



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Report

Legistar File Number: 18-983

September 25, 2018

Introduced: 9/20/2018

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Consider County recommendations to the Fort Ord Reuse Authority (FORA) regarding the FORA Transition Plan, including:
 - 1. A request for legislation to extend FORA through 2028, with certain modifications and a gradual transition of duties to successor agencies;
 - 2. The preliminary recommendations of the Fort Ord Committee on the Transition Plan; and
- b. Provide direction to staff.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Consider County recommendations to the Fort Ord Reuse Authority (FORA) regarding the FORA Transition Plan, including:
 - 1. A request for legislation to extend FORA through 2028, with certain modifications and a gradual transition of duties to successor agencies;
 - 2. The preliminary recommendations of the Fort Ord Committee on the Transition Plan; and
- b. Provide direction to staff.

SUMMARY:

Pursuant to Government Code section 67700, the Fort Ord Reuse Authority (FORA) is to be dissolved as of June 30, 2020, and the FORA Board is required to "approve and submit a transition plan to the Monterey County Local Agency Formation Commission" on or before December 30, 2018. FORA staff released a Draft Transition Plan (dated June 5, 2018), and the FORA Board is currently anticipated to take a first vote on a transition plan on September 28, 2018. The Fort Ord Committee of the Board of Supervisors held several meetings to discuss the Transition Plan from the County perspective and suggested that the Board of Supervisors conduct an informational workshop on September 11, 2018 and return on September 25, 2018 to consider the Fort Ord Committee's recommendations on the Draft Transition Plan.

On September 11, 2018, the Board of Supervisors received a report and provided direction to staff regarding FORA's Transition Plan and the transition planning process. The Board took the following actions:

- 1. Directed staff to develop language and recommendations to support a legislative extension of FORA, or of a modified version of FORA, with the rationale for why an extension is necessary;
- 2. Directed staff to present clear options for the Board to consider regarding FORA's extension, modified extension and Draft Transition Plan; and
- 3. Voted not to support requesting that the FORA Board of Directors delay its first vote on the Draft Transition Plan which is currently anticipated on September 28, 2018.

Pursuant to the Board's September 11 direction, this report analyzes and makes recommendations with respect to extension. With respect to extension, it is recommended that the Board of Supervisor consider the following:

- Seek legislation to extend FORA through 2028, with a gradual transition of duties to successor agencies, per the Transition Plan, and create the mechanisms required to implement such gradual transition, as soon as practicable;
- Include, as part of legislation to extend FOR A, certain administrative solutions to improve the efficacy of the FORA Board of Directors; and
- Seek transition options that identify successor entities, steps to achieve transition, and practicable timeline for completion of the transition.

Extension through 2028 with a gradual transition of duties allows the region to keep the CFD viable, have FORA perform the regional fair-share funding role, and complete the Environmental Services Cooperative Agreement (ESCA) responsibilities. Targeted administrative fixes to the Board structure and authority could be included with the extension legislation to minimize or eliminate certain inefficiencies to implementing the Base Reuse Plan (BRP) (e.g. reducing situations that trigger a second vote, reducing membership). The gradual transition option with administrative solutions offers a viable process for the dissolution of FORA in an orderly manner, giving affected agencies time to transition FORA's responsibilities and activities, and address some of the outstanding issues identified.

Additionally, staff recommends that the Board consider whether to make any recommendations with respect to FORA's Transition Plan in the meantime. Unless and until state legislation is passed to extend FORA, existing state law requires FORA to submit a transition plan to LAFCO by the end of 2018. Given the timing of state legislation, it is likely that FORA will vote on and submit a transition plan for FORA's dissolution prior to the Legislature acting upon a proposal for extension of FORA. The Fort Ord Committee of the Board of Supervisors considered several of the transition issues in depth and requested staff to forward the Committee's recommendations to the full Board for consideration. Accordingly, this staff report also summarizes the Fort Ord Committee's recommendations with respect to issues presented in FORA's June 5, 2018 Draft Transition Plan.

