Attachment A to Item 8b
FORA Board Meeting, 9/19/14

The Economics of Land Use

Final Report

Fort Ord Capital Improvement Program Review—Phase III

Prepared for:

Fort Ord Reuse Authority

Prepared by:

Economic & Planning Systems, Inc.

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Economic & Planning Systems, Inc.
2295 Gateway Oaks Drive, Suite 250
Sacramento, CA 95833-4210
916 649 8010 tel
916 649 2070 fax

Oakland
Sacramento
Denver
Los Angeles

www.epsys.com

EPS #132143

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1. INTRODUCTION AND OVERVIEW

This report presents the findings of the Fort Ord Reuse Authority (FORA) Capital Improvement Program (CIP) review—Phase III, completed by Economic & Planning Systems, Inc. (EPS).

On June 20, 2014, the FORA Board approved an adjustment to the Basewide Development Fee Schedule and Community Facilities District (CFD) Special Tax (Development Fee and CFD Special Tax). This adjustment was based on the technical analysis completed by EPS over the preceding months as part of the Phase III CIP review process. The primary objective of this report is to document the final results of the technical analysis, providing a comprehensive discussion of key analysis inputs, assumptions, and variables.

Phase I and II CIP Review

In 2010, FORA retained EPS to conduct a detailed review of the FORA CIP. Through this "Phase I" effort, EPS suggested immediate actions to implement an interim Development Fee and CFD Special Tax, as well as ongoing strategies and actions to update the basewide financing strategy. The purpose of the initial CIP review was to identify short-term updates or modifications to the CIP and related one-time Development Fee and CFD Special Tax that could be implemented by the FORA Board and would maintain FORA's ability to meet required California Environmental Quality Act (CEQA) mitigation measures, minimize risk to FORA and its member agencies, and facilitate the ability of private developers to proceed with development projects in FORA's member jurisdictions.

As a result of the Phase I CIP Review, EPS recommended a multiphased approach aimed at ensuring the CFD Special Tax, when considered with all other revenue sources, enables FORA to fulfill its reuse obligations at Fort Ord. This approach included recommendations for immediate actions, as well as longer term ongoing financing strategy implementation recommendations.

FORA's immediate actions included reducing the Development Fee and CFD Special Tax by 27 percent through reorganizing, recategorizing, and eliminating certain CIP project contingencies.

In 2012 and 2013, EPS undertook the Phase II CIP effort, which was intended to provide further consideration of the appropriate CFD Special Tax level, given additional analysis of key variables likely to impact the requisite CFD funding levels. The Phase II CIP Review included developing an analytical framework for computing the Development Fee and CFD Special Tax rates that would mitigate ongoing issues and concerns regarding risk and uncertainty. This "formulaic approach" was implemented through FORA Board Resolution 12-5 and amendments to the individual implementation agreements with FORA jurisdictions. Calibration of the Development Fee and CFD Special Tax in accordance with the formulaic approach resulted in an additional 23.6-percent rate reduction.

The primary components of the formula and key elements of the implementation agreement amendments resulting from the Phase II CIP Review are described below.

Updated Development Fee and CFD Special Tax

At the August 29, 2012, board meeting, FORA adopted a Development Fee and CFD Special Tax formula that takes into account all potential revenue sources and costs in establishing the rates. Under the formula, authorized CIP improvements are funded by the Development Fee and CFD Special Taxes after applying all available property tax revenues, grant funds, and land sales and lease proceeds. The FORA Board periodically will adjust the Development Fee and CFD Special Tax following a comprehensive review of all potential costs and revenues, with the goal of establishing a process and formula that is defined, predictable, and transparent to all stakeholders. The formulaic approach provided an analytical framework to match FORA revenue sources to FORA obligations and set an appropriate fee level consistent with those obligations.

Under the formulaic approach, improvements authorized for Development Fee and CFD Special Tax funding include the following cost categories:

- Transportation/Transit Improvements.
- Water Augmentation Improvements.
- Habitat Management Endowment Requirements.
- Fire Fighting Equipment ("Rolling Stock").
- Other Costs and Contingencies:
  - Transportation/Transit Cost Contingency.
  - Utility and Storm Drainage Cost for restoration of storm drainage sites and relocation of utilities on State Parks land.
  - Pollution Legal Liability (PLL) Insurance Costs.
  - CFD Administration Costs.

The approach sets forth the following steps to compute adjustments to the Development Fee and CFD Special Tax Rates:

1. Determine total remaining CIP costs.
2. Determine source and amount of funds:
   a. Fund Balance.
   b. Grant Money.
   c. CSU Mitigation Fees.
   d. Loan Proceeds.
   e. Land sales revenues/proceeds net of a required credit/offset equal to the amount of monies advanced to construct CIP improvements in excess of remaining building removal program estimated costs and lease revenues not required for other obligations.
   f. FORA Property Tax Revenues.

3. Subtract these funding sources from CIP costs to determine net costs to be funded by Development Fee and CFD Special Tax.

4. Compute anticipated total Development Fee and CFD Special Tax funding using prior-year rates and current land use assumptions, based on the current FORA CIP.

5. Compare amount needed (under Step #3) to amount generated under Step #4, and calibrate Development Fee and CFD Special Tax Rate accordingly.

Figure 1-1 provides an illustration of the steps necessary to compute adjustments to the Development Fee and CFD Special Tax Rate.

Phase III CIP Review

The Phase III CIP Review was intended to further efforts completed under Phases I and II by further calibrating the Development Fee and CFD Special Tax through application of updated inputs to the formulaic approach and consideration of several key issues.

This Phase III study therefore provides an evaluation of the FORA CIP through the framework of the formulaic approach, culminating in a recommended adjustment to the Development Fee and CFD Special Tax. As part of the Phase III update, EPS applied updated development forecasts provided by the local land use jurisdictions, updated CIP costs in accordance with the Fiscal Year (FY) 2014-15 CIP, and calibrated the HCP endowment funding requirement accordingly. Over the course of the formula update, EPS evaluated and made recommendations regarding several key issues that informed development of the ultimately adopted FY 14-15 CIP. These key issues are summarized in the sections to follow.

MCWD Voluntary Water Contribution

The FY 2014-15 CIP reflects elimination of the $21.7 million MCWD "Voluntary Water Contribution." Prior versions of the CIP included this cost in an effort to ease the MCWD capacity fee burden resulting from needed Fort Ord water augmentation improvements. In September 2013, MCWD issued a revised Financial Plan and Rate and Fee Study, which included an update to the MCWD Capacity Fee, a one-time charge assessed when new connections are added to the water or wastewater system or when existing connections are increased in size. Because MCWD and FORA do not have a collection agreement in place to assure the transfer of funds from FORA to MCWD, the updated charge calculations did not consider the FORA Voluntary Water Contribution.

The MCWD Financial Plan and Rate and Fee Study therefore include the full cost of needed Fort Ord water and wastewater system improvements. As new development proceeds and new connections are added to the system, builders will be required to pay the Capacity Fee in effect at that time. New development also will be required to pay the FORA Development Fee and CFD Special Tax.

If the FORA Development Fee and CFD Special Tax were to include the FORA Voluntary Water Contribution, there likely would be overlap between the costs funded by each program. To resolve this potential overlap, EPS recommended that FORA remove the Voluntary Water Contribution from the FORA CIP and adjust the Development Fee and CFD Special Tax accordingly. The FORA Board adopted this recommendation, which is reflected in the FY 2014-15 CIP.

HCP Endowment Payout Rate and Contingency

The FORA CIP includes a substantial Habitat Conservation Plan (HCP) contingency provision (approximately $20.3 million for FY 2014-15). This contingency is intended to provide additional habitat management funds, should the assumed payout rate for the endowment funds be less than current estimates. At the FORA Board's direction, EPS and FORA staff evaluated whether this contingency should be maintained as part of the Phase III update.

FORA dedicates a portion of all Development Fee and CFD Special Tax collections to capitalizing the HCP Endowment. The HCP model developed by EPS (discussed more fully in the following chapter) computes the endowment capitalization requirement based on estimated development absorption and associated Development Fee and CFD Special Tax payments. The overall endowment fund capitalization requirement depends on the timing of contributions to the fund, as interest accruals on deposits comprise a substantial component of revenues that ultimately will provide the requisite levels of endowment funding. If contributions to the HCP Endowment Fund are delayed, there may be insufficient revenues to capitalize the endowment fully and fund HCP costs.

EPS, FORA staff, and the FORA Board have concerns regarding the potentially aggressive nature of the current development projections. If development does not proceed at currently projected rates, the revenues on which the current HCP Endowment capitalization requirements are computed may not materialize or may be substantially delayed. In addition, other uncertainties relative to the HCP remain, including the HCP Endowment holder, payout rate, and other variables.

Given these concerns and uncertainties, EPS recommended the FORA Board maintain the $20.3 million HCP contingency. Upon approval of the HCP and selection of an HCP Endowment holder, EPS recommends the FORA Board conduct a detailed review of HCP costs and contingencies. At that time, it may be appropriate to reduce the contingency if there is more certainty regarding the endowment payout rate and other key variables, but EPS advises that the FORA Board continue to maintain some contingency provisions that will accommodate slower-than-projected development absorption.

Transportation Costs and Contingencies

The FORA CIP maintains a 15-percent contingency on all transportation costs, resulting in approximately $17.7 million in transportation contingency costs in the current CIP. As part of the Phase III CIP Review process, the FORA Board requested that EPS evaluate this contingency and develop recommendations regarding whether the contingency should be maintained, eliminated, or otherwise adjusted.

Much of the current FORA transportation cost estimates were developed as part of the FORA Fee Reallocation Study, prepared by the Transportation Agency for Monterey County (TAMC) in April 2005. Transportation cost estimates included in the CIP have not been updated since that time. Given substantial uncertainty regarding FORA construction and transportation system funding obligations, EPS recommended that the full transportation contingency be maintained. Future updates should consider refined transportation cost estimates, coordinated with the update of the 2005 FORA Fee Reallocation Study. The FY 2014-15 CIP therefore maintains a $17.7 million transportation cost contingency.

Other CIP Adjustments

Other minor cost adjustments are reflected in the FY 2014-15 CIP. These changes include the following items:

- Removal of $3.5 million of additional storm drainage and utility costs.
- Removal of $3.0 million PLL insurance costs (shifted to land sale revenues).
- Fire fighting equipment cost retired.
- HCP Endowment requirements calibrated.
- Other CIP cost items indexed.

Phase III Formulaic Approach Results

Table 1-1 summarizes the recommended Development Fee and CFD Special Tax adjustment resulting from the calibration of total CIP costs and projected sources of other revenues that will be available to fund CIP costs. As identified here, the Phase III CIP review resulted in a proposed 17.0-percent downward adjustment of the Development Fee and CFD Special Tax. The FY 2012-13 rate for a new residential unit of $27,180 (reflecting the Phase II adjusted rate of $26,440, plus annual CCI index adjustments) therefore would be reduced to $22,560.

Table 1-2 offers additional detail regarding the mechanics of the proposed adjustment. The formula takes into consideration total expenditures eligible to be funded by Development Fee and CFD Special Tax revenues and other estimated sources of funds that may be used to offset CIP costs to determine the total Development Fee and CFD Special Tax revenue required. The total Development Fee and CFD Special Tax revenue requirement then is compared to the estimated total Development Fee and CFD Special Tax revenue generated, based on current land use projections (Fiscal Year [FY] 2014–15 CIP) and the current Development Fee and CFD Special Tax rate (see **Table 1-3**). The adjustment factor is derived based on the relation between the Development Fee and CFD Special Tax revenue requirement and the projected revenue generated, based on the current rate structure. Additional detail on each component is provided below:

- **Remaining CIP and Other Costs.** FORA and EPS estimate remaining CIP costs total approximately $223 million. In addition, the land sale revenue shall fund repayment of the $18.0 million loan balance against the Preston Park property, and the Development Fee and CFD Special Tax shall repay $6.8 million in funds advanced for FORA loans (Preston Park and line of credit) to construct CIP facilities. The $6.8 million repayment will help offset FORA operations costs through 2020. Total expenditures therefore are roughly **$248 million**.

- **Estimated Sources of Funds.** Other revenue sources may be available to offset a portion of the costs described above. Based on the categories of funding identified in the formulaic approach and the estimated revenue generated as detailed in this report, approximately **$85 million** in other sources of funds will be available to fund CIP and other costs.

- **Development Fee and CFD Special Tax Revenue Required.** Netting the $85 million in other revenues off of the total $248 million in CIP and other costs results in approximately **$163 million** in costs that will be funded by the Development Fee and CFD Special Tax.

- **Maximum Development Fee and CFD Special Tax Revenue.** Based on current land use projections and the existing Development Fee and CFD Special Tax rates, EPS estimates the Development Fee and CFD Special Tax will generate approximately **$196 million** in revenue.

- **Development Fee and CFD Special Tax Rate Adjustment Factor.** The Development Fee and CFD Special Tax rate adjustment factor is derived by comparing the CFD Special Tax revenue requirement to the estimated Maximum Development Fee and CFD Special Tax Revenue. The actual revenue requirement is approximately **83 percent** of the currently projected maximum Development Fee and CFD Special Tax revenue, suggesting the FORA Board could adjust rates downward by 17.0 percent and still meet the Development Fee and CFD Special Tax revenue requirement.

On June 20, 2014, the FORA Board adopted the proposed Development Fee and CFD Special Tax adjustment as described in this section. The remainder of this report offers additional detail regarding the analytical process. In addition to this introductory chapter, this report includes the following chapters:

- **Chapter 2** details the land use and development absorption assumptions used to derive the formulaic approach results.

- **Chapter 3** offers an overview of the CIP costs included in the formulaic approach, including a detailed overview of how EPS derived habitat management costs.

- **Chapter 4** details the methodological basis used to derive each of the sources of other funds available to offset CIP costs, based on the formulaic approach.

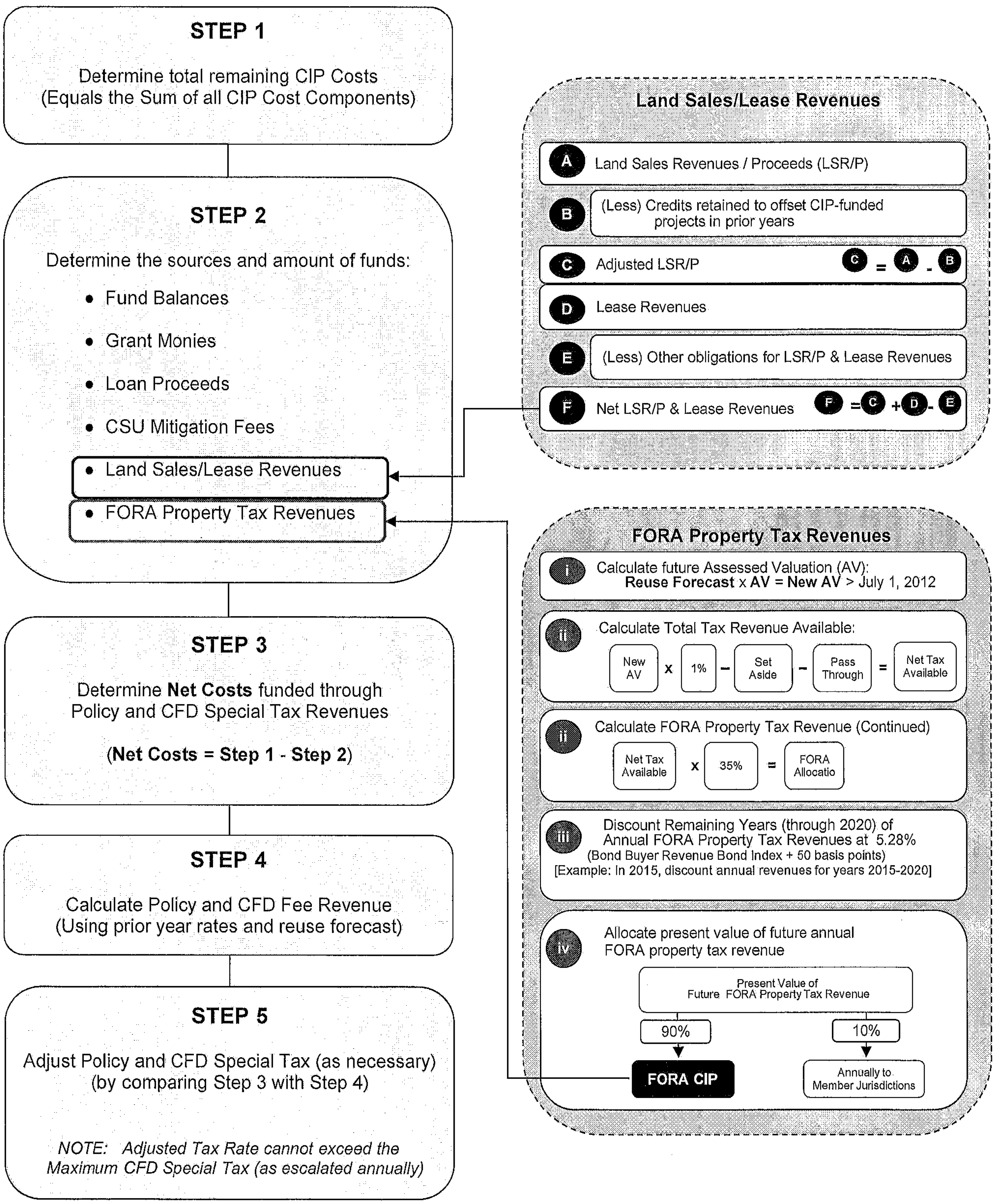
In addition, this report includes the following appendices:

- **Appendix A** includes detailed calculations relating to the estimated property tax revenues received by FORA.

