

### REGULAR MEETING

#### FORT ORD REUSE AUTHORITY (FORA) BOARD OF DIRECTORS

Friday, June 8, 2018 at 2:00 p.m. | 910 2<sup>nd</sup> Avenue, Marina, CA 93933 (Carpenters Union Hall)

AGENDA

ALL ARE ENCOURAGED TO SUBMIT QUESTIONS/CONCERNS BY NOON JUNE 7, 2018.

#### 1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE (If able, please stand)

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

a. Change of Command Presidio of Monterey

#### 4. CLOSED SESSION

- a. Conference with Legal Counsel Gov. Code 54956.9(a): Marina Community Partners, LLC v. Fort Ord Reuse Authority, Monterey County Superior Court, Case No.: 18CV000871
- b. Conference with Legal Counsel Gov. Code 54956.9(a), (d)(1): Keep Fort Ord Wild v. Fort Ord Reuse Authority. Pending Litigation.

#### 5. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

#### 6. ROLL CALL

FORA is governed by 13 voting members: (a) 1 member appointed by the City of Carmel; (b) 1 member appointed by the City of Del Rey Oaks; (c) 2 members appointed by the City of Marina; (d) 1 member appointed by Sand City; (e) 1 member appointed by the City of Monterey; (f) 1 member appointed by the City of Pacific Grove; (g) 1 member appointed by the City of Salinas; (h) 2 members appointed by the City of Seaside; and (i) 3 members appointed by Monterey County. The Board also includes 12 ex-officio non-voting members.

#### 7. CONSENT AGENDA

#### **INFORMATION/ACTION**

CONSENT AGENDA consists of routine information or action items accompanied by staff recommendation. Information has been provided to the FORA Board on all Consent Agenda matters. The Consent Agenda items are normally approved by one motion unless a Board member or the public request discussion or a separate vote. Prior to a motion, any member of the public or the Board may ask a question or make comment about an agenda item and staff will provide a response. If discussion is requested, that item will be removed from the Consent Agenda and be considered separately at the end of the Consent Agenda.

- a. Approve May 11, 2018 Meeting Minutes (p. 1) **Recommendation:** Approve May 11, 2018 meeting minutes.
- b. Administrative Committee (p. 6) **Recommendation:** Receive a report from the Administrative Committee.
- c. Veterans Issues Advisory (p. 9) **Recommendation:** Receive an update from the Veterans Issues Advisory Committee.
- d. Legislative Committee (p. 13) **Recommendation:** Receive an update from the Legislative Committee.
- e. Economic Development Report (p. 38) **Recommendation:** Receive an Economic Development Report.
- f. Public Correspondence to the Board (p. 42) **Recommendation:** Receive public correspondence to the Board.

#### 8. BUSINESS ITEMS

#### BUSINESS ITEMS are for Board discussion, debate, direction to staff, and/or action. Comments from the public are not to exceed 3 minutes or as otherwise determined by the Chair.

- a. Consider Adoption of FORA Fiscal Year (FY) 2018-19 Annual Budget 2d Vote (p. 43) **Recommendation:** 
  - Adopt FY 2018-19 annual budget. i.
  - Consider approval of staff proposed compensation and benefit adjustments. ii.
- b. FY 2018-19 Capital Improvement Program 2d Vote (p. 51) **Recommendation:** Take a 2<sup>nd</sup> vote to adopt the FY 2018-19 CIP.
- c. Marina Coast Water District Budget 2d Vote (p. 94) Recommendation: Consider Resolution Nos. 18-XX and 18-XX adopting a Compensation Plan for Base-wide Water and Sewer Services on the Former Fort Ord.

#### 9. PUBLIC COMMENT PERIOD

Members of the public wishing to address the Board on matters within its jurisdiction, but not on this agenda, may do so for up to 3 minutes or as otherwise determined by the Chair and will not receive Board action. Whenever possible, written correspondence should be submitted to the Board in advance of the meeting, to provide adequate time for its consideration.

#### **10. ITEMS FROM MEMBERS**

Receive communication from Board members as it pertains to future agenda items.

#### **11. ADJOURNMENT**

NEXT REGULAR MEETING: July 13, 2018 AT 2:00 P.M.

#### **INFORMATION/ACTION**

#### **INFORMATION**

**INFORMATION** 



#### FORT ORD REUSE AUTHORITY BOARD OF DIRECTORS REGULAR MEETING MINUTES 2:00 p.m., Friday, May 11, 2018 | Carpenters Union Hall

910 2<sup>nd</sup> Avenue, Marina, CA 93933

#### 1. CALL TO ORDER

Chair Rubio called the meeting to order at 2:00 p.m.

#### 2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by 20<sup>th</sup> Congressional District Congressman Jimmy Panetta.

#### 3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

Executive Officer Michael Houlemard announced the following:

- East Garrison Station #7 Open House, May 21, 2018
- California Central Coast Veterans Cemetery 1<sup>st</sup> Annual Memorial Day ceremony, May 28, 2018
- FORA Transition Workshop, June 8, 2018
- Veterans Transition Center Open House, June 8, 2018

Information on these announcements and more can be found on our website at www.fora.org

#### 4. ROLL CALL

#### Voting Members Present:

Mayor Ralph Rubio (City of Seaside), Supervisor Mary Adams (Monterey County), Supervisor John Phillips (Monterey County), Councilmember Dennis Alexander (City of Seaside), Mayor Mary Ann Carbone (City of Sand City), Mayor Jerry Edelen (City of Del Rey Oaks), Mayor Joe Gunter (City of Salinas), Councilmember Nancy Amadeo (City of Marina), Councilmember Cynthia Garfield (City of Pacific Grove), Councilmember Gail Morton (City of Marina), Councilmember Jan Reimers (City of Carmel-by-the-sea), Councilmember Alan Haffa (City of Monterey)

#### Ex-officio (Non-Voting) Board Members Present:

Erica Parker (29th State Assembly member Stone), Jimmy Panetta (20<sup>th</sup> Congressional District), Dr. Walter Tribley (MPC), Dr. P.K. Diffenbaugh (MPUSD), Steve Matarazzo (UCSC), Andre Lewis (CSUMB), Bill Collins (Ft Ord BRAC Office), Lisa Rheinheimer (MST)

#### 5. 2018 LEGISLATIVE SESSION

- a. Report from 30<sup>th</sup> State Assembly District (Assembly Member Anna Caballero)
- b. Report from 20th Congressional District (Congressman Jimmy Panetta)
- c. Report from 29<sup>th</sup> State Assembly District (Field Representative, Erica Parker)
- d. Report from 17<sup>th</sup> State Senate District (Hard copy report provided at the meeting)
- e. Report from 12<sup>th</sup> State Senate District (No report provided)

Each legislative office provided a report on current activity within their respective districts and responded to questions and comments from Board members and public. A report was not received from the 12<sup>th</sup> State Senate District. Chair Rubio thanked the legislators for taking the time to provide their reports at the Board meeting.

#### 6. CONSENT AGENDA

- a. Approve April 13, 2018 Meeting Minutes
- b. Administrative Committee
- c. Veterans Issues Advisory Committee
- d. Water/Wastewater Oversight Committee
- e. Transition Planning Update
- f. Prevailing Wage Status Report
- g. Legislative Committee
- h. Public Correspondence to the Board

Chair Rubio introduced the consent agenda items and asked Board members to make their request for any items to be pulled. Director Amadeo requested to abstain from the approval of the April 13, 2018 meeting minutes. Director Morton requested to ask a question regarding item 6f – Prevailing Wage Status Report, Sheri Damon Prevailing Wage Coordinator responded. A member of the public Ron Cheshire requested to pull the aforementioned item (6f) to provide comment. No other comments were received on the item.

Motion: On motion by Board member Adams second by Board member Phillips and carried by the following vote, the Board moved to approve the consent agenda items 6a – 6e and 6g – 6h.

 Ayes:
 PARKER, PHILLIPS, ADAMS, EDELEN, MORTON, HAFFA, RUBIO, ALEXANDER, CARBONE, GUNTER, GARFIELD, REIMERS

 Noes:
 NONE

 Abstain (item 6a):
 AMADEO

 Absent:
 NONE

#### MOTION PASSED

Motion for item 6f – Prevailing Wage Status Report: On motion by Board member Edelen and second by Board member Haffa and carried by the following vote, the Board moved to approve the consent agenda item 6f.

#### MOTION PASSED UNANIMOUSLY

#### 7. BUSINESS ITEM

a. Resolution Approving the Adoption of the Public Agencies Post-Employment Benefits Trust administered by Public Agency Services – 2d Vote

Mr. Houlemard reviewed the item and responded to questions and comments from the Board with FORA Controller Helen Rodriguez. Mr. Houlemard indicated that an update regarding the Section 115 Trust would be provided to the Executive Committee on May 30, 2018. There were no comments from the public received.

MOTION: On motion by Board member Gunter and second by Board member Phillips and carried by the following vote, the Board moved to adopt the resolution authorizing participating in the Public Agency Services (PARS) authorizing the Executive Officer to execute the PARS administrative documents and to take necessary actions to maintain the Authority's participation in the program and maintain compliance with any relevant regulation issued or that may be issued; to bring back to the Board the potential loss and gain information for each of the investments and other relevant information.

Roll Call Vole: Molion Passed (12 Ayes; 1 No)				
Item 7a (2d Vote): Motion				
Director Parker	Aye	Director Rubio	Aye	
Director Phillips	Aye	Director Alexander	Aye	
Director Adams	Aye	Director Carbone	Aye	
Director Edelen	Aye	Director Gunter	Aye	
Director Amadeo	Aye	Director Garfield	Aye	
Director Morton	No	Director Reimers	Aye	
Director Haffa	Aye			

Doll Coll Vistor Mation Decord (12 Avec, 1 No)

b. ARCADIS Pre-construction, Munitions Related Mapping and Construction Support Plan Preparation for the FORA CIP.

Mr. Houlemard introduced the item and Project Manager Peter Said presented the item. Public comment was received on the item.

MOTION: On motion by Board member Phillips and second by Board member Gunter and carried by the following vote, the Board moved to approve that the Executive Officer execute Work Authorization AUS-FOR A-2018-051118 to the Environmental Services Cooperative Agreement Remedial Services Contract Change Order #5, MSA with ARCADIS US, Inc. for an amount not to exceed \$73,800 to provide supplemental Unexploded Ordnance Construction Support for the FORA Capital Improvement Program.

#### MOTION PASSED UNANIMOUSLY

c. Consider Adoption of FORA FY 2018-19 Annual Budget

Mr. Houlemard presented the item and responded to questions from the Board with Ms. Rodriguez.

MOTION: On motion by Board member Gunter and second by Board member Edelen and carried by the following vote, the Board moved to adopt the fiscal year 2018-19 annual budget and the proposed staff compensation and benefits adjustments.

Roll Call Vote: Motion Passed (12 Ayes; 1 No)				
Item 7c: Motion				
Director Parker	Aye	Director Rubio	Aye	
Director Phillips	Aye	Director Alexander	Aye	
Director Adams	Aye	Director Carbone	Aye	
Director Edelen	Aye	Director Gunter	Aye	
Director Amadeo	Aye	Director Garfield	Aye	
Director Morton	No	Director Reimers	Aye	
Director Haffa	Aye			

. ..... . . . .

The item will return for a second vote at the June 8, 2018 regular Board meeting.

#### d. FY 2018-19 Capital Improvement Program (CIP)

Mr. Houlemard introduced the item and Mr. Said presented the item and responded to questions and comments from the Board. Erin Harwayne also provided insight on the California Environmental Quality Act process and timeline. Public comment was received on the item.

MOTION: On motion by Board member Reimers and second by Board member Edelen and carried by the following vote, the Board moved to adopt the FORA Capital Improvement Program for fiscal year 2018-19.

Alternate motion by Board member Haffa and second by Board member Garfield to undo the current ranking and rank items by their score and budget status to determine priority did not pass. A friendly amendment from Board member Parker to the motion was not accepted.

Item 7d: Motion				
Director Parker	No	Director Rubio	Aye	
Director Phillips	Aye	Director Alexander	Aye	
Director Adams	No	Director Carbone	Aye	
Director Edelen	Aye	Director Gunter	Aye	
Director Amadeo	No	Director Garfield	Aye	
Director Morton	No	<b>Director Reimers</b>	Aye	
Director Haffa	No			

#### Roll Call Vote: Motion Passed (8 Ayes; 5 Noes)

The item will return for a second vote at the June 8, 2018 regular Board meeting.

Motion passed to extend the meeting to 5:30 p.m.

e. Water Augmentation 3 Party Planning Agreement Amendment

Mr. Said presented the item and provided an update on the water augmentation 3 party planning agreement amendments which included key changes: MCWD may act as lead agency to contract consultant, MCWD to invoice 1/3 cost to FORA and 1/3 to M1Water, FORA to approve the work product quality and adherence to the work plan, and errata to bring the contract up to date. There were no comments or questions from the Board or public.

MOTION: On motion by Board member Moore and second by Board member Haffa and carried by the following vote, the Board moved to authorize the Executive Officer to execute Amendment #1 to the 3 Party Water Augmentation Study Agreement with changes for clarification.

#### MOTION PASSED UNANIMOUSLY

f. FY 2018-19 Marina Coast Water District Budget

Mr. Said presented the item and the Water/Wastewater Oversight Committee's recommendation regarding the MCWD FY 2018-19 budget. Staff responded to questions and comments from the Board with MCWD General Manager Keith Van Der Maaten and MCWD consultant.

MOTION: On motion by Board member Edelen and second by Board member Phillips and carried by the following vote, the Board moved to adopt resolutions for MCWD compensation plan for base-wide water and sewer services on former Fort Ord.

Directors Phillips, Gunter and Garfield departed from the meeting after the motion was made but prior to the roll call vote.

Roll Call Vote: Motion Passed (7 Ayes; 3 Noes; 3 Absent)			
Item 7f: Motion			
Director Parker	No	Director Rubio	Aye
Director Phillips	Absent	Director Alexander	Aye
Director Adams	No	Director Carbone	Aye
Director Edelen	Aye	Director Gunter	Absent
Director Amadeo	Aye	Director Garfield	Absent
Director Morton	No	Director Reimers	Aye
Director Haffa	Aye		

The item will return for a second vote at the June 8, 2018 regular Board meeting.

#### 8. PUBLIC COMMENT

There were no public comments received.

#### 9. ITEMS FROM MEMBERS

Director Reimers informed the Board that she would not be present at the June 8 workshop and board meeting.

#### 10. ADJOURNMENT at 5:27 p.m.

### FORT ORD REUSE AUTHORITY BOARD REPORT CONSENT AGENDA

Subject:

Administrative Committee

Meeting Date: June 8, 2018 Agenda Number: 7b

INFORMATION/ACTION

#### **RECOMMENDATION:**

Receive a report from the Administrative Committee.

#### BACKGROUND/DISCUSSION:

The Administrative Committee met on May 2. The approved minutes for this meeting is provided as **Attachment A.** 

#### FISCAL IMPACT:

Reviewed by the FORA Controller

Staff time for the Administrative Committee is included in the approved annual budget.

#### **COORDINATION:**

Administrative Committee

Approved by Prepared by Michael A. Houlemard, Jr. Dominique



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ACTION

ADMINISTRATIVE COMMITTEE REGULAR MEETING MINUTES 8:30 a.m., Wednesday, May 2, 2018 | FORA Conference Room 920 2<sup>nd</sup> Avenue, Suite A, Marina, CA 93933

#### 1. CALL TO ORDER

Co-Chair FORA Executive Officer Michael Houlemard called the meeting to order at 8:30 a.m.

The following members were present: Craig Malin\* (City of Seaside) Layne Long\* (City of Marina) Hans Uslar\* (City of Monterey) Melanie Beretti\* (Monterey County) Dino Pick\* (City of Del Rey Oaks)

Lisa Rheinheimer (MST) Anya Spear (CSUMB) Vicki Nakamura (MPC) Patrick Breen (MCWD) Carl Holm\* (Monterey County)

#### 2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by City of Monterey Interim City Manager Hans Uslar.

#### 3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Executive Officer Michael Houlemard announced the Infrastructure Summit that was held on April 30, 2018 and the upcoming Monterey Bay Economic Partnership Regional Summit on May 3, 2018 in Watsonville. Erin Harwayne (FORA Consultant) announced a presentation by the National Planning Association "Protecting the Night Sky" on May 3, 2018 in Salinas. More information available at: www.fora.org.

#### 4. PUBLIC COMMENT PERIOD

Members of the public wishing to address the Administrative Committee on matters within its jurisdiction, but not on this agenda, may do so for up to 3 minutes.

There were no public comments received.

#### 5. APPROVAL OF MEETING MINUTES

a. April 18, 2018 Meeting Minutes

MOTION: On motion by Committee member Pick and second by Committee member Uslar and carried by the following vote, the Administrative Committee moved to approve the April 18, 2018 meeting minutes as presented.

#### MOTION PASSED UNANIMOUSLY

#### 6. MAY 11, 2018 DRAFT BOARD MEETING AGENDA REVIEW

Mr. Houlemard and FORA staff led the discussion regarding the draft May 11 Board meeting agenda. Staff responded to questions and comments from the Committee and the public.

This item was for information only.



APPROVED

#### 7. BUSINESS ITEM

#### **INFORMATION/ACTION**

- a. Capital Improvement Program (CIP) Review and Recommendations
  - i. Building Removal Program
  - ii. Draft CIP Document

Principal Planner Jonathan Brinkmann provided a presentation on draft FY 2018-2019 CIP, the Committee discussed the options provided regarding the building removal program and draft CIP document recommendations. The analysis indicated a \$17.8M funding gap between the building removal estimate and the potential FORA property tax bonding. Staff provided three recommendations for the building removal: 1) Apply Land Sales to fill funding gap, 2) Remove buildings to \$31M limit, and 3) Create revolving fund and target highest potential sites first.

Staff responded to questions and comments from the Committee and public.

#### Building Removal Program:

**MOTION:** On motion by Committee member Pick and second by Committee member Long and carried by the following vote, the Administrative Committee moved to recommend that FORA staff craft a Board recommendation to explore funding the removal of the remaining Fort Ord buildings that are estimated to cost \$48.8 million through but not limited to property taxes, land sales revenues, and grant funds.

#### MOTION PASSED UNANIMOUSLY

Draft CIP Document:

**MOTION**: On motion by Committee member Pick and second by Committee member Uslar and carried by the following vote, the Administrative Committee moved to approve the draft CIP document and re-affirm the transportation and transit project priorities as presented in table 2 of the draft CIP; while considering the Fort Ord Committee's recommendation to the Monterey County Board of Supervisors concerning the funding priority and allocation for Davis Road.

AYES:Pick, Uslar, Long, Malin, BodemNOES:NONEABSTAIN:Beretti

#### MOTION PASSED UNANIMOUSLY

#### 8. ITEMS FROM MEMBERS

There were no items from members.

9. ADJOURNMENT at 9:57 a.m.

Minutes Prepared By: Dominique Jones Deputy Clerk

### FORT ORD REUSE AUTHORITY BOARD REPORT CONSENT AGENDA

Subject:

Veterans Issues Advisory Committee

Meeting Date: June 8, 2018 Agenda Number: 7c

18

INFORMATION/ACTION

#### **RECOMMENDATION:**

Receive a report from the Veterans Issues Advisory Committee (VIAC).

#### BACKGROUND/DISCUSSION:

The Veterans Issues Advisory Committee met on April 26, 2018. The approved minutes for this meeting are provided as **Attachment A**.

#### FISCAL IMPACT:

Reviewed by FORA Controller

Staff time for this item is included in the approved annual budget.

#### **COORDINATION:**

VIAC

Prepared by Deuli Arzacho Approved by Heidi L. Lizarbe

Michael A. Houlemard, Jr.





#### FORT ORD REUSE AUTHORITY VETERANS ISSUES ADVISORY COMMITTEE (VIAC) MEETING MINUTES 3:00 P.M. April 26, 2018 | FORA Conference Room

920 2<sup>nd</sup> Avenue, Suite A., Marina CA 93933

#### 1. CALL TO ORDER

Acting Chair Edith Johnson called the meeting to order at 3:00 P.M.

#### **Committee Members Present:**

Edith Johnson, Veterans Families/Fund Raising (*Acting Chair*) Sid Williams, Monterey County Military & Veterans Affairs Commission (MCM&VAC) Mary Estrada, United Veterans Council (UVC) Richard Garza, Central Coast Veterans Cemetery Foundation (CCVCF) James Bogan, Disabled American Veterans (DAV) Jack Stewart, Monterey County California Central Coast Veterans Cemetery Advisory Committee Ian Oglesby, US Army Veteran Erica Chaney, CCCVC Administrator

- 2. PLEDGE OF ALLEGIANCE led by Mary Estrada.
- 3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE None.

#### 4. PUBLIC COMMENT PERIOD

There were no comments from the public.

#### 5. APPROVAL OF MEETING MINUTES

a. March 22, 2018 Regular Meeting Minutes

MOTION: On motion by Committee member Sid Williams and second by Committee member Richard Garza and carried by the following vote, the VIAC moved to approve the March 22, 2018 meeting minutes.

#### MOTION: PASSED UNANIMOUSLY

#### 6. BUSINESS ITEMS

#### a. California Central Coast Veterans Cemetery (CCCVC) Status Report

i. Cemetery Administrator's Status

Erica Chaney announced Bugles Across America, will attend and play taps at memorial services upon request. Other updates include Pest control services have begun, and a continued effort to obtain the HVAC and Fire Alarm renewal services.

The CCCVC is working on reestablishing the Memorial and Monuments Advisory Committee and will distribute applications to fill the seven vacancies; which are comprised of one Monterey County representative, one City of Seaside representative, one Fort Ord Reuse Authority (FORA) representative, two CAC representative's, and two CalVet representative's. If a person has previously or currently serves on the committee and would like to continue new application is needed. The goal is to have the committee meet within the next month.

- *ii.* Veterans Cemetery Land Use Status Still waiting to advance the decision on the Memorandum of Understanding (MOU) and Oak Woodlands Mitigation. They currently are waiting for an appraisal to be performed by the CDVA appraiser for the mitigation parcel.
- *iii. Fort Ord Committee Verbal Report: Oak Woodlands Mitigation & Endowment MOU* Principal Analyst Robert Norris announced the MOU is still waiting to be placed on the County Board of Supervisors Fort Ord Committee Agenda.

#### b. Fundraising Status

#### i. CCVCF Status Report

Richard Garza updated the committee about the 2017 fundraising efforts, which he described as very successful.

#### c. Veterans Transition Center (VTC) Housing Construction

Jack Murphy, VTC Deputy Executive Director advised they are reapplying for an expanded Veterans Housing and Homelessness Prevention Program (VHHP) Funding from CA Department of Housing and Community Development, for Lightfighter Village, a 71-unit low and extremely low income permanent housing the VTC is seeking to build for Veteran families.

The VTC is requesting the VIAC support in form of a letter to the Board of Supervisors asking for the Housing Authority to reconsider issuing Project-Based Vouchers for Lighfighter Village. VTC agreed to draft a letter and submit to VIAC for support.

#### d. VA-DOD Clinic

Mr. Norris updated the committee about the letter of support regarding services and operations at the clinic. Mr. Norris received a response from Veterans Affairs Palo Alto Healthcare Systems, Beth Kane Program Analyst indicating they are sending the request for information up the chain. Mr. Norris will report on the item upon receipt of a response.

#### e. Historical Preservation Project

Cliff Guin advised he is recently met with Congressman Panetta, who lended his support and by looking for ways to help the program move forward. Mr. Guin met with others, who advised to go to the Army Military Museum to seek their support also.

#### f. Calendar of Events

- VTC Car Show/Open House, Saturday, May 19th, 2018 9:00am to 3:00pm.
- CCCVC Memorial Day Ceremony, Monday, May 28, 2018 at 8:00am.
- VTC Open House, Saturday, June 9th ,2018 12:00pm.
- 2018 Retiree Appreciation Day, Saturday, June 9, 2018 8:00am to 12:30pm at the General Stillwell Community Center.
- Project Welcome Home Troops, June 6-10, 2018, at the Veterans Transition Center.

#### 7. ITEMS FROM MEMBERS

None.

Veterans Issues Advisory Committee Meeting Minutes

#### 8. ADJOURNMENT at 3:55 P.M.

Minutes Prepared by: Heidi Lizarbe Administrative Assistant

### FORT ORD REUSE AUTHORITY BOARD REPORT CONSENT AGENDA

Subject:

Legislative Committee

Meeting Date: June 8, 2018 Agenda Number: 7d

INFORMATION/ACTION

#### **RECOMMENDATION:**

Receive a report from the Legislative Committee.

#### BACKGROUND/DISCUSSION:

The Legislative Committee met on May 23, 2018 and approved the April 23, 2017 meeting minutes (**Attachment A**).

Reports from legislative office representatives Kathleen Lee (20<sup>th</sup> U.S. Congressional District) and Nicole Hollingsworth (17<sup>th</sup> State Senate District) were provided at the meeting. Related materials (to those updates) from both offices and are provided respectively (**Attachment B**).

The Committee discussed the information received at the May 11, 2018 Board 2018 legislative session and received updates from consultant John Arriaga and Executive Officer Michael Houlemard to the proposed positions on State legislation (**Attachment C**). The Committee provided staff with direction to secure California Local Reuse Authority support for AB 3160 language adjustments for Senate Bill 50. A letter was sent to California Local Reuse Authority Directors by Mr. Houlemard and is provided as (**Attachment D**).

The next Legislative Committee meeting is slated for fall 2018.

#### FISCAL IMPACT:

Reviewed by the FORA Controller

Staff time for the Legislative Committee is included in the approved annual budget.

#### **COORDINATION:**

Legislative Committee

Prepared by Approved by Michael A. Houlemard, Jr.





### FORT ORD REUSE AUTHORITY (FORA) LEGISLATIVE COMMITTEE MEETING MINUTES

11:00 a.m., Monday, April 23, 2018 920 2<sup>nd</sup> Avenue, Suite A, Marina CA 93933

#### 1. CALL TO ORDER

Chair John Phillips called the meeting to order at

<u>Voting Members Present:</u> Supervisor John Phillips (Chair) Mayor Ralph Rubio (City of Seaside) Mayor Jerry Edelen (City of Del Rey Oaks) Council member Frank O'Connell (City of Marina) Mayor Mary Ann Carbone (City of Sand City)

#### 2. PLEDGE OF ALLEGIANCE

Pledge of allegiance was led by Monterey County Supervisor John Phillips.

**3. ACKNOWLEDGMENTS, ANNOUNCEMENTS AND CORRESPONDENCE** There were no acknowledgements, announcements or correspondence.

#### 4. PUBLIC COMMENT PERIOD

There were no verbal comments received from the public.

#### 5. APPROVAL OF MEETING MINUTES

a. September 28, 2017 Meeting Minutes

<u>MOTION</u>: On motion by Committee member O'Connell and second by Committee member Edelen and carried by the following vote, the Legislative Committee moved to approve the regular meeting minutes for September 28, 2017.

#### MOTION PASSED UNANIMOUSLY

### 6. REPORTS FROM LEGISLATIVE OFFICES

- a. 20<sup>th</sup> U.S. Congressional District Kathleen Lee No report
- b. 17<sup>th</sup> State Senate District Nicole Hollingsworth Senator Monnings' 2017-18 Bill Package was provided in the meeting packet.
- c. 29<sup>th</sup> State Assembly District Erica Parker
   Ms. Parker provided a summary of Assembly member Stone's 2018 bills list.

#### 7. BUSINESS ITEMS

a. 2018 Legislative Agenda

Executive Officer Michael Houlemard provided a copy of the 2018 Legislative Agenda to the Committee and briefly reviewed the items. This item was for information only.

#### b. Report on Proposed Positions on State Legislation

JEA & Associates, Inc. President John Arriaga provided a review of the twenty (20) measures that were being tracked and the proposed position that FORA should take on each item. Mr. Arriaga and FORA staff provided further information/ background and responded to the Committee's questions. Mr. Houlemard clarified and confirmed the changes that were noted for the items reviewed.

**MOTION:** On motion by Committee member Rubio and second by Committee member Carbone and carried by the following vote, the Legislative Committee moved to approve the proposed positions on state legislation with the proposed changes.

#### i. Senate Bill 50

Prevailing Wage/ Risk Coordinator Sheri Damon provided the Committee with an update on the senate bill regarding federal public land conveyances. This item was for information only.

ii. Legislative Mission Trip to Sacramento

Mr. Houlemard provided a brief overview of the work and meetings conducted while in Sacramento. This item was for information only.

#### c. 2018 Legislative Session

Mr. Houlemard provided the Committee with an overview of the progress staff has made in preparation for the 2018 legislative session. The Committee agreed that the legislative session should be held at the May 11 Board of Directors regular meeting.

#### d. Transition Legislative Update

Ms. Damon provided a brief overview of the item and informed the Committee of the upcoming meetings for the Transition Ad-Hoc Committee. This item was for information only.

#### e. Discuss and Schedule Future Meeting Dates

Mr. Houlemard advised the Committee that a Legislative Committee meeting should be scheduled after the May 11 Board of Directors meeting and that staff would poll the members for their availability for the week of May 21 2018.

#### 8. ITEMS FROM MEMBERS

Mr. Houlemard informed the Committee that Board members Carbone and Reimers would be attending the Association of Defense Communities (ADC) Conference in Washington, DC in June 2018.

There were no items from Committee members.

#### 9. ADJOURNMENT

The meeting was adjourned at 11:40 a.m.



#### REFORM AND REBUILD: The Next Steps NATIONAL DEFENSE AUTHORIZATION ACT FOR FY2019

The Constitution requires Congress to provide for the common defense, including specific direction to "raise and support Armies," "provide and maintain a Navy," and "make Rules for the Government and Regulation of the land and naval Forces." For 57 years, the National Defense Authorization Act (NDAA) has been the primary way through which Congress executes this constitutional obligation.

America's military is facing challenges on multiple fronts, including the troubling increase in serious training accidents in all the military services; the re-emergence of competitors like Russia and China; the nuclear ambitions of Iran and North Korea; and the imperative to keep up the pressure on ISIS, al Qaeda, and other terrorist groups. In his bill for the Fiscal Year (FY) 2019 NDAA, Chairman Thornberry implements new reforms designed to speed decision making and improve military agility, while simultaneously restoring readiness and increasing capability and capacity in a force that has been asked to do too much with too little for too long.

Last year, President Trump prioritized rebuilding the military. He issued a new National Security Strategy, National Defense Strategy, and a Nuclear Posture Review to address a world with a wider spectrum of serious threats than at any time in our history. The FY19 NDAA focuses rebuilding efforts on implementing these new strategies.

The NDAA complies with the bipartisan budget agreement and supports a base budget of **\$639.1 billion**, including **significant increases for readiness recovery.** The bill is the result of rigorous bipartisan oversight, numerous visits with troops and facilities across the country and around the world, and the testimony of Secretary Mattis, Chairman Dunford, and other senior commanders and national security experts.

In supporting Secretary Mattis' efforts to restore military readiness, the NDAA authorizes **\$18.6 billion to begin to rehabilitate and replace worn out Army equipment**; **\$39.5 billion** to begin to **overcome the crisis in military aviation** by getting more aircraft in the air;

HOUSE ARMED SERVICES COMMITTEE 202.225.2539

\$36.0 billion to restore America's strength at sea, and \$23.3 billion to sustain, repair and rebuild crumbling military buildings and other infrastructure.

**TABLE 1: FY19 Funding Levels** 

DOD Discretionary Base Budget	\$616.7
DOE Discretionary Base Budget	22.1
Defense-Related Activities	0.3
FY19 Base Budget NDAA Topline	639.1
Overseas Contingency Operations	69.0
FY19 Discretionary Topline*	708.1
Defense Mandatory Spending **	8.9
FY19 NDAA Topline	717.0

\*Does not include \$7.9 billion of authorizations not within HASC jurisdiction \*\* Includes statutory requirements for Concurrent Receipt; does not include \$0.6 billion outside HASC Jurisdiction

#### **CARING FOR TROOPS AND THEIR FAMILIES**

While the world has grown more dangerous, our military has grown smaller. Rebuilding the U.S. military must begin with growing the number of uniformed personnel. To help alleviate the stress on the force, the NDAA authorizes *increases in the size of the Army, Navy, Air Force, Naval and Air Reserve, and Air Guard* commensurate with the threats we face.

Chairman Thornberry and members of the Committee agree that our personnel are our military's most valuable asset. The bill fully funds a 2.6% pay raise for our troops, which is the highest increase in nine years. It also extends special pay and bonuses for Servicemembers in high-demand fields.

Continuing to recruit and retain America's best and brightest in our Armed Forces remains paramount. The NDAA expands the Department's authority to award constructive service credit for those entering the military with advanced education, experience, and training to help the military compete with the private sector in recruiting talent with specialized skills. It also makes permanent the Career Intermission Program, which allows Servicemembers to take a break from active service to pursue personal interests, family needs, professional education, or career opportunities.

The NDAA also takes steps to address the ongoing pilot shortage, which is hampering readiness in every Service. In an effort to address the persistent pilot shortage in the Air Force, the NDAA requires the Service to evaluate all pilot staff requirements to maximize pilots' time in the cockpit. Similarly, the bill extends the National Guard

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**recruiting pilot program**, which is designed to use retired senior enlisted members to fill recruiter positions so that current National Guard members can focus on their primary mission.

Ensuring the country keeps faith with those who serve, and their families is a key priority for the Committee. The NDAA seeks to enhance ongoing Military Health System organizational reforms. The bill ensures no military medical treatment facility will be closed or downgraded until all facilities are transitioned to the Defense Health Agency. It also requires a comprehensive review of both wounded warrior care and mental health services to ensure service members receive the best possible treatment. Finally, it directs the Secretary of the Army to take steps to extend the life of Arlington National Cemetery.