Fort Ord Committee preliminary recommendations to the FORA Transition Plan include:

- Transition Plan should provide a roadmap and schedule for tasks to be accomplished by June 30, 2020;
- Pursue the Base-wide Habitat Conservation Plan (HCP) and establish HCP Joint Powers Authority (JPA) as soon as practicable, and if the HCP/JPA are not complete by a date certain (e.g. June 30, 2019) pursue a new multi-jurisdictional JPA to manage Habitat Management Plan (HMP) responsibilities and be the recipient of the funds that have been set aside by FORA for habitat;
- Support Transportation Agency of Monterey County (TAMC) becoming responsible for regional roads, and underlying jurisdictions assume responsibility for roadways within the respective jurisdiction pursuant to General Plan policies where adopted policies are consistent with the BRP; and
- Additionally, the FORA Board should reconsider the use of Capital Improvement Plan (CIP) funds prior to dissolution in the remaining two years, prioritizing projects that are near

completion or ones that do not have a direct nexus to development or other criteria.

DISCUSSION:

The Fort Ord Reuse Authority was established by the Fort Ord Reuse Authority Act (Government Code sections 67650 - 67700; the “Act”). Unless the Legislature amends the Act, the Act becomes inoperative when 80 percent of the former Fort Ord has been developed or reused consistent with the Base Reuse Plan or on June 30, 2020, whichever occurs first. This existing statutory mandate is the basis of the projected dissolution of FORA on June 30, 2020, absent a legislative extension. Also, the Act itself is “repealed” as of January 1, 2021 (Gov’t Code sec. 67700(a)), which presents legal issues as to what legal obligations would remain after the repeal. For the Board of Supervisors’ consideration, this staff report outlines options and issues for extension of FORA in some form and options with respect to the transition in the absence of legislative extension.

Extension Options

FORA’s dissolution as planned for June 30, 2020 is likely to have considerable impacts, many negative, on the County and the region. Some of the issues with a June 30, 2020 dissolution and rationale for extension include the following:

- Loss of Fort Ord Community Facilities District (CFD) Special Tax;
- Loss of a regional entity to ensure fair-share funding and prioritization across jurisdictions post-FORA;
- Munitions clean-up and achieving regulatory clearance via the Environmental Services Cooperative Agreement is highly specialized and has potential regulatory implications; and
- Determining which functions/tasks/activities may transfer (or default) to County, which ones should/will go to others, and what are the terms/considerations needed to ensure the County or other successor can execute.

Some of the issues with respect to extension of FORA include the following:

- The Base Reuse Plan (BRP) was approved twenty years ago and was based on build-out through 2015. If FORA were extended, an issue that may arise is whether the BRP should be reviewed and updated;
- Complete (or near complete) base reuse and redevelopment will likely take decades to realize; and
- Challenges to the efficacy of the FORA Board to plan, finance, and carry out the transfer and reuse of the base in a cooperative, coordinated, balanced, and decisive manner.

Several of the transition issues involve the negotiation of agreements between the various jurisdictions and the possible creation of successor organizations to implement the remaining FORA obligations/activities. None of these tasks will be simple, and they are not likely to be fully achieved by the FORA dissolution date of June 30, 2020. The impacts can be reduced by following a strategy that provides additional time before fully implementing a transition and dissolving FORA, and takes into consideration options to allow FORA’s substantive completion of certain tasks and the organized transition of certain responsibilities to various successors over time.

Legislative options for consideration include, but are not limited to:

- A. Extend FORA, as is, for an additional period of time;
- B. Extend FORA for an additional period of time, with modifications, such as change to the membership and/or elimination of the two-vote requirement for action;
- C. Extend FORA for an additional period of time, with a gradual transition of duties to successor agencies, per a transition plan, and create the mechanisms required to implement such gradual transition, as soon as practicable; or
- D. Other.

Voting Structure

Fort Ord Reuse Authority Act (Government Code Section 67688) provides that “A resolution, ordinance, or other action of the board shall not be approved or adopted sooner than 72 hours after its introduction, unless approved by unanimous vote of all members present at the time of consideration.” This section has been interpreted such that all items that do not pass unanimously on the first vote require a return to the FORA Board for a second vote. This interpretation of this section and application of the two-vote process results in unnecessary delays and significant administrative burden, preventing FORA from operating as an effective governmental structure to plan, finance, and carry out the transfer and reuse of the base in a cooperative, coordinated, balanced, and decisive manner.

