Building Removal Program

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Overview

- Building Removal Program
- Cost Estimate
- Financing Plan
- Recommendation
Remaining Building Removal
Why study options to take down remaining buildings?

- Eyesore to our community
- Inhibits base reuse within urbanized Army footprint
- Public safety (arson, student safety, emergency response)
  - Idle buildings may attract youth and other groups
  - Property and infrastructure maintenance costs to bar entry
  - Public health (hazardous lead paint, asbestos, etc.)
Remaining Buildings

- Seaside Surplus II (Remaining 10 buildings) ($10 M)
- Marina Cypress Knolls + ($14 M)
- TAMC, MST + ($6 M)
- Marina City Park in Dunes Specific Plan + ($10 M)
- County Ammo Supply Point (bunkers remain) + ($2 M)
- Overhead (Operations, oversight) (5 years) + ($4.8 M)

Building Removal Cost Estimate ($46.8 M)
Financing Plan

Building Removal Cost Estimate ($46.8 M)
FORA Property Tax Bond FY 18/19 + $31 M
Remaining Building Cost ($15.8 M)
FORA Land Sales Proceeds in FY 19/20 +$21.2 M
Land Sales remaining to fund CIP $5.4 M
How can we develop a building removal program that realistically relies on lands sales?

Is FORA allowed to bond post 2020?

What are the legal and financial risks associated with the building removal program?
• FORA property tax has been a growing revenue source in recent years due to growing development on former Fort Ord.

• FORA would need financial and legal expertise to analyze the feasibility of borrowing against future property taxes.
Recommendation

- Authorize the Executive Officer to solicit and execute service contracts for a financial advisor and bond counsel to explore the feasibility of bonding FORA property tax to complete additional base-wide building removal.