The Chairman and Committee members are committed to taking additional steps to protect Servicemembers and their families from misconduct. The NDAA continues to provide oversight of critical issues including: directing the Department of Defense to improve the process for reporting crimes to the FBI database; requiring Department of Defense schools to **improve their tracking of juvenile misconduct;** and refining sexual assault prevention and response to better assist victims.

#### Honoring Those Who Have Served

As America approaches the 100<sup>th</sup> anniversary of the Armistice which ended World War I, the NDAA looks back on a century of military service and focuses on the men and women who sacrificed to secure America's freedoms. Those sacrifices eventually built and secured a world order that raised living standards around the globe, gave millions a greater say in their government, and prevented another global conflict in the last seventy-three years. However, this global order is increasingly under threat from competitors like Russia and China. At the same time, far too many American veterans and their families believe their sacrifices have not been given the public recognition that they deserve. Chairman Thornberry agrees with President Trump that it is appropriate to honor and celebrate 100 years of patriotic sacrifice in a way that expresses appreciation and admiration for our men and women in uniform, including a parade in the nation's capital and a national celebration for that purpose. Chairman Thornberry also recognizes that our strength is and always has been in our people. To ensure that veterans and those currently serving remain the focus of any parade and that efforts to restore readiness are not slowed, the Chairman's Proposal prohibits the use of operational units or equipment in the parade if the Secretary of Defense believes such use will hamper readiness. For too long our men and women in uniform have been victims of political discord. Honoring those who have served our nation over the past 100 years, including those who served in Korea, Vietnam, Iraq, and Afghanistan, should not be a political matter. Veterans of those conflicts did not let politics stand in the way of their service to the country. No political interest or concern should stand in the way of expressing the country's gratitude and respect.

#### **RESTORING READINESS**

In 2017, nearly four times as many members of the military died in training accidents as were killed in combat. In all, 21 Servicemembers died in combat while 80 died as a result of non-combat training-related accidents. **This spring alone, 25 were killed in military aviation mishaps.** This tragic statistic is the latest in a chain of evidence that has led Chairman Thornberry and many members of the Armed Services Committee to believe that America's Military is **"at a crisis point."** 

According to an investigation by the Military Times "accidents involving all of the military's manned fighter, bomber, helicopter, and cargo warplanes rose by nearly 40 percent from fiscal years 2013-2017." The Military times notes that 133 service members were killed as a result of those accidents.

This crisis is not limited to military aviation. This past summer, the Navy lost 17 Sailors in separate collisions involving the USS McCain and the USS Fitzgerald. Navy investigators later found that both accidents were related to ongoing Navy readiness problems.

Rebuilding the military so that our troops can safely meet current and future threats to the country is the primary focus of the NDAA. Expert testimony to the Armed Services Committee indicates that readiness challenges are too big to overcome in a single year. However, the Committee believes that the steps taken in the bill will begin to restore strength and safety to the military.

#### Increased Training

The NDAA begins with **increased funding for training in each Service**. This increase will allow the Army to conduct 20 Combat Training Center rotations in FY19, including four rotations for the Army National Guard, doubling the number of Brigade Combat Teams sent to the Center. It will also enable the Army to hold two Security Force Assistance Brigade (SFAB) culminating training events a year, enhancing the Army's combat capability and capacity. The bill also enables the Marine Corps to continue maximizing the capacity of their full-spectrum collective training exercises that will help restore the capability of the Marine Air-Ground Task Force.

In addition to the President's Budget Request, the Committee has heeded the recommendations of the Subcommittee on Readiness and **increased funding for flying hours by \$24.2 million.** By allowing more time in the air, this increase will help reverse the tragic trend of military aviation accidents highlighted above.

Similarly, the NDAA increases funding for other training operations by nearly \$83 million above the increase already included in the President's Budget Proposal. This

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includes additional funds for simulations and full-spectrum training exercises while also preserving the ability of the Services to provide valuable small-unit training.

The bill authorizes an additional \$58.9 million to improve and modernize major combat range and test facility bases to include procurement of advanced threat radar systems. These upgrades will improve open-air range test capabilities on a timeline that will aid the Air Force's development of next-generation equipment and aerial armament, and addresses the growing challenges, which confront the nation's vital training ranges.

#### **Aviation Readiness**

The NDAA builds on the work of the Tactical Air and Land Forces Subcommittee and **facilitates efforts to better address the increased occurrences of physiological episodes** (PEs) in tactical and training aircraft. The bill requires the Secretary of the Navy and the Secretary of the Air Force to certify that any new aircraft will all have the most recent technological advancements necessary to mitigate PEs.

The NDAA also includes an additional \$10.0 million to help accelerate technology development required to mitigate PEs.

The NDAA fully supports the President's budget request of **\$2.8 billion for the procurement of spare airplane parts** for the Navy, Marine Corps, and Air Force. It also authorizes an additional \$100.0 million for spare parts for the F-35 Joint Strike Fighter.

Building on committee oversight and prior National Defense Authorization Act legislation, the bill continues to stress the importance of **modernizing the A-10 Warthog fleet**. It also includes an increase of \$65.0 million for the A-10 wing replacement program and directs the Air Force to consider using multi-year procurement contracts to generate better cost-savings.

#### **Repairing Equipment**

In addition to aircraft, testimony to the Committee and other oversight reveals that the lack of spare parts and aging or inefficient maintenance facilities also degrade readiness. Troops cannot train on equipment that does not work, nor can they safely deploy with systems that are poorly-maintained. Many important types of equipment are being used continually which complicates or prevents the performance of necessary maintenance.

The NDAA reflects the work of the Readiness Subcommittee in providing **\$21.8 billion for** equipment maintenance and **\$3.7 billion for spare parts.** This is an increase of \$927.9 million over the FY18 Omnibus.

#### **Readiness At Sea**

The fatal accidents aboard the USS Fitzgerald and USS McCain highlight readiness challenges within the Navy. The Navy's own investigation found "fundamental failures to responsibly plan, prepare, and execute ship activities and to avoid undue operational risk."

Following these tragic accidents, the Subcommittee on Readiness and the Subcommittee on Seapower and Projection Forces conducted a series of joint oversight activities examining the accidents and overall Navy readiness. As a result, the NDAA:

- Directs the Navy to provide clear chains of command for operations, for building readiness, and for shipyard maintenance.
- Requires the Navy to establish separate career paths for Surface Warfare Officers to help produce crews that are properly trained and skilled and that have proficient leadership.
- Limits the time a Navy vessel is forward deployed overseas to no more than ten years.
- Ensures the Navy retains sufficient ship repair capability in the Western Pacific by prohibiting the redevelopment of the Former Ship Repair Facility on Guam.
- Requires the Secretary of the Navy to provide a report on the ways to optimize surface Navy vessel inspection crew certifications to reduce redundancies and the burden on inspection visits that ships undergo.

Additionally, Committee oversight identified flaws in the Navy's readiness inspection process. Ships and crews often cram to prepare for pre-determined inspection periods rather than maintain a constant state of high readiness. To encourage more consistent readiness, and to eliminate the stress caused by inspection preparation, the NDAA requires the Navy's Board of Inspection and Survey inspections to be conducted on a no-notice basis. The bill also mandates that the results of those inspections be unclassified and available to the public.

Finally, the Committee continues to be concerned about the stress on the Navy forces and families. The Navy has been unable to meet Combatant Commander requirements because it has too few ships. As a consequence, the Navy has occasionally extended the length of time that vessels are deployed. To partially address the vessel shortfall, the NDAA supports the accelerated construction of the fourth Ford-class aircraft carrier, construction of two additional Littoral Combat Ships, and supports two additional Virginia-class attack submarines in fiscal years 2022 and 2023.

#### **Building A Modern Force**

Committee oversight demonstrates that maintaining outdated equipment is more expensive and puts troops at higher risk than procuring newer more capable systems. Further, as a result of constrained budgets, the military postponed the purchase of modernized equipment in order to instead fund current operations and maintain readiness. Because of this, the NDAA supports the President's request to **buy new equipment to replace that which is too broken or too expensive to repair, or lack modern capabilities useful against current and emerging threats**. 1.....

In some cases, the NDAA was able to add additional funds above the President's request. The NDAA:

- Authorizes \$360.0 million, an increase of \$338.1 million, for **Stryker A1 combat vehicles**, the most survivable and advanced version of the Stryker combat vehicle.
- Supports the President's budget request to modernize Army Armored Brigade
   Combat Team vehicles, including 135 M1 Abrams tanks, 60 Bradley fighting vehicles, 197 Armored multi-purpose vehicles, 38 Improved Recovery Vehicles, and 3,390 Joint Light Tactical Vehicles.
- Authorizes multiyear procurement authorities for F/A-18E/F Super Hornet aircraft, C-130 Super Hercules aircraft, E-2D Advanced Hawkeye aircraft, advanced missiles and amphibious ships to generate better cost savings for the taxpayer and provide needed capability to the Navy;
- Supports the President's budget request for the **F-35 Joint Strike Fighter** and authorizes 77 aircraft. The bill also authorizes the Department to procure additional F-35 aircraft, if additional funds become available, utilizing cost savings and program efficiencies.
- Authorizes an additional \$85.0 million for additional **UH-60M Black Hawk** utility helicopters for the Army National Guard. The most modern Black Hawk version.
- Supports additional funding to maintain the maximum production rate of critical munitions, such as small diameter bombs, joint direct attack munitions, hellfire missiles, advanced precision kill weapon systems, long range anti-ship missiles, tomahawk missiles, advanced medium-range air-to-air missiles and torpedoes.
- Mandates recapitalization of the Navy's 43-year old auxiliary fleet which would help to transport Army and Marine Corps forces in times of conflict.
- Encourages the rapid development and fielding of interim maneuver short range air defense capabilities and indirect fire protection solutions to address current deficiencies in air and missile defense.
- Fully supports funding for the Columbia-class ballistic missile submarine and the B-21 Raider bomber programs.
- Adds \$150 million to accelerate U.S. efforts to field a **conventional prompt strike capability** before FY22, in response to the critical advances Russia and China have made in developing their prompt global strike hypersonic weapons.

#### Airborne Intelligence Surveillance and Reconnaissance (ISR)

The NDAA strengthens and improves oversight of the Department's investments in airborne Intelligence Surveillance and Reconnaissance (ISR) programs in order to more efficiently and effectively meet combatant commander requirements, to include:

 Building on the work of the Tactical Air and Land Forces Subcommittee and requiring the Secretary of the Air Force to continue the Joint Surveillance Target Attack Radar System Recapitalization (JSTARS Recap) program and authorizing an additional \$623.0 million for this purpose. This will significantly increase Battle-Management, Command and Control, and Ground-Moving Target Indicator intelligence capabilities and capacity over what's provided to combatant commanders today. Air Force analysis in recent years has concluded that this will minimize the risk faced by Service members.

- Including an additional \$60.0 million to improve the capability of the Army's **Gray Eagle** unmanned air system platform.
- Including an additional \$105.0 million for EQ-4 unmanned aircraft systems; a critical warfighting capability for providing communications relay and high-altitude ISR for combatant commanders.

#### Rebuilding Infrastructure

As overall military resources have declined, the military services have diverted funding away from buildings and other infrastructure in order to fund training and maintenance. This has resulted in a significant backlog of military infrastructure in urgent need of repair. The President's Budget Request makes substantial infrastructure investments, the Committee agreed with the Readiness Subcommittee on the need for even more funding. The NDAA:

- Increases funds for facilities sustainment by \$470.9 million
- Authorizes for appropriation **\$11.3 billion for military construction**, including family housing, and other infrastructure projects.
- Adds \$340.5 million for depot maintenance.

Chairman Thornberry is concerned that the Department of Defense does not have a full and accurate accounting of its real property or a realistic assessment of its excess capacity. Secretary Mattis has testified that he does not believe the Department's existing assessments of its excess infrastructure are accurate. The Department of Defense did not request a Base Realignment and Closure (BRAC) effort this year and the NDAA does not authorize one.

However, the NDAA does recognize that there are small installations around the country that have outlasted their purpose and their continued operation places an undue burden on the taxpayers and on the local community. The bill includes a **new authority, with the consent of relevant state and local officials, to close such small installations where the Secretary of Defense can do so affordably.** 

#### **Expanding Agility**

Slow decision-making and overly-bureaucratic processes drain our military's fighting strength and pose unacceptable risk to America's warfighters just as surely as inadequate training or poorly maintained equipment. Chairman Thornberry's Proposal continues his annual series of reforms to the Department of Defense. Past reforms have streamlined procurement processes, improved health care, and directed DOD enterprise data standards to support well-informed decisions. The President's Budget Request indicates that **Chairman Thornberry's reforms are** already saving the taxpayers billions, including \$1 billion in health care savings alone.

The NDAA provides for a historic clarification of the acquisition process by **restructuring the United States Code** to logically assemble all acquisition-related statutes in one place for the first time since 1947. In so doing, the bill also repeals dozens of obsolete provisions of law, prescriptive statutory requirements for positions and offices, and outdated reporting requirements. To further increase clarity and consistency, the NDAA separates commercial items into either "commercial products" or "commercial services," and creates a precise definition for "subcontract."

#### Reforming Bureaucracy

The NDAA also undertakes significant bureaucratic reforms. These reforms focus on a collection of Defense agencies that are not part of a military Service and do not report directly to the Secretary of Defense. The almost 30 defense agencies and field activities which comprise this group (which is informally known as the **"4th Estate"**) account for 20% of DOD's budget, 25% of the workforce, and have enormous influence on day-to-day operations. The NDAA empowers the newly-created DOD Chief Management Officer (CMO) to eliminate redundancy and "back office" overhead in these agencies. The CMO will be charged with **finding efficiencies and reducing by 25% the budget of certain Department-wide activities**, including logistics, human resources, services contracting, and real property management, by 2021. The CMO must continue to review these activities every five years thereafter. Additionally, specific defense agencies like the Washington Headquarters Service will be eliminated, and the Secretary and CMO will be given the responsibility to **review the function of each component of the 4th Estate to validate its usefulness to Servicemembers or propose its elimination**.

Finally, this year's NDAA continues to emphasize **enhanced accountability**. For example, **it requires** the **Army Marketing Group** to implement measures to improve the effectiveness of its advertising and marketing campaign and to provide additional review and oversight of related contracts. In order to ensure these new accountability procedures are implemented, the NDAA withholds a portion of funding until required action is undertaken. The bill also requires DoD to establish a comprehensive plan for implementing the Department's **new harassment prevention and response policy** and to standardize reports of Senior Leader Misconduct.

#### Readiness Accountability

To ensure that the additional readiness resources are spent wisely, the NDAA includes a number of accountability and reporting requirements, including:

- An enhanced quarterly readiness report that includes measures of cyber and Space readiness.
- A new requirement for combatant commanders to report readiness to fight an integrated battle using air, ground, sea, Space, and cyber forces; and
- A new requirement for the Government Accountability Office to assess the Services' readiness against set metrics over time, in order to measure readiness trends based upon resources provided.

#### **STRATEGIC READINESS**

#### Nuclear Deterrence

Competitors like Russia and China are investing in new strategic weapons designed to challenge our credible nuclear deterrent, undermine our missile defense capabilities, and erode the advantages we derive from Space. The NDAA takes a comprehensive approach to ensuring our security by answering each one of those these challenges.

Russia and China are building new modern nuclear weapons. At the same time, America's nuclear deterrent has been neglected. The NDAA supports the efforts outlined in Secretary Mattis' Nuclear Posture Review and **makes critical investments to modernize America's nuclear deterrent and align it with modern threats**. Critics in the nuclear disarmament community falsely claim that the cost to maintain a robust deterrent is not worth the security it provides to the country. The Committee notes that under Secretary Mattis' plan, spending to operate and restore the nuclear deterrent **will never exceed 7% of defense spending** ----- a reasonable expenditure when one considers that deterrence is the cornerstone of America's security. The NDAA builds on the recommendations of the Subcommittee on Strategic Forces and:

- Supports the Nuclear Posture Review's recommendation to pursue a **lower-yield** ballistic missile warhead to strengthen deterrence.
- Supports the President's budget request to restore the nuclear arsenal and adds \$325 million for the National Nuclear Security Administration's nuclear weapons activities and defense nuclear nonproliferation program, including efforts to modernize the nuclear weapons stockpile and address NNSA's aging facilities and other infrastructure.
- Provides increased funding to accelerate two key Air Force nuclear modernization programs: The Ground-Based Strategic Deterrent and the Long-Range Standoff cruise missile.

#### Missile Defense

The Committee believes the threats from North Korea and Iran demonstrate that the time to debate the utility or practicality of missile defenses has passed. Again, building on the work of the Subcommittee on Strategic Forces, the NDAA:

- Supports the President's request for missile defense and adds \$140 million to the Missile Defense Agency (MDA) for development of critical directed energy, and Space sensing projects, and the acceleration of hypersonic defense capabilities.
- Adds \$175 million to accelerate integration of Patriot (for lower altitudes) and Terminal High Altitude Area Defense (higher altitudes) missiles to meet the requirements of the Commander of U.S. Forces in Korea.
- Requires the director of MDA establish a boost phase intercept program using kinetic interceptors, initiate development of a missile defense tracking and discrimination Space sensor layer and continue efforts to develop high power directed energy for missile defense applications.
- Requires the Director of MDA to continue development for the **homeland defense radar** in Hawaii, and that it be operationally capable by FY23.
- Provides increased funding to address cyber threats to our missile defense systems.
- Supports the President's request of \$500 million for co-development of missile defense systems with Israel, and co-production of Iron Dome, David's Sling, and Arrow weapons systems.

#### Space Warfighting

Russia and China are developing capabilities to deny the United States the advantages we derive from operating in space. Equally concerning is the inability of the organizations responsible for the nation's national security-related space activities to prepare for Space to become a warfighting domain and to adequately develop and/or acquire essential national security Space systems.

Efforts to reform the Department's approach to Space issues can be summarized in four equally important elements: acquisition reform, resources, cadre development, and joint warfighting. The NDAA comprehensively addresses each one of these lines of effort to ensure that our Servicemembers are ready to defend our vital national interests in space. The bill also ensures that the Department's Space investments are being executed in a way to ensure increased agility, lethality, and accountability by the Department of Defense. The NDAA:

- Directs the Department of Defense to develop a plan to establish a separate alternative acquisition process for Space acquisitions.
- Directs the Secretary of the Air Force to develop and implement a plan to increase the size and quality of the Space cadre within the Air Force.
- Establishes a new numbered Air Force responsible for carrying out Space warfighting.

- Establishes a **sub-unified command for Space** under the Strategic Command for carrying out joint Space warfighting.
- Directs the Secretary of Defense to develop a plan that identifies joint mission-essential tasks for Space as a warfighting domain.
- Supports the President's request for Next Generation Overhead Persistent Infrared, Protected Satellite Communications, and the Air Force's Space launch efforts.

#### **FACING NEW THREATS**

Dedicating additional resources to restoring readiness is only helpful if they are accompanied by policies that ensure the force is configured to best meet the threats we face. As Secretary Mattis pointed out, while countries like Russia and China are reasserting their power and leveraging new technologies, "our competitive edge has eroded in every domain of warfare, air, land, sea, Space, and cyberspace, and it is continuing to erode."

The NDAA includes threat-specific initiatives designed to maximize defense resources and keep America safe.

#### Emerging Technologies

America's security is challenged by our strategic competitors' advances in Artificial Intelligence, Space and counter-Space capabilities, Cyber, Influence Operations, and Hypersonics, among others. To address these threats, the NDAA:

- Places emphasis on policy and programs to advance Artificial Intelligence, machine learning, quantum computing, and other critical national security technologies;
- Fully supports innovation efforts of the **Defense Advanced Research Projects Agency**, and **Defense Innovation Unit Experimental** to ensure our technological superiority and dominance over current and future threats;
- Advances hypersonic and directed energy weapons research, development, and transition efforts within DoD;
- Provides additional funds to accelerate Artificial Intelligence, machine learning programs, as well as directed energy, and hypersonics programs.

#### Russia

The National Defense Strategy points out that Russia seeks to "shatter the North Atlantic Treaty Organization and change European and Middle East security and economic structures to its favor." Russia has violated key arms control treaties, expanded and modernized its nuclear arsenal, tested counter-Space weapons, and used emerging technologies to undermine its neighbors. The NDAA Proposal confronts Russia by:

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- Withholding funding for Open Skies Treaty aircraft and sensors until Russia again complies with the Treaty and takes other steps, including agreeing to extradite Russian nationals who have been indicted for their actions against the United States during the 2016 election.)
- Funding research and development to counter weapons being deployed by Russia that are in contravention of the Intermediate Nuclear Forces treaty.
- Levying new sanctions on Russia's arms industry in response to that country's treaty violations.
- Prohibiting military-to-military cooperation with Russia.
- Prohibiting the U.S. government's recognition of the absorption of Crimea into the Russian Federation.
- Funding the President's request for Ukraine, including \$250 million for lethal defensive items.
- Funding the President's request for **\$6.3 billion for the European Deterrence Initiative** (EDI) to further increase number of U.S. troops in Europe, reassure U.S. partners and allies, and deter Russian aggression.
- Moves the EDI-related request for wartime materiel, known as the "Army Prepositioned Stock Unit Set" to the base budget, to encourage future such requests be to be included in the base budget.
- Instructing the President to designate an official on the staff of the National Security Council to coordinate a whole-of-government response to malign foreign influence campaigns against the United States.
- Bolstering international partnerships and providing additional funding for cyber warfare and influence operations to counter Russian aggression, cyber, and information warfare threats.

#### China

China, governed by the dictates of the Chinese Communist Party, is working to undermine the world order which has existed since the end of World War II. According to the National Defense Strategy, China is using an "all-of-nation long-term strategy" and "leveraging military modernization, influence operations, and predatory economics to coerce neighboring countries to reorder the Indo-Pacific region to their advantage." To counter this approach and reassure our allies and partners, the NDAA:

- Directs a whole-of-government strategy to confront the People's Republic of China
- Bolsters DOD's efforts to plan for and provide the necessary forces and military infrastructure, and logistics capabilities, in the region through the Indo-Pacific Stability Initiative.
- Expands and extends maritime security cooperation through the Indo-Pacific Maritime Security Initiative to increase maritime security and maritime domain awareness in the South China Sea and Indian Ocean.
- Supports military exercises with Japan, Australia, and India.

- Improves security cooperation to counter China's rising influence in Africa, Southeast Asia, and other regions.
- Instructs the President to designate an official on the staff of the National Security Council to coordinate a whole-of-government response to malign foreign influence campaigns against the United States.
- Supports **improving Taiwan's defense capabilities**, expands joint training, foreign military sales, the use of security cooperation authorities, and senior-level military-to-military engagement initiatives with Taiwan.,.
- **Prohibits any U.S. government agency from using risky technology** produced by Huawei or ZTE, two companies linked to the Chinese Communist Party's intelligence apparatus. (This Proposal enjoys wide bipartisan support and is in concert with recent unanimous regulatory actions by the Federal Communications Commission.)

#### North Korea

North Korea continues its dangerous and destabilizing development of nuclear weapons and ballistic missiles. According to the National Defense Strategy, North Korea seeks "a mixture of nuclear, biological, chemical, conventional, and unconventional weapons and a growing ballistic missile capability to gain coercive influence over South Korea, Japan, and the United States." Accordingly, the NDAA:

- Ensures US forces are ready for a potential conflict on the Korean Peninsula.
- Expresses support for regional missile defense exercises to improve interoperability.
- Supports the President's budget request for the Army's precision strike missile program.
- Bolsters DOD's efforts to plan for and provide the necessary forces, military infrastructure, and basing, logistics capabilities and invests in new missile defense capabilities (as discussed above).

#### Counterterrorism

Even as America's Military prepares for new threats, we must also keep up the pressure on terrorist groups that threaten U.S. interests, including ISIS and al Qaeda. The NDAA:

- Authorizes the Counter ISIS Train and Equip fund to aid partners and allies fighting ISIS.
- Extends the Syria Train and Equip Authority through 2019 so that U.S. partners in Syria can consolidate gains against ISIS and requires the President to submit an updated implementation plan.
- Authorizes continued security cooperation with the Government of Iraq to consolidate gains against ISIS.

- Maintains the **Coalition Support Fund** to reimburse partners and allies that contribute to U.S. counterterrorism efforts and to encourage Pakistan to do more to counter the groups that threaten stability in Afghanistan.
- Supports the Afghan military (particularly the Afghan Special Security Forces and the Afghan Air Force) in its fight against the Taliban, and ISIS Khorasan, through the Afghan Security Forces Fund.
- Authorizes U.S. Special Operations Command programs and activities, including ongoing efforts in Iraq, Syria, Afghanistan, Yemen, Somalia, and Eastern Europe.
- Extends critical authorities for special operations and personnel recovery programs.
- Improves congressional oversight of ongoing counterterrorism and sensitive activities.

#### Iran

Iran continues its malign activities across the Middle East in an effort to achieve regional hegemony. The NDAA is designed to revitalize America's alliances as a bulwark against Iranian influence, ensure the United States has the military posture in the region to deter Iranian aggression, allows the Pentagon to plan for a robust defense against Iran, and increase pressure on Iran's proxy network in Syria, Iraq, Yemen, and elsewhere. The NDAA:

- Revitalizes partnerships in the region by establishing a Defense Partnership to Counter Iran, extending the authority for the Counter ISIS fund, and expresses Congress' support for Gulf Cooperation Council unity.
- Provides for a robust military posture in the region by increasing oversight of countermine assets, accelerates the next Ford Class aircraft carrier to close the carrier gap in the Gulf, and increases regional missile defense cooperation and deployment.
- Increases oversight of items essential to deterring Iran and other hostile actors, including munitions stockpiles, Patriot missiles, cooperation on efforts to counter Unmanned Aerial Systems, and missile defense of the United States.

#### Security Cooperation

U.S. national security is bolstered by ensuring that allies and partners can defend themselves, operate alongside U.S. forces, and contribute to coalitions supporting U.S. objectives. Allies and partners must also be able to enhance interoperability with the United States, conduct counterterrorism operations, and help to deter the malign influence of shared competitors and adversaries. The NDAA:

- Builds upon previous reforms to ensure the security cooperation enterprise is efficient and effective.
- Continues to improve the Foreign Military Sales process to support U.S. security objectives and the defense industry.

COMMITTEES BUDGET & FISCAL REVIEW BUDGET SUBCOMMITTEE 3 ON HEALTH & HUMAN SERVICES HEALTH JUDICIARY LEGISLATIVE ETHICS NATURAL RESOURCES & WATER RULES

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## California State Senate



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### Senator Monning's 2017-18 Legislative Bill Package

#### **Health Legislation**

**Senate Bill (SB) 241** - Changes state law to specify that patients have the right to receive an electronic copy of their medical record, if the health care provider maintains it electronically, and that they can receive a copy of their medical record in the form and format of their choice, if the health care provider can readily produce the record. The bill also eliminates the ability of providers to collect a retrieval fee for medical records, in accordance with federal law, and aligns state privacy laws for mental health patients with federal law by permitting the disclosure of patient information from providers to business associates or health care operations in accordance with the federal "minimum necessary" standard. *(Status: Chapter 513, Statutes of 2017)* 

**SB 300** - Requires a health-warning label be placed on sugar-sweetened beverages sold in California that contain added sweeteners and 75 calories or more per 12 ounces. The warning label will inform consumers about the risks that link sugary drink consumption to obesity, type 2 diabetes, and tooth decay.

(Status: Senate Committee on Health)

**SB 398** – Extends the sunset date of the Traumatic Brain Injury (TBI) program to 2024. (*Status: Assembly Committee on Human Services*)

**SB 449** – Requires two hours of classroom training for Certified Nurse Aides (CNAs) to be dedicated to address the special needs of those with Alzheimer's and related dementias. Of the current 60 classroom hours of training for CNAs, 50 hours are prescribed in regulation by the California Department of Public Health. (*Status: Chapter 282, Statutes of 2017*)

**SB 538** - Allows the benefits of hospitals being able to consolidate to promote coordination, while mitigating consumer harm if hospitals attempt to use that market power to increase prices. *(Status: Assembly Committee on Health)* 

**SB 997** - Current law allows health care service plans to list non-physician providers as Primary Care Providers until January 1, 2019. SB 997 removes the January 1, 2019 sunset date and allows this designation to be permanent. *(Status: In the Assembly)* 

SB 1113 - Authorizes the Mental Health Services Oversight and Accountability Commission to engage workplace mental health experts, consumers, and public and private employers to create a voluntary standard for Mental Health in the Workplace. The standard would combat mental health stigma, increase awareness of mental health needs and prevention opportunities, and promote mental health wellness.

(Status: Assembly Committee on Health)

**SB 1192** - Requires a restaurant, which serves a meal primarily targeted and marketed to children, to make the default drink option served in those bundled meals a healthy beverage - water, sparkling water, flavored water with no added sweeteners, or milk. Customers can still explicitly ask to replace the healthy drink with a sugary beverage at no cost, but the default beverage offered in a children's meal must be a healthy option. *(Status: In the Assembly)* 

Senate Resolution 34 - Proclaims May 2017 as Cystic Fibrosis Awareness Month. (Status: Enrolled 2017)

**SR 108** – Proclaims May 2018 as Cystic Fibrosis Awareness Month. (*Status: Enrolled 2018*)

#### **Education Legislation**

SB 1321 – Clarifies the existing process for school districts seeking a waiver from the Superintendent of Public Instruction for the eligibility requirements for the Necessary Small Schools supplemental grant.

(Status: Senate Committee on Appropriations)

#### **Transportation Legislation**

**SB 1236** - Implements a federal rule that requires those seeking a commercial driver's license (CDL) complete a certified course of instruction from a commercial driving institution or program offered by an employer. The Department of Motor Vehicles is required to adopt regulations to comply with the federal rule by June 5, 2020. Additionally, it establishes minimum behind-the-wheel training be completed as part of obtaining a CDL. (*Status: Assembly Committee on Transportation*)

#### **Energy Legislation**

**SB 1090** - Calls on the California Public Utilities Commission to approve elements of the Joint Proposal, as modified by the community impact mitigation settlement, which were submitted as part of the Diablo Canyon Nuclear Power Plant retirement application. *(Status: Senate Committee on Appropriations)* 

#### **Environmental Legislation**

SB 377 - Aligns California law with the US Environmental Protection Agency's Renovation Repair and Painting rule by establishing a state certification process for contractors to work on renovation, repair, and painting projects that are likely to contain lead paint. Fourteen other states have already successfully aligned state and federal lead laws. *(Status: Assembly Floor Inactive File)* 

**SB 1042** - Allows the Contractors State License Board to host informal citation appeal conferences to resolve administrative citations it issues to licensed and unlicensed contractors, prior to a formal appeal, through an administrative hearing. *(Status: Assembly Committee on Business and Professions)* 

#### **Insurance** Legislation

SB 261 - Authorizes the electronic submission of specified reports, and establishes standards and procedures for reports that are required by the Insurance Code to be submitted to legislative committees.

(Status: Assembly Floor Inactive File)

**SB 569** - Requires the Insurance Commissioner, in the event of a disaster declaration by the President or the Governor and at the request of an insured or the insured's legal representative that is unable to identify the insurer for a property located in the disaster area, to provide the insured's name and property location information to insurers who issue homeowners' insurance policies in the state. Insurers would have 30 days to respond and have to indicate whether the property is covered by a homeowners' insurance policy. That information would then be provided by the California Department of Insurance to the insured or the insured's legal representative within 14 days after receipt.

(Status: Chapter 361, Statutes of 2017)

#### **Public Safety Legislation**

**SB 321** - Requires the Governor to appoint a special master to oversee the state's exoneree compensation claims process, currently administered by the California Victims Compensation Board. The special master must, at a minimum, have training and experience in the evaluation of evidence, making determinations of fact, and applying the facts to the law, particularly in the area of wrongful convictions.

