A M E N D E D
A G E N D A

CITY OF SEASIDE
CITY COUNCIL/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY

JOINT SPECIAL MEETING
Council Chamber
440 Harcourt Avenue
Thursday, March 5, 2020
5:00 PM

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1. CALL TO ORDER

2. CITY COUNCIL/SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

Ian N. Oglesby	Mayor/Chair
David R. Pacheco	Mayor Pro Tem/Vice Chair
Jason Campbell	Council/Agency Member
Jon Wizard	Council/Agency Member
Alissa Kispersky	Council/Agency Member

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

Members of the public wishing to address the City Council on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three minutes. Public Comments on specific agenda items are heard under that item. For the public record, please state your name.

5. PRESENTATIONS

A. CORONA VIRUS PREPARATIONS

6. CONSENT AGENDA

A. APPROVE MINUTES FROM FEBRUARY 20, 2020

RECOMMENDATION: That the minutes be reviewed and approved.

B. APPROVE AND FILE SUCCESSOR AGENCY CHECKS

RECOMMENDATION: Approve and file the accounts payable and wired payments made during the period of February 8, 2020 through February 21, 2020 including the payroll and benefits checks, direct deposits and wired payments related to the pay period ending Febrary 13,

2020. Total Accounts Payable and Payroll for the above referenced period is $2,470.00.

C. **APPROVE RESOLUTION AUTHORIZING A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF MARINA, THE CITY OF SEASIDE, AND THE MONTEREY COUNTY REGIONAL FIRE DISTRICT**

RECOMMENDATION: Approve the agreement.

D. **APPROVE A RESOLUTION AUTHORIZING FISCAL YEAR 2020-21 STREET REPAIR PROJECT LIST TO BE FUNDED IN PART WITH SB1: THE ROAD MAINTENANCE REPAIR AND ACCOUNTABILITY ACT OF 2017 FUNDS, AND AUTHORIZING STAFF TO SUBMIT TO THE CALIFORNIA TRANSPORTATION COMMISSION**

RECOMMENDATION: Approve a resolution authorizing staff to submit a revised SB 1 Project List to the California Transportation Commission (CTC), and authorizing the SB1 Project List to be funded in part with fiscal year (FY) 2020-21 Road Maintenance Repair and Accountability (RMRA) Revenues.

E. **ADOPT A RESOLUTION MODIFYING THE 2019-2020 FEE SCHEDULE TO ADD VENDOR FEES SPECIFICALLY FOR THE JULY 4TH EVENT FOR THE AMOUNT OF $161.25 FOR RESIDENTS AND $201.75 FOR NON-RESIDENTS**

RECOMMENDATION: Approve a resolution to modify the 2019-2020 fee schedule to add vendor fees for the July 4th Red, White, & Blues event to $161.25 for residents and $201.75 for non-residents which will help offset some of the cost of the event.

7. BUSINESS ITEMS

A. **AGREEMENT BETWEEN THE CITY OF MARINA, THE CITY OF SEASIDE, AND MONTEREY COUNTY REGARDING POTENTIAL FORA BUILDING REMOVAL BOND ISSUE**

RECOMMENDATION: Authorize execution of agreement between the City of Marina, County of Monterey and City of Seaside regarding distribution of FORA building removal bonds.

8. CLOSED SESSION

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8:

KB BAKEWELL VENTURE: Campus Town
APNs: 031-151-029, 031, 032, 039, 040) and
"26 Acres" (APNs: 031-151-054, 055, 056) land sites.

Negotiator for the City: Craig Malin, City Manager. Under Negotiation: Price, terms of payment or both.