Legislative options for consideration include, but are not limited to:

- A. Repeal Section 67688;
- B. Amend Section 67688 to provide clarity and limit the type and nature of board actions that would trigger the need for a second vote; or
- C. Other.

Board of Directors Voting Membership

The Fort Ord Reuse Authority (FORA) has nine jurisdictions that are member agencies and ten ex officio nonvoting agencies. The member agencies and appointed (voting) membership as follows: County of Monterey (3 appointed members); City of Carmel (1); City of Del Rey Oaks (1); City of Marina (2); City of Monterey (1); City of Pacific Grove (1); City of Salinas (1); City of Sand City (1); and City of Seaside (2). It has been discussed that to better facilitate effective governance of FORA, modifications to the voting membership may be needed.

Legislative options for consideration include, but are not limited to:

- A. Limit member agencies to landholding jurisdictions only (City of Del Rey Oaks, City of Marina, City of Monterey, City of Seaside, and County of Monterey); others become ex officio members;
- B. Limit number of votes to one per member agency; or
- C. Other.

Land Use Review

Certain FORA land use review functions are duplicative of local agency review and often add delays or controversy to projects. Examples include consistency determinations of minor plan amendments. Consideration could be given to limiting FORA’s land use authority through legislation, if extended.

Transition Options

The Draft Transition Plan proposes a distribution of responsibilities to various jurisdictions, but the discussions to date acknowledge that there are several unresolved issues and unanswered questions about the impact of the transition plan. It is very unlikely that these questions will be answered prior to the LAFCO submittal deadline. The details will have to be worked out, once LAFCO approves the plan. Several of the transition issues involve the negotiation of agreements between the various jurisdictions and the creation of successor organizations to implement the remaining obligations under the BRP. The process of implementing the transition plan will require a considerable reallocation of County resources or new funding allocations to staff the transition activities. The transition will require staff resources at senior levels and considerable involvement from County Counsel.

The Fort Ord Committee considered a number of the transition issues, and the Committee's recommendations where applicable are noted in the discussion below. In addition to the specific issue areas, the Committee identified the following overall concerns with the transition plan documents that had been released to date by FORA:

- The Plan lacks sufficient detail and information, and is not ready for submittal to LAFCO;
- The Plan should layout clear transition strategy to prepare for FORA's June 30, 2020 dissolution;
- The County is not able to assess the fiscal and legal impacts of the Plan, in part because much of what is proposed requires agreements with and between jurisdiction that have not yet been identified and/or negotiated; and
- Per Government Code section 67700 (unless and until amended), the FORA Transition Plan must assume and prepare for June 30, 2020 dissolution.

Financial Revenue Sources and Fair-Share Funding

Community Facilities District (CFD) Special Tax

Dissolution of FORA will terminate the FORA CFD which is expected to generate \$127,200,000 between June 30, 2020 and June 30, 2028. While this revenue can still be collected if the individual jurisdictions are successful in implementing their own CFDs or other funding mechanisms to replace the FORA CFD, the vehicle for prioritizing regional projects and allocating funds will be gone. If the FORA CFD goes away, new agreements may have to be negotiated between the various jurisdictions and their developers, new CFDs or funding mechanisms will have to be created by the various jurisdictions, and agreements to establish a fair allocation of CFD resources will need to be negotiated between the various jurisdictions. County staff are evaluating the East Garrison agreements to determine potential mechanisms for replacing the CFD post-FORA.

Property Tax

The dissolution of FORA will redistribute the property tax. This could be viewed as advantageous to Monterey County which is expected to receive an additional \$23 million (\$17 million in discounted present value) from the redistribution, between June 30, 2020 and June 30, 2028. While FORA exists, the County receives 25% of the property tax generated within the Fort Ord territory. After dissolution, the County would receive 38%. If FORA dissolves, the County will need to fund its assumed activities, resulting from the dissolution. This will require, at least, some portion of the increased property tax revenue.