(Status: Senate Committee on Appropriations)

**SB 420** - Includes sentencing information in the existing list of criminal background information that the California Department of Justice is authorized to provide to specified entities who are eligible to receive Criminal Record Offender Information. *(Status: Chapter 333, Statutes of 2017)* 

**SB 766** - Authorizes out-of-state and foreign attorneys to represent parties in international commercial arbitrations held in California. *(Status: Assembly Committee on Judiciary)* 

**SB 1129** - Establishes protections for victims of domestic violence by ensuring that they cannot be forced to financially support their abusive spouse through court ordered spousal support, payment of their spouse's attorney's fees, or the splitting of their community property. *(Status: In the Assembly)* 

# FORA Legislative Track As of May 29, 2018

Measure	Author	Topic	Status	Brief Summary	Notes
<u>AB 1804</u>	<u>Berman</u> D	California Environmental Quality Act: categorical exemption: infill development.	5/25/2018-From committee: Do pass. (Ayes 15. Noes 0.) (May 25). Read second time. Ordered to third reading.	CEQA requires the Office of Planning and Research to prepare and develop, and the Secretary of the Natural Resources Agency to certify and adopt, guidelines for the implementation of CEQA. CEQA requires the guidelines to include a list of classes of projects that have been determined not to have a significant effect on the environment and that are required to be exempt from CEQA (categorical exemption). Current guidelines for the implementation of CEQA exempts from the requirements of CEQA infill development meeting certain requirements, including the requirement that the proposed development occurs within city limits. This bill would revise the above-described categorical exemption to include proposed residential and mixed-use housing projects occurring within an unincorporated area of a county.	Support - However, list needs revision for it to apply to Ford Ord.
<u>AB 1901</u>	<u>Obernolte</u> R	California Environmental Quality Act: exemption: roadway projects.	5/10/2018-Referred to Com. on EQ.	CEQA, until January 1, 2020, exempts a project or an activity to repair, maintain, or make minor alterations to an existing roadway, as defined, if the project or activity is carried out by a city or county with a population of less than 100,000 persons to improve public safety and meets other specified requirements, including a requirement that the project involves negligible or no expansion of an existing use beyond that existing at the time of the lead agency's determination. This bill would extend the above exemption to January 1, 2023. The bill would revise the requirement described above to specify that the exemption applies if, among other things, the project involves negligible or no expansion of an existing vehicular use beyond that existing at the time of the lead agency's determination.	Support Unless Amend to revise to apply to military base reuse community.
<u>AB 2035</u>	<u>Mullin</u> D	Affordable housing authorities.	5/17/2018-Read second time. Ordered to third reading.	Current law authorizes a city, county, or city and county to adopt a resolution creating an affordable housing authority with powers limited to providing low- and moderate-income housing and affordable workforce housing, as provided, by means of tax increment financing. Current law defines various terms for these purposes. This bill would additionally define the terms "authorizing resolution" and "property tax increment" for these purposes. The bill would additionally revise these provisions to limit the authority to providing low- and moderate-income housing and affordable housing, as specified.	Strong Support – Letter Pending Signature
<u>AB 2249</u>	<u>Cooley</u> D	Public contracts: local agencies: alternative procedure.	5/3/2018-Referred to Com. on GOV. & F.	Would authorize public projects of \$60,000 or less to be performed by the employees of a public agency, authorize public projects of \$200,000 or less to be let to contract by informal procedures, and require public projects of more than \$200,000 to be let to contract by formal bidding procedures.	Support?/Watch
AB 2258	<u>Caballero</u> D	Local agency	5/25/2018-From	Current law establishes the Strategic Growth Council in state government and	Support - Letter Pending

		formation commissions: grant program.	committee: Do pass. (Ayes 13. Noes 3.) (May 25). Read second time. Ordered to third reading.	assigns to the council certain duties, including providing, funding, and distributing data and information to local governments and regional agencies that will assist in the development and planning of sustainable communities. This bill would require the Strategic Growth Council, until January 1, 2024, to establish and administer a local agency formation commissions grant program for the payment of costs associated with initiating and completing the dissolution of districts listed as inactive, the payment of costs associated with a study of the services provided within a county by a public agency, and for other specified purposes, including the initiation of an action, based on determinations found in the study, as approved by the commission.	Signature
<u>AB 2434</u>	Bloom D	Strategic Growth Council: Health in All Policies Program.	5/25/2018-From committee: Do pass. (Ayes 16. Noes 0.) (May 25). Read second time. Ordered to third reading.	Current law establishes the Strategic Growth Council, prescribes the membership of the council, and requires the council to, among other things, recommend policies and investment strategies and priorities, as specified, to encourage the development of sustainable communities. This bill would establish the Health in All Policies Program, to be administered by the council, for the purposes of incorporating health, equity, and sustainability considerations into decision-making across sectors and policy areas, as specified.	Watch
<u>AB 2447</u>	Reyes D	California Environmental Quality Act: land use: environmental justice.	5/25/2018-From committee: Amend, and do pass as amended. (Ayes 12. Noes 4.) (May 25). Read second time and amended. Ordered returned to second reading.	Would require the Office of Environmental Health Hazard Assessment, by June 30, 2019, to publish a list of subject land uses, as specified, and a map that identifies disadvantaged communities and areas within a 1/2 mile radius of the disadvantaged communities. The bill would require a lead agency that is preparing an EIR or a negative declaration to provide certain notices required by CEQA to owners and occupants of property located within one-half mile of any parcel or parcels, and to any schools located within one mile of any parcel or parcels, on which is located a project involving a subject land use. The bill would require the lead agency to call at least one scoping meeting for those projects, as provided.	Look at expansion
<u>AB 2528</u>	Bloom D	Climate adaptation.	5/24/2018-Read second time. Ordered to third reading.	Current law requires the Natural Resources Agency, by July 1, 2017, and every 3 years thereafter, to update the state's climate adaptation strategy to identify vulnerabilities to climate change by sectors, including the biodiversity and habitat sector, and priority actions needed to reduce the risks in those sectors. This bill would specify that the biodiversity and habitat sector includes habitat resilience areas, as defined. The bill would also require state agencies to maximize the objective of protecting and enhancing habitat resilience areas.	
<u>AB 3160</u>	<u>Grayson</u> D	Federal public lands: conveyances: defense base closure and realignment.		Current law generally establishes a policy of the state to discourage conveyances of federal public lands in California from the federal government. Current law specifies that these conveyances are void ab initio unless the State Lands Commission was provided with the right of first refusal or the right to arrange for the transfer of the federal public land to another entity. Under current law, if the commission was provided with the right of first refusal or the right to arrange for the transfer of the federal public lands to another entity, the commission is required to issue a certificate affirming certain compliance before the conveyance of federal	Working on amendments

				public lands in California. This bill would authorize the executive officer of the commission to issue these certifications of compliance.	
<u>SB 914</u>	Dodd D	Local agency contracts.	4/30/2018-Referred to Com. on L. GOV.	Current law authorizes a county, until January 1, 2023, with approval of the board of supervisors, to utilize construction manager at-risk construction contracts for the erection, construction, alteration, repair, or improvement of any building owned or leased by the county, subject to certain requirements, including that the method may only be used for projects that are in excess of \$1,000,000. This bill would authorize the use of this method of contracting for the erection, construction, alteration, repair, or improvement of any infrastructure, excluding roads.	Watch
<u>SB 1043</u>	<u>Newman</u> D	Department of Veterans Affairs: veterans' services.	5/25/2018-From committee: Do pass. (Ayes 7. Noes 0.) (May 25). Read second time. Ordered to third reading.	Current law requires the Department of Veterans Affairs to disburse funds, appropriated to the department for the purpose of supporting county veterans service officers pursuant to the annual Budget Act, on a pro rata basis, to counties that have established and maintain a county veterans service officer in accordance with the staffing level and workload of each county veterans service officer under a formula based upon performance developed by the department. This bill would define a workload unit for purposes of these provisions to mean a specific claim activity that is used to allocate subvention funds to counties, which is approved by the department, and performed by county veterans service officers.	Watch
<u>SB 1179</u>	<u>Newman</u> D	Public contracts: Disabled Veteran Business Enterprise Program.	5/25/2018-From committee: Do pass. (Ayes 7. Noes 0.) (May 25). Read second time. Ordered to third reading.	Current law makes it a crime to, among other things, knowingly and with intent to defraud, fraudulently represent participation of a disabled veteran business enterprise in order to obtain or retain a bid preference or a state contract. Current law requires the Department of General Services to suspend, for a specified period, any person who violates these provisions from bidding on, or participating as either a contractor, subcontractor, or supplier in, any state contract or project, as specified. This bill would require an awarding department to give a prime contractor that fails to comply with the certification requirements described above reasonable opportunity to cure the failure.	Watch
<u>SB 1180</u>	Newman D	California Disabled Veteran Business Enterprise Program.	5/25/2018-From committee: Do pass. (Ayes 7. Noes 0.) (May 25). Read second time. Ordered to third reading.	Current law requires an awarding department, upon completion of an awarded contract for which a commitment to achieve a DVBE goal was made, to require the prime contractor that entered into a subcontract with a DVBE to certify to the awarding department specified information relating to amounts paid under the contract. This bill would require an awarding department to maintain all records of the information provided by the prime contractor pursuant to those provisions and to retain the records for a minimum of 6 years after collection. The bill would require the awarding department to maintain those records in a manner that facilitates access and review by external auditors.	Watch

#### Date: 5/24/18

From: Michael Houlemard, Executive Officer, Fort Ord Reuse Authority

#### To: California LRAs

#### RE: AB3160

At last Wednesday's Legislative Committee meeting (5/23), it was urged that we secure support for some language adjustments that would help get us closer to our desired outcome. Even though there is "some" help for the SB 50 problem in AB 3160, the current language amended our initial effort to exempt transfers under the Base Realignments and Closure Act. In truth, what we seek is eliminating any real property asset transfers between the Department of Defense and any local/regional public agency tasked with providing service to a military installation OR under the terms of an agreement for recovery or reuse from actions taken under BRAC. We compromised to insert just BRAC former bases under contract, but the issue will still have concerns for active base issues. What we have now is (my read):

- 1) Re-inserted language that calls for the Commission to make the decision while indicating that the Certification of Compliance comes from the Director. This is confusing and not clear.
- 2) This "delegation" still requires every entity to submit a package that provides evidence that would secure a Certification of Compliance.
- 3) That process (submittal to the director) alone requires time and additional cost.
- 4) What if DOD disagrees with that requirement? It is my understanding the whole action is under litigation.
- 5) The language doesn't establish time clock for the director to make a decision about the Certification of Compliance– a crucial need if this were to continue.
- 6) This is an overreach and puts a burden on the shoulders of public agencies and officials that were not the target for the SB50 legislative action. We need very tightly configured language that (at a maximum) calls for a *notice* to state lands by a local agency that this is a component of an agreement with DoD under BRAC with brief submittal identifying the action. There should be a two week option for the State Lands staff to object and to provide a reason supported with evidence for the objection.
- 7) We also need the offensive language that suggests there are fines/changes for recording such transfers as though LRA Directors or other local officials are going to violate law in some criminal way.

Someone (all of us) really need(s) to say these things in a letter advocating for the issues and it should be incorporated into a sample letter for LRAs to send to Senate members. Could you help us by getting a group call together in the very near future on this question.

Michael

## FORT ORD REUSE AUTHORITY BOARD REPORT

**CONSENT AGENDA** 

Subject:

Economic Development Report

Meeting Date: June 8, 2018 Agenda Number: 7e

**INFORMATION** 

#### RECOMMENDATION(S):

Receive an Economic Development ("ED") Report.

#### ECONOMIC DEVELOPMENT QUARTERLY UPDATE

#### Background/Discussion:

The primary goal of the Fort Ord Reuse Authority's ("FORA's") current ED effort, as referenced in the 1997 Base Reuse Plan ("BRP") and 2012 Reassessment Report ("RR"), is to assist the three-county (Monterey/Santa Cruz/San Benito) region in general and FORA jurisdictions specifically in economic recovery from the employment, business, and other economic losses resulting from the departure of soldiers, civilians, and families post Fort Ord closure. BRP projections for full recovery include: 37,000 replacement population; 15, 000+ jobs to replace military employment and soldiers; 11-12,000 homes (6160 new units); and approximately 3 million sf commercial/office.

Prior to establishing the current ED program in 2015, extensive groundwork was directed by the FORA Board and overseen by FORA staff including: securing funding, implementation, and completion of the \$98M Environmental Services Cooperative Agreement ("ESCA"); reuse and/or removal of 3614 of 4370 military buildings (including reopening 500+ units for affordable workforce housing); transfer of 10,013 of 17,652 habitat acres for permanent preservation; construction of \$66.5M worth of new transportation infrastructure (including \$40M in grant funding); storm water outfall removal (including securing \$6M in grant funding); and continued and ongoing support for the veterans community leading to the Central Coast Veterans Cemetery, and the nation's first Joint Department of Defense ("DOD")/Veterans Administration ("VA") Veterans Clinic. Also, in concert with former Fort Ord jurisdictions, progress toward the above noted BRP goals to date includes: 15,717 population; 5652 jobs; 5575 homes (1384 new + 4191 reused); and 691k sf commercial. These accomplishments provide the strong foundation and equitable basis for realizing new economic development gains.

FORA's ongoing ED strategy is based on the following key components:

- **Build upon regional economic strengths** (Agriculture, Tourism, Higher Education/ Research, Military Missions)
- Pursue new & retain existing businesses/enterprises.
- Engage internal & external stakeholders (i.e. FORA Jurisdictions, California State University Monterey Bay ("CSUMB"), University of California Santa Cruz ("UCSC"), Monterey Bay Economic Partnership ("MBEP"), Monterey County Business Council ("MCBC"), Monterey Peninsula Chamber of Commerce ("MPCC"), and other.
- Develop and maintain information resources.
- Report success metrics.

Per ongoing Board direction and following the strategy outlined above, staff continues to make progress on a number of key projects. The following notes summarize and highlight progress since the March 9, 2018 Economic Development Quarterly Update:

- 2018 Jobs Survey Report. The 2018 FORA Jobs Survey Report (released April 5, 2018) summarizes and compares 2017 and 2018 Jobs Survey outcomes as success metrics for FORA Economic Recovery Goals. 132 employers and 5652 positions were identified within the former Fort Ord boundary, representing a 14% (694 jobs) increase in total jobs since 2017, with majority being full-time positions. Business types on the former fort Ord include: professional services (42%); retail/food service (23%); education related (19%); recreation (8%); and military (6%). Military-related account for the largest employment group, followed by education-related, professional, retail and recreation. These results represent an overall 31% progress towards the 18,000 BRP post-Fort Ord jobs target. Survey results are available online at <a href="http://ordforward.org/2018-fora-jobs-survey/">http://ordforward.org/2018-fora-jobs-survey/</a>.
- UCMBEST West Campus Auction. The UCSC opened an auction for its 49.6-acre University of California, Monterey Bay Education Science & Technology ("UCMBEST") West Campus in early May. The property is directly adjacent to the Marina Municipal Airport and other planned commercial development and conservation sites. The auction process is being managed by Mahoney & Associates with a July 17, 2018 bid deadline. Questions about the property can be directed to Mahoney & Associates and/or Steve Matarazzo, UCMBEST Planning Director. More information about the auction including links to site background information is available online at <a href="http://ordforward.org/ucmbest-west-campus-auction/">http://ordforward.org/ucmbestwest-campus-auction/</a>.
- Opportunity Zones. 9 Census Blocks in Monterey County were included in the 879 tracts nominated by Governor Brown for inclusion as Federal Opportunity Zones (8 in North County/Peninsula and 1 in South County). Track #14102 on the south/southeast edge of the City of Marina (northern edge of the former Fort Ord) is among them. This tract includes the Marina Airport, UCMBEST, and Dunes on Monterey Bay Specific Plan Area. Downtown Seaside has 2 large tracts, and the City of Salinas has 5. These blocks, now included in the Department of Treasury designated Qualified Opportunity Zones under Internal Revenue Code (IRC) Section 1400Z-1(b)(1)(B). While the nuances of the Federal tax policy on Opportunity Zones are still being finalized we expect these zones to provide new investment incentives to catalyze long desired infrastructure and urban development. Regular updates on this item including links to other resources are maintained online at: <a href="http://ordforward.org/opportunity-zones/">http://ordforward.org/opportunity-zones/</a>.
- UASIPP Update. The Monterey Bay UASIPP team learned in early May that our proposal was not selected among the initial 10 sites chosen by the Department of Transportation. While this is a disappointment, the process of responding to the FAA call for proposal resulted in the establishment of healthy public-private partnerships to advance the drone, automation and robotics industries in the Monterey Bay Region. The coalition will continue working with our public and private sector partners to best position the Monterey Bay region for future opportunities. To this end we have initiated conversations about advancing FAA approvals for drone testing and development leveraging the Marina Airport and UCMBEST campus, and have begun planning a Monterey Bay Drone, Automation, & Robotics (DART) Symposium in March 2019. Follow news and updates on this item at: <a href="http://ordforward.org/uasipp-marina-airport/">http://ordforward.org/uasipp-marina-airport/</a>.

- Business Recruitment/Retention. FORA staff continues responding to and broadly referring inquiries from businesses/contacts interested in location or relocation and reuse of former Fort Ord real estate. These efforts contribute to both recruitment of new and retention of existing regional businesses. Developer engagement in recent months includes interest in affordable housing, hospitality, and light industrial/commercial projects. Staff continues supporting airport related development interest at Marina Municipal Airport and UCMBEST. Staff is also actively engaged with business recruitment efforts through the Central Coast Marketing Team ("CCMT") including continued development and management of TeamCentralCoast.org. This new website provides a useful web resource to support business location decisions and integrates OppSites software as an opportunity site marketing resource. Efforts are underway to prepare/package site marketing content, and strategies in collaboration with partners. Staff continues working with relevant jurisdiction staff and elected officials where appropriate to advance new and emerging opportunities.
- Start-up Challenge Monterey Bay/California State University Monterey Bay ("CSUMB") Collaboration. FORA continues to support expansion of regional entrepreneurship through collaboration with CSUMB on a broad Start-up Monterey Bay initiative including high quality events throughout the year. The annual cycle of entrepreneurship events culminating in the Startup Challenge Monterey Bay kicked-off this year with the Startup Hackathon, Nov 3-5, 2017. Over 110 participants spent the weekend hacking tech solutions for disaster/response/recovery. Startup Weekend Monterey Bay was held on January 29, 2018 and the Startup Challenge process kicked into gear directly thereafter. The Startup Challenge culminated in the Otter Tank competition at CSUMB Salinas City Center in May 2018. Cruz Foam, which transforms shrimp shell waste into the eco-friendly equivalent of styrofoam, won the Venture Division; That Garlic Stuff, a homemade garlic sauce made with locally sourced garlic won the Main Street Division; BOHO Marketplace won the Student Division. More information about the Startup Challenge can be found online here: http://ordforward.org/2018-startup-challenge-winners/.

Other collaborations with CSUMB faculty and staff include: contribution toward planning a January 2019 Sustainable Hospitality Forum in Monterey; Continuing to cultivate relationships and interest from the visiting Costa Rica delegation; Development of a new Monterey Bay Eco-recreation and Tourism Region website (MBETR.org) to provide a web hub for the efforts of regional educational, business, and government officials in increasing the viability/profitability of sustainable hospitality/eco-recreation tourism in the Monterey Bay region; and continuing collaboration with planning and economic development initiatives including R&D Business park, recreation, and residential resources. The sustained growth in relationships and mutually beneficial projects and initiatives highlights value generated from working relationships with CSUMB faculty/staff.

#### • Community Engagement/Jurisdiction Support.

Community engagement/jurisdiction support remains a focus for ED staff. Staff engaged with the following processes since the March ED Progress Report:

Working with media contractor to produce Economic Development Opportunities video featuring representatives of our developer, education, business and conservation communities. This video is the 2<sup>nd</sup> in a planned 4 part series to provide easily digestible and shareable content telling the story of education centered reuse, community lead

conservation and economic opportunities on the former Fort Ord. We expect to release this next video in Q3 2018.

FORA ED staff continue supporting City of Seaside Campus Town planning in developer/ consultant informational meetings, in on-going cross-jurisdictional land use optimization discussions, and in providing affordable housing information and resources to development teams. Staff also continues supporting on City request, developer interest and concept refinement for productive reuse of the former nursing quarters in the City of Seaside.

Staff worked closely with the City of Marina Airport Manager and Economic Development team to continue advancing long term development interests in and around the Marina Airport.

• Housing Starts. New residential development at the Dunes on Monterey Bay, Sea Haven, and East Garrison continues to gain momentum. A summary of CFD fees collected over the past 3 years and projected for FY 17/18 is provided below:

New Residential	FY 14/15 Full year	FY 15/16 Full year	FY 16/17 Full Year	FY 17/18 Projected
Total Units	89	256	317	258
Total CFD Fees	\$1,982,669	\$5,202,626	\$7,329,706	\$6,149,946

#### Looking Forward

The following events and initiatives will be in focus for the FORA economic development team in the months ahead: FAA UASIPP Follow-up/Next Steps; Business Recruitment/Retention; Jurisdiction Support; Affordable Housing Initiative Support; Monterey Bay Ecotourism Region initiative; Forbes 4<sup>th</sup> Annual AgTech Summit, Salinas July; Transition planning community outreach and engagement.

#### FISCAL IMPACT:

Reviewed by FORA Controller

Funding for staff time and ED program activities is included in the approved FORA budget.

#### COORDINATION:

Administrative and Executive Committees

Approved by Prepared by Michael A. Houlemard, Josh Metz

## FORT ORD REUSE AUTHORITY BOARD REPORT CONSENT AGENDA

Subject: Public Correspondence to the Board

Meeting Date:June 8, 2018Agenda Number:7f

**INFORMATION/ACTION** 

Public correspondence submitted to the Board is posted to FORA's website on a monthly basis and is available to view at <u>http://www.fora.org/board.html</u>

Correspondence may be submitted to the Board via email to <u>board@fora.org</u> or mailed to the address below:

FORA Board of Directors 920 2<sup>nd</sup> Avenue, Suite A Marina, CA 93933

### FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject:

Consider Adoption of FORA FY 2018-19 Annual Budget – 2<sup>nd</sup> Vote

Meeting Date: June 8, 2018 Agenda Number: 8a

**INFORMATION/ACTION** 

ACTION

#### **RECOMMENDATION: SECOND VOTE**

i. Adopt FY 2018-19 Annual Budget

ii. Consider approval of staff proposed compensation and benefit adjustments ACTION

#### BACKGROUND:

The FORA Annual Budget is typically presented to the Board in May of each year. Prior to the budget being presented to the Board, the budget is first reviewed by the Finance Committee (FC). After completing their deliberations, the FC makes recommendations to the Board regarding budget matters, including the presentation format and fund availability for programmed projects, staffing, consultant support and obligations. Prior to Board consideration of those recommendations, the Executive Committee (EC), who is charged to provide Board recommendation regarding employment and personnel matters, considers staff proposed adjustments specific to staffing and/or benefit. On May 2, the FC reviewed the draft budget and the EC reviewed the compensation adjustment recommendations. At the May 11, 2018 Board meeting, on motion by Board member Gunter, second by Board member Edelen and carried 12 to 1, the Board moved to adopt the fiscal year 2018-19 annual budget and the proposed staff compensation and benefits adjustments. The motion did not receive a unanimous vote and requires a second vote.

#### **DISCUSSION:**

This fiscal year budget was prepared in conjunction with the FY 18-19 CIP Budget. The CIP Budget will be presented in Business Item 8b.

The proposed budget charts with fund balance notes as directed by the FC are:

- Attachment A depicts the budget by individual funds
- Attachment B illustrates the combined funds overall budget as compared to FY 17-18 projected Budget.
- <u>Attachment C</u> itemizes expenditures and compares to projected FY 17-18 expenditures.
- Attachment D provides background/analysis of proposed Salary/Benefits adjustment

Significant budget impacts areas are discussed below.

The following summarizes the FY 18-19 (Attachment A) draft annual budget figures:

#### REVENUES

• \$310,928 MEMBERSHIP DUES

In addition to State law stipulated fixed membership dues of \$224,000, FORA collects dues from Marina Coast Water District (MCWD) under contract terms.

#### • \$721,557 FRANCHISE FEES

This amount represents MCWD's projected FY 18-19 payments to FORA from water and sewer operations on Fort Ord and associated fees.

#### \$1,129,167 ENVIRONMENTAL SERVICES COOPERATIVE AGREEMENT

FORA retains funds for ESCA remediation program completion, including remaining Economic Development Conveyance (EDC) property transfers. The draft annual budget includes the FY 18-19 ESCA regulatory response and management/related expenses.

\$10,734,756 DEVELOPMENT FEES

This reflects jurisdictional forecasts included in the CIP FY 18-19 budget.

• <u>\$0 LAND SALE PROCEEDS</u>

There are no land sale revenue anticipated in the FY 18-19 CIP budget.

\$50,000 RENTAL PROCEEDS

Rental payments from leasing projects on the Former Fort Ord, including Ord Market, Las Animas Concrete, etc.

• <u>\$2,974,613 PROPERTY TAX</u>

Projected property tax revenue exceeding \$1.3 million is committed to funding the CIP.

\$161,490 INVESTMENT/INTEREST INCOME

Anticipated income from FORA bank accounts and certificates of deposit (CD) including the Habitat Management CD.

#### EXPENDITURES

• <u>\$2,902,432 SALARIES AND BENEFITS</u> (Attachments C, D show breakdown)

Of the \$2.9M in salaries and benefits, \$519,825 is funded by ESCA. Proposed budget amount includes:

- 1) 3.0% COLA for eligible personnel. <u>Fiscal impact up to **\$69,000**</u>. *Eligibility: Must be full time, employed with FORA for the past 12 months.*
- Retention benefit In light of FORA's nearing sunset date, staff recommends a pool of funds to provide for employee retention, special assignments, and coverage for employee losses.

- 3) Staff Health Insurance Benefit. <u>No change from approved FY 17-18 Budget</u>. Staff recommends extension of these benefit for FY18-19.
- 4) Staffing. <u>Fiscal impact up to **\$100,000 in wages and benefits**</u>. Staff recommends the addition an additional staff position and a reclassification.

\*FC acknowledges funding availability for all items and EC recommends item 1

#### • \$536,025 SUPPLIES AND SERVICES (Attachment C)

This expense category is increased \$60,725 from prior year. Significant increases are:

- \$28,600 Vehicle Expenses Staff has budgeted purchase of a used 4-wheel vehicle for use on construction sites: Surplus II, South Boundary Road, Eucalyptus Road, General Jim Moore Boulevard, and Stockade.
- 2) \$6,000 IT/Computer Support field computer, off-site internet, and AutoCAD
- 3) \$10,000 Record Archiving archiving of engineering drawings and documents.
- 4) \$6,000 Training & Seminars training and employee transitions.
- 5) \$6,700 Insurance general liability and property insurance increases.

#### • <u>\$2,112,350 IN CONTRACTUAL SERVICES</u> (Attachment C)

Contractual services increased \$656,800 from the previous FY. In addition to FORA's recurring consulting expenses such as the Annual Auditor, Public Information, Human Resources, and Legislative consultants, the budget includes <u>increased</u> and or <u>significant</u> <u>costs</u> for:

- 1) \$475,000 FORA Sunset/Transition for Local Agency Formation Commission application and indemnification set aside fund, consultant fees (e.g. CEQA, financial, employee transition and legal).
- 2) \$50,000 Authority Counsel Review of contracts, bid documents, and procurement process.
- 3) \$110,000 Legal/Litigation Fees and Special Practice Easements, Right of Way, Permitting and legal advice.
- 4) \$20,000 Economic Development consist of \$5K for local support and an increase of \$15K toward CSUMB and related sponsorship.

#### • <u>\$29,701,327 IN CAPITAL PROJECTS</u> (Attachments B, C)

The upcoming budget includes \$9.6 for the completion of the FORA building removal obligations and includes \$2M increase in the engineer's estimate for Marina Stockade removal. The budget includes mandated/obligatory expenditures such as habitat management and UC Natural Reserve annual cost. Other capital projects are development fee collection dependent. The FY 18-19 CIP budget provides itemization and timing of capital projects.

#### OTHER/ACCOUNTING ENTRIES/FUND DESIGNATIONS

- 1) Maintain \$6.7 million Reserve \$5.7M to be invested in an irrevocable Section 115 Trust and \$1.0M in reserve.
- 2) Maintain \$4.7 million Reserve for operating funds.
- 3) Transfer of funds \$1,325,00 from Lease and Land Sale to CFD/Tax Developer Fee Fund (\$1,050,000) and General Fund (\$275,000).

#### ENDING BALANCE/FORA RESERVE

It is anticipated that the combined fund balance at the end of the FY 18-19 will be more than \$28.7 million. To address the FORA sunset financial obligations, the Board has designated \$6.7 million for CalPERS pension liabilities, \$4.7 million balance for operating obligations through FORA 2020 sunset; specific future designations/ spending of this \$4.7 million balance must be approved by the FORA Board. The set aside of \$17.1 million for Habitat Conservation reflects FORA Board policy of reserving 30.2 percent of the CFD fee collections for this purpose.

#### **COORDINATION:**

Finance Committee, Executive Committee, FORA Annual Auditor.

Prepared by Approved by Michael A. Houlemard, Jr.

#### FORT ORD REUSE AUTHORITY - FY 18-19 PROPOSED ANNUAL BUDGET - BY FUND

CATEGORY		SPECIA	L REVENUE FUNDS (S	NUE FUNDS (SRE)		
CATEGONI	GENERAL	LEASES/	ARMY	TOTAL ANNUAL		
REVENUES	FUND	LAND SALE	CFD/Tax Developer Fees	ESCA	BUDGET	
Membership Dues	310,928		_	-	310,928	
Franchise Fees - MCWD	721,557	-	-	-	721,557	
Federal Grants	-	-	-	1,129,167	1,129,167	
Development Fees	-	-	10,734,756	-	10,734,756	
Land Sale Proceeds	-	-	-	-	-	
Rental/Lease Revenues	50,000	-	-	-	50,000	
Property Tax Payments	1,300,000	-	1,674,613	-	2,974,613	
Reimbursement Agreements	5,000	-	-	-	5,000	
Investment/Interest Income	120,000	-	41,490	-	161,490	
Other Income			_	-		
Total Revenues	2,507,485	-	12,450,859	1,129,167	16,087,511	
EXPENDITURES						
Salaries & Benefits	1,826,795	102,209	453,603	519,825	2,902,432	
Supplies & Services	328,123	12,974	126,595	68,333	536,025	
Contractual Services	1,107,589	25,690	438,062	541,009	2,112,350	
Capital Projects	-	9,520,871	20,180,456	-	29,701,327	
Total Expenditures	3,262,507	9,661,744	21,198,716	1,129,167	35,252,134	
REVENUES OVER (UNDER) EXPENDITURES	(755,022)	(9,661,744)	(8,747,857)		(19,164,623)	
OTHER FINANCING SOURCES (USES)						
Transfer In/(Out)	275,000	(1,325,000)	1,050,000	-	-	
Total Other Financing Sources (Uses)	275,000	(1,325,000)	1,050,000	-	-	
REVENUES & OTHER SOURCES OVER (UNDER)						
EXPENDITURES	(480,022)	(10,986,744)	(7,697,857)	-	(19,164,623)	
FUND BALANCE-BEGINNING 7/1/18	11,904,456	11,185,029	24,844,821	-	47,934,306	
FUND BALANCE-ENDING 6/30/18	11,424,434	198,285	17,146,964		28,769,683	
Fund Balances						
Committed (Assisted for						
Committed/Assigned for: CalPers Termination	\$ 6,700,000	<i>چ</i>	\$ -	\$ -	\$ 6,700,000	
Operations	4,700,000	-	-	-	4,700,000	
Habitat Management (HM/HCP)	-	-	17,113,239	-	17,113,239	
Building Removal CIP	-	- 198,285	- 33,725	-	- 232,010	
Unassigned	24,434	-	-	-	<b>24,434</b>	
Ending Fund Balance	11,424,434	198,285	17,146,964		28,769,683	
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CATEGORIES	FY 1	7-18	FY 17-18				NOTES
	APPRO MID-Y	OVED	Variances Projected thr 6/30/18	u	FY 17-18 <u>PROJECTED</u>	Y 18-19 OPOSED	
REVENUES							
Membership Dues	\$	307,000	\$ 8,58	4	\$ 315,584	310,928	
Franchise Fees - MCWD		415,000	279,76	6	694,766	721,557	
Federal Grants	1	,002,580	-		1,002,580	1,129,167	
Development Fees	6	,118,763	-		6,118,763	10,734,756	
Land Sale Proceeds		-	-		-	-	
Rent Proceeds		50,000	-		50,000	50,000	
Property Taxes	2	,310,835	-		2,310,835	2,974,613	
Reimbursement Agreements		5,000	-		5,000	5,000	
Investment/Interest Income		110,000	-	_	110,000	 161,490	
TOTAL REVENUES	10	,319,178	288,35	0	10,607,528	 16,087,511	
EXPENDITURES							
Salaries & Benefits	3	,845,250	-		3,845,250	2,902,432	
Supplies & Services	-	475,300	-		475,300	536,025	
Contractual Services	1	,562,500	(107,00	0)	1,455,500	2,112,350	
Capital Projects (CIP)		,043,796	(9,802,85		3,240,944	 29,701,327	
TOTAL EXPENDITURES	18	,926,846	(9,909,85	<u>2)</u>	9,016,994	 35,252,134	
REVENUES & OTHER SOURCES OV	/ER						
(UNDER) EXPENDITURES	(8	,607,668)	10,198,20	2	1,590,534	(19,164,623)	Use of Fund Balance
FUND BALANCES							
Beginning	46	,343,772	-		46,343,772	47,934,306	
Ending	\$ 37	,736,104	\$ 10,198,20	2	\$ 47,934,306	28,769,683	Ending Fund Balance
Fund Balances							
Committed/Assigned for:							
CalPers Termination	\$ 6	,700,000			\$ 6,700,000	6,700,000	
Operations		,700,000			4,700,000	4,700,000	
Habitat Management (HM/HCP)		,829,853			13,829,853	17,113,239	
Building Removal	3	,339,000	3,309,05	6	6,648,056	_	
CIP		,058,145	6,493,79		15,551,941	232,010	
Unassigned		109,106	288,35		397,456	24,434	
Ending Fund Balance	\$ 37	,736,104	\$ 10,091,20		\$ 47,827,306	28,769,683	

