

**MINUTES**  
of the  
**FORT ORD REUSE AUTHORITY**  
**BOARD OF DIRECTORS' MEETING**  
**Fort Ord Reuse Authority Conference Facility/Bridge Center**  
**March 12, 2010**

1. CALL TO ORDER AND ROLL CALL

Chair Ralph Rubio called the March 12, 2010 Board of Directors meeting to order at 3:30 p.m. and requested a roll call.

Voting members present:

Chair/Mayor Rubio (City of Seaside)  
2<sup>nd</sup> Vice Chair/Councilmember McCall  
Supervisor Parker (County of Monterey)  
Mayor Edelen (City of Del Rey Oaks)  
Councilmember Kampe (City of Pacific Grove)  
Councilmember Gray (City of Marina)  
Councilmember Mancini (City of Seaside)

Mayor Pendergrass (City of Sand City)  
1<sup>st</sup> Vice Chair/Supervisor Potter (County of Monterey)  
Mayor McCloud (City of Carmel-by-the-Sea)  
Jim Cook (County of Monterey)  
Councilmember Selfridge (City of Monterey)

Absent was Councilmember Barnes (City of Salinas). Alternate Jim Cook represented Supervisor Calcagno.

Ex-Officio members present:

Noelle White (27<sup>th</sup> Assembly District)  
James Main (CSUMB)  
Vicki Nakamura (Monterey Peninsula College)  
Rob Robinson (BRAC)

George Blumenthal (UCSC)  
Debbie Hale (TAMC)  
COL Darcy Brewer (U.S. Army)  
Ken Nishi (Marina Coast Water District)

Absent were representatives from Monterey Peninsula Unified School District and the 15<sup>th</sup> State Senate District. Alec Arago (17<sup>th</sup> Congressional District) and Hunter Harvath (Monterey-Salinas Transit) arrived after the roll call had been completed.

With a quorum present Chair Rubio opened the meeting.

2. PLEDGE OF ALLEGIANCE

Chair Rubio led the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS AND ANNOUNCEMENTS

Chair Rubio welcomed Ms. White, who represented the 27<sup>th</sup> State Assembly District. He followed with a brief report on yesterday's Central Coast Veterans' Cemetery site marker event. Chair Rubio announced the groundbreaking celebration of the Monterey Peninsula College Education Center at Marina on April 15<sup>th</sup> at 2:00 and Vicki Nakamura distributed invitation cards to all. She said President Garrison would make a presentation about the project at next month's board

meeting. Executive Officer Houlemard reminded the board members that their Forms 700 are due April 1<sup>st</sup>.

#### 4. PUBLIC COMMENT PERIOD

An unidentified man expressed concerns about the lack of jobs in this area and the few jobs available are going to those who will take lower wages. He urged the FORA jurisdictions to enforce apprenticeships and finding mechanisms to hire locals and those with apprenticeship experience. Ron Chesshire from the Monterey/Santa Cruz Building Construction Trades Council stated that for the last three years the Council has been engaged in a lawsuit regarding payment of prevailing wages on former Fort Ord on behalf of FORA, which has been noticeably absent in supporting their efforts. He said current developers have been asking that the prevailing wage requirement be eliminated. He remarked that workers are protected by specific sections in FORA's Master Resolution, the transfer deeds and the implementation agreements and asked if FORA could provide any help. He asserted that the Council would persist in pursuing this issue.

#### 5. CONSENT AGENDA

Item 5a (February 11, 2010 board meeting minutes): Supervisor Parker said she had some non-substantive changes to "construction noise/ vibrations issues," Item 6bii under the General Jim Moore Boulevard road improvement project item and requested that her changes reflected clarifications to the text. There were no objections. **Motion to approve February 11, 2010 board meeting minutes, including Supervisor Parker's changes, was made by Supervisor Parker, seconded by Councilmember Mancini, and carried.**

#### 6. OLD BUSINESS

Item 6a – University of California Monterey Bay Education, Science and Technology Center (UC MBEST) – status report/update: Executive Officer Houlemard provided some background information about the UC MBEST Center, noting that it has been a central component of reuse in supporting the regional emphasis on education. He called attention to Congressman Farr's letter dated 3/11/10 to Chair Rubio in which Mr. Farr expressed concerns about the university's apparent intention "to sell off the MBEST parcel to the highest bidder."

Mr. Houlemard introduced UCSC Chancellor George Blumenthal, who spoke about the university's re-examination of their reuse of their parcels on former Fort Ord. He said that the university's priorities during its long-standing, sixteen-year working relationship with FORA had remained consistent with the promotion of its educational mission. He stated that the Fort Ord Natural Reserve must be maintained and the MBEST Center would continue to focus on economic development. A year ago, the university had selected a developer to move forward with these points in mind, however, current market conditions for developing research and development centers are no longer favorable. He reported that the campus leadership committee had advised continuing the MBEST Center as before but re-examining the other properties for other possible uses. Under discussion are selling the 8<sup>th</sup> Street parcel to acquire funds to build up the Center; continuing discussions with Monterey Institute of International Studies and Monterey County regarding the east campus parcel; pursuing other options for the west campus parcel and the central south campus with Marina.

