

Transition Recommendation

Presentation to FORA BOARD

November 4, 2016

*Steve Endsley, Assistant Executive Officer
Sheri Damon, Prevailing Wage/Risk Coordinator*

Transition Review History

- Finance Committee
 - December 8, 2015
 - February 1, 2016
- Executive Committee
 - March 30, 2016
- FORA Board
 - April 8, 2016
- Transition Task Force
 - April 27, 2016
 - May 11, 2016
 - May 25, 2016
 - July 13, 2016
 - August 2, 2016
 - August 29, 2016
 - October 24, 2016
- Administrative Committee
 - October 26, 2016
- Legislative Committee
 - October 31, 2016



- **Status Review**
 - Recommendation
 - CEQA Mitigations
 - Capital Improvement Plan (CIP)
- **Scenario Analysis**
 - Assumptions
 - 2020
 - 2030
- **Recommendation**



- **Recommend legislative extension through 2037**
 - Initiate Legislative Amendment Process
 - Continue 2020 Transition Planning

CEQA Mitigations (\$94-\$125M) ***

2020

Transportation/Transit

- Current FORA obligation: **Est. \$123 M**
- Post-2020 obligation: **Est. \$64.5 – 74.5M**
- On and Off-site project completion schedule: 2025
- Full completion schedule: 2037

Water Augmentation

- Current FORA obligation: **Est. \$24.3 M**
- Post-2020 obligation: **Est. \$15.6 M** (FORA's mitigation only)
- **Est. \$8.6 M** to be collected by 2020
- Completion schedule: 2018-2037, in phases

Habitat Management Plan/Habitat Conservation Plan (HCP)

- Current FORA obligation: **Est. \$44.8 M**
- Post-2020 obligation: **Est. \$14 – 35.7 M** for HCP endowments
- **Est. \$30.8 M** to be collected by 2020
- Completion schedule: 2037

***Base Reuse Plan (BRP) Obligations. Numbers updated from July 2016 CIP

2020 Transition Summary

Major Obligations	Assignments	Risk
Expenses		
Transportation/Transit	Jurisdictions – On-site and Off-site projects; TAMC – Regional Projects and Transit	\$64.5M
Water Augmentation	MCWD	\$15.5M
Habitat Management	Fort Ord Habitat Cooperative (JPA)	\$14M
Sub-Total		\$94M
ESCA Program	New Joint Powers Authority (JPA)	\$5-10M
Total		\$104M

Revenues		
CFD	Unassignable (Jurisdictions can enact new fees)	
Land Sales	Land sales revenues to jurisdictions	
Property Taxes	Property taxes end	

2016/17 CIP

	2015-16	2016-17	2017-18	Post FORA
Projects Funded by CFD Fees	CFD Revenues	\$ 6,739,869	\$ 9,971,890	\$ 12,283,933
	Other Revenues	\$ 447,472	\$ 788,800	\$ 1,751,053
	Cap Expend	\$ 11,018,364	\$ 11,626,650	\$ 13,330,306
	Balance	\$ -	\$ (3,831,023)	\$ (865,920)
Cumulative Balance	\$ 1,432,934.00	\$ (2,398,089)	\$ (3,264,010)	\$ 94,139,044
Projects Funded by Land Sales (LS) Revenues	Land Sale Revenue	\$ 480,187	\$ 9,785,170	\$ 9,785,170
	Building Removal (Exp)	\$ 1,000,000	\$ 4,269,844	\$ 2,319,844
	Building Removal Credit (Exp)	\$ -	\$ 6,460,000	\$ 6,460,000
	Building Removal Contingency (Exp)	\$ 1,589,000	\$ -	\$ -
	Balance L/S Revenue	\$ 6,825,018	\$ 4,716,205	\$ 3,771,532

