	19.1	30
5a	RETAIL	47.5	0
5b	RETAIL	6.2	0
5c	HAB	11.0	0
6a	RC	9.8	6
6b	HAB	44.4	0
7a	USO	273.8	0
7b	URA	408.5	0
7c	USO	125.6	5
8a	LFRA	339.7	0
8b	USO	26.4	0
8c	TC	20.5	0
8d	UNIV CC	7.2	9
9a	URA	140.2	0
9b	USO	36.2	0
10	UNIV	430.3	488
10a	SCHOOL	12.9	0
11a	HAB	179.1	0
11b	AGRI	778.7	20
12a	CDZ	INC. 12b	0
TOTAL 12b	DHZ	875.0	0
13	AQ/MRE	45.8	2
14a	MUA/ATF	67.5	10
14b	SA	11.0	0
14c	DS	INC. 13	0
15	RETAIL	95.4	0
TOTAL 16	UNIV	921.2	520

POLYGON #	LAND USE	ACREAGE	ACRE/YR
17a	CPRK	51.9	0
17b	RV	424.7	20
18	.3 MR/.7 OP	125.4	120
19a	LI	756.9	0
19b	ARMY/MP	100.4	22
20a	MR/RH	177.6	260
20b	MR	95.8	140
20c	MR	267.3	0
20d	INST/MIIS	58.6	32
20e	OP	61.0	190
20f	SCHOOL	40.1	30
20g	HR	89.5	175
20h	ARMY	697.7	1025
20i	SCHOOL	15.1	30
20j	SCHOOL	10.7	30
20k	SCHOOL	15.9	30
21a	MR	127.3	0
21b	LI	390.7	0
21c	DEMO	8.9	0
22	GOLF	380.0	230*
23	RH	90.4	0
24	OP	129.7	0
TOTAL 25	NRMA	14372.8	0
26	POST	39.5	0
29a	OP	209.8	0
29b	CORP	93.5	0
29c	OP	30.2	0
29d	OP	24.7	0
29e	CPRK	24.8	0
30a	RAE	252.0	0
30b	RAE	193.0	0
30c	RAE	136.4	0
31a	NAE	15.0	0
31b	OP	17.7	0
32	SE	88.5	0
	Seaside HS		28
TOTAL AC		26827.7	5200

*** ADDITONAL WATER SUPPLY FROM POTABLE SOURCES TO AUGMENT WELL PRODUCTION OF 400+/- AFY**

B. The 1,400 AFY of water in excess of the 5,200 AFY Historic Allocation would be reserved for future or additional land uses by polygon on a First Come-First Served basis. A specific provision would be that current use must be proved up to the historic allocation before any additional supply could be requested for a polygon.

C. Since the Army's indication of requirements for the POM Annex and other federal activities essential utilizes historic information, there is no diminution of the 1,400 AFY supply for future land use proposals.

D. When available, reused water supplies would be substituted for Historic Allocations, with the replaced amount being added to the 1,400 AFY for future land uses outside the historic polygon usage.

E. At the point in time when the totality of potable water consumption within the Fort Ord boundary reaches 5,200 AFY, then all Historic Allocations by polygon would be reviewed with the holders of those allocations receiving the option of either purchasing the remaining water allocation above then current use or of reverting the unused allocation to the First Come-First Served supply.

F. As proposed previously by the FORA staff, a ramped-up water rate provision would be formalized on the following basis:

- From time of Army transfer of water supplies and system for an ensuing two (2) year period, water rates will reflect production and outage repair costs only. New users must provide individually meters but historic users have the option of master metering at their expense.
- After the two (2) year period described above, water rates will be increased by a factor necessary to cover repairs and upgrades/replacement costs as reported in the FORA CIP through 2015. This period of production cost plus repair and replacement (R&R) funding will be in effect for an additional two (2) years, and during this period all master-metered polygons would have meters installed on an individual building service basis.
- After the four (4) year period described above, water rates will be increase by a factor necessary to cover the then anticipated cost of producing additional water supplies to serve the first phase of supply expansion beyond the 7,025 AFY now associated with well water production. This water rate composed of production, R&R and future supply funding is expected to continue through June 30, 2014 at which time a new water rate would be established.

If accepted on the basis outlined above, the Historic Allocations would become permanent through the option of the polygon owner(s) at the point in time when the totality of Fort Ord potable water usage reaches 5,200 AFY. At that time, the owner(s) would have either established a then-current use at or above historic level, elected to protect the Historic Allocation by

reserving through purchase the difference between then-current and historic level, or relegated the Historic Allocation to a First Come-First Served basis. Ongoing administration of such a policy is minimized and the balancing of water allocation and use is undertaken at a defined point in the future when historic water consumption is duplicated by then-current use.

Water Allocation on the Basis of Current (First Come) Project

At this time there is vastly reduced water consumption on Fort Ord which reflects the gap between historic Army occupancy and still to come reuse activity. Consequently, a Current Use basis for water allocation must reflect the anticipation of water consumption to support those activities for which public agency commitment of support is evident (such as CSUMB) and/or where water availability is essential to the reutilization of an on-base asset (such as existing housing).

Column B in the Allocation Table summarizes a "judgment call" as to which of the reuse activities proposed for Fort Ord should be considered "Current" and thus assigned a water allocation. Clearly, FORA Board confirmation of such a judgment call will be necessary. For comparison purposes and to arrive at a water allocation total under the Current Projects scenario, the following activities are served:

- Continuing Federal Uses including:
  - POM Annex of 1,590 Housing Units and Commissary Operations plus Motor Pool for Maintenance
  - DFAS
  - Army Reserve and National Guard
  - Golf Course
- CSUMB to 50% buildout including 1,253 existing housing units.
- UC - MBEST for 2015 Use
- Marina Airport operations at historic level.
- County Warehouse, Library and Corporation Yard activities based on PBC claims.
- Marina Corporation Yard, Recreation Facilities and Equestrian Center uses based on PBC claims.
- Elementary, Middle and Seaside High School operations based on historic use, plus Headquarters.
- Monterey Peninsula College and Golden Gate University facilities in Marina.

- Monterey Peninsula College facilities in County (East Garrison) based on PBC claim.
- MST Headquarters.
- State Parks and Recreation activities in Coastal Zone.
- County Youth Camp operations based on historic use.
- Marina existing housing supply in Patton, Abrams and Preston Parks.
- Seaside existing housing supply in Stillwell, Hayes, Brostrom and Thorson Parks/Villages.
- Homeless Service Providers facilities not to include housing which is accounted for as existing housing supply.

These activities have an aggregate anticipated water use of 4,250 AFY which when expanded by 10% to account for line losses constitutes an allocation of 4,675 AFY thus providing an unallocated reserve of 1,925 AFY (or 2,325 AFY if the Golf Course Well is included). Clearly, the selection of activities which are sufficiently committed to justify water allocation at this time is subject to debate. If only two activities are so designated, specifically the Federal/Army uses and the 12,500 full time student level of development for CSUMB, then the resulting current allocation would be 3,110 AFY with a larger unallocated reserve of 3,490 AFY.

Implementation of a Current Water Allocation program would essentially duplicate the steps suggested in the previous discussion of an Historic Use Approach as follows:

A. Water allocation by jurisdiction would conform to Column B of the Allocation Table.

B. The remaining 1,925 AFY of water in excess of the 4,675 AFY current allocation would be reserved for future or additional land uses by polygon on a First Come- First Served basis.

C. Since the Army's indication of requirements for the POM Annex and other federal activities essential utilizes historic information, there is no diminution of the 1,925 AFY supply for future land use proposals.

D. When available, reused water supplies would be substituted for either current allocations or future water projections, with the replace amount being added to the 1,925 AFY for future land uses.

E. At the point in time when the totality of potable water consumption within the Fort Ord boundary reaches 5,000 AFY, then all current allocations would be reviewed with the holders of those allocations receiving the option of either purchasing the remaining water allocation above then current use or of reverting the unused allocation to the First Come-First Served supply.

F. The ramped up water rate provision would apply.

Water Allocation on the Basis of Future Land Use

The basis of allocation to serve future use is the EDAW Land Use Summary Tables of December 4, 1995. The resulting land uses encompass the projected market absorption by SKMG through the year 2015. When the water demand for the 2015 land utilization was then calculated by Reimer Associates, a fortunate outcome resulted as to water requirements. The 2015 requirement for potable water totaled 6602 AFY (including 10% for line losses as well as 20% for reserve when water conservation measures are implemented in residential areas) which essentially matches the currently available well supply. In addition, 2,300 AFY of reclaimed water for irrigation purposes would also be required to support the projected 2015 reuse activities.

When the water requirements by future land use are transferred to transportation analysis zones or to polygons and then distributed by land use jurisdiction, the water assignments shown in Column C of the Allocation Table are the result.

As is readily apparent, all 6,600 AFY of the Fort Ord potable water supply is allocated and a supply of reclaimed water for irrigation is also required by 2015. There is no unallocated reserve and, therefore, no flexibility to meet unforeseen market conditions. A logical response to this "over allocation" is to simply select an allocation horizon earlier than 2015. A ratio for such a purpose would be to scale back the allocation jurisdiction in Column C by 50 % (except for Army and CSUMB requirements) and call the resulting totals (5260 AFY) a 2005 Plan. This approach is reflected in Column C' of the Allocation Table.

Implementation of an allocation scenario based on future land use appears to require more frequent review and potential balancing of assigning water rights than do either of the allocation measures previously discussed. Such review is essential since no First Come - First Served reserve is created and there is little flexibility to match emerging market trends and land absorption. A potential "mid-range" implementation program is as follows:

A. Water allocation by land use jurisdiction would by 100% of the Column C allocations for Army and CSUMB as shown in the Allocation Table on page 11 and 50% of Column C for all other Land Use Jurisdictions thus totaling 6,000 AFY. This suggested allocation is shown in Column C'.

B. The 810 AFY in excess of the 5,790 AFY Future Use Allocation would be kept as a strategic reserve under control of the FORA Board and made available for special projects meeting stated reuse goals. As an example, provision for water to

serve the MBEST Center beyond a 2005 "mid-range" allocation so as to attract high-tech industry could fall in this category.

C. When available, reused or reclaimed water supplies would be substituted for potable water allocation with 50% of the replacement being retained by the affected land use jurisdiction and 50% added to FORA's Strategic Reserve.

D. A review of actual water consumption would be conducted by FORA in years 2000, 2005 and 2010 with appropriate allocation modification. Holders of allocations would have the option of either purchasing a remaining water allocation above the current use or reverting to the Strategic Reserve. At any review time, the FORA Board could elect to change the Strategic Reserve to a First Come - First Served category. Such a transfer might logically occur when plans and funding for additional water supplies are secure.

E. The ramped-up water rate concept previously discussed would apply to this allocation scenario as well.

If implemented on the basis outlined above, a maximum of independence would be afforded to each land use jurisdiction in directing water utilization within its boundaries. The stated goals for FORA's water allocation program, as articulated by the County and other jurisdictions, include those of preventing hoarding of water and of accommodating future market trends. Unfortunately the allocation scenario outlined above has little flexibility, and may lead to water distribution which does not match market reality. The consequence of conducting more frequent water usage reviews must be anticipated if the Future Use scenario is chosen.

Water Allocation on the Basis of First Come - First Served

Column D of the Water Allocation Tables reflects a set aside for Army and Seaside golf course irrigation requirements. All other uses would be served as the specific water requirements by project are defined. "Allocations" against the 6,600 AFY potable water supply would be based on "Will Serve" letters issued by FORA's designated water system operator based on building plans and with a maximum 2 year life until service was commenced. The operator would report to FORA annually on the status of outstanding "Will Serve" commitments.

A maximum of flexibility to meet market forces is evident in this scenario and, as the result, the water supply is kept in play to accommodate reuse activities in all jurisdictions. Reused water attractiveness would be market-based on the business premise that a cost difference in favor of reused water would encourage substitution for irrigation purposes.

Water Allocation on the Basis of Jurisdictional Acreage

During the course of Administrative Committee Review of the Water Allocation Alternatives, a fifth scenario was proposed by committee members. It is a combination of future use (based on buildout acreage in developable land and parks) plus current use for those activities now operating at Fort Ord. Column E in the Allocation Table reflects the approach summarized by the committee members. Column E' shows how a change in the development acreage allocation

number (from 02 AFY/Ac. to .4 AFY/Ac.) will allow the allocations suggested by the Jurisdictional Acreage scenario to closely match the request of CSUMB and MBEST.

Comparative Assessment of Allocation Scenarios

Finally, the attributes of each Allocation Alternatives have been brought together on individual exhibits which also display the allocation percentages for each land use jurisdiction. These sheets appear after the Water Allocation Table and are followed by a comparative assessment which suggests a quantification technique for rating the Alternatives in respect to water service goals.

As of the March 15, 1996 completion of this Public Facilities Implementation Plan, the FORA Board still has the allocation scenarios under consideration. However, a clear preference for a version of the Jurisdictional Acreage approach has emerged from the Board discussions to date.

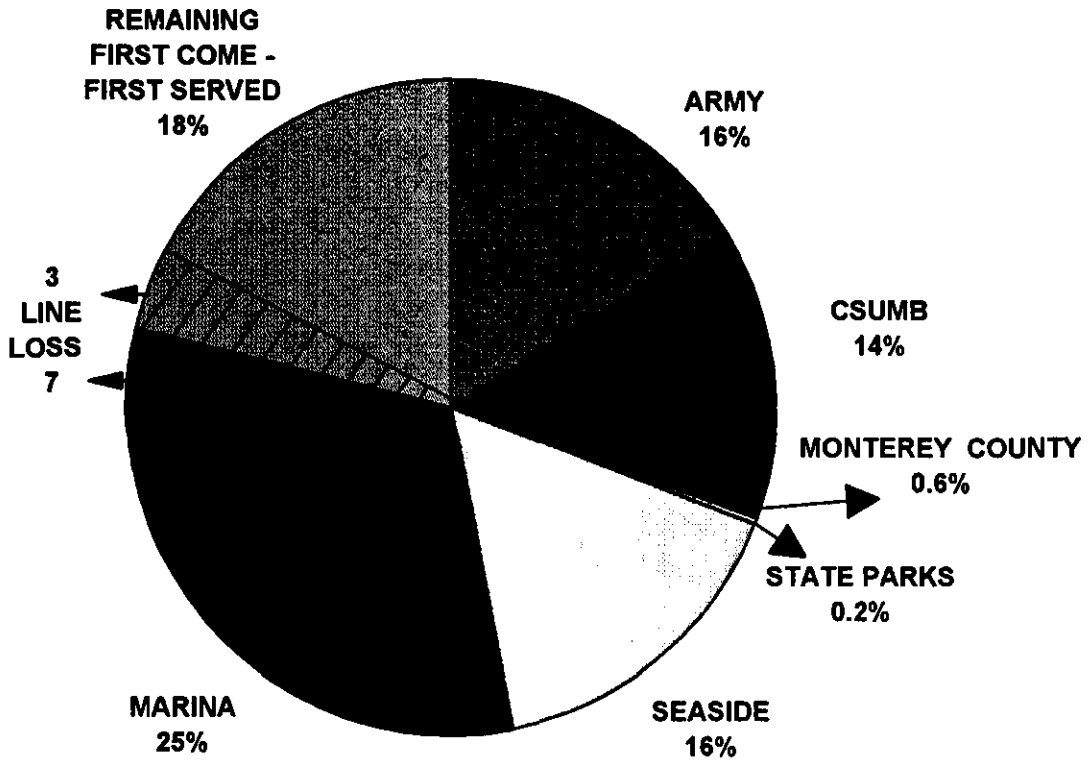
Water Allocation Table

The Water Allocation Table (Table PFIP 3-13) is found on the following page.

Table PFIP 3-13
WATER ALLOCATION TABLE
SUMMARY OF WATER ALLOCATION OPTIONS WATER ALLOTMENT IN (AFY) BY LAND USE JURISDICTION
(ALLOTMENTS EXCLUDE LINE LOSSES ESTIMATED AT 10%)

	Column A	Column B	Column C	Column C'	Column D	Column E				Column E'			
JURISDICTION	HISTORIC USE from Table A in Appendix A	CURRENT FIRST COME PROJECTS (ROUNDED)	FULL 2015 FUTURE USE (ROUNDED)	Future "Mid-Range 2005 Future Use (Except for Army & CSUMB (ROUNDED)	FIRST COME - FIRST SERVED USE	JURISDICTIONAL ACREAGE Devel. .2 AFY/Ac.	JURISDICTIONAL ACREAGE Parks .1 AFY/Ac.	+ CURRENT USE	TOTAL (Rounded)	JURISDICTIONAL ACREAGE Devel. .4 AFY/Ac.	JURISDICTIONAL ACREAGE Parks .1 AFY/Ac.	+ CURRENT USE	TOTAL (Rounded)
ARMY Assumes Golf Course Irrigation Transferred to Seaside after Column A	1065 AFY + Golf Co.Well	1365 AFY - Golf Co. Well	1385 AFY - Golf Co. Well	1365 AFY - Golf Co. Well	1365 AFY - Golf Co.Well	1365 AFY - Golf Co. Well		(965) AFY INCLUDED IN 1365 AFY	965 AFY	1385 - Golf Co. Well		(965) AFY INCLUDED IN 1365 AFY	965 AFY
CAL STATE UNIV. MONTEREY BAY	938 AFY	1255 AFY	1255 AFY	1255 AFY	2600 FTES + 1263 D.U. 750 AFY and As Needed	262 AFY 1310 AC.	28 AFY	615 AFY	905 AFY	524 AFY	28 AFY	615 AFY	1160 AFY
UC MBEST	5 AFY	175 AFY	175 AFY	90 AFY	As Needed	87 AFY 434 AC.	7 AFY	0	95 AFY	174 AFY	7 AFY	0	180 AFY
COUNTY OF MONTEREY	36 AFY	50 AFY	910 AFY	455 AFY	As Needed	274 AFY 1372 AC.	13 AFY	35 AFY	320 AFY	548 AFY	13 AFY	35 AFY	595 AFY
COUNTY/STATE PARKS & REC.	11 AFY	50 AFY	50 AFY	25 AFY	As Needed	0	50 AFY DISTURBED AREA OF 500 +/- AC.	0	50 AFY	0	50 AFY	0	50 AFY
COUNTY/DEL REY OAKS ANNEX	0	0	400 AFY	200 AFY	As Needed	43 AFY 217 AC.	0	0	45 AFY	86 AFY	0	0	85 AFY
COUNTY/MONTEREY ANNEX	0	0	40 AFY	20 AFY	As Needed	36 AFY 180 AC.	3 AFY 26 AC.	0	40 AFY	72 AFY	3 AFY	0	75 AFY
COUNTY/MARINA SPHERE	0	0	30 AFY	15 AFY	As Needed	4 AFY	6 AFY	0	10 AFY	8 AFY	6 AFY	0	15 AFY
CITY OF SEASIDE	1040 AFY	920 AFY + GOLF CO. WELL	1945 AFY + GOLF CO. WELL	1085 AFY + GOLF CO. WELL	805 AFY and As Needed	263 AFY 1316 AC.	15 AFY 122 AC.	250 AFY	525 AFY	526 AFY	15 AFY	250 AFY	790 AFY
CITY OF MARINA	1630 AFY	835 AFY	2320 AFY	1150 AFY	25 AFY At Airport As Needed	322 AFY 1610 AC.	10 AFY 97 AC.	85 AFY	420 AFY	644 AFY	10 AFY	85 AFY	740 AFY
TOTAL EXCLUDING LINE LOSSES	4725 AFY W/Line loss - 5200 AFY	4250 AFY W/Line Loss - 4675 AFY	8090 AFY W/Line Loss - 8900 AFY	5260 AFY W/Line Loss - 5790 AFY	2545 AFY W/ Line Loss - 2800 AFY	2256 AFY	132 AFY W/Line Loss - 3710 AFY	985 AFY	3,375 AFY	3547 AFY	132 AFY W/ Line Loss - 5130 AFY	985 AFY	4,655 AFY
POTENTIAL RECLAIMED WATER REPLACEMENT	NOT INCLUDED	NOT INCLUDED	2300 AFY	NOT INCLUDED	NOT INCLUDED	NOT INCLUDED				NOT INCLUDED			
FIRST COME - FIRST SERVED (WITH LINE LOSS / W/O RECL. WATER)	1400 AFY	1925 AFY	W/RECL. WATER NONE	810 AFY	3800 AFY	2890 AFY				1470 AFY			
ALLOCATION TOTAL	6600 AFY	6600 AFY	6600 AFY	6600 AFY	6600 AFY	6600 AFY				6600 AFY			

Figure PFIP 3-4
ALLOCATION BASED ON HISTORIC USE



ASSUMPTIONS:

Based on R.F Ducoing analysis of 5200 AFY of Army water use.

POSITIVE FACTORS:

- **Based on quantifiable water use.**
- **Assigns water to areas previously served thus minimizes system expansion.**

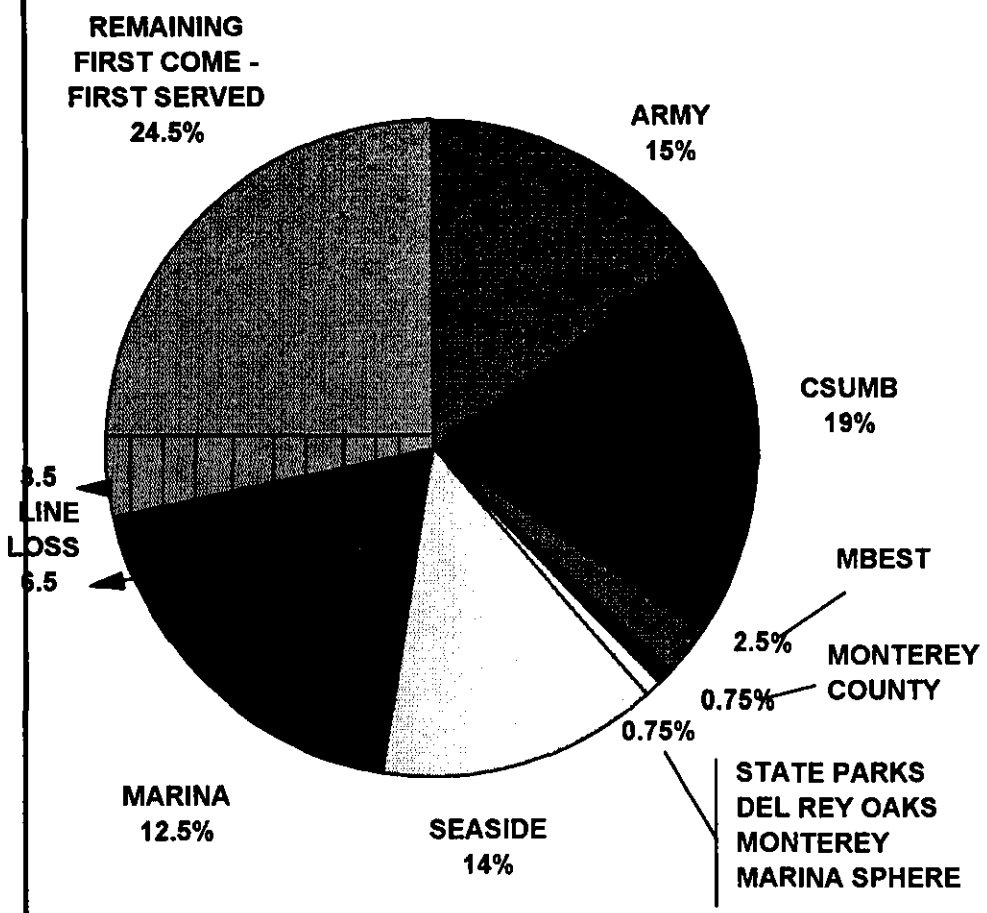
JURISDICTIONAL FACTORS:

- **Allocates water to polygons thus minimizes jurisdictional control.**

NEGATIVE FACTORS:

- **Requires constant monitoring of water use by polygon.**
- **Has flexibility to accommodate changing market.**
- **Allows early hoarding.**

Figure PFIP 3-5
ALLOCATION BASED ON CURRENT FIRST COME PROJECTS



ASSUMPTIONS:

Assigns water to 15 categories of users who have announced plans for specific project as of January 1996.

POSITIVE FACTORS:

- **Based on meterable water records.**
- **Reduces hoarding potential as long as projects proceed as planned.**
- **Maintains reasonable flexibility to accommodate changing market.**
- **Serves public benefit transferees.**

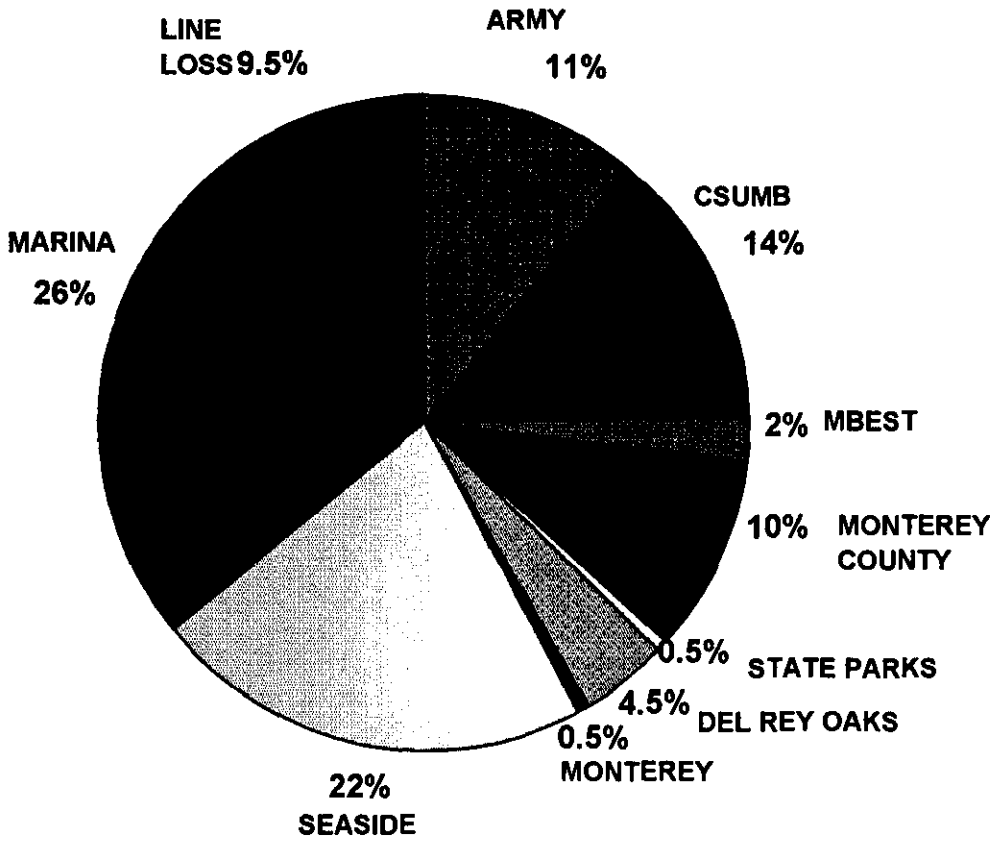
JURISDICTIONAL FACTORS:

- **Assigns water to specific uses, not to jurisdictions.**

NEGATIVE FACTORS:

- **Depends on arbitrary designation of "flagship" projects.**

Figure PFIP 3-6
ALLOCATION BASED ON FULL 2015 FUTURE LAND USE



ASSUMPTIONS:

Depends upon 2015 development which matches the EDAW/EMC Reuse Plan.

POSITIVE FACTORS:

- **Serves public benefit transferees.**
- **Reflects planned future activity.**
- **Minimizes FORA administrative burden.**

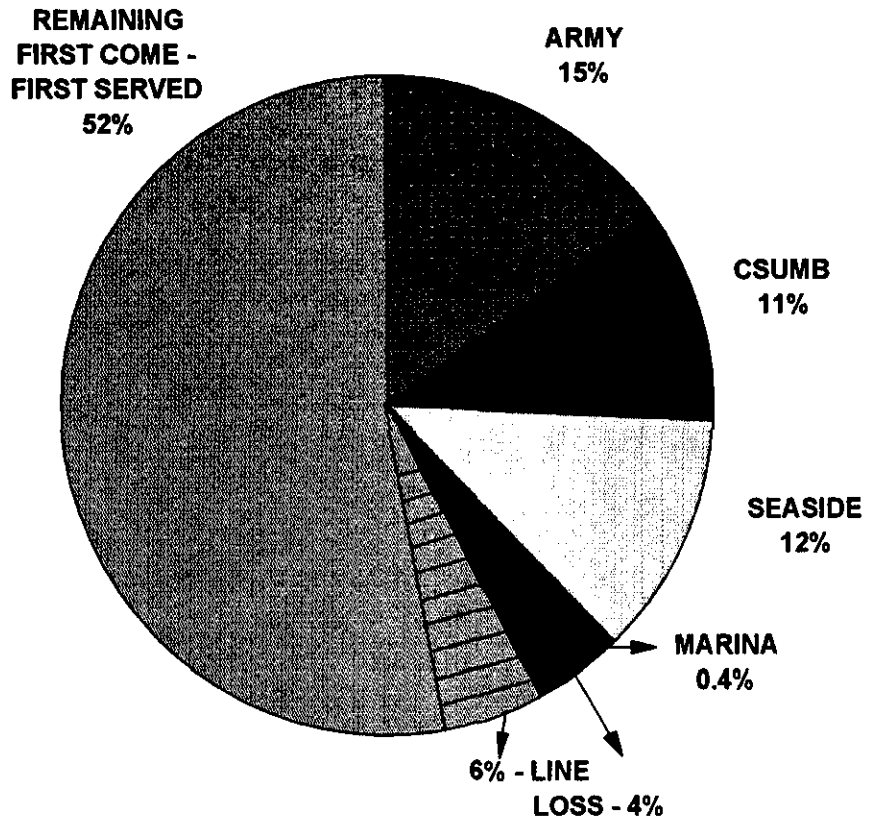
JURISDICTIONAL FACTORS:

- **Places control of water use in the hands of land use jurisdiction.**

NEGATIVE FACTORS:

- **Allows hoarding.**
- **Has no flexibility to accommodate future market trends.**
- **Over allocates supply since 2300 AFY of reused water is required to serve 2015 plan.**

Figure PFIP 3-7
WATER ALLOCATION BASED ON FIRST COME - FIRST SERVED



ASSUMPTIONS:

Army Allocation, Golf Courses on Fort Ord, CSUMB First Increment, Sunbay Terrace Brostrom Village, and Marina Airport are included as already in use.

POSITIVE FACTORS:

- **Prevents hoarding**
- **Maximizes flexibility to serve market variations factors.**
- **Minimizes administrative burden.**
- **Intended to insure unconstrined water resource availability.**
- **Serves public benefit transferees.**

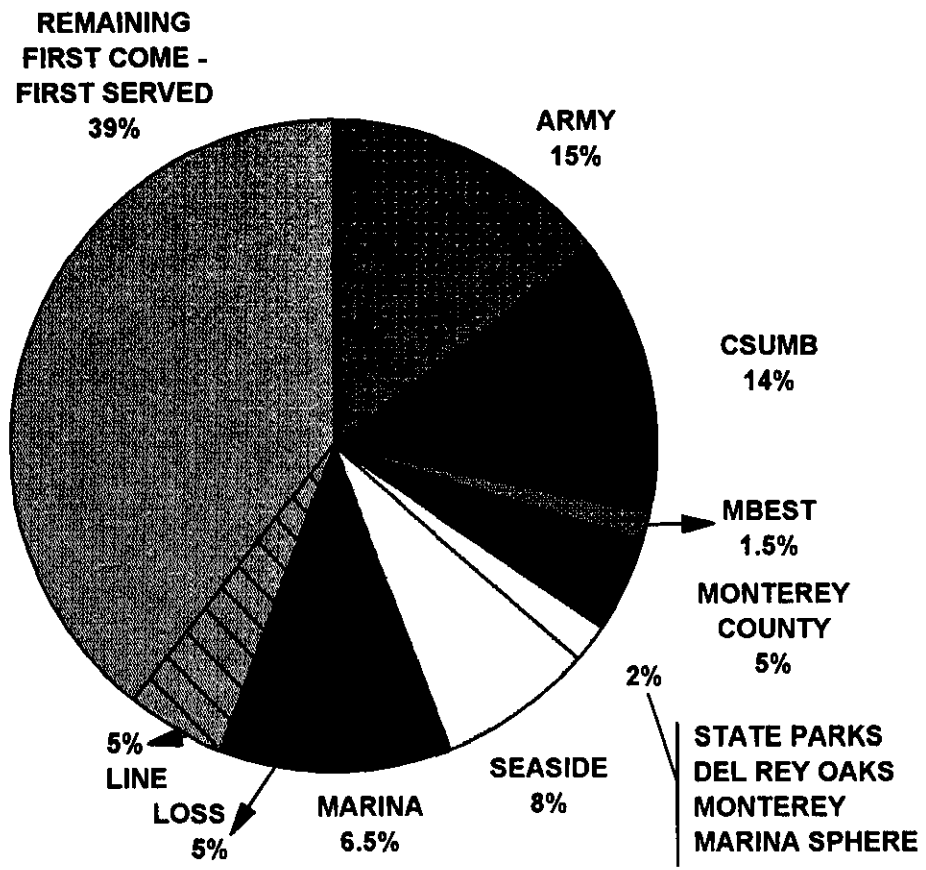
JURISDICTIONAL FACTORS:

- **Since water budgeting is based on actual usage, there is no allocation to individual jurisdictions.**

NEGATIVE FACTORS:

- **Does not provide "in advance" allocations to projects requiring long term buildout committments.**

Figure PFIP 3-8
WATER ALLOCATION BASED ON JURISDICTIONAL ACREAGE



ASSUMPTIONS:

Development acreages are from the EDAW land use spread sheets. Golf courses are included as development acreage.

Parks acreage receive .1 AFY/Ac.

Development acreage receives .2 AFY/Ac.

POSITIVE FACTORS:

- **Prevents hoarding.**
- **Good flexibility to serve market variations.**
- **Reasonable administrative burden.**
- **Good balance between allocations for start-up and future flexibility.**

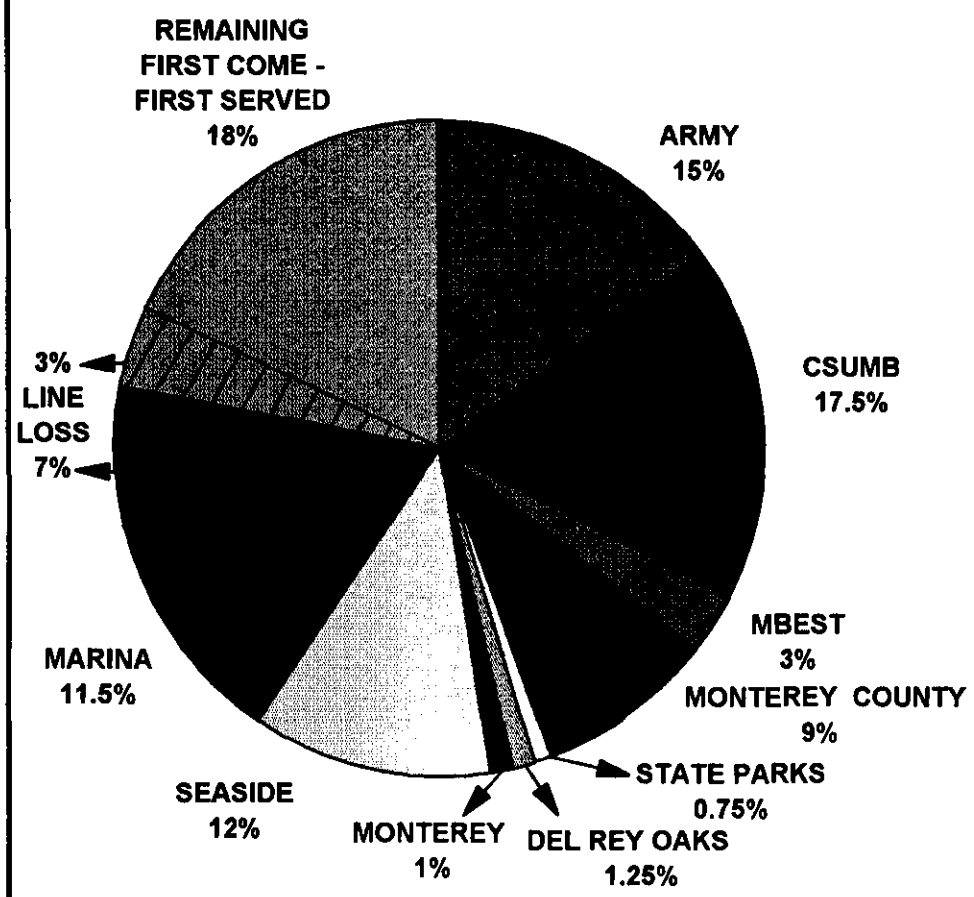
JURISDICTIONAL FACTORS:

- **Allocations made to each land use jurisdiction.**

NEGATIVE FACTORS:

- **Does not totally fulfill CSUMB and MBEST allocation requests.**

Figure PFIP 3-9
WATER ALLOCATION BASED ON JURISDICTIONAL ACREAGE WITH MODIFIED AFY/Ac.