He addressed Congressman Farr's misunderstandings in the latter's letter: (1) It is not the intention to "abandon the UC parcels" but to continue to focus academic research efforts on the

central north campus; (2) regarding “selling off to the highest bidder”: He replied yes, but the university will stay true to FORA’s guiding principles; (3) regarding the transfer of the Habitat Conservation Plan (“HCP”) responsibilities: He said the university plans to keep its commitment of the 600 acres of the HCP; (4) regarding obtaining cash from California land values: He responded that this is not realistic because of deed restrictions. Improvements to the land will benefit the future, and there is no justification to give the land away; (5) regarding the university’s efforts to obtain \$8 million in earmarks: He replied that the university was a member of the University Association Consortium, which is seeking funding for infrastructure; and (6) Chancellor Blumenthal said his 2006 letter to then Assemblymember John Laird stated the university had no plans to sell its Fort Ord lands, but changes since then have occurred. Holding the land now would limit job creation, which is one of MBEST’s goals.

Mayor McCloud asked what the next steps or timeline were, and Chancellor Blumenthal replied, “continuing current discussions with the agencies.” Councilmember McCall said the City of Marina would like to cooperate with the university and assist in the process underway. Supervisor Potter said he appreciated the clarity of Chancellor Blumenthal’s presentation and asked that the university sit down with the county’s redevelopment agency, adding that the county has partners that might be interested in the new direction. Supervisor Parker also encouraged working with redevelopment agencies in the area, because the university’s parcels are very important for job generation. Alec Arago noted a “budding frustration” with the steps that could have been taken during the previous 16 years, but were not, but agreed the decline of the dot com boom had been a major deterrent. Chair Rubio remarked that 16 years is a long time to wait to move forward with development and asked if the university was committed to full participation in the HCP (yes). He added that a land give-away is not anticipated but suggested that a transfer model could be negotiated with the local jurisdictions. Mayor Edelen requested that progress reports about twice a year from UCSC be agendaized for the Board. There were no public comments and Chair Rubio declared that the UC MBEST report had been received by the Board.

Item 6b – American Recovery and Reinvestment Act (“ARRA”) grant award update and modification recommendations: Executive Officer Houlemard provided an overview of the ARRA grant award and how it interrelates with FORA’s Capital Improvement Program (“CIP”). He called attention to the pie chart, which was a graphic replication of FORA’s CIP \$110 million project investment by jurisdiction to date. He clarified that the amount included roads, habitat, storm drainage projects, building removal and purchase of wild land fire equipment. He stated that \$60 million had been obtained from grants and \$50 million provided by FORA’s portion of land sales, the Community Facilities District and tax increment.

He reported that FORA has entered into a grant contract for \$12.6 million in road improvements on General Jim Moore Boulevard (“GJMB”). He said the original project included a number of road improvement items, some of which had to be value engineered out (removed) to bring project costs in line with initial estimates. When the bids came in lower than expected, restoring those items became a possibility. He said the object now is to pursue those items that could be restored and also be approved by the Economic Development Administration (“EDA”). He referred to the handout being distributed, which itemized the potential projects in categories along with their anticipated costs. Two categories were identified: Funds available for project adjustments and CIP/ARRA task force recommendations to the FORA Board. He said staff recommends all the items listed, adding that it’s not yet clear whether the three projects under deductive alternates would satisfy the ARRA requirements. He emphasized the following: (1) keep the funding local by knowing what Region IX EDA can and will agree to and approve; and (2) all projects must be construction-ready and completed within a specific window of time.

Mayor Edelen asked about the eligibility of a sound wall south of Coe Avenue, and Mr. Houlemard replied "likely." Mr. Edelen said the noise created by four lanes of traffic, particularly in the Del Rey Oaks section, would seem to support building this wall. Mr. Houlemard surmised that this section of the wall might have to be included in the GJMB Phase VI project. He emphasized to the Board that EDA would accept only one package from FORA; a piecemeal approach would not be acceptable, so the goal must be to include projects that will keep the dollars here. Council-member McCall stated that the 8<sup>th</sup> Street project (\$2.8 million for start up with a project total of \$5 million) needs to happen, because it will benefit many jurisdictions. **He made a motion to make it the top priority in the task force recommendation list, after the change order items, and to bump the other projects down. Councilmember Mancini seconded this motion.**