Revenues to achieve the BRP will decline by \$64 Million (\$49 million in discounted present value), because FORA will not receive a property tax allocation, after dissolution. If FORA were extended, the redistribution would change based on the length of extension time and can be calculated. Please note that the property tax calculations are based on development projections by the FORA member jurisdictions and are likely to fluctuate based on actual development.

Land Sales Revenue

The proceeds of property sales within Fort Ord are shared 50/50 between the jurisdiction where the property sold is located and FORA. This distribution is mandated by the Authority Act (Government Code section 67678) and the Implementation Agreement between FORA and various jurisdictions, including the Implementation Agreement with County. FORA's share is used to achieve objectives under the BRP, including building removal. There are no property sales projected within the unincorporated County area during the period in question. Thus, County revenues are not impacted. Land sales revenue is an important funding source for FORA and the member jurisdictions with saleable property. FORA's CIP estimates its share of proceeds from land sales to be \$111,861,567 (not discounted to present value). One of the transition issues is how those revenues would be allocated if FORA is dissolved on June 30, 2020. Presumably, if FORA goes away, the FORA share of these revenues will go to the several member jurisdictions where the land sales take place. Jurisdictions would have to agree to share the redistributed 50% for regional objectives. The dissolution of FORA brings up two key issues: 1) Will jurisdictions be willing to contribute a portion of the land sales revenues to regional (BRP) objectives; and 2) Will a sharing plan be successfully implemented before June 30, 2020?

Options for Funding

To the extent feasible, any alternative considered should have the goal of preserving FORA's major revenue sources as well as an effective vehicle to ensure fair-share funding. The CIP adopted by FORA relies on each of these major revenue sources. Each of these revenue sources is volatile and all depend on economic activity taking place. While the CIP concludes that there will be significantly high leftover revenues, the cash flow projection is based on development taking place and land sales forecasts, which may be optimistic and do not account for possible economic downturns. Preserving all revenue sources would provide flexibility and allow the on-going funding of BRP programs, including road construction, habitat management, and building removal.

Options for consideration to protect the major funding streams and ensure fair-sharing include, but are not limited to:

- A. Seek legislation to extend FORA, thereby preserving the major funding sources and regional function to prioritize regional projects and fair-share funding;
- B. Seek legislation to transfer CFD authority to new jurisdiction, i.e. a Joint Powers Agency (JPA). This may be accomplished through amendment of Government Code Section 53368.1, which allows the transfer of a CFD from a County to a City (and vice versa) to authorize a transfer from any legislative body established to implement a base reuse plan to a County, City, or JPA. This could be pursued even if FORA is extended because FORA will go away, eventually;
- C. If FORA dissolves as planned on June 30, 2020, individual jurisdictions could create

- replacement CFDs or other funding mechanisms, and develop interjurisdictional agreements for cost-sharing on projects and activities post-FORA; or
- D. Other.

The Fort Ord Committee recommended further study and analysis of these financial issues, including analysis of the potential for continuation of the CFD if FORA in its current form is not extended.

Environmental Services Cooperative Agreement

The Environmental Services Cooperative Agreement (ESCA) between the Army and FORA requires Army approval of a successor to FORA as the ESCA responsible agency in the event FORA itself is dissolved. The obligations under the ESCA extend through 2028. The ESCA requires the successor to be either Monterey County, Seaside, Marina or a JPA created for the purpose of succeeding FORA's obligations, liabilities and duties under the ESCA. If a JPA is chosen, the JPA will have to be created. Negotiations between the proposed lead agency and the Army will be required, and this will take time and resources. Under a June 30, 2020 transition scenario, whether the County becomes the lead agency or joins a JPA, resources will have to be assigned to understanding and managing the ESCA process. It is likely this process may take longer than June 30, 2020.

Options for ESCA

- A. Seek legislation to extend FORA through 2028, allowing the obligations under the ESCA to be completed prior to dissolution of FORA;
- B. City of Seaside agrees to be the single-entity successor;
- C. County agrees to be the single-entity successor;
- D. City of Seaside and County create a JPA to be the single-entity successor; or
- E. Other.

