



Capital Improvement Program FY 2014/15

**PRESENTATION TO THE
FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS
JUNE 13, 2014**

Capital Improvement Obligations



The Environmental Impact Report (EIR) prepared for the Fort Ord BRP outlines five categories of obligations:

Transportation and Transit

- *Impact:* Increased travel demand on regional transportation system

Program A-1.1: FORA and each jurisdiction with lands at the former Fort Ord shall provide a funding mechanism to pay for Fort Ord's share of impact on the regional transportation system.

Mitigation: A Development and Resource Management Plan (DRMP) to establish programs and monitor development at Fort Ord to assure that it does not exceed resource constraints posed by transportation facilities.

Capital Improvement Obligations



Habitat Management

- *Impact:* Loss of sensitive species and habitats addressed in the Habitat Management Plan (HMP)

For the HMP to be implemented to allow FORA and its member agencies to meet the requirements of... (Federal and State endangered species acts), an Implementing/Management Agreement (IA) has been developed that establishes the conditions under which FORA and its member agencies will receive certain long-term permits and authorizations from the US Fish & Wildlife Service (USFWS) and California Department of Fish & Wildlife (CDFW).

Note: The vehicle to implement the BRP consistent with these statutes is a combined Federal and State Habitat Conservation Plan (HCP) and HCP IA, allowing USFWS and CDFW to issue Incidental Take Permits.

Capital Improvement Obligations



Water Augmentation

- *Impact:* Need for new local water supplies (2015)

Program B-1.4: The City/County shall continue to actively participate in and support the development of “reclaimed” water supply sources by the water purveyor and Monterey Regional Water Pollution Control Agency to insure adequate water supplies for the former Fort Ord.

Program B-1.6: The City/County shall work with FORA to assure the long-range water supply for the needs and plans for reuse of the former Fort Ord.

Mitigation: A DRMP to establish programs and monitor development at Fort Ord to assure that it does not exceed resource constraints posed by water supply shall be established by FORA.

Capital Improvement Obligations



Storm Drainage

- *Impact:* Water quality degradation from urban run-off

Program C-6.1: The City/County shall work closely with other Fort Ord jurisdictions and the California Department of Parks and Recreation to develop and implement a plan for storm water disposal that will allow for the removal of the ocean outfall structures and end the discharge of storm water into the marine environment...

Mitigation: Add a new program that shall require preparation of a Master Drainage Plan be developed for the Fort Ord property to assess the existing natural and man-made drainage facilities, recommend area-wide improvements based on the approved BRP and develop plans for the control of storm water run-off from future development, including detention/retention and enhanced percolation to the ground water....

Capital Improvement Obligations



Fire Fighting Enhancement

- *Impact:* Increased demand for fire protection and emergency response personnel

Mitigation: FORA, jointly with the local city managers and fire protection agencies involved, shall develop a regional program that promotes joint efficiencies in operations, identifies further sources of funding for additional required fire protection services such as a special fire district or other standard mechanism, and seeks to secure adequate funding to maintain existing levels of service.

Government Code 67655



- In addition to the BRP EIR, government code includes a definition of FORA's responsibility for financing "base-wide facilities."
- "Base-wide facility" means a public capital facility which, in judgment of the FORA Board is important to the overall reuse of Fort Ord, and has significance beyond any single City of the unincorporated area of the County.

Major Base-wide Facilities (non-CEQA)



- **Building Removal (including land sale credits)**
- **Property Management/Caretaker Costs**

CIP Project Funding



- **Community Facilities District (CFD) Fee/Development Fee funds:**
Base-wide impact mitigations
- **Land Sales proceeds fund:**
Building removal as per FORA Board direction
- **Property Tax funds:**
Operations and other unfunded projects
- **Grants fund:**
Specific projects, i.e. transportation projects
- **Loans fund:**
Specific CIP projects and must be paid back

