



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legislation Details (With Board Report)

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| File #: | 20-102 | Name: | FOC ESCA |
| Type: | General Agenda Item | Status: | Agenda Ready |
| File created: | 2/6/2020 | In control: | Fort Ord Committee |
| On agenda: | 2/7/2020 | Final action: | |
| Title: | a. Consider the proposed transfer from the Fort Ord Reuse Authority to the City of Seaside of successor role under the Environmental Services Cooperative Agreement and federal Local Redevelopment Authority role under the Economic Development Conveyance; and b. Provide direction to staff. | | |
| Sponsors: | | | |
| Indexes: | | | |
| Code sections: | | | |
| Attachments: | 1. Attachment A - Memo dated 2/3/20, 2. Report, 3. Attachment B - FORA Admin Comm Item No. 7c | | |

| Date | Ver. | Action By | Action | Result |
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- a. Consider the proposed transfer from the Fort Ord Reuse Authority to the City of Seaside of successor role under the Environmental Services Cooperative Agreement and federal Local Redevelopment Authority role under the Economic Development Conveyance; and
b. Provide direction to staff.

RECOMMENDATION:

- a. Consider the proposed transfer from the Fort Ord Reuse Authority to the City of Seaside of successor role under the Environmental Services Cooperative Agreement and federal Local Redevelopment Authority role under the Economic Development Conveyance; and
b. Provide direction to staff.

SUMMARY/DISCUSSION:

While all required remediation on ESCA-covered lands has been completed, long-term management obligations will remain through 2028: obligations to transfer lands to various jurisdictions and completion of a Site-wide Report deeming all ESCA lands have been remediated. The process of transferring Environmental Services Cooperative Agreement (ESCA) responsibilities from the Fort Ord Reuse Authority (FORA) to the City of Seaside (Seaside) is underway, and Seaside has indicated its willingness to assume the ESCA. Federal authorities have been supportive of such a transfer of responsibilities to Seaside. Should the transfer occur, Seaside intends to employ the current, experienced FORA ESCA staff to complete the obligations.

A separate question remains regarding which entity, if any, would be designated the successor to FORA as the federally recognized “local redevelopment authority” (LRA) under the *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”). The EDC allows the former Army properties to transfer at no-cost to the local jurisdictions; if the LRA function does not transfer, there is a risk that the EDC would terminate and the properties that have not yet transferred would revert to the Army process for disposition of property, which may not result in a no-cost economic development conveyance of those

properties. The LRA must be a single entity, and an LRA must be assigned to carry forward the EDC agreement for the region to retain its ability to receive the remaining ESCA properties and any future water/wastewater allocations that could be made available by the Army.

Recent discussions involving FORA and Seaside with the Army and other Federal officials have resulted in the proposal that the successor to FORA under the ESCA would also assume the LRA role. Seaside staff has expressed the City's willingness to assume the LRA role and associated responsibilities. Seaside staff also expressed concerns about how the assumption may impact the City. While County staff has been generally supportive in concept of designating Seaside as the LRA, they have identified questions that should be resolved as part of any decision to designate Seaside as the LRA. Attachment A is the 2/3/2020 memorandum that the County sent to the FORA Administrative Committee outlining some of the outstanding, unresolved issues warranting further discussion.

Discussions about the above and various issues between the jurisdictions and FORA are ongoing. County staff met with representatives from FORA on February 3, 2020 to discuss these issues and is conducting a review of the materials related to these issues included in the packet for the February 5, 2020 FORA Administrative Committee meeting. Attachment B, the associated staff reports, provides additional background and detail. At the February 5th Administrative Committee meeting, FORA was able to respond to the questions raised by the County and other jurisdictions. The FORA Administrative Committee provided feedback to FORA regarding the proposed FORA-Seaside agreement to designate Seaside as the ESCA and LRA successor, and the Administrative Committee continued the item for further discussion at a Special Meeting set for February 6, 2020, at 10:30 a.m.

Staff is scheduled to bring this item before the Board of Supervisors at its February 11, 2020 meeting to consider supporting the proposed transfer from the Fort Ord Reuse Authority to Seaside of successor role under the ESCA and federal LRA role under the Economic Development Conveyance, subject to an agreement that addresses the County's concerns. The Resource Management Agency (RMA) requests the Fort Ord Committee consider recommending that the Board supports the proposed transfer, and provide direction to staff

OTHER AGENCY INVOLVEMENT:

Supervisors Adams, Parker, and Phillips serve on the FORA Board and Supervisor Phillips serves as Chair of the FORA Legislative Committee. RMA represents the County on the FORA Administrative Committee, which is considering FORA transition matters. The County Administrative Office, the Office of the County Counsel, and RMA are part of the County's FORA transition team.

FINANCING:

It is thought that the ESCA agreement includes sufficient funding for Seaside through the Army's reimbursement program, or FORA's successor if not Seaside, to complete the obligations of the ESCA. Should in the future it be realized that the available funding for whatever reason is insufficient, Seaside could request additional funding from the Army to address any potential shortfall. While no additional costs are anticipated to be incurred by the County as a result of assigning FORA's successor agency for ESCA to Seaside, should Seaside find that the funding is insufficient and not be able to negotiate additional funding from the Army, Seaside could request funding from the jurisdictions. However, there is no obligation for the County to contribute funding per the current form of the agreements.

It is presently unknown what costs may be associated with LRA administration beyond those associated with and funded by the ESCA activities. Staff has requested that Seaside provide cost estimates and proposed funding mechanisms to provide the LRA administration. It is County staff's understanding that Seaside is preparing a funding request to FORA for LRA administration costs; however, it is unknown if FORA has

sufficient funding for the LRA administrative functions to be performed by Seaside.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Continued efforts to ensure the ESCA, EDC, and LRA functions are successfully transferred to a successor entity(ies) upon FORA's dissolution achieves the Board of Supervisors' Strategic Initiative for Economic Development by ensuring that the no-cost clean-up and transfer of properties from the Army to the local jurisdictions is completed.

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

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Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services

Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A-Memorandum to FORA Administrative Committee, dated 2/3/20

Attachment B-2/5/20 FORA Administrative Committee Agenda Item No. 7c