CFD Revenue Sources

new residential	\$ 6,339,213	\$ 9,248,628	\$ 14,523,421	\$ 19,620,811	\$ 28,224,202
existing residential	\$ -	\$ -	\$ -	\$ 2,365,378	\$ 4,730,756
office	\$ 19,033	\$ 113,079	\$ 69,517	\$ 103,822	\$ 212,279
industrial	\$ -	\$ 9,975	\$ 12,023	\$ 51,444	\$ 20,925
retail	\$ 381,623	\$ 389,255	\$ 2,524,582	\$ 4,905,321	\$ 4,905,321
hotel rooms	\$ -	\$ 210,955	\$ 3,575,684	\$ 5,337,157	\$ 5,337,157

market performance

new residential	268	391	614	829
existing residential	0	0	0	333
office (acres)	6	36	22	33
industrial (acres)	0	3	4	17
retail (acres)	6	6	39	77
hotel (rooms)	0	40	678	1012

Market Adjusted - 2016/17 CIP

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Post-FORA
Projects Funded by CFD Fees	CFD Revenues		\$ 6,739,869	\$ 9,971,892	\$ 10,830,000	\$ 12,036,332	\$ 120,386,332
	Other Revenues		\$ 447,472	\$ 788,835	\$ 5,053,000	\$ 5,053,000	
	Cap Expend		\$ 11,018,364	\$ 11,626,650	\$ 10,000,000	\$ 10,000,000	\$ 126,785,988
	Balance	\$ -	\$ (3,831,023)	\$ (865,923)	\$ -	\$ -	\$ -
	Cumulative Balance	\$ 1,432,934.00	\$ (2,398,089)	\$ (3,264,012)	\$ -	\$ -	\$ -
Projects Funded by Land Sales (LS) Revenues	Land Sale Revenue		\$ 1,092,542	\$ 10,106,837	\$ 8,777,993	\$ 10,211,227	
	Building Removal (Exp)		\$ 1,000,000	\$ 4,269,844	\$ 2,319,844	\$ -	
	Building Removal Credit (Exp)		\$ -	\$ 6,460,000	\$ 6,460,000	\$ 6,505,408	
	Building Removal Contingency (Exp)		\$ 1,589,000	\$ -	\$ -	\$ -	
	Balance L/S Revenue	\$ 6,825,018	\$ 5,328,560	\$ 4,705,552	\$ 4,703,701	\$ 8,409,521	

CFD Revenue Sources

new residential	\$ 6,339,213	\$ 9,248,628	\$ 9,440,224	\$ 9,462,000
existing residential	\$ -	\$ -	\$ 710,800	\$ 710,800
office	\$ 19,033	\$ 113,079	\$ 6,952	\$ 10,382
industrial	\$ -	\$ 9,975	\$ 7,815	\$ 33,438
retail	\$ 381,623	\$ 389,255	\$ 252,458	\$ 490,532
hotel rooms	\$ -	\$ 210,955	\$ 1,072,705	\$ 1,601,147

Market adjusted performance projections

new residential (6/a)	268	391	399	400	3965
existing residential (6/a)	0	0	100	100	200
office (acres)	6	36	2	3	138
industrial (acres)	0	3	3	11	18
retail (acres)	6	6	4	8	185
hotel (rooms) (38/a)	0	40	203	304	1455

Scenario Assumptions

- Market Adjusted CIP
- FORA Extension
- Pay-as-you-Go Mitigations
- Property Tax continues
- Land Sales linked to Permit Count



Scenario Summary

Scenario	Assumptions	Outstanding Obligation	FORA Sunset Target
Scenario 0:	<ul style="list-style-type: none"> Permit projections adjusted based on market performance. 	\$ 126,785,988	2020
Scenario 1: All Mitigations + All Revenues	<ul style="list-style-type: none"> Permit projections adjusted based on market performance. All revenues (Property Tax (PT)/ Land Sales (LS) / Community Facilities District (CFD)) retained by FORA 	\$ 0	2030
Scenario 2: All Mitigations + LS Returned	<ul style="list-style-type: none"> Permit projections adjusted based on market performance. LS returned to jurisdictions. 	\$ 4,785,988	2030
Scenario 3: Partial Mitigations + LS Returned	<ul style="list-style-type: none"> Permit projections adjusted based on market performance. LS returned to jurisdictions. Regional Transportation/Transit to TAMC 	\$ 53,458,956	2026