Previous Developer Fee Reductions



- Lowered CFD Fees by 27% to \$33,700 per dwelling unit – 2011
- Contingency line items consolidated:
 - Add'l transportation costs (15% of total costs)
 - Add'l habitat mgt. costs (endowment payout assumed 1.5% lower)
 - Other costs (\$3M)
- Line items moved from contingency, to expenses:
 - Jurisdiction property maintenance / property costs (up to \$660K annually, deducted from Land Sales proceeds)
- Lowered CFD fee by 23.6% to \$26,440 per dwelling unit – 2013
- Fees indexed each July 1 (\$27,180 per dwelling unit in FY13/14)
- EPS Phase III study recommends 17% reduction based on review of contingencies, transportation and other costs
 - Proposed FY 14/15 CFD Fee/Development Fee is \$22,560 (New Residential)

Recent Actions



- 2-19-2014 Administrative Committee (AC) - Requested updated projections from land use jurisdictions
- 3-5-2014 AC provided updates and discussed project identification (entitled vs. planned)
- 3-27-2014 AC CIP workshop
- 4-2-2014 AC CIP follow-up and AC approved using “3 units per housing type/per month” and other forecasting methodologies
- 5-7-2014 AC reviewed draft FY 2014/15 CIP
- 6-4-2014 AC recommended FORA Board approval

Significant Updates



- MCWD rate study and FORA consultant recommend FORA “voluntary contribution” be replaced by MCWD capacity charge
- FY 2014/15 CIP; FORA CFD fee/development fee reduced to not double-charge
- Text addition explains updated forecasting methodology
- Phase III study results incorporated, including removing \$3.5M additional utilities contingency and reducing the fee by 17%

Post-FORA Implications



- **Responsibilities that survive FORA's sunset:**
 - Habitat Conservation Plan endowment
 - Base Reuse Plan compliance (CEQA mitigation measures)
 - Building removal completion
 - Water purveyor service agreement/augmentation/allocations
- **Options to perform post-FORA obligations:**
 - Assign to existing agency
 - Assign to FORA member agencies, regional and state agencies
 - Create a JPA, modify an existing JPA, create a Community Services Area governed by the Board of Supervisors
 - Create a FORA "shell" that maintains existing funding structure, CFD, property tax revenues, land sale 50/50 split

Remaining Transportation/Transit Obligations



	Projected CIP Construction/Funding Period
<ul style="list-style-type: none">● On-Site<ul style="list-style-type: none">○ Eastside Parkway (FY 2017 to 2018)○ South Boundary Road (FY 2016 to 2017)○ Gigling Road (FY 2017 to 2019)○ Inter-Garrison Road (FY 2017)○ Abrams Road (Reimbursement Agreement [RA]) (FY 2017 to 2018)○ 8th Street (RA) (FY 2017 to 2018)○ Salinas Avenue (RA) (FY 2017 to 2018)	
<ul style="list-style-type: none">● Off-Site<ul style="list-style-type: none">○ Davis Road north of Blanco Road (FY 2017)○ Davis Road south of Blanco Road (FY 2015, FY 2018 to 2020)○ Reservation Road widening 4-lanes to Watkins Gate (FY 2019 to 2020)○ Reservation Road widening Watkins Gate to Davis Road (FY 2017 to 2019)○ Crescent Avenue extend to Abrams (RA) (FY 2017 to 2018)	
<ul style="list-style-type: none">● Regional<ul style="list-style-type: none">○ HWY 1 - Del Monte-Fremont-MBL (Post FORA)○ HWY 1 – Monterey Road interchange (Post FORA)○ HWY 156 – Freeway upgrade (FY 2019 to 2020)	
<ul style="list-style-type: none">● Transit<ul style="list-style-type: none">○ Transit vehicle purchase/replacement (FY 2016 to 2020)○ Intermodal centers (FY 2020 to Post FORA)	

Water Augmentation



- MCWD certified Regional Urban Water Augmentation Program (RUWAP) EIR October 2004
- MCWD/FORA Boards approved “Hybrid Alternative” June 2005. Project augments water supply by 3,000 AFY using both reclaimed and desalinated water
- MCWD approved addenda #1 and #2 in December 2006 and February 2007, modifying RUWAP
- FORA CEQA mitigation in FY 2014/15 is \$24,015,648
- MCWD to provide alternatives for moving forward at future FORA Board meeting

Requested Action



- **Receive FORA staff overview of FY 2014/15 CIP**
- **Receive EPS Phase III CIP review recommendations**
- **Approve FY 2014/15 CIP**
- **Approve resolution implementing fee adjustment to go into effect July 5, 2014**