ASSUMPTIONS:

Development acreages are from the EDAW land use spread sheets. Golf courses are included as development acreage.
Parks acreage receives .1 AFY/Ac.
Development acreage receives .4 AFY/Ac.

POSITIVE FACTORS:

- Fulfills CSUMB and MBEST requests.
- Reduced administrative burden.
- Aids start up while still providing some flexibility.

JURISDICTIONAL FACTORS:

- Allocations made to each land use jurisdiction.

NEGATIVE FACTORS:

- Reduced ability to accommodate market trends.

Table PFIP 3-14

COMPARTIVE ASSESSMENT TABLE
ALLOCATION SCENARIOS
IN RESPECT TO WATER SERVICE GOAL ASSUMPTIONS

ASSUMPTIONS / SCENARIO	MEETS CSUMB AND MBEST NEEDS	SERVES "FLAGSHIP" USERS	PREVENTS HOARDING	FLEXIBILITY TO MEET MARKET	MAXIMIZES JURISDICTIONAL CONTROL	MINIMIZES ADMIN. BURDEN	SCORE
Historic Use	0	0	2	2	0	2	6
Current Use	5	4	3	3	0	3	18
Future 2015 Use	5	5	0	0	5	1	16
First Come-First Served	1	5	5	5	0	5	21
Jurisdictional Acreage .2 AFY Per Development Acre	2	2	4	4	5	4	21
Jurisdictional Acreage .4 AFY Per Development Acre	5	4	2	2	5	4	22

SCALE	DOES NOT MEET GOAL		PARTIALLY MEETS GOAL		FULLY MEETS GOAL	
	0	1	2	3	4	5

3.5.6.7 Conveyance of the Water (and Wastewater) System(s) at Fort Ord

Base closure property is subject to all disposal procedures in the Federal Property and Administrative Service Act of 1949 (Property Act) including the supervisory role of the House Government Operations Committee and its Senate counterpart. As applied to BRAC rounds II, III and upcoming IV, the GSA Administrator delegates his disposal responsibilities under the Property Act to the Secretary of Defense who, in turn, re-delegates this disposal role to the DoD components.

Under the Property Act, base closure facilities must first be "screened" within DoD for other military uses and then with other Federal agency users for their own agency purposes. Properties no longer needed within DoD are considered "excess". Subsequently, properties not needed in turn by the Federal agencies are declared "surplus".

Public Benefit Conveyance

One of the helpful features of the Property Act, and other similar Acts, is the opportunity for communities to acquire surplus base closure property for a broad range of public purposes, without cost or at significant public benefit conveyance discounts.

In fact, it is useful for the communities to weigh how the public benefit conveyances might be applied effectively in creating an overall local "least-cost" base reuse plan. Public benefit conveyance authorities should be one of the influences, but should not dominate good land use planning or supplant strong market influences. The major public benefit conveyance authorities can be summarized as follows:

- *Education:* The U.S. Department of Education can convey land and facilities to public and private non-profit educational institutions on a discounted basis over thirty years. The educational entity actually fulfills its obligation to the Federal Government for the property at the rate of three and on-third percent annually through constructive educational use. Title to the property (and to public health property) conveys up-front, subject to educational use restrictions and a reverter or "buy-out provisions". There are now over 124,000 students attending four-year colleges or post-secondary vocational schools at 36 former bases across the country which were closed during the 1960s and 1970s.
- *Streets, Roads and Rights of Way:* Existing roadways on military bases can be transferred to the communities through the Federal Highway Administration by way of the Federal Transportation Improvement Plan (FTIP). Rights of way for future roadways and rail or transit routes can also be conveyed in the same manner.
- *Public Health:* Former military hospitals, dental clinics and health-related facilities can be transferred to the communities through the Department of Health and Human Services (HHS). Full ownership to public health facilities is also earned by constructive use of the facilities over a 30-year period, similar to educational property. Title to the base sanitary sewer and water systems can also be transferred through HHS.

- *Public Airports:* With the endorsement of the Federal Aviation Administration, the airfield and aviation support facilities can be transferred for public airport purposes. The airport area can also include industrial and commercial activities that will lease facilities on the airport property, thereby providing a long-term revenue stream to support aviation activities. An aviation conveyance requires a FAA-certified Airport Master Plan, which includes a detailed business plan for the airport.
- *Park, Recreation & Wildlife Conservation: Open* space, swimming pools, ball fields, and gyms, etc. as well as conservation areas can all be transferred in perpetuity through the Department of the Interior.
- *Public Safety:* Correctional facilities can also be transferred without cost as a public benefit conveyance.
- *Historic Preservation:* Historic landmarks and monuments can be conveyed without cost through the National Park Service, including facilities for commercial and residential use, provided the facades are retained.

Economic Development

In accordance with the key "Pryor Amendment" to the 1994 DoD Authorization Act, DoD is now authorized to convey base closure property for economic development and job-creation purposes "at or below fair market value" or even "for no consideration".

The DoD Interim Final Rules require priority use of the public benefit conveyance authorities in the Property Act rather than an Economic Development Conveyance (EDC). The general rule is to include those land uses which are "certain" in the public sense as public benefit conveyances (PBCs). The "certainty" of the public health requirement for water and sewer systems to serve the land scheduled for reuse becomes the basis for the propriety of a formal Public Benefit Conveyance with the Department of Health and Human Services as the sponsor.

It should be noted that there are certain stipulations in the PBC regulations that will need to be addressed should FORA, as the eligible Loral Reuse Authority (LRA), begin negotiations intending conveyance under a PBC. Examples of such regulations include the requisite 30 year "constructive use" period, and that "operators" of systems are required to be public agencies and/or non-profit corporations.

Conveyance Options Available to FORA

Col. Rostkowski's letter to FORA (which can be found in Section 3.5.6 - Figure PFIP 3-3) refers to the Public Benefit and Economic Development Conveyance methods outlined above and also adds negotiated sale and/or a public bidding process as a third and fourth alternative for a transition procedure. A comparative matrix for these transfer means as prepared by FORA staff can be found on the following page. In addition, a set of 10 questions concerning the conveyance process was presented to the Army, Office of Economic Adjustment and Health and Human Services staff members with the following results.

Q1. Is Private Contracting allowed under a PBC?

A1. Limited contracting is possible but not ongoing regular maintenance and operations activities. HHS would object to changing these regulations to allow more private contracting.

Q2. Is a PBC a more assured (guaranteed) way to get water/sewer systems at no cost?

A2. Yes. Once in the PBC process, the recipient is generally assured of receiving it at no cost. In the past, HHS has discounted these systems 100% of the costs, 100% of the time. In discussing this issue the Army expressed serious reservations about transferring treatment plant capacity at no cost through a PBC.

Q3. If we start an EDC process, can we go back to PBC if we can't make EDC work?

A3. As long as property is a public use and surplus we could go back and use an EDC subject to Army agreement. Also, generally and EDC is not used if there is a more appropriate conveyance mechanism.

Q4. What are the conditions of a subsequent sale if a system is originally received under PBC?

A4. The governing Board approves a sale based on fair market value, subject to depreciation, and those proceeds are paid to the Army.

Q5. Does the Army have final say over HHS on a PBC?

A5. The Army determines if it is willing to have property transferred through PBC. Once in the PBC process, HHS controls the disposition.

Q6. Can FORA do PBC if a successor agency is selected now?

A6. This is a problem because FORA goes out of existence before the thirty year life of a public agency that is required as a condition to receive a PBC under HHS regulations.

Q7. What kinds of revenue sources can FORA get under PBC (how much)?

A7. There are fewer restrictions through an EDC process, however, once a system us conveyed to the new owner, be it through an EDC or PBC process, an agreement between FORA and the new owner can provide one time or ongoing revenues to FORA and its members.

Q8. Are there any other problems using a PBC?

A8. Yes, there could be restrictions place on any transfer of property by HHS that involves water plume contamination.

Q9. How long does it take to process PBC application?

A9. An average of 60 days and a maximum of six months - through HHS.

Q10. Under an EDC can we stage transfer of properties so a receiving agency doesn't receive all its property at one time?

A10. Yes, they can be negotiated as part of the EDC terms.

The FORA Board has considered separation of the wastewater collection system transfer means (for which a Public Benefit Conveyance Transfer has been recommended by FORA's Administrative Committee) from that of the water system. In addition, the Board approved distribution of Request for Qualifications (RFQ) to all interested entities both public and private who may qualify as a suitable "partner" with FORA in filling the role of water purveyor for reuse activities at Fort Ord. It its now anticipated that selection of the "partner" will be accomplished before the Conveyance Option is finally approved by the FORA Board.

Table PFIP 3-15
Comparison Matrix for Water and Sewer Transfer Means

	Factors for Decision	PBC	EDC	Negotiated Sale to Public Agency	Public Sale Private Company
A	Applicable to both water and sewer systems	Yes	Yes	Yes	Yes
B	Requires formal appraisal of systems	No (est. of value including -0-)	Yes FMV thru income approach	Yes	Yes
C	Congressional approval required	No, Dept. of Army	No, Dept. of Army	Yes	Yes
D	Up front funding required	No	No, but may facilitate transfer	Yes	Yes
E	Is private ownership prohibited?	No (but penalties)	No	Yes	No
F	Payback of EDA Grant funds spent	No	Yes (if sold to private company)	No	Yes
G	Is procedure complex?	Yes, e.g. change law	Yes -new type of negotiations	No	No
H	Requires separate negotiations for water & sewer	No	No	Yes	Yes
I	Allows FORA control of future rates	Yes	Yes, if public No, if private	No, unless side agreement	No, controlled by CPUC
J	Income stream to FORA - ongoing and one-time?	Yes	Yes	No	No
K	Will system costs be reflected in higher rates?	Yes	Yes	Yes	Yes
L	FORA has role in terms of disposition	Yes	Yes	No	No
M	Contract out operations without restrictions	No, generally prohibited	Yes	No	Yes
N	Allows control of capital improvements required for reuse plan	Yes	Yes	No	No

Summary - Basic difference is that most issues are negotiable under an EDC whereas PBC is more prescriptive. PBC is a more assured way to achieve a no cost scenario if it is accepted by military department as transfer method.

3.5.6.8 Selection of Partner for Water Service Delivery

FORA has s a unique opportunity to achieve conversion of a military base to a variety of non-military uses that enrich the economic base of the region while maintaining and enhancing environmental assets for the area. FORA wishes to develop a partner to assist with the delivery of water service to that reuse program. There are a number of specific needs that will have to be met by those aspiring to be selected as that partner.

Request for Qualification - Applicant requirements

A) Demonstrated experience providing utility services to a mixed set of land uses including creative assistance to development opportunity, strong and effective customer relations, a balanced financing plan for operations and capital needs, prompt and effective response to service calls and emergencies and proven community acceptance.

B) Provide for annual review of operating and capital budget and estimated rates for service. Annual budget and rate review to take place in a reasonable time period in advance of the proposed budget year to allow for discussion and evaluation by FORA Board, staff and public.

C) Users rates to be implemented on a set of tiers consistent with FORA financial planning intended to assist early development while retaining ability to meet long term capital requirements and assure equity to all land user.

D) Provide an annual reserve account adequate to meet contingencies and emergencies.

E) Develop a short and long range financing plan for both operating and capital requirements for the utility system.

F) Include in the financing plan recommendations relative to additional financing authority for FORA that my require legislative amendment to existing laws.

G) Provide a minimum of $150,000 compensation to FORA in addition to an annual percentage of gross receipts earned from water sales.

H) Provide recommendations on the sharing of system acquisition costs if there is a future negotiation regarding Economic Development Conveyance from the Army.

I) Define a full scale, comprehensive water conservation program and provide an action plan to implement the program as quickly as possible.

J) Ability to finance any unforeseen costs and liabilities independently from FORA.

K) Provide comprehensive indemnity for FORA with all forms of insurance needed including: liability, workers compensation, property damage, personal injury and faithful performance.

L) Willingness and ability to acquire small water systems operating in the service area.

M) Explore all reclamation possibilities and address within 180 days any reclamation program that will result in savings for potable water

N) Certification that prevailing wages determined by the U.S. Department of Labor will be complied with at all times.

O) Certification that any and all requirements of state and/or federal permits affecting water operations will be fully complied with.

P) If the proposer is a private enterprise, a factual showing that service to be provided to Ft. Ord under the reuse program is at a cost tot he user that is equal to or less than costs that would be imposed upon the use if the operations were performed by FORA and/or its staff. This provision foes not apply to a proposer that is also a public agency.

Q) Certification that if the proposer is a private enterprise that will provide to FORA all data, analysis, information and specifications set forth in Government Code Section 54253 and Public Utilities Code Section 10013 at no cost to FORA. Evidence of a previous viable partnering relationship with a public agency is highly desirable.

R) Provide a plan to monitor water quality produced from wells and capability to meet an maintain all requirements of the State Department of Health Services regarding eater quality for domestic water systems. This plan should address possible infiltration of toxic elements from off-well locations, frequency of well monitoring, contingency plans for loss of acceptable well quality standards.

S) Provide a plan for monitoring infrastructure system capability to serve users consistently and reliably and identify possible loss of service problems and suggested solutions.

T) Specifically identify any unique advantages that your agency can provide to FORA and the land use agencies in the planning, financing and operations of a water system. This should include any other specific on-time up front and ongoing financial consideration to FORA and the land use agencies.

Request for Qualifications - Selection Criteria

The utility selected to provide the work set forth in this RFQ must be able to demonstrate qualifications in the following areas of responsibility.

1. **Creative Financing for Planned Development** Reuse of the base requires a rapid start to a variety of uses. These uses may be able to take advantage of competing properties and alternative locations. Finding solutions to infrastructure financing may play a pivotal role in winning over the competition.

2. **Understanding of Land Use Processing and Permitting** A variety if public agencies are responsible for the permitting processes dealing with land use activity on the base, It is critical that proposers have awareness of this and be prepared to work cooperatively and in partnership with these agencies.

3. **Economic Analysis and Development Strategy Formulation** Skills in undertaking independent studies and interpreting existing studies and relevant data are important to building a team of service providers that is sensitive to development needs and yet balance those needs with environmental and regulatory requirements.

4. **Accessibility to FORA for Responsible Decision Makers** The utility must show an ability to have on-site personnel responsible for major decisions without subsequent review and approval.

5. **Prior Partnering with Public Agencies** It is highly desirable that the selected utility have experience in a close, viable partnering relationship elsewhere in California.

6. **Demonstration of Water Resource Management Issues on Peninsula** Candidate submitting proposals for consideration should demonstrate knowledge of and ability to participate in the cooperative achievement of goals and objective adopted by local, regional and state water resources agencies to improve the management of water on the peninsula.

3.5.7 Transition Strategy for Wastewater Collection System

Although FORA attention has been focused on water supply and water system transfer issues, a logical extension of FORA's operational policy determination would include the wastewater collection and disposal system. This section describes the relationship between potable water supply and wastewater disposal infrastructure and suggests an action plan for the transition process.

3.5.7.1 Infrastructure Inter-Relationship

The water supply system can be viewed as a continuous pipeline flow of potable water from the source to the tap in the users house or building. In between will be found treatment facilities to insure health and quality standards, pumps and storage tanks to serve defined pressure zones, and metering devices which record flows as a basis for billing the various customers. The in-house or in-building use of that water supply essentially degrades water quality because of added contaminants and the used water enters the domestic or industrial sewer system as wastewater. There is some loss in volume between potable and wastewater flows due to irrigation, evaporation and transfer but, in general, 80% to 90% of potable water is reflected in wastewater flows (excepting some industrial processes.) Thus, it is practical to relate the easily measured potable water flows to expected wastewater flows "downstream" which are less meterable because of suspended or floatable materials.

After discharge to the sewer system, the wastewater generally follows a downward sloping "gravity flow" profile into larger and larger pipe sizes as tributary flows are collected by means of trunk sewers and interceptor pipelines. Finally, the wastewater flows to a treatment facility which removes the contaminants and prepares the water for discharge into the environment. Lift stations to overcome topographic obstacles to gravity flow may be found in a sewerage system but storage is not built since the goal is that of transferring wastewater to treatment as quickly as possible.

In the case of the operating Fort Ord water and wastewater systems, there are established regional agencies at each end of the system. The Monterey County Water Resources Agency (MCWRA) feeds the ground water supply and regulates the water extracted. The Monterey Regional Water Pollution Control Agency (MRWPCA) owns and operates the regional interceptor sewer lines, lift stations, and the regional treatment facility located just north of the Ford Ord boundary.

Further similarity is evident in the Army's agreements for water supply with MCWRA (as summarized previously) and with MRWPCA for transport capacity to and treatment capacity in the regional plant. 'Both agreements are expected to be transferred to FORA and there is a replication of the wholesaler of water role that is possible in respect to wastewater treatment capacity as well.

3.5.7.2 Wastewater Treatment Capacity

At this point in time, the Army essentially owns 3.3 million gallons per day (MGD) of wastewater treatment capacity in the regional treatment plant subject to a formal agreement with MRWPCA. The constructed plant has a capacity of 29.6 MGD and currently treats approximately 20 MGD including flows from Fort Ord. Consequently, there is additional treatment capacity still available to accommodate future growth in Salinas, on the Monterey Peninsula and at Fort Ord. For planning purposes, the buy-in cost to MRWPCA's plant and interceptor system is estimated at $10 per gal per day.

With the exception of an antiquated Imhoff Tank at East Garrison, no wastewater treatment is accomplished at Fort Ord and the current regulatory environment favors the concentration of all flows at the regional plant for treatment. Such a situation makes reuse of Fort Ord more attractive particularly since wastewater flows from initial reuse activities can be accommodated within the 3.3 MGD of capacity already committed to Fort Ord.

The only negative factor in this otherwise favorable situation is the question of who can claim the effluent flows from the regional plant and produce reclaimed water for future irrigation or industrial purposes. By reason of constructing a tertiary treatment plant which will receive all effluent from the regional plant, MCWRA claims all wastewater flows (up to 29.6 MGD plant capacity) for agricultural irrigation purposes in the Castroville area. However, the Marina Coast Water District has negotiated a right to claim reused water quantities essentially equal to that district's inflow to the regional wastewater collection and treatment system. This source of reused water can meet much of the future irrigation requirements at Fort Ord.

3.5.7.3 Wastewater Collection Options

Based upon topographic considerations, the future wastewater collection system is logically divided to serve three main service areas. Two of those service areas will flow westward into the MRWPCA interceptor along Beach Road and together will serve the current Main Garrison lying west of 8th Avenue. It also appears possible that the two systems can be divided so that the area south of the CSU campus would be in one service area while CSU and north would be in another.

This physical plan leads to an operational configuration whereby the southern service area would be annexed to the Seaside Sanitation District while the northern area would be added to the Marina Coast Water District for sewer service. The third eastern service area basically requires a new and separate wastewater collection system servicing areas in both Marina and Monterey County. Annexation of the eastern service area to the Marina Coast Water District was also recommended in the FORIS Report.

Overall, then, the operational configuration respects city boundaries, utilizes existing sewer service agencies, and depends upon MRWPCA for wastewater treatment (unless reclaimed water availability becomes a problem). Given the Fort Ord topographic configuration, no other

operational pattern or assignment of sewer service areas matches reality except for a possible stand-alone system at the East Garrison.

3.5.7.4 Capacity Allocation and Future Capacity Procurement

The one overriding Fort Ord-wide operational issue in respect to wastewater which FORA seems best equipped to offer is that of 1) uniformly distributing the advantages of the existing 3.3 MGD treatment capacity in the regional plant; and 2) collecting sufficient funds in parallel with wholesale water rates to insure that "buy in" money is available when additional treatment capacity is needed. Just as the 6600 acre feet per year of potable water supply would allow FORA a sufficient time period to accumulate funds for the desalination plant, the 3.3 MGD of treatment capacity allows a parallel time period during which "buy in" moneys can be banked as well. There is the option of utilizing MRWPCA's existing procedure of requiring buy in at the time of each sewer connection. This approach puts the cost up front for each reuser or, if free connections were allowed up to the 3.3 MGD, would require later reusers to pay a disproportionate buy in fee.

Correspondence from MRWPCA to FORA (Keith Israel, General Manager, 6/10/94 letter to Jack Barlich, Chairman) requests guidance as to how the 3.3 MGD of treatment capacity in the regional plant now held by the Army should be transferred, reserved, repurchased or assigned. The MRWPCA concern is that without a plan for transfer of that capacity, the Agency will find it necessary to impose "substantial connection fees".

On 6/14/94 Mr. Robert Jaques, MRWPCA's Manager of Engineering, made a presentation to ITAC on the wastewater treatment and reused water production capabilities at the Regional Plant and subsequently drafted a discussion paper for ITAC review. That review was concluded on 7/26/94.

The ITAC discussion dealt with the following issues:

1. The concept that wastewater treatment capacity, once purchased, is generally assumed to "run with the land".

2. The goal of claiming all or part of the future wastewater flows from the Fort Ord Area as a source of reused water. This goal is contradictory to the current situation where all wastewater treated at the Regional Plant is assigned to the County Water Resources Agency as a source of reclaimed water for agriculture.

3. The value of using the existing wastewater capacity as an early advantage in supporting economic revitalization of the Base. This would be accomplished on the assumption that the Army's previously purchased treatment capacity would be transferred to FORA and that FORA would establish a reassignment of that capacity which would, in part, subsidize the connection fees normally charged by MRWPCA.

4. The means by which the FORG policy of insuring that the first reuser and the last reuser pay the same amount (today's dollars plus inflation over time) for their infrastructure requirements can be fulfilled.

3.5.7.5 Action Plan

Based upon previous considerations of wastewater capacity and collection system operations as summarized in this report, the following action plan is recommended so that both future water supply and future wastewater collection and treatment functions are addressed by FORA.

A. Identify wastewater collection and responsibility for procurement of wastewater treatment capacity in the MRWPCA Regional Plant as functions under the guidance, budgeting and operational control of FORA or its Joint Powers Agency offspring.

B. Endorse the concept that FORA (or JPA) will meet the financial obligations associated with the provision of wastewater collection and treatment in the following manner:

- Operational costs to include system repair, replacement and expansion as well as MRWPCA flow condition fees would be collected as a water bill surcharge.
- Future buy-in for treatment capacity in the MRWPCA plant would be met from a FORA Sewerage Connection Fee as set forth in E. below.

C. Immediately institute a transfer of the Army's 3.3 MGD wastewater treatment capacity in the MRWPCA Regional Plant by the following steps:

- Formally request modification of the agreement between Army and MRWPCA to one between FORA and MRWPCA with FORA essentially taking the Army's position.
- Substantiate the modification request as essential to economic revitalization and reuse of Fort Ord thus complying with provisions of the Pryor Amendment for a zero cost transfer of assets or as a public benefit conveyance of existing waste treatment capacity.

D. Based upon the projections of wastewater flows from the 05-01 Infrastructure Cost Analysis, notify MRWPCA that FORA expects to incrementally expand its treatment capacity rights in the Regional Treatment Plant by 4.0 MGD between 2005 and 2045.

E. Also based upon the projections of wastewater flows from the 05-01 Infrastructure Cost Analysis, establish a wastewater treatment capacity increment of a FORA Sewerage Connection Fee at a price of approximately $6.60 per wastewater gallon per day projected to be discharged to the sewerage system by reuser projects. This Fee is to be established on the following basis when all figures are confirmed.

Existing Ford Ord Capacity -	
POM Annex Flow	2.1 MGD @ $0
Plus	
Buy-in or Constructed Capacity	4.0 MGD @ $10 per gpd
Total Capacity	6.1 MGD @ $40 million
Unit Cost	$6.56 per gpd

F. The proposed fee would be levied as a condition of and at the time of building occupancy.

G. If a pay-as-you-go and potential rate-based financing plan is implemented to cover the wastewater system capital costs (including treatment capacity buy-in) for the first phase of reuse through 2015, then a different set of calculations results. Over the 20 year period, a total of $10.63 million would have to be raised from reusers who would be utilizing 3.33 MGD capacity in the treatment plant to serve the expected development. Thus, the one-time cost as a hook-up fee would come to $3.19 per gallon per day (gpd) of capacity.

$$\frac{\$\ 10{,}630{,}000}{3{,}330{,}000\ \text{gpd}} = \$3.19\ \text{gpd}$$

However, that figure would essentially "capture" the value of the Army's previous investment in treatment capacity and give the advantage to the first phase reusers exclusively. If a similar projection was made for a buildout capacity of 7.33 MGD then the calculations are as follows:

$$\frac{\$\ 64{,}930{,}000\ *}{7{,}330{,}000\ \text{gpd}} = \$8.86\ \text{gpd of capacity}$$

Having the Army's capacity available to serve initial reusers allows adequate funds to be generated on a pay as you go basis. This would also allow the option of replacing a one time hook-up fee - which would be paid by the developer at the time of building occupancy - with a surcharge on water rates so that the capital cost of the wastewater system as well as on-going operating cost would be a defined part of each months water bill.

* Cost to expand the wastewater system beyond Phase I were taken from the FORIS Report.

PFIP 4. Burden Analysis

4.1 BACKGROUND FOR THIS CHAPTER

This chapter has been prepared as part of the Operation Plan Component of the Fort Ord Base Re-use Plan. The information presented in this report is based upon current base reuse planning effort by the EDAW/EMC Team and draws from assumptions, strategies and finding as prepared by this Team. The foundation for the analysis contained in the Operation Plan is EDAW's November 2, 1995 land use/employment/residential forecasts, which were revised/updated on November 14, 1995 and on December 4, 1995.

4.2 PURPOSE OF THE CHAPTER

The present chapter is the first edition of a document that is expected to permit, in the language of the consulting services contract for the Fort Ord Reuse Plan:

> "... a continuing evaluation of the magnitude of the cost of infrastructure and cost of ongoing operations, compared to the value of land and improvements that will exist at Fort Ord as Reuse takes place..."

The intent is to be sure that planning issues, engineering issues, issues of marketability and issues of public finance are all considered concurrently. This will provide an assurance that the resulting Reuse Plan is economically realistic as well as meeting policy objectives.

An updated edition of the present report will be issued at any time that a material change in estimated costs to develop Fort Ord or estimated land values at Fort Ord has occurred.

4.3 AUTHORS OF THIS CHAPTER

The present chapter is being assembled by Angus McDonald & Associates based on data estimates and judgments that were largely prepared by others. The primary sources of data are land use/employment/residential forecast cited above and the following two documents:

Reimer Associates and Angus McDonald & Associates March 7, 1996 *Selection of Public Improvement Projects and 05-04 Infrastructure Cost Analysis.*
(Prepared for the Fort Ord Base Reuse Planning Team)

Sedway Kotin Mouchly Group. (SKMG) *Property Valuations December* 29, 1995
(Prepared for the Fort Ord Base Reuse Planning Team.)

These documents should be consulted to achieve an understanding of assumptions, limiting conditions etc. that were associated with the estimates used in the present report. The authors of these documents should be consulted for any interpretation of findings.

4.4 BURDEN OF FINANCING CAPITAL IMPROVEMENTS

The present section deals with costs to construct public improvements and the initial investment that must be made to make lands at Fort Ord suitable for urban uses. The burden of financing ongoing public services is not the subject of the present report. Ongoing annual revenues and costs are considered in the report by Angus McDonald & Associates (Revised May 15, 1996). *Public Services Plan.*

4.5 DEFINITIONS

Two key points pertaining to the use of the material in this report are discussed in the following paragraphs. There is no attempt to define any terms other than the two terms points here. The reader should turn to the source documents cited above for applicable definitions, conventions etc.

4.5.1 The Point of Valuation

It should be obvious that market values and costs to bring land to the point that these market values would be achieved must be expressed on a comparable basis. Nonetheless this has been a point of confusion in comparable projects. Accordingly a discussion is appropriate.

Market values were measured assuming that finished and developable parcels were being offered to willing buyers. Grading was assumed to have been accomplished, streets and sidewalks were assumed to have been constructed and utilities were assumed to be available at the periphery of the parcel.

With certain exceptions noted below, the estimate of public and private investment includes all of the investment that would be necessary to bring land at Fort Ord from its current state to the state of offering a finished, marketable parcel, as described immediately above.

The costs are classified in three groups:

- Cost for base-wide facilities. [1]

[1] As defined in Government Code § 67655: *"Base-wide facility" means a public capital facility which, in the judgment of the {Fort Ord Reuse Authority} board is important to the overall reuse of Fort Ord, and has significance beyond any single city or the unincorporated area of the county.* Examples include major roads, water supply and distribution etc.

- Cost of local public facilities, i.e. facilities that do not meet the test of being base-wide facilities but that will be ultimately owned by a city or Monterey County, depending on where the local public improvement is located. Examples include local parks, city hall expansion, etc.

- On-site investments for grading utilities, local streets etc. that are normally financed by a private developer.

The current intention is to finance water supply and distribution and waste water collection from the rates that are paid by users of water. Rates at Fort Ord would be no higher than rates elsewhere on the Monterey Peninsula. Accordingly, costs of public improvements for water and wastewater may have little or no effect on residual land values. The cost of water and sewer facilities was excluded from the Burden Analysis.

One fire station was identified as a Base-wide facility and included in the 05-04 Cost Analysis.

The present analysis includes an approximate estimate of the cost of local police facilities, general city facilities, etc. that were not included in the 05-04 Cost Analysis. These estimates are preliminary and approximate. They are not based on a detailed capital improvement plan. As a practical matter, each jurisdiction levying local charges would be expected to amend an existing capital improvement plan or to establish a new capital improvement plan that covered the entire jurisdiction of the agency, not just the portion within Fort Ord. Nonetheless, a reasonable estimate was made based on experience in other jurisdictions so that the burden analysis would be as complete as possible.

There are two major exceptions to the attempt to have a complete and comprehensive estimate of the investment required to accomplish reuse at Fort Ord. First, there is no cost for demolition or cleanup. Discussions are still in progress among members of the Fort Ord Reuse Team regarding financing terms for properties requiring the demolition of existing buildings. This is a significant policy issue. Certain particles that may be key to the early-year development at Fort Ord will require demolition of existing buildings. The cost of demolition may exceed the market value of the land.

A second potentially material cost that is missing at the present time is the cost of issuing municipal bonds. As of the date of the present analysis, it appears that Base-wide facilities can be financed on a pay-as-you-go basis. Taxes or development impact fees collected at the time building permits are issued will be able to finance the Base-wide facilities without resorting to the use of municipal bonds. If this conclusion changes and if the costs of financing are material, these costs will be included in future editions of the Public Facilities Implementation Plan (PFIP).

4.5.2 Interpreting The Net Residual Value

The net residual value of marketable land is estimated in the present report to be the difference between the market value of the land in its finished state and the sum total of all costs (public and private) to bring the land to a marketable condition. Ultimately, a more sophisticated approach to valuation will be taken wherein the timing differences of investment compared to return on that investment will be considered. A discounted cash flow analysis will discount both required investment and expected revenue to their net present values.

However, it must be understood that the simple residual land value analysis is a special case of a discounted cash flow analysis. In effect, a simple residual land value analysis is a discounted cash flow analysis using a discount rate of 0.0%. It can be anticipated that private sector reuse of Fort Ord will follow the pattern of investment and return on investment that is typical of real estate projects. Investment must be made in the early years to create value. Sales will take place in response to market demand, over a number of years. Accordingly since the flow of revenues is further away (measured in years) than is the flow of costs, the present worth factor applied to the revenues will produce a greater percent reduction to achieve a calculation of present worth than will be the case for costs that occur in the earlier years.

Thus, a simple residual land value analysis is an upper bound on value. When a discounted present value calculation is done, the net present value of the land residual will be lower than the quantity calculated by the simple process of subtraction. If residual land values are either very low or even negative numbers, it can safely be assumed that a more complete discounted cash flow analysis would reveal an even stronger case that the land uses are of questionable economic viability.

4.6 THE ESTIMATE OF BURDEN

The estimate of the burden of financing public improvements and other investments for the land uses at For Ord is shown in Table PFIP 4-1. It can be seen that market value of finished lots exceeds the total cost to produce finished lost.

Until quite recently, it was assumed that the cost of Base-wide facilities would be allocated to land use categories strictly in proportion to benefit or use. A strict rational nexus between land use and demand for public improvements would be maintained and would meet the nexus tests necessary to levy a development impact fee in California.

Considerations of economic development lead to a revision to this assumption. The recommendation is presented in Section PFIP 5.5.1.5 that a one-time special tax levied by a Mello-Roos Community Facilities District be used to finance Fort Ord's share of Base-wide

transportation improvements[2]. Table PFIP 4-1 is based on a cost allocation that would appropriate for a Mello-Roos special tax, but would not be appropriate for development impact fees.

4.7 BURDEN OF FINANCING ON-GOING PUBLIC OPERATIONS

The work program for the Fort Ord Reuse Plan Team includes a task to compare ongoing annual City and County revenues and ongoing costs to provide services. There is a preliminary indication that revenues collected because of reuse of Fort Ord will not be sufficient to pay for the ongoing cost of services. Mitigation measures are now being discussed among members of the Fort Ord Base Reuse Planning Team. See the report by Angus McDonald & Associates (Revised May 16, 1996), *Public Services Plan.*

[2] As a practical matter, since transportation facilities constitute a great majority of the CIP, administrative efficiency suggests that the charge for the habitat management facilities and the Fire Station be collected as part of the Mello-Roos special tax.

Table PFIP 4-1
Summary of the Burden of Financing Public Improvements

Land Use Category	Units	(4) Base-Wide Facilities	(4) Local Facilities	(1) In-Tract Costs	Total Cost	(2) Market Value Per Acre and Finished Lots	Residual Land Value Per Acre and Finished Lots
RESIDENTIAL - Existing							
Low Density	Dwelling Unit	$8,418	$4,345	Varies	$12,763	$35,000	$22,237
Medium Density	Dwelling Unit	$8,350	$3,423	Varies	$11,773	$35,000	$23,227
High Density	Dwelling Unit	$7,215	$2,127	Varies	$9,342	$35,000	$25,658
RESIDENTIAL - New							
Low Density (4/acre)	Dwelling Unit	$8,407	$4,326	$20,000	$32,733	$95,000	$62,267
Medium Density (6/acre)	Dwelling Unit	$8,363	$4,253	$17,500	$30,116	$70,000	$39,884
High Density (8/acre)	Dwelling Unit	$8,341	$4,217	$13,125	$25,683	$55,000	$29,317
Attached (10/acre)	Dwelling Unit	$7,250	$3,510	$10,675	$21,435	$40,000	$18,565
Attached (20/acre)	Dwelling Unit	$5,394	$2,097	$5,338	$12,829	$20,000	$7,171
RESIDENTIAL - Other							
CSUMB - Existing	Dwelling Unit		Allocated to CSUMB Below				
CSUMB - New	Dwelling Unit		Allocated to CSUMB Below				
POM Annex Housing	n/a						
RETAIL & VISITOR SERVING							
Convenience	Acre	$223,732	$4,038	$75,000	$302,770	$348,480	$45,710
Neighborhood	Acre	$223,732	$4,038	$75,000	$302,770	$348,480	$45,710
Regional/Outlet	Acre	$223,732	$4,038	$76,500	$304,270	$348,480	$44,210
Hotel	Room	$6,419	$170	$2,380	$8,969	$20,000	$11,031
LI/BP & OFFICE/R&D							
UC MBEST	Acre	$58,693	$6,204	$69,000	$133,897	$163,350	$29,453
LI/BP	Acre	$42,093	$2,667	$61,500	$106,260	$130,680	$24,420
Office/R&D	Acre	$57,345	$5,593	$70,500	$133,438	$163,350	$29,912
PLANNED PUBLIC FACILITIES							
Other	n/a						
Military Enclave	n/a						
CSUMB	Acre	$38,180	$0	$1,750	$39,930	n/a	n/a
Institutional	Acre	$17,769	$1,093		$18,862	n/a	n/a
Public Schools	n/a						
OPEN SPACE & RECREATION							
Habitat Protection	n/a						
New Golf Courses	Course	$940,015	$77,681		$1,017,695	n/a	n/a
State Parks	n/a						
Equestrian Centers	Acre	$5,770	$955		$6,725	n/a	n/a
Parks & Greens	n/a						

Footnotes:
(1) Costs from Reimer Associates March 7, 1996 Infrastructure Cost Analysis.
(2) Finished Lot values from SKMG.
(3) Demolition costs not inlcuded.
(4) Special tax to finance basewide facilities. Tax funds only Transportation, Habitat and Fire.

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PFIP 5. Public Facilities Financing Plan

Note: No use is made of proceeds from land sales that may go in part to local governments and in part to FORA after disposition of territory within Fort Ord to private parties. Use of land sale proceeds to finance public improvements has not yet been recommended, but is under consideration. Use of land sales proceeds to finance fiscal deficits is also being considered.

5.1 BACKGROUND FOR THIS CHAPTER

This chapter has been prepared as part of the Operation Plan Component of the Fort Ord Base Re-use Plan. The information presented in this report is based upon current base reuse planning effort by the EDAW/EMC Team and draws from assumptions, strategies and finding as prepared by this Team. The foundation for the analysis contained in the Operation Plan is EDAW's November 2, 1995 land use/employment/residential forecasts, which were revised/updated on November 14, 1995 and on December 4, 1995.