- **Appendix B** details the methodology used to derive estimated FORA land sale revenues.

- **Appendix C** contains the detailed Habitat Conservation Plan cash flow analysis.

Figure 1-1
Periodic Process to Update
Basewide Development Fee Schedule
and CFD Special Tax



process

Table 1-1
FORA Phase III CIP Review
CFD Special Tax Options

		Development Fee Policy/CFD Special Tax			
Land Use	**Basis**	**Existing Rate**	Preliminary Adjusted Rate	Difference	Percentage Change
		July 1, 2013	*June 5, 2014*		
			ROUNDED		
New Residential	per du	**$27,180**	**$22,560**	($4,620)	-17.0%
Existing Residential	per du	**$8,173**	**$6,780**	($1,393)	-17.0%
Office & Industrial	per acre	**$3,567**	**$2,960**	($607)	-17.0%
Retail	per acre	**$73,471**	**$60,980**	($12,491)	-17.0%
Hotel	per room	**$6,065**	**$5,030**	($1,035)	-17.0%

prel_tax

Sources: FORA and EPS.

Table 1-2
FORA Phase III CIP Review
Calculation of CFD Special Tax Funding Required

Step/	Item	Calculation	Amount
STEP 1	**Remaining Capital Improvement Program and Other Costs**		
(Tables 3-1, 3-2a & b, Appendix C)	Transportation/Transit	a	$118,180,000
	Water Augmentation - CEQA mitigation	b	$24,016,000
	Water Augmentation - voluntary contribution	c	$0
	HCP Endowment [1]	d	$40,110,000
	HCP Endowment Contingency	e	$20,283,000
	Fire Fighting Equipment	f	$0
	Contingency (MEC, Soil mgt. plans, insurance retention, etc.)	g	$17,727,000
	Additional Utility and Storm Drainage Costs	h	$0
	Other Costs (PLL Insurance)	i	$0
	Other Costs (CFD Administration)	j	$2,400,000
	Subtotal CIP Costs	**k = sum (a to j)**	**$222,716,000**
	Preston Park Land Sale Loan Repayment [2]	l	$18,000,000
	Developer Fee Repayment to Land Sale Revenue Account [3]	m	$6,793,000
	Total Costs	**n = k + l + m**	**$247,509,000**
STEP 2	**Estimated Sources of Funds**		
(Tables 4-1, 4-2, Appendices A & B)	Existing Fund Balances [4]	o	$0
	Existing Fund Balance for HCP Endowment [5]	p	$6,043,000
	Grants	q	$0
	CSU Mitigation Fees	r	$0
	Loan Proceeds	s	$0
	FORA Property Tax Revenues	u	$11,221,000
	Land Sale Revenues [6]	t	$67,612,000
	Other Revenues	v	$0
	Total Sources of Funds	w = sum (o to v)	**$84,876,000**
STEP 3	**CFD Special Tax Revenue Required**		
	CFD Special Tax Revenue	x = n - w	**$162,633,000**
	FORA CFD Special Tax Revenue Summary		
STEP 4 (Table 1-3)	Estimated Policy & CFD Special Tax Revenue - Current Estimates [7]	y	$195,943,000
	Net Cost Funded by Policy and CFD Special Tax Revenue	z = x	$162,633,000
	CFD Special Tax Required as a % of Maximum	aa = z / y	**83.0%**
STEP 5	**Adjustment Factor Applied to Prior Year CFD Special Tax Rate**	(Rounded)	**83.0%**

cip_fund_1

Source: FORA and EPS.

Amounts rounded to the nearest thousand.

[1] Includes existing fund balance for habitat mitigation.
[2] Reflects entire loan amount outstanding against Preston Park property to be paid off by land sale revenues.
[3] Reflects amount borrowed against land sale revenue account to construct CIP improvements. This amount must be repaid by developer fee revenues, and may be used to offset FORA operation costs (see Table B-1).
[4] Existing fund balance provided by FORA as of April 2014.
[5] Equals existing fund balance for habitat mitigation as of April 2014.
[6] Reflects land sale revenue available after building removal obligations are met.
[7] Based on remaining development subject to Basewide Development Fee Policy & CFD Special Tax and current rates.

Table 1-3
FORA Phase III CIP Review
Estimated CFD Tax Revenues

Land Use	Remaining Development	Existing CFD Tax Rate (FY 2013/14)	Total CFD Revenue
Residential	*Units*		
New Residential [1,2]	6,130	$27,180	$166,613,400
Employer Based Housing [3]	492	$1,359	$668,628
Existing/Replacement Residential	0	$8,173	$0
Total Residential	**6,622**		**$167,282,028**
Nonresidential Revenues	*Acres*		
Office	142.2	$3,567	$507,354
Industrial	44.4	$3,567	$158,369
Retail	161.6	$73,471	$11,872,752
	Rooms		
Hotel	2,120	$6,065	$12,857,800
Total Nonresidential			**$25,396,275**
Total Residential and Nonresidential [4]			**$192,678,303**
Plus Preston Park			$3,265,000
TOTAL CFD Revenue			**$195,943,303**

tax_rev

[1] Cypress Knolls units charged the new residential rate.
[2] Includes 400 Cypress Knolls units, which do not count towards the 6,160 unit threshold.
[3] CSUMB North Campus housing anticipated to meet employer based housing requirements and would be charged the associated reduced rate equal to 1/20 of the new residential rate.
[4] Assumes no discount for affordable housing above the minimum requirement.

2. LAND USE AND ABSORPTION ASSUMPTIONS

According to the process set forth by the formulaic approach, the current FORA CIP buildout assumptions provide the basis for updating the Development Fee and CFD Special Tax. This chapter provides a synopsis of the development assumptions set forth in the current FORA CIP, adopted by the FORA Board on June 20, 2014.

The current CIP identifies development as forecasted to occur by the individual FORA land use jurisdictions. The CIP forecasts identify development projected to absorb by 2022. To remain consistent with the CIP and the methodology established by the Phase II CIP review process, this analysis includes all projected development. Revenues and CIP expenditures expected to occur after FORA's sunset in 2020 are identified as post-FORA revenues and expenditures.

Table 2-1 summarizes the total new land uses projected to absorb. As shown in this table, the current CIP estimates the following absorption by land use category:

- 6,363 residential units (includes both affordable and market-rate housing units—excludes 492 California State University Monterey Bay [CSUMB] employer-based housing units).
- 2.2 million square feet of office development.
- 774,000 square feet of industrial development.
- 1.8 million square feet of retail development.
- 2,100 hotel rooms.

For purposes of the property tax calculations discussed later in this report, **Table 2-2** summarizes the total forecasted development excluding any uses not subject to payment of property tax.

Finally, **Table 2-3** summarizes the projected absorption of land uses on property that has not yet been transferred to private ownership. This table informs the computation of future land sale revenues discussed later in this report.

Table 2-1
FORA Phase III CIP Review
Jurisdictional Forecasts: Projected Absorption by Land Use [1]

Item	Residential [2,3]	Nonresidential Office	Nonresidential Industrial	Nonresidential Retail	Hotel
Year	*units*	*square feet*			*rooms*
2013-14	233	14,000	0	0	0
2014-15	164	177,000	29,500	154,000	100
2015-16	227	62,000	29,500	62,300	600
2016-17	623	356,552	130,820	222,500	670
2017-18	1,048	185,552	99,500	198,500	330
2018-19	1,165	507,552	174,092	749,500	0
2019-20+	2,903	879,867	310,183	373,000	420
Total	**6,363**	**2,182,524**	**773,595**	**1,759,800**	**2,120**

abs

Source: FORA.

[1] Reflects jurisdictional forecasts used for purposes of FY 2014/15 CIP.
[2] Includes demand for both affordable and market rate housing. Excludes CSUMB Employer Based housing units.
[3] Includes 174 units from The Promontory Project and 400 Cypress Knolls units, which do not count towards the 6,160 unit threshold.

Table 2-2
FORA Phase III CIP Review
Summary of Total Annual Forecasted Development - Taxable Uses

	Taxable Land Uses				
		Nonresidential [2]			
Item	Residential [1]	Office	Industrial	Retail	Hotel
Year	*units*	*square feet*			*rooms*
2013-14	198	14,000	0	0	0
2014-15	139	177,000	14,750	154,000	100
2015-16	193	62,000	14,750	62,300	600
2016-17	530	336,552	106,070	222,500	670
2017-18	891	165,552	74,750	198,500	330
2018-19	990	437,552	149,342	749,500	0
2019-20+	2,468	819,867	235,933	373,000	420
Total	**5,409**	**2,012,524**	**595,595**	**1,759,800**	**2,120**

land_use

Source: FORA and EPS.

[1] Excludes residential non-taxable uses: CSUMB, Portion of Marina Dunes, Preston Park, Abrams B, MOCO Housing Authority, Shelter Outreach Plus, Veterans Transition Center, Army Housing, and Interim Inc.

[2] Excludes nonresidential non-taxable uses: Veteran's Cemetery, Marina Corp. Yard, Seaside Corp. Yard, Monterey City Corp. Yard, CSUMB. Assumes 50 percent of UC MBEST and Marina Industrial Airport Area office and industrial development will be taxable.

Table 2-3
FORA Phase III CIP Review
Forecasted Acreage Absorption for Transferrable Land [1]

	Total	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
New Residential									
Seaside Planned	164.5	0.0	0.0	4.2	25.0	25.0	24.5	33.3	52.5
Del Rey Oaks Planned	115.2	0.0	0.0	21.7	47.8	45.7	0.0	0.0	0.0
Other Residential Planned	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3
Subtotal New Residential	**281.0**	**0.0**	**0.0**	**25.9**	**72.8**	**70.7**	**24.5**	**33.3**	**53.8**
Existing/ Replacement Residential									
Cypress Knolls	66.7	0.0	0.0	16.7	16.7	16.7	16.7	0.0	0.0
TOTAL RESIDENTIAL	**347.7**	**0.0**	**0.0**	**42.5**	**89.5**	**87.4**	**41.2**	**33.3**	**53.8**
Office									
Del Rey Oaks Planned	13.1	0.0	0.0	6.6	0.0	6.6	0.0	0.0	0.0
Monterey Planned	47.3	0.0	0.0	7.9	7.9	7.9	11.8	11.8	0.0
Cypress Knolls Community Center	1.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0
Seaside Planned	5.7	0.0	0.0	1.6	1.6	1.8	0.7	0.0	0.0
Subtotal Office	**67.2**	**0.0**	**0.0**	**17.2**	**9.5**	**16.2**	**12.5**	**11.8**	**0.0**
Industrial									
Monterey Planned	12.4	0.0	0.0	0.0	0.0	4.1	4.1	4.1	0.0
Cypress Knolls Support Services	0.3	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0
Seaside Planned	7.7	0.0	0.0	2.9	2.9	2.0	0.0	0.0	0.0
Subtotal Industrial	**20.5**	**0.0**	**0.0**	**3.2**	**2.9**	**6.1**	**4.1**	**4.1**	**0.0**
Retail									
Del Rey Oaks Planned	1.8	0.0	0.0	1.8	0.0	0.0	0.0	0.0	0.0
Cypress Knolls Community Center	2.8	0.0	0.0	2.8	0.0	0.0	0.0	0.0	0.0
Seaside Planned	92.9	0.0	0.0	9.2	9.2	60.6	14.0	0.0	0.0
Subtotal Retail	**97.5**	**0.0**	**0.0**	**13.8**	**9.2**	**60.6**	**14.0**	**0.0**	**0.0**
Hotel									
Del Rey Oaks Planned	14.5	0.0	0.0	14.5	0.0	0.0	0.0	0.0	0.0
Seaside Planned	15.0	0.0	5.3	3.2	0.0	0.0	4.6	2.0	0.0
Subtotal Hotel	**29.5**	**0.0**	**5.3**	**17.6**	**0.0**	**0.0**	**4.6**	**2.0**	**0.0**
Total All Uses	**562.3**	**0.0**	**5.3**	**94.3**	**111.1**	**170.3**	**76.3**	**51.2**	**53.8**

trans

Source: Fort Ord Reuse Authority.

[1] Long term land sales are uncertain but will be reviewed and updated in the future.

3. FORA CIP

This chapter summarizes the costs taken into account to update the CFD Special Tax. As an initial step, the formula authorizes FORA to undertake a review of total remaining CIP costs, which include the following improvements authorized for CFD Special Tax funding:

- Transportation/Transit Improvements.
- Water Augmentation Improvements.
- Habitat Management Endowment Requirements.
- Fire Fighting Equipment ("Rolling Stock").
- Other Costs and Contingencies:
  - Transportation/Transit Cost Contingency.
  - Utility and Storm Drainage Cost for restoration of storm drainage sites and relocation of utilities on State Parks land.
  - PLL Insurance Costs.
  - CFD Administration Costs.

Table 3-1 summarizes the total estimated authorized CIP costs of approximately $216.7 million. Note that this amount excludes the Preston Park loan repayment requirements, which are detailed in **Table 1-2**. With the exception of the Habitat Management costs of $34.1 million, these costs are provided by FORA staff and largely detailed in the FY 2014–15 CIP. Habitat management costs were derived by EPS and are discussed in further detail below.

Habitat Management Costs

Habitat management costs will be funded through an endowment established by the Habitat Conservation Plan (HCP). The HCP establishes the framework for ensuring conservation and enhancement of special status plant and animal species and the natural communities that support them. The HCP provides the basis for issuance of a basewide incidental take permit in accordance with the requirements of the California Department of Fish and Wildlife (CDFW) and the U.S. Fish and Wildlife Service (USFWS), which covers all base reuse activities within the HCP area.

The HCP endowment will be capitalized with revenues from the CFD Special Tax. The endowment funding strategy is illustrated in **Figure 3-1**, and total estimated endowment funding requirements are summarized in **Table 3-2**.

These funding requirements are based on the endowment funding strategy developed by EPS for purposes of discussions between FORA, the USFWS, and the CDFW. For purposes of the Phase III formula update, EPS updated the endowment funding strategy to reflect the current CIP development assumptions, updated HCP fund balances, and updated habitat management costs.

This section offers a brief synopsis of the HCP endowment strategy, which is fully documented in EPS's memorandum, dated January 23, 2012.

The HCP Endowment funding strategy includes the creation and funding of the following four separate endowments:

- HCP Endowment Fund.
- University of California Fort Ord Natural Reserve Endowment Fund (UC FONR).
- Implementation Assurances Fund (IAF).
- Borderlands Endowment Fund (BL).

The funding strategy recognizes three time periods to be considered, defined as follows:

1. Initial Start-Up.
2. Permit Term (period of the 50-year permit term).
3. Post-Permit Term (annually in perpetuity following expiration of the 50-year permit term).