The Fort Ord Committee recommended that the County Administrative Officer or Assistant CAO conduct informational discussions with the City Manager of Seaside and present that information to the County to inform County's consideration of these options. A meeting with the Seaside City Manager is scheduled for Thursday, September 20, 2018.

Habitat

The United States Army developed the *Installation-Wide Multispecies Management Plan for Former Fort Ord*, dated April 1997 (the "HMP"). The County agreed to fulfill the requirements of the HMP with respect to the former Fort Ord lands that have transferred or will transfer to the County. (Board of Supervisors' Order, dated July 29, 2003, authorizing concurrence with the management requirements of the HMP.)

The HMP enabled Army closure of the former Fort Ord in compliance with the Endangered Species Act (ESA) and established a base-wide framework for species and habitat conservation; however, the HMP did not provide future landowners with "take" authorization under the federal ESA or its state counterpart. FORA has been preparing a Habitat Conservation Plan (HCP) as a means of obtaining base-wide incidental take permits under federal and state law and has been preparing draft environmental review documents under the National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA). A revised HCP timeline was presented to the FORA

Administrative Committee by FORA staff on September 19, 2018, indicating that, if found acceptable by the parties including the County, the HCP could be adopted, JPA formed, and ITPs issued as early as June 2019.

The HCP is expected to require approximately \$60 million in endowment funds. The actual amount needed for the endowment will not be determined until the HCP is adopted. FORA sets aside 30% of CFD funds collected annually for the habitat endowment and expects to have set aside \$21 million by the June 30, 2020 dissolution date. With a FORA extension, it is projected that the CFD would produce the additional funding (estimated at \$46 million) needed to fully fund the endowment by June 30, 2028. If CFD funding is not available, there would not be enough money to fund the HCP endowment as currently conceived.

Without the HCP, jurisdictions with habitat would continue to manage habitat in Fort Ord under provisions of the HMP, which does not provide for Incidental Take Permits (ITP). Each ITP would have to be pursued and funded individually. The County is likely to need take authorization for its projects within Fort Ord including to fulfill HMP management responsibilities. If the HCP is not complete by the FORA dissolution date, a JPA or a similar coalition of jurisdictions could be formed to manage habitat on a collective basis. Creating a JPA would require negotiations between the various jurisdictions. It would be in the County's interest to ensure that if the HCP is not adopted and FORA is dissolved, available funds for habitat management from funds collected under FORA would be distributed to the member agencies. A distribution methodology would have to be agreed upon by the jurisdictions.

Options for Habitat

- A. Comprehensive approach by June 30, 2020 or as soon as practicable: If determined to meet the County's needs and have acceptable terms, adopt a Base-wide Habitat Conservation Plan and Joint Powers Agreement to establish a HCP JPA;
- B. Joint Powers Authority for Habitat Management: Create a new multi-jurisdictional JPA to manage HMP responsibilities and be the recipient of the funds that have been set aside by FORA for habitat responsibilities, estimated to be \$21 million by June 30, 2020;
- C. Should the HCP/JPA fail to be adopted, allow the habitat management activities in the Habitat Management Plan fall to the underlying jurisdictions that own HMP lands. Develop a policy for equitably distributing the funds FORA has set aside for habitat to the jurisdictions with HMP lands; or
- D. Other.

The Fort Ord Committee recommended that effort continue toward adoption of a base-wide HCP (A above), but if by some trigger date (e.g., July 1, 2019) the HCP is not on track for completion by June 30, 2020, then work toward establishment of a JPA to manage HMP responsibilities (B above).

Transportation

With the legislatively-mandated dissolution of FORA in 2020, the Transportation Agency for Monterey County (TAMC) has been coordinating with FORA staff and Transition Task Force on the potential transfer of regional capital improvement program transportation projects to the TAMC fee program. TAMC's 2018 Regional Development Impact Fee Nexus Study Update included an

evaluation of how TAMC could incorporate a Fort Ord Reuse Area zone into the regional fee program. FORA's Draft Transition Plan proposes that FORA's CIP regional roadways transfer to TAMC and be funded through TAMC's nexus-based regional impact fees.