5.2 AUTHORS OF THIS CHAPTER

Recommendations on financing for transportation projects, habitat management projects and public services projects were made by Angus McDonald & Associates. Recommendations on financing water system projects and wastewater system projects were made by Reimer Associates and are presented in Section PFIP 3 of the present report.

5.3 SUMMARY OF FINANCING PLAN

The implementation of the Fort Ord Reuse Plan relies on construction of a total $187,118,000 in public improvements that have of Base-wide significance (i.e. of significance beyond any single city or the incorporated area of Monterey County). The present chapter presents recommendations for financing these Base-wide facilities.

The recommendations on financing were based on several key principals.

- Every effort should be made to secure financing (whether grants or loans) from the Federal Government, the State of California, and other governmental or eleemosynary sources. Since these sources of financing are not certain, implementation of the Fort Ord Reuse Plan should not depend on receiving external sources of financing.

- Absolutely no burden to finance public improvements at Fort Ord should be placed on the existing tax base of any jurisdiction in Monterey County. Instead, financing for Fort Ord should "stand alone".

- Redevelopment-type financing (i.e. the property tax increment that is generated because of successful reuse of Fort Ord) should be used to refinance public improvements where this can be done without creating a shortfall in the general fund of a jurisdiction. The agencies who are responsible for providing police protection, fire protection or any other municipal or county-wide services must have sufficient revenues to finance these services. Property tax increment that is used to finance Base-wide facilities will not be available to finance on-going services.

- Financing obtained from, or secured by, a consumer rate-base (e.g. water or sewer rates) will be used wherever practical. Rates will be used to finance capital facilities and to pay the annual cost of operations and maintenance.

- The term "development-related financing" refers to any form of financing related to land development and secured by the underlying value of the land. The common examples of development-related financing are development impact fees collected at or near the time of development and special assessments or Mello-Roos special taxes levied on an ongoing basis to repay bonded debt. The proceeds of bonds are used to finance public improvements at the outset and these bonds are repaid over a period typical as long as 20-25 years.

- Preference would be given to development impact fees if calculations confirm that fees could be accrued in time to finance public improvements at the time that they are required. Financing districts using bonded debt can be structured in such a way that there is absolutely no obligation for the general fund of the issuer to make payment if land owners are delinquent in paying their assessment or special tax. Nonetheless there is additional cost associated with using bonded debt (i.e. compared to the cost of using development impact fees). In addition while there is no legal or moral obligation for an issuer to make payments if land owners are delinquent there can be an unfavorable reaction in the municipal bond market that could effect the credit rating of the issuer.

The following paragraphs summarize recommendations for financing Base-wide facilities serving Fort Ord. It should be understood that "Base-wide facilities" refer to all of the public capital facilities that are required to meet Level of Service (LOS) standards at Fort Ord. In the case of roadway improvements (e.g. Blanco Road) some of these improvements are located physically outside of Fort Ord. Some of the improvements located physically within the territory of Fort Ord are properly paid for by a combination of new development at Fort Ord and new development elsewhere in Monterey County (e.g. a road that serves a home-to-work trip beginning outside of the territory within Fort Ord and ending at an employment center within Fort Ord).

Redevelopment Tax Increment. The enabling legislation for the Fort Ord Reuse Authority has elaborate provisions for sharing the increment in property tax that will become available as reuse occurs at Fort Ord. This is an apparently attractive source of financing since all increase in

taxable assessed valuation is "increment". The territory within Fort Ord is not subject to taxation while the land is owned by the US Government.

Property tax increment could be available to the Fort Ord Reuse Authority (FORA) and to the local government (with jurisdiction over the taxable land) to pay for Base-wide facilities. Use of tax increment is recommended only if there is no adverse effect on local agencies' general funds.

A fiscal analysis was prepared for the cities of Marina and Seaside and for Monterey County as part of the present project.[1] This analysis compared the annual ongoing local governmental revenues (e.g. property tax, sales tax, transient occupancy tax) and the cost of providing ongoing services (e.g. police protection, fire protection) and in the case of Monterey County, the cost of ongoing human services (e.g. health, welfare and criminal justice). The result of the fiscal analysis was disappointing although, with hindsight, not particularly surprising. The conclusion was reached that in some instances the local tax base would not support the ongoing cost to provide public services. Any decision to divert property tax to pay for the capital cost of Base-wide facilities would further exacerbate a deficit in the general fund of local governments.

Accordingly, it is recommended that property tax increment be kept available to pay for capital improvement and the cost of ongoing annual public services. Property tax increment would not be used to pay for Base-wide infrastructure until the affected local government can show a general fund surplus from development at Fort Ord.

Special Tax for Transportation Improvements. Monterey County, acting through the Transportation Agency for Monterey County (TAMC) is actively considering a special tax that would be levied countywide to pay for necessary transportation improvements. It is recommended that FORA encourage the efforts to pass a county-wide special tax for transportation improvements. However a sales tax and a tax based on vehicle miles traveled would be more than consumed by necessary transportation improvements that serve the existing population. Any use of a special tax to pay for Base-wide transportation improvements would be at the expense of existing demand and existing deficiencies.

It is extremely difficult to achieve a two-thirds vote for any special tax. If a perception were generated by the opponents to such a tax that the fund would be used to finance redevelopment at Fort Ord the question would be raised "Why should we use our tax money to pay for improvements to aid people who don't live in our County yet?" A combination of strong FORA support for a special tax and a clearly articulated position that "Fort Ord Reuse is paying its own way and that reuse is not occurring at the expense of existing tax payers" is critical.

Cities/County Transportation Impact Fee. California law and recent Supreme Court decisions require that there be a valid and demonstrable nexus between the demand place on roads (or any other public facility) and imposition of a requirement that land development projects participate in financing this public facility. As noted above, new development outside of Fort Ord

[1] Angus McDonald & Associates (Revised May 16, 1996) *Public Services Plan.*

will receive a benefit from transportation projects on Fort Ord and trips originating on Fort Ord and ending elsewhere in Monterey County will receive a benefit from roadway projects located outside of Fort Ord.

The total area (both on-Base and off-Base) that will be impacted by growth and development corresponds roughly with the service area of the Monterey/Salinas Transit District. This area will be referred to subsequently as the Fort Ord Transportation Impact Area. It is recommended that the Cities in the Fort Ord Transportation Impact Area and the cities in the Fort Ord Transportation Impact Area and Monterey County itself levy an additional transportation impact fee on development outside of Fort Ord. All development that benefits should be paying a reasonable share (in proportion to the demand placed on the facility) for transportation improvements that have been identified as being "Base-wide" in character.

The difficulty of achieving a successful enactment of a development impact fee in a total of 8 cities plus Monterey County is acknowledged. If the burden of financing cannot be spread equitably between new development at Fort Ord and new development elsewhere in the Fort Ord Transportation Impact Area then findings necessary to substantiate a defensible development impact fee cannot be made.

Development Impact Fees and Special Taxes Levied on Development Within Fort Ord. The original intent was to determine whether Fort Ord's share of Base-wide facilities could be financed from a series of development impact fees. A development impact fee must be levied strictly in proportion to relative use or benefit. Other issues of public policy cannot be considered. For example, a transportation impact fee must be levied in proportion to use. A preferential impact fee can not be offered to a land use that produces significant economic development advantages.[2]

During the course of the present assignment a conclusion emerged that a special tax rather than a transportation impact fee should be used to finance Base-wide transportation improvements. The rate for a special tax should be set such that the burden on employment-generating land uses could be lowered relative to the rate that would be necessary if a strict rational nexus was required.[3]

The March 15, 1996 edition of the present document tested the feasibility of financing water and wastewater projects from development-related charges. This source of financing was found to be

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[2] A credit or offset to a development impact fee can be offered in the name of economic development if there is a source of revenue (e.g. an agency's General Fund or redevelopment tax increment) to offset the impact fee that would otherwise be due. Unfortunately as noted previously, General Fund deficits rather than surpluses are being estimated, in some cases.

[3] Lowering the rate on employment-generating land use categories has the effect of increasing the rate on residential land use categories. In the special circumstance of Fort Ord this does not produce an inequity. This point is discussed subsequently on the following page.

feasible, but a direction emerged from FORA that rate-based financing be used for water and waster improvements.

Rate based financing is discussed in Section PFIP 3 of the present report.

The Mello-Roos special tax that is recommended is a one-time special tax collected at the time a building permit is issued. This special tax has economic characteristics that are exactly comparable to a development impact fee. The fact that the tax was paid is no more apparent to the ultimate first time buyer of a residence or a business property than was the fact that a development impact fee was paid as part of the development process.

The rate of levy against each land use category for Base-wide facility improvements other than transportation improvements (e.g. the recommended levy for fire protection) was done in a manner that would meet the nexus tests required of a development impact fee.

It is recommended that a Mello-Roos Community Facilities District be established to levy a one-time special tax to pay for Base-wide transportation improvements. Given the effort necessary to create a Community Facilities District, legal research and further discussion may suggest that the levy for all Base-wide facilities be established by FORA as part of the powers of the Mello-Roos Community Facilities District.

The collection of the special tax or development impact fees would be done in each jurisdiction at the time a building permit is issued.

Water and Wastewater. A recommendation regarding financing water treatment and distribution and wastewater collection and treatment has emerged from consulting efforts conducted separately from the present consulting project.[4] These efforts have produced an emerging consensus that water and wastewater capital facilities should be financed from user rates or charges rather than from a development-related source of financing.

Table PFIP 5-1 shows the one-time Mello-Roos special tax that would be required to finance Base-wide projects.

A cash flow analysis was conducted on a year by year basis for 20 years. Total planned cost for public improvements in each year was compared to the total revenue that would be available from a Mello-Roos tax. The conclusion was reached that the Base-wide public facilities could be financed on a pay-as-go basis. The use of bonded would not be required.

This conclusion about pay-as-you-go financing is subject to revision during the process of actually constructing the public improvements. The possibility of using financing districts (e.g. Special Assessment districts or Mello-Roos Community Facilities Districts) should not be eliminated.

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[4] Fort Ord Reuse Authority. *June 19, 1995. FORA: Water Supply Mission Organizational Report and Economic Analysis.* Prepared by Reimer Associates and Administrative Budget Counseling. Edited by James Feeney, FORA Staff Engineer.

Pay-as-you-go financing plans are vulnerable to a slowdown in the rate at which development occurs. If there is a slowdown in development it may be necessary to use one or more financing districts. Bonds would be issued and the proceeds of the bonds would be use to construct the early-year public improvement projects.

Table PFIP 5-2 shows the total of special taxes (or development impact fees) for Base-wide public facilities plus an estimate of the cost of non Base-wide public facilities (e.g. local police stations) plus the cost of preparing the site of development. [5] This total is then compared to the estimated market value of the finished lot. The difference between market value of finished lots and the cost to bring a site to a readiness for development is an approximation to the "Residual Land Value"(RLV) or the value of the land in its present state.[6]

In many cases in California an inspection of Table PFIP 5-1 would lead to the conclusion that development is infeasible. The cost to bring land at Fort Ord to the point where sale to builders would be possible is very significant, compared to the market value of finished lots.

The circumstance of Fort Ord is unique and not comparable to other land development projects. Sophisticated developers, with the experience and financial strength to participate in the reuse of Fort Ord, will understand very well the economics of residual land values. The price they will be willing to pay for the raw land and the terms of the ultimate conveyance to them will reflect fully the burden of financing public improvements and in-tract subdivision improvements. Developers will negotiate terms of purchase that reflect economic realities and that permit a reasonable profit to be made.

In summary, the conclusion has been reached that public improvements to serve Fort Ord can be financed under conditions that are economically realistic. The cost of public improvements will not be an impediment to the reuse of Fort Ord.

It is imperative however that FORA, in its marketing activities, clearly state that the terms of conveyance should reflect economic realities. Potential developers should know very clearly both the land use entitlements that they can expect and the burdens to finance public improvements that they must bear.

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[5] The cost does not include the cost of demolition in those cases where there are existing buildings on the site that would have to be removed. Financing for the cost of demolition is significant. The plan for financing this cost is discussed in the *Comprehensive Business Plan*.

[6] The estimate of Residual Land Value (RLV) is approximate because the time value of money is not considered. In the typical development project, costs are incurred at the outset, but revenues from sales occurs over a period of several years. A more refined analysis would compare the discounted present value of costs and the discounted present value of future sale of finished lots at market value.

Table PFIP 5-1
The Special Tax To Finance Basewide Facilities

Land Use Categories	Unit	Transportation Improvements	Habitat Management	Fire Facilities	Total Special Tax To Fund Basewide Facilities
RESIDENTIAL - Existing					
Low Density	Dwelling Unit	$8,199	$77	$142	$8,418
Medium Density	Dwelling Unit	$8,199	$64	$87	$8,350
High Density	Dwelling Unit	$7,133	$39	$44	$7,215
RESIDENTIAL - New					
Low Density (4/acre)	Dwelling Unit	$8,199	$77	$131	$8,407
Medium Density (6/acre)	Dwelling Unit	$8,199	$77	$87	$8,363
High Density (8/acre)	Dwelling Unit	$8,199	$77	$65	$8,341
Attached (10/acre)	Dwelling Unit	$7,133	$64	$52	$7,250
Attached (20/acre)	Dwelling Unit	$5,329	$39	$26	$5,394
RESIDENTIAL - Other					
CSUMB - Existing	Dwelling Unit	$8,199	$77	$0	$8,276
CSUMB - New	Dwelling Unit	$0	$39	$0	$39
POM Annex Housing	Dwelling Unit	$0	$0	$0	$0
RETAIL & VISITOR SERVING					
Convenience	1,000 SqFt	$20,497	$0	$48	$20,545
Neighborhood	1,000 SqFt	$20,497	$0	$48	$20,545
Regional/Outlet	1,000 SqFt	$20,497	$0	$48	$20,545
Hotel	Room	$6,395	$0	$24	$6,419
LI/BP & OFFICE/R&D					
UC MBEST	1,000 SqFt	$4,755	$0	$43	$4,798
LI/BP	1,000 SqFt	$6,067	$0	$76	$6,143
Office/R&D	1,000 SqFt	$5,247	$0	$48	$5,295
PLANNED PUBLIC FACILITIES					
Other	n/a				
Miltary Enclave	n/a				
CSUMB	Student	$820	$0	$0	$820
Institutional	Employee	$10,412	$0	$316	$10,728
Public Schools	n/a				
OPEN SPACE & RECREATION					
Habitat Protection	n/a				
New Golf Courses	Courses	$896,360	$0	$43,654	$940,015
State Parks	n/a				
Equestrian Centers	Acres	$5,247	$0	$523	$5,770
Parks & Greens	n/a				

Note: Figures are expressed in January 1, 1996 dollars.
Includes an additional 5% charge to administer the program.

Source: Angus McDonald & Associates.

Table PFIP 5-2
Residual Land Value Analysis

Land Use Category	Units	(4) Base-Wide Facilities	(4) Local Facilities	(1) In-Tract Costs	Total Cost	(2) Market Value Per Acre and Finished Lots	Residual Land Value Per Acre and Finished Lots
RESIDENTIAL - Existing							
Low Density	Dwelling Unit	$8,418	$4,345	Varies	$12,763	$35,000	$22,237
Medium Density	Dwelling Unit	$8,350	$3,423	Varies	$11,773	$35,000	$23,227
High Density	Dwelling Unit	$7,215	$2,127	Varies	$9,342	$35,000	$25,658
RESIDENTIAL - New							
Low Density (4/acre)	Dwelling Unit	$8,407	$4,326	$20,000	$32,733	$95,000	$62,267
Medium Density (6/acre)	Dwelling Unit	$8,363	$4,253	$17,500	$30,116	$70,000	$39,884
High Density (8/acre)	Dwelling Unit	$8,341	$4,217	$13,125	$25,683	$55,000	$29,317
Attached (10/acre)	Dwelling Unit	$7,250	$3,510	$10,675	$21,435	$40,000	$18,565
Attached (20/acre)	Dwelling Unit	$5,394	$2,097	$5,338	$12,829	$20,000	$7,171
RESIDENTIAL - Other							
CSUMB - Existing	Dwelling Unit		Allocated to CSUMB Below				
CSUMB - New	Dwelling Unit		Allocated to CSUMB Below				
POM Annex Housing	n/a						
RETAIL & VISITOR SERVING							
Convenience	Acre	$223,732	$4,038	$75,000	$302,770	$348,480	$45,710
Neighborhood	Acre	$223,732	$4,038	$75,000	$302,770	$348,480	$45,710
Regional/Outlet	Acre	$223,732	$4,038	$76,500	$304,270	$348,480	$44,210
Hotel	Room	$6,419	$170	$2,380	$8,969	$20,000	$11,031
LI/BP & OFFICE/R&D							
UC MBEST	Acre	$58,693	$6,204	$69,000	$133,897	$163,350	$29,453
LI/BP	Acre	$42,093	$2,667	$61,500	$106,260	$130,680	$24,420
Office/R&D	Acre	$57,345	$5,593	$70,500	$133,438	$163,350	$29,912
PLANNED PUBLIC FACILITIES							
Other	n/a						
Military Enclave	n/a						
CSUMB	Acre	$38,180	$0	$1,750	$39,930	n/a	n/a
Institutional	Acre	$17,769	$1,093	$0	$18,862	n/a	n/a
Public Schools	n/a						
OPEN SPACE & RECREATION							
Habitat Protection	n/a						
New Golf Courses	Course	$940,015	$77,681	$0	$1,017,695	n/a	n/a
State Parks	n/a						
Equestrian Centers	Acre	$5,770	$955	$0	$6,725	n/a	n/a
Parks & Greens	n/a						

Footnotes:
(1) Costs from Reimer Associates March 7, 1996 Infrastructure Cost Analysis.
(2) Finished Lot values from SKMG.
(3) Demolition costs not inlcuded.
(4) Special tax to finance basewide facilities. Tax funds only Transportation, Habitat and Fire.

5.4 FINANCING POLICIES AND PRINCIPALS

5.4.1 The Purpose of the *Public Facilities Implementation Plan*

The Fort Ord Reuse Authority's *Public Facilities Implementation Plan* (*PFIP*) is the implementing document for the *Fort Ord Reuse Plan* policies on public facilities. The purpose of the *PFIP* is to ensure that public facilities are adequate as reuse occurs at Fort Ord in accordance with the *Reuse Plan.*

The PFIP is concerned only with Base-wide facilities[7] that are necessary to implement the Fort Ord *Reuse Plan.* The *Reuse Plan* will contain targets for Level of Service (LOS) for each class of Base-wide facilities. These facilities must be constructed in a timely manner and financed in a manner that equitably divides financial responsibility in proportion to the demands placed on new facilities. FORA will seek all potential sources of financing for public improvements, including federal and state grant as well as all locally-controlled sources of financing. The intent, however, is to ensure that infrastructure to serve the reuse of Fort Ord does not place any burden on the tax base of the local government with the responsibility for lands within Fort Ord.

The *PFIP* described in the present report is intended to finance public improvements for the period July 1, 1996 to June 30, 2016 (i.e. fiscal years 1996/97 through 2015/16. It should be understood that the public improvements required to implement the Facility Master Plans have been designed to be implemented in a timely manner, over this entire planning period. The service capacity or the cost over some arbitrarily-selected span of years during that planning period may be higher or lower than the average amount of capacity added or cost incurred during the entire planning period. It is frequently necessary to construct projects in their entirety rather than be able to add very small increments of capacity each year directly in response to demand. Thus, the "average cost" may vary significantly from year to year, over the planning period.

The *PFIP* incorporates the CIPs for the Base-wide facilities cited previously. The CIPs plus the accompanying text in the present report identifies the purpose to which impact fees to finance Base-wide facilities are to be put and demonstrates the relationship between the fees and the purpose for which they were charged. The adoption of these CIPs, together with a careful practice of FORA to establish accounts[8] and appropriating funds for implementation of the *PFIP*, complies with the requirements of the CIPs for the Base-wide facilities cited previously.

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[7] According to Government Code § 67655 "Base-wide facility" means a public capital facility which, in the judgment of the [Fort Ord Reuse Authority] board is important to the overall reuse of Fort Ord, and has significance beyond any single city or the incorporated area of the county.

[8] A single account can be used if a single Mello-Roos special tax is used to finance habitat and fire protection as well as the transportation improvements.

5.4.2 The Process of Preparing *The Public Facilities Implementation Plan*

The sequence of planning for increased capacity and expanded public improvements at Fort Ord is as follows:

- The Fort Ord Reuse Plan and accompanying growth management policies and ordinances are adopted.
- A forecast is made of the growth and development that can reasonably be expected to occur, given the policies of the jurisdictions with land use authority for lands within Fort Ord.
- Levels of Service (LOS) and Timing Standards for each major service are adopted. The term "Timing Standard" refers to an adopted policy as to when a public improvement must be in place to avoid an unacceptable degradation in the Level of Service.
- Facilities master plans are prepared or updated and preliminary engineering designs are prepared for the required amount and location of new capacity that will serve the planned and predicted growth, at the LOS standard.
- Engineering cost estimates and timing of project expansion are prepared.
- A means of financing is selected.

The following paragraphs describe policies and principles that apply to all the Financing Plans that are summarized in the present document.

5.4.3 Forecast of Growth and Development

A forecast of the rate at which reuse will occur and Fort Ord is a key step in developing the *Public Facilities Implementation Plan.* Assumptions about the amount of growth and its location on the territory of Fort Ord have a strong influence on the location, the capacity and the cost of public facilities. The forecast of amount of growth also largely determines the forecast of capacity to finance public improvements.

The forecast of the rate of at which reuse will occur at Fort Ord was cited in Section 5-1. It should be understood that the forecast of the amount and location of reuse was used directly and explicitly in preparing facilities master plans estimates of capacity required to extend public services and estimates of cost of public improvements. Accordingly, there is a direct relationship between the forecast of development, the forecast of required facilities, and the forecast of cost and required financing.

The land use categories in the Fort Ord Reuse Plan are also used in the *PFIP.*

The Fort Ord Reuse Plan will define land use categories in terms of a range of densities and intensities that can be permitted. The Facility Master Plans and the PFIP were based on the expected value for land use intensities for future development. These estimates of expected value for land use densities/intensities reflect trends and market forecasts and may change from year to year. The expected values are used for engineering design purposes only.

If FORA adopts a development impact fee ordinance it is recommended that this ordinance include an administrative procedure to deal with exceptions (i.e., significant departures from assumptions about land uses and their impact on demand for public improvements that may occur in the future).

5.4.4 Level of Service and Timing Standard

The term "need" applies to certain basic human requirements such as personal safety and implies a responsibility to meet that need without regard to cost. In general, however, public services are measured as demands where different Levels of Service can be selected by the people and their political leaders, reflecting a willingness to pay for a Level of Service that is selected. The concept of demand is fundamental to FORA's *Public Facilities Implementation Plan.*

5.4.4.1 Level of Service Standard

A Level of Service is selected, and then the facilities required to provide that Level of Service are designed and their costs are estimated. If a different Level of Service had been selected, then a different set of cost estimates in the PFIP would have emerged. A specific and measurable Level of Service target was incorporated into each of the public facilities master plans. The target for Level of Service directly influenced the capacity and cost of public services.

5.4.4.2 Timing Standard

The timing (i.e., the year[s] of construction) of planned public improvements is often a key consideration that affects the success of a program for extending public service. FORA has set a target such that capacity is sought to be available to serve demand at the specified Level of Service, but not to anticipate demand.

The general standards for timing of construction of public improvements are as follows:

- Wherever possible, the land ultimately required for each improvement included in a Facilities Master Plan will be preserved before development occurs in an area.
- Improvements will be in place before the Level of Service has degraded unacceptably below the LOS target for each class of public facilities.

More specific timing standards are presented for each class of facilities in the appropriate section of the present report.

The required timing for each public improvement is related primarily to the additional development [9] that will be served by that improvement. In general, the point when demand for additional service capacity creates the requirement to complete a public improvement project, is measured in terms of cumulative Dwelling Unit Equivalents added. An example might be: "...When 3,000 water Dwelling Unit Equivalents have been added." These point of demand, measured in the appropriate Dwelling Unit Equivalents, are then tied to the calendar by means of the development forecast described previously.

The distinction between demand measured in Dwelling Unit Equivalents and demand measured as a point in time is more than a technical nicety. Development forecasts -- particularly short-term development forecasts -- have proven to be notoriously inaccurate. A major strength of FORA's *Public Facilities Implementation Plan* process is that financing is related directly to demand. Projects are staged when demand occurs and are not rigidly tied to the calendar. A future that differs from the forecast is self-correcting in that:

- A slowdown in the development produces a slower rate at which additional capacity will be demanded as well as a slower rate at which development impact fees will be accrued.

- If development occurs faster than expected, then special taxes or development impact fees will be available sooner to construct improvements to serve the subsequent, accelerated demand.

5.4.5 The Public Facilities Plans

The present section describes the process that leads from the forecast of development being served and the assumption about Level of Service and timing to the design of individual public improvement projects.

5.4.5.1 Facility Master Plans and the *PFIP*

The *Public Facilities Implementation Plan* is based on a Facilities Master Plan for each of the public services included within the *PFIP*.

FORA's *PFIP* is a detailed statement of the City of Marina, City of Seaside and County of Monterey's intention to plan and construct public facilities over a planning period of twenty years. The first adopted *PFIP* covers the period beginning in Fiscal Year 1996/97 and ending in Fiscal Year 2015/16. The intent is to update the *PFIP* every fifth year. For example, in the year 2000 five years will be added to the planning period, and the *PFIP* will include the years 2000/2001 through 2020/2021.

Thus, the *PFIP* document will always cover a time period of between fifteen and twenty years.

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[9] Additional development is measured in Dwelling Unit Equivalents (DUEs). A discussion of the purpose and use of DUEs begins in Section PFIP 5.4.6.

A time period of this length is realistic for purposes of planning and building public improvements. A longer time period (e.g., fifty years) would require assumptions to be made about changing technology, long-term costs of energy, demographic trends, etc., that cannot be reasonably predicted. A fifteen-to-twenty-year planning period offers some assurance that cost per unit of development will be relatively uniform and that the public improvements that are scheduled for construction can be constructed for the estimated costs.

Facility Master Plans, which have been prepared for the major categories of public improvements, are designed to accommodate the total growth that would be permitted under the *Fort Ord Reuse Plan* (i.e., beyond 2015). In order to implement Facility Master Plans, lands for public purposes (in particular, right-of-way for transportation projects) should be preserved, even though development may not take place for many years in the future.

The buildout of residential land (given current market trends) would occur significantly before buildout of lands designated for commercial and industrial purposes. Accordingly, a mechanical process of multiplying acres available times the expected density/intensity of land use, which might be called "ultimate buildout potential," would produce a misleading and technically-incorrect result. "Ultimate buildout" as defined above, could not be used for financial or fiscal planning purposes, since the time at which buildout of different land use categories is separated by years (or even decades). The use of "ultimate buildout" for financial or fiscal planning would implicitly involve a combination of dollars from different time periods, with different purchasing power. This violates principles of both economics and accounting.

Accordingly, a twenty year planning period was selected for facilities planning and financing.

5.4.5.2 Phasing of Improvements

The facilities master plans are useful as guides to the phasing of improvements, but the portion of the PFIP that is financed from development impact fees is based on the most efficient and economical program for extending public services through Fiscal Year 2015/2016. Public improvement projects are phased over time, based on a three-step process.

- The forecast of development cited previously was the starting point for an assumption about when demand for services will occur and where this demand will occur geographically. The forecast was based on an estimate of realistic market absorption rates.

- The development forecast took into account various factors which influence the location of development, such as proximity to major sewer and storm drain facilities and the schedule for planned improvements on the State Highway System.

- Capital Improvement Projects were then phased in the most efficient manner, given the forecast of growth to be served and given the recommended Level of Service and Timing Standards.

Phasing of development and the public improvements to support that development is based on forecasts and assumptions. Phasing per se is not a statement of the policy. Landowners and developers may request a different phasing of public improvements. If, at the discretion of FORA, this different phasing can be accommodated without compromising the objectives of the *Public Facilities Implementation Plan*, a *PFIP* amendment can be adopted. If necessary, landowners who request a different phasing may be asked to provide advance funding for the incremental cost to provide infrastructure in advance of the time when the most efficient and economical Capital Improvement Plan would provide these improvements. The PFIP can then include provisions for reimbursement to those who advance funds. Reimbursement would occur at the time that the affected improvements would originally have been constructed. Reimbursement would be made in dollars of then current purchasing power.

5.4.5.3 Cost Estimates for Capital Improvement Projects

The capital costs assigned to each public improvement project are based upon concept plans at a scale of 1":1000'. Costs are preliminary and present the conceptual nature of infrastructure planning to date. Costs do not include demolition, except as noted, hazardous waste or munitions clean up, environmental mitigation, or right-of-way within For Ord, agency fees, financing costs or on-going operations and maintenance. The schedule is based on route information available as of November 1995. The EDAW/EMC Team Members assume no liability for changes in quantities or prices due to unforeseen or subsequent condition or for changes directed by controlling agencies. The engineering costs estimates were originally expressed in terms of the costs that are expected at mid year 1995. An assumption about cost increases is included in the present analysis for the purposes of developing a financing plan. The costs estimates include a 15% contingency and 20% for Engineering, Administration, Surveying, Soils Investigations and Construction Management.

It is assumed that the *Environmental Impact Report* on the Fort Ord Reuse Plan will deal with issues of regional significance. It is assumed that any further environmental review will deal solely with highly localized impacts. The project cost estimates attribute any future additional environmental study cost to be a part of the 15% contingency

It is assumed that all right-of-way within the territory of Fort Ord will be identified and set aside before the PFIP is actually implemented. According, there is no allowance for the cost of right-of-way on the territory within Fort Ord in the PFIP. An allowance is provided for a right-of-way that will be required for projects located outside of Fort Ord (e.g., regional road-way improvements). It was assumed that this right-of-way would be purchased at fair market value.

5.4.5.4 Financing Zones

The territory within Fort Ord was treated as a single financing zone for the purposes of the preliminary analysis in the present report. This assumption may prove to be adequate for the water, sewer, and habitat projects and for a fire facility that can be considered a base wide facility. It is a virtual certainty that a single financing zone is <u>not</u> appropriate for a transportation impact

fee. A more refined analysis will be necessary before a final Cities/County transportation impact fee can be adopted.

5.4.6 Allocating Responsibility To Pay

A plan for financing public facilities must reflect that fact that, in general, commercial and industrial land uses create a demand for services in addition to the demand created by residents and dwelling units.

5.4.6.1 The General Case

Demand for public services can be expressed in a common vocabulary for all land use categories by converting all land use categories into their "Dwelling Unit Equivalents" (DUEs). The Medium Density Residential land use category is selected as the benchmark or norm. It is assigned a DUE factor of 1.0. The demand for capacity imposed by all other land use categories is then calculated relative to the demand imposed by a Medium Density dwelling.

A simple example can illustrate the concept. Demand for wastewater collection is estimated for each land use category in terms of total gallons per acre per day. This assumption, together with the assumption about future average densities and intensities can be lead to a calculation of relative production of wastewater by dwelling units in each residential land use category and by 1,000 square feet of commercial building space and by 1,000 square feet of industrial space. These demand estimators can then be normalized by using the value for the Residential Medium Density land use category as the base.

It should be noted that DUE factors differ for water, sewer collection, transportation, etc.. The comparative demands based on each of these services by (for example 1,000 square feet of Regional Retail development) is not the same, compared to the demands created by a Residential Medium Density dwelling unit.

A full specification for DUE factors and a forecast of DUEs added through Calendar Year 2015 are presented for transportation, habitat management, and fire protection in Section PFIP 5.5 of the present report. These forecasts guided the engineering, design and cost estimating that was part of the PFIP process. Thus, there is a direct relationship between each category of land use and the cost of public improvements.

5.4.6.2 DUEs and Special Tax Rates

The discussion to this point in Section PFIP 5.4.6 has emphasized Dwelling Unit Equivalent (DUE) factors that would be used to establish relative rates of a development impact fee. It was assumed that the DUE factors would provided the necessary nexus between land development and public improvement projects as required by government code §66000 et seq. and by recent US Supreme Court decisions.

The strict nexus requirements for a valid development impact fee do not apply if a special tax is used to finance public improvements. Instead there must be the less demanding test that there be general benefit to a particular land use if a public improvement is constructed.

Nonetheless tax rates for a special tax (e.g. a tax levied by a Mello-Roos Community Facilities District) can be expressed in the same format as the DUE factors that are used for a development impact fee.

5.4.7 Policy Assumptions on Sources of Financing

Preference for sources of financing were described in Chapter PFIP 1. of the present report.

5.4.8 Calculating Development Impact Fees

Three separate outcomes can result when development impact fees are calculated.

5.4.8.1 "Simple" Development Impact Fees

In some situations, financing public improvements on a "pay-as-you-go" basis is quite straightforward. This occurs if individual projects are relatively small compared to the total cost of the program. Cash flow issues can be minimized and projects can be designed and constructed as impact fees are collected.

The development impact fee applicable to this situation is approximately equal to the total cost of all improvements, divided by the total number of DUEs that have been forecast to develop through 2015. This relationship is approximate, rather than exact, because the balances in the development impact fee accounts earn interest, and interest is earned by, or paid on, borrowings between development impact fee accounts to accommodate cash flow requirements.

5.4.8.2 A Different Fee During Different Time Periods

In general, public improvements cannot be sized precisely so that the added capacity exactly meets the added demand at the point in time when this capacity becomes available Capacity is normally added in discrete increments. For example, a street must be widened in increments of full lanes, and this frequently provides more capacity than would absolutely be required to meet the LOS target. As another example, a sewer project must be of certain size to be economically constructed and must use commercially available sewer pipe that is available only in discrete diameters.

The result is an improvement whose capacity unavoidably exceeds demand at the time that construction is completed.

It is frequently the case that the phenomenon described above leads to a situation where the total cost per Dwelling unit Equivalent to meet Level of Service and timing standards is higher in the

early years of a program than is the case in later years. The capacity that is financed in the early years unavoidably exceeds the demand because of the necessity to build reasonable and practical increments of capacity.

If necessary the FORA *PFIP* can deal with this situation by dividing the entire planning period into subperiods. A development impact fee is adopted for each time period within the overall twenty-year planning horizon such that the fee is adequate to meet the LOS and timing standards for development which occurs during that period. For example, if the cost per DUE is higher for the first seven years, then a fee is adopted that will be adequate for this seven-year period.

In the situation described above, even though capacity in excess of demand for the (presumed) seven year period was unavoidably produced, this capacity will also benefit those who develop after Year 7.

FORA intends to re-evaluate growth, trends and forecasts regularly and to impose a development impact fee on those developers who will utilize the excess capacity of a factuality, if any has been created. The money collected from these developers will be placed into a development fee account and, at regular intervals, after the facility is built, may be distributed to the developers who paid the original development impact fee used to construct the facility. This distribution would be in proportion to the original fee contributed from each developer, plus an allowance for interest from the date of contribution.

Developers who wish to participate in this reimbursement program are expected to enter into an agreement with FORA. This agreement will generally provide that if future development occurs that would utilize excess capacity of a public facility, and if FORA is able to collect development impact fees for such development, then the developer would be reimbursed for a portion of the development impact fee that he or she has paid.

5.4.8.3 Borrowing Between Impact Fee Accounts

It is frequently the case that years of greatest cash requirement for different classes of public facilities occur at different times. It becomes possible in that case to borrow between development impact fee accounts and eliminate the requirement for different fees during different time periods. The applicable rules are:

- An accounting is made for borrowings and a payment of interest to the development impact fee account from which funds are loaned. This financing cost is included in the impact fee for the impact fee account receiving the funds but, in return, a higher fee can be avoided.

- In no case can the fee for any impact fee account that loans money to another account be higher than would be the case if no inter-account borrowing was allowed.

FORA should adopt a high standard of prudence and care when consideration is given to temporary borrowings between development impact fee accounts. Funds accumulate in a

development impact fee account because it is necessary to collect impact fees over a number of years to have the means to finance a public improvement in a future year. If these funds are loaned to a second development impact fee account, this account must be in a position to repay the loan on or before the date at which the public improvement project was scheduled to be built.

5.4.9 Monitoring Development and Updating The *Public Facilities Implementation Plan*

It is recommended that FORA review the *Public Facilities Implementation Plan* and each Development Impact Fee resolution annually, at or near the start of the fiscal year. Any change in development impact fees would generally be effective on January 1 of the following calendar year. The *PFIP* is subject to revision because of several factors. These factors include the impossibility of forecasting exactly the rate and location of development in FORA, variations in the cost of construction of public improvements and variation in the standards that may be applicable in the future to the design of individual public improvements. At a minimum, the change in development impact fees will reflect changes in the Engineering News Record 20-Cities Average Construction Cost Index and would also reflect any changes in design standards or costs of projects that had occurred during the previous fiscal year.

In addition, FORA intends to assure that the *Fort Ord Reuse Plan* and the various Public Facilities Master Plans remain responsive to FORA policy and changing development conditions. FORA intends to review both the *Fort Ord Reuse Plan* and the Facility Master Plans on a five-year cycle. Policies in an amended *Fort Ord Reuse Plan* will be incorporated into all of FORA's Facility Master Plans and into each impact fee Ordinance and Resolution. At the same time, a forecast of growth and development for an additional five years will be added to the planning period for each *Fort Ord Reuse Plan* document.

