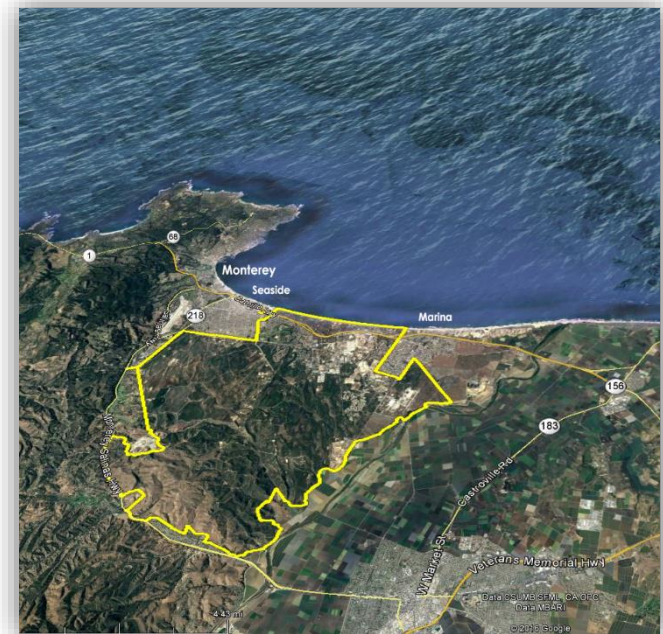


Transition Task Force

August 30, 2017

*Steve Endsley, Assistant Executive Officer
Sheri Damon, Prevailing Wage/Risk Coordinator*

- **Task 1: Obligation/Liability Distribution Methodology**
 - Goals
 - *Fair and Equitable*
 - Methodology
 - *Target Completion: July 1*
- **Task 2: Infrastructure Assignment/Priorities**
 - *Target completion: August 1*
- **Task 3: Financing**
 - *Target completion: September 1*
- **Task 4: Organizational**
 - *Target completion: October 1*



Task 1: Recommendations

1. Adopt Goals (**General Consensus**)
2. Use **Future Buildout Percentage for Real Property** based Obligation/Liabilities
3. Use **Voting Percentage for Non-Real Property** Administrative Obligation/Liabilities

- **Land Use Authorities:**

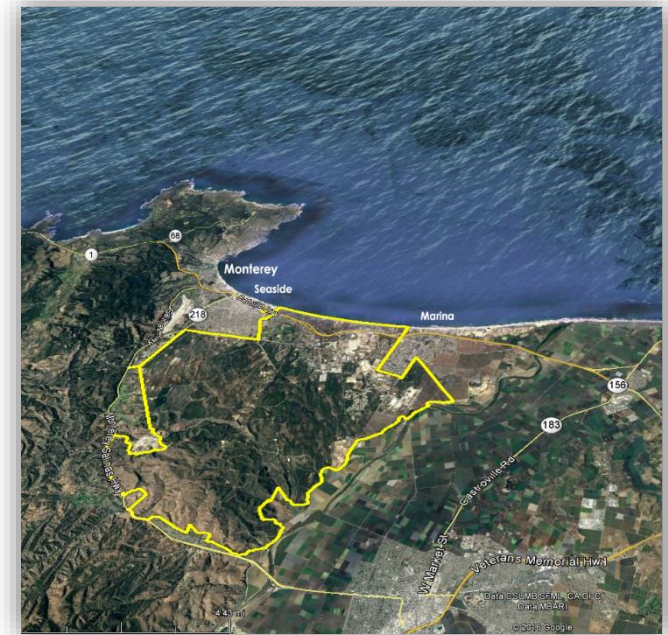
- Implement BRP Economic Recovery
- Implement BRP Mitigations
- Implement BRP Policies, including but not limited to, affordable housing and/or jobs/housing balances
- Collaborate to Maximize/Leverage Regional Resources
- Commit to Fair and Equitable Distribution and Contribution

- **FORA:**

- Implement recovery/mitigation/ building removal prior to sunset
- Minimize successor liability