#### FORT ORD REUSE AUTHORITY - FY 18-19 PROPOSED ANNUAL BUDGET - EXPENDITURE DETAIL

		<b></b>				· · · · · · · · · · · · · · · · · · ·
	<b>EV 4</b> = 40	FY 17-18				
	FY 17-18	Variance	Projected	EV 19 10	Change from	
EXPENDITURE CATEGORIES	Approved Mid-Year	Projected thru 6/30/18	Projected 6/30/18	FY 18-19 Preliminary	Change from Prior Year	NOTES
LAF LINDITURE CATEGORIES	wilu-Tear	unu 0/30/18	0/50/18	Freinnary	Filor fear	
	16 positions + 1	16 positions ( 1	16 positions + 1	17 positions 1		"N" indicates a new expense in FY 18-19budget
SALARIES AND BENEFITS (S & B)	16 positions + 1 intern	16 positions + 1 intern	16 positions + 1 intern	17 positions + 1 intern		
SALARIES AND BENEFITS (S & B) SALARIES	1,911,684	-	1,911,684	2,038,161	126 477	3.0% COLA and Step, reclassification, new position
BENEFITS/HEALTH, RETIREMENT, OTHER	672,406	-	672,406	714,271		0.5% CalPers Employer portion increase, new position
·, · · · · · · · · · · · · · ·	<i></i> ,400		072,400	1, _ 1	. 2,000	Retention, add'I assignment resulting from attrition due to
TEMP HELP/VACATION CASH OUT/STIPENDS	100,000	-	100,000	150,000	50,000	sunset
SUBTOTAL S & B	2,684,090	-	2,684,090	2,902,432	218,342	
CalPERS UNFUNDED LIABILITIES (UAL)	,		, ,	,,	.,	
SHARE OF RISK POOL UAL - PARTIAL PAYMENT	1,161,160	-	1,161,160	-	(1,161,160)	UAL funded FY 17-18, pending 8/18 Actuarial report
SUBTOTAL PERS UAL	1,161,160	-	1,161,160	-	(1,161,160)	
TOTAL SALARIES , BENEFITS AND UAL	3,845,250	-	3,845,250	2,902,432	(942,818)	
SUPPLIES AND SERVICES						
PUBLIC & LEGAL NOTICES	8,000	-	8,000	8,000	-	
	8,000	-	8,000	8,000	-	
	25,000	-	25,000	25,000	-	
PRINTING & COPY SUPPLIES	13,000 16,000	-	13,000 16,000	13,000 16,000	-	
EQUIPMENT & FURNITURE	25,000	-	25,000	25,000		
N VEHICLE AND MAINTENANCE	- 23,000	-	-	23,000	28 600	Purchase of 4-wheel vehicle for use on construction site
TRAVEL & LODGING	33,000	-	33,000	35,000		Anticipated increase
CONFERENCE, TRAINING & SEMINARS	19,000	-	19,000	25,000		Training and employee transition
MEETING EXPENSES	15,000	-	15,000	15,750		Anticipated 5% rate increase
TELEVISED MEETINGS	7,000	-	7,000	7,000	-	
<b>BUILDING MAINTENANCE &amp; SECURITY</b>	10,000	-	10,000	10,000	-	
FORA OFFICES RENTAL	180,000	-	180,000	180,000	-	
UTILITES	13,500	-	13,500	14,175	675	Anticipated 5% rate increase
INSURANCE	27,300	-	27,300	34,000	6,700	Anticipated increase
PAYROLL/ACCOUNTING SERVICES	7,500	-	7,500	7,500	-	
IT/COMPUTER SUPPORT	29,000	-	29,000	35,000		Field computer, offsite internet, and AutoCAD
RECORD ARCHIVING	1,000	-	1,000	11,000	10,000	archiving of engineer drawings and plan documents
PREVAILING WAGE TECH SUPPORT/SOFTWARE	10,000	-	10,000	10,000	-	
Community Outreach/Marketing	25,000	-	25,000	25,000	-	
OTHER (POSTAGE, BANK FEES, MISC)	3,000		3,000	3,000	-	
TOTAL SUPPLIES AND SERVICES	475,300	-	475,300	536,025	60,725	
AUTHORITY COUNSEL	200,000	-	200,000	250,000	,	Contract reviews
LEGAL/LITIGATION FEES	125,000	-	125,000	185,000		Bid documents, and procurement process
LEGAL FEES - SPECIAL PRACTICE	25,000	-	25,000	75,000	/	CEQA Counsel, ROW & Easement, Real Estate Transfer
	24,000	(7,000)	17,000	18,850	1,850	Anticipated increase, amended grant
SPECIAL COUNSEL (EDC-ESCA)	100,000	-	100,000	100,000	-	
ESCA/REGULATORY RESPONSE/ QUALITY	400.000		460.000	400 000		
	460,000	-	460,000	460,000	-	
FINANCIAL CONSULTANT LEGISLATIVE SERVICES CONSULTANT	25,000 43,000	-	25,000 43,000	25,000 43,000	-	
PUBLIC INFORMATION/OUTREACH	20,000	-	20,000	20,000		
HCP CONSULTANTS	150,000	-	150,000	150,000		
	130,000	-	130,000	130,000		
						LAFCO Application Fee and Indeminification Fund, Consultants (
FORA Sunset/Transition	50,000	(25,000)	25,000	500,000	475,000	CEQA, Financial, Employee transition and Legal).
REUSE PLAN IMPLEMENTATION	150,000	-	150,000	150,000	-	
ECONOMIC DEVELOPMENT	85,500	-	85,500	105,500	20,000	\$15K CSUMB and \$5K local support
PW WAGE CONSULTANTS	75,000	(75,000)	-	-	-	
OTHER CONSULTING/CONTRACTUAL EXP	30,000	-	30,000	30,000	-	
TOTAL CONTRACTUAL SERVICES	1,562,500	(107,000)	1,455,500	2,112,350	656,850	
CAPITAL PROJECTS						
TRANSPORTATION/OTHER CIP PROJECTS	9,293,796	(6,493,796)	2,800,000	20,180,456	17,380,456	CIP Budget
BUILDING REMOVAL	3,750,000	(3,309,056)	440,944	9,520,871	9,079,927	CIP Budget
TOTAL CAPITAL PROJECTS	13,043,796	(9,802,852)	3,240,944	29,701,327	26,460,383	
		/a a ·				
TOTAL EXPENDITURES	18,926,846	(9,909,852)	9,016,994	35,252,134	26,235,140	Page 49 of 100
						-

#### Staff recommends the following:

Effective October 1, 2016, pursuant to independent human resources consultant and FC/EC recommendations, the FORA Board adjusted salary ranges to bring FORA employees to equity with other Monterey Bay Regional labor market agencies and affiliated jurisdictions. To sustain this equity, the preliminary budget includes scheduled salary step increases for eligible staff. Proposed <u>Cost-of Living adjustment</u> (COLA) is provided.

Cost-of-Living-Adjustment 3.00%		FY 18-19 BUDGET IMPACT			
CDI SE Ockland S I report (cycilable	data thru 2/19), 2 560/		68,595	1	
CPI SF-Oakland-SJ report (available Effective date: July 1, 2018	<b>Gala (III u 2/16):</b> 3.30%	\$	•	<b>J</b>	
Eligibility: Must be full-time, employe	d with EOBA for the past 12	φ	59,504	Salary increase Benefits increase - impacts only	
months.	eu will FORA 101 lite past 12	\$	9.231		
monuns.		φ	9,231	Carers and wcomp	
		\$	2,833,837	Total S & B/No COLA	
		\$		Total S & B/With COLA	
COLA Proposed Budget by Jurisdic	tions FY 18-19	\$		Difference	
ODEAT TOPOCCU Budget by bullouio		Ψ	00,000	=	
City of Cormol	2.00	МО			
City of Carmel		IVIO	0		
City of Del Rey Oaks	pending negotiations				
City of Monterey	2.00				
County of Monterey	3.00	MO			
City of Marina	2.50	MO	U		
City of Pacific Grove	-				
City of Salinas	2.50				
City of Sand City	pending negotiations				
City of Seaside	2.00	MO	U		
MCWD	4.00				
TAMC	3.00				
LAFCO	3.00				
CSUMB	3.00				
Monterey One Water	2.90				
MRWMD	3.00				
	0100				

## FORT ORD REUSE AUTHORITY BOARD REPORT BUSINESS ITEMS

Subject: FY 2018-19 Capital Improvement Program – 2d Vote

Meeting Date: June 8, 2018 Agenda Number: 8b

INFORMATION/ACTION

#### RECOMMENDATION(S):

Take a 2<sup>nd</sup> vote to adopt the Fiscal Year (FY) 2018-19 CIP (Attachment A).

#### BACKGROUND/DISCUSSION:

At its May 11, 2018 meeting, the FORA Board voted on a motion to adopt the FY 2018-19 CIP. The vote was not unanimous. According to FORA's rules, the motion must return for a second vote. In May, the FORA Board asked questions about specific building removal and transportation projects, transportation project prioritization, project funding, post-FORA project funding, and workforce housing.

The FORA Board has reviewed, considered and adopted annual CIP documents since 2001-02, as required by State law and the 1997 Fort Ord Base Reuse Plan (BRP). The BRP includes a Development and Resource Management Plan (DRMP) (BRP Vol. 1, pgs. 194 to 203), which informs and supports the CIP. The DRMP is an identified BRP Final Environmental Impact Report mitigation for impacts on local water supplies and anticipated increased travel demand on the regional transportation system. The DRMP also includes a section about the CIP, stating: "FORA shall annually update the CIP to reflect the proposed capital projects. The extension of infrastructure shall be made on a first-come-first-served basis consistent with funding capabilities and best engineering practices" (BRP Vol. 1, pg. 202). Because of the DRMP's requirements, FORA staff presents an annual CIP to the FORA Board for its consideration. Staff presents the CIP in May for the Board to review the document and provide staff direction on any changes to the CIP prior to adoption.

The FORA CIP aligns FORA capital obligations (expenditures) with available revenue sources. FORA's key capital obligations include: Transportation/Transit, Water Augmentation, Habitat Conservation Plan endowment set aside, and Building Removal.

The FORA Administrative Committee is an advisory committee to the FORA Board. The Administrative coordinates CIP preparation with FORA staff. Individual Administrative Committee members provide annual CIP development forecasts to FORA staff. This year, the Administrative Committee confirmed the forecasts and also established a new CIP Taskforce (comprised of Administrative Committee representatives or their designees) to review potential re-prioritization of CIP programs and to review the BRP DRMP housing cap of 7,973 residential units. In particular, the Taskforce has discussed how the DRMP housing caps might be amended to allow implementation of County and City General Plans, which have the potential to exceed the 7,973 residential units on Fort Ord. The Taskforce met on April 18 and May 2, 2018. The Taskforce is recommending that the Administrative Committee consider a joint planning effort among FORA, its Jurisdictions, and Monterey Bay Economic Partnership that starts with a Regional Housing Needs Assessment and develops a path ahead that seeks to meet the community needs for housing and jobs. Staff will convey any Administrative Committee recommended that FORA

staff craft a Board recommendation to explore funding the removal of remaining Fort Ord buildings (estimated cost of \$48.8 million), which may include property taxes, land sales revenue, and grant funds.

At its May 2, 2018 meeting, the FORA Administrative Committee reviewed the FORA FY 2018-19 CIP and recommended FORA Board approval. The Committee's motion for approval included the following note: After considering the draft letter concerning Davis Road funding priority and allocation recommended by the County Fort Ord Committee to the Monterey County Board of Supervisors, the Administrative Committee reaffirmed Transportation and Transit project priorities presented in Table 2 of the draft CIP. Significant CIP changes this year include:

- Planning horizon from 2018-19 to 2028-29 to facilitate FORA transition planning;
- Incorporation of 2017 FORA Fee Reallocation Study project list, cost estimates, and FORA allocation funding;
- Construction funding for South Boundary Road and the General Jim Moore Boulevard/South Boundary Road intersection;
- Transit Vehicle Purchases of \$500,000;
- Planning funding for the Northeast-Southwest Connector (formerly Eastside Parkway);
- Planning funding to reimburse the City of Marina as they plan Del Monte Blvd. Extension; and
- Building Removal funding for Marina Stockade and Seaside Surplus II.

#### FISCAL IMPACT:

Reviewed by FORA Controller

Staff time for this item is included in the approved annual budget.

#### **COORDINATION:**

Authority Counsel, Administrative and Executive Committees, land use jurisdictions.

Prepared by Reviewed by ... Jonathan Brinkmann Steve Endslev Approved by Michael A. Houlemard, Jr.

#### I. INTRODUCTION

The Fort Ord Reuse Authority (FORA) Capital Improvement Program (CIP) was created in 2001 to comply with and monitor mitigation obligations from the 1997 Fort Ord Base Reuse Plan (BRP). These mitigation obligations were described in the BRP Appendix B as the 1996 Public Facilities Implementation Plan (PFIP) – which was the initial capital programming baseline. The CIP is a policy approval mechanism for the ongoing BRP mitigation requirements as well as other capital improvements established by FORA Board policy.

The 1997 BRP Final Environmental Impact Report (FEIR) identified FORA establishment of a Development and Resource Management Plan (DRMP) (BRP Vol. 1, Context and Framework, pg. 194 to 203) as a mitigation for BRP impacts (BRP Vol. 4, FEIR, pg. 4-55 and 4-112). The identified BRP impacts were described as 'need for new local water supplies' (BRP Vol. 4, FEIR, pg. 4-53) and 'increased travel demand on regional transportation system' (BRP Vol. 4, FEIR, pg. 4-108). The FORA Board facilitates project implementation on a timely basis through annual consideration of the CIP, which is a DRMP requirement (BRP Vol. 1, Context and Framework, pg. 202).

Staff has prepared this FY 2018/19 – 2028/29 CIP document using current reuse forecasts provided by the FORA land use jurisdictions, Administrative Committee feedback, and Board policies. The document includes current year annual forecasts in **Tables 6** and **7** of this document to be used to forecast revenues available to the CIP in the coming year.

Current State law sets FORA's sunset for June 30, 2020 or when 80% of the BRP has been implemented, whichever occurs first. For this CIP document, "Post-FORA" means the time period after June 30, 2020 needed to complete CIP funding collections and project expenditures by FORA or its successor(s). The revenue and obligation forecasts for beyond the coming year are currently being addressed in the Board's FORA Transition Ad Hoc Committee (TAC) and, under State law, requires coordination with the Local Agency Formation Commission. The prior Transition Task Force recommended a dual track approach and the FORA Board concurred in Fall 2016: 1) to seek legislative extension from 2020 up to 2037 and 2) continue FORA transition planning efforts for a June 30, 2020 end date. The Board adjusted this charge on January 12, 2018, assigning staff & the TAC to study a side by side comparison of extension of a modified FORA with the dissolution of FORA and a transfer of FORA functions to organizations and land use jurisdictions.

#### Periodic CIP Review and Reprogramming

National, regional, and local markets such as the housing market affect recovery forecasting. However, annual jurisdictional forecast updates remain the best method for CIP programming since individual on-base FORA members negotiate development agreements and schedules. As such, FORA reviews and adjusts its jurisdictional forecast-based CIP annually to reflect local project implementation and depends upon the jurisdictions' understanding of local, regional, and national market changes. The protocol for CIP review and reprogramming was adopted by the FORA Board on June 8, 2001. Appendix A defines how FORA and its member agencies review reuse timing to forecast revenue. A March 8, 2010 revision incorporated additional protocols by which projects could be prioritized or placed in time. Once approved by the FORA Board, this CIP sets project priorities.

In previous updates, the Finance Committee expressed concern for a higher degree of accuracy and predictability in FORA's revenue forecasts. FORA works with its member jurisdictions to hone and improve CIP development forecasts and resulting revenue projections. This approach has continued into the 2018/19 document.

#### CIP Development Forecasts Methodology

From January to May 2014, FORA Administrative and CIP Committees formalized a methodology for developing jurisdictional development forecasts: 1) Committee members recommended differentiating between entitled and planned projects (**Appendix A**) and correlate accordingly; 2) Market conditions necessary for housing projects to proceed should be recognized and reflected in the methodology. On average, a jurisdiction/project developer will market three or four housing types/products and sell at least one of each type per month; 3) As jurisdictions coordinate with developers to review and revise development forecasts each year, FORA staff and committees review submitted jurisdiction forecasts, using the methodology outlined in #2, translated into number of building permits expected to be pulled between July 1 and June 30 of the prospective fiscal year and consider permitting and market constraints in making additional revisions; and 4) FORA Administrative and CIP Committees confirm final development forecasts, and share those findings with the Finance Committee.

In FY 2010/11, FORA contracted with Economic & Planning Systems (EPS) to perform a review of CIP costs and contingencies (CIP Review – Phase I Study), which resulted in a 27% across-the-board Community Facilities District (CFD)/development fee reduction in May 2011. On August 29, 2012, the FORA Board adopted a formula to calibrate FORA CIP costs and revenues on a biennial basis, or if a material change to the program occurs. Results of the EPS Phase II Review resulted in a further 23.6% CFD/development fee reduction. A Phase III review, to update CIP costs and revenues, resulted in an additional 17% CFD/development fee reduction which took effect on July 5, 2014. FORA's formula to establish CFD/development fee rates that match CIP expenditures to revenues was mandated by Board resolution and FORA-Jurisdiction Implementation Agreement amendments in 2012. The formula review takes place every other year and is presented to the FORA Board. FORA hired EPS to complete the formula review in FY 2016/17 in conjunction with the Transportation Agency for Monterey County's (TAMC's) 2017 FORA Fee Reallocation Study. EPS's work resulted in a 0.8% CFD/development fee increase.

#### 1) CIP Costs

The costs assigned to individual CIP elements were first estimated in May 1995 and published in the draft 1996 BRP. The Transportation/Transit Costs were updated in 2005 and have been adjusted to reflect actual changes in construction expenses noted in contracts awarded on the former Fort Ord and to reflect the Engineering News Record (ENR) Construction Cost Index (CCI) inflation factors. This routine procedure has been applied annually since the adoption of the CIP. FORA and TAMC staff presented the 2017 FORA Fee Reallocation Study, which forms the basis for Transportation/Transit costs in this CIP document, to the FORA Board in May and June of 2017.

#### 2) CIP Revenues

The primary CIP revenue sources are CFD special taxes/development fees and land sale proceeds. These primary sources are augmented by loans, property taxes, and grants. The CFD and development fee are adjusted annually to account for inflation using the ENR CCI, with an annual cap of 5%. Development fees were established under FORA policy to govern fair share contributions to base-wide infrastructure and capital needs, including CEQA mitigations. CFD and development fee reductions are described in **Section I** of this Introduction.

The CFD implements a portion of the development fee policy by funding CEQA mitigations described in the BRP FEIR. These include Transportation/Transit projects, Habitat Management obligations, and Water Augmentation. Under current state law, CFD fees may not be used specifically to fund building removal obligations. Property tax revenues fund FORA operation and CIP projects. Land sale proceeds are designated to cover Building Removal program costs as a first priority and other CIP projects as a second priority per FORA Board policy.

**Tables 4** and **5** herein contain a tabulation of the proposed developments with their corresponding fee and land sale revenue forecasts. Capital project obligations are balanced against forecasted revenues on **Table 3**.

#### 3) Projects Accomplished to Date (Table 1B)

FORA has actively implemented capital improvement projects since 1995. As of this writing, FORA has completed approximately:

- a) \$72M in roadway and transit improvements, including underground utility installation and landscaping, funded by US Department of Commerce – Economic Development Administration (EDA) grants (with FORA paying required local match), FORA CFD fees, loan proceeds, payments from participating jurisdictions/agencies, property tax payments (formerly tax increment), and a FORA bond issue. These improvements include the MBEST Research Drive project which pre-dated the FORA CIP.
- b) \$1.6M in storm drainage system improvements to design and construct alternative storm water runoff disposal systems that allowed for the removal of storm water outfalls.

- c) \$31.5M to date in building removal at the Dunes on Monterey Bay, East Garrison, Imjin Parkway, and Imjin Office Park site. \$19.4M credit to future land sale is allocated for Marina Community Partners' Dunes on Monterey Bay phases II and III.
- d) \$13.8M in Habitat Management and other capital improvements instrumental to base reuse, such as improvements to the water and wastewater systems, and Water Augmentation obligations, including the recently approved pipeline funding in conjunction with Marina Coast Water District and Monterey 1 Water.
- e) \$1.1M in fire-fighting enhancement with the final payment on the lease-purchase of five pieces of fire-fighting equipment which were officially transferred to the appropriate agencies (Cities of Marina, Seaside and Monterey, Ord Military Community, and Salinas Rural Fire District) in April 2014.

**Section III** provides detail regarding how completed projects offset FORA base-wide obligations. As revenue is collected and offsets obligations, the offsets are enumerated in **Tables 1A** and **1B**.

This CIP provides the FORA Board, Administrative Committee, Finance Committee, jurisdictions, and the public with a comprehensive overview of the capital programs and expectations involved in former Fort Ord recovery programs. Additionally, the CIP offers a basis for annually reporting on FORA's compliance with its environmental mitigation obligations and policy decisions by the FORA Board. It can be accessed on the FORA website at: www.fora.org.

# ΡΗΟΤΟ

#### **II. Obligatory Program of Projects**

Four key programs in the CIP remain: Transportation/Transit, Water Augmentation, Habitat Management Requirements, and Building Removal. Community Facilities District (CFD)/Development Fee revenues fund the Transportation/Transit, Water Augmentation, and Habitat Management Requirements. The FORA CFD/Development Fee revenues may not be used to fund building removal. Of the CFD revenues, Habitat Conservation Plan (HCP) program funding is prioritized first receiving 30.2% of CFD funds collected, Regional Urban Water Augmentation Program recycled water pipeline financing obligation second, and the Transportation/Transit programs third. CIP contingency funds include \$18.5 million for transportation projects and \$22.3 million for the HCP endowment. Land sale proceeds fund the Building Removal Program to the extent of FORA's building removal obligation first. Beyond that obligation, land sale proceeds may be allocated to CIP projects by the FORA Board per the MOA with the U.S. Army.

#### Summary descriptions of each CIP element follow:

#### a) Transportation/Transit

Completion of FORA's "Fair Share" of transportation and transit improvements, as listed in this CIP, is a reuse mitigation described in the BRP Vol. 4, FEIR (Section 4.7 Traffic and Circulation pg. 4-88 to 4-119). Specifically, the FEIR identified the following BRP impact: "Increased Travel Demand on Regional Transportation System" (BRP Vol. 4, FEIR, pg. 4-108). It also identified the following mitigation for this impact: "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 and water supply shall be established by FORA" (BRP Vol. 4, FEIR, pg. 4-112).

The DRMP states: "FORA shall fund its "Fair Share" of "on-site," "off-site," and "regional" roadway and transit capital improvements based on the nexus analysis of the Transportation Agency for Monterey County (TAMC) regional transportation model" (BRP Vol. 1, Context and Framework, pg. 195).

During the preparation of the BRP and associated FEIR, TAMC undertook a regional study (The Fort Ord Regional Transportation Study, July 1997) to assess Fort Ord development impacts on the study area (North Monterey County) transportation network.

In accordance with the BRP FEIR and DRMP, TAMC's 1997 Fort Ord Regional Transportation Study identified FORA's fair share of on-site, off-site, and regional roadway and transit capital improvements. The 1997 Study established a total obligation for each improvement and assigned a "share" of the obligation to FORA and the remaining share to the Interested Area (i.e. the Jurisdictions) or another Public Agency (i.e. Cal-Trans). The FORA Board subsequently included the Transportation/ Transit elements (obligation) as CFD-funded improvements in annual CIPs.

In 2004 and 2005, TAMC, working with FORA, completed a new transportation study that reevaluated FORA's transportation obligations and their related fee allocations from the 1997 Fort Ord Transportation Study. TAMC completed that re-evaluation by working with the Association of Monterey Bay Area Governments (AMBAG) to determine key inputs such as population estimates. TAMC's recommendations were included in the "2005 FORA Fee Reallocation Study" dated April 8, 2005. The 2005 FORA Fee Reallocation Study resulted in a refined list of FORA transportation obligations emphasizing a 'fund local first' reallocation approach.

In 2016 and 2017, TAMC, working with FORA, re-evaluated FORA's transportation obligations using AMBAG's Regional Travel Demand Model (RTDM) and related fee allocations. TAMC's resulting 2017 FORA Fee Reallocation Study included the addition of the Del Monte Boulevard Extension (project #10) to the FORA CIP and has broadened the description for the Highway 1 Regional Improvement (project #R3) identified in the study. The study also resulted in a redistribution of the obligation dollar amounts to reflect changes in land-use and population, though the FORA Jurisdictions Implementation Agreement Amendments limit the total amount of transportation dollars in the CIP. **Figure 1** illustrates the transportation obligations which are further defined in **Table 1A**. Table 1A shows the Regional Transportation Plan's obligations set by the 2017 Study, FORA's share in 2005 dollars, the amount of the new obligations as informed by the 2017 Fee Reallocation Study, the obligation offset by the close of Fiscal Year, and FORA's remaining share of the obligation in 2017 dollars. **Table 1B** shows the remaining CIP projects, budgets, off-sets, and remaining obligations.

For a second year, the Administrative Committee recommended the CIP priorities during the budget process using an evidence-based approach as ranked by jurisdictions' public works/engineering staff and FORA staff. They scored projects by the criteria set in **Appendix A**. The scores were multiplied by weights set by the Administrative Committee in 2016, resulting in priorities ranked from highest to lowest. The results were then presented to the Administrative Committee and used as a backdrop to the Committee's transportation and transit improvement prioritization discussions. **Table 2** shows the Administrative Committee's recommended list of priorities for the FY 2018/19 CIP.

#### (1) Transportation

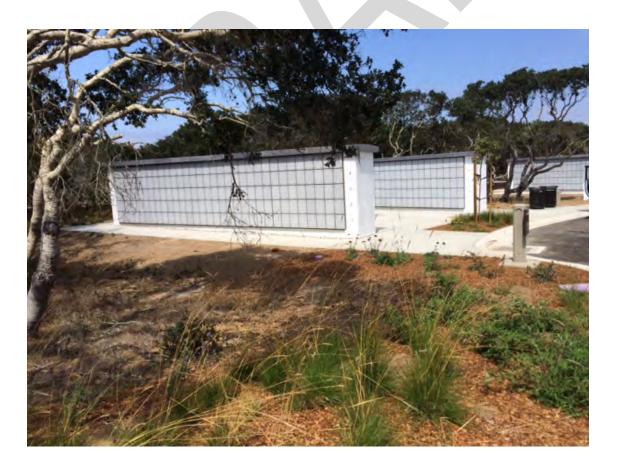
Transportation improvements within the CIP consist of two types: FORA Lead Agency projects or reimbursement projects. FORA serves as lead agency to accomplish design, environmental review, and construction activities for a number of on-site transportation improvements, the remainder of which are conceptually illustrated in **Figure 2**. Where FORA is not the lead agency, reimbursement agreements control how the lead agency receives FORA's share of funding. FORA's obligation with respect to those improvements is financial. Reimbursement agreements are currently in place with Monterey County and the City of Marina for a number of FORA CIP transportation improvements. **Table 2** identifies those improvements, the current obligations (in 2018 dollars), and shows a ten-year plan to complete each obligation. The ten-year plan is dependent upon the estimated cash flow from CFD collections, property taxes, and land sales, as well as the priorities set by the FORA Board through approval of the CIP.

The transportation contingency is 15% of the overall transportation project costs to cover unforeseen costs such as utility relocation, Munitions and Explosives of Concern (MEC) support, and other unknown project costs.

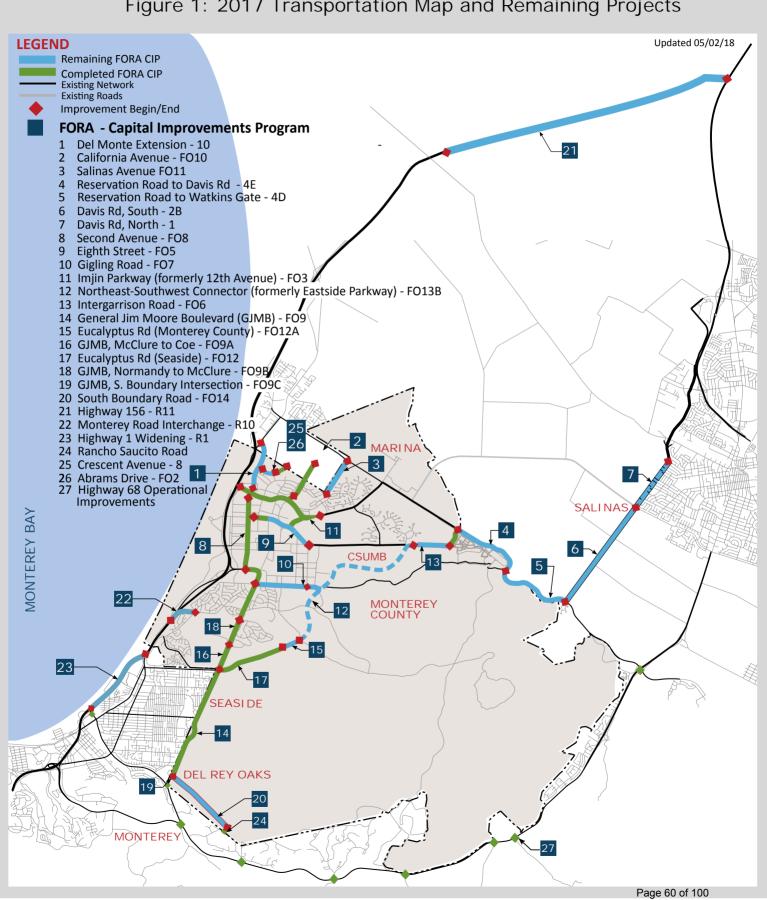
#### (2) Transit

Transit obligations enumerated in **Table 1** remain unchanged from the 1997 TAMC Study and adopted BRP. However, long-range planning by TAMC and Monterey-Salinas Transit (MST) reflect a preferred route for the multi-modal corridor (MMC) different than originally presented in the BRP, FEIR and previous CIPs. The BRP provided for a MMC along Imjin Parkway/Blanco Road serving to and from the Salinas area to the TAMC/MST intermodal center planned at 8th Street and 1st Avenue in the City of Marina portion of the former Fort Ord. In 2010, long-range planning for transit service resulted in an alternative Intergarrison/Reservation/Davis Road corridor to increase habitat protection and fulfill transit service needs between the Salinas area and Peninsula cities and campuses.

In 2015, TAMC re-evaluated the MMC route once again, holding stakeholder and public outreach meetings to determine how to best meet the transit needs of the community. They have selected 2<sup>nd</sup> Avenue/Imjin Parkway/Reservation Road/Davis Road as the new preferred alternative. On March 10, 2017, the FORA Board concurred, terminating the 2010 MOA and adopting a new MOA to supersede it. Full build-out of the MMC route is expected to take 20 years.



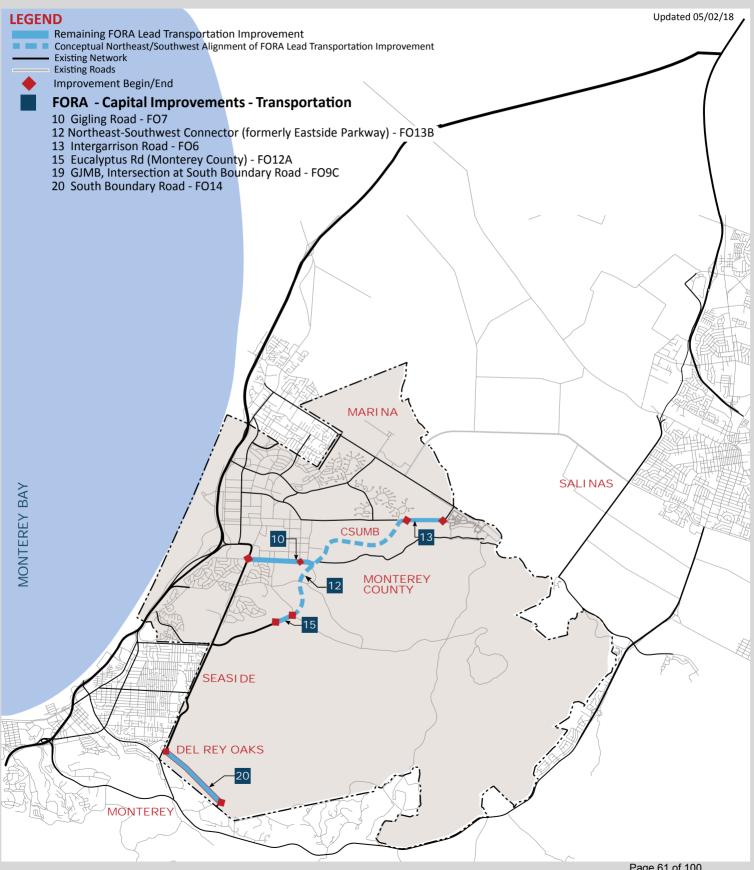




#### Figure 1: 2017 Transportation Map and Remaining Projects



## Figure 2: 2017 Remaining Transportation Obligations (FORA Lead)



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#### b) Water Augmentation

#### Background

Completion of water augmentation for former Fort Ord development as reported in this CIP is a reuse mitigation described in the BRP FEIR (BRP Vol. 4, FEIR, Section 4.4 Public Services, Utilities and Water Supply, pg. 4-46 to 4-61). The FEIR impact is described as: "Need for New Local Water Supplies (2015)" (BRP Vol. 4, FEIR, pg. 4-53). One of the FEIR mitigations for this impact is FORA's establishment of the DRMP (BRP Vol. 4, FEIR, pg. 4-55). The DRMP includes Water Supply Management and Augmentation Programs (BRP Vol. 1, Context and Framework, pg. 199 to 201). Program #3, called 'Reclaimed Water Source and Funding,' includes the following directive: "The CIP shall fund a reclaimed water program adequate for the full development of industrial and commercial land uses and golf course development" (BRP Vol. 1, Context and Framework, pg. 200). Program #5 'Additional Potable Water Supplies' provides augmentation of potable water supplies for the following purposes: "(a) assure the long-range water supplies for the needs and plans for the planned uses at the former Fort Ord; (b) assure the economic viability of the reuse financing measures; and (c) promote the goals established for FORA in SB-899" (BRP Vol. 1, Context and Framework, pg. 201).

In 1993, the U.S. Army purchased rights to draw 6,600 Acre Feet of Water per Year (AFY) from the Salinas Valley Ground Water Basin from Monterey County Water Resources Agency (MCWRA). In 1996, the U.S Army further refined the terms of the agreement to ensure management and protection of the Salinas Valley Ground Water Basin, and Annexation of Marina Area Lands into Zones 2 and 2A. With the closure of Fort Ord, FORA was authorized to establish the 1998 Facilities Agreement (FA) with Marina Coast Water District (MCWD) providing for ownership and operation of the base wide public capital facilities through FORA's Water/Wastewater Oversight Committee (WWOC) and in support of the BRP; whereby FORA may identify future capital improvements to be implemented by MCWD. The BRP identifies availability of water as a resource constraint, anticipating a development density at full buildout which utilizes the 6,600 AFY of available groundwater supply; as described in BRP Public Facilities Implementation Plan (PFIP) (BRP Vol. 3 Appx. B, PFIP, pg. 3-63). In 2000, the U.S. Army gave FORA the right to transfer the facilities and pumping rights through an Economic Development Conveyance Memorandum of Agreement (MOA). Between 2001 and 2006, FORA transferred property, facilities, and the right to draw 6,600 AFY from the Salinas Valley Groundwater Basin to MCWD. FORA retained the right to allocate the water rights to its member jurisdictions.

