

Attachment A

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MEMORANDUM

**COUNTY ADMINISTRATIVE OFFICE
COUNTY OF MONTEREY**

DATE: February 3, 2020

TO: FORA Administrative Committee Members

CC: Carl Holm, Resource Management Agency Director
Melanie Beretti, Property Administration/Special Programs Manager
Wendy Strimling, Senior Deputy County Counsel

FROM: 
Nicholas E. Chiulos, Assistant County Administrative Officer

SUBJECT: Assumption of ESCA and LRA Responsibilities

The Fort Ord Reuse Authority (FORA) has been considering designating the City of Seaside as the FORA successor for Environmental Services Cooperative Agreement (ESCA) responsibilities. A separate question is which entity, if any, would be designated the successor to FORA as the federally recognized "local redevelopment authority" (LRA) under that certain *Memorandum of Agreement between the United States of America and the Fort Ord Reuse Authority for the Sale of Portions of the Former Fort Ord*, as amended (the "Economic Development Conveyance" or "EDC"). Recent discussions involving FORA, and the City of Seaside with the Army and other Federal officials indicate that along with the ESCA responsibilities, have resulted in the proposal that the successor to FORA under the ESCA would also assume the LRA role. While County staff have been generally supportive in concept of designating Seaside as the LRA staff has identified a number of questions that should be resolved as part of any decision to designate Seaside as the LRA. County staff recommends that Seaside, County, and the other land-holding jurisdictions discuss the questions outlined below and enter into an agreement that addresses these issues as part of the designation of Seaside as the LRA.

The relevant questions include the following:

- What specific properties in the former Fort Ord remain to be transferred, and which underlying jurisdictions are to receive these properties from the LRA?
- FORA received 50% of the proceeds of land sales and included the revenue from sales in the CIP for regional infrastructure. If Seaside is appointed into these roles, what is their proposal for distribution of revenues from the sale or lease proceeds of these parcels?
- What would be the administrative responsibilities of the LRA?
- Seaside has previously stated that they are willing to accept the ESCA and associated responsibilities as long as they don't have to contribute City general funds to achieve these objectives. A series of question are raised about cost and funding:
 - Is Seaside still taking the position that it will not use City General Fund to carry out the ESCA? Is Seaside also taking the position that it would not contribute City General Fund to carry out the duties of LRA?
 - Has Seaside developed a budget to carry out its responsibilities under ESCA?

- Has Seaside developed a budget to carry out its responsibilities as the LRA under the EDC?
- Has the budget been discussed with the Army and other Federal agencies and has the Army agreed to provide funding to enable Seaside to adequately carry out its responsibilities, both as the ESCA successor and as the LRA?
- How will any potential future unfunded cost be funded?
- Will Seaside use proceeds of land sales and leases to offset unfunded costs, or will they look for contributions from other local agencies?

The following questions relate to the assumption of future water and wastewater allocation responsibilities which, under the EDC between the Army and FORA are assigned to the LRA:

- Will there be a multi-jurisdictional approach if Government's Water Rights and Wastewater Discharge Rights become available under section 5.02 of the EDC? If yes, what is envisioned as the approach (e.g. criteria)?
- Can the interested parties reach agreement on meaning or process for "equitable allocation" of water under sections 5.03 and 5.04 of the EDC, prior to the official designation of the City of Seaside as the LRA successor to FORA?

County staff is looking forward to discussion about these questions with the members of the FORA Administrative Committee.