Information about changes in the availability of State/Federal grants and loans or other sources of revenue will be incorporated into the fee programs during the annual review.

5.4.10 Financing Assumptions

The Financing Plan is dependent upon accurately predicting the true value of money and the changes in construction cost over the period of the *PFIP*. This statement is particularly true if municipal bonds are used to finance public improvements since there is limited opportunity to respond if projects are significantly more expensive than anticipated. The accurate forecast of future money market conditions is less critical because development impact fees can be adjusted annually. In this regard, the following assumptions have been incorporated into the *PFIP* financial analyses.

5.4.10.1 Inflation Rate: 3.20%

Project costs will be inflated based upon project phasing.

5.4.10.2 Tax-Exempt Rate: 7.20%

The tax-exempt interest rates that will be used for the analysis will change with market conditions.

5.4.10.3 Taxable Rate: 9.20%

The taxable rates used will be 200 basis points over the tax-exempt rate.

5.4.10.4 Construction Drawdown Schedules

The construction drawdown schedules for all project elements will be provided by the consultant engineers.

5.4.10.5 Capitalized Interest Reinvestment Rate: 5.00%

The reinvestment rates used reflect current market rates on Treasury securities, unless those rates exceed the tax-exempt interest rate in which case the tax-exempt interest rate is used as the reinvestment rate. If a Treasury security is used, the term of the security reflects the mid-point of the life of the fund.

5.4.10.6 Debt Service Reserve Fund Size: 10.0% of Par

5.4.10.7 Debt Service Reserve Fund Reinvestment Rate: 5.00%

The reinvestment rate for the debt service reserve fund reflects the current market rate for a 5-year Treasury note unless that rate exceeds the tax-exempt interest rate. Under such conditions, the tax-exempt interest rate is used.

5.4.10.8 Costs of Issuance

Costs of issuance associated with each bond issue, if any, will be calculated separately for each proposed bond issue. These costs include underwriters' fees, bond counsel, financial advisor, costs of printing, etc.

5.4.11 Overall Intent

A concluding statement about *PFIP* policies and principles is appropriate. It is recommended that FORA adopt an overall statement of intent to have a *PFIP* update process that is flexible and responsive to changing conditions. Careful consideration should be given to proposals submitted by landowners for interim or permanent solutions that better serve landowners' development opportunities within the overall constraint of the *Fort Ord Reuse Plan* and *PFIP* goals and policies.

It is recommended that FORA staff be given authority and responsibility to treat updating and maintenance of the *PFIP* as a very high priority.

5.5 FINANCING PLANS FOR BASE-WIDE PUBLIC IMPROVEMENTS

The present section of the report describes the financing plan for each class of Base-wide public improvements.

5.5.1 Financing Plan for Transportation Improvements

5.5.1.1 Purpose of the Financing Plan

As discussed more fully in Section PFIP 5.4.1 the general purpose of financing plans for all Base-wide facilities is to provide a means to finance the public improvements required to meet the objectives of the Fort Ord Reuse Plan. The specific purpose is to assure financing for the transportation projects listed in Section PFIP 1.7 of the present document.

The principals for financing public improvements that were listed in Section PFIP 1.5 are each applicable to the present section. They are incorporated by reference into the present section.

5.5.1.2 Development Being Served

The financing plan for transportation improvements is based on the forecast of growth cited previously through the end of calendar year 2015. The financing plan for transportation improvements is based on the concept that services are being provided both to residential and nonresidential land.

5.5.1.3 Level of Service and Timing Standard

The Level of Service (LOS) Standard and the Timing Standard incorporated into the Fort Ord Reuse Plan is summarized in Table PFIP 5-3. It should be understood that the LOS and Timing Standard together with the estimated increase in demand for services that is forecast to occur by the end of calendar year 2015 were used directly to calculate the size and the timing for each planned transportation improvement. Accordingly there is a direct relationship between the forecast of future development, the target for Level of Service, the Timing Standard, and the size and cost of each transportation improvement that will be constructed.

Table PFIP 5-3
Level of Service and Timing Standards
Transportation Financing Plan

	Level of Service (LOS) Standard	*Timing Standard*
TRANSPORTATION	Maintain LOS D on the road network within the territory of Fort Ord. Strive to maintain LOS D on roadways described in the Monterey County Congestion Management Plan, but outside the territory of Fort Ord.	Construct improvements described in the Fort Ord Reuse Plan CIP at a time such that the LOS does not degrade below the bottom end of LOS D for more than three years.

5.5.1.4 Planned Transportation Facilities

Financing requirements for transportation improvements to serve the development that is expected on Fort Ord by the end of the calendar year 2015 are summarized in Table PFIP 5-4. There are four classes of transportation improvements to be financed.

Regional Transportation Improvements. A significant investment will be required to meet Level of Service standards in Fort Ord Transportation Impact Area on major roadways which are currently deficient (i.e. are not meeting Level of Service targets for the existing population). In addition expansion will be required to serve new development both on the territory within Fort Ord and elsewhere in the Fort Ord Transportation Impact Area. An example is improvements to State Highway 156.

New Capacity on Fort Ord. The demand for additional capacity on transportation projects located on territory within Fort Ord may be generated by two separate sources. Demand may be generated by additional trips that begin and end on territory within Fort Ord or that begin outside of Fort Ord but that end within Fort Ord. Examples include a trip that originates at a residence in Fort Ord and end at a new work place in Fort Ord or a home-to-work trip that begins outside Fort Ord and ends within Fort Ord.

Additional Transportation Capacity Outside of Fort Ord That Serves New Development on Fort Ord. There is an analog to increased capacity for transportation projects on Fort Ord that serve new trips that may or may not begin within the territory of Fort Ord. A transportation project outside of Fort Ord may require additional capacity to serve trips

that begin on Fort Ord and end elsewhere in Monterey County, or visa-versa. An example would be additional capacity on Blanco Road.

Offsets for Land Development Projects that are Exempt from Additional Impact Fees or Taxes. There are a significant number of residential and commercial developments in the Fort Ord Transportation Impact Area that have received development approvals and that have filed vesting tentative subdivision maps or entered into development agreements. Development impact fees or special taxes may be recommended to finance transportation projects that provide capacity required by land development projects covered by vesting tentative maps or development agreements. It may not be possible to place additional levies on such land development projects. Accordingly, an allowance is shown in Table PFIP 5-4 for the total cost that would otherwise be appropriately levied against previously-approved land development projects but for the existence of vesting tentative subdivision maps or development agreements.

Financing for costs that are quite legitimately being avoided by land development projects with vesting tentative maps or development agreements can not be obtained from a development impact fee on new development that is not subject to vesting tentative maps/development agreements. As discussed elsewhere, development impact fees must respond to a test of rational nexus. A decision that was quite legitimately made at the time to offer a vesting tentative map or a development agreement to a land development project does not eliminate the need to hold to the rational nexus requirement. If development impact fees are proposed, future development projects (whether located on territory within Fort Ord or located elsewhere in the Fort Ord Transportation Impact Area) could resist a requirement to make up for the financial shortfall that was inadvertently created by a decision that was entirely appropriate at the time but now exempts certain land development projects from paying an impact fee. However a one-time Mello-Roos special tax collected at the time of issuance of a building permit solely on land development projects located within Fort Ord could be levied to finance what otherwise would be a shortfall.

5.5.1.5 The Financing Plan for Transportation Improvements

The recommended sources of financing for each class of transportation improvement is summarized in Table PFIP 5-4. The following paragraphs describe sources of financing in greater detail.

Regional Transportation Tax. The Transportation Agency for Monterey County (TAMC) is currently evaluating alternative sources of financing for transportation improvements are that justified by existing land uses in Monterey County. The leading alternatives currently under consideration are a County-wide sales tax and an innovative tax based on number of vehicle miles traveled (VMT). These sources of financing would be more than spoken for if existing deficiencies are to be financed successfully. Nonetheless remedies for existing deficiencies (e.g. on State Route 68 and 156) have been found by the Fort Ord Reuse Planning Team to be essential to the successful economic development of Fort Ord.

In the following paragraphs recommendations are made that the transportation projects (whether located on the territory within Fort Ord or not) that are required to serve reuse at Fort Ord be

financed from a "stand alone" new source of financing. It is recommended that a new special tax not be used to finance improvements to serve the reuse of Fort Ord.

"Stand alone" financing for transportation projects to serve Fort Ord will enhance the practicality of achieving the two-thirds vote of existing voters that will be necessary to enact a regional transportation tax. In the absence of a "stand alone" policy, opponents of a tax increase for existing deficiencies will ask the question "Why should we tax ourselves to serve residents and employers who don't yet live in our County?" If a regional transportation tax is used exclusively to remedy existing deficiencies, this argument can be countered.

Cities/County Transportation Impact Fee. As noted above, there are transportation improvements located physically within the territory of Fort Ord that provide capacity to serve new development projects located outside of the territory within Fort Ord. It is recommended that the cities in the Fort Ord Transportation Impact Area and the County of Monterey each enact a development impact fee to pay an equitable portion of these transportation improvements.

There is precedent in California for a transportation impact fee that is collected both in cities and the unincorporated area so that new development pays its equitable share of transportation improvements. It has been estimated that a transportation impact fee totaling approximately $3,210 per single family residential unit would pay the equitable share of transportation improvements located both within the territory of Fort Ord and elsewhere in the Fort Ord Transportation Impact Area that should be fairly charged for new development in the Fort Ord Transportation Impact Area but not on Fort Ord.

The transportation impact fee for land uses other than single family residential (i.e. residential in other density categories and commercial and industrial) uses can be approximated using the material provided in Section PFIP 5.5.1.6 of the present report. The Cities/County transportation impact fee for nonresidential land uses is discussed further in that section of this report.

Mello-Roos Special Tax for Transportation Improvements. As the financing plan for transportation improvements was being assembled, it was originally assumed that a development impact fee for transportation improvements would be recommended to finance Fort Ord's share of transportation improvements whether they be located on the territory within or outside Fort Ord. Subsequent analysis lead to the recommendation that a one-time Mello-Roos special tax for transportation improvements be levied, in preference to a development impact fee.

A tax can be levied in a manner that recognizes general benefit for transportation improvements but that does not demand strict proportionality between the tax rate and the travel demand generated by each land use category. The Mello-Roos special tax can be set, for example, to foster economic development. It is possible to assign a lesser burden to land uses that generate employment and support economic development than would be the burden if a strict rational nexus was required.

It should be understood that a one-time special tax is being recommended. This is not a tax that would be levied on future homeowners and businesses over many years, to repay the cost of

bonded debt. The tax would be collected once, at the time a building permit is issued. The subsequent homeowner or business would be no more aware that this tax had been levied than they would be aware that a development impact fee had been levied. In other words, the legal theory on which the tax is levied differs from the legal theory that must underlie a valid development impact fee. The economic effect of a one-time Mello-Roos special tax is exactly comparable to the economic effect of a development impact fee.

The recommended Mello-Roos tax rate for transportation projects was shown in Table PFIP 5-1.

5.5.1.6 Relationship to Land Use

As were noted previously it was originally assumed that a transportation development impact fee would be recommended both for land development projects located within the territory of Fort Ord and land development projects located elsewhere in the Fort Ord Transportation Impact Area. Careful attention was given to an assessment of the relative demand placed on transportation improvements by the different categories of land use in the Fort Ord Reuse Plan. Trip-generation rates (e.g. trips per acre per day) alone are an inadequate measure since the trips observed to stop at a retail establishment are frequently trips whose primary origin is a workplace and primary destination is a residence. Only a portion or such a trip can reasonably be assigned to retail land use categories.

The recommended "rational nexus" Dwelling Unit Equivalent (DUE) factors for transportation are shown in Table PFIP 5-5. This exhibit considers the percent of trips with a stop at a retail establishment that represent a pass-by trip or a short diversion from a trip whose primary purpose was work-home or home-work. In addition the expected length of the trip is considered when relative responsibility to pay by each land use category is considered.

Table PFIP 5-5 also shows the DUE factors that are recommended for the Mello-Roos special tax. As noted previously the Mello-Roos DUE factors (and the resulting tax rates) were selected to encourage job-generating land uses.

Table PFIP 5-5 can be used as a guide to the rates of development impact that would be collected outside of territory within Fort Ord but elsewhere in Monterey County as part of the recommended Cities/County development impact fee program. The impact fee rate can be approximated by selecting land use categories used in each participating jurisdiction (i.e. each city and unincorporated Monterey County) that corresponds most closely to the land use categories shown in Table PFIP 5-5.

Table PFIP 5-4
Project Costs and Sources of Financing
Transportation Financing Plan

Project Class	*Total Cost*[1]	*Fort Ord Shares*[1]	*Source of Financing*
Improvements - regional system [2]	$685,000,000	$54,254,000	New County-wide transportation tax
Improvements to serve Fort Ord:			
• Improvements located on territory within Fort Ord	$13,706,300	$10,856,422	Fort Ord share: one-time Mello-Roos special tax
• Improvements located outside of Fort Ord	$110,300,700	$71,563,798	Other new development in the Fort Ord Transportation Impact Area. Cities/County transportation development impact fee
Allowance - land development projects that are exempt from fee or tax increases [3]	$24,000,000	$24,000,000	One-time Mello-Roos special tax

Notes:

1) Dollar amounts are in July, 1995 dollars.

2) Significant improvements on the regional transportation system are required to meet Level of Service (LOS) targets whether or not reuse occurs at Fort Ord.

3) Land development projects with vesting tentative subdivision maps or development agreements may be exempt from increases in development impact fees or additional special taxes.

4) The full list of Base-wide transportation improvement projects, staged over time is given in Section PFIP 1.7.

Table PFIP 5-5
Relationship To Land Use
Transportation Financing Plan

Land Use Categories	Unit	Basic P.M. Peak Trip Rate	New Trip %	New Trip Rate	Relative Trip Length	VMT Per Unit	Traffic DUE	Mello-Roos Allocation Factor
RESIDENTIAL - Existing								
Low Density	Dwelling Unit	1.01	100%	1.01	3.50	3.54	1.00	1.00
Medium Density	Dwelling Unit	1.01	100%	1.01	3.50	3.54	1.00	1.00
High Density	Dwelling Unit	0.83	100%	0.83	3.70	3.07	0.87	0.87
RESIDENTIAL - New								
Low Density (4/acre)	Dwelling Unit	1.01	100%	1.01	3.50	3.54	1.00	1.00
Medium Density (6/acre)	Dwelling Unit	1.01	100%	1.01	3.50	3.54	1.00	1.00
High Density (8/acre)	Dwelling Unit	1.01	100%	1.01	3.50	3.54	1.00	1.00
Attached (10/acre)	Dwelling Unit	0.83	100%	0.83	3.70	3.07	0.87	0.87
Attached (20/acre)	Dwelling Unit	0.62	100%	0.62	3.70	2.29	0.65	0.65
RESIDENTIAL - Other								
CSUMB - Existing	Dwelling Unit	1.01	100%	1.01	3.50	3.54	1.00	1.00
CSUMB - New	Dwelling Unit	n/a						
POM Annex Housing	Dwelling Unit	n/a						
RETAIL & VISITOR SERVING								
Convenience	1,000 SqFt	15.14	50%	7.57	1.30	9.84	2.78	2.50
Neighborhood	1,000 SqFt	7.28	55%	4.00	1.50	6.01	1.70	2.50
Regional/Outlet	1,000 SqFt	4.71	65%	3.06	1.70	5.20	1.47	2.50
Hotel	Room	0.69	100%	0.69	4.00	2.76	0.78	0.78
LI/BP & OFFICE/R&D								
UC MBEST	1,000 SqFt	2.05	90%	1.85	5.10	9.41	2.66	0.58
LI/BP	1,000 SqFt	0.91	100%	0.91	5.10	4.64	1.31	0.74
Office/R&D	1,000 SqFt	2.05	90%	1.85	5.10	9.41	2.66	0.64
PLANNED PUBLIC FACILITIES								
Other	n/a							
Miltary Enclave	n/a							
CSUMB	Student	0.23	70%	0.16	6.00	0.97	0.27	0.10
Institutional	Employee	0.83	90%	0.75	6.00	4.48	1.27	1.27
Public Schools	n/a							
OPEN SPACE & RECREATION								
Habitat Protection	n/a							
New Golf Courses	Courses	60.48	90%	54.43	7.10	386.47	109.33	109.33
State Parks	n/a							
Equestrian Centers	Acres	0.39	90%	0.35	6.40	2.25	0.64	0.64
Parks & Greens	n/a							

Source: JHK & Associates. Mello Roos factors from Angus McDonald and Associates

5.5.2 Financing Plan for Water and Wastewater Improvements

The plan for presenting water and wastewater system improvements is presented in Section PFIP 3 of the present report.

5.5.3 Financing Plan for Habitat Management - Capital Costs

5.5.3.1 Purpose of the Financing Plan

As discussed more fully in Section PFIP 5.4.1 the general purpose of financing plans for all Base-wide facilities is to provide a means to finance the public improvements required to meet the objectives of the Fort Ord Reuse Plan. The specific purpose is to assure financing for the projects listed in Section PFIP 1.7 of the present document.

The principals for financing public improvements that were listed Section PFIP 1.5 are each applicable to the present section. They are incorporated by reference into the present section.

5.5.3.2 Development Being Served

The financing plan for habitat management improvements is based on the forecast of growth cited previously through the end of calendar year 2015.

5.5.3.3 Level of Service and Timing Standard

The Level of Service (LOS) Standard and the Timing Standard incorporated into the Fort Ord Reuse Plan is summarized in Table PFIP 5-6. It should be understood that the LOS and Timing Standard together with the estimated increase in demand for services that is forecast to occur by the end of calendar year 2015 were used directly design the habitat management program. Accordingly there is a direct relationship between the forecast of future development, the target for Level of Service, the Timing Standard, and the size and cost of the habitat management program.

5.5.3.4 The Financing Plan for Habitat Management - Capital Costs

The habitat management program is of Base-wide significance and provides a benefit throughout the territory within Fort Ord. Accordingly it is reasonable to spread the cost for habitat management-capital improvements over all residences throughout the territory within Fort Ord, not just to beneficiaries who reside within the political jurisdiction where the habitat is located.

The habitat management capital projects were listed in Section PFIP 1.7. The development impact fee or Mello Roos special that would finance habitat improvements was given in Table PFIP 5-1.

5.5.3.5 Relationship to Land Use

The DUE factors for the development impact fee to finance capital costs for the habitat management program reflect the fact that the primary beneficiaries are residents on the territory within Fort Ord. Accordingly the DUE factors are based on persons per household. They are shown in Table PFIP 5-7.

Table PFIP 5-6
Level of Service and Timing Standards
Habitat Management Financing Plan

	Level of Service (LOS) Standard	*Timing Standard*
HABITAT MANAGEMENT	Improvements required to protect the habitat area and enable the Habitat Management Plan objectives to be implemented.	Protection improvements need to be made quickly after the time of land transfer. All improvements should be made within the first 5 years of development on Fort Ord (Phase I - 1996-2000).

5.5.4 Financing Plan for Fire Protection

5.5.4.1 Purpose of the Financing Plan

As discussed more fully in Section PFIP 5.4.1 the general purpose of financing plans for all Base-wide facilities is to provide a means to finance the public improvements required to meet the objectives of the Fort Ord Reuse Plan. The specific purpose is to assure financing for the projects listed in Section PFIP 1.7 of the present document.

The principals for financing public improvements that were listed in Section PFIP 1.5 are each applicable to the present section. They are incorporated by reference into the present section.

5.5.4.2 Development Being Served

The financing plan for fire protection is based on the forecast of growth cited previously through the end of calendar year 2015. The financing plan for fire protection is based on the concept that services are being provided both to residential and nonresidential land.

Table PFIP 5-7
Relationship To Land Use
Habitat Management Financing Plan

Land Use Categories	Unit	Persons Per DU	Habitat DUE Factor
RESIDENTIAL - Existing			
Low Density	Dwelling Unit	3.00	1.00
Medium Density	Dwelling Unit	2.50	0.83
High Density	Dwelling Unit	1.50	0.50
RESIDENTIAL - New			
Low Density (4/acre)	Dwelling Unit	3.00	1.00
Medium Density (6/acre)	Dwelling Unit	3.00	1.00
High Density (8/acre)	Dwelling Unit	3.00	1.00
Attached (10/acre)	Dwelling Unit	2.50	0.83
Attached (20/acre)	Dwelling Unit	1.50	0.50
RESIDENTIAL - Other			
CSUMB - Existing	Dwelling Unit	3.00	1.00
CSUMB - New	Dwelling Unit	1.50	0.50
POM Annex Housing	Dwelling Unit		
RETAIL & VISITOR SERVING			
Convenience	1,000 SqFt	n/a	
Neighborhood	1,000 SqFt	n/a	
Regional/Outlet	1,000 SqFt	n/a	
Hotel	Room	n/a	
LI/BP & OFFICE/R&D			
UC MBEST	1,000 SqFt	n/a	
LI/BP	1,000 SqFt	n/a	
Office/R&D	1,000 SqFt	n/a	
PLANNED PUBLIC FACILITIES			
Other	n/a	n/a	
Military Enclave	n/a	n/a	
CSUMB	Student	n/a	
Institutional	Employee	n/a	
Public Schools	n/a	n/a	
OPEN SPACE & RECREATION			
Habitat Protection	n/a	n/a	
New Golf Courses	Courses	n/a	
State Parks	n/a	n/a	
Equestrian Centers	Acres	n/a	
Parks & Greens	n/a	n/a	

Source: Angus McDonald and Associates

5.5.4.3 Level of Service and Timing Standard

The Level of Service (LOS) Standard and the Timing Standard incorporated into the Fort Ord Reuse Plan is summarized in Table PFIP 5-8. It should be understood that the LOS and Timing Standard together with the estimated increase in demand for services that is forecast to occur by the end of calendar year 2015 were used directly to calculate the demand for additional fire facilities. Accordingly there is a direct relationship between the forecast of future development, the target for Level of Service, the Timing Standard, and the size and cost of fire facilities.

5.5.4.4 Planned Fire Protection Improvement

A fire protection improvement capital project was listed in Section PFIP 1.7. The development impact fee that would finance fire protection improvements was given in Table PFIP

The allowance for a contribution to a fire station as a Base-wide facility is based on the assumption that this facility would be staffed in a joint staffing program by fire fighters from the city of Seaside and the Salinas Rural Fire District. The exact location and staffing plan and first response characteristics of this station are still under review. Nonetheless, an opportunity is clearly present to achieve economies by providing response capabilities and mutual aid/automated paid agreements that are not constrained by jurisdictional boundaries.

5.5.4.5 The Financing Plan for Fire Protection Improvements

A fire protection development impact fee or a one-time Mello-Roos special tax are recommended to finance the portion of a fire station that can be determined to be of Base-wide significance. The recommended rate for this fee or special tax was shown in Table PFIP 5-1.

5.5.4.6 Relationship to Land Use

In certain circumstances, difficult terrain may control location of fire stations and resulting response time. Land densities and intensities (e.g. the presents of high-rise, office buildings or residential structures) may control the equipment that is appropriate to a first response.

As a generalization, however the acreage being protected controls response time and determines the location of fire stations and the appropriate equipment housed within the station. As a result the appropriate basis for levying a fire protection development impact fee or a special tax is the acreage being served.

Table PFIP 5-9 shows the fire protection impact fee DUE factors that are appropriate for the territory within Fort Ord are based on a conversion of acreage into the relative levy per dwelling unit or thousand square feet of building space. The conversion reflects the assumptions about residential densities and land use intensities for the other land uses that have been used consistently for all aspects of the Fort Ord Reuse Plan.

Table PFIP 5-8
Level of Service and Timing Standards
Fire Protection Financing Plan

	Level of Service (LOS) Standard	*Timing Standard*
FIRE PROTECTION	Maintain an average response time of seven (7) minutes in all areas being served by the Salinas Rural Fire District by the first-in engine company.	A new fire station would be located in the territory of Fort Ord when the area has reached approximately fifty percent (50%) of its build-out, or the number and type of calls for service dictate a response time less than the seven (7) minute average.

5.6 Pay-As-You-Go Financing

The process of calculating development impact fees and subsequently, a one time Mello-Roos Special tax, was as follows

- A drawdown schedule was prepared showing annual cash requirements to finance the CIP that was presented in Section PFIP 3 of the present report.
- The development forecast to 2015 was then converted into three forecasts of Dwelling Unit Equivalents (DUEs) for transportation, habitat management and fire protection.
- Rates were calculated that would finance this drawdown schedule and that would not have the total fund balance in any year become negative.

The results of this calculation are summarized in Table PFIP 5-10 Somewhat surprisingly for such a large capital program, current indications are that this program can be financed on a pay-as-you-go basis. If development occurs in accordance with the forecast, use of bonded debt will not be required.

5.6.1 Fall-Back Financing Districts

Pay-as-you-go financing plans for public improvements are vulnerable to a slowdown in the rate at which development actually occurs. Public improvements that are scheduled for the early years cannot be constructed until sufficient cash has accumulated to finance the improvements. If the rate of development is materially lower than the rate was assumed in the development forecast, the entire process of base reuse may be delayed unacceptably.

If this occurs, consideration should be given to using one or more financing districts (e.g. Special Assessment districts or Mello-Roos Community Facilities districts) to issue bonded debt. The bond proceeds will then provide the cash that will allow development to proceed.

If financing districts are used two options should be considered. First, a conventional bond issue payable over 20-25 years could be used. If there are concerns that homeowners and other buyers of land will resist long term financing, then another alternative can be considered. Special consideration can be given structuring a bond issue such that the bonds can be paid in their entirety (in say Year Three) without an onerous pre-payment penalty. The bond market would command an interest rate premium for bonds with no prepayment penalty, but any adverse effects on the land marketing program because of buyer objections to long-term debt will be avoided.

Table PFIP 5-9
Relationship To Land Use
Fire Protection Financing Plan

Land Use Categories	Unit	Fire DUE Factors (Per Acre)
RESIDENTIAL - Existing		
Low Density	Acre	1.00
Medium Density	Acre	1.00
High Density	Acre	1.00
RESIDENTIAL - New		
Low Density (4/acre)	Acre	1.00
Medium Density (6/acre)	Acre	1.00
High Density (8/acre)	Acre	1.00
Attached (10/acre)	Acre	1.00
Attached (20/acre)	Acre	1.00
RESIDENTIAL - Other		
CSUMB - Existing	Acre	
CSUMB - New	Acre	
POM Annex Housing	Acre	
RETAIL & VISITOR SERVING		
Convenience	Acre	1.00
Neighborhood	Acre	1.00
Regional/Outlet	Acre	1.00
Hotel	Acre	1.00
LI/BP & OFFICE/R&D		
UC MBEST	Acre	1.00
LI/BP	Acre	1.00
Office/R&D	Acre	1.00
PLANNED PUBLIC FACILITIES		
Other	n/a	n/a
Military Enclave	n/a	n/a
CSUMB	Acre	0.00
Institutional	Acre	1.00
Public Schools	n/a	n/a
OPEN SPACE & RECREATION		
Habitat Protection	n/a	n/a
New Golf Courses	Acre	0.50
State Parks	n/a	n/a
Equestrian Centers	Acre	1.00
Parks & Greens	n/a	n/a

Source: Angus McDonald and Associates

Table PFIP 5-10
Cash Flow Analysis Of Mello-Roos Special Tax For Basewide Facilities

Description Of Cost	TOTAL	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02
Transportation Improvements	$136,510,000	$0	$1,420,000	$7,090,000	$4,890,000	$8,480,000	$5,530,000
Habitat Maintenance	$667,800	$0	$2,800	$464,600	$180,800	$19,600	$0
Fire Facilities	$1,110,000	$0	$0	$0	$0	$0	$0
Administrative Costs	$6,914,390	$0	$71,140	$377,730	$253,540	$324,980	$276,500
Other Expenditures	$0	$0	$0	$0	$0	$0	$0
Total Project Costs Funded From Special Tax (July 1, 1995 Dollars)	$145,202,190	$0	$1,493,940	$7,932,330	$5,324,340	$8,824,580	$5,806,500

ANALYSIS OF SOURCES AND USES OF FUNDS - ACTUAL YEAR DOLLARS Fort Ord - Special Tax	Total	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02
Funds Available For From Prior Periods	$0						
Beginning Fund Balance		$0	$9,031,917	$20,084,861	$25,131,609	$29,774,368	$30,804,964
Borrowing From Outside Sources	$0	$0	$0	$0	$0	$0	$0
Revenues: Special Tax For Basewide Facilities	$187,729,690	$8,808,001	$11,894,321	$12,506,444	$9,222,503	$7,391,169	$7,629,985
Total Revenues	$187,729,690	$8,808,001	$11,894,321	$12,506,444	$9,222,503	$7,391,169	$7,629,985
Expenditures for Public Improvements	$215,218,422	$0	$1,566,994	$8,589,057	$5,951,426	$7,874,841	$6,916,571
Repayment of Borrowing From Outside Sources	$0	$0	$0	$0	$0	$0	$0
Total Expenditures	$215,218,422	$0	$1,566,994	$8,589,057	$5,951,426	$7,874,841	$6,916,571
Net Revenues (Expenditures)	($27,488,733)	$8,808,001	$10,327,327	$3,917,387	$3,271,077	($483,672)	$713,414
Interest Earnings on Beginning Balance	$28,286,462	$0	$463,076	$1,029,773	$1,288,525	$1,526,564	$1,579,404
Interest Earnings on Collections	($698,817)	$223,916	$262,541	$99,588	$83,157	($12,296)	$18,136
Fund Balance - End of Period	$98,913	$9,031,917	$20,084,861	$25,131,609	$29,774,368	$30,804,964	$33,115,919

BORROWING FROM OUTSIDE SOURCE ANALYSIS Fort Ord - Special Tax	Total	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02
Funds Borrowed from Outside Source From Prior Periods	$0						
Beginning Fund Balance		$0	$0	$0	$0	$0	$0
Borrowings	$0	$0	$0	$0	$0	$0	$0
Repayments	$0	$0	$0	$0	$0	$0	$0
Net Borrowings (Repayments)	$0	$0	$0	$0	$0	$0	$0
Interest Accrued on Borrowing From Outside Source	$0	$0	$0	$0	$0	$0	$0
Fund Balance - End of Period	$0	$0	$0	$0	$0	$0	$0

Source: Angus McDonald & Associates.

Table PFIP 5-10
Cash Flow Analysis Of Mello-Roos Special Tax For Basewide Facilities

Description Of Cost	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Transportation Improvements	$5,530,000	$2,745,000	$2,745,000	$3,360,000	$3,360,000	$12,907,500	$12,907,500	$12,907,500
Habitat Maintenance	$0	$0	$0	$0	$0	$0	$0	$0
Fire Facilities	$0	$555,000	$555,000	$0	$0	$0	$0	$0
Administrative Costs	$276,500	$165,000	$165,000	$168,000	$168,000	$645,375	$645,375	$645,375
Other Expenditures	$0	$0	$0	$0	$0	$0	$0	$0
Total Project Costs Funded From Special Tax (July 1, 1995 Dollars)	$5,806,500	$3,465,000	$3,465,000	$3,528,000	$3,528,000	$13,552,875	$13,552,875	$13,552,875

ANALYSIS OF SOURCES AND USES OF FUNDS - ACTUAL YEAR DOLLARS Fort Ord - Special Tax	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Funds Available For From Prior Periods								
Beginning Fund Balance	$33,115,919	$35,568,996	$41,220,101	$47,284,612	$52,260,393	$57,573,727	$48,425,502	$38,417,271
Borrowing From Outside Sources	$0	$0	$0	$0	$0	$0	$0	$0
Revenues: Special Tax For Basewide Facilities	$7,876,517	$8,131,016	$8,393,737	$7,260,707	$7,495,307	$7,737,488	$7,987,495	$8,245,579
Total Revenues	$7,876,517	$8,131,016	$8,393,737	$7,260,707	$7,495,307	$7,737,488	$7,987,495	$8,245,579
Expenditures for Public Improvements	$7,140,052	$4,398,461	$4,540,580	$4,772,514	$4,926,719	$19,537,600	$20,168,880	$20,820,557
Repayment of Borrowing From Outside Sources	$0	$0	$0	$0	$0	$0	$0	$0
Total Expenditures	$7,140,052	$4,398,461	$4,540,580	$4,772,514	$4,926,719	$19,537,600	$20,168,880	$20,820,557
Net Revenues (Expenditures)	$736,465	$3,732,555	$3,853,157	$2,488,192	$2,568,588	($11,800,112)	($12,181,386)	($12,574,979)
Interest Earnings on Beginning Balance	$1,697,889	$1,823,661	$2,113,400	$2,424,334	$2,679,448	$2,951,868	$2,482,829	$1,969,696
Interest Earnings on Collections	$18,722	$94,889	$97,955	$83,255	$65,298	($299,982)	($309,674)	($319,680)
Fund Balance - End of Period	$35,568,996	$41,220,101	$47,284,612	$52,260,393	$57,573,727	$48,425,502	$38,417,271	$27,492,307

BORROWING FROM OUTSIDE SOURCE ANALYSIS Fort Ord - Special Tax	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Funds Borrowed from Outside Source From Prior Periods								
Beginning Fund Balance	$0	$0	$0	$0	$0	$0	$0	$0
Borrowings	$0	$0	$0	$0	$0	$0	$0	$0
Repayments	$0	$0	$0	$0	$0	$0	$0	$0
Net Borrowings (Repayments)	$0	$0	$0	$0	$0	$0	$0	$0
Interest Accrued on Borrowing From Outside Source	$0	$0	$0	$0	$0	$0	$0	$0
Fund Balance - End of Period	$0	$0	$0	$0	$0	$0	$0	$0

Source: Angus McDonald & Associates.

Table PFIP 5-10
Cash Flow Analysis Of Mello-Roos Special Tax For Basewide Facilities

Description Of Cost	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Transportation Improvements	$12,907,500	$8,346,000	$8,346,000	$8,346,000	$8,346,000	$8,346,000
Habitat Maintenance	$0	$0	$0	$0	$0	$0
Fire Facilities	$0	$0	$0	$0	$0	$0
Administrative Costs	$645,375	$417,300	$417,300	$417,300	$417,300	$417,300
Other Expenditures	$0	$0	$0	$0	$0	$0
Total Project Costs Funded From Special Tax (July 1, 1995 Dollars)	$13,552,875	$8,763,300	$8,763,300	$8,763,300	$8,763,300	$8,763,300

ANALYSIS OF SOURCES AND USES OF FUNDS - ACTUAL YEAR DOLLARS Fort Ord - Special Tax	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Funds Available For From Prior Periods						
Beginning Fund Balance	$27,492,307	$17,445,618	$14,554,135	$11,392,075	$7,941,613	$4,183,881
Borrowing From Outside Sources	$0	$0	$0	$0	$0	$0
Revenues: Special Tax For Basewide Facilities	$10,321,061	$10,654,545	$10,998,804	$11,354,187	$11,721,052	$12,099,771
Total Revenues	$10,321,061	$10,654,545	$10,998,804	$11,354,187	$11,721,052	$12,099,771
Expenditures for Public Improvements	$21,493,291	$14,346,624	$14,810,179	$15,288,711	$15,782,704	$16,292,660
Repayment of Borrowing From Outside Sources	$0	$0	$0	$0	$0	$0
Total Expenditures	$21,493,291	$14,346,624	$14,810,179	$15,288,711	$15,782,704	$16,292,660
Net Revenues (Expenditures)	($11,172,230)	($3,692,079)	($3,811,374)	($3,934,524)	($4,061,652)	($4,192,888)
Interest Earnings on Beginning Balance	$1,409,561	$894,456	$746,206	$584,084	$407,175	$214,512
Interest Earnings on Collections	($284,020)	($93,860)	($96,892)	($100,023)	($103,255)	($106,591)
Fund Balance - End of Period	$17,445,618	$14,554,135	$11,392,075	$7,941,613	$4,183,881	$98,913

BORROWING FROM OUTSIDE SOURCE ANALYSIS Fort Ord - Special Tax	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Funds Borrowed from Outside Source From Prior Periods						
Beginning Fund Balance	$0	$0	$0	$0	$0	$0
Borrowings	$0	$0	$0	$0	$0	$0
Repayments	$0	$0	$0	$0	$0	$0
Net Borrowings (Repayments)	$0	$0	$0	$0	$0	$0
Interest Accrued on Borrowing From Outside Source	$0	$0	$0	$0	$0	$0
Fund Balance - End of Period	$0	$0	$0	$0	$0	$0

Source: Angus McDonald & Associates.

DELIVERABLES ASSOCIATED WITH
THE OPERATIONS PLAN COMPONENT OF
THE FORT ORD BASE REUSE PLAN

TASK 4.2.11

MEMORANDUM REPORT

Public Services Plan

March 18, 1996
(Revised May 16, 1996)

PREPARED BY:

ANGUS MCDONALD & ASSOCIATES

FOR THE:

FORT ORD BASE REUSE PLANNING TEAM

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1. INTRODUCTION & SUMMARY

1.1 BACKGROUND FOR THIS REPORT

This report is being prepared as part of the Operation Plan Component of the Fort Ord Base Reuse Plan. The information presented in this report is based upon current base reuse planning effort by the EDAW/EMC Team and draws from assumptions, strategies and finding as prepared by this Team. The foundation for the analysis contained in the Operation Plan is EDAW's November 2, 1995 land use/employment/residential forecasts, which were revised/updated on November 14, 1995 and on December 4, 1995.

