

MONTEREY COUNTY

THE BOARD OF SUPERVISORS



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June 29, 2019

The Honorable Bill Monning
California State Senate
State Capito, Room 4040
Sacramento, CA 95814

RE: SB189 (Monning) Fort Ord Reuse Authority: member agencies: land use and zoning:
dissolution Amended June 17, 2019 – Support if Amended

Dear Senator Monning:

On behalf of the Board of Supervisors, I would like to thank you again for your continued efforts to ensure an effective transition of the Fort Ord Reuse Authority (FORA) through your work on SB189. We especially want to thank you for amending SB189 on June 17 to retain the property tax distribution formula contained in Health and Safety Code Section 33492.71. This property tax distribution is of great importance to the fiscal health of the County of Monterey and also to the Monterey County Regional Fire District.

On June 25, 2019, the Board of Supervisors reviewed SB189 as amended. During discussion regarding SB189, Board members expressed a desire to continue to work with you to refine the bill language. Accordingly, a majority of the Board voted to continue to take a “support if amended” position. We urge you to take into consideration these continuing areas of concern by the Board as noted below:

1. Weighted Voting

A majority of the Board continues to support amendment of SB189 to retain weighted voting on the FORA Board of Directors due to the significant proportion of financial responsibility the County would retain under SB189. The County continues to request that you consider a weighted vote distribution as follows:

County of Monterey	3 votes
City of Seaside	2 votes
City of Marina	2 votes
City of Monterey	1 vote
City of Del Rey Oaks	1 vote

2. Extend the Community Facilities District (CFD) Beyond June 30, 2022.

A majority of the Board continues to view the CFD as a critical revenue stream to support regional recovery efforts since the closing of Fort Ord, a recovery that is taking far longer than originally contemplated when FORA was established and subsequently extended. While substitute funding mechanisms could be implemented by local jurisdictions, it is quite possible if not likely that the CFD will not be fully replaced by June 30, 2022, further challenging regional recovery efforts. The County continues to believe that it is possible to extend the CFD without needing to extend FORA beyond its dissolution.

Within the county's jurisdiction, an estimated \$11.8 million in FORA CFD revenue is projected to be generated post June 30, 2020 from the entitled East Garrison project. If the current version of SB189 were to pass and become law, collection of the CFD fees would continue until June 30, 2022. This extension would enable the County to collect an estimated \$5.9 million over the two-year period; however, the County would still be faced with the loss of the remaining \$5.9 million in CFD revenue estimated to be generated post-2022. An extension of the FOR A CFD to enable continued collection of the fee for currently entitled development would assure those revenues are not lost to the County and the region.


It should be noted that the envisioned Habitat Conservation Plan and Joint Powers Authority to administer the program takes a regional approach toward facilitating continued redevelopment and use of the former Fort Ord, while enabling a holistic approach to protect and conserve the biological resources and protected species in the area. The FORA CFD provides a valuable regional fee collection mechanism to link future funding to development impacts for habitat protection.

3. Extension Time Frame

A majority of the Board continues to support amendment of SB189 to extend some version of FORA for not fewer than 6 years and up to 10 years. This would allow sufficient time for the region to further recover from the closure of Fort Ord. It will also help to stabilize critical FORA staffing functions vital to achieving full recovery in the region.

In closing, we again thank you for amending SB189 to retain property tax distribution per Health and Safety Code Section 33492.71. We continue to greatly appreciate the productive discussions we have had with your office. Pursuant to Board direction, our staff stands ready to continue to work with your office to refine SB189 as described above. Our Board has directed staff to return with an update on SB189 at our July 9, 2019 meeting.

Sincerely,



John M. Phillips
Chair, Board of Supervisors

cc: Luis Alejo, Supervisor District 1
Chris Lopez, Supervisor District 3
Jane Parker, Supervisor District 4
Mary Adams, Supervisor District 5
Senator Anna Caballero
Assemblymember Robert Rivas
Assemblymember Mark Stone
Michael Houlemard, Executive Officer, Fort Ord Reuse Authority (FORA)
Bruce Delgado, Mayor, City of Marina
Ian Oglesby, Mayor, City of Seaside
Mary Ann Carbone, Mayor, City of Sand City
Alison Kerr, Mayor, City of Del Rey Oaks
Clyde Roberson, Mayor, City of Monterey
Dave Potter, Mayor, City of Carmel-by-the-Sea
Bill Peake, Mayor, City of Pacific Grove
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Jennifer Capitolo, Nossaman
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Charles McKee, County Counsel, County of Monterey
Wendy Strimling, Senior Deputy County Counsel, County of Monterey
Carl Holm, RMA Director, County of Monterey
Melanie Beretti, RMA Service Manager, County of Monterey
Carlos Urrutia, RMA Management Specialist, County of Monterey