The funding requirements for HCP-required actions and related costs vary during each distinct time period. As a result, the funding strategy reflects differing annual cash flow requirements for each endowment fund during the respective time periods. In general, the funding strategy relies on existing cash on hand and annual pay-as-you-go funding for initial costs and simultaneously builds each required endowment fund to pay for ongoing costs during the permit term and post-permit term (in perpetuity).

Outstanding Issues

The draft HCP is undergoing CDFW review, which may result in changes to the strategy outlined in this section. Of particular note, there are several endowment management options that could be used to manage the HCP endowment fund. Options include management by CDFW, National Fish and Wildlife Foundation (NFWF), or a third-party endowment holder. Selection of an endowment fund manager will have implications for the associated endowment payout rate assumptions. As the preferred option, this analysis assumes the endowment will be managed by a third-party endowment holder.

Endowment Cash Flow Strategy

During the start-up phase of the endowment, cash on hand and CFD Special Tax revenues are used to cover start-up and initial annual costs and to fund each of the four endowments. Over the long term, the endowment cash flow strategy is structured to fund annual costs during the permit term and develop an adequate funding reserve to cover annual post-permit costs in perpetuity. This approach is carried out through two key mechanisms in the cash flow model:

- Endowment capitalization over time as CFD Special Tax revenue is collected from new development. In each fund, the inflows and outflows of cash are managed to ensure that each fund reaches a level to generate sufficient interest earnings to cover annual costs during the permit (50 years) and post-permit (perpetuity) terms.

- Principal balance drawdown during the permit term. Because the ongoing costs for the UC, HCP, and IAF endowments decline during the post-permit phase, a principal drawdown feature is included, whereby a portion of the endowment principal is used to fund ongoing costs during later years of the permit term. This drawdown occurs until the ending balances reach the amount required to maintain each endowment fund in perpetuity during the post-permit term.

Figure 3-2 shows the effect of the endowment capitalization and principal drawdown feature over time. The HCP, UC, and IAF funds will experience an annual increase in the endowment fund balance, followed by a gradual decrease in the later permit term years as a result of the principal drawdown. Because the BL endowment fund will experience the same annual costs in the permit and post-permit terms, a principal drawdown feature is not included. Thus, the BL endowment fund balance will remain constant from the permit term through the post-permit term.

Cash Flow Assumptions

Assumptions used to develop the endowment funding strategy are summarized in **Table 3-3**. The text below summarizes critical assumptions used to prepare the endowment funding strategy:

- The permit term is assumed to begin in FY 2015–16 and end in FY 2064–65. The post-permit term is assumed to begin in FY 2065–66.
- Annual initial start-up costs and ongoing costs were provided by FORA and are shown in **Table 3-4**. Average annual ongoing costs were estimated for the permit and post-permit term.
- Annual endowment funding growth is based on cash on hand, CFD Special Tax revenues from annual development, and interest earnings on annual endowment account balances.
- An annual interest rate of 4.5 percent is assumed for the HCP, IAF, and BL endowments. The UC endowment assumes an annual interest rate of 4.2 percent.
- The targeted endowment return rates are net of inflation.
- According to FORA, $6,042,831 in cash on hand is available to fund endowment costs. The funding strategy allocates 59 percent of these existing funds to the HCP and the remaining 41 percent to UC to fund start-up costs. This allocation provides coverage for the initial costs assumed to be incurred during the first 3 years of the permit term.
- CFD Special Tax rates are as of FY 2013–14.
- The annual share of total CFD Special Tax revenues allocated to the endowments is assumed to be 25 percent initially, with the share reducing in 2020 to approximately 23 percent, as shown in **Table 3-2**. This breakdown represents the estimated annual allocation to meet endowment funding needs and accelerate endowment capitalization. Historically, the FORA Board has set aside 25 percent of annual CFD Special Tax revenues for HCP costs. This amount was based on a FORA Board policy decision and is in no way required by the regulatory agencies or otherwise mandated by an outside agency.

  Adjustments made to the CFD Special Tax resulting from application of the formulaic approach will result in changes to the percentage share of CFD Special Tax revenues that must be dedicated to the HCP endowment. For example, if the CFD Special Tax is adjusted downward, the requisite percentage share of CFD Special Tax revenue dedicated to the HCP endowment must be increased to ensure capitalization of the endowments in accordance with the schedule set forth in this document. If the percentage share of CFD Special Tax revenues is not increased, the endowment will take longer to capitalize and will require more CFD Special Tax revenues in total. **Table 3-5** therefore identifies the proportion of fee revenues that will be required to ensure capitalization of the endowments following the adopted 17.0-percent fee reduction.

An alternative to increasing the percentage share of CFD Special Tax revenues may be to use a portion of the HCP contingency fund to cure the resulting shortfall.

- Starting in FY 2015-16 and through the post-permit term, the annual allocation of CFD Special Tax revenues to each endowment is based on the following breakdown:

Endowment Fund	**Allocation Share**
HCP	65%
UC FONR	11%
IAF	11%
BL	13%

These allocations are flexible and can be adjusted as necessary, based on existing commitments and other obligations, provided annual cost obligations are met and the total endowment funding requirement is capitalized by the end of the permit term.

- The annual residential and nonresidential development schedule is based on the latest FORA CIP.

Appendix C offers the detailed technical analysis computing the HCP endowment funding requirement. Additional discussion regarding the content of this analysis is provided in EPS's memorandum entitled, "Habitat Conservation Plan Endowment Cash Flow Strategy," dated January 23, 2012.

Table 3-1
FORA Phase III CIP Review
2013 Summary of Capital Improvement Program (CIP) 2012/13-2021/22

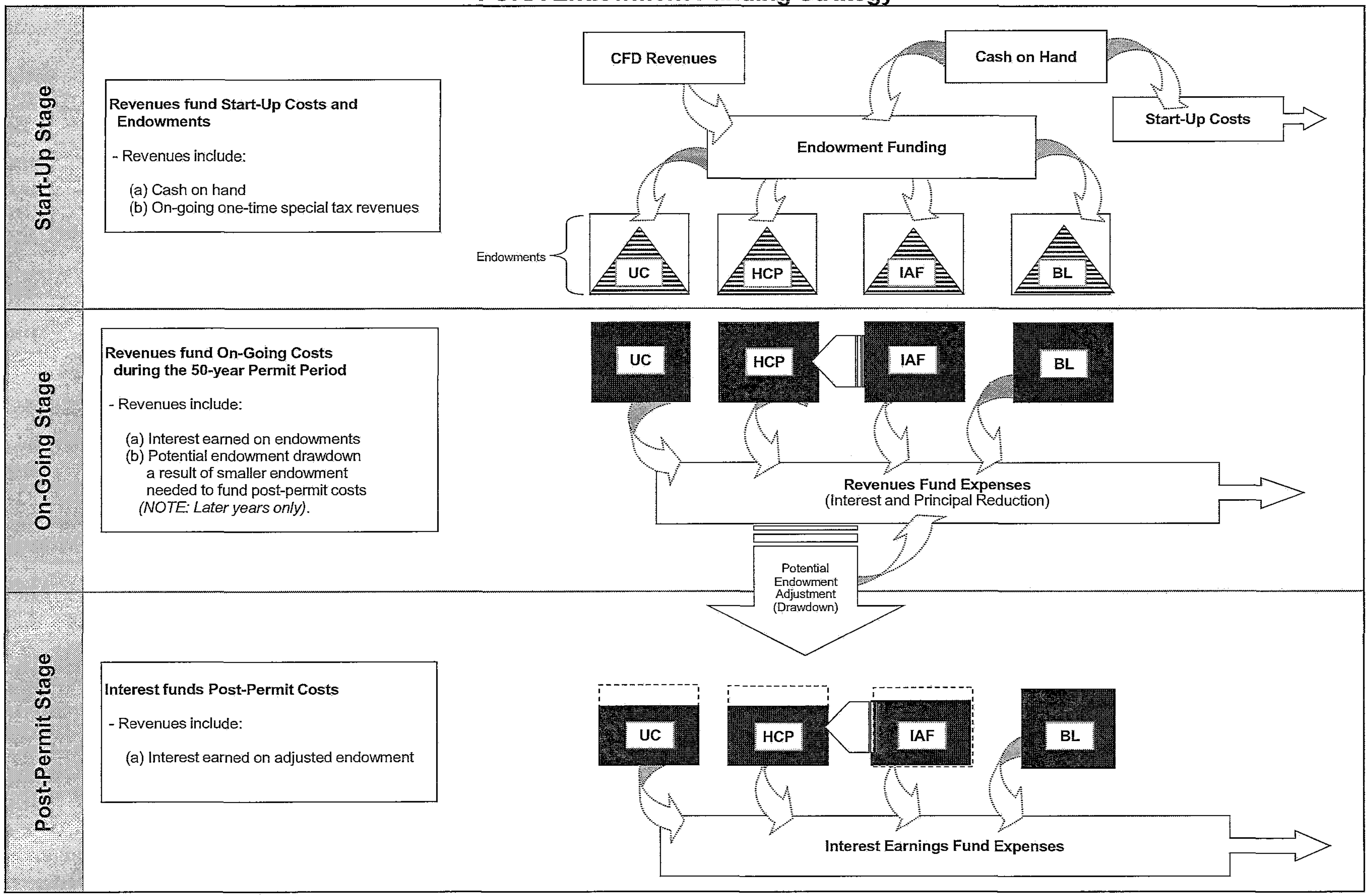
Item	Total	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Post FORA
CIP Projects Funded by CFD Development Fees									
CIP Projects									
Transportation/Transit	$118,180,366		$472,199	$3,215,634	$27,522,289	$24,445,285	$18,814,580	$14,981,689	$28,728,690
Water Augmentation - CEQA Mitigation	$24,015,648		$0	$1,176,300	$1,874,300	$2,660,200	$3,073,600	$2,236,500	$12,994,748
Water Augmentation - Voluntary Contribution	$0		$0	$0	$0	$0	$0	$0	$0
Storm Drainage System [Completed by 2005]	$0		$0	$0	$0	$0	$0	$0	$0
Habitat Management	$34,067,054	$0	$1,537,614	$3,378,680	$5,652,005	$8,023,233	$9,269,888	$6,205,635	$0
Fire Rolling Stock	$0		$0	$0	$0	$0	$0	$0	$0
Total CIP Projects	**$176,263,068**		**$2,009,813**	**$7,770,614**	**$35,048,594**	**$35,128,718**	**$31,158,068**	**$23,423,824**	**$41,723,438**
Other Costs and Contingencies									
CIP Contingency	$17,727,055		$70,830	$482,345	$4,128,343	$3,666,793	$2,822,187	$2,247,253	$4,309,304
HCP Contingency	$20,283,097		$915,476	$2,011,624	$3,365,133	$4,776,932	$5,519,175	$3,694,757	$0
Additional Utility and Storm Drainage Costs	$0		$0	$0	$0	$0	$0	$0	$0
PLL Insurance	$0		$0	$0	$0	$0	$0	$0	$0
CFD Administration	$2,400,000		$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$0
Total Other Costs and Contingencies	**$40,410,152**		**$1,386,306**	**$2,893,969**	**$7,893,476**	**$8,843,725**	**$8,741,362**	**$6,342,010**	**$4,309,304**
Total Expenditures [1]	**$216,673,220**		**$3,396,118**	**$10,664,583**	**$42,942,070**	**$43,972,443**	**$39,899,430**	**$29,765,834**	**$46,032,742**

rev_cip_1

Source: FORA.

[1] Excludes Preston Park loan repayment.

Figure 3-1
FORA Endowment Funding Strategy



UC	= UC/NRSs Endowment Fund	
HCP	= Cooperative HCP Endowment Fund	
IAF	= Implementation Assurances Fund	
BL	= Borderland Management Cost/Fund	

= Period of increased endownment funding
= Required endowment
= Maximum endowment
= Actual current endowment

= IAF funds HCP as necessary

Prepared by EPS 9/2/2014

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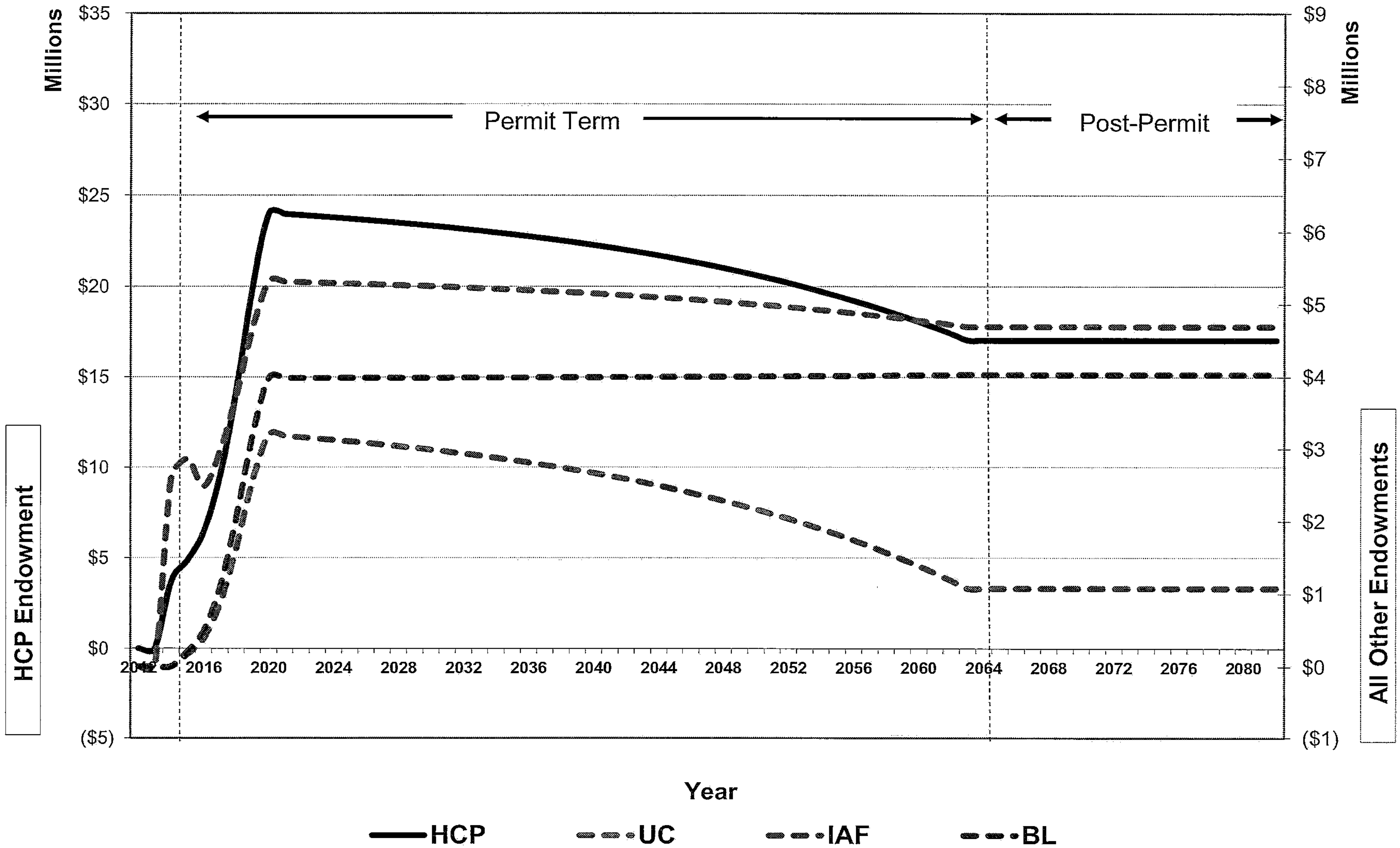
Table 3-2
FORA Phase III CIP Review
Summary of CFD Tax Revenue Required for HCP Funding - Before Fee Adjustment

FY Ending	Total CFD Revenue	Habitat Mgmt. Revenue	
		% of CFD Rev.	Net Revenue
2014	$0	0.0%	$0
2015	$6,150,454	25.0%	$1,537,614
2016	$13,514,721	25.0%	$3,378,680
2017	$22,608,020	25.0%	$5,652,005
2018	$32,092,931	25.0%	$8,023,233
2019	$37,079,551	25.0%	$9,269,888
2020	$26,981,020	23.0%	$6,205,635
TOTAL	**$195,943,303**		**$34,067,054**

cfd sum

Figure 3-2
FORA Preliminary Endowment Cash Flow



Prepared by EPS 9/2/2014

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Table 3-3
FORA Phase III CIP Review
Summary of General Assumptions - HCP Endowment Funding