1.2 AUTHORS OF THIS REPORT

This report was prepared by Angus McDonald & Associates. The analysis of annual ongoing revenues and expenditures for the cities of Marina and Seaside and the unincorporated area of Monterey County were based on a computer model that had been originally prepared for the Fort Ord Reuse Group. This model was updated to the 1995/96 fiscal year for purposes of the present project.

1.3 SUMMARY OF CONCLUSIONS

The purpose of this study is to provide a plan for the provision of public services to the area formerly consisting of the Fort Ord Army Base, and to examine the fiscal impact of the Base reuse on local public agencies responsible for public service provision. This study analyzes the costs and revenues associated with the development of the Fort Ord area anticipated for the County of Monterey and the two cities with jurisdiction over portions of the area, Marina and Seaside. Costs and revenues are also forecast for the Salinas Rural Fire District—the agency with fire protection responsibility in the unincorporated portions of the study area.

1.3.1 Conclusions

- The net fiscal impact of the Fort Ord Base Reuse Plan is mixed. The City of Marina experiences a negative impact early in the study period, but a positive impact late in the study period. The City of Seaside experiences negative impacts early and late, but positive impacts in the mid-periods. Monterey County experiences early negative impacts, but late positive impacts. Finally, the Salinas Rural Fire District experiences negative fiscal impacts throughout the study period. These results are summarized in Table 1-1 and Figure 1-1.

- The total of all funds (i.e. positive and negative balances) in the first five-year period is negative. The deficit is ($5,271,660).
- The total of all negative balances in the first five year period is ($7,304,455).
- At buildout of Phase I (the final year of the study period) the City of Seaside experiences a slight overall negative impact of just under $200,000. The Fire District, however, maintains a negative impact, with the imbalance at over $300,000. The other two agencies experience modest positive cumulative impacts.
- The primary cause of the negative fiscal impacts for the two Cities and the Fire District are the high costs of public protection—particularly fire protection. Road maintenance costs contribute to the imbalance to a lesser degree.
- There is a high likelihood that the negative fiscal impacts can be mitigated through a combination of cost reductions and additional revenues.

1.3.2 Recommendations

Fiscal mitigation measures should be taken to correct the imbalance in revenue and costs. Angus McDonald & Associates recommends a solution with three parts and recommends that these three parts be considered sequentially:

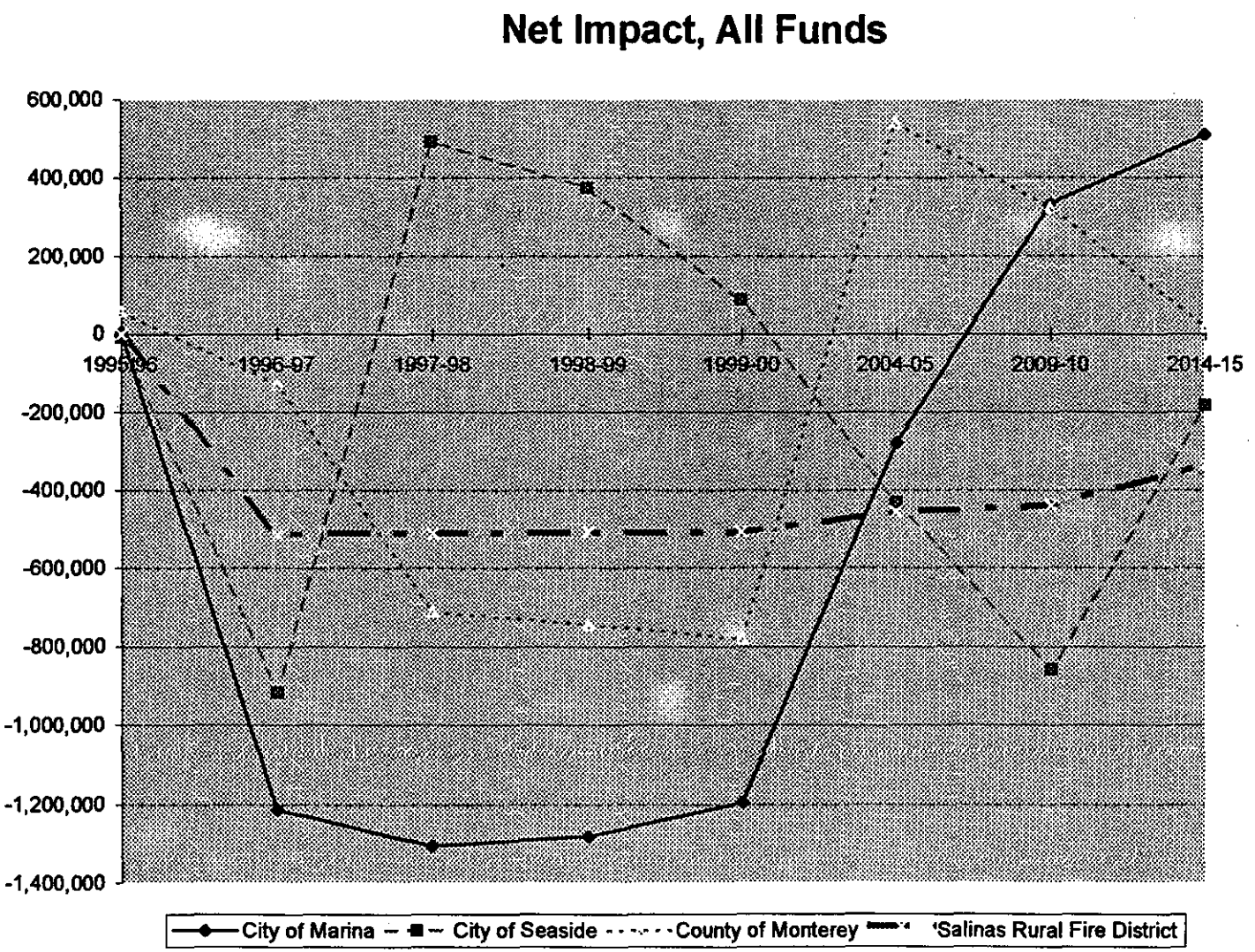
- Examine the viability of consolidation or enhanced cooperation of the operation of fire protection services in the reuse area. Examine other opportunities to achieve economies.
- Consider the use of FORA's proceeds of land sales to supplement local agencies in the early years of development.
- Consider the use of an annual ongoing special tax to pay for police and fire protection in the portion of each jurisdiction that was in the territory of Fort Ord.

A special tax that is collected in only a portion of a jurisdiction (e.g. the portion of Marina that includes former territory of Fort Ord but not the other portions of Marina) is undesirable from a public policy standpoint. Nonetheless, it may be essential if the first two steps listed above do not achieve a positive fiscal balance.

Table 1-1—Summary of Fiscal Impact

	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
Marina								
General Fund Revenue		122,888	289,034	443,111	602,501	1,848,749	3,259,385	3,769,416
General Fund Expenditures		1,327,792	1,364,224	1,451,290	1,480,405	1,997,017	2,755,814	2,981,982
General Fund Total		-1,204,903	-1,075,190	-1,008,179	-877,904	-148,268	503,571	787,434
Road Fund Revenue		1,096	2,172	3,079	3,901	350,527	426,160	399,522
Road Fund Expenditures		9,897	233,508	277,219	320,929	481,655	596,406	677,778
Road Fund Total		-8,801	-231,336	-274,140	-317,028	-131,128	-170,246	-278,256
Total, All Marina Funds		**-1,213,704**	**-1,306,526**	**-1,282,319**	**-1,194,933**	**-279,396**	**333,324**	**509,178**
Seaside								
General Fund Revenue		196,242	1,954,706	2,214,280	2,359,388	3,224,936	4,161,191	6,366,896
General Fund Expenditures		1,111,103	1,362,814	1,720,753	2,137,836	3,628,260	5,037,584	6,527,686
General Fund Total		-914,861	591,892	493,527	221,552	-403,324	-876,393	-160,790
Road Fund Revenue		1,270	2,379	3,259	3,993	175,973	290,207	308,657
Road Fund Expenditures		2,972	102,295	122,342	138,911	205,294	272,965	330,894
Road Fund Total		-1,702	-99,916	-119,083	-134,919	-29,322	17,242	-22,237
Total, All Seaside Funds		**-916,563**	**491,977**	**374,444**	**86,633**	**-432,646**	**-859,151**	**-183,026**
Monterey County								
General Fund Revenue		377,656	820,000	1,166,343	1,475,496	4,416,107	5,561,912	7,090,719
General Fund Expenditures		508,711	1,493,092	1,868,427	2,209,563	3,800,906	5,135,562	6,933,222
General Fund Total		-131,055	-673,091	-702,085	-734,067	615,201	426,349	157,498
Road Fund Revenue		2,209	3,358	5,228	7,316	11,716	12,952	14,108
Road Fund Expenditures		0	42,231	48,517	54,477	84,613	113,679	153,386
Road Fund Total		2,209	-38,873	-43,290	-47,161	-72,897	-100,727	-139,278
Total, All County Funds		**-128,846**	**-711,964**	**-745,374**	**-781,229**	**542,304**	**325,623**	**18,220**
Salinas Rural Fire District								
Salinas Rural Fire District Revenue		0	2,003	3,528	4,811	56,551	73,653	179,677
Salinas Rural Fire District Expenditures		512,429	512,429	512,429	512,429	512,429	512,429	512,429
Salinas Rural Fire District Total		**-512,429**	**-510,426**	**-508,901**	**-507,618**	**-455,878**	**-438,776**	**-332,752**

Figure 1-1—Summary of Fiscal Impact



2. PUBLIC SERVICES PLAN

As the lands within the territory of Fort Ord undergo redevelopment and reuse, it will be necessary to provide a full range of public services. Examples include police and fire services, water and sewer utility services, and general governmental services (e.g., zoning and building regulations). The present section deals with assumptions about who will be provide public services within the territory of Fort Ord.

2.1 ORGANIZATIONAL ASSUMPTIONS

The original Request for Qualifications to prepare the *Fort Ord Operations Plan*[1] identified a total of eleven public services that should be subjected to further analysis "...for the efficient and cost-effective delivery of public services to Fort Ord." The assumption about how these and other public services will be provided is shown in Table 2-1 .

As discussed subsequently, the analysis of public service delivery assumes that jurisdictional boundaries are unchanged. In other words, the cities of Marina and Seaside and Monterey County will each be responsible for public service delivery for the lands within Fort Ord that are currently within city limits, with the remainder continuing to be the responsibility of Monterey County. (This assumption is not a recommendation. See section 2.1.1 .)

After consideration, a basic conclusion was that the governmental status quo on the Monterey Peninsula is entirely adequate to provide ongoing public services within the jurisdiction of Fort Ord. The existing governmental status quo is also adequate to manage the redevelopment activities and construction or reconstruction of public facilities that will be necessary to achieve reuse at Fort Ord

This conclusion is based on a careful evaluation of existing public service delivery capabilities, compared to the requirements of providing infrastructure and developing public services in the areas of Fort Ord. The cities of Marina and Seaside have well-developed capabilities to provide services and construct public improvements. Monterey County is highly experienced in providing county-wide human-related services and providing municipal- type services in the unincorporated areas of Monterey County. There is no necessity to recommend major governmental reorganization to accomplish the reuse of Fort Ord.

Possible exceptions and qualifications to the preceding statements are presented below.

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[1] Fort Ord Reuse Authority. July, 1994. *Request for Qualifications, Fort Ord Operations Plan.*

Table 2-1 Summary of Organizational Assumptions

Public Service	Assumed Provider
SERVICES MENTIONED IN THE REQUEST FOR QUALIFICATIONS	
1. POLICE a. Territory in Marina	Marina Department of Public Safety
b. Territory in Seaside	Seaside Police Department
c. Territory in Unincorporated Monterey County	Monterey County Sheriff
d. California State University - Monterey Bay (CSU-MB)	CSU-MB Police Department
e. Presidio of Monterey Annex	Federal Police Service
2. FIRE a. Territory in Marina	Marina Department of Public Safety
b. Territory in Seaside	Seaside Fire Department
c. Territory in Unincorporated Monterey County	Salinas Rural Fire District (See Note 1)
d. California State University-Monterey Bay (CSU-MB)	Contract Services (See Note 2)
e. Presidio of Monterey Annex	Contract with U.S. Navy
3. LIBRARIES	Monterey County Free Library
4. CRIMINAL JUSTICE	Monterey County
5. ADMINISTRATION AND GENERAL GOVERNMENT INCLUDING PLANNING AND FINANCE a. Territory in Marina	City of Marina
b. Territory in Seaside	City of Seaside
c. Territory in Unincorporated Monterey County	Monterey County Government
6. SCHOOLS	Monterey Peninsula Unified School District
7. PUBLIC AND ENVIRONMENTAL HEALTH	Monterey County
8. PARKS AND RECREATION a. Territory in Marina	Marina Department of General Services
b. Territory in Seaside	Seaside Department of Community Services
c. Territory in Unincorporated Monterey County	Monterey County

Public Service	Assumed Provider
8. PARKS AND RECREATION (Cont.) d. California State University-Monterey Bay (CSU-MB)	Recreation facilities will be provided on campus.
e. Presidio of Monterey Annex	Most recreation activities will be available on-post. Swimming and equestrian activities will not be available on-post.
9. PUBLIC WORKS/CAPITAL IMPROVEMENTS PROJECTS a. Projects in Marina	Marina Public Works Department
b. Projects in Seaside	Seaside Public Works Department
c. Projects in Unincorporated Monterey County	Monterey County Public Works Department
SERVICES NOT MENTIONED IN THE REQUEST FOR QUALIFICATIONS	
WATER SUPPLY	Decision forthcoming
WATER DISTRIBUTION	Decision forthcoming
WASTEWATER COLLECTION a. Territory in Marina	Decision forthcoming
b. Territory in Seaside	Decision forthcoming
c.. Territory in Unincorporated Monterey County	Decision forthcoming
WASTEWATER TREATMENT	Monterey Regional Water Pollution Control Agency.
GARBAGE COLLECTION	Franchisees to be selected by local jurisdictions
STORM WATER	Joint Powers Authority (see text)
TRANSIT SERVICES	Monterey/Salinas Transit
HABITAT MANAGEMENT AND MAINTENANCE	Joint Powers Authority
CAPITAL IMPROVEMENTS PLANNING	Fort Ord Reuse Authority. (See Note 3)

Notes: 1) It is assumed that the California Department of Forestry and Fire Prevention will continue to provide wildland fire protection and suppression in the unincorporated areas of Monterey County.

2) Fire protection services to California State University-Monterey Bay (CSU-MB) are currently being provided under a contract with the U.S. Government. It is assumed that one or another of the fire protection agencies in proximity to CSU-MB will continue to provide services under a services contract.

3) FORA will have a role in capital improvements planning for base-wide facilities only. Government Code § 67655 includes the following definition:

(b) *"Base-wide facility" means a public capital facility which, in the judgment of the [Fort Ord Reuse Authority] board is important to the overall reuse of Fort Ord, and has significance beyond any single city or the unincorporated area of the county.*

2.1.1 Jurisdictional Assumptions

Proposals for changes in city boundaries within the area of Fort Ord are under active discussion. Seaside and Marina are expected to request changes in their Spheres of Influence, and the cities of Del Rey Oaks, Monterey, and Sand City have all expressed interest in annexing areas within Fort Ord.

Any change in municipal boundaries is subject to proceedings under the jurisdiction of the Monterey Local Agency Formation Commission (LAFCO). Public hearings are not expected to begin until after the Fort Ord Reuse Plan has been adopted. Assumptions about the ultimate boundaries would be purely conjectural at the present time. The Fort Ord Operations Plan will include a demonstration that public services can be delivered efficiently, whether or not city boundary changes occur. Accordingly, the status quo about municipal boundaries is assumed.

2.1.2 Water, Sewer and Storm Water

Considerable attention has been given to the question of providing a water supply for the territory at Fort Ord.[2] A concept began to emerge before the start of the present effort to prepare the Fort Ord Operations Plan. This concept calls for a single authority that will be responsible for water supply from the outside and will continue until the ultimate implementation of the Fort Ord Reuse plan. A consensus appears to be emerging that a joint powers authority would be a practical means to achieve a single unified agency with responsibility for water supply.

2.1.3 Municipal Services Other Than Water, Sewer, and Storm Water

In addition to water, sewer, drainage and other public utility-type services, the basic municipal services include :

Police Protection

Fire Protection

Libraries

Road Construction and Maintenance

Transit Services

Miscellaneous Public Works Services

Parks and Recreation

Community Development (including Planning, Zoning Administration, and Building Inspection)

Garbage Collection and Disposal

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[2] Fort Ord Reuse Authority. June 19, 1995. *FORA: Water Supply Mission Organizational Report and Economic Analysis.* Prepared by Reimer Associates and Administrative Budget Counseling. Edited by James Feeney, FORA Staff Engineer.

General Administration (including the Governing Body, the Chief Executive Officer, Financial Administration, etc.)

With one exception, it is assumed that the existing governmental entity will provide municipal-type services for the land areas for which they have jurisdiction within Fort Ord. Marina and Seaside will provide municipal-type services within their jurisdictions. Monterey County will provide municipal services within the unincorporated areas. Monterey/Salinas Transit already serves the Monterey Peninsula and will provide services throughout the entire Fort Ord area.

The exception involves fire protection in the unincorporated area of Monterey County. It is assumed that the Salinas Rural Fire District will provide fire protection in the entire unincorporated area, although portions of Fort Ord in the unincorporated area of Monterey County are not yet within the boundaries of the Fire District.

2.1.4 Habitat Management and Maintenance

An analysis has been prepared of the costs to manage and maintain the habitat that will be part of the Fort Ord Reuse Plan.[3] This analysis concluded that there would be significant economies if all lands devoted to habitat were managed by a single entity. It is recommended that the cities of Marina and Seaside and Monterey County enter into a joint powers agreement that would establish a single point of responsibility for monitoring, managing and maintaining the habitat in a uniform way.

It is assumed that economies of joint habitat management will be achieved. It is assumed and recommended that a benefit assessment be levied on residential land uses base-wide to finance habitat management. This benefit assessment would not levied on commercial and industrial land uses since the primary beneficiaries are residents rather than employees.

It will be assumed that law enforcement costs associated with habitat management (e.g. control and apprehension of trespassers) will be included in each jurisdiction's cost of law enforcement.

2.1.5 Transit Services

It is assumed that Monterey-Salinas transit will provide transit service in the former area of Fort Ord. An initial fleet of buses has been programmed in the Capital Improvement Plan and will be financed by the recommended one-time Mello-Roos special tax that will also finance other transportation improvements.[4]

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[3] Zander Associates and The Center For Natural Lands Management. July, 1995. *FORA Habitat Management Requirements.* Prepared for the Fort Ord Reuse Authority.

[4] Reimer Associates, *et al*, May 17, 1996, *Public Facilities Implementation Plan (PFIP)*

2.1.6 Library Services

The Monterey County Free Library currently provides library services to Marina and Seaside as well as the unincorporated portion of Monterey County. It is assumed that the Monterey County Free Library will continue to provide this service throughout the territory of Fort Ord.

2.1.7 County-wide Services

Monterey County government is responsible for providing county-wide services (e.g., health, welfare, criminal justice) throughout the County in both incorporated and unincorporated areas. It is assumed that this county-wide responsibility will continue. No changes in governmental organization are necessary to permit Monterey County to continue to accomplish its mission.

2.1.8 Elementary and Secondary Education

The area within the territory of Fort Ord is entirely within the boundaries of the Monterey Peninsula Unified School District (MPUSD). The School District has traditionally provided elementary and secondary education for students living on Fort Ord. No change in the status quo regarding elementary and secondary education is necessary.

2.1.9 Capital Improvements Planning

A growth management strategy for the territory within Fort Ord is expected to emerge as the Fort Ord Reuse Plan is completed.[5] All of the growth management alternatives presented in the Working Paper visualize an intergovernmental environment wherein, at one level or another, the cities of Marina and Seaside and Monterey County will all be competing to achieve "market share" of economic development opportunities. One of the growth management alternatives would visualize revenue sharing arrangements between cities and Monterey County. The fact remains that economic development opportunities will be controlled primarily by market forces and by the ability to extend public services to lands within the jurisdiction of Fort Ord that can redevelop.

Accordingly, control over public capital improvements that will permit sub-areas within Fort Ord to be served is an extremely important and potentially controversial issue. The overall role and operational plan for the Fort Ord reuse authority is presented in the document.[6] However, the role of capital improvements programming is so important that certain that FORA's role is summarized in the present document.

Four assumptions are made that are, in fact, recommendations.

First, it is recommended and assumed that the Fort Ord Reuse Authority (FORA) will exercise fully its statutory powers to participate in capital improvements planning. Government Code

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[5] Growth management issues are summarized in the memorandum: Fort Ord Base Reuse Planning Consultant Team. October 4, 1995; revised October 24, 1995 and November 2, 1995. *Working Paper: Growth Management Issues.* Prepared for Fort Ord Reuse Authority.

[6] Sedway Kotin Mouchly Group, *Comprehensive Business Plan,* Forthcoming.

§67675(c)(5) requires that the Fort Ord Reuse Plan include a program for capital facilities construction that extends five years.

In fact, the Fort Ord Operations Plan the is currently in preparation will include a description of capital investments and their sources of financing for a full twenty year period. A five year time period is inadequate for planning and financing the public capital improvements that will be necessary to permit the reuse of Fort Ord. Issues of cash flow and long term feasibility could not be evaluated if only five years were considered. Accordingly, an overall time frame of 20 years was selected for analysis. (The document describing investment in public improvement projects during this twenty-year period is referred to subsequently as the FORA *CIP*.)

It is recommended and assumed that the Fort Ord Reuse Authority will be aggressive in pursuing its responsibilities to adopt a *CIP* that will be binding on local governments with jurisdiction over the territories of Fort Ord. The FORA *CIP* will specify the timing of construction and the means of financing for all public improvements classified as Base-wide Facilities. In other words, the FORA *CIP* is a specification of the time at which public improvements will be in place to serve sub-areas of land within Fort Ord.

Second, it is recommended and assumed that the FORA *CIP* will be subject to amendment at any time that an economic development opportunity presents itself. The FORA *CIP* should not be an impediment to economic development. Instead, the *CIP* should be supportive of economic development opportunities wherever they occur. The *CIP* should recognize that innovative arrangements for financing public facilities can facilitate economic development. The FORA Board should be prepared to amend the *CIP* to support land development projects - wherever they are located - that will meet economic development objectives.

Third, it is recommended, and assumed that the FORA *CIP* be a public facilities planning and programming document. There is implied no responsibility for FORA to be the provider of engineering designs, specifications or course-of-construction services. In the absence of unusual circumstances, which have not yet been identified, it is recommended and assumed that the individual jurisdictions will continue to be the responsible agency for design, construction and/or operation.

In specific instances, it may be appropriate to establish joint power authorities to construct public improvements that are located within one jurisdiction but that clearly impact another jurisdiction. These opportunities will be identified as the FORA *CIP* is assembled.

Fourth, it is recommended and assumed that the major environmental clearance for public improvements included in the FORA *CIP* will have been provided in the Environmental Impact Report (EIR) on the Fort Ord Reuse Plan. Individual and site-specific focused environmental review may be necessary for individual public improvements. Broader questions (e.g., growth inducing impacts, impacts on air quality) will have been considered in the EIR on the Fort Ord Reuse Plan.

A final observation is appropriate. Experience with maintaining and managing Public Facilities Implementation Plans in other jurisdictions has confirmed that a high level skill and a great deal of energy is required. The future amount and pattern of development is virtually never the same as predicted. Market condition and other circumstances change. Public improvement project

characteristics and costs differ from expectations. All of these factors imply that a small but experienced FORA staff must be available continuously to maintain and update the PFIP.

2.1.10 Redevelopment Agency Powers

There are three separate open issues involving "redevelopment agency powers":

- The implementation strategies and other actions typically used by California redevelopment agencies,
- The use of redevelopment tax increment to finance public improvements,
- Organizational responsibility for carrying out redevelopment-type activities.

Each issue is discussed in the following paragraphs.

2.1.10.1 Disposition and Development Activities

It is a virtual certainty that the types of activities typical of redevelopment agencies in California will be used to accomplish redevelopment of Fort Ord. Activities include negotiations with developers, often after establishing an exclusive right to negotiate, entering into disposition and development agreements, and facilitating redevelopment of individual properties.

In fact, the activities visualized under the U.S. Department of Defense's Economic Development Conveyance (EDC) Program clearly visualizes typical "redevelopment-type" activities after conveyance has been accomplished.

It is recommended and assumed that the use of redevelopment-type activities will be encouraged and facilitated.

2.1.10.2 Redevelopment Tax Increment

"Redevelopment tax increment" is the total property tax generated in a redevelopment area, measured above the base taxable assessed value at the time the redevelopment area is established. In the present case, since Fort Ord was Federally owned and not subject to local property taxes, the "increment" equals the entire taxable assessed value at any point in time, after lands in a redevelopment area become subject to local property taxation.

The redevelopment tax increment becomes available to the redevelopment agency for redevelopment agency purposes. The tax increment has traditionally been used to finance public improvements and housing programs.

The extent to which the redevelopment tax increment should be used to finance public improvements remains to be evaluated. It must be clearly understood that every dollar in property tax revenues that is used to finance a public improvement, is a dollar that is no longer available to operate that public improvement. In the financially strapped times of the 1990s for city and county governments, the act of diverting funds to build (say) a police station may lead to a situation where there are inadequate revenues to pay the police officers once the station has been constructed.

An estimate of the tax increment that will realistically be available to finance public improvements will be made as part of the present project. The provisions added to the Health and Safety Code §33491.70 that relate to the cost of police and fire protection services will be evaluated.

2.2 TECHNICAL ASSUMPTIONS

2.2.1 Continuity of Legal and Institutional Constraints

The analysis is based on assumptions about intergovernmental municipal finance applicable as of March, 1996. The analysis assumes the constraints and limitations of Proposition 13. While there are pending court cases affecting taxation, and State budget decisions are uncertain at best, any assumptions other than present law are highly speculative.

2.2.2 Cost and Revenue Inflation

The fiscal analysis is presented in terms of dollars with January 1, 1996 purchasing power. Because of the terms of Proposition 13, calculation of property tax revenue requires special attention. The increase in taxable value is limited to 2 % per year until a change of ownership occurs. Accordingly if the increase in property values (and the increase in public costs), is greater than 2%, the true purchasing power of property tax declines unless a change in ownership occurs. This effect is taken into account by in effect deflating the purchasing power of the property tax, using both and assumed rate of inflation and property values and assumed turnover rate for different classes of property. See an additional discussion in Section 3.2.1.1.

2.2.3 The Land Use Plan

The land use plan analyzed in this Memorandum Report was provided by EDAW/EMC. Staging, absorption rates, and land use descriptions were provided by SKMG. The plan, as currently proposed, consists of a total of 13,368 residential units, 3,858,632 square feet of office/light industrial uses, 1,067,220 square feet of retail space, four hotels, three equestrian parks, three golf courses, 17,211 acres of open space, and numerous other public uses.

The land use plan and development schedule are summarized in Table **2-2**. More detailed Tables are provided at the end of this Report.

2.2.4 Study Period

For consistency with City and County Budgets, this analysis employs fiscal years from July 1 through June 30. The study period contained in this Memorandum Report scans the period between 1995-96 through 2014-15 in five-year segments. To provide useful information to decision-makers, the first five-year segment is presented annually; each year between 1995-96 and 1999-00 is presented in addition to end-year "snapshots" of 2004-05, 2009-10, and 2014-15. The study period encompasses the entirety of Phase I of the Reuse Plan. No forecasts, assumptions, or implications are made for Phase II.

Table 2-2—Summary of Land Use Plan

		Units Added								
	Units Per Acre	1995/96	1996-97	1997-98	1998-99	1999-00	2001-05	2006-10	2011-15	Total
TOTALS										
Residential–Existing (Low)	*n/a*	1,000	504	504	504	504	761	-	-	3,775
Residential–Existing (10/ac)	*n/a*	-	73	73	73	73	-	-	-	291
Residential–Low Density (4/ac)	*n/a*	118	130	130	130	130	100	152	200	1,090
Residential–Medium Density (8/ac)	*n/a*	-	150	150	150	150	798	804	900	3,102
Residential–High Density (8/ac)	*n/a*	-	88	88	88	88	600	600	608	2,160
Residential Attached–Townhouses (10/ac)	*n/a*	-	-	-	-	-	-	100	100	200
Residential Attached–Apartments (20/ac)	*n/a*	-	159	159	159	159	638	738	738	2,750
Office/R&D (SqFt)	*n/a*	-	-	54,269	54,269	54,269	210,722	258,638	337,046	969,210
Business Park/Light Industrial (SqFt)	*n/a*	-	-	68,970	68,970	68,970	250,470	307,054	375,705	1,140,139
UC MBEST (SqFt)	*n/a*	-	-	44,722	44,722	44,722	420,877	528,557	665,684	1,749,282
Retail Commercial–Convenience (SqFt)	*n/a*	-	-	-	10,890	-	65,340	32,670	32,670	141,570
Retail Commercial–Neighborhood (SqFt)	*n/a*	-	-	-	152,460	-	98,010	76,230	98,010	424,710
Retail Commercial–Regional (SqFt)	*n/a*	-	-	-	-	-	-	-	500,940	500,940
Hotel (Rooms)	*n/a*	-	-	300	-	-	300	200	200	1,000
Golf (Acres)	*n/a*	-	350	-	-	-	149	185	-	684
Equestrian (Acres)	*n/a*	-	-	-	-	-	25	25	-	50
Open Space Habitat (Acres)	*n/a*	-	17,081	40	40	40	4	4	4	17,211
Parks (Acres)	*n/a*	-	42	767	99	42	5	5	5	962
Parks–State (Acres)	*n/a*	-	-	932	-	-	-	-	-	932
Schools (Acres)	*n/a*	-	52	93	67	67	93	93	93	560
Military (Acres)	*n/a*	-	64	19	19	19	-	-	-	121
Public Facilities–Institutional	*n/a*	-	93	52	-	-	-	-	-	145
Public Facilities–Other	*n/a*	-	106	447	-	-	-	-	-	552

2.3 DETAILED STAFFING PLANS

Detailed staffing plans were prepared for the Cities of Marina and Seaside, based on the increase in service population. The existing staffing plans of the Cities served as the starting point. While the service populations of the Cities are anticipated to increase significantly, the additional service demand does not require new organizational structures for either City.

It was determined, after a review of the existing Monterey County staffing schedule (containing more than 3,700 positions), that detailed staffing plans for the County would best be prepared by individual departments rather than an outside consultant. This analysis does not include a staffing plan for the County of Monterey.

As noted earlier, no explicit assumptions or recommendations are made regarding the use of in-house staff over contractual arrangements for the provision of services. The assumption *is* made, however, that the capital improvements required for the reuse plan will be completed under contract, rather than by existing City or County staff.

Tables 2-3 and 2-4 describe the anticipated staffing requirements for the two Cities.

Table 2-3—City of Marina Detailed Staffing Plan

	Existing	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
City Council									
Secretary	0.3	0.3	0.5	0.5	0.5	0.5	0.5	0.5	0.5
City Manager									
City Manager	1	1	1	1	1	1	1	1	1
Secretary to the City Manager	1	1	1	1	1	1	1	1	1
Secretary	0.7	0.7	0.5	1	1	1	1	1	1
Office Assistant II	0	0	0	0	0	0	1	1	1
Affirmative Action Officer	0	0	0	0	0	0	0	0	0
Planning Service Manager (FORA)	1	1	1	1	1	1	1.5	1.5	1.5
City Clerk									
City Clerk	1	1	1	1	1	1	1	1	1
Secretary	0.5	0.5	0.5	0.5	0.5	0.5	1	1	1.5
Personnel									
Personnel Officer	1	1	1	1	1	1	1	1	1
Secretary	0.5	0.5	0.5	0.5	0.5	0.5	1	1	1.5
Police Department									
Chief of Police	1	1	1	1	1	1	1	1	1
Police Captain	2	2	2	2	2	2	2	2	2
Police Lieutenent	3	3	3	3	3	3	3	3	4
Police Sergeant	7	7	7	7	7	7	7	8	9
Police Investigator	5	5	5	5	5	5	6	7	8
Juvenile Officer	0	0	0	0	0	0	0	0	0
Police Officer	23	23	27	27	28	29	32	36	39
School Resource Officer	1	1	1	1	1	1	1	1	1
Crime Prevention specialist/Non Sworn	0	0	0	0	0	0	0	0	0
Senior Administrative Secretary	1	1	1	1	1	2	2	2	2
Police Records Supervisor	1	1	1	1	1	1	1	1	2
Police Records Technician	9	9	9	9	10	10	10	11	12
Animal Control Officer	1	1	1	1	1	1	1.5	1.5	1.5
Vehicle Abatement Officer	1	1	1	1	1	1	1	1	1
Police Services Assistant	1	1	1	1	1	1	1	2	2
Community Relations Liaison	1	1	1	1	1	1	2	2	2
Reserve Police Officers	15	15	15.5	16.5	17	17.5	19	21	23.5
Police Services Assistant	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Fire Department									
Fire Chief	1	1	1	1	1	1	1	1	1
Division Chief	0	0	0	0	0	0	0	0	0
Senior Administrative Secretary	1	1	1	1	1	1	1	1	1
Fire Battalion Chief	3	3	3	3	3	3	3	3	3
Fire Captain	3	3	3	3	3	3	6	6	6
Fire Engineer	6	6	6	6	6	6	9	9	9
Firefighter	10	10	12	12	12	12	18	18	18
Reserve Firefighter	25	25	26	27	28.5	29	31.5	35.5	39
Community Development Department									
Community Development Director	1	1	1	1	1	1	1	1	1
Planning Services Manager	0	0	0	0	0	0	1	1	1
Chief of Planning	1	1	1	1	1	1	1	1	1
Chief of Economic Development	0	0	0	0	0	0	0	0	0
Planner II	1	1	1	1	1	1	1	1	1
Planner I	0	0	0	0	1	1	1	1	1
Business Development Loan Soecialist	1	1	1	1	1	1	1	1	1
CD Grants Coordinator	1	1	1	1	1	1	1	1	1
Senior Administrative Secretary (CD)	0	0	0	0	1	1	1	1	1
Secretary	2	2	2	2	2.5	2.5	2.5	3	3
* Building Official	0	0	0	0	1	1	1	1	1
* Building Inspector	0	0	1	1	1	1	1	1	1
Interns	0	0	0	0	0	0	0	0	0
Office Assistant II	0	0	0	0	0	0	0	0	0

Table 2-4—City of Seaside Detailed Staffing Plan

	Existing	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
City Council									
Secretary	0.3	0.3	0.5	0.5	0.5	0.5	0.5	0.5	0.5
City Manager									
City Manager	1	1	1	1	1	1	1	1	1
Secretary to the City Manager	1	1	1	1	1	1	1	1	1
Secretary	0.7	0.7	0.5	1	1	1	1	1	1
Office Assistant II	0	0	0	0	0	0	1	1	1
Affirmative Action Officer	0	0	0	0	0	0	0	0	0
Planning Service Manager (FORA)	1	1	1	1	1	1	1.5	1.5	1.5
City Clerk									
City Clerk	1	1	1	1	1	1	1	1	1
Secretary	0.5	0.5	0.5	0.5	0.5	0.5	1	1	1.5
Personnel									
Personnel Officer	1	1	1	1	1	1	1	1	1
Secretary	0.5	0.5	0.5	0.5	0.5	0.5	1	1	1.5
Police Department									
Chief of Police	1	1	1	1	1	1	1	1	1
Police Captain	2	2	2	2	2	2	2	2	2
Police Lieutenent	3	3	3	3	3	3	3	3	4
Police Sergeant	7	7	7	7	7	7	7	8	9
Police Investigator	5	5	5	5	5	5	6	7	8
Juvenile Officer	0	0	0	0	0	0	0	0	0
Police Officer	23	23	27	27	28	29	32	36	39
School Resource Officer	1	1	1	1	1	1	1	1	1
Crime Prevention specialist/Non Sworn	0	0	0	0	0	0	0	0	0
Senior Administrative Secretary	1	1	1	1	1	2	2	2	2
Police Records Supervisor	1	1	1	1	1	1	1	1	2
Police Records Technician	9	9	9	9	10	10	10	11	12
Animal Control Officer	1	1	1	1	1	1	1.5	1.5	1.5
Vehicle Abatement Officer	1	1	1	1	1	1	1	1	1
Police Services Assistant	1	1	1	1	1	1	1	2	2
Community Relations Liaison	1	1	1	1	1	1	2	2	2
Reserve Police Officers	15	15	15.5	16.5	17	17.5	19	21	23.5
Police Services Assistant	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Fire Department									
Fire Chief	1	1	1	1	1	1	1	1	1
Division Chief	0	0	0	0	0	0	0	0	0
Senior Administrative Secretary	1	1	1	1	1	1	1	1	1
Fire Battalion Chief	3	3	3	3	3	3	3	3	3
Fire Captain	3	3	3	3	3	3	4	4	4
Fire Engineer	6	6	6	6	6	6	9	9	9
Firefighter	10	10	12	12	12	12	13	13	13
Reserve Firefighter	25	25	26	27	28.5	29	31.5	35.5	39
Community Development Department									
Community Development Director	1	1	1	1	1	1	1	1	1
Planning Services Manager	0	0	0	0	0	0	1	1	1
Chief of Planning	1	1	1	1	1	1	1	1	1
Chief of Economic Development	0	0	0	0	0	0	0	0	0
Planner II	1	1	1	1	1	1	1	1	1
Planner I	0	0	0	0	1	1	1	1	1
Business Development Loan Soecialist	1	1	1	1	1	1	1	1	1
CD Grants Coordinator	1	1	1	1	1	1	1	1	1
Senior Administrative Secretary (CD)	0	0	0	0	1	1	1	1	1
Secretary	2	2	2	2	2.5	2.5	2.5	3	3
* Building Official	0	0	0	0	1	1	1	1	1
* Building Inspector	0	0	1	1	1	1	1	1	1
Interns	0	0	0	0	0	0	0	0	0
Office Assistant II	0	0	0	0	0	0	0	0	0

Table 2-4—City of Seaside Detailed Staffing Plan (Continued)

	Existing	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
Public Works									
Public Works Director/City Engineer	1	1	1	1	1	1	1	1	1
Senior Administrative Secretary	0	0	1	1	1	1	1	1	1
Senior Civil Engineer	1	1	1	1	1	1	1	1	1
Assistant Engineer	1	1	1	1	1	1	2	2	2
Junior Engineer	0	0	0	0	0	0	1	1	1
Utility Engineer	0	0	0	0	0	0	0	0	0
Engineering Technician	1	1	1	1	1	1	1.5	1.5	1.5
Accounting Assistant	0	0	0	0	0	0	0	0	0
Public Works Superintendent	1	1	1	1	1	1	1	1	1
Street Maintenance Supervisor	1	1	1	1	1	1	1	1	1
Public Works Maintenance Specialist	3	3	3	3.5	3.5	3.5	4	4	4.5
Heavy Equipment Operator	1	1	1	1	1	1	1.5	1.5	1.5
Public Works Maintenance Worker II	2	2	2	2	2	2	2	3	4
Public Works Maintenance Worker I	0	0	0	0	2	2	2	2	2
Street Sweeper Operator	2	2	2	2	2.5	2.5	2.5	3	3
Water SystemMaintenance Specialist	1	1	1	1	1	1	1.5	1.5	1.5
Engineering Intern	0	0	0	0	0	0	0	0	0
Engineering Aide	0	0	0	0	0	0	0	0	0
Community Services									
Director of Community Services	1	1	1	1	1	1	1	1	1
Property Maintenance Officer	1	1	1	1	1	1	1	1	1
Senior Administrative Secretary	1	1	1	1	1	1	1	1	1
General Services Superintendent	1	1	1	1	1	1	1	1	1
Parks Maintenance Supervisor	1	1	1	1	1	1	1	1	1
Parks Maintenance Crew Chief	2	2	2	2	3	3	3	3	3
Parks Irrigation Specialist	1	1	1	1	1	1	2	2	2
Parks Equipment Operator	1	1	1	1	1	1	1.5	1.5	1.5
Parks Maintenance Worker II	2	2	2	2	2.5	2.5	2.5	3	3
Parks Maintenance Worker I	2	2	2	2	2.5	2.5	2.5	3	3
Recreation Superintendent	1	1	1	1	1	1	1.5	1.5	1.5
Community Services Program Coordinator	2	2	2	2	2.5	2.5	2.5	3	3
* Recreation Program Coordinator	0	0	0	0	1	1	1	1	1
Social Services Program Coordinator	0	0	0	0	0	0	0	0	0
* Office Assistant II	0	0	0	0	0	0	0	1	1
Accounting Assistant	0	0	0	0	0	0	0	0	0
* Shop Supervisor	0	0	0	0	1	1	1	1	1
* Equipment Mechanic	0	0	0	0	0	1	1	1	1
* Mechanic's Assistant	0	0	0	0	0	0	1	1	1

3. FISCAL ANALYSIS

The following tables provide an analysis of the fiscal impact of the Fort Ord Base Reuse Plan on the Cities of Marina and Seaside and the County of Monterey. Readers should consult the Assumptions Tables in Section 4 and the methodology described later in this Section.