Scenario Transition Summary

Scenario	ESCA	Transportation	Water Augmentation	HCP
Scenario 0:	<ul style="list-style-type: none"> JPA or County 	<ul style="list-style-type: none"> TAMC/MST Regional Local Jurisdictions 	<ul style="list-style-type: none"> MCWD 	<ul style="list-style-type: none"> JPA
Scenario 1: All Mitigations + All Revenues	<ul style="list-style-type: none"> JPA or County 7-10 years 	<ul style="list-style-type: none"> On/Off-site Complete Regional Complete 	<ul style="list-style-type: none"> Complete 	<ul style="list-style-type: none"> JPA Established Endowment Funded
Scenario 2: All Mitigations + LS Returned	<ul style="list-style-type: none"> JPA or County 7 years 	<ul style="list-style-type: none"> On/Off-site Complete Regional: \$4.8M to TAMC 	<ul style="list-style-type: none"> Complete 	<ul style="list-style-type: none"> JPA Established Endowment Funded
Scenario 3: Partial Mitigations + LS Returned	<ul style="list-style-type: none"> JPA or County 11 years 	<ul style="list-style-type: none"> On/Off-site Complete Regional: \$53.5M to TAMC & MST 	<ul style="list-style-type: none"> Complete 	<ul style="list-style-type: none"> JPA Established Endowment Funded

On/Off-site Transportation Obligations

Off-Site Improvements

Proj#	Description
1	Davis Rd north of Blanco
2B	Davis Rd south of Blanco
4D	Widen Reservation-4 lanes to WG
4E	Widen Reservation, WG to Davis
8	Crescent Ave extend to Abrams

On-Site Improvements

FO2	Abrams
FO5	8th Street
FO6	Intergarrison
FO7	Gigling
FO9C	GJM Blvd
FO11	Salinas Ave
FO12	Eucalyptus Road
FO13B	Eastside Parkway
FO14	South Boundary Road Upgrade

On/Off-site Transportation Obligations

Regional Improvements

<i>Proj#</i>	<i>Description</i>
R3a	Hwy 1-Del Monte-Fremont-MBL
R10	Hwy 1-Monterey Rd. Interchange
R11	Hwy 156-Freeway Upgrade

Transit Capital Improvements

<i>Proj#</i>	<i>Description</i>
T3	Transit Vehicle Purchase/Replace
T22	Intermodal Centers

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Questions?



Post-2020 Alternatives

A. Extend FORA with legislative authority for a fixed term. Requires legislation but not Army consent.

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Post 2020 FORA	
Building Removal Hazardous Waste	
Army ESCA Long-term Obligations	
Water Allocations	
CEQA Mitigations	

Land Sales <u>\$32.6M</u>	CFD/Dev Fees <u>\$91M</u>	Property Taxes <u>\$2-3M/year</u>
Dues <u>\$261K/year</u>	Franchise Fees <u>\$265K/year</u>	ESCA Admin <u>\$1M</u>

Revenue Sources

B. Assign responsibilities to a combination of entities such as FORA member agencies, regional, and state agencies. Requires Army and Regulatory Agency consent(s)

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New Entity or Assign to Existing	
Building Removal Haz. Waste	Jurisdictions
Army ESCA LTOs	(LAFCO) To Be Assigned
Water Allocations	(LAFCO) To Be Assigned
CEQA Mitigations	(LAFCO) Fair Share TBA

Land Sales <u>\$32.6M</u> Jurisdictions Receive	CFD/Dev Fees <u>\$0M or more</u> Requires New Fee Structure	Property Taxes <u>\$? /year</u> Percentage Change
Dues <u>\$? /year</u> Jurisdictions Receive	Franchise Fees <u>\$0M</u> Jurisdictions	ESCA Admin <u>\$0M/year</u> Unknown Grant Dependent

Revenue Sources

Post 2020 Jurisdictional Mitigation/Revenue Per CIP

Jurisdiction	MITIGATIONS	TOTAL Land Sales
Del Rey Oaks	\$13,707,293	\$0
Marina	\$32,810,309	\$11,945,634
County	\$15,419,753	\$3,645,529
Monterey	\$140,303	\$8,936,270
CSU	\$417,816	\$0
UC	\$4,260,112	\$0
Seaside	\$27,344,413	\$56,549,984
Totals	\$94,100,000	\$81,077,418

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