The Draft Transition Plan further proposes for consideration that off-site and on-site FORA CIP transportation projects would fall to the jurisdiction in which the project is located. Several transportation projects included in FORA's CIP lie, partially or wholly, within the unincorporated County area including for example: Reservation Road to Watkins Gate Road and to Blanco Road; Northeast-Southwest Corridor; Intergarrison Road; and Eucalyptus Road improvements. The cost of building unincorporated area CIP-identified roads is currently estimated at \$53,380,000, should the projects be approved. County staff's preliminary analysis indicates that future roadway projects on the former Fort Ord, if they fall to County under FORA's Transition Plan, would be subject to environmental review and review for consistency with County's Fort Ord Master Plan as part of County's exercise of its discretion.

The County has completed environmental review and is acquiring needed right-of-way for improvements to Davis Road south of Blanco Road as part of the County's Davis Road bridge project; this is considered a FORA CIP off-site project. FORA's CIP financial commitment is approximately \$12.9 million to the Davis Road project, and upon FORA's dissolution in 2020 the County could forego approximately \$12 million of anticipated funding from FORA to the project.

Options for Transportation

- A. TAMC becomes responsible for regional roads evaluated as part of a Fort Ord Reuse Area zone in its 2018 Regional Development Impact Fee Nexus Study Update;
- B. FORA Board reconsider the use of CIP money in the remaining two years. Criteria for reprioritization of funding priorities could include prioritizing projects that are near completion or for projects that do not have a direct nexus to development (e.g. Davis Road) or other criteria;
- C. Upon dissolution, underlying jurisdictions assume responsibility for roadways pursuant to General Plan policies (to the extent jurisdictions, such as County, adopted policies consistent with Base Reuse Plan into their General Plans). Each jurisdiction would then have discretion to determine whether to pursue the remaining projects that were not approved as of FORA dissolution. Jurisdictions could enter into agreements for inter-jurisdictional cooperation and fair-share cost-sharing on transportation projects; or
- D. Other.

The Fort Ord Committee recommended a combination of A, B, and C above.

Miscellaneous Agreements

There are approximately 40 agreements which the FORA's Draft Transition Plan proposes to assign to the County. These should be thoroughly reviewed to determine the extent to which FORA would have authority to "assign" such agreements to County without County agreeing to such assignments, and if County were to consider agreeing to such assignments, what obligations, liabilities, and time commitments the County would be undertaking. The County, under its existing structure, will need

time to complete the review and negotiate terms with FORA and other successors for these various agreements. With the exception of the ESCA, there is no funding identified to go with the specific assignments. Staff is not able to calculate the resource impact to the County of these various agreements without a thorough review. Extending FORA for a period may allow the transition of these contracts more gradually and thoughtfully.

Suggested Approach

Seek legislation to extend FORA through 2028, with a gradual transition of duties to successor agencies, per a transition plan, and create the mechanisms required to implement such gradual transition, as soon as practicable.

Include in legislation to extend FORA the following:

- ***Repeal or amend Section 67688 (source of requirement for two votes if first vote not unanimous); and***
- ***Amend Section 67660(a) to include only land-holding jurisdictions as member agencies; other jurisdictions become ex officio nonvoting members.***

Seek transition options that identify successor entities, steps to achieve transition, and practicable timeline for completion of the transition.

FORA could be extended subject to a transition schedule which decreases FORA's role and responsibilities over time. Some of FORA's responsibilities could transition as early as July 1, 2020, others could be scheduled to transition over a period of several years, depending on the nature of the responsibility to be assigned. If possible, it is recommended that legislation extend FORA through 2028 to keep the CFD viable, perform the regional fair-share funding role, and complete the ESCA responsibilities. The transition time frame can be shorter or longer depending on the issues encountered during the transition process.

The gradual transition option offers a viable process for the dissolution of FORA in an orderly manner, giving affected agencies time to transition FORA's responsibilities and activities, and address some of the outstanding issues identified. This approach also provides additional time for resolving issues such as the adoption and approval of the HCP, annexations to the Marina Coast Water District, and completion of ESCA responsibilities or consultation with the Army regarding the transfer of remaining ESCA responsibilities to a single entity. This approach also preserves the CFD, although it may be desirable to pursue legislative authority to transfer the CFD to a JPA as soon as possible.