3.1 SUMMARY

3.1.1 City of Marina

The Tables 3-1 and 3-2 detail the forecasts of costs and revenues for the City of Marina. Tables detailing the specific cost and revenue assumptions for Marina can be found in Section 4.

The City of Marina has expressed concern that its fiscal situation will be adversely affected after the results of the Year 2000 U.S. Census becomes available. At that point, Marina's true population will be used in the formulae that control the sharing of significant revenues between the state and local governments in California (e.g. the Motor Vehicle In Lieu Fee).

If the development forecast shown in Table 2-2 comes to pass, Marina's lost population will have been replaced by the publication date of the Year 2000 U.S. Census.

3.1.2 City of Seaside

The Tables 3-3 and 3-4 detail the forecasts of costs and revenues for the City of Seaside. Tables detailing the specific cost and revenue assumptions for Seaside can be found in Section 4.

3.1.3 County of Monterey

Tables 3-5 and 3-6 detail the forecasts of costs and revenues for the County of Seaside. Tables detailing the specific cost and revenue assumptions for Monterey County can be found in Section 4.

Table 3-1—City of Marina Expenditure Forecast

Persons Served		0	964	2,239	3,413	4,581	9,452	11,490	13,231
CSUMB Housing Svc Population		0	118	236	354	472	567	663	758
Revised Persons Served		0	1,022	2,357	3,590	4,817	9,735	11,822	13,610
Road Miles--Major		0.0	0.0	12.9	14.7	16.5	22.9	28.6	32.6
Road Miles--Local		0.0	0.6	1.5	2.3	3.2	6.7	8.0	9.0
Public Responsibility Acreage		0.0	814.5	729.9	645.2	560.6	216.9	95.3	0.0
Budget Unit	Unit Name	1996 Budget	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
General Fund										
401	City Council	18,220	-	974	2,246	3,421	4,590	9,277	11,265	12,969
402	City Manager/City Clerk	144,717	-	7,738	17,841	27,168	36,457	73,682	89,473	103,008
411	Building & Grounds	142,285	-	7,608	17,541	26,712	35,845	72,444	87,969	101,277
404	City Attorney	71,600	-	3,829	8,827	13,442	18,038	36,455	44,268	50,964
417	General Government	246,362	-	13,174	30,372	46,250	62,064	125,434	152,316	175,358
405	Finance	182,868	-	9,778	22,545	34,330	46,068	93,106	113,060	130,164
412	Mechanic	80,810	-	4,321	9,963	15,171	20,358	41,144	49,962	57,520
413	Public Safety	2,609,834	-	734,374	734,374	734,374	734,374	1,137,294	1,832,294	1,997,994
416	Pub. Safety Reserves & Volunteers	58,876	-	3,148	7,258	11,053	14,832	29,976	36,401	41,907
	Maintenance of Public Acreage	-	-	523,825	469,400	414,975	360,551	139,475	61,258	-
	Subtotal		-	1,308,770	1,320,368	1,326,896	1,333,177	1,758,286	2,478,266	2,671,162
Community Development										
407	Building	-	-	(1,204)	(2,777)	(4,228)	(5,674)	(11,467)	(13,924)	(16,031)
408	Planning	140,830	-	7,530	17,362	26,438	35,478	71,703	87,070	100,242
409	Engineering	70,459	-	3,768	8,686	13,228	17,750	35,874	43,562	50,152
	Subtotal		-	10,094	23,272	35,438	47,555	96,110	116,707	134,363
Road Fund										
410	Streets	570,043	-	8,656	204,215	242,442	280,669	421,232	521,588	592,751
426	Pavement Management	25,236	-	383	9,041	10,733	12,425	18,648	23,091	26,241
481	Slurry Seal Program	56,533	-	858	20,253	24,044	27,835	41,775	51,728	58,785
	Subtotal		-	9,897	233,508	277,219	320,929	481,655	596,406	677,778
Parks & Recreation										
406	P&R General Services	150,103	-	8,026	18,505	28,179	37,814	76,424	92,803	106,842
426	P&R Teen Center	12,372	-	662	1,525	2,323	3,117	6,299	7,649	8,806
481	P&R Faith Fitness Center	4,183	-	224	516	785	1,054	2,130	2,586	2,977
406	P&R Adult Sports	311	-	17	38	58	78	158	192	221
	Park Maintanence		-	-	-	57,610	57,610	57,610	57,610	57,610
	Subtotal		-	8,928	20,584	88,956	99,673	142,621	160,841	176,457
Total, All Funds		4,585,642	-	1,337,689	1,597,732	1,728,508	1,801,334	2,478,673	3,352,220	3,659,760

Table 3-2—City of Marina Revenue Forecast

Residential Population		-	947	1,895	2,842	3,789	7,872	9,029	10,210
CSUMB Housing		-	1,179	2,358	3,536	4,715	5,672	6,628	7,584
Revised Residential Population		-	2,126	4,252	6,378	8,504	13,544	15,657	17,794
Persons Served		-	1,022	2,357	3,590	4,817	9,735	11,822	13,610
		1	2	3	4	5	7	8	9
Name	1996 Budget	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
General Fund									
Property Taxes	860,000	-	52,694	115,302	177,055	238,110	488,630	638,600	763,319
Sales Tax	620,000	-	24,379	61,593	89,867	124,206	341,282	635,299	836,100
Transient Lodging	375,000	-	-	-	-	-	-	766,500	766,500
Franchise Taxes	200,000	-	10,694	24,657	37,547	50,384	101,829	123,652	142,358
Business Licenses	40,500	-	-	11,290	22,580	33,871	75,617	115,496	140,008
Utility Users Tax	720,000	-	28,053	65,138	102,223	139,308	295,487	362,084	420,401
Property Transfer Tax	21,500	-	4,766	5,739	5,739	5,739	24,234	11,559	11,316
Licenses & Permits	5,000	-	-	-	-	-	-	-	-
Fines & Forfeitures	39,000	-	2,085	4,808	7,322	9,825	19,857	24,112	27,760
Motor Vehicle in Lieu	990,000	-	-	-	-	-	498,571	576,365	655,043
HOPTR	6,000	-	-	-	-	-	-	-	-
Charges for Service	42,750	-	-	-	-	-	-	-	-
Investment Earnings	7,000	-	216	507	777	1,057	3,243	5,717	6,612
Subtotal, General Fund	**3,926,750**	-	**122,888**	**289,034**	**443,111**	**602,501**	**1,848,749**	**3,259,385**	**3,769,416**
Community Development (Revenues netted from costs)									
Road Fund									
Sect. 2105, Sts. & Hwys. Code		-	-	-	-	-	36,306	27,681	27,529
Sect. 2106, Sts. & Hwys. Code		-	879	1,661	2,296	2,837	30,180	29,919	29,813
Sect. 2107, Sts. & Hwys. Code		-	-	-	-	-	280,183	362,096	334,183
Sect. 2107.5, Sts. & Hwys. Code		-	-	-	-	-	-	-	685
Investment Earnings		-	217	511	783	1,064	3,858	6,465	7,313
Subtotal, Road Fund		-	**1,096**	**2,172**	**3,079**	**3,901**	**350,527**	**426,160**	**399,522**
Parks & Recreation (Revenues netted from costs)									
Total, All Funds		**3,806**	**123,985**	**291,206**	**446,189**	**606,402**	**2,199,277**	**3,685,545**	**4,168,938**

Table 3-3—City of Seaside Expenditure Forecasts

Service Population		-	640	1,311	2,133	2,786	5,492	9,427	13,112
New POM Annex Svc Population		-	708	1,062	1,416	1,770	1,770	1,770	1,770
Revised Persons Served		-	1,348	2,373	3,549	4,556	7,262	11,197	14,882
Road Miles–Major		-	0.0	6.4	7.3	8.2	11.4	14.3	16.3
Road Miles–Local		-	0.2	0.4	0.8	1.0	2.3	3.9	5.8
Public Responsibility Acreage		-	698.3	661.5	619.8	592.0	433.0	217.0	0.0
Budget Unit Unit Name	1996 Budget	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
General Fund									
110 City Council	109,186	-	3,854	6,782	10,144	13,022	20,757	32,006	42,537
120 City Manager	400,317	-	18,327	32,250	48,238	61,924	98,705	152,192	202,270
130 Commissions	12,546	-	574	1,011	1,512	1,941	3,093	4,770	6,339
140 City Clerk	103,602	-	4,743	8,346	12,484	16,026	25,545	39,387	52,347
150 City Attorney	76,302	-	3,493	6,147	9,194	11,803	18,814	29,008	38,553
160 Personnel	122,902	-	5,627	9,901	14,810	19,011	30,304	46,725	62,099
180 Finance	418,246	-	19,148	33,695	50,399	64,697	103,125	159,008	211,329
210 Police	4,307,001	-	474,800	514,499	752,650	1,078,923	1,726,743	2,773,581	3,931,699
Booking Fees	54,896	-	2,513	4,423	6,615	8,492	13,536	20,870	27,738
220 Fire	1,753,674	-	125,000	125,000	125,000	125,000	707,850	707,850	707,850
23- Community Development	625,077	-	24,153	42,503	63,573	81,609	130,083	200,573	266,571
3– Public Works	582,275	-	25,742	45,298	67,754	86,976	138,638	213,765	284,103
4– Community Services	1,300,476	-	53,128	93,490	139,837	179,510	286,135	441,188	586,359
Park Maintenance		-	-	107,890	107,890	107,890	107,890	107,890	107,890
Maintenance of Public Acreage		-	350,000	331,579	310,652	296,742	217,043	108,772	-
Subtotal, General Fund	**9,866,500**	-	**1,111,103**	**1,362,814**	**1,720,753**	**2,153,565**	**3,628,260**	**5,037,584**	**6,527,686**
Road Fund									
330 Streets & Storm Drains	604,660	-	1,737	59,795	71,513	81,199	120,002	159,557	193,419
340 Traffic Safety	429,770	-	1,235	42,500	50,829	57,713	85,293	113,408	137,475
Subtotal, Road Fund	**1,034,430**	-	**2,972**	**102,295**	**122,342**	**138,911**	**205,294**	**272,965**	**330,894**
Total, All Funds	**10,900,930**	-	**1,114,074**	**1,465,109**	**1,843,095**	**2,292,477**	**3,833,554**	**5,310,549**	**6,858,580**

Table 3-4—City of Seaside Revenue Forecasts

Residential Population		-	555	1,111	1,666	2,222	4,916	8,827	12,000
New POM Annex Population		-	708	1,062	1,416	1,770	1,770	1,770	1,770
Controller's Population		-	1,263	2,173	3,082	3,992	6,686	10,597	13,770
Service Population		-	1,348	2,373	3,549	4,556	7,262	11,197	14,882
		-	2	3	4	5	7	8	9
Name	1996 Budget	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
General Fund									
Property Taxes	1,130,000	-	67,894	180,549	248,376	293,377	588,091	987,394	1,402,111
Sales Tax	2,800,000	-	74,261	275,262	396,582	456,295	596,119	746,241	1,230,937
Transient Lodging	800,000	-	-	1,379,700	1,379,700	1,379,700	1,379,700	1,379,700	2,299,500
Franchise Taxes	600,000	-	27,469	48,337	72,300	92,812	147,940	228,107	303,165
Utility Users Tax	1,100,000	-	17,936	39,134	68,047	85,983	172,980	303,695	439,685
Business Licenses	270,000	-	-	-	10,558	10,558	11,312	12,820	38,460
Property Transfer Tax	20,000	-	3,805	3,805	5,482	3,805	24,244	32,525	29,229
Licenses & Permits	35,000	-	-	-	-	-	-	-	-
Fines & Forfeitures	55,000	-	2,518	4,431	6,627	8,508	13,561	20,910	27,790
Motor Vehicle in Lieu	1,500,000	-	-	-	-	-	252,239	399,798	519,512
Charges for Service	330,000	-	-	-	-	-	-	-	-
Investment Earnings	120,000	-	2,358	23,488	26,607	28,351	38,752	50,002	76,506
Subtotal, General Fund		-	**196,242**	**1,954,706**	**2,214,280**	**2,359,388**	**3,224,936**	**4,161,191**	**6,366,896**
Road Fund									
Sect. 2105, Sts. & Hwys. Code		-	-	-	-	-	17,922	18,735	21,303
Sect. 2106, Sts. & Hwys. Code		-	1,255	2,351	3,220	3,945	17,629	22,086	24,361
Sect. 2107, Sts. & Hwys. Code		-	-	-	-	-	138,307	245,067	258,600
Sect. 2107.5, Sts. & Hwys. Code		-	-	-	-	-	-	833	685
Investment Earnings		-	15	29	39	48	2,115	3,487	3,709
Subtotal, Road Fund		-	**1,270**	**2,379**	**3,259**	**3,993**	**175,973**	**290,207**	**308,657**
Total, All Funds		-	**197,511**	**1,957,085**	**2,217,539**	**2,363,380**	**3,400,909**	**4,451,398**	**6,675,554**

Table 3-5—County of Monterey Expenditure Forecast

Total Persons Served		*654*	*2,869*	*5,360*	*7,901*	*10,255*	*18,804*	*25,851*	*34,339*
CSUMB Housing Persons Served		*0*	*118*	*236*	*354*	*472*	*567*	*663*	*758*
POM Annex Persons Served		*654*	*1,008*	*1,362*	*1,716*	*2,070*	*2,070*	*2,070*	*2,070*
Revised Total Persons Served		0	1,743	3,763	5,831	7,713	16,167	23,118	31,511
Unincorporated Persons Served		*0*	*134*	*202*	*269*	*324*	*1,182*	*2,138*	*5,096*
CSUMB Non-Housing Persons Served		*0*	*5*	*11*	*16*	*22*	*42*	*62*	*82*
Revised Unincorporated Persons Served		0	139	212	285	346	1,223	2,200	5,168
Road Miles–Major		0.0	0.0	2.1	2.4	2.7	3.8	4.8	5.4
Road Miles–Local		0.0	0.0	0.0	0.0	0.0	0.5	1.0	2.4
Public Responsibility Acreage		0.0	311.5	309.5	306.5	304.5	250.0	188.5	0.0
Budget Unit	Unit Name	Net County Cost	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
100	Board of Supervisors	1,184,346	-	4,974	10,736	16,638	22,008	46,131	65,963	89,911
101	Assessment Appeals Board	19,000	-	80	172	267	353	740	1,058	1,442
102	Annual County Audit	106,375	-	447	964	1,494	1,977	4,143	5,925	8,076
103	County Memberships	43,095	-	181	391	605	801	1,679	2,400	3,272
105	County Admin.	1,353,753	-	5,685	12,272	19,018	25,156	52,730	75,399	102,772
106	Support Services	266,064	-	1,117	2,412	3,738	4,944	10,363	14,819	20,199
107	Fleet Mgt	645,657	-	2,711	5,853	9,070	11,998	25,149	35,961	49,016
108	Affirmative Action	296,926	-	1,247	2,692	4,171	5,518	11,565	16,538	22,541
	Subtotal	3,915,216	-	16,442	35,491	55,003	72,755	152,500	218,062	297,228
111	Auditor-Controller	2,036,749	-	8,553	18,463	28,613	37,848	79,333	113,439	154,622
115	Revenue & Recovery	627,212	-	2,634	5,686	8,811	11,655	24,430	34,933	47,616
117	Treasurer-Tax Collector	867,320	-	3,642	7,862	12,185	16,117	33,783	48,306	65,844
118	Assessor	2,264,159	-	9,508	20,524	31,808	42,074	88,190	126,105	171,886
119	Purchasing	257,790	-	1,083	2,337	3,622	4,790	10,041	14,358	19,570
	Subtotal	6,053,230	-	25,420	54,872	85,039	112,485	235,777	337,141	459,536
121	County Counsel	1,342,137	-	5,636	12,166	18,856	24,940	52,277	74,752	101,890
125	Personnel Division	1,317,672	-	5,533	11,945	18,511	24,486	51,324	73,389	100,033
141	Elections	970,043	-	4,074	8,793	13,628	18,026	37,784	54,028	73,642
151	Telecommunications	97,958	-	411	888	1,376	1,820	3,816	5,456	7,437
152	Communications	2,083,746	-	8,751	18,889	29,273	38,722	81,163	116,057	158,190
	Subtotal	2,181,704	-	9,162	19,777	30,650	40,542	84,979	121,512	165,627
161	Facilities & Construction	4,076,345	-	17,118	36,952	57,266	75,749	158,776	227,037	309,460
171	Plant Acquisition-General	2,649,058	-	11,125	24,014	37,215	49,227	103,183	147,542	201,106
181	Development Set-Aside	1,151,000	-	1,355	2,068	2,778	3,369	11,914	21,425	50,324
182	Economic Development	-	-	-	-	-	-	-	-	-
183	Fort Ord	105,201	-	124	189	254	308	1,089	1,958	4,600
	Subtotal	1,256,201	-	1,479	2,257	3,031	3,677	13,003	23,383	54,923
190	Judgements & Damages	711,700	-	2,989	6,452	9,998	13,225	27,721	39,639	54,030
191	Other General Expenditures	64,750	-	272	587	910	1,203	2,522	3,606	4,916
192	Insurance	157,060	-	660	1,424	2,206	2,919	6,118	8,748	11,923
193	Information Systems	1,201,813	-	5,047	10,894	16,884	22,333	46,811	66,936	91,237
194	Data Processing	-	-	-	-	-	-	-	-	-
195	Risk Management	289,988	-	1,218	2,629	4,074	5,389	11,295	16,151	22,015
196	Information Systems	-	-	-	-	-	-	-	-	-
197	Graphics	(47,835)	-	-	-	-	-	-	-	-
198	Public Works Activities	-	-	-	-	-	-	-	-	-
199	Surveyor	76,365	-	321	692	1,073	1,419	2,974	4,253	5,797
	Subtotal	2,453,841	-	10,506	22,678	35,145	46,488	97,442	139,334	189,918
	Subtotal, General Government	26,215,447	-	106,495	228,945	354,342	468,375	987,045	1,416,180	1,963,364
201	Superior Court	-	-	-	-	-	-	-	-	-
202	Superior Court Revenue	(332,000)	-	-	-	-	-	-	-	-
206	Municipal Court	-	-	-	-	-	-	-	-	-
207	Municipal Court Revenue	(1,900,000)	-	-	-	-	-	-	-	-
220	Jury Expense	-	-	-	-	-	-	-	-	-
222	Grand Jury	63,553	-	267	576	893	1,181	2,475	3,540	4,825
223	County Clerk	-	-	-	-	-	-	-	-	-
224	District Attorney	3,058,749	-	12,845	27,727	42,971	56,840	119,140	170,360	232,208
225	District Attorney S	-	-	-	-	-	-	-	-	-
227	Public Defender	2,656,581	-	11,156	24,082	37,321	49,366	103,476	147,961	201,677
228	Court Assigned Counsel	895,075	-	3,759	8,114	12,574	16,633	34,864	49,852	67,951
	Subtotal	4,441,958	-	28,027	60,499	93,759	124,020	259,955	371,714	506,661

Table 3-5—County of Monterey Expenditure Forecast (Continued)

251 Sheriff's Corrections	5,968,815	-	25,066	54,107	83,853	110,917	232,489	332,440	453,129
255 Probation	2,058,543	-	8,645	18,661	28,919	38,253	80,182	114,653	156,277
256 Juvenile Hall	1,727,061	-	7,253	15,656	24,263	32,093	67,270	96,191	131,112
Subtotal	9,754,419	-	40,963	88,423	137,035	181,263	379,941	543,283	740,518
270 Nac. Hydroelectric	-	-	-	-	-	-	-	-	-
281 Agricultural Comm.	910,596	-	3,824	8,254	12,792	16,921	35,468	50,717	69,129
282 Produce Inspection	-	-	-	-	-	-	-	-	-
Subtotal	910,596	-	3,824	8,254	12,792	16,921	35,468	50,717	69,129
283 Agricultural Easements	(3,069)	-	-	-	-	-	-	-	-
285 Contributions	-	-	-	-	-	-	-	-	-
290 Wastwater Eng.	-	-	-	-	-	-	-	-	-
291 Recorder	(83,769)	-	-	-	-	-	-	-	-
292 Coroner-Public Admin.	815,402	-	3,424	7,392	11,455	15,152	31,760	45,415	61,902
293 Planning & Building Inspection	2,824,779	-	3,326	5,076	6,817	8,268	29,239	52,580	123,504
294 Intergovernmental Affairs	589,843	-	2,477	5,347	8,286	10,961	22,975	32,852	44,779
295 Office of Emergency Prep	139,200	-	585	1,262	1,956	2,587	5,422	7,753	10,568
296 Animal Shelter	534,402	-	629	960	1,290	1,564	5,531	9,947	23,365
298 Litter Control	43,146	-	51	78	104	126	447	803	1,886
299 Environmental Impact	-	-	-	-	-	-	-	-	-
Subtotal	4,859,914	-	10,492	20,114	29,908	38,658	95,374	149,350	266,004
Subtotal, Public Protection	31,969,773	-	97,440	198,861	302,459	395,895	894,978	1,338,495	2,107,098
411 Health	3,345,692	-	14,050	30,328	47,002	62,172	130,317	186,342	253,992
414 Environmental Health	734,756	-	3,086	6,661	10,322	13,654	28,619	40,923	55,780
415 Mental Health	870,201	-	3,654	7,888	12,225	16,171	33,895	48,467	66,062
417 Alcohol & Drug Programs	(81,285)	-	-	-	-	-	-	-	-
420 Contribution-Health	56,927	-	239	516	800	1,058	2,217	3,171	4,322
421 Contribution-State	282,982	-	1,188	2,565	3,975	5,259	11,022	15,761	21,483
425 County Disposal Site	1,410,719	-	5,924	12,788	19,818	26,215	54,948	78,572	107,096
Subtotal	6,619,992	-	28,142	60,747	94,143	124,528	261,018	373,236	508,736
430 Medical Care Services	6,261,502	-	26,295	56,760	87,964	116,355	243,890	348,741	475,349
436 Emergency Medical Svc	(28,000)	-	-	-	-	-	-	-	-
Subtotal	6,233,502	-	26,295	56,760	87,964	116,355	243,890	348,741	475,349
440 Cal. Children's Services	719,816	-	3,023	6,525	10,112	13,376	28,037	40,091	54,646
Subtotal, Health Services	13,573,310	-	57,459	124,032	192,219	254,259	532,946	762,067	1,038,730
501 Social Services	2,576,301	-	10,819	23,354	36,193	47,875	100,349	143,490	195,583
531 AFDC	1,296,681	-	5,445	11,754	18,216	24,096	50,507	72,220	98,439
535 Out of Home Care	1,106,748	-	4,648	10,033	15,548	20,566	43,109	61,642	84,020
548 Other Aids	-	-	-	-	-	-	-	-	-
551 Aid to Indigents	1,090,000	-	4,577	9,881	15,313	20,255	42,456	60,709	82,749
559 Veterans' Services Office	200,367	-	841	1,816	2,815	3,723	7,804	11,160	15,211
570 State Community Development	-	-	-	-	-	-	-	-	-
571 Federal Community Development	-	-	-	-	-	-	-	-	-
590 GAIN Program	-	-	-	-	-	-	-	-	-
592 Social Services-Other	52,800	-	222	479	742	981	2,057	2,941	4,008
593 Special Needs	-	-	-	-	-	-	-	-	-
594 Area Agency on Aging	83,067	-	349	753	1,167	1,544	3,236	4,627	6,306
595 Linkages Program	-	-	-	-	-	-	-	-	-
596 Health Screening-Fe.	-	-	-	-	-	-	-	-	-
Subtotal	6,405,964	-	26,901	58,070	89,994	119,040	249,516	356,787	486,316
Subtotal, Social Services	6,405,964	-	26,901	58,070	89,994	119,040	249,516	356,787	486,316
621 Agricultural Extension	296,061	-	1,243	2,684	4,159	5,502	11,532	16,489	22,476
622 Agricultural Extension	-	-	-	-	-	-	-	-	-
Subtotal	296,061	-	1,243	2,684	4,159	5,502	11,532	16,489	22,476
750 Parks	1,134,530	-	-	617,100	617,100	617,100	617,100	617,100	617,100
755 Parks-Grant Projects	-	-	-	-	-	-	-	-	-
Maintenance of Public Acreage	-	-	180,000	178,844	177,111	175,955	144,462	108,925	-
Subtotal	1,134,530	-	180,000	795,944	794,211	793,055	761,562	726,025	617,100
830 Short-Term Borrowing	-	-	-	-	-	-	-	-	-
840 Overhead Recovered	(4,105,566)	-	-	-	-	-	-	-	-
850 Other Financing Uses	6,896,879	-	28,963	62,520	96,891	128,162	268,638	384,129	523,584
Subtotal	2,791,313	-	28,963	62,520	96,891	128,162	268,638	384,129	523,584
990 Contingency	2,100,000	-	8,819	19,036	29,502	39,024	81,796	116,962	159,424

Table 3-6—County of Monterey Revenue Forecast

Unincorporated Residential		0	0	0	0	0	0	0	1,170
Unincorporated Persons		0	139	212	285	346	1,223	2,200	5,168
Total Residential			3,389	6,425	9,460	12,496	20,229	26,253	32,734
Total Persons		0	1,743	3,763	5,831	7,713	16,167	23,118	31,511
Served									
		1	2	3	4	5	7	8	9
Name	1996 Budget	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
General Fund									
Property Taxes	33,591,17	-	94,384	230,946	334,944	422,126	905,030	1,335,343	1,846,348
Sales Tax	94,600,000	-	-	1,917	6,330	8,476	223,830	291,828	421,145
Sales Tax (Prop 172)	n/a		120,767	285,064	386,002	474,459	844,071	1,163,354	1,553,052
Transient	8,800,000	-	-	-	-	-	1,379,700	1,379,700	1,379,700
Franchise	813,000	-	957	1,461	1,962	2,380	8,415	15,133	35,546
Property Transfer	860,000	-	8,572	9,927	11,796	9,927	53,014	50,358	73,074
Licenses &	3,669,576	-	-	-	-	-	-	-	-
Fines &	6,011,964	-	7,079	10,804	14,508	17,597	62,229	111,906	262,853
Motor Vehicle in	14,645,00		133,832	253,686	373,541	493,395	798,743	1,036,611	1,292,483
Charges for Service	0 n/a	-	-	-	-	-	-	-	-
Investment Earnings	32,048,12 6		12,065	26,196	37,260	47,136	141,076	177,680	226,519
Subtotal, General Fund			377,656	820,000	1,166,343	1,475,496	4,416,107	5,561,912	7,090,719
Road Fund									
Sect. 2105, Sts. & Hwys. Code			77	196	296	387	528	1,105	1,009
Sect. 2106, Sts. & Hwys. Code			2,062	3,054	4,765	6,695	10,814	11,433	12,649
Investment Earnings			71	107	167	234	374	414	451
Subtotal, Road Fund			2,209	3,358	5,228	7,316	11,716	12,952	14,108
Total, All Funds			379,865	823,358	1,171,570	1,482,811	4,427,823	5,574,864	7,104,828

3.1.4 Salinas Rural Fire District

Table 3-7 details the property tax collections and estimated cost for the Salinas Rural Fire District. The cost of service provision was provided by the Chief of the District for use in this Report. A detailed explanation of the property tax calculation is provided in the following Section.

Table 3-7—Salinas Rural Fire District

	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
Salinas Rural Fire District								
Salinas Rural Fire District Revenue	0	0	2,003	3,528	4,811	56,551	73,653	179,677
Salinas Rural Fire District Expenditures	0	512,429	512,429	512,429	512,429	512,429	512,429	512,429
Salinas Rural Fire District Total	0	-512,429	-510,426	-508,901	-507,618	-455,878	-438,776	-332,752

3.2 ANALYSIS OF REVENUES

3.2.1 General Fund Revenues

3.2.1.1 Property Tax

The process of estimating increases in property tax revenue is extremely complex. This complexity is a direct result of the interaction of the legal constraints imposed by Proposition 13, Assembly Bill 8, and the market forces affecting the price and turnover of property. Proposition 13 limits property taxes to one percent (1.0%) of the Taxable Assessed Value (TAV) of real and personal property. *Increases* in the TAV of a given property may not exceed two percent (2.0%) per year unless the property experiences a change in ownership, or taxable improvements are added to the property. If the property is sold, the TAV is adjusted by the County Assessor to the property's current fair market value. If the property is improved, the TAV is adjusted only on the improved portion of the property. Given the reality of inflation (assumed in this analysis to be four percent annually), the effect of the two percent cap is that the property tax revenue flowing to a jurisdiction from a particular property will most likely decline, in real terms, over time.

In other words, if the increase in the market value of a single family home is the same as the rate of inflation, then the real purchasing power of the property tax revenue from that home *declines* over time unless:

(1) The rate of inflation is less than, or equal to, two percent (2.0%) per year, or;

(2) The property changes ownership every year.

This phenomenon is true for all land uses in all jurisdictions throughout the State of California.

In light of the above discussion, it is clear that the property turnover rate plays an important role in estimating the amount of property tax revenue that will be generated from new development. The turnover rates and market values used in this analysis are shown for each distinct land use

category in Table 3-8. It should be noted that the turnover of vacant land and the ability of some homeowners to transfer their property tax basis when they purchase a replacement home was not considered in the analysis. Further, the analysis assumes the market value of residential and non-residential property will increase at the same rate as inflation. Again, the inflation rate is assumed to be four percent (4.0%) per year.

Table 3-8—Market Value and Turnover Rate Assumptions

Use	Unit Type	Market Value Land	Market Value Improvements	Market Value Per Unit	Jarvis Factor
Residential--Existing (Low)	house	$25,000	$75,000	$100,000	4
Residential--Existing (10/ac)	house	$9,000	$38,000	$47,000	2
Residential--Low Density (4/ac)	house	$95,000	$205,000	$300,000	4
Residential--Medium Density (6/ac)	house	$67,000	$170,500	$237,500	3
Residential--High Density (8/ac)	house	$50,000	$125,000	$175,000	3
Residential Attached--Townhouses (10/ac)	house	$35,000	$102,500	$137,500	2
Residential Attached--Apartments (20/ac)	house	$15,000	$65,000	$80,000	5
Office/R&D (SqFt)	sqft			$100	4
Business Park/Light Industrial (SqFt)	sqft			$60	4
UC MBEST (SqFt)	sqft			$23	4
Retail Commercial--Convenience (SqFt)	sqft			$80	3
Retail Commercial--Neighborhood (SqFt)	sqft			$100	4
Retail Commercial--Regional (SqFt)	sqft			$125	5
Hotel (Rooms)	room			$150,000	1
Golf (Acres)	acre			$37,838	1
Equestrian (Acres)	acre			$0	1
Open Space Habitat (Acres)	acre			$0	1
Parks (Acres)	acre			$0	1
Parks--State (Acres)	acre			$0	1
Schools (Acres)	acre			$0	1
Military (Acres)	acre			$0	1
Public Facilities--Institutional	acre			$0	1
Public Facilities--Other	acre			$0	1

In Table 3-8, each land use is assigned a "Jarvis Factor" to signify a distinct set of turnover and appreciation assumptions. The key below provides assumptions associated with each Jarvis Factor.

Jarvis Factor Inputs

	Turnover Rate (Years):	Real Property Appreciation Rate:
Jarvis-1	0	0%
Jarvis-2	4	0%
Jarvis-3	5	0%
Jarvis-4	7	0%
Jarvis-5	10	0%

The valuation of UCMBEST bears a note of explanation. The UCMBEST use is proposed to be a research center owned by the University of California. Technically, the TAV of this center is zero. If the center were used by the University strictly for education or in-house research, no property taxes would be generated by its use. However, since the proposed use involves the leasing of space to individuals and firms outside of the University of California, the use of that property becomes taxable through its possessory interest. The property tax is paid not by the University, but rather by the lessee of the center. Property taxes on possessory interest are most commonly encountered by residents of national forests. In the case of University-owned facilities, the valuation of the possessory interest is based on lease terms and their net present value. The following formulas demonstrate the calculation of possessory interest value and its relationship to total market value.

Assuming:

Market Value = $1,000,000

Annual Rent = $100,000

Discount Rate = 10%

Lease Term = 5 years

Possessory Interest Valuation:

$$NPV = \sum_{i=1}^{n} \frac{AnnualRent_i}{(1 + DiscountRate)^i} = \$379,079$$

$$\text{Possessory Interest Value as percent of Market Value} = \frac{\$379,079}{\$1,000,000} = 37.9\%$$

This analysis assumes that most of the leases in the UCMBEST will be 5-year leases. The TAV per square foot used for this land use, then, is 37.9% of the regular business park light industrial value per square foot of $60, or $22.74.