Item			
Permit Term Begins			2015
Post Permit Term Begins			2065
Endowment (2014 $)	*Maximum Needed*	*Annual Return*	*Annual Revenue*
Habitat Conservation Plan (HCP)	$25,285,002	4.50%	$1,137,825
University of California (UC)	$5,446,621	4.20%	$228,758
Implementation Assurances Fund (IAF)	$3,574,974	4.50%	$160,874
Borderlands Management (BL)	$3,980,432	4.50%	$179,119
Total	**$38,287,029**		**$1,706,576**
Beginning Endowment Balance (2014 $)			
Initial Balance			**$6,042,831**
Initial Balance Uses			
Habitat Conservation Plan (HCP)			$3,550,180
University of California (UC)			$2,492,651
Implementation Assurances Fund (IAF)			$0
Borderlands Management (BL)			$0
Total			**$6,042,831**
Starting Special Tax Rate			
New Residential		$27,180	per Unit
Employer Based Housing		$1,359	per Unit
Existing/Replacement Residential		$8,173	per Unit
Office		$3,567	per Acre
Industrial		$3,567	per Acre
Retail		$73,471	per Acre
Hotel		$6,065	per Room
Annual Special Tax Escalation			0.0%

assump2

Table 3-4
FORA Phase III CIP Review
Summary of Initial and Ongoing Costs - Individual Endowments

		HCP Endowment			UC Endowment			IAF Endowment			Borderlands Endowment		
Permit Year	FY Ending	Initial Costs	Ongoing Costs	Total	Initial Costs	Ongoing Costs	Total	Initial Costs	Ongoing Costs	Total	Initial Costs	Ongoing Costs	Total
	2014	$0	$0	**$0**	$0	$0	**$0**	$0	$0	**$0**	$0	$0	**$0**
	2015	$0	$0	**$0**	$0	$0	**$0**	$0	$0	**$0**	$0	$0	**$0**
1	2016	($321,487)	($538,636)	**($860,122)**	($823,746)	($52,977)	**($876,723)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2017	$0	($875,146)	**($875,146)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2018	$0	($875,146)	**($875,146)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2019	$0	($875,146)	**($875,146)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2020	$0	($875,146)	**($875,146)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2021	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2022	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2023	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2024	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
10	2025	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2026	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2027	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2028	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2029	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2030	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2031	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2032	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2033	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2034	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
20	2035	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2036	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2037	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2038	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2039	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2040	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2041	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2042	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2043	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2044	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
30	2045	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2046	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2047	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2048	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**

Table 3-4
FORA Phase III CIP Review
Summary of Initial and Ongoing Costs - Individual Endowments

		HCP Endowment			UC Endowment			IAF Endowment			Borderlands Endowment		
Permit Year	FY Ending	Initial Costs	Ongoing Costs	Total	Initial Costs	Ongoing Costs	Total	Initial Costs	Ongoing Costs	Total	Initial Costs	Ongoing Costs	Total
	2049	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2050	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2051	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2052	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2053	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2054	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
40	2055	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2056	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2057	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2058	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2059	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2060	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2061	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2062	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2063	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	2064	$0	($1,137,825)	**($1,137,825)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
50	2065	$1	($1,137,825)	**($1,137,824)**	$0	($228,758)	**($228,758)**	$0	($160,874)	**($160,874)**	$0	($179,119)	**($179,119)**
	Post Permit												
	2065 +	$0	($720,685)	**($720,685)**	$0	($191,677)	**($191,677)**	$0	($34,011)	**($34,011)**	$0	($179,119)	**($179,119)**

costs_indiv

Source: Fort Ord Reuse Authority.

Table 3-5
FORA Phase III CIP Review
Summary of CFD Tax Revenue Required for HCP Funding - After Fee Adjustment

FY Ending	Total CFD Revenue	Habitat Mgmt. Revenue	
		% of CFD Rev.	Net Revenue
2014	$0	0.0%	$0
2015	$5,104,559	30.1%	$1,537,614
2016	$11,770,026	28.7%	$3,378,680
2017	$18,762,346	30.1%	$5,652,005
2018	$26,636,435	30.1%	$8,023,233
2019	$30,776,640	30.1%	$9,269,888
2020	$22,394,049	27.7%	$6,205,635
Post FORA	$47,738,989	0.0%	$0
TOTAL	**$163,183,046**		**$34,067,054**

cfd sum adjust

4. *Sources of Funds and Formula Result*

The formulaic approach requires consideration of other sources of funding that may be used to offset CIP expenditures described in the previous chapter. This chapter offers a summary of identified sources of funds, including the following revenue categories:

- Property Tax.
- Land Sale Revenue net of other obligations.
- Existing Fund Balances.
- Grants.
- California State University Mitigation Fees.
- Loan Proceeds.

While the formulaic approach is designed to provide certainty and transparency regarding CFD Special Tax funds required, certain elements of the formula may be variable and dependent on key analytical assumptions. In particular, estimates of other sources of funds rely on the development of methodologies that necessarily include certain assumptions that may vary from year to year. Major variables related to revenue estimates include these:

- Finished real estate values.
- Land values.
- Land use and absorption assumptions.
- Assumed FORA sunset date.

Assumptions related to each of these variables take into consideration the most recent data available and the provisions of the formulaic approach. It is important to note that fluctuations in the local economy and the Fort Ord real estate market may result in changes to these key inputs, which could have a significant impact on the outcome of the formulaic approach. These inputs should be carefully calibrated on an ongoing basis to ensure they continue to reflect the most up-to-date information. The goal of this section therefore is to set forth a transparent, reproducible analysis that offers clarity, is methodologically rigorous, and minimizes variability to the extent possible, while allowing refinement of analysis inputs to remain consistent with ever-changing market conditions.

The sections that follow offer additional information regarding the computation of several variable revenue sources.

Property Tax Revenue

Enabling statutes creating FORA provide for collection of property tax revenue as a basewide funding mechanism. Through the implementation agreement amendments, FORA has agreed to share a portion of the property tax revenue it receives with the FORA jurisdictions. This section describes the statutory framework under which property tax revenues are allocated to FORA and provides an estimate of future FORA property tax revenues for purposes of computing the CFD Special Tax rates.

Statutory Framework

Health and Safety Code Section 33492.70 sets forth the statutory framework for FORA, describing the joint reuse of former Fort Ord lands by FORA and its member jurisdictions. Thirty-five percent of the tax increment (now called "property tax") received by the redevelopment agency in each member jurisdiction, after affordable housing set asides, was allocated to FORA to finance Fort Ord reuse. This provision was implemented through individual implementation agreements with FORA member agencies.

In June 2011, the California Legislature enacted AB1X 26, which dissolved all redevelopment agencies and transferred their rights, duties, obligations, and assets to "successor agencies," fundamentally altering the allocation of property taxes in redevelopment areas. AB1X 26 sought to maintain existing redevelopment agency commitments by establishing "enforceable obligations" as payments required by the federal government, preexisting obligations to the state, or obligations imposed by state law and any legally binding and enforceable agreement or contract. Under the legislation, successor agencies would continue to receive property taxes necessary to fulfill these enforceable obligations.

The obligation of redevelopment agencies in the former Fort Ord to pay a percentage of tax increment to FORA is an enforceable obligation. FORA will continue to receive property tax dollars according to the property tax increment formula in place before the passage of AB1X 26. The subsequent section describes EPS's current estimates of FORA property tax revenues that will be available to offset CIP costs, based on discussions with FORA staff and the Monterey County Auditor Controller's Office.

Future FORA Property Tax Revenues

EPS estimated FORA's anticipated property tax revenue stream according to the provisions of the formulaic approach and the methodology used to compute tax increment revenue before the elimination of redevelopment agencies.

The formulaic approach identifies that the net present value (NPV) of 90 percent of the FORA property tax revenue stream for all new assessed value after July 1, 2012 will be allocated to offset CIP costs. Property tax revenues are discounted using a discount rate equal to the annual average Bond Buyer Index, plus 50 basis points using the prior fiscal year end date as published in The Bond Buyer. Under the implementation agreement with the member jurisdictions, the remaining 10 percent of property tax revenues will be allocated to the city or county from which the funds were generated to support the reuse of Fort Ord land.

Table 4-1 identifies the resulting NPV of projected FORA property tax revenues generated by development occurring after July 1, 2012. As shown, EPS estimates approximately $11.2 million in property tax revenues will be available to fund CIP costs.

The methodology employed to estimate the future FORA property tax revenue stream is detailed in **Appendix A** and discussed further in the narrative below.

Assessed Value Assumptions

Future FORA property tax revenues are predicated on the estimated assessed value (finished value) of land uses absorbed on the former Fort Ord. Assumptions for residential real estate finished values were developed based on a review of current market conditions and the estimated average cost of new homes on the former Fort Ord. Note that because new home building activity on Fort Ord is very limited, this assumption may require refinement as building activity increases and additional data points are available.

Commercial real estate finished values were estimated using a static pro forma approach to establish the capitalized value of the real estate asset based on prevailing lease rate data, assumed vacancy levels, leasing commission, and replacement/reserve funds. Hotel values were similarly estimated by capitalizing the net operating income stream based on assumptions related to average daily room rates and occupancy factors, resulting gross room revenues, and operating expenses.

The resulting assessed value assumptions by land use type are summarized below.

Residential *(Average for All Types)*	$400,000 per unit
Retail	$255 per building square foot
Office	$215 per building square foot
Industrial/R&D	$100 per building square foot
Hotel	$141,000 per room

Property Tax Calculations

Based on the assessed value assumptions identified above and the land use and absorption assumptions set forth in **Chapter 2**, EPS estimated the total new assessed value resulting from Fort Ord development from 2014 through 2020. EPS identified the resulting property tax revenue generated by the new assessed value. After taking into consideration the affordable housing set-asides and other agency pass-throughs that existed under the previous tax increment financing rubric, EPS identified the total net property tax revenue that would have been received by redevelopment agencies. Under the FORA authorizing legislation, FORA receives 35 percent of this revenue.

EPS therefore estimated the future FORA property tax stream would be roughly $15.1 million, 90 percent of which (or $13.6 million) is retained by FORA. The remaining 10 percent of FORA property tax revenue is allocated to the underlying land use jurisdiction. After applying the appropriate discount factor, according to the terms of the formulaic approach, EPS estimates that approximately $11.2 million in property tax revenue will be available to offset FORA CIP costs.

Land Sales

Under the formulaic approach, FORA CIP costs may be offset by land sale revenues, net of other obligations. The formula specifies the inclusion of "Land sales revenues/proceeds net of a required credit/offset equal to the amount of monies advanced to construct CIP improvements (this amount shall ultimately be reduced to zero once the full credit offset has been recognized) in excess of remaining building removal program estimated costs, and lease revenues (not required for other obligations)."

This analysis estimates a total of approximately $93.2 million in FORA land sale revenues. Future land sale revenues include specific anticipated transactions as reported by FORA staff. Currently, FORA staff anticipates the following land sale transactions and revenues:

- Land Sale Revenue Account Balance. The land sale revenue account has an existing balance of approximately $2.6 million.Marina Community Partners. Future transactions related to development of Marina Dunes are estimated to generate $19.4 million.

- Other Future Transfers. Based on an inventory of other land that may be transferred in the future, this analysis estimates approximately $71.2 million in additional land sale revenue will accrue to FORA, including FORA's share of the Preston Park transaction (an estimated $28 million, net of the outstanding development fee obligation and cost of sale). The methodology to derive this estimate is detailed later in this section.

Land sale revenue available to fund CIP expenditures is reduced by outstanding building removal obligations. Thus far, approximately $29 million in FORA funds has been applied to building removal obligations. About $19.4 million in FORA land sale credits for Marina Community Partners will be applied to their remaining $19.4 million building removal obligation. FORA has a remaining building removal obligation of approximately $4 million for the Surplus II site. After taking these obligations and commitments into account, net land sale revenues available to offset FORA CIP costs are estimated to be approximately $67.6 million, as shown in **Table 4-2**. The detailed calculations related to this estimate are presented in **Appendix B**.

Other Future Transfers—Methodological Detail

For purposes of the formulaic approach, EPS developed a methodology to estimate land sale revenues generated by future land that may be transferred. Because these future transactions constitute a very uncertain revenue stream, it is not practical to estimate the ultimate timing or transaction price. To account for this uncertainty, EPS, in concert with FORA staff, developed a methodology that provides a reasonable estimate of future land sale revenue streams, based on revenues that FORA has received from previous land transactions and projected future land transfers. This approach allows the formulaic approach and future revenue estimates to be updated on a periodic basis, taking into account the most recent land transactions, associated terms, expected future transfers, and resulting FORA revenue stream.

As detailed in **Appendix B**, EPS's estimate of future land sale revenues is based on a review of FORA land transactions to date. EPS derived the average price per acre, per transaction and applied this average land price to lands expected to be transferred into private ownership, as discussed in **Chapter 2**. Note that this average price is reflective of the land value associated with future FORA development projects, as opposed to the finished real estate values. Based on these calculations, EPS estimated future land transfers could result in approximately $110.6 million in revenues. Other transactions (i.e., the sale of Preston Park) are anticipated to generate a total of $56.9 million, for total land sale revenue of $167.5 million. Based on the implementation agreements with individual FORA jurisdictions, 50 percent of this revenue, or $83.8 million, will accrue to FORA.

<u>Future Land Sale Revenue Adjustments</u>

Future land sale revenues accruing to FORA are subject to several adjustments, based on other identified land sale revenue obligations, as detailed in this section:

- **Caretaker/Property Management Costs.** Land sales revenues required to fund caretaker/property management costs are subtracted from the gross FORA land sale revenues. Caretaker costs refer to the costs incurred by FORA jurisdictions to maintain former Army properties "in a state of repair that maintains safety, security, and health standards" before development and transfer of the property into private ownership. These costs are estimated based on caretaker/property management costs documented by FORA staff and totaling $660,000 in FY 2012-13. EPS's analysis assumes this base cost increases by 3 percent annually, and annual costs are prorated, based on the estimated remaining acreage maintained by public agencies.

- **FORA Operations Costs.** FORA operations costs in excess of those funded by existing operational revenue sources may be funded by FORA land sale revenues. These costs are offset by the repayment of monies loaned from the land sale revenue account to the development fee account.

- **Other FORA Obligations (Initiatives, Petitions, etc.).** Based on current trends, FORA staff estimate FORA will incur approximately $250,000 per year (2012$) in additional costs related to the costs of special elections related to public initiative, petitions, and other such actions. EPS assumes this cost will escalate by approximately 3 percent annually, and that, to the extent available, FORA land sale revenue received will fund these costs.

Once these adjustments to the future land sale revenues have been taken into consideration and appropriate discount factors have been applied, the estimated net FORA land sale revenues from future transactions are anticipated to total roughly $71.2 million.

Other Revenue Sources

Other revenue sources factored into the formulaic approach include existing fund balances available to offset CIP costs, grant revenues, CSU mitigation fees, and loan proceeds. Estimates of these revenues were provided by FORA staff, as detailed below:

- **Existing Fund Balances.** As of April 2014, FORA staff reported that the existing CFD Special Tax and Development Fee Fund balance was $0. A $6.0 million HCP Fund Balance is available to offset the HCP Endowment funding requirement.

- **Grants.** At this time, FORA does not anticipate that any future grant revenues will be available to offset future CIP costs.

- **CSU Mitigation Fees.** No further CSU mitigation fees are anticipated at this time.

- **Loan Proceeds.** No loan proceeds are anticipated at this time.

Formula Results

The other revenue sources detailed in this chapter generate approximately $85 million in funds available to offset the $248 million in CIP and other costs described in **Chapter 3**. Based on these calculations, approximately $163 million in costs remain to be funded by the Development Fee CFD Special Tax (the CFD Special Tax requirement).

To calibrate the Development Fee and CFD Special Tax rate, EPS compared the total Development Fee and CFD Special Tax requirement of $163 million to the estimated maximum Development Fee and CFD Special Tax revenues that would be generated using current land use assumptions and the Development Fee and CFD Special Tax rates in place for FY 2013-14. Based on these assumptions, EPS estimates the Development Fee and CFD Special Tax will generate approximately $196 million in revenue.