In addition to groundwater supply, the BRP assumes an estimated 2,400 AFY of augmentation (non-potable, irrigation water) needed to achieve its permitted development level (BRP Vol. 3, Appx. B, PFIP, pg. 2-7). Following a comprehensive two-year process evaluating viable options, the MCWD Board of Directors certified, in October 2004, the Regional Urban Water Augmentation Project (RUWAP) and its accompanying program-level Environmental Impact Report (EIR) analyzing three potential augmentation projects. The projects included a desalination project, a

recycled water project, and a hybrid project (containing components of both recycled water and desalination projects).

In June 2005, FORA and MCWD Boards approved the RUWAP hybrid alternative for implementation by MCWD per the 1998 FA.

Additionally, it was recommended that FORA CIP funding toward the former Fort Ord Water and Wastewater Collection Systems be increased by an additional \$17M to avert additional burden on rate payers due to increased capital costs. A 2013 MCWD rate study recommended removing that "voluntary contribution" from the FORA CIP budget and the EPS Phase III CIP Review results concurred, resulting in a commensurately lowered FORA CFD/developer fee.

Several factors required reconsideration of the water augmentation program. Those factors included: 1) Increased augmentation program costs (identified as project designs were refined), 2) negotiations by other agencies regarding the recycled component of the project were not accomplished, and, 3) the significant economic downturn from 2008 to 2012. These factors deferred the RUWAP as the identified augmentation project and provided an opportunity to consider the alternative "Regional Plan" as the preferred project to meet water augmentation program requirements.

In April 2008, the FORA Board endorsed the Regional Plan as the preferred project to deliver the requisite 2,400 AFY of augmenting water to the 6,600 AFY groundwater entitlements. The Regional Plan consisted of a large desalinization plant able to meet the region's demand. In 2012, the parties halted the project. With the cessation of the Regional Plan, the identified solution for FORA's water augmentation program defaulted back to the previously approved RUWAP. MCWD, as provider under the FA, still holds the contractual obligation to continue the implementation of the California Environmental Quality Act (CEQA) approved 'hybrid' project. In 2016, the FORA Board approved a capital improvement solution to provide the recycled water component (see below). The remaining task is to identify other water augmentation alternatives to complement the recycled water project. Among the alternatives are groundwater recharge, desalinization, conservation, and intensified recycled water programs.

In 2014, Monterey Regional Water Pollution Control Agency's (MRWPCA), now known as Monterey One Water (M1W), proposed a Pure Water Monterey (PWM) project as a solution to the 'Recycled' portion of the RUWAP. PWM would use water collected at the M1W facility and apply their Advanced Water Treatment (AWT) thereby creating recycled water of a higher quality than the Tertiary Treated Water originally planned for the RUWAP. In October 2015, the FORA Board approved using PWM as the recycled water source, and then recommended the project to the California Public Utilities Commission in March 2016. In April 2016, MCWD and M1W came to an agreement whereby MCWD would use AWT in lieu of Tertiary Treated Water. As part of the agreement, the two agencies agreed to split the cost of building the RUWAP Trunkline/conveyance facilities ('Pipeline'). In September 2016, through a three-party negotiation among M1W, MCWD, and FORA, a Pipeline Reimbursement Agreement in support of the PWM was executed between FORA and MCWD whereby FORA would fund up to six million (\$6M) of the cost of constructing a pipeline able to provide recycled water to the Fort Ord land use jurisdictions.

A solution for the 'other' portion of the RUWAP came in 2015 when MCWD's Budget/Compensation Plan was approved along with an MOA wherein FORA and MCWD agreed to enter into a Three-Party Planning effort with M1W to identify what the 'other' portion of the project will be. This solution allows the three agencies to determine what water augmentation alternatives are available, while ensuring cost-effective rate increases are applied to the appropriate CIPs.

#### CURRENT STATUS

#### **RUWAP Recycled**

As a part of the three-party approach, FORA approved a \$6M reimbursement agreement for the Pipeline. The agreement assumed California State Water Resource Control Board's (SWRCB) approval of funding the project with a State Revolving Fund (SRF) loan.

In June 2017, the SRF loan was provided. However, the SWRCB determined a split of the funds such that M1W and MCWD received adjusted portions. The financing method altered some assumptions supporting the underlying agreement. In December of 2017, in the interest of continued three-party planning, M1W, MCWD, and FORA staff identified adjustments to the payments, designed to leave all three parties whole, but responds to State regulatory actions and financial needs of the project. With SRF funding in place, MCWD broke ground at Marina's Armstrong Ranch on the RUWAP Recycled Transmission Main in February 2018. Work will continue through FY 2018/19 and FORA anticipates reimbursing MCWD as work is completed per the 2016 Pipeline Reimbursement Agreement.

#### **RUWAP Other**

In January 2017, in coordination with a Technical Advisory Group comprised of public works/engineering staff of FORA member agencies, FORA released a Request for Proposal (RFP) from the professional engineering community for a study on the possibilities of additional sources of water augmentation. FORA received no responses.

FORA staff met with the general managers of MCWD and M1W to determine a path forward. All three agencies agreed that shifting the water augmentation lead consultant management role from FORA to MCWD would facilitate completion of the study. FORA staff is currently working with MCWD and M1W to modify the Three-Party Agreement.

#### c) Storm Drainage System Projects

FORA completed the construction of new facilities and demolition of dilapidated out-falls as of January 2004. **Table 3** reflects that this obligation has been met. Background information can be found in the FY 2014/15 CIP and prior CIP documents online at <u>www.fora.org</u>.

#### d) Habitat Management Requirements

The BRP Appendix A, Volume 2 contains the Draft Habitat Management Plan (HMP) Implementing/Management Agreement. This Draft Management Agreement was intended to meet Federal Endangered Species Act (ESA) and California Endangered Species Act (CESA) Incidental Take Permit application requirements for FORA, its member agencies, California State University (CSU), and the University of California (UC). However, FORA, the US Army, US Fish & Wildlife Service (USFWS), and the California Department of Fish & Wildlife (CDFW) did not all agree on this approach. To allow FORA and its member agencies to implement the HMP and BRP in compliance with ESA, CESA, and other statutes, USFWS and CDFW must approve the Fort Ord Habitat Conservation Plan (HCP) and its funding program, as paid for and prepared by FORA.

The funding program is predicated on an earnings rate assumption acceptable to USFWS and CDFW for endowments of this kind, and economies of scale provided by unified management of the habitat lands by qualified habitat managers selected by the future Fort Ord Regional Habitat Cooperative (Cooperative). Prior to issuance of state and federal permits, the Permittees must execute a Joint Exercise of Powers Agreement to create the Cooperative, which would be the entity responsible for ensuring HCP implementation. The Cooperative will consist of the following members: FORA, County of Monterey, City of Marina, City of Seaside, City of Del Rey Oaks, City of Monterey, State Parks, UC, CSU Monterey Bay, Monterey Peninsula College (MPC), Monterey Peninsula Regional Park District, MCWD, and Bureau of Land Management. By design, the Cooperative will hold the Cooperative endowment, and UC will hold the Fort Ord Natural Reserve (FONR) endowment. The Cooperative controls expenditure of its annual line items. FORA funds the endowments and the initial and capital costs to the agreed upon levels.

FORA has provided upfront funding for management, planning, capital costs, and HCP preparation. In addition, FORA has dedicated 30.2% of Development Fee collections to build to a total endowment of principal funds necessary to carry out required habitat management responsibilities in perpetuity. The original estimate was developed in 1993 by an independent consultant retained by FORA and totaled \$6.3 million.

Based upon conversations with the regulatory agencies, it has become apparent that the Habitat Management obligations will increase beyond the costs originally projected. Therefore, this document contains a  $\pm$  \$48 million-line item of forecasted requisite expenditures (see **Table 3** column 'Estimated Year-End Balance' amount of \$13.8 million plus columns '2018-2020 Subtotal' and '2020-2029Subtotal' totaling \$34.2 million).

As part of the FY 2010/11 FORA CIP Review process conducted by EPS, TAMC, and FORA, at the FORA Board's April 8, 2011 direction, \$18.8 million in current dollars was included as a CIP contingency for additional habitat management costs should the assumed payout rate for the

endowment be 1.5% less than the current 4.5% assumption. It is hoped that this contingency will not be necessary, but USFWS and CDFW are the final arbiters as to what the final endowment amount will be, with input from FORA and its contractors/consultants. The final endowment amount is expected to be agreed upon in the upcoming fiscal year. FORA's annual operating budget has funded the annual costs of HCP preparation, including consultant contracts. HCP preparation is funded through non-CFD/Development fee sources such as FORA's share of property taxes.

The current 2<sup>nd</sup> screencheck draft HCP prepared in July 2017 includes a cost and funding chapter, which provides a planning-level cost estimate for HCP implementation and identifies necessary funds to pay for implementation. Concerning the annual costs necessary for HCP implementation and funded by FORA, of approximately \$2.1 million in annual costs, estimated in 2018 dollars, approximately 25% is associated with habitat management and restoration, 32% for program administration and reporting, 29% for species monitoring, and 14% for changed circumstances and other contingencies.

#### e) Fire Fighting Enhancement Requirements

FORA transferred equipment titles to the appropriate fire-fighting agencies in April 2014. FORA's obligation for fire-fighting enhancement has been fully met. Background information can be found in the FY 2014/15 CIP and prior CIP documents online at <u>www.fora.org</u>.

#### f) Building Removal Program

As a base-wide obligation, the BRP includes removal of building stock and related environmental hazards/blight in certain areas of the former Fort Ord to make way for reuse. All jurisdictions have been treated in a similar manner but have varying building removal needs that FORA accommodates with available funds received from land sales. FORA has indexed the original agreed-upon cost estimate to compensate for delayed implementation of this effort and the increase in removal costs during the intervening period.

Since 1996, FORA has aggressively reused, redeveloped, and/or deconstructed former Fort Ord buildings. FORA works with regulatory agencies and local contractors to safely abate hazardous materials, maximize material reuse and recycling, and create an educated workforce to take advantage of jobs created on the former Fort Ord. FORA, CSUMB, and jurisdictions leverage their accumulated expertise focusing on environmentally sensitive reuse and recycling remnant structural and site materials, while applying lessons learned from past FORA efforts to "reduce, reuse, and recycle" materials from former Fort Ord structures (see **Appendix C**).

In FY 2001/02, the FORA Board established a policy regarding building removal obligations. Per Board direction, building removal is funded by land sales revenue and/or credited against land sale valuation. In the City of Marina, since 2005, FORA obligated itself to fund \$46 million in World

War II wooden building removal through a combination of cash payments and credits to land value. FORA was also obligated to fund \$2.1 million of East Garrison building removal.

Two MOAs with Marina and the County, described below, were finalized to implement FORA Board policy:

- In August 2005, FORA entered into an MOA with the City of Marina Redevelopment Agency (now Successor Agency) and Marina Community Partners (MCP) assigning to FORA \$46 million in building removal costs within the Dunes on Monterey Bay (Dunes) project and to MCP the responsibility for the actual removal. In 2006, FORA and MCP entered into a Reimbursement Agreement governing the implementation of the \$46 million in building removal. Under the Reimbursement Agreement, FORA's maximum obligations were \$22 million in cash and \$24 million in land sales credits. To date, MCP has only partially performed its obligation to deconstruct \$46 million in buildings in the amount of \$26.6 million. FORA paid \$22 million cash and MCP received \$4.6 million in land sale credits out of a total \$24 million in available credits for building removal costs. Both agreements contained removal timing requirements and revenue timing requirements which to date have not been met by the developer. Nevertheless, FORA maintains \$19.4 million in future land sales value, which it will credit to MCP when it fulfills its purchase and deconstruction obligations.
- In February 2006, FORA entered into an MOA with Monterey County, the Monterey County Redevelopment Agency, and East Garrison Partners (EGP). In this MOA, EGP agreed to undertake FORA's responsibility for removal of certain buildings in the East Garrison Specific Plan for which they received a credit of \$2.1 million against FORA's portion of land sale proceeds. Building removal in the East Garrison project area is now complete. The property was acquired by a new developer and the MOA has been reassigned to them.

FORA's remaining obligations includes City of Seaside Surplus II buildings for a fixed obligation of \$4 million (in 2005 dollars) for which the City of Seaside decides which buildings to remove. In FY 2005/06 the Board set a financial obligation of \$4 million to be applied to the building removal effort in the City of Seaside's Surplus II area. In 2011, FORA, at the direction of the City of Seaside, removed an Army cafeteria in the Surplus II area (see Appendix C). During the FY 2016/17 CIP process, the FORA Board indexed the Seaside Surplus II financial obligation for building removal effort to \$5.2 million.

FORA Staff met with Seaside in the second half of 2016 to coordinate the potential application of FORA building removal obligation funds to Surplus II, although FORA's funds will not be enough to remove all hazardous materials and buildings from the site. Seaside and FORA staff determined that the first step in removing buildings from Surplus II was to survey buildings for hazardous materials, commissioning a hazardous materials removal estimate. Within the year, FORA conducted hazardous material surveys in Surplus II. At the City of Seaside's request, FORA is planning, contracting, and completing Surplus II hazardous material and building removal for 20 buildings with estimated completion in late 2018.

FORA's remaining obligations also include removal of the former Fort Ord (Marina) stockade (currently estimated at \$4.2 million deconstruction cost). In 2016, FORA staff met with the City of Marina to coordinate access to the Marina Stockade which currently hosts Las Animas concrete production and operations under a lease from the City of Marina. Marina is taking the lead to negotiate with Las Animas for access to the building for removal. In March 2017, FORA contracted with Vista Environmental to survey the Stockade for hazardous materials. In November 2017, FORA contracted Harris and Associates to prepare plans for contractors estimates and provided a notice to proceed in March 2018. FORA will continue to coordinate with the City of Marina to plan and implement building removal at the Stockade.

#### g) Water and Wastewater Collection Systems

Following a competitive selection process in 1997, the FORA Board approved MCWD as the purveyor to own and operate water and wastewater collection systems on the former Fort Ord. By agreement with FORA, MCWD is tasked to assure that a Water and Wastewater Collection Systems Capital Improvement Program is in place and implemented to accommodate repair, replacement, and expansion of the systems. To provide uninterrupted service to existing customers and to track with system expansion to keep pace with proposed development, MCWD and FORA staff coordinate system(s) needs. MCWD is engaged in the FORA CIP process, and adjusts its program coincident with the FORA CIP.

In 1998, the FORA Board established a Water/Wastewater Oversight Committee (WWOC), which serves in an advisory capacity to the Board. A primary function of the WWOC is to meet and confer with MCWD staff in the development of operating and capital budgets and corresponding customer fee structures. Annually, the WWOC and FORA staff prepare recommended actions for the Board's consideration with respect to budget and rate approvals. Capital improvements for system(s) operations and improvements are funded by customer rates, fees, and charges and are approved on an annual basis by the MCWD and FORA Boards. See **Appendix E** for the FY 2018/19 Ord Community CIP list.

#### h) Property Management and Caretaker Costs

During the 2010/11 Phase I CIP Review, FORA jurisdictions expressed concern over accepting 1,200+ acres of former Fort Ord properties without sufficient resources to manage them. Since the late 1990's, FORA carried a CIP contingency line item for "caretaker costs." These obligations are not BRP required CEQA mitigations but are considered base-wide obligations (similar to FORA's building removal obligation). In order to reduce contingencies, EPS proposed contingencies of \$16 million were redundant and should be excluded from the CIP cost structure and this was used as a basis for the 2011/12 CFD Special Tax fee reductions.

Since then, the Board recommended a "Property Management/Caretaker Costs" line item be added back as an obligation to cover base-wide property management costs. In FY 2015/16, the Board approved a Jurisdiction-Incurred Caretaker Costs Reimbursement Policy (**Appendix C**).

This policy clarifies that FORA funding for caretaker costs shall be determined by "allocating a maximum of \$500,000 in the prior fiscal year's property taxes collected and designated to the FORA CIP. . . Each subsequent year, the maximum funding for caretaker costs may be decreased assuming that, as land transfers from jurisdictions to third party developers, jurisdictions' caretaker costs will decrease. If FORA does not collect and designate to the CIP sufficient property taxes in a given fiscal year to fund the maximum amount of caretaker costs allowed that fiscal year, the actual amount of property taxes collected and designated to the CIP during the fiscal year shall be used to determine the amount of caretaker costs funding. FORA shall set caretaker costs funding through the approved FORA CIP."

In FY 2016/17, FORA reimbursed a total of \$109,674 to the jurisdictions who submitted their Caretaker Cost Worksheets by the required deadlines. For the FY of 2017/18, FORA approved up to \$575,000 in Jurisdictions' Caretaker Costs. As of this writing, \$123,091 of the approved \$575,000 has been reimbursed.

Caretaker Costs funding designated in the FY 2018/19 CIP is \$575,000.

#### III. FY 2017/18 THROUGH POST-FORA CAPITAL IMPROVEMENT PROGRAM

The following tables depict the CIP: **Tables 1A** and **1B** illustrate the obligatory project offsets and remaining obligations. **Table 3** is a summary of the CIP from FY 2018/19 through FY 2028/29. **Table 4** itemizes the jurisdictions' development projections that will generate CFD revenue to FORA. **Table 5** shows the land sale revenues that are anticipated based on jurisdiction's land sale projections for their respective former Fort Ord lands. **Tables 6** and **7** break out residential and non-residential development forecasts by jurisdiction. **Table 8** models estimated property tax revenue collections.



PROJECT #	PROJECT TITLE	PROJECT LIMITS / DESCRIPTION				on Study 2017 FORA PORTION of COST	FORA O Total a FY 2010	s of	Offset Obligation (FY 2017-18)	Offset Obligation Indexed by CCI (for FY 2017-18)	2017-18 Actual (Expenditure / Offsets)***	Remaining Obligation Obligation	Remaining Obligation Indexed by CCI (for FY 2018-19)	% of Obligatio Complete
REGIONAL IM	IPROVEMENTS												1.0329	
R3	Hwy 1-Seaside Sand City	Hwy 1 Traffic Relief	\$ 6	6,808,021.00	20%	\$ 13,565,097	\$	-	\$ 13,565,097	14,099,438	\$-	14,099,438	14,563,309	0%
R10	Hwy 1-Monterey Rd. Interchange	Hwy 1 Traffic Relief @ Monterey Rd. Interchange		28,356,293	13%	3,604,250		-	3,604,250	3,746,225	-	3,746,225	3,869,476	0%
R11	Hwy 156-Freeway Upgrade	Widen existing highway to 4 lanes and upgrade highway to freeway status with appropriate interchanges. Interchange modification as needed at US 156 and 101.		292,470,673	6%	16,993,507		-	16,993,507	17,662,896	-	17,662,896	18,244,005	0%
UB-TOTAL - REG	GIONAL IMPROVEMENTS	interchanges, interchange modification as needed at 05 130 and 101.	\$	387,634,987		\$ 34,162,854	\$	-	\$ 34,162,854	\$ 35,508,559	\$	- \$ 35,508,559	\$ 36,676,790	
	ROVEMENTS											•		
1	Davis Rd n/o Blanco	Davis-Blanco Intersection Improvments & Roadway Widening	s	4,678,046	15%	\$ 720,208	Ś	-	\$ 720,208	748,577	\$ -	748,577	773,206	0%
2B	Davis Rd s/o Blanco	Widen to 4 lanes from Blanco to Reservation; Build 4 lane bridge over Salinas River		12,733,317	F	12,733,317		556,870	12,176,447	12,656,088	216,17	6 12,439,912	12,849,185	4%
4D	Widen Reservation-4 lanes to WG	Widen to 4 lanes from existing 4 lane section East Garrison Gate to Watkins Gate		14,994,689	63%	9,390,281		476,584	8,913,697	9,264,815		9,264,815	9,569,628	5%
4E	Widen Reservation, WG to Davis	Widen to 4 Janes from Watkins Gate to Davis Rd		8,165,424	61%	4,978,440		-	4,978,440	5,174,545		5,174,545	5,344,788	0%
10	Del Monte Blvd Extension*	Connection between Del Monte and Intersection at Imjin/2nd Ave		947,000	100%	947,000		-	947,000	947,000	(2,891,84		3,965,140	0%
	F-SITE IMPROVEMENTS		s	41,518,476		\$ 28,769,246	\$ 1	,033,454	\$ 27,735,792				\$ 32,501,946	
				,,		·	,	,,		+	+ (_),.	-, -	+,,	
ON-SITE IMPR	ROVEMENTS	Construct a new 2-lane arterial from intersection with 2nd Ave easterly to intersection with					-			1	1			
FO2	Abrams	Crescent Court extension	\$	1,127,673	100%	\$ 1,127,673	\$	-	\$ 1,127,673	1,172,093	\$-	1,172,093	1,210,655	0%
FO5	8th Street	Upgrade/construct new 2-lane arterial from 2 <sup>nd</sup> Ave to Intergarrison Rd		6,443,262	100%	6,443,262	1	,018,890	5,424,372	5,638,043	-	5,638,043	5,823,534	16%
FO6	Intergarrison	Upgrade to a 4-lane arterial from Eastside Rd to Reservation		6,324,492	100%	6,324,492	1	,559,469	4,765,023	4,952,721	-	4,952,721	5,115,666	25%
FO7	Gigling	Upgrade/Construct new 4-lane arterial from General Jim Moore Blvd easterly to Eastside Rd		8,495,961	100%	8,495,961		353,510	8,142,451	8,463,189	1,95	5 8,461,234	8,739,609	4%
FO9C	GJM Blvd-s/o Coe to S Boundary	Widen from 2 to 4 lanes from s/o Coe to South Boundary Rd		1,083,775	F	1,083,775		100,000	983,775	1,022,527	-	1,022,527	1,056,168	0%
F011	Salinas Ave*	Construct new 2 lane arterial from Reservation Rd southerly to Abrams Dr		4,510,693	100%	4,510,693		-	4,510,693	4,688,373	2,800,00	0 1,888,373	1,950,501	0%
FO12A	Eucalyptus Rd	Upgrade to 2 lane collector from Seaside/Monterye County Line to Parker Flats cut-off		532,830	F	532,830		50,000	482,830	501,849	-	501,849	518,360	9%
FO13B	Northeast-Southwest Connector (formerly Eastside Pkwy)	TBD (Northeast / Southwest Connector)		18,611,779	100%	18,611,779		510,000	18,101,779	18,814,824	218,42	1 18,596,403	19,208,225	3%
FO14	S Boundary Road Upgrade**	Upgrade to a 2 lane arterial, along existing alignment from General Jim Moore Blvd to 200' past Rancho Saucito		3,733,921	100%	7,383,013		338,986	7,044,028	7,321,498	88,63	9 7,232,859	7,470,820	5%
UB-TOTAL - ON	-SITE IMPROVEMENTS		\$	50,864,386		\$ 54,513,478	\$ 3	,930,855	\$ 50,582,624	\$ 52,575,117	\$ 3,109,01	.5 \$ 49,466,102	\$ 51,093,537	
RANSPORATIO	N TOTALS		\$	480,017,849		\$ 117,445,578	\$	1,964,308	\$ 112,481,270	\$ 116,874,70	2 \$ 433,3	49 \$ 116,441,353	\$ 120,272,273	
ransportatio	on Contingency													
	Transportation Contigency	15% contingency on transportation mitigations to cover MEC and other unanticipated transportation costs.								-	\$ 188,2	35 17,466,203	18,040,841.02	1%
UB-TOTAL - TR/			\$	-		\$-	\$	-	\$ -	\$	\$ 188,2	35 \$ 17,466,203	\$ 18,040,841	
						•					1	•		
fransit Capita	al Improvements		ć	0 220 050	100%	ć 0.220.050	ć	279.050	ć 8 841 100	9,189,359	ć 1.000.0	8,189,359	8,458,789	4%
Т3	Transit Vehicle Purchase/Replace	15 MST busses (PFIP T-31) includes 3 elements: 1. Intermodal Transportation Center @ 1st. Avenue South of 8th.	Ş	9,220,050	100%	\$ 9,220,050	\$	378,950	\$ 8,841,100	9,169,359	\$ 1,000,0	0 0,109,359	8,458,789	470
T22	Intermodal Centers	Street 2. Park and Ride Facility @ 12th Street and Imjin, and 3. Park and Ride Facility @ 8th. Street and Gigling		7,106,403.00	100%	7,106,403		-	\$ 7,106,403	7,386,330		- 7,386,330	7,629,341	0%
UB-TOTAL - TR/	ANSIT		\$	16,326,453		\$ 16,326,453	\$	378,950	\$ 15,947,503	\$ 16,575,68	\$ 1,000,0	00 \$ 15,575,689	\$ 16,088,129	
		TRANSPORTATION / TRANSIT - TOTALS												

\* City of Marina requested reallocation of \$2.8 million from Salinas Avenue to Del Monte Blvd. Extension and the remainder of Crescent Ave. Extension (\$91,842) to Del Monte Blvd. Extension per FORA-Marina Reimbursement Agreement. \*\*South Boundary Road's budget was updated to most recent engineer's opinion of probable cost. \*\*\*Expenditures in this column are a summation of amounts invoiced as of April 2018 and amounts estimated to be invoiced by June 30, 2018.

OJECT #	PROJECT TITLE	PROJECT LIMITS / DESCRIPTION	FORA BUDGET	TOTAL OFFSETS	REMAING OBLIGATION	OBLIGATION	% of OBLIGA
				To Date	OBLIGATION	INDEXED BY CCI	COMPLET
		TRANSPORTATION / TRANSIT OBLIGATION - TO	TALS \$ 133,772,031	\$ 6,776,607	\$ 132,017,042	\$ 136,360,403	0.0%
		15% TRANSPORTATION CONTINGE	NCY \$ 20,065,805	\$-	\$ 19,802,556	\$ 20,454,060	0.0%
_	Transportation and HCP Contingecy fun	nds are reserved for unforseen projects costs (Munitions Removal, Utility Relocation and other unknowns)					_
ding Remov	al						
iung keniov	al	FORA Remaining Building Removal Obligations	FORA BUDGET	TOTAL OFFSET	REMAINING	INDEXED	% Comple
S201	Seaside Surplus II	Hazardous material identification and removal, building removal, and site restoration	5.571.616	440.944	5,130,672	5,299,471.11	8%
S201	Marina Stockade	Hazardous material identification and removal, building removal, and site restoration	4,221,400	188.583	4,221,400		0%
	IVE BUILDING REMOVAL TO DATE		9,793,016	629,527	9,352,072	9,520,871	5%
ter Augment	ation						
		FORA Water Augmentation, BRP required CEQA Mitigations	FORA BUDGET	TOTAL OFFSET	REMAINING	INDEXED	% Comple
WA01	Pipeline' Reimbursement	MCWD Recycled Water 'Pipeline' Reimbursement	8,300,000	1,058,017	7,241,983	NA	13%
WA02	Secondary Component	Secondary Component (Identification, Planning, Implementation)	157,000	-	157,000	NA	0%
WA00	General	CEQA mitigations	15,815,615	561,780	15,253,835	15,755,686	4%
AL CUMULATIV	E OFFSETS AGAINST WATER AUGMENTATIO	ON PROJECTS TO DATE	24,272,615	1,619,797	22,652,818	23,154,669.30	7%
itat Mitigat	ions			<u> </u>			
		FORA Habitat Managemnet and Conservation, BRP required CEQA Mitigations	FORA BUDGET	TOTAL OFFSET	REMAINING	INDEXED	% Compl
	Joint Powers Authority Set Aside	30.2% CFD Set Aside	48,000,246	13,829,853	34,170,393	N/A	29%
	HCP Contingency	Provides interim funding for UC Fort Ord Natural Reserve until adoption of HCP endowment and potential increase to cost	20,135,005	1,251,272	18,883,733	N/A	6%
L CUMULATIV	E OFFSETS AGAINST WATER AUGMENTATIO	ON PROJECTS TO DATE	68,135,251	15,081,125	53,054,126	-	
8	Total offsets against transportation/tra	ansit network obligations per 1995 & 2005 TAMC Study. Funded by EDA grant funds, state and local matching funds, revenue bond proceeds, development fees. Extend existing Crescent Court Southerly to join proposed Abrams Dr (FO2)	FORA BUDGET \$ 415,177	TOTAL OFFSET 323,335	REMAINING 91,842	INDEXED	% Compl 100%
-					51,042		100%
FO9	General Jim Moore Blvd Imjin Parkway	Improvements to NoSo. Rd / Hwy 218 Intersection + GJMB Phase 1-1V, Utility and Landscaping (FO9A, FO9B) 12th St. Improvements, Utilities, and Imjin Parkway Construction	30,812,841	\$ 30,812,841	-	-	100%
FO3	2nd Ave	2nd Ave. Roadway Improvements from Lightfighter to Imjin, Utilities	8,247,818	8,247,818		-	100%
FO8	California Ave.	California Ave. Roadway Improvements, and Utilities.	5,605,525	5,605,525		-	100%
F010 F012	Eucalyptus Rd.	Eucalyptus Rd. Construction from General Jim Moore Boulevard to Seaside/County Line	2,227,906	2,227,906		-	100%
-	South Boundary - Connector	Rancho Saucito Road - prior to 2005	1,336,241	1,336,241	-	-	100%
	Reservation Road	Aarcho saucto Acad "prior to 2005 Aarcho saucto Acad "prior to 2005	1,336,241 6,289,483	6,289,483		-	100%
	Blanco Road	neservation room one ones	6,289,483	2,586,767	-	-	100%
R12	Hwy 68 Operational Improvements	Operational improvements at San Benancio, Laureles Grade and Corral De Tierra	2,586,767	2,586,767 312,205		-	100%
	DRTATION COMPLETED	Operational improvements at Jain Denancio, cauciera orade ana contra de menta	\$ 52,637,299	\$ 52,545,457		-	\$84,039,06
		rr; eliminate discharge of stormwater to Monterey Bay Sanctuary. Project completed/financial obligation met in 2004. Funded by EDA grant proceeds.	1,631,951	1,631,951		-	100%
AL STORMM	ATER COMPLETED		1,631,951	1,631,951	-		\$2,747,23
ALGIONN		Fire Rolling Stock purchased and transferred to jurisdictions	1,160,000	1,160,000	-	-	100%
AL FIRE-FIGH	ITING COMPLETED		1,160,000	1,160,000	-		\$1,476,04
	Pilot Project	1996 Fort Ord catalogue of buildings, site and building charactarization - 8 buildings	700,000	700,000	-	-	100%
-	Dunes on Monterey Bay	2006 FORA cash obligation retired. Remaining obligation to be applied to land sales credits per contract. 405 buildings	46.000.000	26,574,592	19,425,408	NA - 19,425,408	58%
	East Garrison	2006 FORA cash obligation retired. Developer completed.	2,177,000	2.177.000			100%
FO3	Imjin Parkway - Building Removal	Roadway implementation preparation and building removal - 37 buildings	1,289,631	1,289,631	-	-	100%
FO8	2nd Avenue - Building Removal	Roadway implementation preperation and building removal - 14 buildings	837,368	837,368	-	-	100%
	G REMOVAL COMPLETED			31,578,591	19,425,408	19,425,408	\$47,431,97
		OTHER OBLIGATION - TO	TALS \$ 208,634,131	\$ 104,246,448	\$ 104,484,424	\$ 52.100.948	- 50-04
		OTHER OBLIGATION - TO	ALS 5 208,634,131	<del>\$ 104,246,448</del>	<del>\$ 104,484,424</del>	\$ 52,100,948	50.0%
		TOTAL REMAINING CAPITAL IMPROVEMENT OBLIGAT	ION \$ 362,471,966	\$ 111,023,055	\$ 256 304 022	\$ 208,915,412	31%

## TABLE 2: 2018-2019 TRANSPORTATION NETWORK AND TRANSIT ELEMENTS BY PRIORITY

Priority	Proj#	Description	Lead	ol	bligation	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	POST FORA	TOTAL Budget
1	FO13B	NE-SW Connector (formerly ESP)	On-Site FORA	\$	19,208,225	\$ 560,000	315,000			1,795,000	7,383,818	9,154,407					19,208,225
2	FO14	South Boundary Road (SBR) Upgrade	On-Site FORA	\$	7,470,820	5,345,820	2,125,000										7,470,820
3	2B	Davis Rd south of Blanco	Off-Site MoCo	\$	12,849,185	750,000	2,000,000	3,000,000	4,000,000	3,099,185							12,849,185
4	F07	Gigling	On-Site FORA	\$	8,739,609	800,000	330,000	4,000,000	3,609,609								8,739,609
5	FO9C	GJM Boulevard / SBR Intersection*	On-Site FORA	\$	1,056,168	1,056,168											1,056,168
6	10	Del Monte Blvd Extension	Off-Site Marina	\$	3,965,140	500,000	1,000,000	1,000,000	1,369,998	95,142							3,965,140
7	F05	8th Street	On-Site Marina	\$	5,823,534			375,000	500,000	750,000	4,198,534						5,823,534
8	Т3	Transit Vehicle Purchase/Replace	Transit MST	\$	8,458,789	500,000	1,000,000	1,000,000	1,000,000	1,458,789	1,000,000	1,000,000	1,500,000				8,458,789
9	R3a	Hwy 1-Del Monte-Fremont-MBL	Regional TAMC	\$	14,563,309						5,000,000	5,000,000	4,563,309				14,563,309
10	T22	Intermodal Centers	Transit MST	\$	7,629,341				3,000,000		3,000,000		1,629,341				7,629,341
11	FO6	Intergarrison	On-Site FORA	\$	5,115,666	200,000	250,000			3,050,000	1,615,666						5,115,666
12	F012	Eucalyptus Road	On-Site FORA	\$	518,360	110,000				408,360							518,360
13	R11	Hwy 156-Freeway Upgrade	Regional TAMC	\$	18,244,005					5,000,000	5,000,000	5,000,000	3,244,005				18,244,005
14	4D	Widen Reservation-4 lanes to WG	Off-Site MoCo	\$	9,569,628									1,000,000	4,000,000	4,569,628	9,569,628
15	4E	Widen Reservation, WG to Davis	Off-Site MoCo	\$	5,344,788											5,344,788	5,344,788
16	F011	Salinas Ave	On-Site Marina	\$	1,950,501				750,000	1,200,500							1,950,501
17	FO2	Abrams	On-Site Marina	\$	1,210,655			\$ 1,210,655									1,210,655
18	1	Davis Rd north of Blanco	Off-Site MoCo	\$	773,206											773,206	773,206
19	R10	Hwy 1-Monterey Rd. Interchange	Regional TAMC	\$	3,869,476											3,869,476	3,869,476
		Transportation and Transit	GRAND TOTALS	7	136,360,403						\$ 27,198,018	\$ 20,154,407	\$ 10,936,655	\$ 1,000,000	\$ 4,000,000	\$ 14,557,097	\$ 136,360,403

\* The Intersection at South Boundary Rd. and General Jim Moore Boulevard (GJMB) is funded by the GJMB Budget. Therefore, the priority of the roadways are associated.

