

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject: Transition Task Force - Update

Meeting Date: June 9, 2017

Agenda Number: 7d

INFORMATION/ACTION

RECOMMENDATION:

Accept Transition Task Force update

BACKGROUND/DISCUSSION:

This report provides an update from report provided to the Fort Ord Reuse Authority ("FORA") Board on May 12, 2017. The history and background of the Transition Task Force ("TTF") was presented in that same May 12, 2017 report. Since that report, the TTF has met twice, once on May 9, 2017 and once on May 24, 2017. The next TTF meeting is currently scheduled for June 14, 2017.

As previously outlined to the Board, the 2017 TTF charge focuses on building consensus for; a) a methodology of allocating obligations and assets (Task 1), b) a methodology for determining priority of infrastructure improvements and modification (Task 2), c) financing mechanisms (Task 3) and d) a form or structure for a transition entity (Task 4). The target date to receive consensus on Task 1 is July 1, 2017, Task 2 by August 1, 2017, Task 3 by September 1, 2017 and Task 4 by October 1, 2017. The goal is to bring a consensus recommendation to the FORA Board by December 8, 2017. It is anticipated that once approved by the Board, these consensus items will form the basis for a Transition Plan Agreement which will be drafted and finalized between the various parties during 2018 to coincide with the Local Agency Formation Commission process.

At the May 9, 2017 meeting the TTF was presented with opportunity to form consensus on a set of Goals to accomplish in the transition plan. Predominantly, these goals are comparable to those set by both the FORA Board and codified in the Implementation Agreements. Additionally, on May 9, 2017, the TTF was presented with potential alternatives to calculate the fair and equitable share of outstanding obligations and assets. These potential alternatives included calculation of a percentage share based upon New Residential Development, Future Buildout, Water Allocation, Acreage, and Voting Percentage. Collectively, the goals and methodology of allocating obligations and assets form **Task 1**. The TTF was also presented with initial information regarding **Task 2** utilizing the on-site and off-site transportation as an example. It was explained that most likely the Regional Transportation portion of the FORA capital improvement program would be returned to Transportation Agency of Monterey County ("TAMC"), water to Marina Coast Water District and Monterey Regional Water Pollution Control Agency and Habitat to the Habitat Cooperative. How these handoffs occur and how they may be fairly and equitably financed will be addressed in Task 3. The project list was presented with anticipated lead agency assignments as well as how to apply the proposed percentage methodology to determine contributions. At the May 9, 2017 meeting, staff was directed to bring back

additional information and no consensus was reached on the presentation. The TTF materials for the May 9, 2017 meeting can be found on the FORA webpage at: http://www.fora.org/TTF/Presentations/TTF_Presentation_050917.pdf.

At the May 24, 2017 meeting, the TTF was again provided opportunity to form consensus on a set of "policy" Goals to accomplish the transition plan. Additional information and considerations were provided to the TTF in forming consensus and selecting a methodology by which to allocate outstanding obligations/liabilities post FORA. Some of those considerations included both elaboration on the source and definition of the concept of **Fair and Equitable** (as outlined in the FORA Act and the Implementation Agreements) and what that means in the context of the transition plan for FORA. The concept of **Revenue sharing** was also outlined as described in state legislation (FORA Act). During those discussions and prior to the meeting, TAMC representatives requested the floor to present information on its role and ability to manage, Regional, on-site and off-site roadway projects utilizing a nexus analysis – which was accepted. TAMC noted that a new regional impact fee or a new fee based upon nexus **could not** be applied to already approved and entitled development. Information was presented that the most recent Transportation Study prepared and managed by TAMC and approved by the TAMC Board indicates that utilizing a nexus approach is substantially higher (\$203M) than FORA's current capped share of (\$130M). TAMC staff noted that the actual cost and numbers are yet to be finalized but will be in a future study. Nonetheless, certain TTF members requested that TAMC make a nexus presentation on roadway projects within the FORA Transportation network at the June meeting. TTF members made comments that perhaps a new goal should be added about meeting the regional affordable housing target and much discussion was had about the concept of Fair and Equitable and how it is applied at the former Fort Ord vs. in other fee structures. Multiple members made comments that perhaps a FORA lite extension might be in order – contrasting the amount of effort required to replace the structures in place. No consensus was formed at this meeting and requests were made to bring back additional information. The materials for the May 24, 2017 meeting can be found on the FORA web page at: http://www.fora.org/TTF/Presentations/TTF_Presentation_052417.pdf

The next TTF meeting is currently set for June 14, 2017 at 3:00 p.m.

FISCAL IMPACT:

Reviewed by the FORA Controller 

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

COORDINATION:

TTF

Prepared by D. Steven Endsley
D. Steven Endsley

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