EPS then derived the Development Fee and CFD Special Tax rate adjustment factor by comparing the Development Fee and CFD Special Tax revenue requirement to the estimated maximum Development Fee and CFD Special Tax revenue. The actual revenue requirement is approximately **83 percent** of the currently projected maximum Development Fee and CFD Special Tax revenue, suggesting that the FORA Board could adjust rates downward by 17.0 percent and still meet the Development Fee and CFD Special Tax revenue requirement.

Table 4-1
FORA Phase III CIP Review
Net Present Value of FORA Property
Tax Revenue after July 1, 2012

Item	FORA Property Tax	90% of FORA Property Tax
Reference	Table A-3	
Factor		90%
Fiscal Year		
2014-15	$231,630	$208,467
2015-16	$579,431	$521,488
2016-17	$1,034,313	$930,882
2017-18	$2,062,746	$1,856,471
2018-19	$3,239,132	$2,915,219
2019-20+	$7,948,745	$7,153,870
Total	**$15,095,997**	**$13,586,397**
Net Present Value		
4.85% Discount Rate [1]		**$11,220,736**

npv

[1] Based on proposed Bond Buyers Revenue Bond Index annual average as of June 2013 plus 50 basis points.

Table 4-2
FORA Phase III CIP Review
Land Sales Revenue for CIP Projects

Item	Source/ Reference	Amount
Land Sales Revenues [1]		
Land Sale Account Balance		$2,606,000
Preston Park [2]	FORA	$0
Marina Community Partners (credits)	FORA	$19,400,000
Other Future Transfers	Table B-1	$71,206,000
Total		**$93,212,000**
Expenditures		
Marina Community Partners - Dunes	FORA	$19,400,000
Stockade (Marina)	FORA	$2,200,000
Surplus II (Seaside)	FORA	$4,000,000
Total Other Sources		**$25,600,000**
Land Sales Revenue for CIP Projects		**$67,612,000**

lsr_calc

Source: FORA and EPS.

Amounts rounded to the nearest thousand.

[1] Long term land sales revenues are uncertain but will be reviewed and updated in the future.
[2] Included in Table B-1. Loan payoff requirement is denoted in Table 1-2.

APPENDICES:

APPENDIX A:

Property Tax Analysis

Table A-1
FORA Phase III CIP Review
Estimated Assessed Value from Total Forecasted Development

Item	Land Uses: Residential	Office	Industrial	Retail	Hotel	Annual Total
	per unit	*per sq. ft.*			*per room*	
Estimated Finished Value [1]	$400,000	$215	$100	$255	$141,000	
Year [2]						
2014-15	$79,200,000	$3,010,000	$0	$0	$0	**$82,210,000**
2015-16	$56,434,000	$38,625,825	$1,497,125	$39,859,050	$14,311,500	**$150,727,500**
2016-17	$79,533,370	$13,732,899	$1,519,582	$16,366,669	$87,157,035	**$198,309,556**
2017-18	$221,683,816	$75,663,982	$11,091,511	$59,329,177	$98,785,236	**$466,553,721**
2018-19	$378,269,969	$37,777,911	$7,933,693	$53,723,570	$49,385,246	**$527,090,388**
2019-20+	$1,490,099,234	$291,238,513	$41,505,059	$308,359,080	$63,796,759	**$2,194,998,645**
Total	**$2,305,220,389**	**$460,049,130**	**$63,546,969**	**$477,637,546**	**$313,435,776**	**$3,619,889,810**

av

Source: EPS.

[1] See Table A-4 & Table A-5 for commercial finished value assumptions as of 2014. Assumes an annual market appreciation rate of 1.5%. Estimated finished values amounts for nonresidential building square feet rounded to nearest $5.
[2] For purposes of this analysis, the absorption schedule has a one year lag to reflect when the estimated assessed value would be reflected on the assessor's tax roll.

Table A-2
FORA Phase III CIP Review
Estimated Change in FORA Assessed Value Since July 1, 2012

Item	Percent	Formula	July 1, 2012	July 1, 2013	Difference
Property Taxes Received [1]		*A*	$1,300,000	$1,332,000	$32,000
Total Net Property Tax Generated	35.0%	*B = A / 35.0%*	$3,714,286	$3,805,714	$91,429
Plus Pass Throughs					
Tier 1 Pass Throughs	13.5%		$667,439	$683,868	$16,429
Tier 2 Pass Throughs	11.3%		$560,649	$574,449	$13,801
Subtotal Pass Throughs	**24.8%**	***C***	**$1,228,088**	**$1,258,318**	**$30,230**
Property Tax Net of Housing Set Aside	**75.2%**	***D = B / (1 - C)***	**$4,942,374**	**$5,064,032**	**$121,658**
Plus Housing Set Aside	20.0%	*E*	$1,235,593	$1,266,008	$30,415
Total Property Tax (1%)		*F = D / (1 - E)*	$6,177,967	$6,330,040	$152,073
Total Assessed Value	**1.0%**	***G = F / 1.0%***	**$617,796,721**	**$633,004,025**	**$15,207,304**
Total Assessed Value (Rounded)			**$617,797,000**	**$633,004,000**	**$15,207,000**

base

Source: FORA.

[1] As of April 2014, FORA has received $754,199.57 in property tax revenues. A second payment is anticipated in May or June. This calculation assumes the second installment will be lower than the first installment, as it has been in prior years. EPS assumes that the second payment will be the same proportion of the first payment as experienced in FY 12/13 (roughly 77%).

Table A-3
FORA Phase III CIP Review
Estimated FORA Property Tax Revenue for Development After July 1, 2012

Item	Beginning AV	Annual 2% Growth	New AV Added to Roll [2]	Ending AV	New AV Since July 1, 2012	Property Tax (Formerly T.I.) *1%*	Less: Other Agency Pass-Throughs [3] Less: Housing Set Aside *20%*	Property Tax Net of Housing Set Aside	Tier 1 *Years 1-45* *13.5%*	Tier 2 *Years 11-45* *11.3%*	Tier 3 *Years 31-45* *7.6%*	Annual Net Property Tax	FORA Property Tax (35% of Annual Net Tax) [4] Annual	Cumulative
Formula						*a*	*b*	*c = a + b*	*d*	*e*	*f*	*e = c + d + e + f*		
Base Assessed Value (July 1, 2012) [1]	*$617,797,000*												*35%*	
Current Assessed Value (July 1, 2013) [1]	*$633,004,000*													
2014-15	$633,004,000	$12,660,080	$82,210,000	$727,874,080	**$110,077,080**	$1,100,771	($220,154)	$880,617	($118,922.21)	($99,894.66)	$0	**$661,800**	**$231,630**	$231,630
2015-16	$727,874,080	$14,557,482	$150,727,500	$893,159,062	**$275,362,062**	$2,753,621	($550,724)	$2,202,896	($297,489)	($249,890)	$0	**$1,655,518**	**$579,431**	$811,061
2016-17	$893,159,062	$17,863,181	$198,309,556	$1,109,331,798	**$491,534,798**	$4,915,348	($983,070)	$3,932,278	($531,032)	($446,067)	$0	**$2,955,180**	**$1,034,313**	$1,845,374
2017-18	$1,109,331,798	$22,186,636	$466,553,721	$1,598,072,155	**$980,275,155**	$9,802,752	($1,960,550)	$7,842,201	($1,059,044)	($889,597)	$0	**$5,893,560**	**$2,062,746**	$3,908,120
2018-19	$1,598,072,155	$31,961,443	$527,090,388	$2,157,123,986	**$1,539,326,986**	$15,393,270	($3,078,654)	$12,314,616	($1,663,018)	($1,396,935)	$0	**$9,254,663**	**$3,239,132**	$7,147,252
2019-20+	$2,157,123,986	$43,142,480	$2,194,998,645	$4,395,265,111	**$3,777,468,111**	$37,774,681	($7,554,936)	$30,219,745	($4,081,003)	($3,428,042)	$0	**$22,710,700**	**$7,948,745**	$15,095,997

ti

Source: Monterey County and EPS.

[1] See Table A-2.
[2] See Table A-1. Assumes an annual market appreciation rate of 1.5%.
[3] Pass-Through based on calculation below. Model assumes RDA commenced in FY 1997-98.

	Tier 1	Tier 2	Tier 3
Pass-through	*25.0%*	*21.0%*	*14.0%*
Share	*54.0%*	*54.0%*	*54.0%*
Derived Rate	*13.5%*	*11.3%*	*7.6%*

[4] This analysis estimates net new property tax to FORA based upon estimates of new development and growth in existing assessed values.

Table A-4
FORA Phase III CIP Review
Estimated Retail, Office, Industrial Finished Values

Retail, Office, Industrial/R&D

Item	Retail		Office		Industrial/ R&D	
	Assumption	Amount	Assumption	Amount	Assumption	Amount
DEVELOPMENT PROGRAM ASSUMPTIONS						
Site Area (Acres)		10.00		10.00		10.00
Land Square Feet		435,600		435,600		435,600
Assumed FAR		0.25		0.35		0.40
Gross Building Square Feet		108,900		152,460		174,240
Net Leasable Area (Sq. Ft.)		87,120		121,968		139,392
Rent per Sq. Ft.		$30.00		$25.00		$10.00
REVENUE ASSUMPTIONS						
Gross Lease Revenue (Weighted Average)	$30.00 /NLA sq. ft./year	$2,613,600	$25.00 /NLA sq. ft./year	$3,049,200	$10.00 /NLA sq. ft./year	$1,393,920
(less) Vacancy	5.0%	($130,680)	5.0%	($152,460)	5.0%	($69,696)
(less) Leasing Commissions	3.0% 5 years' rent	($372,438)	3.0% 5 years' rent	($434,511)	3.0% 5 years' rent	($198,634)
(less) Replacement/Reserve	5.0%	($130,680)	5.0%	($152,460)	5.0%	($69,696)
Subtotal, Annual Net Operating Income		**$1,979,802**		**$2,309,769**		**$1,055,894**
Capitalized Value	7.10% cap rate	**$27,884,535**	7.10% cap rate	**$32,531,958**	7.10% cap rate	**$14,871,752**
Finished Value per Gross Bldg. Sq. Ft.		**$256**		**$213**		**$85**

comm_val

Source: CoStar and EPS.

Table A-5
FORA Phase III CIP Review
Hotel Development Finished Value

Hotel

Item	Assumption	Total
DEVELOPMENT PROGRAM ASSUMPTIONS		
Number of Rooms	100	
Average Room Rate	$150	
Square Footage Per Room	375	37,500
Efficiency Ratio	70%	
Gross Building Sq. Ft. (Rounded)		55,000
Occupancy Rate	70%	
REVENUE ASSUMPTIONS		
Gross Room Revenue		$3,832,500
Other Operating Revenue [1]	25%	$958,125
Total Revenue		**$4,790,625**
Less Operating Expenses [2]	75%	**$3,592,969**
Annual Net Operating Income		**$1,197,656**
Capitalized Value	8.50% cap rate	**$14,090,074**
Value per Room (Rounded)		**$141,000**

hotel

Sources: STR Hospitality, PKF Consulting, and EPS.

[1] Includes F & B, telecommunications, and other.
[2] Includes departmental, overhead, management fee, and fixed expenses.

APPENDIX B:

Land Sales Revenue Analysis

Table B-1
FORA Phase III CIP Review
Estimated Land Sale Revenues to FORA

Item	Total Acres	Subtotal Land Value	Plus Other Transactions	Total Land Value	FORA Share - 50%	Est. Caretaker/ Property Management Costs	pFORA Costs	Other Obligations (Initiatives, Petitions, Etc.)	Net FORA Land Sale Proceeds
		[1]	[2]			[3]	[4]	[5]	[6]
Year [7]									
2014-15	5.3	$989,474		**$989,474**	**$494,737**	($494,737)	$0	$0	**$0**
2015-16	94.3	$17,996,649	$56,900,558	**$74,897,207**	**$37,448,604**	($673,437)	$0	($265,225)	**$36,509,941**
2016-17	111.1	$21,511,504		**$21,511,504**	**$10,755,752**	($576,204)	$0	($273,182)	**$9,906,366**
2017-18	170.3	$33,480,868		**$33,480,868**	**$16,740,434**	($451,043)	$0	($281,377)	**$16,008,014**
2018-19	76.3	$15,229,633		**$15,229,633**	**$7,614,816**	($239,591)	$0	($289,819)	**$7,085,406**
2019-20	51.2	$10,372,176		**$10,372,176**	**$5,186,088**	($142,927)	($69,336)	($298,513)	**$4,675,312**
Post FORA	53.8	$11,065,690		**$11,065,690**	**$5,532,845**	$0	$0	($306,307)	**$5,226,538**
Total	**562.3**	**$110,645,994**	**$56,900,558**	**$167,546,552**	**$83,773,276**	**($2,577,940)**	**($69,336)**	**($1,714,423)**	**$79,411,577**
Net Present Value									
4.9% Discount Rate		**$95,882,435**	**$54,268,534**	**$150,150,970**	**$75,075,485**	**($2,363,489)**	**($54,716)**	**($1,451,472)**	**$71,205,807**

land$

[1] Assumes per acre value of $188,000 and that values escalate by 1.5% percent annually.
[2] Preston Park transaction. Reflects FORA's share of anticipated transaction price net of developer fee obligation and cost of sale.
[3] Caretaker costs in FY 2012-13 estimated based on FORA memorandum to Administrative Committee dated July 26, 2012 and funded only to the extent that land sale revenues are available. Costs assumed to escalate 3.0% annually and are prorated based on the estimated remaining acreage maintained by public agencies.
[4] Operations costs offset by repayment of $6.3 million of borrowed funds from the CFD. FY 2012/13 costs provided by FORA and assumed to escalate by 3.0% annually. See detailed calculation below.

Year	Operations Cost	Developer Fee Repayment	Net Operations Cost
2014-15	($1,060,900)	$1,060,900	$0
2015-16	($1,092,727)	$1,092,727	$0
2016-17	($1,125,509)	$1,125,509	$0
2017-18	($1,159,274)	$1,159,274	$0
2018-19	($1,194,052)	$1,194,052	$0
2019-20	($1,229,874)	$1,160,538	($69,336)
Total	**($6,862,336)**	**$6,793,000**	**($69,336)**

[5] Estimates provided by FORA reflect anticipated PLL insurance, special election and other costs related to legislative initiatives, petitions, etc.
[6] Reflects land sale proceeds available to offset infrastructure costs.
[7] For purposes of land sale revenue analysis, the absorption schedule is accelerated 2 years to reflect when the land transaction would actually occur. Land sale revenues for FY 2015/16 absorption shown in FY 2014/15.

Table B-2
FORA Phase III CIP Review
FORA Land Transactions to Date

Property [1]	Acreage	Transaction Price	Price per Acre
		[2]	
Marina Heights	248.0	$10,620,000	$42,823
Imjin Office Park	4.6	$1,616,947	$348,480
Monterey County/ East Garrison	244.0	$3,673,270	$15,054
Young Nak Church	1.5	$298,000	$205,517
Salinas Valley Memorial Healthcare System	5.6	$2,400,000	$431,655
Interim #2	3.3	$240,000	$72,072
Dunes on Monterey Bay	290.0	$48,000,000	$165,517
The Promontory	8.54	$1,900,000	$222,482
Total	**805.5**	**$68,748,217**	**$85,346**
Average Price per Acre per Transaction			**$187,950**

lsr

Source: FORA.

[1] Some of the identified transactions anticipate future FORA participation in profits or other terms that influence the net transaction price.
[2] Reflects total transaction price, not just amount accruing to FORA.