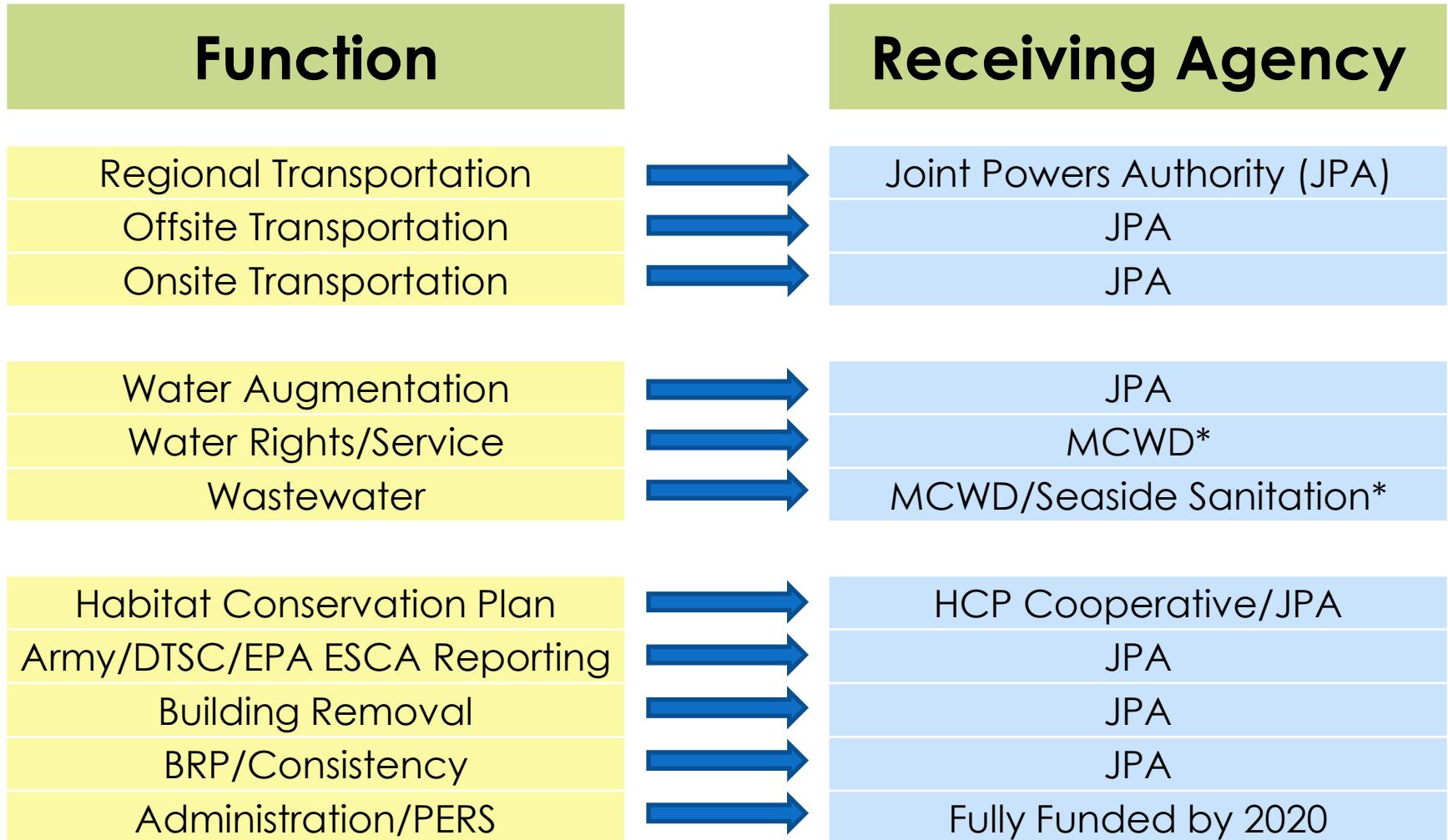
- **Regional entity to manage basewide obligations**
- **Board resized to land-holding jurisdictions**
- **Lean staff reduces long-term administrative liabilities (CalPERS)**
- **May avoid nexus/fairness issues**
- **Retains relationships with Regulatory Agencies**
- **Increases likelihood of fully implementing remaining FORA Program**



Task 2: Recommendations

- Assign outstanding FORA program to Single Entity (JPA?) and seek legislative authorization of FORA's CFD/powers to successor entity.
(General Consensus)

Task 2: Single Agency Function Transfers



Transition Summary

Major Obligations	Assignments	2020	2028
Expenses			
Transportation/Transit	Jurisdictions – On-site and Off-site projects; TAMC – Regional Projects and Transit	\$115.5M	0
Water Augmentation	MCWD/MRWPCA	\$17.8M	0
Habitat Management	Fort Ord Habitat Cooperative (JPA)	\$46.2M	0
Sub-Total		\$179.5M	0
ESCA Program	New JPA or County	\$7-10M*	0
Total		\$189.5M	\$0M

Revenues		
CFD	Unassignable (Jurisdictions can enact new fees) May be amended by resident vote	
Land Sales	Land sales revenues to jurisdictions	
Property Tax Formula	Different Property Tax Formula by Jurisdiction	