ESTIMATED YEAR- END BALANCE	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2018-2020 SUB-TOTAL	2020-2029 SUB-TOTAL	TOTAL	% of Tota
		A. CFD S	PECIAL TAX / D	EVELOPMENT F	EE FUND (DEVI	FE)							A. DEVFE - AN	ALYSIS	
DEDICATED REVENUES															
Development Fees	\$ 10,734,756	15,158,813	21,147,724	23,127,110	18,663,425	14,000,215	13,457,487	11,100,511	9,011,286	7,287,816	1,994,301	25,893,569	119,789,875 \$	145,683,444	67.1%
OTHER REVENUES															
Property Taxes - CIP Allocation	\$ 1,674,613	2,437,306	3,754,961	5,072,518	6,145,834	7,177,715	7,840,781	8,499,668	9,082,205	9,601,237	9,819,262	4,111,920	66,994,181	71,106,101	32.7%
Grants	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Miscellaneous (investment interest)	\$ 41,490	30,879	39,230	50,867	63,622	73,997	81,874	87,088	-	-	-	72,368	396,677	469,045	0.2%
TOTAL REVENUES	\$ 12,450,859	17,626,998	24,941,915	28,250,496	24,872,881	21,251,927	21,380,141	19,687,267	18,093,491	16,889,053	11,813,563	30,077,857	187,180,733	217,258,590	100.0%
PROJECTS EXPENDITURES															
Transportation/Transit - See CIP Table 2	\$ 9,821,988	7,020,000	10,585,655	14,229,607	16,856,976	27,198,018	20,154,407	10,936,655	1,000,000	4,000,000	14,557,097	16,841,988	119,518,414	136,360,402	69.1%
Transportation Contingency	\$ 3,928,200	1,965,600	1,587,848	2,134,441	2,528,546	4,079,703	2,191,658	306,208	-	-	-	5,893,800	12,828,404	18,722,204	9.5%
Water Augmentation - RUWAP Pipeline	\$ 5,600,000	841,983	-	2,300,000	-	-	-	-	-	-	-	6,441,983	2,300,000	8,741,983	4.4%
Water Augmentation - RUWAP Other	\$ 157,000	-	-	-	-	-	-	7,200,000	7,598,686		-	157,000	14,798,686	14,955,686	7.6%
TOTAL CFD PROJECTS	\$ 19,507,188	9,827,583	12,173,503	18,664,048	19,385,522	31,277,720	22,346,065	18,442,863	8,598,686	4,000,000	14,557,097	29,334,771	149,445,505	178,780,276	90.6%
OTHER EXPENDITURES															
Property Tax - Jurisdiction Share (all jurisdictions)	s -	-	-	175,496	307,252	414,583	517,771	584,078	649,967	708,221	760,124	-	4.117.492	4,117,492	2.1%
HCP - UC Regents	\$ 98,268	101,648	105,145									199,916	105,145	305,062	0.2%
General CIP/FORA Costs - Footnote 1	\$ 1,018,260	1,053,288	1,220,866	1,262,864	1,306,306	1,351,243	1,397,726	_	_	_	_	2,071,548	6,539,005	8,610,553	4.4%
Caretaker Costs (Including Caretaker Emergency Fund)	\$ 575,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	1,075,000	4,500,000	5,575,000	2.8%
TOTAL OTHER	\$ 1,691,528	1,654,937	1,826,011	1,938,360	2,113,558	2,265,827	2,415,498	1,084,078	1,149,967	1,208,221	1,260,124	3,346,465	15,261,642	18,608,107	9.4%
TOTAL EXPENDITURES	\$ 21,198,716	11,482,520	13,999,514	20,602,408	21,499,080	33,543,547	24,761,563	19,526,941	9,748,653	5,208,221	15,817,221	32,681,236	164,707,147	197,388,382	100.0%
STARTING BALANCES & SET ASIDES															
Net Annual Revenue	\$ (8,747,857)	6,144,479	10,942,401	7,648,088	3,373,801	(12,291,620)	(3,381,421)	160,326	8,344,838	11,680,832	(4,003,658)		Revenue	19,870,208	
Set Aside - HCP - See CIP Table 1B \$ (13,829,85)	3) \$ (3,283,386)	(4,608,840)	(6,425,843)	(7,035,254)	(5,699,976)	(4,302,062)	(2,815,032)						et HCP Set Aside	(48,000,246)	
Set Aside - HCP Contingency - See CIP Table 1B \$ -	ş -	-	-	-	-	-	(4,146,035)	(3,439,442)	(2,721,408)	(2,200,920)	(6,375,927)		ICP Contingency	(18,883,733)	
Beginning Balance \$ 24,844,82		-	1,535,638	6,052,197	6,665,030	4,338,854			-	5,623,430	15,103,342	Starti	ng Cash Balance	24,844,821	
TOTAL BALANCES \$ 11,014,964	\$ (1,016,275)	1,535,638	6,052,197	6,665,030	4,338,854	(12,254,827)	(10,342,488)	(3,279,116)	5,623,430	15,103,342	4,723,757		Net Revenue	(22,168,950)	
TRANSFER - from LESAL to DEVFE	\$ 1,016,275	-	-	-	-	12,254,827	10,342,488	3,279,116	-	-	-		Net Transfers	26,892,707	
DEVFE ENDING BALANCE	\$-	1,535,638	6,052,197	6,665,030	4,338,854	-	-	-	5,623,430	15,103,342	4,723,757		Net Balance \$	4,723,757	
			B. LAND S	ALES FUND (LES	SAL)								B. LESAL ANA	LYSIS	
DEDICATED REVENUES															
Land Sales	\$ -	30,921,411	10,242,932	8,125,134	16,914,577	664,849	-	-	16,197,360	16,197,360	12,597,946	30,921,411	80,940,156 \$	111,861,567	121.0%
Land Sales - Building Removal Credits	s -	(19,425,408)	_	-	_	_	-	_				(19,425,408)	-	(19,425,408)	-21.0%
TOTAL REVENUES	\$ -	11,496,003	10,242,932	8,125,134	16,914,577	664,849	-	-	16,197,360	16,197,360	12,597,947	11,496,003	80,940,156	92,436,159	
	1					· · ·			· · ·	· · ·				<u> </u>	
PROJECT EXPENDITURES															
Building Removal Obligations - See Table 1B	\$ 9,520,871	-	-	-	-	-	-	-	-	-	-	9,520,871	-	9,520,871	98.5%
OTHER EXPENDITURES															
General CIP/FORA Costs (A/E, PM, CM, Staff Costs etc)	\$ 140,873		-	-	-	-	-	-	-	-	-	140,873	-	140,873	1.5%
TOTAL EXPENDITURES	\$ 9,661,744	-	-	-	-	-	-	-	-	-	-	9,661,744	-	9,661,744	100.0%
Net Annual Revenue	\$ (9,661,744)	11,496,003	10,242,932	8,125,134	16,914,577	664,849	-	-	16,197,360	16,197,360	12,597,947		Revenue	82,774,415	
		507,009	12,003,012	22,245,944	30,371,077	47,285,653	35,695,674	25,353,185	22,074,068	38,271,427	54,468,786		ng Cash Balance	11,185,029	
Beginning Balance \$ 11,185,029	. ,,	,	,,	,,		,,	_	.,,			-		Net BR Set-Aside	,,-25	
	5 6 648 056														-
Set Aside - Bldg Removal \$ (6,648,050	6,648,056	12 003 012	22 245 944	30 371 077	47 285 653	47 950 501	35 695 673	25 353 184	38 271 427	54 468 786	67 066 733		Not Revenue	93 959 444	
		12,003,012	22,245,944	30,371,077	47,285,653	47,950,501	35,695,673	25,353,184	38,271,427	54,468,786	67,066,733		Net Revenue	93,959,444	
Set Aside - Bldg Removal         \$ (6,648,051           UNRESERVED FUND BALANCE         \$ 4,536,972           TRANSFER - from LESAL to DEVFE         \$ 1000000000000000000000000000000000000	<pre>3 \$ 1,523,284 \$ (1,016,275)</pre>	-	-	-	-	(12,254,827)	(10,342,488)	(3,279,116)	-	-	-		Net Revenue Net Transfers	(26,892,707)	
Set Aside - Bldg Removal         \$ (6,648,051           UNRESERVED FUND BALANCE         \$ 4,536,972	3 \$ 1,523,284	12,003,012 - 12,003,012	22,245,944 - 22,245,944	30,371,077 - 30,371,077	47,285,653 - 47,285,653				38,271,427 - 38,271,427	54,468,786 - 54,468,786	67,066,733 - 67,066,733				

Footnote (1) - Expenditures for transportation projects (contract change orders, general consulting, legal consulting, additional basewide expenditures, street landscaping, site conditions, project changes, printing, additional habitat mitigations). General Costs provides for staff, overhead, and direct consulting consulting costs. In 2015/2016, the FORA Board approved Prevailing Wage and Caretaker Costs to be funding with Poroperty taxes.

		FAR	FORECAST YEAR						Post	: FORA				
Land Use	Juris-													
Location & Description	diction	43,560	2018-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	Totals
Carling (Cathled)		6	1	2 702 472 0	2.054.520.0		Residential	2 05 4 5 20 0	2 05 4 5 20 0	2 404 200 0				10 746 042
Seahaven (Entitled) Dunes Phase 1 (Entitled)	MAR MAR	6 6	1,772,712	2,782,173.0 2,831,415	2,954,520.0	2,954,520.0	2,954,520.0	2,954,520.0	2,954,520.0	2,191,269.0	-	-	-	19,746,042 4,604,127
Dunes Phase 2 (Entitled)	MAR	6	-	-	2,215,890	1,107,945	1,107,945	1,107,945	-	-	-	-	-	5,539,725
Dunes Phase 3 (Entitled) Cypress Knolls (Entitled)	MAR MAR	6 6	-	-	2,462,100	1,107,945 2,462,100	1,107,945 2,462,100	1,107,945 2,462,100	2,215,890 2,462,100	2,215,890 2,462,100	2,215,890 1,378,776	738,630 1,378,776	-	10,710,135 17,530,152
TAMC (Planned)	MAR	6	-	-		- 2,402,100	-	-	- 2,402,100	- 2,402,100	-	-	-	-
Seaside Resort (Entitled)	SEA	6	98,484	295,452	886,356	886,356	837,114	-	-	-	-	-	-	3,003,762
Surplus II (Planned) 26 Acre Parcel (Planned)	SEA SEA	6 6	-	246,210	246,210 2,462,100	2,462,100 984,840	2,462,100	689,388	-	-	-	-	-	5,859,798 3,693,150
Main Gate (Planned)	SEA	6	-	246,210	2,462,100	861,735	-	-	-	-	-	-	-	3,570,045
Nurses Barracks (Planned) Seaside East (Planned)	SEA SEA	6 6	-	984,840	-	-	-	-	- 1,231,050	- 1,231,050	2,462,100	2 462 100	-	984,840
East Garrison I (Entitled)	MCO	6	2,954,520	2,954,520	2,954,520	2,954,520	2,954,520	246,210 2,979,141	1,231,050	1,231,050	2,402,100	2,462,100	-	7,632,510 17,751,741
Del Rey Oaks (Planned)	DRO	6	-	-	492,420	1,477,260	1,477,260	1,477,260	1,477,260	2,954,520	2,954,520	2,708,310	1,994,301	17,013,111
UC Blanco Triangle (Planned) Other Residential (Planned)	UC Various	6 s 6	-	-	2,708,310	2,708,310	492,420	-	-	-	-	-	-	5,909,040
Existing/Replacement Residential	(See Tal		5,909,040	344,694	-	-	-	-	-	-	-	-	-	6,253,734
Total Residential Units			10,734,756	10,685,514	19,844,526	19,967,631	15,855,924	13,024,509	10,340,820	11,054,829	9,011,286	7,287,816	1,994,301	129,801,912
CFD Special tax per Unit	Ş	24,621	10,734,756	10,685,514	19,844,526	19,967,631	15,855,924	13,024,509	10,340,820	11,054,829	9,011,286	7,287,816	1,994,301	\$ 129,801,912
							Office_							
Del Rey Oaks RV Park (Planned) Monterey (Planned)	DRO MRY	0.35 0.35	-	42,372	42,372 25,540	25,540	25,540	- 38,121	- 38,121	-	-	-	-	84,744
East Garrison I (Entitled)	MCO	0.35	-	5,085	5,085	4,237	25,540			-	-	-	-	152,861 14,406
Dunes Phase 1 (Entitled)	MAR	0.35	-	4,873	4,873	4,873	-	-	-	-	-	-	-	14,618
Dunes Phase 2 (Entitled) Dunes Phase 3 (Entitled)	MAR MAR	0.35 0.35	-	-	15,889	- 15,889	15,889	15,889	- 15,889	- 15,889	-	-	-	- 95,336
Seahaven (Planned)	MAR	0.35	-	-							-	-	-	-
Interim Inc. (Entitled)	MAR	0.35	-	-	-	-	-	-	-	-	-	-	-	-
Marina (Planned) TAMC (Planned)	MAR MAR	0.35 0.35	-	-	-	-	-	-	-	-	-	-	-	-
Campus Town / Surplus II (Planned)	SEA	0.35	-	4,873	20,762	20,762	15,889	15,889	15,889	15,889	-	-	=	109,955
Campus Town /26 Acre (Planned)	SEA SEA	0.35 0.35	-	-	-	1,059 1,059	1,059 1,059	-	-	-	-	-	-	2,119
Main Gate Seaside East (Planned)	SEA	0.35	-	-	-		1,035	-	-	-	-	-	-	2,119
UC (Planned)	UC	0.35	-	-	-	2,119	2,119	2,119	-	-	-	-	-	6,356
Total Office Acres	4		-	57,202	114,521	75,539	61,556	72,018	69,899	31,779	-	-	-	482,514
CFD Special tax per Acre	Ş	3,230	-	57,202	114,521	75,539	61,556	72,018	69,899	31,779	-	-	-	\$ 482,514
						<u>In</u>	dustrial							
Monterey (Planned) Marina CY (Entitled)	MRY MAR	0.40 0.40	-	-	-	-	13,364	13,364	13,364	-	-	-	-	40,092
Dunes Phase 1 (Entitled)	MAR	0.40	-	-	-	-	-	-	-	-	-	-	-	-
Dunes Phase 2 (Entitled)	MAR	0.40	-	-	-	-	-	-	-	-	-	-	-	
Dunes Phase 3 (Entitled) Seahaven (Planned)	MAR MAR	0.40 0.40	-	-	13,903	13,903	13,903	13,903	13,903	13,903	-	-	-	83,419
Marina Airport (Entitled)	MAR	0.40	-	-	-	-	-	-	-	-	-	-	-	-
TAMC (Planned)	MAR	0.40 0.40	-	-		-	-	-	-	-	-	-	-	-
Campus Town / Surplus II (Planned) Campus Town /26 Acre (Planned)	SEA SEA	0.40	-	-	7,415 5,561	-	-	-	-	-	-	-	-	7,415 5,561
Main Gate	SEA	0.40	-	-	-	-	-	-	-	-	-	-	-	-
Seaside East (Planned) UC (Planned)	SEA UC	0.40 0.40	-	3,708	3,708	1,854 3,708	1,854 3,708	1,854 3,708	-	-	-	-	-	5,561 18,538
Total Industrial Acres	00	0.40	-	3,708	30,587	19,465	32,829	32,829	27,267	13,903		-	-	160,587
CFD Special tax per Acre	\$	3,230	-	3,708	30,587	19,465	32,829	32,829	27,267	13,903	-	-	-	\$ 160,587
•							Retail							· · ·
Del Rey Oaks (Planned)	DRO	0.25	-	-	-	-	-	-	-	-	-	-	-	-
East Garrison I (Entitled)	MCO	0.25	-	73,336	73,336	61,113	-	-	-	-	-	-	-	207,784
Seahaven (Planned) Dunes Phase 1 (Entitled)	MAR MAR	0.25	-	122,226	122,226	122,226	122,226	-	-	-	-	-	-	- 488,904
Dunes Phase 2 (Entitled)		0.25						-	-	-	-	-	-	400,504
Dunes Phase 3 (Entitled)	MAR	0.25	-	-	-	-	-	-	-	-	-	-	-	-
TAMC (Planned) Seaside Resort (Entitled)	MAR SEA	0.25 0.25		-	-	-	61,113	-	-	-	-	-	-	61,113
Campus Town / Surplus II (Planned)	SEA	0.25	-	61,113	244,452	-		-	-	-	-	-	-	305,565
Campus Town /26 Acre (Planned) Main Gate	SEA SEA	0.25 0.25	-	61,113 152,782	183,339	152,782	152,782	305,565	-	-	-	-	-	244,452 916,694
Main Gate Seaside East (Planned)	SEA	0.25	-	132,/82	152,782	152,782 61,113	152,782 61,113	305,565 61,113	-	-	-	-	-	916,694 183,339
UC (Planned)	UC	0.25	-	-	381,956	504,182	504,182	504,182	-	-	-	-	-	1,894,501
Total Retail Acres			-	470,570	1,158,090	901,416	901,416	870,860	-	-	-		-	4,302,352
CFD Special tax per Acre	Ş	66,552	-	470,570	1,158,090	901,416	901,416	870,860	-	-	-	-	-	\$ 4,302,352
						Hot	el (rooms)							
Del Rey Oaks RV Park (Planned) Dunes Phase 1 (Entitled)	DRO MAR	32 32	-	-	-	-	-	-	3,019,500	-	-	-	-	3,019,500
Dunes Phase 2 (Entitled)	MAR	32	-	-	-	2,163,060	-	-	-	-	-	-	-	2,163,060
Dunes Phase 3 (Entitled)	MAR	32	-	-	-	-	-	-	-	-	-	-	-	
Seaside Resort (Entitled) Seaside Resort TS (Entitled)	SEA SEA	32 32	-	- 373,320	-	-	1,811,700	-	-	-	-	-	-	1,811,700 373,320
Campus Town / Surplus II (Planned)	SEA	32	-	-	-	-	-	-	-	-	-	-	-	-
Campus Town /26 Acre (Planned)	SEA	32	-	1,647,000	-	-	-	-	-	-	-	-	-	1,647,000
Main Gate Seaside East (Planned)	SEA SEA	32 32	-	1,921,500	-	-	-	-	-	-	-	-	-	1,921,500
UC (Planned)	UC	32	-	-	-	-	-	-	-	-	-	-	-	-
Total Hotel Rooms			-	3,941,820	-	2,163,060	1,811,700	-	3,019,500		-	-	-	10,936,080
CFD Special tax per Hotel Room	\$	5,490	-	3,941,820	-	2,163,060	1,811,700	-	3,019,500	-	-	-	-	\$ 10,936,080
Sub Total			\$ 10,734,756	15,158,813	21,147,724	23,127,110	18,663,425	14,000,215	13,457,487	11,100,511	9,011,286	7,287,816	1,994,301	
TOTAL CFD			÷ 10,734,730	13,130,013	21,147,724	23,127,110	10,000,420	14,000,213	13,437,407	11,100,311	3,011,200			145 682 444
IOTAL CPD													Ş	145,683,444

## TABLE 5: LAND SALES REVENUE

In order to better forecast revenues from land sales, jurisdictions estimate when they expect escrow to clear on a lump sum sale of real property. Estimated Land Sales

		Estimated Land Sales		171000		1	2	3	4	5	6	7	8	9	10	
		Land Use		Forecasated												
Parcel	Acres	Location & Description	Basis of Value	Sale	2018-19	<b>19-20</b>	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	Forecast Total
		Monterey County			s .			-			-	-		-		÷.
E8a.1.2	21.22	Ord Market	per acre	\$ 3,628,620	-	-		-	-	-	-	_	-	-	-	-
multiple	152.93	East Garrison 2	per acre	26,151,030	_	-	-	-	-	-	-	_	-	-	-	-
multiple	374.07	Parker Flat Development	per acre	63,965,970	_	-	-	-	-	-	-	_	-	-	-	-
multiple	12.00	Travel Camp - Developable	per acre	2,052,000	-	-	-	-	-	-	-	-	-	-	_	-
E11b.8	67.69	Ammo Supply Point	per acre	11,574,990												-
2110.0	07105		per dere	11,57 1,550												
E29b.2	31.19	Monterey City		5,333,490	-	8,918,813	-	15,855,667	-	-	•	-	-	-	-	<b>24,774,480</b> 5,333,490
		Business Park/Recreation	per acre			1,920,056	-	3,413,434	-	-	-	-	-	-	-	
E29b.3	27.71	Business Park parcel	per acre	4,738,410	-	1,705,828	-	3,032,582	-	-	-	-	-	-	-	4,738,410
E29e	9.45				-	-	-	-	-	-	-	-	-	-	-	-
E29b.1	33.52	Monterey -Ryan Ranch	per acre	5,731,920	-	2,063,491	-	3,668,429	-	-	-	-	-	-	-	5,731,920
L4.2	7.03	Open Space/Recreation			-	-	-	-	-	-	-	-	-	-	-	-
L4.1	18.10	Business Park/ Public Facility	per acre	3,095,100	-	1,114,236	-	1,980,864	-	-	-	-	-	-	-	3,095,100
E29.1	22.48	Business Park parcel	per acre	3,844,080	-	1,383,869	-	2,460,211	-	-	-	-	-	-	-	3,844,080
E29.2	11.88	Business Park parcel	per acre	2,031,480	-	731,333	-	1,300,147	-	-	-	-	-	-	-	2,031,480
		Marina				19,409,700	-	-	32,379,690	-	-	-	-	-	-	51,789,390
multiple		Dunes Phase II	Contract	6,750,000	-	6,750,000	-	-		-	-	-	-	-	-	6,750,000
multiple		Dunes Phase II Option	Contract		-	-	-	-	-	-	-	-	-	-	-	-
multiple		Dunes Phase III	Contract	12,659,700	-	12,659,700	-	-	-	-	-	-	-	-	-	12,659,700
E4.1.2.2	9.63	Cypress Knolls	Marina Est.	1,444,500	-	-	-	-	1,444,500	-	-	-	-	-	-	1,444,500
E4.1.1	153.50	Cypress Knolls	Marina Est.	22,950,000	-	-	-	-	22,950,000	-	-	-	-	-	-	22,950,000
E4.1.2.2	26.24	Cypress Knolls	Marina Est.	3,900,000	-	-	-	-	3,900,000	-	-	-	-	-	-	3,900,000
E2c.4.2.1	13.39	Stockade	Marina Est.	2,289,690	-	-	-	-	2,289,690	-	-	-	-	-	-	2,289,690
L35.2	1.71	Stockade +	per acre	292,410	-	-	-	-	292,410	-	-	-	-	-	-	292,410
L2.2.1	2.11	Stockade +	per acre	360,810	-	-	-	-	360,810	-	-	-	-	-	-	360,810
L2.2.2	4.54	Stockade corner @ imjin	per acre	776,340	-	-	-	-	776,340	-	-	-	-	-	-	776,340
E2c.4.2.2	2.14	Stockade +	per acre	365,940	-	-	-	-	365,940	-	-	-		-	-	365,940
		Seaside			-	22,634,310	14,365,864	-	-	-	-	-	32,394,719	32,394,719	25,195,892	126,985,504
multiple	86.01	Surplus II	Contract	18,000,000	-	9,129,597	8,870,403	-	-	-	-	-			-	18,000,000
multiple	89.27	Main Gate	per acre	15,265,170	-	9,769,709	5,495,461	-	-	-	-	-	-	-	-	15,265,170
multiple	563.24	Seaside East	, per acre	89,985,330	-	-	-	-	-	-	-	-	32,394,719	32,394,719	25,195,892	89,985,330
F2.3.2	26.00	26 Acre Parcel	Seaside Est	3,735,004		3,735,004	-	-	-	-	-	-	-	-	-	3,735,004
E18.1.3	40.00	Barracks Parcel	fixed	6,640,000	-	-	-	-	-	-		-	-	-	-	-
		Del Rey Oaks	-			10,880,000	6,120,000	394,600	1,449,463	1,329,697						20,173,760
E29a	271.60	270 Acres (Parcels A-D)	Contract	17,000,000		10,880,000	6,120,000	-	1,449,403	1,329,097		-	-	-	-	17,000,000
E25a		Development Parcel E36		1,096,110	-	-	0,120,000	- 394,600	- 701,510	-	-	-	-	-	-	1,096,110
	6.41		per acre		-		-	394,600		-	-	-	-	-	-	
E31a	4.89		per acre	836,190	-	-	-	-	301,028	535,162	-	-	-	-	-	836,190
E31b E31c	3.34	Development w/ Reserve	per acre	571,140 \$ 670.320	-	-	-	-	205,610	365,530	-	-	-	-	-	571,140 670,320
E310	3.92		per acre	\$ 670,320	-	-	-	-	241,315	429,005	-	-	-		-	670,320
		CSUMB			-	-	-	-	-	-	-	-	-	-	-	-
		UC MBEST			\$-	-	-	-	-	-	-	-	-	-	-	\$ -
		Lump Sum Sale Forecast - Su			\$ -	61,842,823	20,485,864	16,250,267	33,829,153	1,329,697	-	-	32,394,719	32,394,719	25,195,892	223,723,134
		FORA Share (50% of Lump S	um Sales)		\$ -	30,921,411	10,242,932	8,125,134	16,914,577	664,849	-	-	16,197,360	16,197,360	12,597,946	\$ 111,861,567

## TABLE 6: FY 2018/2019 THROUGH POST-FORA DEVELOPMENT FORECASTS

**Residential Annual Land Use Construction** (dwelling units)

			FOR	RECAST Y	EAR				Post I	FORA					
Land Use	Juris-	Built To	2018-	<b>19-20</b>	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	Forecast	Forecast +
Location & Description	diction	Date	19												Built
NEW RESIDENTIAL	**6,160 unit	t cap on nev	v resider	ntial unti	l 18,000 ı	new jobs	on Fort	Ord per B	RP 3.11.	5.4 (b) 2)	& 3.11.	5.4 (c)			
<u>Marina</u>															
Seahaven A (Entitled)	MAR	-	-	113	120	120	120	120	120	89	-			802	802
Dunes Phase 1 (Entitled)	MAR	390	72	115	-	-	-	-	-	-	-	-	-	187	577
Dunes Phase 2 (Entitled)	MAR	-			90	45	45	45						225	225
Dunes Phase 3 (Entitled)	MAR	-				45	45	45	90	90	90	30		435	435
Cypress Knolls (Entitled)	MAR	-			100	100	100	100	100	100	56	56		712	712
TAMC (Planned)	MAR		-	-	-	-	-	-	-	-	-	-	-		
Seaside														-	
Seaside Resort (Entitled)	SEA	3	4	12	36	36	34	-	-	-	-	-	-	122	125
Surplus II (Planned)			-	-	10	100	100	28	-	-	-	-	-	238	238
26 Acre Parcel (Planned)			-	10	100	40	-	-	-	-	-	-	-	150	150
Main Gate (Planned)			-	10	100	35	-	-	-	-	-	-	-	145	145
Nurses Barracks (Planned)			-	40	-	-	-	-	-	-	-	-	-	40	40
Seaside East (Planned)	SEA	-	-	-	-	-	-	10	50	50	100	100	-	310	310
Other														_	
East Garrison I (Entitled)	мсо	749	120	120	120	120	120	121	-					721	1,470
Del Rey Oaks (Planned)	DRO	-	-	_	20	60	60	60	60	120	120	110	81	691	691
UC Blanco Triangle (Planned)	UC	-	-	-	110	110	20	-	-	-	-	-	-	240	240
Other Residential (Planned)	Various	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NEW RESIDENTIAL		1,142	196	420	806	811	644	529	420	449	366	296	81	5,018	6160**
EXISTING/REPLACEMENT RESIDENTIAL					1									1	
Preston Park (Entitled)	MAR	352	-	-	-	-	-	-	-	-	-	-	-	-	352
Seahaven (Entitled)	MAR	121	120	7										127	248
Abrams B (Entitled)	MAR	192	-	-	-	-	-	-	-	-	-	-	-	-	192
MOCO Housing Authority (Entitled)	MAR	56	-	-	-	-	-	-	-	-	-	-	-	-	56
Shelter Outreach Plus (Entitled)	MAR	39	-	-	-	-	-	-	-	-	-	-	-	-	39
VTC (Entitled)	MAR	13	-	-	-	-	-	-	-	-	-	-	-	-	13
Interim Inc (Entitled)	MAR	11	-	-	-	-	-	-	-	-	-	-	-	-	11
Sunbay (Entitled)	SEA	297	-	-	-	-	-	-	-	-	-	-	-	-	297
Bayview (Entitled)	SEA	225	-	-	-	-	-	-	-	-	-	-	-	-	225
Seaside Highlands (Entitled)	SEA	380	-	-	-	-	-	-	-	-	-	-	-	-	380
TOTAL EXISTING/REPLACE		1,686	120	7	-	-	-	-	-	-	-	-	-	127	1,813
CCUMP (Diamod)															
CSUMB (Planned)		2,828	316	427	806	811	644	529	420	449	266	200	81	- 5,145	7 073
		2,028	210	42/	000	911	044	529	420	449	366	296	10	5,145	7,973

#### TABLE 7: FY 2018/2019 THROUGH POST-FORA DEVELOPMENT FORECAST

Non-Residential Annual Land Use Construction	(huilding cauge	ra faat ar hatal raame	norwoorl
Non-Residential Annual Land Use Construction	(building squur	e jeet of noter rooms	per yeur