APPENDIX C:

Detailed HCP Endowment Funding Strategy

Table C-1
FORA Phase III CIP Review
Special Tax Revenue Generated for Habitat Management by Year

FY Ending	New Residential [1]	Employer Based Housing	Exist./Replac. Residential [2]	Office	Industrial	Retail	Hotel	Total CFD Revenue	Habitat Mgmt. Revenue % of CFD Rev. [3]	Habitat Mgmt. Revenue Net Revenue
Special Tax Rate [3]	$27,180 *Per Unit*	$1,359 *Per Unit*	$8,173 *Per Unit*	$3,567 *Per Acre*	$3,567 *Per Acre*	$73,471 *Per Acre*	$6,065 *Per Room*		*See Table C-2*	
2015	$4,457,520	$0	$0	$41,411	$6,039	$1,038,984	$606,500	$6,150,454	25.0%	$1,537,614
2016	$6,169,860	$0	$3,265,000	$14,506	$6,039	$420,316	$3,639,000	$13,514,721	25.0%	$3,378,680
2017	$16,933,140	$0	$0	$83,420	$26,781	$1,501,129	$4,063,550	$22,608,020	25.0%	$5,652,005
2018	$28,484,640	$203,850	$0	$43,412	$20,369	$1,339,210	$2,001,450	$32,092,931	25.0%	$8,023,233
2019	$31,664,700	$203,850	$0	$118,748	$35,640	$5,056,613	$0	$37,079,551	25.0%	$9,269,888
2020	$23,972,760	$203,850	$0	$81,871	$28,475	$1,632,689	$1,061,375	$26,981,020	23.0%	$6,205,635
2021+	$54,930,780	$57,078	$0	$123,985	$35,025	$883,811	$1,485,925	$57,516,604	0.0%	$0
TOTAL	**$166,613,400**	**$668,628**	**$3,265,000**	**$507,354**	**$158,369**	**$11,872,752**	**$12,857,800**	**$195,943,303**		**$34,067,054**

tax_rev

[1] Includes 400 Cypress Knolls units charged the new residential rate.
[2] Includes fee revenue from the already constructed Preston Park in FY 2015/16.
[3] Represents the estimated annual percentage to meet endowment funding needs and accelerate capitalization.

Table C-2
FORA Phase III CIP Review
Summary of Assumptions Varying by Year

FY Ending	Share of CFD Special Tax Allocated to FORA Habitat Mgmt [1]	Special Tax Revenues Available for Habitat Management Allocation			
		HCP	UC	IAF	BL Mgmt
2014	0.0%	64.7%	10.9%	11.0%	13.4%
2015	25.0%	64.7%	10.9%	11.0%	13.4%
2016	25.0%	64.7%	10.9%	11.0%	13.4%
2017	25.0%	64.7%	10.9%	11.0%	13.4%
2018	25.0%	64.7%	10.9%	11.0%	13.4%
2019	25.0%	64.7%	10.9%	11.0%	13.4%
2020	23.0%	64.7%	10.9%	11.0%	13.4%

assump1

[1] Represents the estimated annual percentage to meet endowment funding needs and accelerate capitalization.

Table C-3
FORA Phase III CIP Review
Endowment Requirements

Item	Permit Term		Post-Permit Term		
	Assumed Payout	Annual Revenue	2014$	Assumed Payout	Annual Revenue
		[1]			[1]
HCP Endowment Fund	4.50%	$1,137,825	$16,015,233	4.50%	$720,685
UC/NRS Endowment Fund	4.20%	$228,758	$4,563,727	4.20%	$191,677
Implementation Assurances Fund					
Remedial Measures	4.50%	$118,606	$0		$0
BLM and State Parks	4.50%	$34,011	$755,794	4.50%	$34,011
Contingency (5%)	4.50%	$8,257	$0		$0
Subtotal	**4.50%**	**$160,874**	**$755,794**	**4.50%**	**$34,011**
Borderlands Management Cost	4.50%	$179,119	$3,980,432	4.50%	$179,119
TOTAL ENDOWMENTS		**$1,706,576**	**$25,315,187**		**$1,125,492**

cost

Source: FORA

[1] Adjusted from Phase II estimates based on CPI change between December 2011 and December 2013.

Table C-4
FORA Phase III CIP Review
Planned Land Use Summary by Year

FY Ending	New Residential	Employer Based Housing	Existing/Replac. Residential	Office	Industrial	Retail	Hotel
	Units	*Units*	*Units*	*Acres*	*Acres*	*Acres*	*Rooms*
2015	164	0	0	11.6	1.7	14.1	100
2016	227	0	0	4.1	1.7	5.7	600
2017	623	0	0	23.4	7.5	20.4	670
2018	1,048	150	0	12.2	5.7	18.2	330
2019	1,165	150	0	33.3	10.0	68.8	0
2020	882	150	0	23.0	8.0	22.2	175
Post-FORA	2,021	42	0	34.8	9.8	12.0	245
TOTAL	**6,130**	**492**	**0**	**142.2**	**44.4**	**161.6**	**2,120**

LU_planned

Source: FORA.

Table C-5
FORA Phase III CIP Review
Tax Revenues Allocated by Endowment

FY Ending	Special Tax Revenue Annual [1]	Special Tax Revenue Cumulative	HCP Annual	HCP Cumulative	UC Annual	UC Cumulative	IAF Annual	IAF Cumulative	BL Mgmt Annual	BL Mgmt Cumulative
2015	$1,537,614	$1,537,614	$995,144	$995,144	$166,985	$166,985	$169,291	$169,291	$206,194	$206,194
2016	$3,378,680	$4,916,294	$2,186,682	$3,181,825	$366,925	$533,910	$371,993	$541,284	$453,081	$659,275
2017	$5,652,005	$10,568,299	$3,657,978	$6,839,803	$613,808	$1,147,717	$622,286	$1,163,570	$757,934	$1,417,209
2018	$8,023,233	$18,591,532	$5,192,636	$12,032,439	$871,323	$2,019,040	$883,358	$2,046,928	$1,075,916	$2,493,124
2019	$9,269,888	$27,861,420	$5,999,471	$18,031,911	$1,006,710	$3,025,750	$1,020,615	$3,067,542	$1,243,092	$3,736,216
2020	$6,205,635	**$34,067,054**	$4,016,287	**$22,048,197**	$673,932	**$3,699,682**	$683,240	**$3,750,783**	$832,176	**$4,568,392**
TOTAL	**$34,067,054**		**$22,048,197**		**$3,699,682**		**$3,750,783**		**$4,568,392**	

rev_alloc

[1] See net revenue projected in Table C-1.

Table C-6
FORA Phase III CIP Review
Preliminary Endowment Cash Flow - All Endowments

All Endowments

Permit Year	FY Ending	Beginning Balance	Interest Earnings (+)	Deposits (+)	Transfer In (+)	Subtotal	Annual Costs (-)	Transfer Out (-)	Ending Balance
	2014	$6,042,831	$264,449	$0	$0	$6,307,280	$0	$0	$6,307,280
	2015	$6,307,280	$276,036	$1,537,614	$0	$8,120,929	$0	$0	$8,120,929
1	2016	$8,120,929	$356,822	$3,378,680	$0	$11,856,431	($2,076,838)	$0	$9,779,593
	2017	$9,779,593	$432,629	$5,652,005	$0	$15,864,226	($1,443,898)	$0	$14,420,329
	2018	$14,420,329	$639,994	$8,023,233	$0	$23,083,555	($1,443,898)	$0	$21,639,658
	2019	$21,639,658	$962,561	$9,269,888	$0	$31,872,107	($1,443,898)	$0	$30,428,209
	2020	$30,428,209	$1,355,241	$6,205,635	$0	$37,989,084	($1,443,898)	$0	$36,545,187
	2021+	$36,545,187	$1,628,580	$0	$0	$38,173,767	($1,706,576)	$0	$36,467,190
	2022	$36,467,190	$1,625,086	$0	$0	$38,092,277	($1,706,576)	$0	$36,385,700
	2023	$36,385,700	$1,621,436	$0	$0	$38,007,136	($1,706,576)	$0	$36,300,560
	2024	$36,300,560	$1,617,623	$0	$0	$37,918,183	($1,706,576)	$0	$36,211,606
10	2025	$36,211,606	$1,613,638	$0	$0	$37,825,244	($1,706,576)	$0	$36,118,668
	2026	$36,118,668	$1,609,475	$0	$0	$37,728,143	($1,706,576)	$0	$36,021,566
	2027	$36,021,566	$1,605,125	$0	$0	$37,626,691	($1,706,576)	$0	$35,920,115
	2028	$35,920,115	$1,600,581	$0	$0	$37,520,696	($1,706,576)	$0	$35,814,119
	2029	$35,814,119	$1,595,833	$0	$0	$37,409,952	($1,706,576)	$0	$35,703,375
	2030	$35,703,375	$1,590,872	$0	$0	$37,294,247	($1,706,576)	$0	$35,587,670
	2031	$35,587,670	$1,585,688	$0	$0	$37,173,359	($1,706,576)	$0	$35,466,782
	2032	$35,466,782	$1,580,273	$0	$0	$37,047,055	($1,706,576)	$0	$35,340,479
	2033	$35,340,479	$1,574,615	$0	$0	$36,915,094	($1,706,576)	$0	$35,208,517
	2034	$35,208,517	$1,568,703	$0	$0	$36,777,220	($1,706,576)	$0	$35,070,644
20	2035	$35,070,644	$1,562,527	$0	$0	$36,633,171	($1,706,576)	$0	$34,926,594
	2036	$34,926,594	$1,556,073	$0	$0	$36,482,667	($1,706,576)	$0	$34,776,091
	2037	$34,776,091	$1,549,331	$0	$0	$36,325,421	($1,706,576)	$0	$34,618,845
	2038	$34,618,845	$1,542,286	$0	$0	$36,161,131	($1,706,576)	$0	$34,454,554
	2039	$34,454,554	$1,534,925	$0	$0	$35,989,480	($1,706,576)	$0	$34,282,903
	2040	$34,282,903	$1,527,235	$0	$0	$35,810,139	($1,706,576)	$0	$34,103,562
	2041	$34,103,562	$1,519,200	$0	$0	$35,622,763	($1,706,576)	$0	$33,916,186
	2042	$33,916,186	$1,510,805	$0	$0	$35,426,992	($1,706,576)	$0	$33,720,415
	2043	$33,720,415	$1,502,034	$0	$0	$35,222,449	($1,706,576)	$0	$33,515,873
	2044	$33,515,873	$1,492,870	$0	$0	$35,008,743	($1,706,576)	$0	$33,302,166
30	2045	$33,302,166	$1,483,295	$0	$0	$34,785,461	($1,706,576)	$0	$33,078,885
	2046	$33,078,885	$1,473,291	$0	$0	$34,552,176	($1,706,576)	$0	$32,845,599
	2047	$32,845,599	$1,462,838	$0	$0	$34,308,438	($1,706,576)	$0	$32,601,861
	2048	$32,601,861	$1,451,917	$0	$0	$34,053,779	($1,706,576)	$0	$32,347,202
	2049	$32,347,202	$1,440,507	$0	$0	$33,787,709	($1,706,576)	$0	$32,081,133
	2050	$32,081,133	$1,428,585	$0	$0	$33,509,718	($1,706,576)	$0	$31,803,142
	2051	$31,803,142	$1,416,129	$0	$0	$33,219,271	($1,706,576)	$0	$31,512,694
	2052	$31,512,694	$1,403,115	$0	$0	$32,915,809	($1,706,576)	$0	$31,209,233
	2053	$31,209,233	$1,389,517	$0	$0	$32,598,750	($1,706,576)	$0	$30,892,174
	2054	$30,892,174	$1,375,310	$0	$0	$32,267,484	($1,706,576)	$0	$30,560,907
40	2055	$30,560,907	$1,360,466	$0	$0	$31,921,374	($1,706,576)	$0	$30,214,797
	2056	$30,214,797	$1,344,957	$0	$0	$31,559,754	($1,706,576)	$0	$29,853,178
	2057	$29,853,178	$1,328,753	$0	$0	$31,181,930	($1,706,576)	$0	$29,475,354
	2058	$29,475,354	$1,311,822	$0	$0	$30,787,176	($1,706,576)	$0	$29,080,599
	2059	$29,080,599	$1,294,132	$0	$0	$30,374,732	($1,706,576)	$0	$28,668,155
	2060	$28,668,155	$1,275,650	$0	$0	$29,943,805	($1,706,576)	$0	$28,237,229
	2061	$28,237,229	$1,256,339	$0	$0	$29,493,568	($1,706,576)	$0	$27,786,991
	2062	$27,786,991	$1,236,162	$0	$0	$29,023,154	($1,706,576)	$0	$27,316,577
	2063	$27,316,577	$1,215,081	$0	$0	$28,531,659	($1,706,576)	$0	$26,825,082
	2064	$26,825,082	$1,193,056	$0	$0	$28,018,138	($1,706,576)	$0	$26,311,561
50	2065 +								
	Post Permit								
	2065 +	$25,775,028	$1,145,998	$0	$0	$26,921,026	($1,125,492)	$0	$25,795,533

CF_all

Table C-7
FORA Phase III CIP Review
Preliminary Endowment Cash Flow - Habitat Conservation Plan

HCP Endowment

Permit Year	FY Ending	Beginning Balance	Interest Earnings (+)	Deposits (+)	Transfer In (+)	Subtotal	Annual Costs (-)	Transfer Out (-)	Ending Balance
Source			*Table 3-3*	*Table C-5*			*Table 3-4*		
Annual Return Starting in FY 2014			*4.50%*						
	2014	$3,550,180	$159,758	$0	$0	$3,709,938	$0	$0	$3,709,938
	2015	$3,709,938	$166,947	$995,144	$0	$4,872,028	$0	$0	$4,872,028
1	2016	$4,872,028	$219,241	$2,186,682	$0	$7,277,952	($860,122)	$0	$6,417,829
	2017	$6,417,829	$288,802	$3,657,978	$0	$10,364,609	($875,146)	$0	$9,489,463
	2018	$9,489,463	$427,026	$5,192,636	$0	$15,109,125	($875,146)	$0	$14,233,979
	2019	$14,233,979	$640,529	$5,999,471	$0	$20,873,979	($875,146)	$0	$19,998,833
	2020	$19,998,833	$899,947	$4,016,287	$0	$24,915,067	($875,146)	$0	$24,039,921
	2021+	$24,039,921	$1,081,796	$0	$0	$25,121,718	($1,137,825)	$0	$23,983,892
	2022	$23,983,892	$1,079,275	$0	$0	$25,063,168	($1,137,825)	$0	$23,925,343
	2023	$23,925,343	$1,076,640	$0	$0	$25,001,983	($1,137,825)	$0	$23,864,158
	2024	$23,864,158	$1,073,887	$0	$0	$24,938,045	($1,137,825)	$0	$23,800,220
10	2025	$23,800,220	$1,071,010	$0	$0	$24,871,230	($1,137,825)	$0	$23,733,405
	2026	$23,733,405	$1,068,003	$0	$0	$24,801,408	($1,137,825)	$0	$23,663,583
	2027	$23,663,583	$1,064,861	$0	$0	$24,728,444	($1,137,825)	$0	$23,590,619
	2028	$23,590,619	$1,061,578	$0	$0	$24,652,197	($1,137,825)	$0	$23,514,372
	2029	$23,514,372	$1,058,147	$0	$0	$24,572,519	($1,137,825)	$0	$23,434,693
	2030	$23,434,693	$1,054,561	$0	$0	$24,489,255	($1,137,825)	$0	$23,351,430
	2031	$23,351,430	$1,050,814	$0	$0	$24,402,244	($1,137,825)	$0	$23,264,419
	2032	$23,264,419	$1,046,899	$0	$0	$24,311,318	($1,137,825)	$0	$23,173,493
	2033	$23,173,493	$1,042,807	$0	$0	$24,216,300	($1,137,825)	$0	$23,078,475
	2034	$23,078,475	$1,038,531	$0	$0	$24,117,006	($1,137,825)	$0	$22,979,181
20	2035	$22,979,181	$1,034,063	$0	$0	$24,013,244	($1,137,825)	$0	$22,875,419
	2036	$22,875,419	$1,029,394	$0	$0	$23,904,813	($1,137,825)	$0	$22,766,988
	2037	$22,766,988	$1,024,514	$0	$0	$23,791,502	($1,137,825)	$0	$22,653,677
	2038	$22,653,677	$1,019,415	$0	$0	$23,673,093	($1,137,825)	$0	$22,535,268
	2039	$22,535,268	$1,014,087	$0	$0	$23,549,355	($1,137,825)	$0	$22,411,530
	2040	$22,411,530	$1,008,519	$0	$0	$23,420,048	($1,137,825)	$0	$22,282,223
	2041	$22,282,223	$1,002,700	$0	$0	$23,284,923	($1,137,825)	$0	$22,147,098
	2042	$22,147,098	$996,619	$0	$0	$23,143,718	($1,137,825)	$0	$22,005,893
	2043	$22,005,893	$990,265	$0	$0	$22,996,158	($1,137,825)	$0	$21,858,333
	2044	$21,858,333	$983,625	$0	$0	$22,841,958	($1,137,825)	$0	$21,704,133
30	2045	$21,704,133	$976,686	$0	$0	$22,680,819	($1,137,825)	$0	$21,542,994
	2046	$21,542,994	$969,435	$0	$0	$22,512,428	($1,137,825)	$0	$21,374,603
	2047	$21,374,603	$961,857	$0	$0	$22,336,460	($1,137,825)	$0	$21,198,635
	2048	$21,198,635	$953,939	$0	$0	$22,152,574	($1,137,825)	$0	$21,014,749
	2049	$21,014,749	$945,664	$0	$0	$21,960,413	($1,137,825)	$0	$20,822,587
	2050	$20,822,587	$937,016	$0	$0	$21,759,604	($1,137,825)	$0	$20,621,779
	2051	$20,621,779	$927,980	$0	$0	$21,549,759	($1,137,825)	$0	$20,411,934
	2052	$20,411,934	$918,537	$0	$0	$21,330,471	($1,137,825)	$0	$20,192,646
	2053	$20,192,646	$908,669	$0	$0	$21,101,315	($1,137,825)	$0	$19,963,490
	2054	$19,963,490	$898,357	$0	$0	$20,861,847	($1,137,825)	$0	$19,724,022
40	2055	$19,724,022	$887,581	$0	$0	$20,611,603	($1,137,825)	$0	$19,473,778
	2056	$19,473,778	$876,320	$0	$0	$20,350,098	($1,137,825)	$0	$19,212,272
	2057	$19,212,272	$864,552	$0	$0	$20,076,825	($1,137,825)	$0	$18,939,000
	2058	$18,939,000	$852,255	$0	$0	$19,791,255	($1,137,825)	$0	$18,653,430
	2059	$18,653,430	$839,404	$0	$0	$19,492,834	($1,137,825)	$0	$18,355,009
	2060	$18,355,009	$825,975	$0	$0	$19,180,984	($1,137,825)	$0	$18,043,159
	2061	$18,043,159	$811,942	$0	$0	$18,855,101	($1,137,825)	$0	$17,717,276
	2062	$17,717,276	$797,277	$0	$0	$18,514,554	($1,137,825)	$0	$17,376,729
	2063	$17,376,729	$781,953	$0	$0	$18,158,681	($1,137,825)	$0	$17,020,856
	2064	$17,020,856	$765,939	$0	$0	$17,786,795	($1,137,825)	$0	$16,648,970
50	2065 +	$16,648,970	$749,204	$0	$0	$17,398,173	($1,137,824)	$0	$16,260,349
	Post Permit								
	2065 +	$16,260,349	$731,716	$0	$0	$16,992,065	($720,685)	$0	$16,271,380