Discussion of this project followed. Supervisor Parker was sympathetic to the motion but said all projects are important. When she said the EDA process was not clear to her, Mr. Houlemard explained that FORA must put the package together and submit it to EDA. In order to obtain EDA approval, each project must meet the conditions as specified under the original ARRA grant. He clarified that the 8<sup>th</sup> Street project may actually be two projects, which he described. To his knowledge, neither of these have had design work or environmental review yet. He also said all ARRA projects must be completed before FORA is eligible to apply for another round of grants, which makes the items included in the current package important. Supervisor Potter recommended the staff recommendation and placing the projects in the package without priorities to reduce the risk of losing dollars. He said it is critical to know the EDA criteria, because job creation is riding on grant funding. **Council-member Mancini withdrew his second to the previous motion.** Mayor McCloud asked who the members of the task force were, and Mr. Houlemard replied that all jurisdictions are represented. Mayor McCloud supported taking the list back to the task force to come to a consensus. Mr. Houlemard added that board action on the project list is necessary in order to move forward. Chair Rubio recommended that all items removed from the initial project grant should be restored to assure that the grant funds stay local. Jim Cook remarked that delay by the Board increases the chance of losing dollars and supported directing the task force to reach a consensus. Councilmember Gray asked if all projects were approved by EDA, would FORA get to decide which ones to pursue? Mr. Houlemard replied that FORA only submits its list to the Seattle EDA office one time. If any project requires a change of match or scope, the final decision is made by the EDA Washington, DC, office, which is equivalent to their taking the dollars back. He suggested that the package await consensus by the task force at their earliest convenience and a final package be sent to EDA as soon as possible. Councilmember McCall repeated his request to include the 8<sup>th</sup> Street project. **Councilmember Kampe recommended that staff prepare the list, based on Supervisor Potter's previously mentioned criteria/conditions for comparison purposes. He restated this as a motion, which was seconded by Supervisor Potter.** A friendly amendment was accepted and added that the CIP/ARRA Task Force review the list and reach consensus. Chair Rubio expressed concern that if the 8<sup>th</sup> Street project remains on the list, something in the GJMB project might fall out. Discussion followed. Mayor McCloud asked for a 5-minute recess, which was not supported. Requests to restate the motion came from Doug Yount and Linda Stiehl, Deputy Clerk. **The final motion was that: (1) the staff recommendation to pursue the recommended modifications via the construction contract award, as listed on the handout distributed at the board meeting, be approved with one change, namely moving the 8<sup>th</sup> Street project to #5 and the South Boundary Road dropping to #6 in the deductive alternates list; (2) the CIP/ARRA Task Force review this list before sending it to EDA; (3) Supervisor Potter's criteria, based on known EDA criteria, be used as a guideline by the task force; and (4) the final package be submitted to EDA as soon as possible. This motion was approved unanimously.**

Item 6c – Fort Ord Reuse Authority Master Resolution: minor corrections: Executive Officer Houlemard provided a brief overview of the item and recommended adoption of the staff recommendation. Mayor McCloud recommended that the Executive Officer's bonding requirement in Section 2.04.020 be reinstated. **Motion to adopt Resolution #10-06 approving minor corrections to the FORA Master Resolution, and reinstating the requirement that the Executive Officer be bonded, was made by Councilmember Mancini, seconded by Supervisor Potter, and carried.**

Hunter Harvath left the meeting at this time and Mike Gallant, the alternate assumed his seat at the board table. Alec Arago also departed.

## 7. NEW BUSINESS

Item 7a – AB 1791 (Monning) – tax increment assistance legislative adjustments:

Item 7ai – Approve Resolution #10-05 supporting AB 1791 and

Item 7aia – Request letters and/or resolutions of support from the jurisdictions:

Executive Officer commented that modification of tax increment law was in the approved 2010 Legislative Agenda and urged the jurisdictions to send representatives, preferably their electeds, to the Assembly Local Government Committee hearing on April 7<sup>th</sup>. **Motion to approve Resolution #10-05 supporting AB 1791 and request letters and/or resolutions of support from the jurisdictions was made by Councilmember Mancini and seconded by Supervisor Parker.** There were no public comments, and **the motion carried.**

## 8. EXECUTIVE OFFICER'S REPORT

There were four items in this report: Item 8a (Administrative Committee report), Item 8b (Executive Officer's travel report), Item 8c (Habitat Conservation Plan – status report) and Item 8d – ADMINISTRATIVE CONSISTENCY DETERMINATION FOR ENTITLEMENT: Marina's Community Hospital of the Monterey Peninsula Project. **Re Item 8c:** Executive Officer Houlemard reported considerable progress with all entities engaged, adding that significant differences remain to be resolved among the members regarding the voting and governance issues related to the joint powers authority. **Re Item 8d:** Mr. Houlemard reported that FORA had received no requests for appeals, so a hearing is not necessary. According to Section 8.02.030 of the FORA Master Resolution, he said this consistency determination is deemed approved.

COL Brewer announced that the ribbon cutting celebrating the groundbreaking and grand opening of The Parks was scheduled for 2:00 p.m. on April 9<sup>th</sup>. The location is 15<sup>th</sup> Infantry and 4<sup>th</sup> Streets. Invitations will be sent closer to the date of the event.

## 10. ADJOURNMENT

There being no further business, Chair Rubio adjourned the meeting at 5:15 p.m.

Minutes prepared by Linda Stiehl, Deputy Clerk

Approved by \_\_\_\_\_  
Michael A. Houlemard, Jr., Executive Officer/Clerk