In order to forecast TAV, taking into account the complexities arising from Proposition 13, an algorithm was constructed by Angus McDonald & Associates that simulates the process in any given year in which

- The TAV of those properties which change hands, as reflected in the turnover rate, rises to the current market value, and
- The TAV of the properties that were not sold increases by two percent (2.0%).

For each distinct land use category a multiplier is calculated that captures the effect of the general inflation, real estate inflation, and the turnover rate of a typical property. The multiplier is, in effect, a probability coefficient in which the probability of the TAV increasing to the market value is a function of the turnover rate and the probability of the TAV increasing by two percent (2.0%) is one minus the turnover rate. This multiplier is used to adjust the TAV created by new development to account for the effects of Proposition 13.

3.2.1.1.1 Tax Rate Areas and The Use of Property Tax Apportionment Factors

A Tax Rate Area (TRA) is defined in §95 of the Revenue and Taxation Code as:

A specific geographic area all of which is within the jurisdiction of the same combination of local agencies and school entities for the current fiscal year.

Every year the County Assessor measures the change in TAV in each TRA in the County. The "Annual Tax Increment" is one percent of the annual change in TAV. The Annual Tax Increment is shared among the taxing agencies within each TRA.

The County Auditor-Controller has calculated a Property Tax Apportionment Factor (PTAF), or Annual Tax Increment Factor, for each agency serving a particular TRA. PTAFs are defined in §97.5 of the Revenue and Taxation Code and have the following characteristics;

- The PTAF for each agency indicates the percent of the total Annual Tax Increment from that particular TRA that will be distributed to the agency. In other words, the PTAFs control the distribution of property taxes within a TRA.
- The sum of the PTAFs for all the taxing agencies within each TRA will be 1.0. This ensures that 100% of the Annual Tax Increment is distributed among the agencies serving the TRA.
- The property tax revenue an agency receives in any given year is equal to the total property tax revenue it received in the prior year plus the agency's share of the current year's Annual Tax Increment. This calculation is performed for each TRA.

3.2.1.1.2 Property Tax Apportionment Factors in the Ford Ord Area

Federal law prohibits local taxation of Federal property. Thus, TRAs and PTAFs, would not be expected for the Fort Ord area. Actually, the Monterey County Auditor-Controller established the TRAs and PTAFs as part of the implementation of Proposition 13. The PTAFs were based on the property tax collections of the eligible agencies outside of the Fort Ord area. This process resulted in 37 TRAs, each of which have a complete set of PTAFs. Table 3-9 shows the TRAs and the PTAFs of the four agencies considered within this analysis.

Since the location of development in relation to existing TRAs is uncertain at best, an average PTAF was determined for each of the four agencies. Table 3-9 also shows the average PTAF used for each agency. No changes in jurisdiction, TRA, or PTAF were assumed in this analysis, with one exception. The Salinas Rural Fire District provides fire protection and suppression in the unincorporated areas around Fort Ord. However, the District does not currently cover the entire unincorporated area of Fort Ord. The service delivery assumption, nonetheless, identifies the District as the fire protection and suppression provider for the unincorporated areas of the Reuse

area. Based on discussions with the Executive Officer of the Monterey Local Agency Formation Commission, the district boundaries will likely be expanded to cover that service area. This analysis, therefore, assumes a transfer of property tax to Salinas Rural Fire District from the County's share such that the PTAF of the District is commensurate with the PTAF the District receives elsewhere. This adjustment is detailed in the calculation following the TRA and PTAF data provided in Table 3-9.

Average PTAF (Seaside)	16.0379
Average PTAF (Marina)	17.2274
Average Unincorporated PTAF	20.3229
Representative Salinas Rural PTAF	12.1788
Percent County Property Tax Lost to ERAF	37.08%
New Salinas Rural PTAF	7.6629
Revised Unincorporated PTAF	12.6600

3.2.1.1.3 Property Tax Calculation

The property tax forecast is calculated using the following formula:

$$\text{Property Tax} = \text{TAV} \times 1\% \times \text{PTAF}$$

Note that the County has a PTAF for each TRA, and so, receives property taxes from all taxable development.

Table 3-9—Tax Rate Areas and Property Tax Apportionment Factors

TRA	County	Seaside	Marina	Fire Salinas
010-005	16.00307	16.30445	0.00000	
010-006	16.00307	16.30445	0.00000	
010-007	16.10153	16.40476	0.00000	
010-008	16.13344	16.43727	0.00000	
010-014	15.99608	16.29733	0.00000	
010-015	15.99608	16.29733	0.00000	
010-016	16.13344	16.43727	0.00000	
010-017	15.97168	16.27247	0.00000	
010-018	16.00307	16.30445	0.00000	
012-001	18.67418	0.00000	14.84102	
012-003	16.99002	0.00000	13.50242	
012-005	16.68829	0.00000	13.26257	
012-011	16.84553	0.00000	13.38760	
012-013	16.66168	0.00000	13.24149	10.77763
012-014	18.67433	0.00000	14.84099	
012-015	16.68824	0.00000	13.26259	
012-016	16.59752	0.00000	13.19050	
057-008	21.08118	0.00000	0.00000	13.63640
057-056	21.13587	0.00000	0.00000	13.67176
057-058	21.08115	0.00000	0.00000	13.63636
057-059	21.04482	0.00000	0.00000	13.61287
057-062	20.91269	0.00000	0.00000	13.52740
057-063	20.61848	0.00000	0.00000	13.33709
096-014	20.95449	0.00000	0.00000	
096-015	20.95449	0.00000	0.00000	
096-022	20.90081	0.00000	0.00000	
096-023	21.12369	0.00000	0.00000	
096-027	21.17863	0.00000	0.00000	
096-029	20.95455	0.00000	0.00000	
096-034	21.17863	0.00000	0.00000	
096-036	21.12369	0.00000	0.00000	
096-040	21.17863	0.00000	0.00000	
096-041	20.95455	0.00000	0.00000	
139-027	18.82787	0.00000	0.00000	12.17883
139-028	19.30402	0.00000	0.00000	12.48683
139-029	18.79889	0.00000	0.00000	12.16008
139-030	18.82787	0.00000	0.00000	12.17883
010-avg	16.03794	16.33997	0.00000	
012-avg	17.22747	0.00000	13.69115	10.77763
057-avg	20.97903	0.00000	0.00000	13.57031
096-avg	21.05022	0.00000	0.00000	
139-avg	18.93966	0.00000	0.00000	12.25114

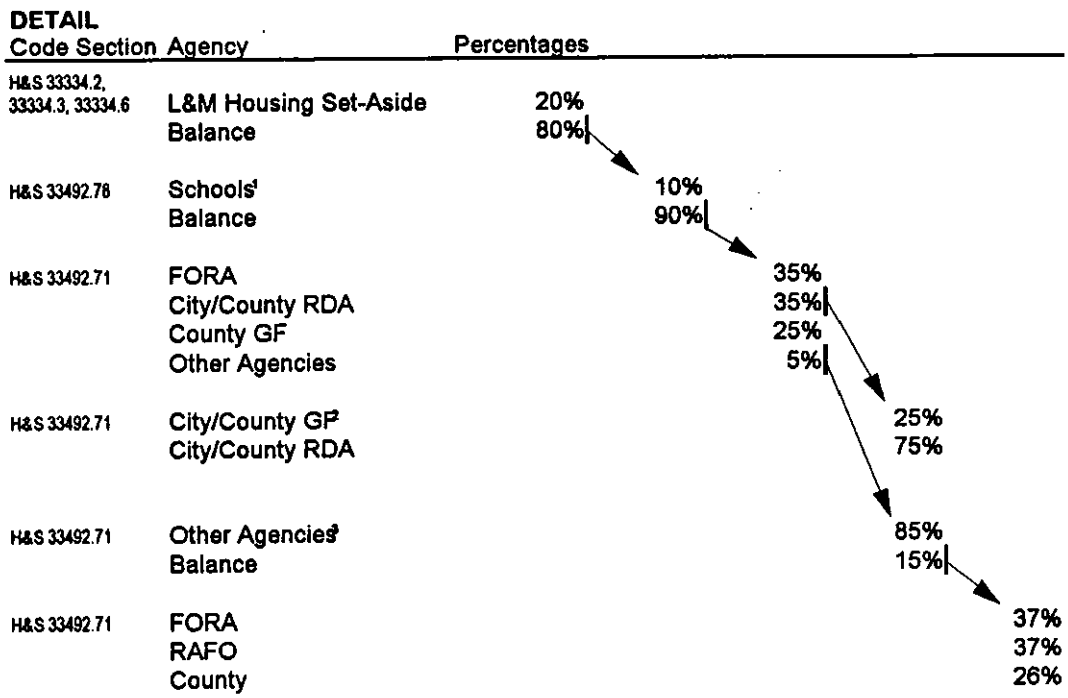
3.2.1.1.4 Allocations in the Fort Ord Reuse Area

Property taxes in California are normally allocated to local agencies according to property tax apportionment factors. These factors represent the proportionate share of property taxes allocable to each local agency. The sum of these factors is 1.00.

Special legislation applying only to the local agencies providing services to the Fort Ord base reuse area significantly alters the property allocation formula within redevelopment project areas. The intent of the legislation was to provide a source for financing public facilities for the Fort Ord Reuse Authority. This legislation has the practical effect of reducing the property tax available to the two cities for general purposes while increasing the property tax available to the County for general purposes. The primary method of property tax allocation used in this analysis assumes that no redevelopment project areas are established. However, Table 3-10 quantifies the difference in property tax allocation under the two scenarios.

Figure **3-1** illustrates the allocation of property taxes under the redevelopment project area scenario:

Figure 3-1—Property Tax Distribution in Redevelopment Project Areas



Notes:
1a For the first 10 years, percentage is based on 25% of the PTAFs for schools. The Code is not clear that the schools portion comes out of the post-L&M balance.
1b For the 11th through 30th years, schools receive amount in 1a plus 21% of PTAFs using increment above 10th-year base.
2 City/county RDAs may transfer up to 25% of increment to city/county for 5 years after the RDA receives more than $100,000. The Code is not clear whether it is 25% of RDA or 25% of total increment.
3 Percentage shown is total PTAFs for agencies excluding cities, county, and school districts.

Abreviations:
L&M - Low and moderate.
RDA - Redevelopment Agency
GF - General Fund
RAFO - Redevelopment Agency of Fort Ord

Table 3-10 summarizes the impact of the property tax allocation methodology. Tables 3-11 through 3-15 detail the approach used to calculate the property tax under the RDA scenario.

Table 3-10—Summary of Property Tax Allocation Methodologies

	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
Marina								
With RDA	0	26,519	58,027	89,105	119,831	245,907	327,060	0
Without RDA		115,302	177,055	238,110	288,733	488,630	638,600	763,319
Difference		-88,783	-119,029	-149,006	-168,902	-242,723	-311,540	-763,319
Seaside								
With RDA	0	28,926	76,921	105,818	150,410	250,550	429,167	608,498
Without RDA	0	67,894	180,549	248,376	293,377	588,091	987,394	1,402,111
Difference	0	-38,968	-103,628	-142,558	-142,967	-337,541	-558,227	-793,614
Monterey County								
With RDA	0	158,413	391,508	567,391	713,766	1,586,252	2,380,426	3,392,888
Without RDA	0	94,384	230,946	334,944	422,126	905,030	1,335,343	1,846,348
Difference	0	64,029	160,562	232,448	291,640	681,222	1,045,083	1,546,539
Salinas Rural Fire District								
With RDA	0	0	0	0	0	0	0	0
Without RDA	-	-	2,003	3,528	4,811	56,551	73,653	179,677
Difference	**0**	**0**	**-2,003**	**-3,528**	**-4,811**	**-56,551**	**-73,653**	**-179,677**

3.2.1.2 Real Property Transfer Tax (Documentary Transfer Tax)

Real property sales and re-sales are taxed by the County at the rate of $1.10 per $1,000 of property value. The property transfer tax collected with a city is divided evenly between the city and the County, while the amount collected within the unincorporated areas of the County are fully retained by the County.

The following assumptions were used in the estimate of transfer tax:

1. All property is transferred free of any lien or encumbrance.
2. Sales and re-sales of anything other than a final product was not considered.
3. All taxable property is transferred under circumstances in which the transfer tax would be applicable.
4. The same assumptions regarding turnover rates and property values used in the property tax calculation (as shown in Table 3-8) were used to calculate the Real Property Transfer Tax.

3.2.1.3 Transient Occupancy Tax

The Transient Occupancy Tax is imposed for the privilege of occupying a room, or rooms, or other living space, in a hotel, inn, tourist home or house, motel, or other lodging for less than thirty (30) days. Specific exceptions include timeshare estates and membership camping contracts in a campground.

The following transient occupancy tax rates are in effect for each jurisdiction:

Marina	10%
Seaside	12%
Monterey County	12%

Each of the hotels anticipated in the land use plan is expected to operate at a 70% occupancy rate and charge an average of $150 per night per occupied room.

3.2.1.4 Sales Tax

In general, sales or use taxes are imposed on the retail sale or the use of tangible personal property in California. Items excluded from taxation include property that is purchased for resale, food for home consumption, and prescription medicines. Since the initial enactment of sales and use tax laws in California in 1933, numerous other exemptions and exclusions have been granted that remove the liability for tax on certain types of property and organizations.

All cities and counties in the state levy a basic one percent sales tax and have the option to levy additional sales taxes under certain circumstances. Sales and use tax revenues are collected by the California State Board of Equalization. The Board of Equalization allocates the local portion of these revenues to the appropriate local governments. The local portion of sales tax revenues generally are allocated according to the location of the sale rather than residence or business location of the purchaser. (Exceptions occur for certain items and for taxes imposed on the use of property.)

Proposition 172 added a half-cent sales tax for public safety purposes. The allocation of this portion of the sales tax is statutorily based, and ultimately provides for the following split:

Marina	0.26%
Seaside	0.36%
Monterey County	96.18%

Sales and use tax revenues are estimated from five separate sources:

1. *Purchases made by new residents of the reuse area.* The taxable sales per household are based on housing unit purchase price and US Consumer Expenditure Survey Data.
2. *Purchases made by additional employees within the reuse area.* Project employees are assumed to spend $2,000 per year within the reuse area.
3. *Purchases made by business enterprises within the reuse area.* Businesses within the reuse area are assumed to spend $10 per square foot on taxable retail purchases.
4. *Purchases made by guests staying at the new hotel/motel facilities within the reuse area.* Based on the average room rate of $150, and California Department of Commerce data, hotel guests are estimated to spend $47,789 annually per room on restaurant and other retail purchases.
5. *Additional State allocation of sales and use taxes.* Based on historic allocations, the three agencies can expect to receive an additional 10% allocation of sales tax from the countywide and statewide pools. (This source is described in more detail below.)

Actual sales tax revenues received by local jurisdictions vary from an estimate based on one percent of taxable transactions occurring within that jurisdiction. A major reason for the difference the distribution of certain proceeds of sales and use taxes collected by the Board of Equalization not attributable to a specific point-of-sale. Such revenues are accounted for at both the county and statewide levels. An example of such a revenue accounted for at the county level is proceeds from the sale (or use) of certain construction materials. An example of such a revenue accounted for at the state level is use tax on third-party sales of used automobiles. These county and state "pools" are allocated to local jurisdictions in proportion to the amount of other sales tax revenues generated within that jurisdiction.

The fiscal analysis uses a sales tax gravity model to forecast the location of resident-based taxable transactions. This approach recognizes the fact that residents are more likely to shop at establishments closer to their homes. Taxable transactions from other sources are assumed to occur in the same jurisdiction.

3.2.1.5 Business Licenses

The Business License Tax is imposed on businesses for the privilege of doing business within the jurisdiction and may be levied for regulatory and revenue raising purposes. The Cities of Marina and Seaside each have business license taxes, while the County of Monterey does not. For this study, the enacting ordinances were analyzed, and relevant factors were developed for each of the applicable land use categories. These factors are identified in the Revenue Assumptions Tables for the two cities.

3.2.1.6 Utility Users Tax

Subject to certain laws, cities and counties may place a tax on the use of utilities such as gas, electricity,

and intrastate phone service. The cities of Marina and Seaside each have a utility users tax (4% and 5%, respectively), while the County does not. The following table details the assumptions regarding the annual taxable utility usage per unit.

Table 3-11—Taxable Utility Usage Per Unit

Land Use	Unit Type	Taxable Utility Usage Per Unit
Residential--Existing (Low)	house	1,920
Residential--Existing (10/ac)	house	1,380
Residential--Low Density (4/ac)	house	1,920
Residential--Medium Density (6/ac)	house	1,560
Residential--High Density (8/ac)	house	1,560
Residential Attached--Townhouses (10/ac)	house	1,380
Residential Attached--Apartments (20/ac)	house	1,380
Office/R&D	sqft	1.2
Business Park/Light Industrial	sqft	1.2
UC MBEST	sqft	1.2
Retail Commercial--Convenience	sqft	1.2
Retail Commercial--Neighborhood	sqft	1.2
Retail Commercial--Regional	sqft	1.2
Hotel	room	181.2

3.2.1.7 Motor Vehicle License Fees

Motor vehicle license fees are collected by the State Department of Motor Vehicles in lieu of local property taxes. This revenue source is also referred to as Motor Vehicle in Lieu. The primary method of allocation by the State Controller is on the basis of population. The State law has been amended for the agencies which had a population based on the residents of Fort Ord in the 1990 census, namely the Cities of Marina and Seaside and the County of Monterey. For purposes of the allocation of this revenue (and certain fuel taxes), the 1990 census population is used until either the local agency requests that the actual population be used or the 2000 census data becomes available. It is for this reason that the forecast of city revenues shows no additional motor vehicle in lieu in the early years. In the case of Monterey County, the actual population already exceeds that lost by the closure of Fort Ord, and so the actual population is used.

3.2.1.8 Investment Earnings

The agencies will earn a return on the investment of idle moneys. Idle moneys consist of money deposits in a Reserve Fund and funds received in advance of expenditure requirements. Revenue from this source depends upon the size of the reserve and the rate of return earned. The percentage used in the forecast is based on the annual experience of investment earnings as a percentage of annual revenue. The resulting percentage is *not* an interest rate, but rather a factor to estimate the future availability of this revenue source. The factor used for the County forecast is 3.3%, since the amount in investment earnings was deemed anomalous in relation to annual total revenue.

3.2.1.9 Franchise Fees

Cities and counties may charge franchise fees for the privilege of using public rights of way. These fees are typically charged to gas, electric, cable television, and trash pickup companies. This revenue source

is forecast based on the existing collections and the number of "persons served" within the agency. The number of persons served takes into account both residents and employees. This approach ensures that all land uses are included in the estimation of this revenue source. (More information on the persons-served approach is provided in the discussion of expenditures.)

3.2.1.10 Fines, Forfeitures and Penalties

Fines and forfeitures are collected for violations of local ordinances, criminal violations, and health and safety violations. Vehicle code fines are collected for violations of the vehicle code. The persons-served forecasting methodology was used for this revenue source.

3.2.1.11 Other General Fund Revenue Sources

Other revenue sources have been considered but are not specifically forecast in this analysis. Charges for Services and Licenses and Permits and have been deducted from the appropriate expenditure item and are thus forecast implicitly as part of the net expenditure forecast. Further, while there is a potential for additional State and Federal Aid, those funds are uncertain at best and should not be considered a reliable funding source.

3.2.2 Road Fund Revenues

3.2.2.1 Highway Users Taxes—General Approach

All fuel tax revenues were the result of a mathematical model created by Angus McDonald & Associates which forecasts statewide fuel usage and apportions the resulting revenues to localities based on the procedures outlined in the applicable code sections.

The model has been tested on historical data and has produced revenue estimates virtually identical to actual allocations received by cities and counties. The forecasts of fuel consumption are consistent with historical trends in California. It is significant to note that the fuel tax rates described in the following section are fixed dollar amounts, and thus do not increase with inflation. As such, the results of the fuel tax model were reduced by the rate of inflation (4%) annually to account for the declining value of money over time.

As noted earlier, the population used for the allocation of fuel taxes for the Cities of Marina and Seaside remains unchanged from the 1990 census until either it is advantageous to use the actual City population or the 2000 census data is available. It is for this reason that fuel tax allocations to these Cities are extremely low in the initial years of the study period.

3.3 ANALYSIS OF EXPENDITURES

3.3.1 The Persons-Served Approach

Most of the expenditure forecasts in this analysis are based on increases in the number of persons served by the City or County Department. Persons served include residents, employees, and visitors. Weighting factors are used to account for the varied service demand from these persons. Table **3-12** shows the relative weighting of persons resulting from each land use. The departments for which this methodology was applied are identified in the Cost Assumptions Tables for each of the Cities and the County.

Table 3-12—Service Population Weighting Factors

Use Type	Factor
Residential Uses	1.00
Office/R&D	0.50
Business Park/Light Industrial	0.50
Retail	0.50
Hotel	0.50
Golf	0.50
Equestrian	0.50
Public Uses	0.50
CSUMB Residential	0.10
CSUMB Parks	0.05
CSUMB Schools	0.05
POM Annex Residential	0.10

3.3.2 Public Safety

The costs of law enforcement and fire protection services were determined after discussions with key staff members of those departments. Accordingly, this analysis relies on the forecasts of service requirements and associated costs prepared by the City of Marina Public Safety Chief, the City Seaside Fire and Police Chiefs, and the Salinas Rural Fire District Fire Chief. The law enforcement costs for the Sheriff's Department are forecast based on a straight service population factor.

The following tables detail the service demand anticipated by the Marina Chiefs for public safety services and by the Seaside Police Chief for law enforcement services. (The cost figures provided by the Salinas Rural Fire District Chief can be found in Table 3-7; while the cost figures provided by the Seaside Fire Chief can be found in Table 3-3.)

Table 3-13—City of Marina Public Safety Department Forecast

	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
Officers	*0*	*8*	*8*	*8*	*8*	*12.8*	*20.8*	*22.8*
Officer Cost		*55,000*	*55,000*	*55,000*	*55,000*	*55,000*	*55,000*	*55,000*
Training Officers	*0*	*0.5*	*0.5*	*0.5*	*0.5*	*0.5*	*0.5*	*0.5*
Training Officer Cost		*62,000*	*62,000*	*62,000*	*62,000*	*62,000*	*62,000*	*62,000*
Clerical	-	-	-	-	-	*1*	*1*	*1*
Clerical Cost		*44,065*	*44,065*	*44,065*	*44,065*	*44,065*	*44,065*	*44,065*
CSO	-	-	-	-	-	*1*	*1*	*1*
CSO Cost		*49,573*	*49,573*	*49,573*	*49,573*	*49,573*	*49,573*	*49,573*
Training, Uniforms, Equipment	-	*12,000*	*12,000*	*12,000*	*12,000*	*12,000*	*12,000*	*12,000*
Overtime		*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*
Aministrative Support		*14%*	*14%*	*14%*	*14%*	*14%*	*14%*	*14%*
Officers	-	440,000	440,000	440,000	440,000	704,000	1,144,000	1,254,000
Training Officers	-	31,000	31,000	31,000	31,000	31,000	31,000	31,000
Training, Uniforms, Equipment	-	96,000	96,000	96,000	96,000	153,600	249,600	273,600
Overtime	-	47,100	47,100	47,100	47,100	73,500	117,500	128,500
Equipment Replacement	-	34,300	34,300	34,300	34,300	40,500	74,300	74,700
Aministrative Support	-	85,974	85,974	85,974	85,974	134,694	215,894	236,194
Total	-	**734,374**	**734,374**	**734,374**	**734,374**	**1,137,294**	**1,832,294**	**1,997,994**

Table 3-14—City of Seaside Police Department Forecast

	No	1/96 Rate	Current	Factor	1995-96	Factor	1996-97	Factor	1997-98	Factor	1998-99	Factor	1999-00	Factor	2004-05	Factor	2009-10	Factor	2014-15
Police Chiefs	1.0	98,427	98,427	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Captains	2.0	88,038	176,076	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lieutenants	3.0	78,272	234,816	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	78,272
Sergeants	7.0	75,275	526,925	-	-	-	-	-	-	-	-	-	-	-	-	1	75,275	1	75,275
Investigators	6.0	63,285	379,710	-	-	-	-	-	-	-	-	-	-	1	63,285	1	63,285	1	63,285
Police Officers	23.0	60,271	1,386,233	-	-	4	241,084	-	-	1	60,271	1	60,271	3	180,813	4	241,084	3	180,813
Technicians	9.0	39,200	352,800	-	-	-	-	-	-	1	39,200	-	-	-	-	1	39,200	1	39,200
Support Personnel	6.0	42,000	252,000	-	-	-	-	-	-	-	-	1	42,000	1	42,000	1	42,000	1	42,000
Recruit/Screen		2,000	-	-	-	4	8,000	-	-	2	4,000	2	4,000	5	10,000	8	16,000	8	16,000
Training (OJT)		16,690	-	-	-	4	66,760	-	-	2	33,380	2	33,380	5	83,450	8	133,520	8	133,520
Patrol Units		25,541	-	-	-	1	25,541	-	-	-	-	1	25,541	-	-	1	25,541	1	25,541
Other Vehicles		20,000	-	-	-	-	-	-	-	-	-	1	20,000	1	20,000	1	20,000	2	40,000
Portable Radios		2,560	-	-	-	1	2,560	-	-	-	-	1	2,560	2	5,120	2	5,120	2	5,120
Safety Equipment	-	1,423	-	-	-	4	5,692	-	-	1	1,423	1	1,423	4	5,692	6	8,538	6	8,538
Misc. Equipment	-	95	-	-	-	4	380	-	-	2	190	2	190	5	475	8	760	8	760
Liability Fund	-	6,066	-	-	-	4	24,264	-	-	2	12,132	2	12,132	5	30,330	8	48,528	8	48,528
Vehicle O/M	-	6,500	-	-	-	1	6,500	-	-	-	-	2	13,000	1	6,500	2	13,000	3	19,500
General O/M	-	4,840	-	-	-	4	19,360	-	-	2	9,680	2	9,680	5	24,200	8	38,720	8	38,720
Animal Control	1.0	75,000	75,000	1.31%		4.99%	3,745	8.79%	6,591	13.14%	9,858	16.87%	12,655	26.90%	20,172	41.47%	31,103	55.12%	41,338
Communications	1.0	175,000	175,000	1.31%		4.99%	8,739	8.79%	15,379	13.14%	23,003	16.87%	29,529	26.90%	47,069	41.47%	72,574	55.12%	96,455
ACJS	1.0	32,100	32,100	1.31%		4.99%	1,603	8.79%	2,821	13.14%	4,219	16.87%	5,416	26.90%	8,634	41.47%	13,312	55.12%	17,693
OT/PO Reserves	1.0	122,905	122,905	1.31%		4.99%	6,138	8.79%	10,801	13.14%	16,155	16.87%	20,739	26.90%	33,057	41.47%	50,970	55.12%	67,742
New Building																			
Subtotal	1.0		3,811,992				420,367		35,592		213,512		292,516		580,796		938,531		1,038,299
Overhead		497,240	439,904				48,510		4,107		24,639		33,756		67,024		108,307		119,820
Totals			4,251,896				468,877		39,699		238,151		326,273		647,820		1,046,838		1,158,118
Cumulative			4,251,896				474,800		514,499		752,650		1,078,923		1,726,743		2,773,581		3,931,699

3.3.3 Park Maintenance

The costs to maintain parks are based on the acreage of publicly maintained parks. An annual acreage cost factor of $1,000 is used, based on Angus McDonald & Associates' experience with development projects involving low intensity improved park space.

3.3.4 Road Maintenance

Road maintenance cost forecasts are based on the experiences of each jurisdiction. Costs factors per road miles were calculated for each maintenance category specifically identified by the two Cities and the County. These road-mile factors were then applied to the road mileage anticipated for public maintenance responsibility. The analysis contains two categories of locally maintained roads: major roadways (those upgraded, expanded, or constructed as part of the PFIP), and local subdivision roadways (those constructed or improved as part of new development). Road mileage for local roads is forecast based on the anticipated internal footprints of the new development, using average lot sizes.

Road mileage for major roads is forecast based on the following assumptions:

- Half of the roadways slated for upgrading or expansion become the responsibility of local agencies in 1997-98.
- The remaining 50% of the roadways slated for upgrading or expansion become the responsibility of local agencies in proportion to the PFIP budget for local roadways.
- The balance of the roadways become the responsibility of local agencies in proportion to the PFIP budget for local roadways.

These assumptions, shown in Table 3-15, illustrate the timing of local roadway responsibility.

Table 3-15—Timing of Local Responsibility of Major Roadways

	Road Miles	1995/96	1996-97	1997-98	1998-99	1999-00	2004-05	2009-10	2014-15
Percentage of PFIP Improvements				8.43%	8.43%	8.43%	29.70%	26.80%	18.20%
Existing Roadways to be Upgraded	32.70								
Existing Roadways to Expanded	4.10								
New Roadways	9.75								
Existing Offsite Roadways to be Expanded	7.70								
Total	54.25								
Existing Roadways to be Upgraded (50%)	16.35			16.35	16.35	16.35	16.35	16.35	16.35
Existing Roadways to Expanded (50%)	2.05			2.05	2.05	2.05	2.05	2.05	2.05
Existing Roadways to be Upgraded (50%)	16.35			1.38	2.76	4.14	8.99	13.37	16.35
Existing Roadways to Expanded (50%)	2.05			0.17	0.35	0.52	1.13	1.68	2.05
New Roadways	9.75			0.82	1.64	2.47	5.36	7.98	9.75
Existing Offsite Roadways to be Expanded	7.70			0.65	1.30	1.95	4.24	6.30	7.70
Total	54.25			21.42	24.45	27.47	38.12	47.73	54.25
Marina	60%			12.85	14.67	16.48	22.87	28.64	32.55
Seaside	30%			6.43	7.33	8.24	11.44	14.32	16.28
County	10%			2.14	2.44	2.75	3.81	4.77	5.43
Total	100%			21.42	24.45	27.47	38.12	47.73	54.25

3.3.5 Maintenance of On-Post Buildings and Grounds

The issue of who will pay to maintain buildings on the former territory of Fort Ord and the ground around these buildings, until these buildings are demolished or reused has not yet been fully resolved. As a conservative assumption, it is assumed that the individual jurisdictions (i.e. Marina, Seaside and Monterey County) will bear the cost of maintenance of these buildings and grounds until property has been conveyed the private-sector users.

It is assumed that the inventory of publicly held, on-post buildings and grounds will decline gradually to zero by the end of Phase 1 (i.e. by the end of the 2015/16 fiscal year).

The estimates cost of maintenance were provided to U.S. Army by each of the three affected jurisdictions. These estimates were converted to a cost per acre and applied to the inventory of buildings and adjoining grounds awaiting demolition and/or reuse.

The estimate of cost was included in the tables in Section 3 under the line item "Maintenance of Public Acreage.

3.4 MITIGATION MEASURES

It would not be satisfactory to proceed with an unbalanced fiscal analysis. It is important to note that this imbalance stems not only from the land use plan, but also from the local government finance structure.

It may seem trite, but given a situation in which expenditures exceed revenues, a local agency has two options:

1. **Decrease costs.** This may take the form of decreasing the costly elements of a land use plan, lowering service standards, or entering into cost-saving agreements with relevant agencies.
2. **Increase revenue**. This may take the form of increasing the revenue-producing elements of a land use plan, expending one-time revenues, or raising new sources of funding.

Given the status of the current reuse plan, revising the land uses should be considered the option of last resort. Not only would such an action be costly and time consuming, but the goal may be unattainable when the realities of the marketplace are considered.

Lowering service standards should also be approached cautiously. Low and inadequate municipal services could have the effect of severely undermining the marketability of the desirable elements of the project.

Where there is logistical and political willingness to consider joint operating agreements, such options should be considered. Fire protection costs have been identified as significant contributors to the negative balance; thus, further review of fire protection services is appropriate. There appears to be strong potential for reduced costs if an efficient arrangement were developed among the agencies providing fire services. Such an arrangement could include joint station operation, expanded mutual aid, and contract service.

The development of Fort Ord is unique in that significant sums of revenue—from land sales and leases—could be made available to fund operating deficits of provider agencies. This would be an appropriate response only in the initial years of development, while the absorption of land uses swings

into balance, and to cover sudden unexpected occurrences. An emphasis should be placed on structuring a balanced cost and revenue system.

Since the passages of Proposition 13 and Proposition 62, new sources of funding have become scarce and difficult to enact. Because the need has been identified in advance of the actual development of the reuse area, FORA and the local jurisdictions have a better likelihood of implementing revenue enhancements. Potential mechanisms include:

- enacting an ongoing Base-wide Mello-Roos special tax for fire protection.
- formation of lighting and landscape maintenance districts
- formation of a county service area (in the unincorporated areas)

Each of the revenue enhancements described above creates a situation where residences and businesses on the former territory of Fort Ord are paying a higher charge for public services than the charge being paid their neighbors elsewhere in the jurisdiction. Since the passage of Proposition 13, neighbors have paid different property tax amount for the same level of service but a perception of inequity may nonetheless result. It is recommended that significant effort be devoted to avoiding the use of taxes and assessments in one portion of a jurisdiction in one portion but not in the rest of the jurisdiction.

4. ADDITIONAL METHODOLOGY

4.1 BASE ASSUMPTIONS

Tables 4-1 through 4-7 provide the base data for the two Cities and the County.

4.2 ADDITIONAL REVENUE METHODOLOGY

4.2.1 Property Tax Calculations

Tables 4-8 through 4-12 provide a step-by-step detail of the calculation of property tax under the redevelopment project area scenario.

4.3 LAND USE PLAN DATA

Tables 4-13 shows the basis for much of the fiscal analysis.

Table 4-1—Base Cost Data, City of Marina

Resident Population	18,356
Employees	1,530
Persons Served	19,121
Road Miles	40

Budget Unit	Unit Name	Total Cost	Offsetting Revenue	Net City Cost	Service Basis	Cost Factor	Forecast Method
General Fund							
401	City Council	18,220		18,220	19,121	$0.95	Service multiplier
402	City Manager/City Clerk	145,417	700	144,717	19,121	$7.57	Service multiplier
411	Building & Grounds	142,285		142,285	19,121	$7.44	Service multiplier
404	City Attorney	71,600		71,600	19,121	$3.74	Service multiplier
417	General Government	246,362		246,362	19,121	$12.88	Service multiplier
405	Finance	182,868		182,868	19,121	$9.56	Service multiplier
412	Mechanic	104,810	24,000	80,810	19,121	$4.23	Service multiplier
413	Public Safety	2,688,534	78,700	2,609,834	19,121	$136.49	Case Study/Acreage
416	Pub. Safety Reserves & Volunteers	58,876		58,876	19,121	$3.08	Service multiplier
	Maintenance of Public Acreage	523,825	-	523,825	814.5	$643.13	Case Study/Acreage
Community Development							
407	Building	83,478	106,000	(22,522)	19,121	($1.18)	Service multiplier
408	Planning	170,830	30,000	140,830	19,121	$7.37	Service multiplier
409	Engineering	101,459	31,000	70,459	19,121	$3.68	Service multiplier
Road Fund							
410	Streets	570,043	-	570,043	40	$14,251.08	Road mile multiplier
426	Pavement Management	25,236	-	25,236	40	$630.90	Road mile multiplier
481	Slurry Seal Program	56,533	-	56,533	40	$1,413.33	Road mile multiplier
Parks & Recreation							
406	P&R General Services	172,803	22,700	150,103	19,121	$7.85	Service multiplier
426	P&R Teen Center	12,372	-	12,372	19,121	$0.65	Service multiplier
481	P&R Faith Fitness Center	7,683	3,500	4,183	19,121	$0.22	Service multiplier
406	P&R Adult Sports	11,276	10,965	311	19,121	$0.02	Service multiplier
	Park Maintenance					$1,000.00	Acreage multiplier

Table 4-2—Base Revenue Data, City of Marina

Resident Population	18,356
Employees	1,530
Persons Served	19,121

Name	Total Revenue	Service Basis	Revenue Factor	Forecast Method
General Fund				
Property Taxes	860,000	n/a	n/a	Property Tax Model
Sales Tax	620,000	n/a	n/a	Sales Tax Model
Transient Lodging	375,000	n/a	n/a	Case Study
Franchise Taxes	200,000	19,121	$10.46	Multiplier
Business Licenses	40,500	n/a	n/a	Development Model
Utility Users Tax	720,000	n/a	n/a	Development Model
Property Transfer Tax	21,500	n/a	n/a	Property Tax Model
Licenses & Permits	5,000	n/a	n/a	Netted from costs
Fines & Forfeitures	39,000	19,121	$2.04	Multiplier
Motor Vehicle in Lieu	990,000	26,893	$36.81	Multiplier (1)
HOPTR	6,000	n/a	n/a	Included in Property Tax Model
Charges for Service	42,750	n/a	n/a	Netted from costs
Investment Earnings	7,000	n/a	0.18%	Estimate of earnings to revenue
Community Development				
(Revenues netted from costs)				
Road Fund			32.55	
(Statewide Fuel Tax Model)				
Parks & Recreation				
(Revenues netted from costs)				

Notes

(1) Current total is based on unreduced population.