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Table C-8
FORA Phase III CIP Review
Preliminary Endowment Cash Flow - University of California

UC Endowment

Permit Year	FY Ending	Beginning Balance	Interest Earnings (+)	Deposits (+)	Transfer In (+)	Subtotal	Annual Costs (-)	Transfer Out (-)	Ending Balance
Source			*Table 3-3*	*Table C-5*			*Table 3-4*		
Annual Return Starting in FY 2014			*4.20%*						
	2014	$2,492,651	$104,691	$0	$0	$2,597,342	$0	$0	$2,597,342
	2015	$2,597,342	$109,088	$166,985	$0	$2,873,415	$0	$0	$2,873,415
1	2016	$2,873,415	$120,683	$366,925	$0	$3,361,024	($876,723)	$0	$2,484,301
	2017	$2,484,301	$104,341	$613,808	$0	$3,202,449	($228,758)	$0	$2,973,691
	2018	$2,973,691	$124,895	$871,323	$0	$3,969,909	($228,758)	$0	$3,741,151
	2019	$3,741,151	$157,128	$1,006,710	$0	$4,904,989	($228,758)	$0	$4,676,231
	2020	$4,676,231	$196,402	$673,932	$0	$5,546,565	($228,758)	$0	$5,317,807
	2021+	$5,317,807	$223,348	$0	$0	$5,541,155	($228,758)	$0	$5,312,396
	2022	$5,312,396	$223,121	$0	$0	$5,535,517	($228,758)	$0	$5,306,759
	2023	$5,306,759	$222,884	$0	$0	$5,529,643	($228,758)	$0	$5,300,885
	2024	$5,300,885	$222,637	$0	$0	$5,523,522	($228,758)	$0	$5,294,764
10	2025	$5,294,764	$222,380	$0	$0	$5,517,144	($228,758)	$0	$5,288,386
	2026	$5,288,386	$222,112	$0	$0	$5,510,498	($228,758)	$0	$5,281,740
	2027	$5,281,740	$221,833	$0	$0	$5,503,573	($228,758)	$0	$5,274,815
	2028	$5,274,815	$221,542	$0	$0	$5,496,357	($228,758)	$0	$5,267,599
	2029	$5,267,599	$221,239	$0	$0	$5,488,838	($228,758)	$0	$5,260,080
	2030	$5,260,080	$220,923	$0	$0	$5,481,004	($228,758)	$0	$5,252,245
	2031	$5,252,245	$220,594	$0	$0	$5,472,840	($228,758)	$0	$5,244,082
	2032	$5,244,082	$220,251	$0	$0	$5,464,333	($228,758)	$0	$5,235,575
	2033	$5,235,575	$219,894	$0	$0	$5,455,469	($228,758)	$0	$5,226,711
	2034	$5,226,711	$219,522	$0	$0	$5,446,233	($228,758)	$0	$5,217,475
20	2035	$5,217,475	$219,134	$0	$0	$5,436,609	($228,758)	$0	$5,207,851
	2036	$5,207,851	$218,730	$0	$0	$5,426,580	($228,758)	$0	$5,197,822
	2037	$5,197,822	$218,309	$0	$0	$5,416,131	($228,758)	$0	$5,187,373
	2038	$5,187,373	$217,870	$0	$0	$5,405,243	($228,758)	$0	$5,176,484
	2039	$5,176,484	$217,412	$0	$0	$5,393,897	($228,758)	$0	$5,165,139
	2040	$5,165,139	$216,936	$0	$0	$5,382,075	($228,758)	$0	$5,153,316
	2041	$5,153,316	$216,439	$0	$0	$5,369,756	($228,758)	$0	$5,140,998
	2042	$5,140,998	$215,922	$0	$0	$5,356,920	($228,758)	$0	$5,128,161
	2043	$5,128,161	$215,383	$0	$0	$5,343,544	($228,758)	$0	$5,114,786
	2044	$5,114,786	$214,821	$0	$0	$5,329,607	($228,758)	$0	$5,100,849
30	2045	$5,100,849	$214,236	$0	$0	$5,315,085	($228,758)	$0	$5,086,327
	2046	$5,086,327	$213,626	$0	$0	$5,299,952	($228,758)	$0	$5,071,194
	2047	$5,071,194	$212,990	$0	$0	$5,284,184	($228,758)	$0	$5,055,426
	2048	$5,055,426	$212,328	$0	$0	$5,267,754	($228,758)	$0	$5,038,996
	2049	$5,038,996	$211,638	$0	$0	$5,250,634	($228,758)	$0	$5,021,876
	2050	$5,021,876	$210,919	$0	$0	$5,232,795	($228,758)	$0	$5,004,037
	2051	$5,004,037	$210,170	$0	$0	$5,214,206	($228,758)	$0	$4,985,448
	2052	$4,985,448	$209,389	$0	$0	$5,194,837	($228,758)	$0	$4,966,079
	2053	$4,966,079	$208,575	$0	$0	$5,174,654	($228,758)	$0	$4,945,896
	2054	$4,945,896	$207,728	$0	$0	$5,153,624	($228,758)	$0	$4,924,866
40	2055	$4,924,866	$206,844	$0	$0	$5,131,710	($228,758)	$0	$4,902,952
	2056	$4,902,952	$205,924	$0	$0	$5,108,876	($228,758)	$0	$4,880,118
	2057	$4,880,118	$204,965	$0	$0	$5,085,083	($228,758)	$0	$4,856,325
	2058	$4,856,325	$203,966	$0	$0	$5,060,290	($228,758)	$0	$4,831,532
	2059	$4,831,532	$202,924	$0	$0	$5,034,456	($228,758)	$0	$4,805,698
	2060	$4,805,698	$201,839	$0	$0	$5,007,538	($228,758)	$0	$4,778,780
	2061	$4,778,780	$200,709	$0	$0	$4,979,488	($228,758)	$0	$4,750,730
	2062	$4,750,730	$199,531	$0	$0	$4,950,261	($228,758)	$0	$4,721,503
	2063	$4,721,503	$198,303	$0	$0	$4,919,806	($228,758)	$0	$4,691,048
	2064	$4,691,048	$197,024	$0	$0	$4,888,072	($228,758)	$0	$4,659,314
50	2065 +	$4,659,314	$195,691	$0	$0	$4,855,005	($228,758)	$0	$4,626,247
	Post Permit								
	2065 +	$4,626,247	$194,302	$0	$0	$4,820,549	($191,677)	$0	$4,628,873

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Table C-9
FORA Phase III CIP Review
Preliminary Endowment Cash Flow - Implementation Assurances Fund

IAF Endowment

Permit Year	FY Ending	Beginning Balance	Interest Earnings (+)	Deposits (+)	Transfer In (+)	Subtotal	Annual Costs (-)	Transfer Out (-)	Ending Balance
Source			*Table 3-3*	*Table C-5*			*Table 3-4*		
Annual Return Starting in FY 2014			*4.50%*						
	2014	$0	$0	$0	$0	$0	$0	$0	$0
	2015	$0	$0	$169,291	$0	$169,291	$0	$0	$169,291
1	2016	$169,291	$7,618	$371,993	$0	$548,902	($160,874)	$0	$388,028
	2017	$388,028	$17,461	$622,286	$0	$1,027,775	($160,874)	$0	$866,901
	2018	$866,901	$39,011	$883,358	$0	$1,789,270	($160,874)	$0	$1,628,396
	2019	$1,628,396	$73,278	$1,020,615	$0	$2,722,289	($160,874)	$0	$2,561,415
	2020	$2,561,415	$115,264	$683,240	$0	$3,359,919	($160,874)	$0	$3,199,045
	2021+	$3,199,045	$143,957	$0	$0	$3,343,002	($160,874)	$0	$3,182,128
	2022	$3,182,128	$143,196	$0	$0	$3,325,324	($160,874)	$0	$3,164,450
	2023	$3,164,450	$142,400	$0	$0	$3,306,850	($160,874)	$0	$3,145,977
	2024	$3,145,977	$141,569	$0	$0	$3,287,545	($160,874)	$0	$3,126,672
10	2025	$3,126,672	$140,700	$0	$0	$3,267,372	($160,874)	$0	$3,106,498
	2026	$3,106,498	$139,792	$0	$0	$3,246,290	($160,874)	$0	$3,085,417
	2027	$3,085,417	$138,844	$0	$0	$3,224,260	($160,874)	$0	$3,063,387
	2028	$3,063,387	$137,852	$0	$0	$3,201,239	($160,874)	$0	$3,040,365
	2029	$3,040,365	$136,816	$0	$0	$3,177,182	($160,874)	$0	$3,016,308
	2030	$3,016,308	$135,734	$0	$0	$3,152,042	($160,874)	$0	$2,991,168
	2031	$2,991,168	$134,603	$0	$0	$3,125,770	($160,874)	$0	$2,964,896
	2032	$2,964,896	$133,420	$0	$0	$3,098,317	($160,874)	$0	$2,937,443
	2033	$2,937,443	$132,185	$0	$0	$3,069,628	($160,874)	$0	$2,908,754
	2034	$2,908,754	$130,894	$0	$0	$3,039,648	($160,874)	$0	$2,878,774
20	2035	$2,878,774	$129,545	$0	$0	$3,008,319	($160,874)	$0	$2,847,445
	2036	$2,847,445	$128,135	$0	$0	$2,975,580	($160,874)	$0	$2,814,706
	2037	$2,814,706	$126,662	$0	$0	$2,941,368	($160,874)	$0	$2,780,494
	2038	$2,780,494	$125,122	$0	$0	$2,905,617	($160,874)	$0	$2,744,743
	2039	$2,744,743	$123,513	$0	$0	$2,868,256	($160,874)	$0	$2,707,382
	2040	$2,707,382	$121,832	$0	$0	$2,829,215	($160,874)	$0	$2,668,341
	2041	$2,668,341	$120,075	$0	$0	$2,788,416	($160,874)	$0	$2,627,542
	2042	$2,627,542	$118,239	$0	$0	$2,745,782	($160,874)	$0	$2,584,908
	2043	$2,584,908	$116,321	$0	$0	$2,701,229	($160,874)	$0	$2,540,355
	2044	$2,540,355	$114,316	$0	$0	$2,654,671	($160,874)	$0	$2,493,797
30	2045	$2,493,797	$112,221	$0	$0	$2,606,018	($160,874)	$0	$2,445,144
	2046	$2,445,144	$110,031	$0	$0	$2,555,176	($160,874)	$0	$2,394,302
	2047	$2,394,302	$107,744	$0	$0	$2,502,045	($160,874)	$0	$2,341,171
	2048	$2,341,171	$105,353	$0	$0	$2,446,524	($160,874)	$0	$2,285,650
	2049	$2,285,650	$102,854	$0	$0	$2,388,505	($160,874)	$0	$2,227,631
	2050	$2,227,631	$100,243	$0	$0	$2,327,874	($160,874)	$0	$2,167,000
	2051	$2,167,000	$97,515	$0	$0	$2,264,515	($160,874)	$0	$2,103,642
	2052	$2,103,642	$94,664	$0	$0	$2,198,305	($160,874)	$0	$2,037,432
	2053	$2,037,432	$91,684	$0	$0	$2,129,116	($160,874)	$0	$1,968,242
	2054	$1,968,242	$88,571	$0	$0	$2,056,813	($160,874)	$0	$1,895,939
40	2055	$1,895,939	$85,317	$0	$0	$1,981,257	($160,874)	$0	$1,820,383
	2056	$1,820,383	$81,917	$0	$0	$1,902,300	($160,874)	$0	$1,741,426
	2057	$1,741,426	$78,364	$0	$0	$1,819,790	($160,874)	$0	$1,658,916
	2058	$1,658,916	$74,651	$0	$0	$1,733,568	($160,874)	$0	$1,572,694
	2059	$1,572,694	$70,771	$0	$0	$1,643,465	($160,874)	$0	$1,482,591
	2060	$1,482,591	$66,717	$0	$0	$1,549,308	($160,874)	$0	$1,388,434
	2061	$1,388,434	$62,480	$0	$0	$1,450,914	($160,874)	$0	$1,290,040
	2062	$1,290,040	$58,052	$0	$0	$1,348,092	($160,874)	$0	$1,187,218
	2063	$1,187,218	$53,425	$0	$0	$1,240,643	($160,874)	$0	$1,079,769
	2064	$1,079,769	$48,590	$0	$0	$1,128,358	($160,874)	$0	$967,484
50	2065 +	$967,484	$43,537	$0	$0	$1,011,021	($160,874)	$0	$850,147
	Post Permit								
	2065 +	$850,147	$38,257	$0	$0	$888,404	($34,011)	$0	$854,393

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Table C-10
FORA Phase III CIP Review
Preliminary Endowment Cash Flow - Borderlands Management

