

**BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY OF THE COUNTY OF MONTEREY**

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MEETING: May 11, 2010	AGENDA NO.: 30
SUBJECT: Acting as the Board of Directors of the Redevelopment Agency of the County of Monterey: <ul style="list-style-type: none">a. Approve an Exclusive Negotiating Agreement (ENA) with Monterey Downs, L.L.C for the development of approximately 450 acres in the Parker Flats area of the former Fort Ord; andb. Direct the Auditor-Controller's Office and the County Administrative Office to amend the FY 2009-10 Budget to increase revenues and appropriations in Fund 173, Unit 8213 (Fort Ord Redevelopment Project) by \$40,000 (4/5 vote required).	
DEPARTMENT: RMA - Redevelopment & Housing Office	

RECOMMENDATION:

It is recommended that the Board of Supervisors, acting as the Board of Directors of the Redevelopment Agency of the County of Monterey:

- a. Approve an Exclusive Negotiating Agreement (ENA) with Monterey Downs, L.L.C for the development of approximately 450 acres in the Parker Flats area of the former Fort Ord; and
- b. Direct the Auditor-Controller's Office and the County Administrative Office to amend the FY 2009-10 Budget to increase revenues and appropriations in Fund 173, Unit 8213 (Fort Ord Redevelopment Project) by \$40,000 (4/5 vote required).

SUMMARY

The purpose of the ENA is to facilitate the negotiation of a future Disposition and Development Agreement (DDA) for development of a mixed use development including a maximum of 450 acres within the former Fort Ord.

DISCUSSION:

The Monterey County Redevelopment Agency first approved an ENA with Monterey Horse Park group, a non-profit organization, including 375 acres in December 2005. The project proposed development of a multi-discipline equestrian facility. Due to inability of the Horse Park group to meet its obligations, the ENA expired in February 2009.

Following expiration of the ENA, a private development group, Monterey Downs, LLC has advanced a modified development proposal for the area. The project proposal is to develop 450 acres with a privately-owned training facility, housing, a mixed use retail/commercial center with a 6,500 seat covered arena, and a hotel. The original non-profit horse park concept has been consolidated into one-quarter of the original site development program. The overall development proposal includes property owned by Monterey Salinas Transit (MST), the Army, in addition to land located within the City of Seaside identified as the endowment parcel to be developed in

support of the Fort Ord Veterans Cemetery. Although the entire program will be evaluated as part of the ENA process, future DDA Negotiations will be focused on parcels to be under the ownership of the Redevelopment Agency.

The recommended ENA is divided into two phases. In Phase One, the developer will be responsible for preparing a comprehensive project description and site development program, market study, and development pro forma. The Agency will review this information to determine whether or not the project is feasible. If the project is viable, the Agency will enter into Phase Two of the ENA and negotiate a Disposition and Development Agreement (DDA) including land sale price, project phasing, and other issues. The ENA provides for a total negotiation period of up to eighteen months.

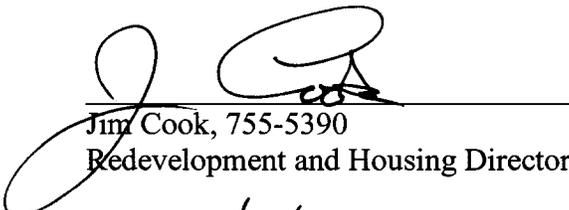
OTHER AGENCY INVOLVEMENT:

The Fort Ord Subcommittee of the Board of Supervisors supports the recommendation. County Counsel has reviewed the ENA and approved it as to form.

FINANCING:

The cost of negotiating the Exclusive Negotiating Agreement and DDA will be funded through funds provided by the Monterey Downs Developer. The ENA provides for an initial deposit of \$300,000 to fund the Phase One negotiation process. All funds will be deposited into Fund 173, Unit 8213. It is estimated that costs of processing the agreement will be \$40,000 in the deposit, \$260,000 will be appropriated into the FY 2010-11 by separate action.

Prepared by:



Jim Cook, 755-5390
Redevelopment and Housing Director

Date: 5/3/10

Attachments: Map of Land Use Plan with Trial Circulation and Connectivity; and
Exclusive Negotiation Agreement (ENA)