Lands         Jude         Lands         Name         Nint So         35.20         35.20         23.20 <th< th=""><th>Non-Residential Annual Land Use Const</th><th>ruction (bui</th><th>ilding squar</th><th>re feet or hotel</th><th></th><th>e<i>ar)</i> ORECAST YEAR</th><th></th><th></th><th></th><th></th><th>Post FOR</th><th>٨</th><th></th><th></th><th></th><th></th><th></th></th<>	Non-Residential Annual Land Use Const	ruction (bui	ilding squar	re feet or hotel		e <i>ar)</i> ORECAST YEAR					Post FOR	٨					
Non-sector         Non-sec			Transfer	Built To Date				21-22	22-23	23-24			26-27	27-28	28-29	Forecast	Forecast + Buil
Def Ry dias KV mix (setuitied)         Def Ry			TVUE														
Del Ref (Plance)         DID         DID <thdid< th=""></thdid<>		DRO	FDC		_	200.000	200.000					_	_	_	_	400.000	400,000
Internet best Startino (Figurand)         MW         Fig2         10				-	_	200,000	200,000	_	_	_	_	-	-	_	_	400,000	400,000
bat Brain (Frinterig)       MCD       MCD       PAUDD       PAUDD <td>, , , ,</td> <td></td> <td></td> <td>_</td> <td></td> <td></td> <td>120 552</td> <td>120 552</td> <td>120 552</td> <td>179 934</td> <td>179 934</td> <td></td> <td></td> <td></td> <td></td> <td>721 524</td> <td>721,524</td>	, , , ,			_			120 552	120 552	120 552	179 934	179 934					721 524	721,524
Dame Plane ! (strating)         MMR         A         23,000         -         -         -         -         -         -         69,000         72,0			LDC	_	-	24 000			-	175,554				-	-		68,000
Dame Phase 2 (britcher)         MMR				203.000					_	_	_		_	-	_		272,000
Dame Plane 2 (Institute)         MAR         MAR <td></td> <td></td> <td></td> <td>203,000</td> <td>-</td> <td>- 23,000</td> <td></td> <td>- 25,000</td> <td>-</td> <td>-</td> <td></td> <td></td> <td></td> <td>-</td> <td>-</td> <td></td> <td>272,000</td>				203,000	-	- 23,000		- 25,000	-	-				-	-		272,000
Internet (Ensingle)         MAR         14,00         -				_			75 000	75.000	75 000	75 000	75 000	75 000				450.000	450,000
Matria Qiranedi Granes Trees / Arec (Planned)         Matria Qirane (Planned)				14 000	-	-			-					-	-		14,000
TAME (Finance)         MMB         Image of the second of t					-	-	-	-	-	-	-	-		-	-	-	1,000
Campa Sam / Sampla II (Plannel)         S.A.         J.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	
Changes May 26 Acter (Planent)         S.A         La         La <thla< th="">         La         La</thla<>					-	-	-	5 000	5 000	-	-	-		-	-	10 000	1
Sexuele cat (Planned)         StA (LC (Planned)         Inter (Planned)         In					-	-	-	,	,	-	-	-	-	-	-		
Uic Dennel)         Uic BC         Rond Offe         S25,900         S30,000         S30,000         S30,000         S25,52         S43,52         S45,52         S45,52         S45,52         S45,52         S45,52         S45,52         S45,52         S45,52         S45,52         S55,50         S         S55,50				14 900	-	-	-			10 000			-	-	-		44,900
Tetu Office         259,990         307,000         522,552         438,552         995,552         444,934         254,934         75,000         -         -         2,438,524         2,678           Industrial         Marriar (finance)         MAR         EDC         12,300         -         250,000         -         -         -         -         -         -         250,000         -         -         -         -         -         -         -         -         250,000         -<			FDC		-	60,000	80 000				-	-	-	-	-		680,000
dwarted Morterey (Panned)         MRY Marka 2 (Entitled)         EDC Marka 2 (Entitled)         Lass Lass Lass Lass Lass Lass Lass Lass			200	259,900	-						254.934	75.000	-	-	-		2,678,424
Indumenty (lamined)MMYEPC111777<						,	,	,	,	,		,					
Marina Cri (funited)         MAR         EDC         12,300         -         1         0 <th0< td=""><td></td><td>1451</td><td>500</td><td></td><td></td><td></td><td></td><td></td><td>72.002</td><td>72.002</td><td>72.002</td><td></td><td></td><td></td><td></td><td>246 276</td><td>246 274</td></th0<>		1451	500						72.002	72.002	72.002					246 276	246 274
Dunes Phaze I (Entitled)         MAR Dunes Phaze 2 (Entitled)         MAR MAR         PAR         PAR <t< td=""><td></td><td></td><td></td><td>-</td><td></td><td></td><td></td><td></td><td>72,092</td><td>72,092</td><td>72,092</td><td></td><td></td><td></td><td></td><td>216,276</td><td>216,276</td></t<>				-					72,092	72,092	72,092					216,276	216,276
Dunes Phase 2 (intitled)         MAR Dunes Phase 2 (intitled)         MAR Marna Approf (entitled)         MAR Marna Approf (entitled) <thm< td=""><td></td><td></td><td>EDC</td><td>12,300</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>12,300</td></thm<>			EDC	12,300	-	-	-	-	-	-	-	-	-	-	-	-	12,300
nume sphase 3 (Initied)         MAR         PRC         25,000         75,000        <				-	-	-	-	-	-	-	-	-	-	-	-	-	
Marina Ariport (Entitled)         MAR         PBC         250,000         -         -         -         -         -         -         -         250,000         250,0					-	-	-	-	-	-	-	-	-	-	-	-	450.000
TAMC (Planned)         MAR         Langua Tomy / 26 Are (Planned)         SEA         Langua Tom / 26 Are (Planned)         Langu	· · ·		000	-			75,000	75,000	75,000	75,000	75,000	75,000				450,000	450,000
campus Town / Surplus II (Planned)       SEA       -			PRC	250,000	-	-	-	-	-	-	-	-	-	-	-	-	250,000
Campus Town / 26 Arer (Named)         SEA         14         900         -         30,000         44,           UC (Planned)         UC         EDC         380,000         -         20,000				-	-	-	-	-	-	-	-	-	-	-	-	-	40.000
Seade fast (Planned)         SEA         L         14.900         -         -         -         10.000         10.000         10.000         -         -         -         10000         1330,000         44.           VC (Planned)         VC         330,100         -         20.000					-	-		-	-	-	-	-	-	-	-		40,000
UC (Planned)         UC (Planned)         EDC         33,000         - 20,000         165,000         177,092         177,092         147,092         147,092         147,092         147,092         147,092         147,092         147,092         147,092         147,092         147,092         147,092         147,092         147,092         147,092         147,092					-	-	30,000	-	-	-	-	-	-	-	-		
Total Industrial         330,00         20,000         165,000         177,092         177,092         147,092         75,000         -         -         866,276         1,151,           tetail         Del Ry Oaks (Planned)         DRO         EDC         -			500		-	-	-				-	-	-	-	-		44,900
Iteruit         Del Rey Oaks (Planned)         DRO         EDC         -         <	· · · · · · · · · · · · · · · · · · ·		EDC		-		,				-	-	-	-			138,000
pel Rey Oaks (Planned)       DRO       EDC       L <thl< th="">       L       L       L&lt;</thl<>	Iotai	inaustriai		330,100	-	20,000	165,000	105,000	177,092	177,092	147,092	75,000	-	-		800,270	1,151,476
fast driving (finitied)       MCO       MAR       MAR       12,000       10,000        -       -       -       34,000       34,         Dunes Phase 1 (Entitled)       MAR       418,000       20,000       20,000       20,000       20,000       -       -       -       -       -       80,000       80,000       80,000       80,000       80,000       80,000       80,000       80,000       80,000       -       10,000       10,00	Retail																ĺ
fast Garrison (fentited)       MAR       MAR       418,000       20,000	Del Rev Oaks (Planned)	DRO	EDC	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dunes Phase 1 (Entitled)         MAR         418,000         20,000			-	-	-	12,000	12,000	10,000	-	-	-	-	-	-	-	34.000	34,000
Dunes Phase 2 (Entitled)         MAR         Image Phase 3 (Entitled)         MAR         Image Phase 3 (Entitled)         MAR         Image Phase 3 (Entitled)         Image Phase 3 (Entitled) <td></td> <td>MAR</td> <td></td> <td>418,000</td> <td></td> <td>20,000</td> <td>20,000</td> <td>20,000</td> <td>20,000</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>498,000</td>		MAR		418,000		20,000	20,000	20,000	20,000								498,000
Dunes Phase 3 (Entitled)       MAR       MAR       Image: Constraint of the cons				-,	-	-	-	-	-	-	-	-	-	-	-	-	
TAMC (Planned)       MAR       MAR       Image: Mark Sease (Planned)       SEA       Image: Mark Sease (Planned)       SEase (Planne		MAR			-	-	-	-	-	-	-	-	-	-	-	-	
Seaside Resort (Entitled)       SEA <t< td=""><td></td><td></td><td></td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td></td></t<>				-	-	-	-	-	-	-	-	-	-	-	-	-	
Campus Town / Surplus II (Planned)       SEA       -       10,000       30,00       -       -       -       -       -       10,000       30,00       30,0       -       -       -       -       30,000       30,00       30,0       30,0       30,00 </td <td></td> <td>SEA</td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>10,000</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>10,000</td> <td>10,000</td>		SEA		-	-	-	-	-	10,000	-	-	-	-	-	-	10,000	10,000
Campus Town / 26 Acre (Planned)       SEA       Image: SEA <td< td=""><td></td><td></td><td></td><td></td><td>-</td><td>10,000</td><td>40,000</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td></td><td>50,000</td></td<>					-	10,000	40,000	-	-	-	-	-	-	-	-		50,000
Main Gate       SEA       SEA       Sea       -       -       -       25,000       25,000       25,000       10,000       10,000       -       -       -       -       -       30,000       30,00       30,000					-			-	-	-	-	-	-	-	-		40,000
Seaside East (Planned)       SEA              30,000       30,         UC (Planned)       UC        418,000        77,000       189,500       147,500       142,500           30,000       310,000       <					-			25.000	25.000	50.000							150,000
UC (Planned)       UC       Image: Constraint of the				-	-	-	-				-	-	-	-	-		30,000
Total Retail       418,000       -       77,000       189,500       147,500       142,500       -       -       -       -       -       704,000       1,122,         TOTAL SF NON-RESIDENTIAL       1,008,000       -       404,000       877,052       691,052       720,144       764,526       402,026       150,000       -       -       -       4,008,800       4,951,55         IOTEL ROOMS       Iotel (rooms)		UC		-	-	-	62,500				-	-	-	-	-		310,000
Interview         Interview <t< td=""><td></td><td>otal Retail</td><td></td><td>418,000</td><td>-</td><td>77,000</td><td>189,500</td><td>147,500</td><td>147,500</td><td>142,500</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>704,000</td><td>1,122,000</td></t<>		otal Retail		418,000	-	77,000	189,500	147,500	147,500	142,500	-	-	-	-	-	704,000	1,122,000
OTEL ROOMS lotel (rooms)         Del Rey Oaks RV Park (Planned)         DRO         EDC         -         -         -         -         -         550         -         -         -         550           Dunes Phase 1 (Entitled)         MAR         108         - <t< td=""><td></td><td></td><td></td><td>4 000 000</td><td></td><td></td><td>077.050</td><td>604 050</td><td>700 444</td><td>764 596</td><td></td><td>450.000</td><td></td><td></td><td></td><td></td><td></td></t<>				4 000 000			077.050	604 050	700 444	764 596		450.000					
Intel (rooms)Intel	TOTAL	SF NON-RI	ESIDENTIAL	1,008,000	-	404,000	877,052	691,052	720,144	764,526	402,026	150,000	-	-	-	4,008,800	4,951,900
Del Rey Oaks RV Park (Planned)       DRO       EDC       Image: Constraint of the second se																	
Dunes Phase 1 (Entitled)       MAR       108       108       -       <		DRO	EDC														
Dunes Phase 2 (Entitled)       MAR       MAR <th< td=""><td></td><td></td><td>EDC</td><td>- 100</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>550</td><td>-</td><td>-</td><td>-</td><td>-</td><td>550</td><td>550</td></th<>			EDC	- 100	-	-	-	-	-	-	550	-	-	-	-	550	550
Dunes Phase 3 (Entitled)       MAR       MAR <th< td=""><td></td><td></td><td></td><td>108</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>108</td></th<>				108	-	-	-	-	-	-	-	-	-	-	-	-	108
Seaside Resort (Entitled)       SEA       Sale       -       -       -       330       -       -       -       -       -       330         Seaside Resort S (Entitled)       SEA       Sale       -       -       68       -       -       -       -       -       -       68         Campus Town / Surplus II (Planned)       SEA       SEA       -       -       -       -       -       -       68         Main Gate       SEA       SEA       -       -       -       -       -       -       -       -       -       68         Seaside East (Planned)       SEA       -       <				-	-	-	-	394	-	-	-	-	-	-	-	394	394
Seaside Resort TS (Entitled)       SEA       Sale       -       -       -       -       -       -       -       -       -       -       68         Campus Town / Surplus II (Planned)       SEA       SEA       -       -       -       -       -       -       -       -       68         Campus Town / 26 Acre (Planned)       SEA       -       -       -       -       -       -       -       -       300         Main Gate       SEA       -       -       -       -       -       -       -       -       300         Seaside East (Planned)       SEA       -       -       -       -       -       -       -       -       300         Seaside East (Planned)       SEA       -       -       -       -       -       -       -       -       -       -       300         Seaside East (Planned)       SEA       -			Sala						220							-	22
Campus Town / Surplus II (Planned)       SEA       -				-	-	-	-	-	330	-	-	-	-	-	-		33
Campus Town /26 Acre (Planned)       SEA       -        -       -	. ,		Sale	-	-	68	-	-	-	-	-	-	-	-	-	68	68
Main Gate         SEA         -         -         -         -         -         -         -         -         350           Seaside East (Planned)         SEA         -         -         -         -         -         -         -         -         350					-	-	-	-	-	-	-	-	-	-	-	-	
Seaside East (Planned) SEA					-		-	-	-	-	-	-	-	-	-		30
					-	350	-	-	-	-	-	-	-	-	-	350	35
UC (Planned) UC EDC	Seaside East (Planned)			-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL HOTEL ROOMS 108 - 718 - 394 330 - 550 1,992 - 77																	

2018-19 DRAFT CIP Tables - WF7 04.27.18 | 4/27/2018 | 4:22 PM

# TABLE 8: FY 2018/2019 Property Tax Estimate

#### Estimated Property Taxes

		1	2	3									
Location & Description	Per Acre Assumption	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Forecast
Office	\$ 223	\$-	68,553,100	116,685,862	97,928,662	88,326,762	99,353,762	56,926,762	16,747,500	-	-	-	\$ 544,522,409
Industrial	91	\$-	1,827,000	15,072,750	9,591,750	16,177,354	16,177,354	13,436,854	6,851,250	-	-	-	79,134,313
Retail	91	\$-	7,033,950	17,310,825	13,474,125	13,474,125	13,017,375	-	-	-	-	-	64,310,400
NON-RESIDENTIAL		\$ -	77,414,050	149,069,437	120,994,537	117,978,241	128,548,491	70,363,616	23,598,750	-	-	-	687,967,122
HOTEL ROOMS	164,430	\$-	118,060,740	-	64,785,420	54,261,900	-	90,436,500	-	-	-	-	327,544,560
NEW RESIDENTIAL	540,995	\$ 106,035,020	227,217,900	436,041,970	438,746,945	348,400,780	286,186,355	227,217,900	242,906,755	198,004,170	160,134,520	43,820,595	2,670,892,315
EXISTING/REPLACE RES	540,995	\$ 64,919,400	3,786,965	-	-	-	-	-	-	-	-	-	68,706,365
CSUMB RESIDENTIAL		-	-	-	-	-	-	-	-	-	-	-	\$-
		-											
TOTAL		366,429,210	380,074,302	621,821,927	610,987,086	476,949,271	446,986,471	250,816,650	242,906,755	198,004,170	\$ 160,134,520		\$ 3,755,110,362
FORA PROJECTION 18/19													
2% Max Property Value Escalation - Proposition 13		373,757,794	395,429,303	659,882,403	661,352,071	526,590,535	503,379,366	288,109,491	284,603,978	236,633,312	5 195,203,086	ć .	
Discount Cash Flow - Bond Buyers Index		357,834,173	362,453,219	579,083,532	555,646,957	423,575,495	387,654,423	212,421,492	200,896,982	159,918,933	126,299,676	- -	
Net Cash Inflow (CUM) including previous years		1,413,620,087	1,776,073,306	2,355,156,837	2,910,803,795	3,334,379,290	3,722,033,713	3,934,455,205	4,135,352,186	4,295,271,119	4,421,570,796	4,421,570,796	
Net Present Value		1.413.620.087	1.776.073.306	2.402.259.974	3.028.400.268	3.538.469.977	4.028.848.991	4.343.956.462	4.657.078.223	4,933,916,374	5,180,574,901	5,284,186,399	

Net Present Value	1,413,620,087	1,776,073,306	2,402,259,974	3,028,400,268	3,538,469,977	4,028,848,991	4,343,956,462	4,657,078,223	4,933,916,374	5,180,574,901	5,284,186,399	
Property Tax assessment 1%	14,136,201	17,760,733	24,022,600	30,284,003	35,384,700	40,288,490	43,439,565	46,570,782	49,339,164	51,805,749	52,841,864	
Less housing set aside (20%)	(2,827,240)	(3,552,147)	(4,804,520)	(6,056,801)	(7,076,940)	(8,057,698)	(8,687,913)	(9,314,156)	(9,867,833)	(10,361,150)	(10,568,373)	
Property Tax net of housing set aside	11,308,961	14,208,586	19,218,080	24,227,202	28,307,760	32,230,792	34,751,652	37,256,626	39,471,331	41,444,599	42,273,491	
Tier 1	(1,527,210)	(1,918,787)	(2,595,290)	(3,271,743)	(3,822,799)	(4,352,582)	(4,693,009)	(5,031,291)	(5,330,374)	(5,596,853)	(5,708,790)	
Tier 2	(1,282,856)	(1,611,781)	(2,180,043)	(2,748,264)	(3,211,150)	(3,656,168)	(3,942,127)	(4,226,284)	(4,477,513)	(4,701,355)	(4,795,382)	
Tier 3	-	-	-	-	-	-	-	-	-	-	-	
Annual net property tax	8,498,895	10,678,018	14,442,746	18,207,195	21,273,811	24,222,043	26,116,516	27,999,051	29,663,443	31,146,391	31,769,319	
FORA Property Tax (35%)	2,974,613	3,737,306	5,054,961	6,372,518	7,445,834	8,477,715	9,140,781	9,799,668	10,382,205	10,901,237	11,119,262	
Forecast Estimate - 90% of Property Tax	2,677,152	3,363,576	4,549,465	5,735,267	6,701,250	7,629,943	8,226,703	8,819,701	9,343,985	9,811,113	10,007,336	
Operating Costs	(1,300,000)	(1,300,000)	(1,300,000)	(1,300,000)	(1,300,000)	(1,300,000)	(1,300,000)	(1,300,000)	(1,300,000)	\$ (1,300,000) \$	\$ (1,300,000)	
Property Tax Transfer to CIP	1,674,613	2,437,306	3,754,961	5,072,518	6,145,834	7,177,715	7,840,781	8,499,668	9,082,205	\$ 9,601,237	\$ 9,819,262	

## **Appendices**

Α.	Protocol for Review/Reprogramming of FORA CIP	A-1
В.	Building Removal Program to Date	A-5
С.	Jurisdiction-Incurred Caretaker Costs Reimbursement Policy	A-8
D.	Marina Coast Water District 5-Year CIP	A-11

## Appendix A: Protocol for Review/Reprogramming of FORA CIP (Revised June 10, 2016)

1) Conduct quarterly meetings with the CIP Committee and/or Administrative Committee. Staff representatives from the California Department of Transportation (CALTRANS) and AMBAG may be requested to participate and provide input.

These meetings will be the forum to review developments as they are being planned to assure accurate prioritization and timing of CIP projects to best serve the development as it is projected. FORA CIP projects will be constructed during the program, but market and budgetary realities require that projects must "queue" to current year priority status. To prioritize projects, the following criteria were established:

- Project is necessary to mitigate reuse plan
- Project environmental/design is complete
- Project can be completed prior to FORA's sunset
- Project uses FORA CIP funding as matching funds to leverage grant dollars
- Project can be coordinated with projects of other agencies (utilities, water, TAMC, PG&E, CALTRANS, MST, etc.)
- Project furthers inter-jurisdictional equity
- Project supports jurisdictional "flagship" project
- Project nexus to jurisdictional development programs

The FORA Board has set the top two Transportation Priorities as Eastside Parkway and South Boundary Road. The CIP/Administrative Committee determines the remaining projects priorities. The committee is responsible for recommending project priorities and balancing projected project costs against projected revenues.

#### **Evidence Based Prioritization**

Staff asks Administrative Committee members to weight the eight criteria (see previous list of eight bullets) through anonymous polling to reach consensus. The weighting resulting in assigning a higher multiplication factor to some criteria and a lower factor to other criteria. Following the weighting process, staff takes a poll of the committee members asking that they score each project by the eight criteria. Staff multiplies the project scores by the assigned weights, resulting in a score identifying the Transportation/Transit priorities from highest to lowest. Staff then presents the results to the Administrative Committee for further discussion.

To further clarify the criteria, the following definitions were agreed upon by the committee during the 2015/16 Fiscal Year. For each criterion, a measurable scale (1-5) has been created by which to measure the criterion's impact.

#### a) Project is necessary to mitigate reuse plan

All projects on the list are necessary to mitigate the reuse plan. To prioritize the transportation projects, it is necessary to determine the amount of mitigation a proposed roadway could have on existing roadways. Therefore, this criterion is defined by the Level-Of-Service (LOS) ranking, determined by the North American Highway Capacity Manual which measures the amount of time a vehicle stays in one spot on a road from the shortest amount of time to the longest (A-F). This is a function of travel speed, congestion, and the number of cars on the road. This criterion asks the CIP committee to provide its best-informed estimate on the impact of each project in terms of LOS.

Use this scale to estimate the mitigation effect on an impacted roadway(s) in terms of Highway Capacity Manual's Level of Service (LOS):

- 1. Decreases the LOS on existing roadways (increases the travel time, congestion etc...)
- 2. LOS stays the same on existing roadways

- 3. LOS is increased one level up (i.e. from C to B)
- 4. LOS is increased two levels up (i.e. C to A)
- 5. LOS is increased two levels up from a D, E, or F (i.e. from D to B)

#### b) Project environmental/design is complete

The concept behind this criterion is to determine how ready a project is for implementation and assesses how close a project is to breaking ground in relation to key project milestones.

Use this scale to rate a project by the Key milestones:

- 1. California Environmental Quality Act (CEQA) Review Initiated
- 2. CEQA Review Complete
- 3.90% Design Complete
- 4. Design Approval Complete
- 5. Notice to Proceed has been issued

#### c) Project can be completed prior to FORA's 2020 transition

Use this criterion to assess the proposed project's likeliness to complete the project on-time and onbudget prior to 2020.

Use this scale to rate the likeliness of completion:

- 1. Not Probable by 2020
- 2. Not Likely to be on-time/budget by 2020
- 3. Likely to be completed by 2020
- 4. Likely to be completed before 2019
- 5. Likely to be completed before 2018

#### d) Uses FORA CIP funding as matching funds to leverage grant dollars

Use this criterion to assess the likelihood a project is to gain matching funds or grants in the next three years if FORA assigns resources to the project.

Use this scale to rate the likeliness of obtaining matching/additional funding:

- 1. Not Possible in 3 years (July 2019)
- 2. Not Likely to gain funding in 3 years (July 2019)
- 3. Likely to gain funding in 3 years (July 2019)
- 4. Likely to gain funding in 2 years (July 2018)
- 5. Likely to gain funding in 18 months (January 2018)

#### e) Project can be coordinated with other agencies projects

The concept behind this criterion is to facilitate roadway connectivity and to determine if economies of scale (cost advantages obtained due to increased scope) are possible through planning/implementing projects in succession or in parallel with another infrastructure project. Use estimated time between the completion of one project and notice to proceed of adjacent projects to determine the level of coordination.

Use this scale to determine the level of coordination with other agencies:

- 1. Cannot be run in succession/parallel with another project
- 2. Can be run in succession/parallel with another project
- 3. Can be run in succession/parallel with another project AND creates an economy of scale (cost advantages obtained due to increased scope)

- 4. Can be run in succession/parallel with another project AND creates an economy of scale on both projects
- 5. Can be run in succession/parallel with another project AND creates an economy of scale on both projects AND saves time

### f) Project furthers inter-jurisdictional equity

Inter-Jurisdictional equity refers to the concept that FORA complete roadway obligations while being fair to each of the land-use jurisdictions. For the purposes of this assessment, the geographical location of the project determines the owning jurisdiction even though a project in another jurisdiction might benefit.

Use this criterion to assess if the resources assigned to this project would create an imbalance in the distribution of resources to the land-use jurisdictions:

- 1. Would create a major change in the balance favoring one jurisdiction
- 2. Would create a minor change in the balance favoring one jurisdiction
- 3. The estimated change would be a net gain
- 4. Would create a minor change restoring, or furthering, the balance
- 5. Would create a major change restoring, or furthering, the balance

#### g) Supports jurisdictions "flagship" project

A "flagship project" is a single project on the former Fort Ord lands which a jurisdiction gives priority regarding its resources.

- a. Marina = The Dunes on Monterey Bay
- b. Seaside = Seaside Resort
- c. Monterey County = East Garrison
- d. City of Monterey = Business Park
- e. Del Rey Oaks = 73 Acres

Use this criterion to assess the amount of support a CIP project will give to Flagship projects:

- 1. Project provides infrastructure within ¼ mile of a Flagship project
- 2. Project provides infrastructure to the project area
- 3. Flagship project is dependent upon project being completed
- 4. Project enables Flagship projects to establish revenue to jurisdiction
- 5. Project is able to provide 2 or more benefits listed above.

#### h) Project nexus to jurisdictional development programs:

For prioritization, bias is set on links that can equitably feed multiple development programs. The concept of development programs are projects which increase Economic Development and job creation first, then increase resource support such as housing and shopping. Realistically, housing may precede jobs; however, FORA seeks to prioritize Economic Development.

Use this criterion to assess the impact of a roadway on developments:

- 1. The project will not create a roadway link for the development
- 2. Creates a roadway link to a future development, but there is currently no ongoing development project
- 3. Creates a roadway link and implementation coincides with future development projects
- 4. The project creates a roadway link and supports ongoing development projects
- 5. The project creates a roadway link and supports ongoing developments in two or more jurisdictions

2) Under this Protocol, The Administrative Committee is to provide a mid-year and/or yearly report to the Board (at mid-year budget and/or annual budget meetings) that will include any recommendations for CIP modifications from the joint committee and staff.

3) Anticipate FORA Board annual approval of a CIP program that comprehensively accounts for all obligatory projects under the BRP.

These base-wide project obligations include transportation/transit, water augmentation, storm drainage, habitat management, building removal and firefighting enhancement.

This protocol describes the method by which the base-wide development fee (Fee) and Fort Ord Reuse Authority Community Facilities District Special Tax (Tax) are annually indexed. The amount of the Fee is identical to the CFD Tax. Landowners pay either the Fee or the Tax, never both, depending on whether the land is within the Community Facilities District. For indexing purposes, FORA has always used the change in costs from January 1 to December 31. The reason for that choice is that the Fee and CFD Tax must be in place on July 1, and this provides the time necessary to prepare projections, vet, and publish the document. The second idea concerns measurement of construction costs. Construction costs may be measured by either the San Francisco Metropolitan index, or the "20-City Average." FORA has always used the 20-City Average index because it is generally more in line with the actual experience in suburban areas like the Monterey Peninsula. It should be noted that San Francisco is one of the cities used for the 20-City Average.

The Fee was established in February 1999 by Resolution 99-1. Section 1 of that Resolution states that "(FORA) shall levy a development fee in the amounts listed for each type of development in the... fee schedule until such time as ... the schedule is amended by (the) board." The CFD Tax was established in February 2002 by Resolution 02-1. Section IV of that CFD Resolution, beginning on page B-4, describes "Maximum Special Tax Rates" and "Increase in the Maximum Special Tax Rates." That section requires the Tax to be established on the basis of costs during the "…immediately preceding Fiscal Year…" The Tax is adjusted annually on the basis of "…Construction Cost Index applicable to the area in which the District is located…"1

The CFD resolution requires the adjusted Tax rate to become effective on July 1. It would be difficult to meet that deadline if the benchmark were set for a date later than January. FORA staff uses the adjusted Tax rate to reprogram the CIP. FORA staff requests development forecast projections from the land use jurisdictions in January. The forecasts allow staff to balance CIP revenues and expenditures, typically complete by April, for Administrative Committee review. The FORA Board typically adopts the CIP, and consequently updates the "Notice of Special Tax Lien" (Notice) in June.

Additionally, the Notice calls for "... (2) percentage change since the immediately preceding fiscal year in the (ENRs CCI) applicable to the area in which the District is located..." To assure adequate time for staff analysis, public debate, and FORA Board review of modifications to the Special Tax Levy, it is prudent to begin in January. In addition, the FORA Board adopted a formulaic approach to monitoring the developer fee program which is typically conducted in the spring – as will be the case in 2019. If the anticipated Fee adjustment is unknown at the time of the formulaic calculation then the level of certainty about the appropriateness of the Fee is impaired. This factor supports that the Fee should be established in January.

To determine the percentage change, the CCI (Construction Cost Index) of the immediately prior January is subtracted from the CCI in January of the current year to define the arithmetic value of the change (increase or decrease). This dollar amount is divided by the CCI of the immediately prior January. The

result is then multiplied by 100 to derive a percentage of change (increase or decrease) during the intervening year. The product of that calculation is the rate presented to the FORA Board.

Since the start of the CIP program in FY 2001/02, FORA has employed the CCI for the "20-City Average" as presented in the ENR rather than the San Francisco average. The current 20-City Average places the CCI in the range of \$9K to \$10K while the San Francisco CCI is in the \$10K to \$11K range. The difference in the two relates to factors which tend to drive costs up in an urban environment as opposed to the suburban environment of Fort Ord. These factors would include items such as time required for transportation of materials and equipment plus the Minimum Wage Rates in San Francisco as compared to those in Monterey County. Over a short term (1 year) one index may yield a lower percentage increase than the other index for the same time period.

#### Appendix B: Building Removal Program to Date

#### 1996 FORA Pilot Deconstruction Project (PDP)

In 1996, FORA deconstructed five wooden buildings of different types, relocated three wooden buildings, and remodeled three buildings. The potential for job creation and economic recovery through opportunities in deconstruction, building reuse, and recycling was researched through this effort.

#### 1997 FORA Survey for Hidden Asbestos

In 1997, FORA commissioned surveys of invasive asbestos on a random sample of buildings on Fort Ord to identify hidden ACM. Before closure, the U.S. Army performed asbestos surveys on all exposed surfaces in every building on Fort Ord for their operation and maintenance needs. The Army surveys were not invasive and therefore did not identify asbestos sources, which could be spread to the atmosphere during building deconstruction or renovation. In addition to commissioning the survey for hidden asbestos, FORA catalogued the ACM found during the removal of seventy Fort Ord buildings.

#### 1998 FORA Request for Qualifications (RFQ) for Building Deconstruction Contractors

FORA went through an RFQ process in an attempt to pre-qualify contractors throughout the U.S. to meet the Fort Ord communities' needs for wooden building deconstruction (removal), hazardous material abatement, salvage and recycling, and identifying cost savings. The RFQ also included a commitment for hiring trainees in deconstruction practices.

#### 1999 FORA Lead-Based Paint Remediation Demonstration Project

FORA initiated the LBP Remediation Demonstration Program in 1999 to determine the extent of LBP contamination in Fort Ord buildings and soil, field test possible solutions, and document the findings. The first step in controlling LBP contamination is to accurately identify the amount and characteristics of the LBP. This ensures that LBP is properly addressed during removal and reuse activities, in ways that protect the public, environment, and workers.

The FORA Compound and Water City Roller Hockey Rink were used as living laboratories to test the application of LBP encapsulating products. Local painting contractors were trained to apply various encapsulating products and the ease, effectiveness and expected product life was evaluated. This

information was shared with the jurisdictions, other base closure communities and the regulatory agencies so that they could use the lessons learned if reusing portions of their WWII building stock.

#### 2001 FORA Waste Characterization Protocol

A Basewide Waste Characterization Protocol was developed for building debris generated during the deconstruction of approximately 1,200 WWII era wooden structures. By profiling standing buildings utilizing the protocol, contractors can make more informed waste management and diversion decisions resulting in savings, greater implementation of sustainable practices, and more environmentally sensitive solutions.

2002 FORA Building Removal for 12th Street/Imjin Parkway

FORA, in 2002, remediated and removed 25 WWII era buildings as the preparatory work for the realignment of 12th Street, later to be called Imjin Parkway.

2003 FORA Building Removal for 2nd Avenue Widening

FORA, in 2003, remediated and removed 16 WWII era buildings and also the remains of a theater that had burned and been buried in place by the Army years before the base was scheduled for closure.

2004 FORA/CSUMB oversight Private Material Recovery Facility Project

In 2004, FORA worked with CSUMB to oversee a private-sector pilot Material Recovery Facility (MRF), with the goal of salvaging and reusing LBP covered wood from 14 WWII era buildings. FORA collaborated in the development of this project by sharing its research on building deconstruction and LBP abatement. CSUMB and their private-sector partner hoped to create value added products such as wood flooring that could be sold to offset deconstruction costs. Unfortunately, the MRF operator and equipment proved to be unreliable and the LBP could not be fully removed from the wood or was cost prohibitive.

2005 The Dunes WWII Building Removal

FORA, in partnership with Marina and Marina Community Partners, removed 406 WWII era buildings. Ninety percent of the non-hazardous materials from these building were recycled. FORA volunteered to be the Hazardous Waste Generator instead of the City of Marina and worked with the California Department of Toxic Substance Control, the State Board of Equalization, and the hazardous waste disposal facility so that as stipulated by state law, State Hazardous Waste Generator taxes could be avoided.

2006 - 2007 East Garrison Building Removal

FORA, in 2006, provided the East Garrison developer with credits/funds to remove 31 selected WWII era and later buildings from East Garrison.

2007 Imjin Office Park Building Removal

FORA, in partnership with Marina and Marina Community Partners, removed 13 WWII era buildings to prepare the Imjin Office Park site.

2011 FORA Removal of Building 4470 in Seaside

In 2011, FORA had a concrete building in Seaside removed. Building 4470 was one of the first Korean War era concrete buildings removed on the former Fort Ord. Removal revealed the presence of hidden asbestos materials. The knowledge gained during this project will be helpful in determining removal costs of remaining Korean War era concrete buildings in Seaside and on CSUMB.

2011 FORA/CSUMB Korean War Concrete Building Removal Grant Application

In 2011, FORA approached the U.S. Office of Economic Adjustment (OEA) about the possibility of applying for grant funds to assist in the removal of Korean War era concrete buildings located on CSUMB Campus and Seaside Surplus II property. The OEA was receptive to the idea and encouraged a grant application. After multiple applications, OEA did not fund the grant application. In 2015 FORA determined to work directly with Seaside to address the Seaside Surplus II Korean Era cement buildings without OEA assistance.

### 2003 – 2013 Continuing FORA support for CSUMB Building Removal Projects

Over the years, FORA has shared knowledge gained through various deconstruction projects with CSUMB and others, and CSUMB has reciprocated by sharing their lessons learned. Over the years, FORA has supported CSUMB with shared contacts, information, review and guidance as requested for CSUMB's building removal efforts.

### 2015 FORA/Seaside Surplus II Korean War Concrete Building Removal

Surplus II is the northeast gateway to the City of Seaside and CSUMB with Gigling Road on its southern boundary; a major artery into and out of Seaside, and difficult for police to patrol and abuts the CSUMB campus. The Seaside Surplus II area also abuts occupied military homes and the Department of Defense building on Gigling Road. Portions of the Seaside Surplus II area surround existing buildings reused in place, including the Presidio of Monterey Police station, Monterey College of Law, Monterey Peninsula College Police Officer Training Academy and National Guard buildings. The dilapidated buildings have been vandalized, copper wiring and piping has been stolen, and windows and doors have been broken. The multi-story buildings do not have elevators, are not ADA compliant, and none meet earthquake safety codes.