Borderlands Endowment

Permit Year	FY Ending	Beginning Balance	Interest Earnings (+)	Deposits (+)	Transfer In (+)	Subtotal	Annual Costs (-)	Transfer Out (-)	Ending Balance
Source			*Table 3-3*	*Table C-5*			*Table 3-4*		
Annual Return Starting in FY 2014			*4.50%*						
	2014	$0	$0	$0	$0	$0	$0	$0	$0
	2015	$0	$0	$206,194	$0	$206,194	$0	$0	$206,194
1	2016	$206,194	$9,279	$453,081	$0	$668,554	($179,119)	$0	$489,434
	2017	$489,434	$22,025	$757,934	$0	$1,269,393	($179,119)	$0	$1,090,273
	2018	$1,090,273	$49,062	$1,075,916	$0	$2,215,251	($179,119)	$0	$2,036,132
	2019	$2,036,132	$91,626	$1,243,092	$0	$3,370,849	($179,119)	$0	$3,191,730
	2020	$3,191,730	$143,628	$832,176	$0	$4,167,533	($179,119)	$0	$3,988,414
	2021+	$3,988,414	$179,479	$0	$0	$4,167,893	($179,119)	$0	$3,988,773
	2022	$3,988,773	$179,495	$0	$0	$4,168,268	($179,119)	$0	$3,989,149
	2023	$3,989,149	$179,512	$0	$0	$4,168,660	($179,119)	$0	$3,989,541
	2024	$3,989,541	$179,529	$0	$0	$4,169,070	($179,119)	$0	$3,989,951
10	2025	$3,989,951	$179,548	$0	$0	$4,169,498	($179,119)	$0	$3,990,379
	2026	$3,990,379	$179,567	$0	$0	$4,169,946	($179,119)	$0	$3,990,826
	2027	$3,990,826	$179,587	$0	$0	$4,170,414	($179,119)	$0	$3,991,294
	2028	$3,991,294	$179,608	$0	$0	$4,170,902	($179,119)	$0	$3,991,783
	2029	$3,991,783	$179,630	$0	$0	$4,171,413	($179,119)	$0	$3,992,294
	2030	$3,992,294	$179,653	$0	$0	$4,171,947	($179,119)	$0	$3,992,828
	2031	$3,992,828	$179,677	$0	$0	$4,172,505	($179,119)	$0	$3,993,385
	2032	$3,993,385	$179,702	$0	$0	$4,173,088	($179,119)	$0	$3,993,968
	2033	$3,993,968	$179,729	$0	$0	$4,173,697	($179,119)	$0	$3,994,577
	2034	$3,994,577	$179,756	$0	$0	$4,174,333	($179,119)	$0	$3,995,214
20	2035	$3,995,214	$179,785	$0	$0	$4,174,998	($179,119)	$0	$3,995,879
	2036	$3,995,879	$179,815	$0	$0	$4,175,694	($179,119)	$0	$3,996,574
	2037	$3,996,574	$179,846	$0	$0	$4,176,420	($179,119)	$0	$3,997,300
	2038	$3,997,300	$179,879	$0	$0	$4,177,179	($179,119)	$0	$3,998,060
	2039	$3,998,060	$179,913	$0	$0	$4,177,972	($179,119)	$0	$3,998,853
	2040	$3,998,853	$179,948	$0	$0	$4,178,801	($179,119)	$0	$3,999,682
	2041	$3,999,682	$179,986	$0	$0	$4,179,667	($179,119)	$0	$4,000,548
	2042	$4,000,548	$180,025	$0	$0	$4,180,573	($179,119)	$0	$4,001,453
	2043	$4,001,453	$180,065	$0	$0	$4,181,518	($179,119)	$0	$4,002,399
	2044	$4,002,399	$180,108	$0	$0	$4,182,507	($179,119)	$0	$4,003,387
30	2045	$4,003,387	$180,152	$0	$0	$4,183,540	($179,119)	$0	$4,004,420
	2046	$4,004,420	$180,199	$0	$0	$4,184,619	($179,119)	$0	$4,005,500
	2047	$4,005,500	$180,247	$0	$0	$4,185,747	($179,119)	$0	$4,006,628
	2048	$4,006,628	$180,298	$0	$0	$4,186,926	($179,119)	$0	$4,007,807
	2049	$4,007,807	$180,351	$0	$0	$4,188,158	($179,119)	$0	$4,009,039
	2050	$4,009,039	$180,407	$0	$0	$4,189,445	($179,119)	$0	$4,010,326
	2051	$4,010,326	$180,465	$0	$0	$4,190,790	($179,119)	$0	$4,011,671
	2052	$4,011,671	$180,525	$0	$0	$4,192,196	($179,119)	$0	$4,013,077
	2053	$4,013,077	$180,588	$0	$0	$4,193,665	($179,119)	$0	$4,014,546
	2054	$4,014,546	$180,655	$0	$0	$4,195,200	($179,119)	$0	$4,016,081
40	2055	$4,016,081	$180,724	$0	$0	$4,196,804	($179,119)	$0	$4,017,685
	2056	$4,017,685	$180,796	$0	$0	$4,198,481	($179,119)	$0	$4,019,361
	2057	$4,019,361	$180,871	$0	$0	$4,200,233	($179,119)	$0	$4,021,113
	2058	$4,021,113	$180,950	$0	$0	$4,202,063	($179,119)	$0	$4,022,944
	2059	$4,022,944	$181,032	$0	$0	$4,203,976	($179,119)	$0	$4,024,857
	2060	$4,024,857	$181,119	$0	$0	$4,205,975	($179,119)	$0	$4,026,856
	2061	$4,026,856	$181,209	$0	$0	$4,208,064	($179,119)	$0	$4,028,945
	2062	$4,028,945	$181,303	$0	$0	$4,210,248	($179,119)	$0	$4,031,128
	2063	$4,031,128	$181,401	$0	$0	$4,212,529	($179,119)	$0	$4,033,409
	2064	$4,033,409	$181,503	$0	$0	$4,214,913	($179,119)	$0	$4,035,793
50	2065 +	$4,035,793	$181,611	$0	$0	$4,217,404	($179,119)	$0	$4,038,285
	Post Permit								
	2065 +	$4,038,285	$181,723	$0	$0	$4,220,007	($179,119)	$0	$4,040,888

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Table C-11
FORA Phase III CIP Review
Comparison of Annual Interest Earnings and Costs

Permit Year	Year	HCP Endowment Interest Earnings	HCP Endowment Annual Costs	HCP Endowment Difference	UC Endowment Interest Earnings	UC Endowment Annual Costs	UC Endowment Difference	IAF Endowment Interest Earnings	IAF Endowment Annual Costs	IAF Endowment Surplus/ (Deficit)	Borderlands Endowment Interest Earnings	Borderlands Endowment Annual Costs	Borderlands Endowment Surplus/ (Deficit)
Source		*Table C-7*	*Table C-7*		*Table C-8*	*Table C-8*		*Table C-9*	*Table C-9*		*Table C-10*	*Table C-10*	
	2014	$159,758	$0	$159,758	$104,691	$0	$104,691	$0	$0	$0	$0	$0	$0
	2015	$166,947	$0	$166,947	$109,088	$0	$109,088	$0	$0	$0	$0	$0	$0
1	2016	$219,241	($860,122)	($640,881)	$120,683	($876,723)	($756,039)	$7,618	($160,874)	($153,256)	$9,279	($179,119)	($169,841)
	2017	$288,802	($875,146)	($586,344)	$104,341	($228,758)	($124,417)	$17,461	($160,874)	($143,413)	$22,025	($179,119)	($157,095)
	2018	$427,026	($875,146)	($448,120)	$124,895	($228,758)	($103,863)	$39,011	($160,874)	($121,863)	$49,062	($179,119)	($130,057)
	2019	$640,529	($875,146)	($234,617)	$157,128	($228,758)	($71,630)	$73,278	($160,874)	($87,596)	$91,626	($179,119)	($87,494)
	2020	$899,947	($875,146)	$24,801	$196,402	($228,758)	($32,356)	$115,264	($160,874)	($45,610)	$143,628	($179,119)	($35,492)
	2021+	$1,081,796	($1,137,825)	($56,029)	$223,348	($228,758)	($5,410)	$143,957	($160,874)	($16,917)	$179,479	($179,119)	$359
	2022	$1,079,275	($1,137,825)	($58,550)	$223,121	($228,758)	($5,637)	$143,196	($160,874)	($17,678)	$179,495	($179,119)	$375
	2023	$1,076,640	($1,137,825)	($61,185)	$222,884	($228,758)	($5,874)	$142,400	($160,874)	($18,474)	$179,512	($179,119)	$392
10	2024	$1,073,887	($1,137,825)	($63,938)	$222,637	($228,758)	($6,121)	$141,569	($160,874)	($19,305)	$179,529	($179,119)	$410
	2025	$1,071,010	($1,137,825)	($66,815)	$222,380	($228,758)	($6,378)	$140,700	($160,874)	($20,174)	$179,548	($179,119)	$428
	2026	$1,068,003	($1,137,825)	($69,822)	$222,112	($228,758)	($6,646)	$139,792	($160,874)	($21,081)	$179,567	($179,119)	$448
	2027	$1,064,861	($1,137,825)	($72,964)	$221,833	($228,758)	($6,925)	$138,844	($160,874)	($22,030)	$179,587	($179,119)	$468
	2028	$1,061,578	($1,137,825)	($76,247)	$221,542	($228,758)	($7,216)	$137,852	($160,874)	($23,021)	$179,608	($179,119)	$489
	2029	$1,058,147	($1,137,825)	($79,678)	$221,239	($228,758)	($7,519)	$136,816	($160,874)	($24,057)	$179,630	($179,119)	$511
	2030	$1,054,561	($1,137,825)	($83,264)	$220,923	($228,758)	($7,835)	$135,734	($160,874)	($25,140)	$179,653	($179,119)	$534
	2031	$1,050,814	($1,137,825)	($87,011)	$220,594	($228,758)	($8,164)	$134,603	($160,874)	($26,271)	$179,677	($179,119)	$558
	2032	$1,046,899	($1,137,825)	($90,926)	$220,251	($228,758)	($8,507)	$133,420	($160,874)	($27,453)	$179,702	($179,119)	$583
	2033	$1,042,807	($1,137,825)	($95,018)	$219,894	($228,758)	($8,864)	$132,185	($160,874)	($28,689)	$179,729	($179,119)	$609
20	2034	$1,038,531	($1,137,825)	($99,294)	$219,522	($228,758)	($9,236)	$130,894	($160,874)	($29,980)	$179,756	($179,119)	$637
	2035	$1,034,063	($1,137,825)	($103,762)	$219,134	($228,758)	($9,624)	$129,545	($160,874)	($31,329)	$179,785	($179,119)	$665
	2036	$1,029,394	($1,137,825)	($108,431)	$218,730	($228,758)	($10,028)	$128,135	($160,874)	($32,739)	$179,815	($179,119)	$695
	2037	$1,024,514	($1,137,825)	($113,311)	$218,309	($228,758)	($10,450)	$126,662	($160,874)	($34,212)	$179,846	($179,119)	$726
	2038	$1,019,415	($1,137,825)	($118,410)	$217,870	($228,758)	($10,888)	$125,122	($160,874)	($35,752)	$179,879	($179,119)	$759
	2039	$1,014,087	($1,137,825)	($123,738)	$217,412	($228,758)	($11,346)	$123,513	($160,874)	($37,360)	$179,913	($179,119)	$793
	2040	$1,008,519	($1,137,825)	($129,306)	$216,936	($228,758)	($11,822)	$121,832	($160,874)	($39,042)	$179,948	($179,119)	$829
	2041	$1,002,700	($1,137,825)	($135,125)	$216,439	($228,758)	($12,319)	$120,075	($160,874)	($40,798)	$179,986	($179,119)	$866
	2042	$996,619	($1,137,825)	($141,206)	$215,922	($228,758)	($12,836)	$118,239	($160,874)	($42,634)	$180,025	($179,119)	$905
	2043	$990,265	($1,137,825)	($147,560)	$215,383	($228,758)	($13,375)	$116,321	($160,874)	($44,553)	$180,065	($179,119)	$946
30	2044	$983,625	($1,137,825)	($154,200)	$214,821	($228,758)	($13,937)	$114,316	($160,874)	($46,558)	$180,108	($179,119)	$988
	2045	$976,686	($1,137,825)	($161,139)	$214,236	($228,758)	($14,522)	$112,221	($160,874)	($48,653)	$180,152	($179,119)	$1,033
	2046	$969,435	($1,137,825)	($168,390)	$213,626	($228,758)	($15,132)	$110,031	($160,874)	($50,842)	$180,199	($179,119)	$1,079
	2047	$961,857	($1,137,825)	($175,968)	$212,990	($228,758)	($15,768)	$107,744	($160,874)	($53,130)	$180,247	($179,119)	$1,128
	2048	$953,939	($1,137,825)	($183,886)	$212,328	($228,758)	($16,430)	$105,353	($160,874)	($55,521)	$180,298	($179,119)	$1,179
	2049	$945,664	($1,137,825)	($192,161)	$211,638	($228,758)	($17,120)	$102,854	($160,874)	($58,020)	$180,351	($179,119)	$1,232
	2050	$937,016	($1,137,825)	($200,809)	$210,919	($228,758)	($17,839)	$100,243	($160,874)	($60,630)	$180,407	($179,119)	$1,287
	2051	$927,980	($1,137,825)	($209,845)	$210,170	($228,758)	($18,589)	$97,515	($160,874)	($63,359)	$180,465	($179,119)	$1,345
	2052	$918,537	($1,137,825)	($219,288)	$209,389	($228,758)	($19,369)	$94,664	($160,874)	($66,210)	$180,525	($179,119)	$1,406
	2053	$908,669	($1,137,825)	($229,156)	$208,575	($228,758)	($20,183)	$91,684	($160,874)	($69,189)	$180,588	($179,119)	$1,469
40	2054	$898,357	($1,137,825)	($239,468)	$207,728	($228,758)	($21,030)	$88,571	($160,874)	($72,303)	$180,655	($179,119)	$1,535

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Table C-11
FORA Phase III CIP Review
Comparison of Annual Interest Earnings and Costs

		HCP Endowment			UC Endowment			IAF Endowment			Borderlands Endowment		
Permit Year	Year	Interest Earnings	Annual Costs	Difference	Interest Earnings	Annual Costs	Difference	Interest Earnings	Annual Costs	Surplus/ (Deficit)	Interest Earnings	Annual Costs	Surplus/ (Deficit)
Source		*Table C-7*	*Table C-7*		*Table C-8*	*Table C-8*		*Table C-9*	*Table C-9*		*Table C-10*	*Table C-10*	
	2055	$887,581	($1,137,825)	**($250,244)**	$206,844	($228,758)	**($21,914)**	$85,317	($160,874)	**($75,557)**	$180,724	($179,119)	**$1,604**
	2056	$876,320	($1,137,825)	**($261,505)**	$205,924	($228,758)	**($22,834)**	$81,917	($160,874)	**($78,957)**	$180,796	($179,119)	**$1,676**
	2057	$864,552	($1,137,825)	**($273,273)**	$204,965	($228,758)	**($23,793)**	$78,364	($160,874)	**($82,510)**	$180,871	($179,119)	**$1,752**
	2058	$852,255	($1,137,825)	**($285,570)**	$203,966	($228,758)	**($24,792)**	$74,651	($160,874)	**($86,223)**	$180,950	($179,119)	**$1,831**
	2059	$839,404	($1,137,825)	**($298,421)**	$202,924	($228,758)	**($25,834)**	$70,771	($160,874)	**($90,103)**	$181,032	($179,119)	**$1,913**
	2060	$825,975	($1,137,825)	**($311,850)**	$201,839	($228,758)	**($26,919)**	$66,717	($160,874)	**($94,157)**	$181,119	($179,119)	**$1,999**
	2061	$811,942	($1,137,825)	**($325,883)**	$200,709	($228,758)	**($28,049)**	$62,480	($160,874)	**($98,394)**	$181,209	($179,119)	**$2,089**
	2062	$797,277	($1,137,825)	**($340,548)**	$199,531	($228,758)	**($29,227)**	$58,052	($160,874)	**($102,822)**	$181,303	($179,119)	**$2,183**
	2063	$781,953	($1,137,825)	**($355,872)**	$198,303	($228,758)	**($30,455)**	$53,425	($160,874)	**($107,449)**	$181,401	($179,119)	**$2,281**
50	2064	$765,939	($1,137,825)	**($371,887)**	$197,024	($228,758)	**($31,734)**	$48,590	($160,874)	**($112,284)**	$181,503	($179,119)	**$2,384**
	Post Permit												
	2065 +	$731,716	($720,685)	**$11,030**	$194,302	($191,677)	**$2,626**	$38,257	($34,011)	**$4,246**	$181,723	($179,119)	**$2,603**

performance