An example of how such transition may occur is as follows (this is merely for illustrative purposes):

- By July 1, 2020, FORA no longer performs its land use review role. Some contractual obligations are transferred to member agencies. JPA for habitat management (HMP or HCP) is created.
- By July 1, 2021, TAMC assumes responsibility for certain roads within the Transportation Network. Additional administrative responsibilities are transitioned to member agencies.
- By July 1, 2022, water management responsibilities are transitioned.
- By July 1, 2023, FORA's responsibilities are strictly related to ESCA and the administration,

collection, and disbursement of CFD and other major funds.

- By July 1, 2028, if a separate JPA has assumed responsibility for the CFD and possibly other major funds, FORA would sunset.

In the interim, while pursuing legislative extension, develop County recommendations with respect to the FORA Transition Plan which FORA intends to submit to LAFCO by December 30, 2018.

Fort Ord Committee preliminary recommendations to the FORA Transition Plan include:

- Transition Plan should provide a roadmap and schedule for tasks to be accomplished by June 30, 2020, rather than attempt to make assignments or complete agreements by December 30, 2018.
- Regarding Habitat:
 - Pursue the Base-wide HCP and establish HCP JPA as soon as practicable;
 - Should the Base-wide HCP and HCP JPA fail to be adopted by June 30, 2019, create a new multi-jurisdictional JPA to manage Habitat Management Plan (HMP) responsibilities and be the recipient of the funds that have been set aside by FORA for habitat responsibilities, estimated to be \$21 million by June 30, 2020; and
- Regarding Transportation:
 - The Transportation Agency of Monterey County (TAMC) becomes responsible for regional roads evaluated as part of a Fort Ord Reuse Area zone in its 2018 Regional Development Impact Fee Nexus Study Update;
 - FORA Board reconsider the use of CIP money in the remaining two years. Criteria for reprioritization of funding priorities could include prioritizing projects that are near completion or for projects that do not have a direct nexus to development (e.g. Davis Road) or other criteria;
 - Upon dissolution, underlying jurisdictions assume responsibility for roadways pursuant to General Plan policies (to the extent jurisdictions, such as County, adopted policies consistent with Base Reuse Plan into their General Plans), with project approval subject to environmental review, general plan consistency review, and exercise of jurisdiction's discretion.

OTHER AGENCY INVOLVEMENT:

RMA represents the County on the FORA Administrative Committee and has monitored FORA's Transition Planning. Supervisor Adams served on the FORA Transition Taskforce. Supervisors Adams, Parker, and Phillips serve on the FORA Board. The Fort Ord Committee of the Board of Supervisors conducted meetings on June 21, 2018 and August 9, 23, and 24, 2018 to discuss the Transition Plan. County Counsel has provided legal analysis of issues per the Fort Ord Committee's request. The CAO and County Counsel, in addition to RMA, are available to assist and advise the County in the upcoming months regarding the FORA transition.

FINANCING:

The potential impacts, benefits, and costs to the County as a result of the FORA's Transition Plan could be significant depending on the final transition plan, and are a critical component of staff's analysis. County staff time to prepare this report and participate in the Transition Planning process is included in the FY2018-19 Adopted Budget Fund 001-RMA013.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

FORA was established to facilitate the transfer and reuse of the former Fort Ord, to minimize the

disruption caused by the base closure on the local economy, to provide for the reuse and development of the base to maintain and enhance the local economy, and to maintain and protect the unique environmental resources of the base. Managing and preparing for a smooth transition of FORA is vital for protecting County interests and reducing fiscal impacts. Part of the remaining physical infrastructure is located in unincorporated Monterey County.

☒ Economic Development
☒ Administration
☐ Health & Human Services
☒ Infrastructure
☐ Public Safety

Prepared by: Melanie Beretti, Property Administration/Special Programs Manager (x5285) and
Carlos Urrutia, Management Specialist
Approved by: Carl P. Holm, AICP, RMA Director