In late 2015 FORA staff met with Seaside to coordinate the application of FORA Building removal obligation funds to the Surplus II, knowing that FORA's funds would not be enough to remove all the hazardous materials and buildings from the site. Seaside and FORA staff determined that the first step to knowing what was involved in removing buildings from Surplus II was to survey the buildings for Hazardous materials and commission a hazardous materials removal estimate. In early 2016, FORA released a Request for Proposals and competitively selected an Industrial Hygienist firm to provide hazardous material surveys in Surplus II. The surveys and a hazardous materials removal estimate was completed in 2016. Engineers were hired in 2017 and plans and specifications were developed and released for bid in December 2017. FORA is in the process of selecting a Hazmat and Building Removal contractor and anticipates hazardous material and building removal to be complete by late 2018.

### 2016 Marina Stockade Removal

In 2016 FORA staff met with the City of Marina to begin coordination for access to the Marina Stockade site which currently host Los Animas concrete production and operations under a lease from the City of Marina. Marina is taking the lead in negotiating with Las Animas for access to the building for removal. FORA commissioned the Stockade hazardous material surveys. Once the surveys were completed in

2017, FORA hired Harris and Associates to prepare plans, specifications and estimates for the Stockade Removal. FORA anticipates bidding out the Stockade Hazmat and Building Removal contractor in late 2018/early 2019.

### Appendix C: Jurisdiction-Incurred Caretaker Costs Reimbursement Policy

Caretaker costs were first described in the Fiscal Year (FY) 01/02 FORA Capital Improvement Program (CIP) as: "Costs associated with potential delays in redevelopment and represent interim capital costs associated with property maintenance prior to transfer for development."

FORA Assessment District Counsel opined that FORA Community Facilities District Special Tax payments cannot fund caretaker costs. For this reason, caretaker costs would be funded through FORA's 50% share of land sale proceeds on former Fort Ord, any reimbursements to those fund balances, or other designated resources.

As a result of the FY 11/12 and FY 12/13 Phase II CIP Review analysis prepared by Economic & Planning Systems, Inc., FORA agreed to reimburse its five member jurisdictions (County of Monterey and Cities of Seaside, Marina, Del Rey Oaks, and Monterey) for these expenses based on past experience, provided sufficient land sale revenue is available and jurisdictions are able to demonstrate property management/caretaker costs. Based on previous agreements between the U.S Army and the City of Marina, City of Seaside and County of Monterey, *examples* of caretaker costs include the following: tree trimming, mowing, pavement patching, centerline/stenciling, barricades, traffic signs, catch basin/storm drain maintenance, vacant buildings, vegetation control/spraying, paving/slurry seal, and administration (10% of total costs).

FY 15/16 caretaker costs funding was limited to the amount listed in the FORA FY 15/16 CIP (Table 5 – Land Sales Revenue), which is \$150,000. Future FORA annual CIP's will establish caretaker costs reimbursement funding as described in the next paragraph.

For implementation, this policy clarifies that FORA funding for caretaker costs shall be determined by allocating a maximum of \$500,000 in the prior fiscal year's property taxes collected and designated to the FORA CIP. For example, if \$525,000 in property taxes is collected and designated to the FORA CIP during FY 15/16, then FORA will program a maximum of \$500,000 for the five member jurisdictions' eligible caretaker costs. Each subsequent year, the maximum funding for caretaker costs may be decreased assuming that, as land transfers from jurisdictions to third-party developers, jurisdictions' caretaker costs will decrease. If FORA does not collect and designate to the CIP sufficient property taxes in a given fiscal year to fund the maximum amount of caretaker costs allowed that fiscal year, the actual amount of property taxes collected and designated to the CIP during the fiscal year shall be used to determine the amount of caretaker costs funding. FORA shall set caretaker costs funding through the approved FORA CIP.

For a member jurisdiction to be eligible for caretaker costs reimbursement:

 Costs must be described using the Caretaker Costs Worksheet (Exhibit A) and submitted to FORA by August 31 (1<sup>st</sup> deadline) and October 31 (2<sup>nd</sup> deadline) of each year;

- 2) FORA staff must provide a written response within 30 days denying or authorizing, in part or in whole, the Caretaker Costs Worksheet in advance of the expenditure. FORA may request additional information from the member jurisdiction within 15 days of receiving the Caretaker Costs Worksheet. FORA shall provide reasons for caretaker costs reimbursement denial in its written response;
- 3) Eligible costs must be within the total amount approved in the current CIP, which shall be divided into five equal amounts, one for each of the five member jurisdictions. For example, if FORA is able to allocate \$100,000 in caretaker costs in a fiscal year, each jurisdiction shall have the ability to request up to \$20,000 in caretaker cost reimbursements. If a member jurisdiction does not submit a Caretaker Costs Worksheet to FORA by January 31 of each year, it forfeits its caretaker costs allocation for the fiscal year. Such unallocated dollars shall be available through October 31 (2<sup>nd</sup> deadline) (see #1 above) to the jurisdictions who submitted Caretaker Costs Worksheets to FORA by August 31; and
- 4) FORA staff must verify completion of caretaker costs work items through site visits prior to work initiation and after work completion.

FORA shall establish an emergency set aside of up to \$75,000 in the FY 16/17 CIP budget for urgent and unforeseen caretaker costs. The process for requesting these funds shall be the same as described above except there will not be a deadline for submitting the request.



FORT ORD REUSE AUTHORITY CARETAKER COST WORKSHEET

Date:	Jurisdiction:
Point of Contact:	Contact number/email:
Please answer the following questions and submit eligibility for caretaker cost reimbursement:	to the Fort Ord Reuse Authority for a determination of
1. Is the property where the Caretaker Costs are	planned owned by the jurisdiction?
○ Yes	
o No	

- O NO
- 2. What is/are the Army Corps of Engineers parcel number(s)?
- 3. Check all Caretaker Cost work item categories that apply to the current request:
  - Tree trimming
  - Mowing
  - Pavement patching
  - Centerline/stenciling
  - Barricades
  - Traffic signs
  - Catch basins/storm drain maintenance
  - Barriers to vacant buildings
  - Vegetation control/spraying
  - Paving/slurry seal
  - Administration (up to 10% of total costs)
  - Other:
- 4. Provide a specific description of the proposed Caretaker Cost work:
- 5. Provide a description of potential benefit from completion of Caretaker work items (such as improved public health, public safety, reduced fire risk, etc.):

6. Provide a detailed budget of proposed Caretaker Costs with estimated costs (if caretaker work is approved for reimbursement, FORA staff will use this budget to verify work completion and issue reimbursements):

Five-Year CIP	t Water District									
CIP No.	PROJECT DESCRIPTION	FY 2017-18 Estimated	FY 2018-19 Proposed	FY 2019-20 Proposed	FY 2020-21 Proposed	FY 2021-22 Proposed	FY 2022-23 Proposed	OUT YEARS	TOTAL	CATEGORY
· ·										
OW-0000	Ord Water	4		4.5		4.0	4.0	4.5	4	
OW-0206	Inter-Garrison Road Pipeline Up-Sizing	\$50,000	\$600,000	\$0	\$0	\$0	\$0	\$0.	\$650,000	Μ
OW-0193	Imjin Parkway Pipeline, Reservation Rd to Abrams Drive	\$51,000	\$51,000	\$800,000	\$0	\$0	\$0	\$0	\$902,000	E
OW-0202	South Boundary Road Pipeline	\$0	\$205,000	\$1,300,000	\$0	\$0	\$0	\$0	\$1,505,000	М
OW-0201	Gigling Transmission from D Booster to JM Blvd	\$0	\$125,000	\$0	\$400,000	\$0	\$0	\$0	\$525,000	E
OW-0230	Wellfield Main 2B - Well 31 to Well 34	\$0	`\$0	\$170,000	\$0	\$200,000	\$540,000	\$0	\$910,000	E
OW-012 <b>7</b>	CSUMB Pipeline Up-Sizing -Commercial Fireflow	\$0	\$0	\$100,000	\$0	\$100,000	\$0	\$150,000	\$350,000	E
OW-0203	7th Avenue and Gigling Rd	\$0	\$0	\$70,000	\$0	\$200,000	\$0	\$0	\$270,000	E
OW-0129	Rehabilitate Well 31	¢ \$0	\$0	\$0	\$1,710,000	\$0	\$0	\$0	\$1,710,000	E
OW-0211	D-Zone pipeline in Eastside Parkway Alignment	\$0	\$0	\$0	\$0	\$420,000	\$2,500,000	\$0	\$2,920,000	М
OW-0209	Pipeline Up-Sizing -between Dunes & MainGate	\$0	\$0	\$0	\$0	\$0	\$300,000	\$0	\$300,000	М
OW-0210	Sand Tank Demolition	\$0	\$0	\$0	\$0	\$0	\$540,000	\$0	\$540,000	Е
OW-0122	Replace D & E Reservoir Off-Site Piping	\$0	\$0	\$0	\$0	\$0	\$0	\$1,100,000	\$1,100,000	E
OW-0167	2nd Ave extension to Gigling Rd	\$0	\$0	\$0	\$0	\$0	\$0	\$275,000	\$275,000	E
OW-0118	B4" Zone Tank @ East Garrison "	\$0	\$0	\$0	\$0	\$0	\$0	\$3,100,000	\$3,100,000	S
OW-0212	Reservoir D2" + D-BPS Up-Size "	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000,000	\$4,000,000	Ē
OW-0208	Pipeline Up-Sizing -to Stockade	\$0	\$0	\$0	\$0	\$0	\$0	\$710,000	\$710,000	S
OW-0204	2nd Ave Connection, Reindollar to Imjin Pkwy	\$0	\$0	\$0	\$0	\$0	\$0	\$1,215,000	\$1,215,000	Ε
OW-0214	Imjin Road, 8th St. to Imjin Pkwy	\$0	\$0	\$0	\$0	\$0	\$0	\$1,100,000	\$1,100,000	Е
OW-0121	C2" to "B4" Pipeline and PRV Station "	\$0	\$0	\$0	\$0	\$0	\$0	\$1,410,000	\$1,410,000	S
OW-0171	Eucalyptus Rd Pipeline	\$0	\$0	\$0	\$0	\$0	\$0	\$2,350,000	\$2,350,000	М
OW-0213	Reservoir B4/B5 to East Garrison Pipeline	\$0	\$0	\$0	\$0	\$0	\$0	\$260,000	\$260,000	S
OW-0216	UCMBEST Pipeline	\$0	\$0	\$0	\$0	\$0	\$0	\$762,500	\$762,500	S
OW-0217	Reservation Road, Imjin to MBEST Drive	\$0	\$0	\$0	\$0	\$0	\$0	\$727,000	\$727,000	М
OW-0218	Golf Boulevard Transmission Line	\$0	, \$0	\$0	\$0	\$0	; \$0	\$1,100,000	\$1,100,000	М
OW-0219	B5" Zone Tank @ East Garrison " & Pipeline	, \$0	\$0	, \$0	\$0	\$0	\$0	\$3,600,000	\$3,600,000	S
OW-0231	Wellfield Main 3A -Intergarrison to ASP Bldg	\$0	\$0	.\$0	\$0	\$0	\$0	\$3,550,000	\$3,550,000	E
OW-0232A	Install Well 36 -Retire Well 29	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000	E
OW-0232B	Wellfield Main 1B -between Wells 36 and 35	\$0	\$0	\$0	\$0 \$0	\$0	\$0	\$3,200,000	\$3,200,000	E
OW-02325	Wellfield Main 1C (Parallel) Well 36 to ASP Bldg	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0 \$0	\$3,750,000	\$3,750,000	M
OW-0233	B-BPS at ASP Bldg	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$1,355,000	\$1,355,000	M
OW-0234 OW-0235	Ord Well-head Disinfection	\$0 \$0	\$0 \$0	\$0 \$0	\$0 • \$0	\$0 \$0	\$0 \$0	\$2,750,000	\$2,750,000	M

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CIP No.	PROJECT DESCRIPTION	FY 2017-18 Estimated	FY 2018-19 Proposed	FY 2019-20 Proposed	FY 2020-21 Proposed	FY 2021-22 Proposed	FY 2022-23 Proposed	OUT YEARS	TOTAL	CATEGORY
OS-0000	Ord Sewer									
OS-0147	Ord Village Sewer Pipeline & Lift Station Impr Project	\$30,000	\$690,000	\$0	\$0	\$0	\$0	\$0	\$720,000	Е
OS-0205	Imjin LS & Force Main Improvements-Phase 1	\$25,000	\$675,000	\$0	\$0	\$0	\$0	\$0	\$700,000	
Os-0240	5th Street Sewer Replacement	\$90,822	<u>\$</u> 0	\$0	\$0	\$0	\$0	\$0	\$90,822	E
OS-0152	Hatten, Booker, Neeson LS Improvements Project	\$0	\$525,000	\$0	\$0	\$0	\$0	\$400,000	\$925,000	
OS-0203	Gigling LS and FM Improvements	\$18,941	\$0	\$2,125,000	\$0	\$0	\$0	\$0	\$2,143,941	Е
OS-0153	Misc. Lift Station Improvements	\$0	\$0	\$561,000	\$929,000	\$0	\$0	\$0	\$1,490,000	E
OS-0154	Del Rey Oaks-Collection System Planning	\$0	\$0	\$70,000	\$0	\$0	\$0	\$0	\$70,000	
OS-0202	SCSD Sewer Improvements-DRO	\$0	\$0	\$502,454	\$0	\$0	\$0	\$1,537,510	\$2,039,964	S
OS-0209	Imjin LS & Force Main Improvements-Phase 2	\$0	\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$1,500,000	E
OS-0204	CSUMB Developments	\$0	\$0	\$0	\$625,000	\$0	\$0	\$0	\$625,000	S
OS-0207	Seaside Resort Sewer Imps. Project	\$0	\$0	\$0	\$0	\$330,000	\$0	\$0	\$330,000	S
OS-0149	Dunes Sewer Pipeline Replacement Projects	\$0	\$0	\$0	\$0	\$465,000	\$0	\$0	\$465,000	M
OS-0208	Parker Flats Collection System	\$0	\$0	\$0	\$0	\$0	\$105,000	\$0	\$105,000	М
OS-0151	Cypress Knolls Sewer Pipeline Improvements Project	\$0	\$0	\$0	\$0	\$0	\$100,000	\$0	\$100,000	S
OS-0215	Demolish Ord Main Garrison WWTP	\$0	\$0	\$0	\$0	\$0	\$1,625,000	\$0	\$1,625,000	E
OS-0148	Marina Heights Sewer Pipeline Improvements Project	\$0	\$0	\$0	\$0 <sup>°</sup>	\$0	\$830,000	\$0	\$830,000	Μ
OS-0150	East Garrison Lift Station Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$550,000	\$550,000	Е
OS-0206	Fitch Park Sewer Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$127,071	\$127,071	S
OS-0210	1st Ave Sewer Pipeline Replacement Project	\$0	\$0	\$0	\$0	\$0	\$0	\$410,000	\$410,000	М
OS-0211	Gen'l Jim Moore Sewer Pipeline Replacement Project	\$0	\$0	\$0	\$0 <sup>°</sup>	\$0	\$0	\$50,000	\$50,000	М
OS-0212	Gen'l Jim Moore Sewer Pipeline Replacement Project III	\$0	\$0	\$0	\$0	\$0	\$0	\$185,000	\$185,000	М
OS-0214	Intergarrison/8th Ave SS (for Eastside Pkwy developments)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	М
OS-0213	MRWPCA Buy-In	\$0	\$0	\$0	\$0	\$0	\$0	\$11,100,000	\$11,100,000	М
OS-0216	SCSD Sewer Improvements-Seaside East	\$0	\$0	\$0	\$0	\$0	\$0	\$6,500,000	\$6,500,000	S
OS-0217	SCSD Sewer Improvements-City of Monterey	\$0	\$0	\$0	\$0	\$0°	\$0	\$1,400,000	\$1,400,000	<b>S</b> .
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Five-Year CIP CIP No.	PROJECT DESCRIPTION	FY 2017-18 Estimated	FY 2018-19 Proposed	FY 2019-20 Proposed	FY 2020-21 Proposed	FY 2021-22 Proposed	FY 2022-23 Proposed	OUT YEARS	TOTAL	CATEGORY
	General Water (32% Marina, 68% Ord)									
GW-0112	A1 & A2 Zone Tanks & B/C Booster Station - LandAcquisition Issue	\$0	\$3,265,000	\$3,370,000	<b>\$</b> 0	\$0	\$0	\$0	\$6,635,000	М
GW-0123	B2" Zone Tank @ CSUMB "	; \$0	\$0	\$0	\$1,230,000	\$1,185,000	, \$0	; \$0	\$2,415,000	M
GW-0210	Reservoir A3 (1.6 MG)	\$0	\$0	\$0	\$0	\$0	\$0	\$3,470,000	\$3,470,000	М
GW-0231	Install Well 37 -Retire well 12	\$0	\$0	\$0	\$0	\$0	\$0	\$6,250,000	\$6,250,000	EDS
GW-0232	Install Well 38 -Retire well 10	\$0	\$0	\$0	\$0	\$0	\$0	\$6,250,000	\$6,250,000	EDS
GW-0233	A-BPS at ASP Bldg + Forebay Tank	\$0	\$0	\$0	\$0	\$0	\$0	\$1,670,000	\$1,670,000	EDS
GW-0234	Install Well 39 -Retire Well 30	\$0	\$0	\$0	\$0	\$0	\$0	\$6,250,000	\$6,250,000	EDS
GW-0235	B-BPS Expansion and Transmission to A1/A2 Tanks	\$0	\$0	\$0	\$0	\$0	\$0	\$13,100,000	\$13,100,000	EDS
GW-0236	Install Well 40 -Retire Well 11	\$0	\$0	\$0	\$0	\$0	\$0	\$6,250,000	\$6,250,000	EDS
GW-0237	Install Well 41 -Retire Well 31	\$0	\$0	\$0	\$0	\$0	\$0	\$6,250,000	\$6,250,000	EDS
	General Sewer (35% Marina, 65% Ord)									
GS-0200	Odor Control Project	\$0	\$120,000	\$0	\$0	\$0	\$0	\$0	\$120,000	E
GS-0201	Del Monte/Reservation Road Sewer Main Improvements	\$0	\$0	\$0	\$275,000	\$0	\$0	\$0	\$275,000	Е
	Water District-Wide (25% MW, 7%MS, 54%OW, 14%OS)									
WD-0106	Corp Yard Demolition & Rehab	\$50,000	\$520,000	\$0	\$500,000	\$3,000,000	\$0	\$2,000,000	\$6,070,000	E
WD-0110	Asset Management Program -Phase II	\$0	\$0	\$0	\$250,000	\$0	\$0	\$0	\$250,000	Е
WD-0110A	Asset Management ProgramPhase III	\$0	\$0	\$0	\$0	\$0	\$250,000	\$0	\$250,000	Е
WD-0115A	SCADA System Improvements (Security + RD integration)	\$0	\$0	\$0	\$0	\$0	\$0	\$410,000	\$410,000	E
	Water Augmentation			nn ag leinne ag a la schart da la schart a schar	ne nye centra da gana da gana da gana da	gayan an ing an ang ang ang ang ang ang ang ang an				inter and a static protocol and a second
RW-0156	RUWAP ATW - Normandy to MRWPCA	\$5,513,218	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$10,513,218	
	RUWAP - Distribution System	\$200,000	\$5,000,000	\$6,239,582	\$0	\$0	\$0	\$0	\$11,439,582	

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FORT ORD REUSE AUTHORITY BOARD REPORT						
BUSINESS ITEMS						
Subject:	Marina Coast Water District Budget – 2 <sup>nd</sup> Vote					
Meeting Date: Agenda Number:	June 8, 2018 8c	ACTION				

## **RECOMMENDATION(S)**:

Consider Resolution Nos. 18-XX and 18-XX adopting a Compensation Plan for Base-wide Water and Sewer Services on the Former Fort Ord (**Attachment A and B**).

## BACKGROUND/DISCUSSION:

The FORA Board considered approval of the proposed MCWD Compensation Plan for fiscal year (FY) 2018-2019 at its last meeting. This item is returning for a second vote.

The 1998 Water Wastewater Facilities Agreement assigns Marina Coast Water District (MCWD) the responsibility to keep a fund for the Ord Community separate from the general MCWD operation. The Ord Community fund has its own line items and account numbers, giving MCWD the ability to report on revenues and expenses for the service area. The Water Wastewater Oversight Committee (WWOC) is responsible for reviewing and recommending Budgets and Compensation Plans for the Ord Community (per Section 4.2.2.5 and Section 7.1.3 of the FA). The Fort Ord Reuse Authority's (FORA's) responsibility is to state whether it agrees or disagrees with MCWD's proposed budget within 3 months of receipt and adopt by resolution the compensation plan.

The WWOC received the proposed budget on March 18, 2018, starting the three-month review period ending on June 18, 2018. Of particular note, there is no change in the capacity charge proposed in this budget. From November 2017 and January 2018, the WWOC received multiple presentations from MCWD's consultant Carollo Engineers and provided input on the 2017 Future Rate Study methodology and proposed tiers. The WWOC concluded the methodology and tiering system contemplated by MCWD was consistent with that used around the state and would not give arbitrary advantage to business or other classes of user.

MCWD underwent a Proposition 218 rate-setting process sending out notices to property owners and receiving protests. On March 12, 2018, the MCWD Board approved new district rates, fees, and charges, excluding capacity charges. The approved rate increases authorized by the Proposition 218 process are scheduled over a five-year period from 2018-2023. The increases over this term are required for capital improvement projects (CIP) and depleted reserves. This approval sets the key assumption for MCWD's rate-based revenue projections used in the 2018-19 Budget. The WWOC then considered the MCWD budget on March, 28<sup>th</sup>, April 11<sup>th</sup>, and April 25<sup>th</sup>, 2018. Due to document size, proposed budget/revisions (**Exhibit A**) can be found at:

http://fora.org/wwoc-review.html

The WWOC found the rate study and the budget to be in order, and in conformance with standard practices. At its April 25<sup>th</sup> meeting, the WWOC voted 4-0 to recommend the following: Adopt the proposed compensation plan for base-wide water and sewer services on the Fort Ord Community and the 5-year CIP with no capacity fee change.

## FISCAL IMPACT:

Reviewed by FORA Controller

Staff time for this item is included in the approved FORA budget.

## **COORDINATION:**

WWOC, MCWD, Administrative Committee, Executive Committee

Prepared by	Reviewed by D. Stern Endsley	
Peter Said	Steve Endsley	
Approved by	Michael A. Houlemand, Jr.	

## FORT ORD REUSE AUTHORITY Resolution No. 18-XX

## A RESOLUTION OF THE GOVERNING BODY OF THE FORT ORD REUSE AUTHORITY Adopting the Budget and the Ord Community Compensation Plan for FY 2018-2019 not including Capacity Charges

THIS RESOLUTION is adopted with reference to the following facts and circumstances:

WHEREAS, Marina Coast Water District (District) Staff prepared and presented the draft FY 2018-2019 Budget (**Exhibit A**) which includes projected revenues, expenditures and capital improvement projects for the Ord Community Water, Recycled Water and Wastewater systems, including the area within the jurisdiction of FORA and the area remaining within the jurisdiction of the U.S. Army; and,

WHEREAS, FORA is authorized by the FORA Act, particularly Government Code 67679(a)(1), to arrange for the provision of water and wastewater services to the Ord Community; and

WHEREAS, the District and FORA, entered into a "Water/Wastewater Facilities Agreement" ("the Agreement") on March 13, 1998, and have subsequently duly amended the Agreement; and,

WHEREAS, the Agreement provides a procedure for establishing budgets and compensation plans to provide for sufficient revenues to pay the direct and indirect, shortterm and long-term costs, including capital costs, to furnish the water and wastewater facilities; and,

WHEREAS, the Agreement, as amended, provides that FORA and the District will each adopt the annual Budget and Compensation Plan by resolution; and,

WHEREAS, the proposed Budget and Compensation Plan for FY 2018-2019 provides for funds necessary to meet operating and capital expenses for sound operation and provision of the water, recycled water and wastewater facilities and to enable the District to provide continued water, recycled water and sewer services within the existing service areas on the former Fort Ord. The Budget and Compensation Plan for FY 2018-2019 adopted by FORA apply only to the area within FORA's jurisdictional boundaries; and,

WHEREAS, the Water/Wastewater Oversight Committee and Administrative Committee of FORA and the District Board of Directors have reviewed the proposed Budget and Compensation Plan; and,

WHEREAS, pursuant to the Agreement, FORA and the District have adopted and implemented and acted in reliance on budgets and compensation plans for prior fiscal years; and,

WHEREAS, pursuant to the Agreement, FORA and the District cooperated in the conveyance to the District of easements, facilities and ancillary rights for the water, recycled water and wastewater systems on the area of the former Fort Ord within FORA's jurisdiction; and,

WHEREAS, the District has provided water and wastewater services on the former Fort Ord by contract since 1997, and currently provides water and wastewater services to the area of the former Fort Ord within FORA's jurisdiction under the authority of the Agreement, and provides such services to the portion of the former Fort Ord still under the Army's jurisdiction by contract with the Army; and,

WHEREAS, FORA and the District have agreed that water conservation is a high priority, and have implemented a water conservation program in the Ord Community service area that includes public education, various incentives to use low-flow fixtures, and waterconserving landscaping. The rates, fees and charges in the Budget and Compensation Plan for FY 2016-2017 adopted by this Resolution are intended to support the water conservation program and encourage water conservation, pursuant to sections 375 and 375.5 of the California Water Code. This conservation program and these rates, fees and charges are in the public interest, serve a public purpose, and will promote the health, welfare, and safety of Ord Community, and will enhance the economy and quality of life of the Monterey Bay community; and,

WHEREAS, estimated revenues from the rates, fees and charges will not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed, will not be used for any purpose other than that for which the fee or charge was imposed, will not exceed the proportional cost of the service attributable to each identified parcel upon which the fee or charge is proposed for imposition and no fee or charge will be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question; and,

WHEREAS, at a public meeting, the Board has determined that the Budget and Compensation Plan, including the rates, fees and charges therein, should be adopted as set forth on **Exhibit A** to this Resolution; and,

WHEREAS, on March 12, 2018, the District Board held a Proposition 218 hearing on the rates, fees and charges, not including Capacity Charges, for the Compensation Plan pursuant to and in accordance with Section 6 of Article XIIID of the California Constitution; and,

WHEREAS, at the hearing, the District Board heard and considered all protests to the Compensation Plan and the rates, fees and charges proposed and found that protests were submitted by less than a majority of the record owners of each identified parcel upon which the fee or charge is proposed for imposition; and,

WHEREAS, FY 2018-2019 Capacity Charges are the subject of and will be adopted by a separate Resolution; and,

WHEREAS, The District is acting to provide continued water, recycled water and sewer service within existing service areas on the Ord Community, and that such action is exempt from CEQA pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273.

NOW THEREFOREM, BE IT RESOLVED by the FORA Board of Directors as follows:

- 1. The Board of Directors of the Fort Ord Reuse Authority does hereby approve and adopt the FY 2018-2019 Budget and Compensation Plan, not including Capacity Charges, for water, recycled water and wastewater services to the Ord Community.
- 2. The District is authorized to charge and collect rates for provision of water and wastewater services within the boundaries of FORA in accordance with the rates, fees and charges set forth in **Exhibit A**, not including Capacity Charges. The District is further authorized to use the same rates, fees and charges in providing services to the area of Ord Community within the jurisdiction of the U.S. Army.
- 3. The rates, fees and charges authorized by this Resolution shall not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed.

Upon motion by \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing Resolution was passed on this \_\_\_\_ day of \_\_\_\_\_, by the following vote:

AYES: NOES: ABSTENTIONS: ABSENT:

Mayor Ralph Rubio, Chair

ATTEST:

## FORT ORD REUSE AUTHORITY Resolution No. 18-XX

A RESOLUTION OF THE GOVERNING BODY OF THE FORT ORD REUSE AUTHORITY Adopting the Budget and the Ord Community Compensation Plan for FY 2018-2019 not including Capacity Charges

THIS RESOLUTION is adopted with reference to the following facts and circumstances:

WHEREAS, Marina Coast Water District (District) Staff prepared and presented the draft FY 2018-2019 Budget (**Exhibit A**) which includes projected revenues, expenditures and capital improvement projects for the Ord Community Water, Recycled Water and Wastewater systems, including the area within the jurisdiction of FORA and the area remaining within the jurisdiction of the U.S. Army; and,

WHEREAS, FORA is authorized by the FORA Act, particularly Government Code 67679(a)(1), to arrange for the provision of water and wastewater services to the Ord Community; and

WHEREAS, the District and FORA, entered into a "Water/Wastewater Facilities Agreement" ("the Agreement") on March 13, 1998, and have subsequently duly amended the Agreement; and,

WHEREAS, the Agreement provides a procedure for establishing budgets and compensation plans to provide for sufficient revenues to pay the direct and indirect, shortterm and long-term costs, including capital costs, to furnish the water and wastewater facilities; and,

WHEREAS, the Agreement, as amended, provides that FORA and the District will each adopt the annual Budget and Compensation Plan by resolution; and,

WHEREAS, the proposed Budget and Compensation Plan for FY 2018-2019 provides for funds necessary to meet operating and capital expenses for sound operation and provision of the water, recycled water and wastewater facilities and to enable the District to provide continued water, recycled water and sewer services within the existing service areas on the former Fort Ord. The compensation plan adopted by FORA applies only to the area within FORA's jurisdictional boundaries; and,

WHEREAS, to update the capacity charge calculations contained in the 2005 financing study prepared by Citigroup Global Markets Inc., Carollo Engineers prepared a five-year water and wastewater financial plan and rate study in 2013 for the District, which recommended an increase in capacity charges for water and wastewater services to the Ord Community. The District staff provided additional information to Carollo and upon further analysis, Carollo issued in February 2014 revisions which reduced the amount of the proposed new capacity charges and were implemented July 1, 2014; and,

WHEREAS, the Water/Wastewater Oversight Committee and Administrative Committee of FORA and the District Board have reviewed the proposed Budget and Compensation Plan; and,

WHEREAS, pursuant to the Agreement, FORA and the District have adopted and implemented and acted in reliance on budgets and compensation plans for prior fiscal years; and,

WHEREAS, pursuant to the Agreement, FORA and the District have cooperated in the conveyance to the District of easements, facilities and ancillary rights for the water, recycled water and wastewater systems on the area of the former Fort Ord within FORA's jurisdiction; and,

WHEREAS, the District has provided water and wastewater services on the former Fort Ord by contract since 1997, and currently provides water and wastewater services to the area of the former Fort Ord within FORA's jurisdiction under the authority of the Agreement, and provides such services to the portion of the former Fort Ord still under the Army's jurisdiction by contract with the Army; and,

WHEREAS, capacity charges are imposed as a condition of service to customers. The charges are not imposed upon real property or upon persons as an incident of real property ownership; and,

WHEREAS, estimated revenues from the capacity charges will not exceed the estimated reasonable costs of providing the facilities and services for which the charges are imposed; and,

WHEREAS, the capacity charges have not been calculated nor developed on the basis of any parcel map, including any assessor's parcel map; and,

WHEREAS, no written requests are on file with the District for mailed notice of meetings on new or increased fees or service charges pursuant to Government Code Section 66016. At least 10 days prior to the meeting, the District made available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which the fee or service charge is levied and the revenue sources anticipated to provide the service; and

WHEREAS, the amount of the increase in capacity charges exceeds the percentage increase in the Implicit Price Deflator for State and Local Government Purchases, as determined by the Department of Finance. As a result, the District cannot charge the increased capacity fee to any school district, county office of education, community college district, state agency, or the University of California before first negotiating the increases with those entities in accordance with District Code section 6.16.020 and Government Code section 54999.3. Although these sections also apply to California State University at Monterey Bay, the District has complied with its obligation to negotiate with it and can charge the increased amounts to CSUMB as a result of and as limited by a Settlement Agreement and Mutual Release dated June 1, 2006, by which the District and California State University made an agreement regarding the amount of all future capacity charges. Accordingly, the District can charge the increased capacity charges to any other school district, state agency, county office of education, community to CSUMB. The increased capacity charges to any other school district, state agency, county office of education, community college district or the University of California will be effective only when negotiations are concluded with those entities; and,

WHEREAS, after a public meeting, the Board has determined that the capital elements of the Budget and Compensation Plan, including the capacity charges therein, should be adopted as set forth on **Exhibit A** to this Resolution; and

WHEREAS, the capacity charges set forth on **Exhibit A** to this Resolution have NOT increased from those approved in the FY 2015-2016 Budget and Compensation Plan; and,

WHEREAS, the District is acting to provide continued water and sewer service within existing service areas on the Ord Community, and that such action is exempt from CEQA pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273.

NOW THEREFORE the Board hereby resolves that:

- 1. The Board of Directors of the Fort Ord Reuse Authority does hereby approve and adopt the capital elements of the FY 2018-2019 Budget for water, recycled water and wastewater services to the Ord Community.
- The capital elements of the compensation plan for the area of Ord Community within FORA's jurisdiction, including capacity charges, set forth on Exhibit A to this Resolution are hereby approved and adopted. The District is authorized to charge and collect capacity charges for provision of water and wastewater services within the boundaries of the Fort Ord Reuse Authority in accordance with the schedule set forth in Exhibit A. The District is further authorized to use the same charges in providing services to the area of Ord Community within the jurisdiction of the U.S. Army.
- 3. The charges authorized by this Resolution shall not exceed the estimated reasonable costs of providing the services for which the charges are imposed.
- 4. The District will comply with the requirements of Government Code section 54999.3 before imposing a capital facilities fee (as defined in Government Code section 54999.1) on any school district, county office of education, community college district, the University of California or state agency. The District has negotiated and entered into that certain Settlement Agreement and Mutual Release dated June 1, 2006, with California State University.

Upon motion by \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing Resolution was passed on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_, by the following vote:

AYES: NOES: ABSTENTIONS: ABSENT:

ATTEST:

Mayor Ralph Rubio, Chair

Michael A. Houlemard, Jr., Clerk