Average Business License Charge Per Retail SqFt	0.0377	Based on $1mil., 2600 SqFt
Average Business License Charge Per Ind. SqFt	0.0410	Based on $1mil., 5000 SqFt
Average Business License Charge Per Office SqFt	0.0750	Based on 3 professionals, 2000 SqFt
Transient Occupancy Tax Rate	10%	
Utility User's Tax Rate	5%	
Average PTAF	13.69114689	
Percent Property Tax Lost to ERAF	11.2%	
Prop. 172 Sales Tax Marina Portion	0.26%	
Temporary MVIL Population	26,893	
MVIL Population Difference	8,537	

Table 4-3— Base Cost Data, City of Seaside

Resident Population	26,942
Employees	5,021
Persons Served	29,453
Road Miles	69

Budget Unit	Unit Name	Total Cost	Offsetting Revenue	Net City Cost	Service Basis	Cost Factor	Forecast Method
General Fund							
110	City Council	109,186	25,000	84,186	29,453	$2.86	Service multiplier
120	City Manager	400,317		400,317	29,453	$13.59	Service multiplier
130	Commissions	12,546		12,546	29,453	$0.43	Service multiplier
140	City Clerk	103,602		103,602	29,453	$3.52	Service multiplier
150	City Attorney	76,302		76,302	29,453	$2.59	Service multiplier
160	Personnel	122,902		122,902	29,453	$4.17	Service multiplier
180	Finance	418,246		418,246	29,453	$14.20	Service multiplier
210	Police	4,307,001	24,000	4,283,001	29,453	$145.42	Service multiplier
	Booking Fees	54,896		54,896	29,453	$1.86	Service multiplier
220	Fire	1,753,674		1,753,674	29,453	$59.54	Case Study/Acreage
23-	Community Development	625,077	97,500	527,577	29,453	$17.91	Service multiplier
3-	Public Works	582,275	20,000	562,275	29,453	$19.09	Service multiplier
4-	Community Services	1,300,476	140,000	1,160,476	29,453	$39.40	Service multiplier
	Park Maintenance					$1,000.00	Acreage multiplier
	Maintenance of Public Acreage	350,000	-	350,000	698.3	$501.25	Case Study/Acreage
Road Fund							
330	Streets & Storm Drains	604,660		604,660	69	$8,763.19	Road mile multiplier
340	Traffic Safety	429,770		429,770	69	$6,228.55	Road mile multiplier

Table 4-4— Base Revenue Data, City of Seaside

Resident Population	26,942
Employees	5,021
Persons Served	29,453

Name	Total Revenue	Service Basis	Revenue Factor	Forecast Method
General Fund				
Property Taxes	1,130,000	n/a	n/a	Property Tax Model
Sales Tax	2,800,000	n/a	n/a	Sales Tax Model
Transient Lodging	800,000	n/a	n/a	Case Study
Franchise Taxes	600,000	29,453	$20.37	Development Model
Utility Users Tax	1,100,000	n/a	n/a	Development Model
Business Licenses	270,000	n/a	n/a	Development Model
Property Transfer Tax	20,000	n/a	n/a	Property Tax Model
Licenses & Permits	35,000	n/a	n/a	Netted from costs
Fines & Forfeitures	55,000	29,453	$1.87	Multiplier
Motor Vehicle in Lieu	1,500,000	26,942	$37.73	Multiplier (1)
Charges for Service	330,000	n/a	n/a	Netted from costs
Investment Earnings	120,000	n/a	1.22%	Estimate of earnings to revenu
Road Fund			32.76	
(Statewide Fuel Tax Model)				

Notes

(1) Current total is based on unreduced population.

Average Business License Charge Per Retail SqFt	0.0692	Based on 1993-94 estimate of $260,000
Average Business License Charge Per Ind. SqFt	0.0692	and 3,754,545 total non-res. sqft.
Average Business License Charge Per Office SqFt	0.0692	
Transient Occupancy Tax Rate	12%	
Utility User's Tax Rate	6%	
Average PTAF	16.33997416	
Percent Property Tax Lost to ERAF	11.6%	
Prop. 172 Sales Tax Seaside Portion	0.36%	
Temporary MVIL Population	39,757	
MVIL Population Difference	12,815	

Table 4-4— Base Revenue Data, City of Seaside

Resident Population	26,942
Employees	5,021
Persons Served	29,453

Name	Total Revenue	Service Basis	Revenue Factor	Forecast Method
General Fund				
Property Taxes	1,130,000	n/a	n/a	Property Tax Model
Sales Tax	2,800,000	n/a	n/a	Sales Tax Model
Transient Lodging	800,000	n/a	n/a	Case Study
Franchise Taxes	600,000	29,453	$20.37	Development Model
Utility Users Tax	1,100,000	n/a	n/a	Development Model
Business Licenses	270,000	n/a	n/a	Development Model
Property Transfer Tax	20,000	n/a	n/a	Property Tax Model
Licenses & Permits	35,000	n/a	n/a	Netted from costs
Fines & Forfeitures	55,000	29,453	$1.87	Multiplier
Motor Vehicle in Lieu	1,500,000	26,942	$37.73	Multiplier (1)
Charges for Service	330,000	n/a	n/a	Netted from costs
Investment Earnings	120,000	n/a	1.22%	Estimate of earnings to revenu
Road Fund			32.76	
(Statewide Fuel Tax Model)				

Notes

(1) Current total is based on unreduced population.

Average Business License Charge Per Retail SqFt	0.0692	Based on 1993-94 estimate of $260,000
Average Business License Charge Per Ind. SqFt	0.0692	and 3,754,545 total non-res. sqft.
Average Business License Charge Per Office SqFt	0.0692	
Transient Occupancy Tax Rate	12%	
Utility User's Tax Rate	6%	
Average PTAF	16.33997416	
Percent Property Tax Lost to ERAF	11.6%	
Prop. 172 Sales Tax Seaside Portion	0.36%	
Temporary MVIL Population	39,757	
MVIL Population Difference	12,815	

Table 4-5— Base Cost Data, County of Monterey

Budget Unit	Unit Name	Net County Cost	415,070 County PerCapita	116,201 Uninc. PerCapita	Function	Activity
100	Board of Supervisors	1,184,346	2.85		General	Legislative & Administr
101	Assessment Appeals Board	19,000	0.05		General	Legislative & Administr
102	Annual County Audit	106,375	0.26		General	Legislative & Administr
103	County Memberships	43,095	0.10		General	Legislative & Administr
105	County Admin.	1,353,753	3.26		General	Legislative & Administr
106	Support Services	266,064	0.64		General	Legislative & Administr
107	Fleet Mgt	645,657	1.56		General	Legislative & Administr
108	Affirmative Action	296,926	0.72		General	Legislative & Administr
	Subtotal	3,915,216	9.43	-		
111	Auditor-Controller	2,036,749	4.91		General	Finance
115	Revenue & Recovery	627,212	1.51		General	Finance
117	Treasurer-Tax Collector	867,320	2.09		General	Finance
118	Assessor	2,264,159	5.45		General	Finance
119	Purchasing	257,790	0.62		General	Finance
	Subtotal	6,053,230	14.58	-		
121	County Counsel	1,342,137	3.23		General	County Counsel
125	Personnel Division	1,317,672	3.17		General	Personnel
141	Elections	970,643	2.34		General	Election & Registratio
151	Telecommunications	97,958	0.24		General	Communications
152	Communications	2,083,746	5.02		General	Communications
	Subtotal	2,181,704	5.26	-		
161	Facilities & Construction	4,076,345	9.82		General	Facilities Management
171	Plant Acquisition-General	2,649,858	6.38		General	Plant Acquisition
181	Development Set-Aside	1,151,000		9.74	General	Promotion
182	Economic Development	-		-	General	Promotion
183	Fort Ord	105,201		0.89	General	Promotion
	Subtotal	1,256,201	-	10.63		
190	Judgements & Damages	711,700	1.71		General	Other General
191	Other General Expenditures	64,750	0.16		General	Other General
192	Insurance	157,060	0.38		General	Other General
193	Information Systems	1,201,813	2.90		General	Other General
194	Data Processing	-	-		General	Other General
195	Risk Management	289,988	0.70		General	Other General
196	Information Systems	-	-		General	Other General
197	Graphics	(47,835)	(0.12)		General	Other General
198	Public Works Activities	-	-		General	Other General
199	Surveyor	76,365	0.18		General	Other General
	Subtotal	316,518	5.91	-		
	Subtotal, General Government	26,215,447	95.32			
201	Superior Court	-	-		Public Protection	Judicial
202	Superior Court Revenue	(332,000)	(0.80)		Public Protection	Judicial
206	Municipal Court	-	-		Public Protection	Judicial
207	Municipal Court Revenue	(1,900,000)	(4.58)		Public Protection	Judicial
220	Jury Expense	-	-		Public Protection	Judicial
222	Grand Jury	63,553	0.15		Public Protection	Judicial
223	County Clerk	-	-		Public Protection	Judicial
224	District Attorney	3,058,749	7.37		Public Protection	Judicial
225	District Attorney S	-	-		Public Protection	Judicial
227	Public Defender	2,656,581	6.40		Public Protection	Judicial
228	Court Assigned Counsel	895,075	2.16		Public Protection	Judicial
	Subtotal	4,441,958	10.70	-		
230	Sheriff	12,002,886		101.66	Public Protection	Sheriff's Patrol
251	Sheriff's Corrections	5,968,815	14.38		Public Protection	Detention & Correction
255	Probation	2,058,543	4.96		Public Protection	Detention & Correction
256	Juvenile Hall	1,727,061	4.16		Public Protection	Detention & Correction
	Subtotal	9,754,419	23.50	-		
270	Nac. Hydroelectric	-	-		Public Protection	Conservation

Table 4-6 Base Cost Data, County of Monterey (Continued)

281 Agricultural Comm.	910,596	2.19		Public Protection	Protective Inspection
282 Produce Inspection	-	-		Public Protection	Protective Inspection
Subtotal	910,596	2.19	-		
283 Agricultural Easements	(3,089)	(0.01)		Public Protection	Other Protection
285 Contributions	-	-		Public Protection	Other Protection
290 Wastewater Eng.	-	-		Public Protection	Other Protection
291 Recorder	(83,769)	(0.20)		Public Protection	Other Protection
292 Coroner-Public Admin.	815,402	1.96		Public Protection	Other Protection
293 Planning & Building Inspection	2,824,779		23.90	Public Protection	Other Protection
294 Intergovernmental Affairs	589,843	1.42		Public Protection	Other Protection
295 Office of Emergency Prep	139,200	0.34		Public Protection	Other Protection
296 Animal Shelter	534,402		4.52	Public Protection	Other Protection
298 Litter Control	43,146		0.37	Public Protection	Other Protection
299 Environmental Impact	-		-	Public Protection	Other Protection
Subtotal	5,770,510	5.71	28.78		
Subtotal, Public Protection	**31,596,151**				
411 Health	3,345,692	8.06		Health & Sanitation	Health & Sanitation
414 Environmental Health	734,756	1.77		Health & Sanitation	Health & Sanitation
415 Mental Health	870,201	2.10		Health & Sanitation	Health & Sanitation
417 Alcohol & Drug Programs	(81,285)	(0.20)		Health & Sanitation	Health & Sanitation
420 Contribution-Health	56,927	0.14		Health & Sanitation	Health & Sanitation
421 Contribution-State	282,982	0.68		Health & Sanitation	Health & Sanitation
425 County Disposal Site	1,410,719	3.40		Health & Sanitation	Health & Sanitation
Subtotal	6,619,992	15.96	-		
430 Medical Care Services	6,261,502	15.09		Health & Sanitation	Hospital Care
436 Emergency Medical Svc	(28,000)	(0.07)		Health & Sanitation	Hospital Care
Subtotal	6,233,502	15.02	-		
440 Cal. Children's Services	719,816	1.73		Health & Sanitation	Cal. Children's Servic
Subtotal, Health Services	**13,573,310**				
501 Social Services	2,576,301	6.21		Public Assistance	PA-Administration
531 AFDC	1,296,681	3.12		Public Assistance	Aid Programs
535 Out of Home Care	1,106,748	2.67		Public Assistance	Aid Programs
548 Other Aids	-	-		Public Assistance	Aid Programs
551 Aid to Indigents	1,090,000	2.63		Public Assistance	Indegent Aid
559 Veterans' Services Office	200,367	0.48		Public Assistance	Veterans' Services
570 State Community Development	-	-		Public Assistance	Other Assistance
571 Federal Community Development	-	-		Public Assistance	Other Assistance
590 GAIN Program	-	-		Public Assistance	Other Assistance
592 Social Services-Other	52,800	0.13		Public Assistance	Other Assistance
593 Special Needs	-	-		Public Assistance	Other Assistance
594 Area Agency on Aging	83,067	0.20		Public Assistance	Other Assistance
595 Linkages Program	-	-		Public Assistance	Other Assistance
596 Health Screening-Fo.	-	-		Public Assistance	Other Assistance
Subtotal	6,405,964	15.43	-		
Subtotal, Social Services	**6,405,964**				
621 Agricultural Extension	296,061	0.71		Education	Agricultural Education
622 Agricultural Extension	-	-		Education	Agricultural Education
Subtotal	296,061	0.71	-		
750 Parks (See acreage factor below)	1,134,530	2.73		Recreation & Cultural	Recreation Facilities
755 Parks-Grant Projects	-	-		Recreation & Cultural	Recreation Facilities
Subtotal	1,134,530	2.73	-		
830 Short-Term Borrowing	-	-		Debt Service	Interest on Notes & W
840 Overhead Recovered	(4,105,566)	(9.89)		General	Overhead Recovered
850 Other Financing Uses	6,896,879	16.62		General	Other Financing Uses
Subtotal	3,925,843	9.46	-		
990 Contingency	2,100,000	5.06		General	Contingency
611 Library GF Support	331,021	0.80		Library	Library
Total General Fund	116,412,570	259.52	140.96		
300 Road Fund Expenditures	24,936,272				
Road Miles		1,265	19,712.47	(Based on road miles)	

Table 4-7— Base Revenue Data, County of Monterey

Total Resident Population	370,900
Unincorporated Population	104,800
Total Employees	88,340
Unincorporated Employees	26,802
Total Persons Served	415,070
Unincorporated Persons Served	118,201

Name	Total Revenue	Service Basis	Revenue Factor	Forecast Method
General Fund				
Property Taxes	33,591,179	n/a	n/a	Property Tax Model
Sales Tax	4,600,000	n/a	n/a	Sales Tax Model
Transient Lodging	8,800,000	n/a	n/a	Case Study
Franchise Taxes	813,000	118,201	$6.88	Multiplier
Property Transfer Tax	860,000	n/a	n/a	Property Tax Model
Licenses & Permits	3,669,576	n/a	n/a	Netted from costs
Fines & Forfeitures	6,011,964	118,201	$50.86	Multiplier
Motor Vehicle in Lieu	14,645,000	370,900	$39.49	Multiplier
Charges for Service	n/a	n/a	n/a	Netted from costs
Investment Earnings	32,048,126	n/a	3.30%	Estimate of earnings to revenu
Road Fund			0.73	
(Statewide Fuel Tax Model)				

Notes

Average PTAF (Seaside)	16.03794148
Average PTAF (Marina)	17.22747419
Average Unincorporated PTAF	12.66002215
Percent Property Tax Lost to ERAF	37.08%
Salinas Rural PTAF	7.66294779
Prop. 172 Sales Tax Rate	0.50%
Prop. 172 Sales Tax County Portion	96.18%
Transient Occupancy Tax Rate	12%

Table 4-8—Summary of Assessed Valuation by Planning Area

Assessed Valuation by Project Area	1995-96	1996-97	1997-98	1998-99	1999-00	
Marina						
Planned Residential District	-	34,425,000	68,299,478	101,724,433	134,781,910	305.3
Marina Civic Center	-	8,906,250	17,675,481	26,337,204	34,914,576	33.6
Mixed Use Corporate Center	-	-	3,684,450	7,308,167	10,880,829	30.5
Marina Village	-	-	-	-	-	
MBEST Cooperative Planning District	-	-	1,016,969	2,017,175	3,003,289	6.0
North Airport Light Indl/ Technology District	-	-	-	-	-	
Marina Municipal Airport District	-	-	1,698,840	3,369,677	5,016,973	9.7
Light Industrial/Technology Center	-	-	2,439,360	4,838,511	7,203,859	16.4
Subtotal	**-**	**43,331,250**	**94,814,578**	**145,595,167**	**195,801,436**	**401.8**
Seaside						
University Village	-	-	-	15,246,000	14,994,692	14.2
Seaside Golf Course	-	33,738,000	66,956,286	99,765,888	132,253,814	342.1
Seaside Residential Extension	-	-	-	-	-	
Gateway Regional Entertainment District	-	-	-	-	-	
Visitor Serving Hotels & Golf Courses	-	13,248,541	57,993,761	56,878,496	55,784,679	50.6
Subtotal	**-**	**46,986,541**	**124,950,046**	**171,890,384**	**203,033,185**	**406.9**
County						
Eucalyptus Road	-	-	-	-	-	
East Garrison District	-	-	1,742,400	3,456,079	5,145,614	14.2
MBEST Cooperative Planning District	-	-	-	-	-	6.0
D.R.O. Visitor Serving Hotel/Golf District	-	-	-	-	-	47.7
CSUMB Recreation/Habitat Mgt. District	-	-	871,200	1,148,197	1,133,213	1.0
University Corporate Center	-	-	-	-	-	
Del Rey Office Park R&D District	-	-	-	-	-	4.6
Subtotal	**-**	**-**	**2,613,600**	**4,604,276**	**6,278,827**	**73.7**

Table 4-9—Calculation of 6-Year RDA-General Fund Transfer Eligibility

6-Year General Fund Eligibility

	1995-96	1996-97	1997-98	1998-99	1999-00
Marina					
Planned Residential District	yes	time	time	time	time
Marina Civic Center	yes	yes	time	time	time
Mixed Use Corporate Center	yes	yes	yes	yes	time
Marina Village	yes	yes	yes	yes	yes
MBEST Cooperative Planning District	yes	yes	yes	yes	yes
North Airport Light Indl/ Technology District	yes	yes	yes	yes	yes
Marina Municipal Airport District	yes	yes	yes	yes	yes
Light Industrial/Technology Center	yes	yes	yes	yes	yes
Seaside					
University Village	yes	yes	yes	time	time
Seaside Golf Course	yes	time	time	time	time
Seaside Residential Extension	yes	yes	yes	yes	yes
Gateway Regional Entertainment District	yes	yes	yes	yes	yes
Visitor Serving Hotels & Golf Courses	yes	time	time	time	time
County					
Eucalyptus Road	yes	yes	yes	yes	yes
East Garrison District	yes	yes	yes	yes	yes
MBEST Cooperative Planning District	yes	yes	yes	yes	yes
D.R.O. Visitor Serving Hotel/Golf District	yes	yes	yes	yes	yes
CSUMB Recreation/Habitat Mgt. District	yes	yes	yes	yes	yes
University Corporate Center	yes	yes	yes	yes	yes
Del Rey Office Park R&D District	yes	yes	yes	yes	yes

Note: The cells with "yes" indicate that property tax from a project area may be used (in part) for General Fund purposes. Cells with "time" indicate that the 6-year clock has started. Cells with "no" indicate that property tax may not be used for General Fund purposes.

Table 4-10—Assessed Valuation Balance After Low/Moderate Income Housing Deduction

AV Balance After Housing Deduction

		1995-96	1996-97	1997-98	1998-99	1999-00	
Housing Percentage	20%						
Marina							
Planned Residential District		-	27,540,000	54,639,582	81,379,546	107,825,528	244,2
Marina Civic Center		-	7,125,000	14,140,385	21,069,763	27,931,660	26,9
Mixed Use Corporate Center		-	-	2,947,560	5,846,534	8,704,663	24,4
Marina Village		-	-	-	-	-	
MBEST Cooperative Planning District		-	-	813,575	1,613,740	2,402,631	4,8
North Airport Light Indl/ Technology District		-	-	-	-	-	
Marina Municipal Airport District		-	-	1,359,072	2,695,742	4,013,579	7,7
Light Industrial/Technology Center		-	-	1,951,488	3,870,809	5,763,087	13,1
Seaside							
University Village		-	-	-	12,196,800	11,995,754	11,3
Seaside Golf Course		-	26,990,400	53,565,028	79,812,710	105,803,051	273,7
Seaside Residential Extension		-	-	-	-	-	
Gateway Regional Entertainment District		-	-	-	-	-	
Visitor Serving Hotels & Golf Courses		-	10,598,832	46,395,009	45,502,797	44,627,743	40,4
County							
Eucalyptus Road		-	-	-	-	-	
East Garrison District		-	-	1,393,920	2,764,863	4,116,491	11,3
MBEST Cooperative Planning District		-	-	-	-	-	4,8
D.R.O. Visitor Serving Hotel/Golf District		-	-	-	-	-	38,2
CSUMB Recreation/Habitat Mgt. District		-	-	696,960	918,558	906,570	8
University Corporate Center		-	-	-	-	-	
Del Rey Office Park R&D District		-	-	-	-	-	3,7

Table 4-11—Tenth Year Base Assessed Valuation (For School Increment Calculation)

Tenth Year Base AV (For School Calculation)

	1995-96	1996-97	1997-98	1998-99	1999-00
Marina					
Planned Residential District	n/a	n/a	n/a	n/a	n/a
Marina Civic Center	n/a	n/a	n/a	n/a	n/a
Mixed Use Corporate Center	n/a	n/a	n/a	n/a	n/a
Marina Village	n/a	n/a	n/a	n/a	n/a
MBEST Cooperative Planning District	n/a	n/a	n/a	n/a	n/a
North Airport Light Ind'l/ Technology District	n/a	n/a	n/a	n/a	n/a
Marina Municipal Airport District	n/a	n/a	n/a	n/a	n/a
Light Industrial/Technology Center	n/a	n/a	n/a	n/a	n/a
Seaside					
University Village	n/a	n/a	n/a	n/a	n/a
Seaside Golf Course	n/a	n/a	n/a	n/a	n/a
Seaside Residential Extension	n/a	n/a	n/a	n/a	n/a
Gateway Regional Entertainment District	n/a	n/a	n/a	n/a	n/a
Visitor Serving Hotels & Golf Courses	n/a	n/a	n/a	n/a	n/a
County					
Eucalyptus Road	n/a	n/a	n/a	n/a	n/a
East Garrison District	n/a	n/a	n/a	n/a	n/a
MBEST Cooperative Planning District	n/a	n/a	n/a	n/a	n/a
D.R.O. Visitor Serving Hotel/Golf District	n/a	n/a	n/a	n/a	n/a
CSUMB Recreation/Habitat Mgt. District	n/a	n/a	n/a	n/a	n/a
University Corporate Center	n/a	n/a	n/a	n/a	n/a
Del Rey Office Park R&D District	n/a	n/a	n/a	n/a	n/a

Table 4-12—Assessed Valuation Balance After Schools Reduction

AV Balance After Schools Deduction

		1995-96	1996-97	1997-98	1998-99	1999-00	2004-05	
Marina								
Schools Percentage (Years 1-10)	13 %							
Schools 2nd Percentage (Years 11-30)	11 %							
Planned Residential District		-	24,077,898	47,770,745	71,149,181	94,270,592	213,550,190	2
Marina Civic Center		-	6,229,304	12,362,772	18,421,046	24,420,323	23,518,901	
Mixed Use Corporate Center		-	-	2,577,017	5,111,556	7,610,385	21,392,429	
Marina Village		-	-	-	-	-	-	
MBEST Cooperative Planning District		-	-	711,299	1,410,874	2,100,592	4,254,279	
North Airport Light Ind'l/ Technology District		-	-	-	-	-	-	
Marina Municipal Airport District		-	-	1,188,221	2,356,855	3,509,025	6,791,796	
Light Industrial/Technology Center		-	-	1,706,163	3,384,202	5,038,600	11,528,952	
Seaside								
Schools Percentage (Years 1-10)	12 %							
Schools 2nd Percentage (Years 11-30)	10 %							
University Village		-	-	-	10,726,473	10,549,663	10,008,490	
Seaside Golf Course		-	23,736,701	47,107,751	70,191,268	93,048,467	240,718,300	4
Seaside Residential Extension		-	-	-	-	-	-	
Gateway Regional Entertainment District		-	-	-	-	-	-	
Visitor Serving Hotels & Golf Courses		-	9,321,141	40,802,079	40,017,423	39,247,858	35,616,408	
County								
Schools Percentage (Years 1-10)	16 %							
Schools 2nd Percentage (Years 11-30)	13 %							
Eucalyptus Road		-	-	-	-	-	-	
East Garrison District		-	-	1,173,890	2,328,431	3,466,705	9,571,757	
MBEST Cooperative Planning District		-	-	-	-	-	4,087,421	
D.R.O. Visitor Serving Hotel/Golf District		-	-	-	-	-	32,185,136	
CSUMB Recreation/Habitat Mgt. District		-	-	586,945	773,564	763,469	737,629	
University Corporate Center		-	-	-	-	-	-	
Del Rey Office Park R&D District		-	-	-	-	-	3,137,424	

4.3.1 Highway Users Taxes—Tax Rates

As a result of the passage of Proposition 111 (June 1990) the $0.09 per gallon tax under the Motor Vehicle Fuel License Tax Law (beginning with §7301 of the Revenue and Taxation code and applicable to gasoline) and the $0.09 per gallon tax under the Use Fuel Tax Law (beginning with §8601 of the Revenue and Taxation code and applicable to diesel fuel) were both increased to $0.14 per gallon effective in August of 1990. Each tax rate was increased by $0.01 every January 1 through 1994, at which time each rate reached its current level of $0.18 per gallon.

The following paragraphs detail the apportionment of highway users tax revenue from the applicable sections of the Streets and Highways Code.

§2104

Under the Streets and Highways §2104, the net revenue from 2.035 cents ($0.02035) of the $0.18 per gallon tax on gasoline and 1.80 cents ($0.0180) of the $0.18 per gallon tax on diesel fuel is apportioned only to the counties in California. The apportionment of revenue for subdivisions [a] through [f] of §2104 are explained below.

The following steps are used to apportion the net revenues under §2104:

[a] Each county receives a monthly apportionment of $1,167 (an annual allocation of $20,004).

[b] The total reimbursable costs for snow removal on county roads filed for pursuant to §2152, or $5.5 million for the entire state, whichever is less is apportioned to counties as follows: (Note: this apportionment is provided for in §2110.)

(1) If the amount filed pursuant to §2152 is less than $5.5 million for the state, the total amount filed under §2152 is apportioned.

(2) If the total amount filed pursuant to §2152 is $5.5 million or more, it is apportioned by adding the reimbursable snow removal expenditures for the three preceding fiscal years for which the Controller has received reports pursuant to §2152, and dividing this amount by the total reimbursable snow removal expenditures from all the counties during these fiscal years.

[c] A total of $500,000 is payable to counties under §2104[c] for heavy rainfall and storm damage on county roads. This money is apportioned to certain counties (31 of the 58) based on fixed percentages as presented in the Streets and Highways §2110.5.

[d] Seventy-five percent of the funds payable under §2104 are apportioned among the counties based on the proportion of fee-paid and exempt vehicles registered in each county to the total number of fee-paid and exempt vehicles registered in the state.

[e] Of the remaining funds each county shall receive an amount computed monthly as follows: The number of maintained county road miles multiplied by $60 ($720 annually), less the amount received by the county under §2104[d]. The remainder, if any, shall be paid to the county.

[f] The remaining funds, after [a] through [e], are apportioned among the counties in the same proportion as in subdivision [d].

§2105

In July 1989, SB 300 amended §2105 to the Streets and Highways code to detail the method of apportionment for the additional highway users tax revenue generated by the passage of Proposition 111.

(a) County

Each county, including a city and county, in California is apportioned an amount based on 11.5% of the amount in excess of $0.09 per gallon as imposed under the Motor Vehicle Fuel License Tax Law (gasoline) and the Use Fuel Tax Law (diesel fuel). As a result, beginning in 1991, $0.00690 per gallon from each of the applicable taxes is apportioned under §2105. The apportionment methodology applicable to counties under §2105 is as follows:

(1) $1.0 million is apportioned in proportion to §2104 and §2106 received in the prior year.

(2) $1.0 million is apportioned based on (a) and (b) below:

(a) $750,000 is apportioned based on the proportion of fee-paid and exempt vehicles in the county to the fee-paid and exempt vehicle registration in the state.

(b) $250,000 is apportioned based on the proportion of the number of road miles maintained by the county to the number of road miles maintained by counties in the state.

(3) Determine a factor for each county, using the higher amount calculated in (1) or (2) divided by the sum of the higher amounts for all of the counties.

(4) The amount to be apportioned to counties is the factor as determined in (3) multiplied by the remaining amount to be apportioned to counties.

(b) City

Each city, including a city and county, in California is apportioned an amount based on 11.5% of the amount in excess of $0.09 per gallon as imposed under the Motor Vehicle Fuel License Tax Law (gasoline) and the Use Fuel Tax Law (diesel fuel). As a result, beginning in 1991, $0.00690

per gallon from each of the applicable taxes is apportioned under §2105. The apportionment methodology applicable to cities under §2105 is as follows:

(1) The proportion that the city population bears to the total population of all the cities in the state.

§2106

Under the Streets and Highways §2106, the net revenue from $0.0104 of the $0.18 per gallon tax imposed on gasoline is apportioned to the cities and counties in California. The following sections detail the apportionment of this revenue source.

(a) Each month, $400 is apportioned to each city, including city and county, and $800 is apportioned to each county, including city and county.

(b) $30,000 per month is transferred to the Bicycle Lane Account in the State Transportation Fund.

(c) The remaining funds are apportioned as follows:

(1) A base amount is calculated for each county using the same proportions of fee-paid and exempt vehicle registration as calculated for §2104[d].

(2) The ratio of Taxable Assessed Value (TAV) in the county outside of incorporated cities to total TAV subject to local taxes is applied to the base amount as calculated in (1) above. The resulting amount is distributed to the county.

(3) The difference between the base amount calculated in (c)(1) and the amount distributed as calculated in (c)(2) is apportioned to the cities in that county in the proportion that the population of each city bears to the total population of all cities in the county.

§2107

Under the Streets and Highways §2107, the net revenue from $0.01315 of the $0.18 per gallon tax on gasoline and a $0.0259 of the $0.18 per gallon tax on diesel fuel are apportioned to the cities, and cities and counties, in California. From the revenues collected, snow removal costs equal to one-half of the amount incurred in excess of $5,000, as detailed in the report filed pursuant to §2152, is apportioned to those cities who had such costs and filed pursuant to §2152. The remaining amount of revenue is apportioned based on the proportion that the total population of the city bears to the total population of all the cities in the state.

§2107.5

Under the Streets and Highways §2107.5, revenue is allocated to cities based on population as detailed in the following section:

(a)	Population over 500,000	$20,000
(b)	Population 100,000 to 500,000	10,000
(c)	Population 50,000 to 99,999	7,500
(d)	Population 25,000 to 49,999	6,000
(e)	Population 20,000 to 24,999	5,000
(f)	Population 15,000 to 19,999	4,000
(g)	Population 10,000 to 14,999	3,000
(h)	Population 5,000 to 9,999	2,000
(i)	Population less than 5,000	1,000

Table 4-13—Detail of Acreage Developed

Jurisdiction	Acres Added 1995/96	1996-97	1997-98	1998-99	1999-00	2001-05	2006-10	2011-15	Total
CITY OF MARINA									
Residential--Existing (Low)	-	52	52	52	52	207	-	-	413
Residential--Medium Density (6/ac)	-	6	6	6	6	-	-	-	25
Residential--High Density (8/ac)	-	11	11	11	11	75	43	44	206
Residential Attached--Townhouses (10/ac)	-	-	-	-	-	-	5	5	10
Office/R&D (SqFt)	-	-	2	2	2	7	7	7	29
Business Park/Light Industrial (SqFt)	-	-	10	10	10	34	30	15	108
UC MBEST (SqFt)	-	-	4	4	4	12	13	-	36
Retail Commercial--Convenience (SqFt)	-	-	-	-	-	-	1	1	2
Retail Commercial--Neighborhood (SqFt)	-	-	-	-	-	9	7	-	16
Retail Commercial--Regional (SqFt)	-	-	-	-	-	-	-	23	23
Hotel (Rooms)	-	-	-	-	-	-	15	-	15
Golf (Acres)	-	-	-	-	-	-	185	-	185
Open Space Habitat (Acres)	-	616	-	-	-	-	-	-	616
Parks (Acres)	-	-		58	-	-	-	-	58
Schools (Acres)	-	-	25	-	-	-	-	-	25
Public Facilities--Institutional	-	-	24	-	-	-	-	-	24
Public Facilities--Other	-	-	386	-	-	-	-	-	386
CITY OF SEASIDE									
Residential--Existing (10/ac)	-	6	6	6	6	-	-	-	24
Residential--Low Density (4/ac)	-	3	3	3	3	25	38	50	125
Residential--Medium Density (6/ac)	-	19	19	19	19	133	134	85	427
Residential--High Density (8/ac)	-	-	-	-	-	-	32	32	64
Residential Attached--Townhouses (10/ac)	-	-	-	-	-	-	5	5	10
Residential Attached--Apartments (20/ac)	-	-	-	-	-	-	5	5	10
Retail Commercial--Convenience (SqFt)	-	-	-	-	-	1	2	2	5
Retail Commercial--Neighborhood (SqFt)	-	-	-	14	-	-	-	9	23
Retail Commercial--Regional (SqFt)	-	-	-	-	-	-	-	23	23
Hotel (Rooms)	-	-	9	-	-	-	-	6	15
Golf (Acres)	-	350	-	-	-	-	-	-	350
Parks (Acres)	-	-	108	-	-	-	-	-	108
Schools (Acres)	-	10	25	25	25	-	-	-	86
Military (Acres)	-	77	-	-	-	-	-	-	77
Public Facilities--Other	-	-	60	-	-	-	-	-	60
MONTEREY COUNTY									
Residential--Medium Density (6/ac)	-	-	-	-	-	-	-	65	65
Office/R&D (SqFt)	-	-	2	2	2	12	17	26	61
Business Park/Light Industrial (SqFt)	-	-	-	-	-	-	14	45	58
UC MBEST (SqFt)	-	-	-	-	-	23	31	53	107
Retail Commercial--Convenience (SqFt)	-	-	-	1	-	5	-	-	6
Hotel (Rooms)	-	-	-	-	-	15	-	-	15
Golf (Acres)	-	-	-	-	-	149	-	-	149
Equestrian (Acres)	-	-	-	-	-	25	25	-	50
Parks (Acres)	-	-	617	-	-	-	-	-	617
Parks--State (Acres)	-	-	918	-	-	-	-	-	918
Military (Acres)	-	45	-	-	-	-	-	-	45
Public Facilities--Institutional	-	93	-	-	-	-	-	-	93
Public Facilities--Other	-	106	-	-	-	-	-	-	106
CSUMB PLANNING AREA									
Residential--Existing (Low)	-	59	59	59	59	-	-	-	236
Residential Attached--Apartments (20/ac)	-	49	49	49	49	194	194	194	777
Parks (Acres)	-	42	42	42	42	5	5	5	180
Schools (Acres)	-	23	23	23	23	93	93	93	373
POM ANNEX (SEASIDE)									
Detached Residential--existing	344	-	-	-	-	-	-	-	344
Detached Residential--planned	-	76	76	76	76	-	-	-	302

Table 4-14—Detail of Acreage Developed

TOTALS	Acres Added 1995/96	1996-97	1997-98	1998-99	1999-00	2001-05	2006-10	2011-15	Total
Residential--Existing (Low)	344	111	111	111	111	207	-	-	993
Residential--Existing (10/ac)	-	6	6	6	6	-	-	-	24
Residential--Low Density (4/ac)	-	79	79	79	79	25	38	50	427
Residential--Medium Density (6/ac)	-	25	25	25	25	133	134	150	517
Residential--High Density (8/ac)	-	11	11	11	11	75	75	76	270
Residential Attached--Townhouses (10/ac)	-	-	-	-	-	-	10	10	20
Residential Attached--Apartments (20/ac)	-	49	49	49	49	194	199	199	787
Office/R&D (SqFt)	-	-	4	4	4	19	24	33	90
Business Park/Light Industrial (SqFt)	-	-	10	10	10	34	44	60	166
UC MBEST (SqFt)	-	-	4	4	4	35	44	53	143
Retail Commercial--Convenience (SqFt)	-	-	-	1	-	6	3	3	13
Retail Commercial--Neighborhood (SqFt)	-	-	-	14	-	9	7	9	39
Retail Commercial--Regional (SqFt)	-	-	-	-	-	-	-	46	46
Hotel (Rooms)	-	-	9	-	-	15	15	6	45
Golf (Acres)	-	350	-	-	-	149	185	-	684
Equestrian (Acres)	-	-	-	-	-	25	25	-	50
Open Space Habitat (Acres)	-	17,081	40	40	40	4	4	4	17,211
Parks (Acres)	-	42	767	99	42	5	5	5	962
Parks--State (Acres)	-	-	932	-	-	-	-	-	932
Schools (Acres)	-	33	74	48	48	93	93	93	484
Military (Acres)	-	121	-	-	-	-	-	-	121
Public Facilities--Institutional	-	93	52	-	-	-	-	-	145
Public Facilities--Other	-	106	447	-	-	-	-	-	552