Task 3: Recommendations

- Allocate a **fair and equitable amount** to each Jurisdiction to complete the remaining FORA Program (**General Consensus**)
- Direct collections/payments to JPA or equivalent entity

Task 4 Recommendation

Recommend Creation of Single Entity JPA to
implement the remaining FORA Program
(General Consensus)

Allocate Fair and Equitable Share Calculation

- Use **Future Buildout Percentage for Real Property** based Obligation/Liabilities
- Use **Voting Percentage for Non-Real Property** Administrative Obligation/Liabilities

Methodology Comparison

	Future Buildout	Water Allocation	Average (Buildout/Water)	Voting
Carmel				8%
County	16%	21%	19%	23%
CSUMB	0%	0%	0%	0%
Del Rey				
Oaks	13%	7%	10%	8%
Marina	37%	39%	38%	15%
Monterey	0%	2%	1%	8%
Pacific Grove			0	8%
Salinas			0	8%
Sand City			0	8%
Seaside	29%	30%	30%	15%
UC MBEST	5%	0	3%	0%
Totals	100%	100%	100%	100%

Sample Post-2020 Jurisdictional Liability Allocations

	FUTURE BUILDOUT	FORA PROGRAM (Buildout)	AVERAGE (Buildout+Water)	FORA PROGRAM (Average)	VOTING	ADMIN
		\$ 179,500,000		\$ 179,500,000		7,000,000
Carmel					8%	\$ 538,462
County	16%	\$ 28,720,000	19%	\$ 33,207,500	23%	\$ 1,615,385
CSUMB	0%	\$ -	0%	\$ -	0%	\$ -
Del Rey						
Oaks	13%	\$ 23,335,000	10%	\$ 17,950,000	8%	\$ 538,462
Marina	37%	\$ 66,415,000	38%	\$ 68,210,000	15%	\$ 1,076,923
Monterey	0%	\$ -	1%	\$ 1,795,000	8%	\$ 538,462
Pacific Grove		\$ -		\$ -	8%	\$ 538,462
Salinas		\$ -		\$ -	8%	\$ 538,462
Sand City		\$ -		\$ -	8%	\$ 538,462
Seaside	29%	\$ 52,055,000	30%	\$ 53,850,000	15%	\$ 1,076,923
UC MBEST	5%	\$ 8,975,000	3%	\$ 4,487,500	0%	\$ -
Totals	100%	\$ 179,500,000	100%	\$ 179,500,000	100%	\$ 7,000,002

Sample Post-2020 Jurisdictional Liability Allocations

	FUTURE BUILDOUT	FORA PROGRAM (Buildout)	AVERAGE (Buildout+Water)	FORA PROGRAM (Average)	VOTING	ADMIN
		\$ 179,500,000		\$ 179,500,000		0
Carmel					8%	\$ -
County	16%	\$ 28,720,000	19%	\$ 33,207,500	23%	\$ -
CSUMB	0%	\$ -	0%	\$ -	0%	\$ -
Del Rey						
Oaks	13%	\$ 23,335,000	10%	\$ 17,950,000	8%	\$ -
Marina	37%	\$ 66,415,000	38%	\$ 68,210,000	15%	\$ -
Monterey	0%	\$ -	1%	\$ 1,795,000	8%	\$ -
Pacific Grove		\$ -		\$ -	8%	\$ -
Salinas		\$ -		\$ -	8%	\$ -
Sand City		\$ -		\$ -	8%	\$ -
Seaside	29%	\$ 52,055,000	30%	\$ 53,850,000	15%	\$ -
UC MBEST	5%	\$ 8,975,000	3%	\$ 4,487,500	0%	\$ -
Totals	100%	\$ 179,500,000	100%	\$ 179,500,000	100%	

Fair and equitable share means a financial contribution to FORA to be applied toward a jurisdiction's share of basewide mitigation measures and basewide costs.

- A. Land sale or lease proceeds (50%)
- B. FORA tax share health-safety code 33492.70
- C. FORA fees and assessments
- D. Less jurisdiction performance of basewide mitigation measures and/or costs

Allocate Fair and Equitable Share Calculation

- Use **Implementation Agreement** formula for **Real Property** based Obligation/Liabilities
- Use **Voting Percentage for Non-Real Property** Administrative Obligation/Liabilities

Transition Plan:

- Create Single entity successor (JPA)
- Transfer remaining FORA program to Single entity successor
- Seek extension of CFD/powers to successor
- Utilize Implementation Agreement/Percentage assignment for jurisdiction's fair and equitable contribution to successor to complete FORA program

DISCUSSION