9. ADJOURNMENT

Next Regularly Scheduled Meeting:
March 19, 2020
Seaside City Hall
5:00 PM

The City of Seaside is committed to providing accessible facilities and accommodating people with disabilities in all of its services programs and activities. If special considerations are needed by any person to fully participate in this meeting, contact the City Clerk at 899-6707 no fewer than two business days prior to the meeting to allow reasonable arrangements. The City Council chamber is equipped with a portable microphone and assisted listening devices are available at all meetings. City Council Meetings that are held in the City Council Chambers are broadcast live to all Seaside residents on Comcast Channel 25 and U-verse Channel 99. Live streamed meeting videos as well as videos of past meetings are available on the City's website at: http://www.ci.seaside.ca.us/129/City-Council-Committee-Agendas

Agenda-related writings or documents provided during public meetings are available for public inspection during the meeting or from the office of the City Clerk. This agenda is posted in compliance with California Government Code Section 54954.2(a) or Section 54956.

DRAFT MINUTES

CITY OF SEASIDE	JOINT SPECIAL MEETING
CITY COUNCIL/SUCCESSOR	Council Chamber
AGENCY TO THE REDVELOPMENT	Thursday, February 20, 2020
AGENCY	5:00 PM

1. **CALL TO ORDER**
   The meeting was called to order at 5:00 p.m.

2. **CITY COUNCIL/SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE**
   PRESENT: Oglesby, Pacheco, Wizard, Kispersky
   ABSENT: Campbell

3. **PLEDGE OF ALLEGIANCE**

4. **PUBLIC COMMENT**
   None.

5. **CLOSED SESSION**
   City Attorney read the closed session items. There was no report.

   A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8:

   1. Former Army Building 4481 (Southwest corner of Colonel Durham Street and Parker Flats CutOff Road, Seaside)
   2. Disposition of Fort Ord Reuse Authority ESCA properties on the former Fort Ord, parcels:
      031-211-001 E34, E24
      031-151-062 E23.1, E23.2, E20c.1
      031-152-007 E20c.2, E18.1.1*
      031-151-059 E20c.1.1.1
      031-151-045 L31, E20c.2.1
      031-152-002 18.1.1
      031-152-011 18.1.3, 18.1.1, 18.4, L22

      Negotiator for the City: Craig Malin. Negotiator for FORA: Barry Stienberg. Under Discussion: Price, terms of payment or both.

6. **CONSENT AGENDA**
   On motion by Councilmember Wizard and second by Councilmember Kispersky and carried by the following vote, the City Council moved to approve the Consent Agenda items as presented.

   RESULT: 3-0-0-2
   AYES: Oglesby, Wizard, Kispersky
   NOES: None
   ABSTAIN:None

ABSENT: Campbell, Pacheco

A. <u>APPROVE MINUTES FROM FEBRUARY 6 AND FEBRUARY 11, 2020</u>
Action: Approved

B. <u>APPROVE AND FILE SUCCESSOR AGENCY CHECKS</u>
Action: Approved

7. <u>BUSINESS ITEMS</u>

A. <u>APPROVE THE FORT ORD REUSE AUTHORITY ENVIRONMENTAL SERVICES COOPERATIVE AGREEMENT/LOCAL REUSE AUTHORITY AGREEMENT</u>
Action: Approved

On motion by Councilmember Wizard and second by Councilmember Kispersky and carried by the following vote, the City Council moved to authorize the City Manager to execute the Fort Ord Reuse Authority and City of Seaside Environmental Services Cooperative Agreement and Local Redevelopment Authority Successor Implementing Agreement and directed staff to pursue all further steps and actions to implement the agreement.

RESULT: 4-0-0-1
AYES: Oglesby, Pacheco, Wizard, Kispersky
NOES: None
ABSTAIN: None
ABSENT: Campbell

8. <u>ADJOURNMENT</u>

The meeting went to recess at 6:58 p.m and resumed at 9:08 p.m. The meeting was adjourned at 10:00 p.m.

Respectfully submitted,

Lesley Milton, City Clerk	**Ian N. Oglesby, Mayor**

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.B.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

FROM: Craig Malin, City Manager

BY: Jessica Riley, Accounting Assistant
Kimberly Drabner, Finance Director

DATE: March 5, 2020

SUBJECT: **APPROVE AND FILE SUCCESSOR AGENCY CHECKS**

PURPOSE & RECOMMENDATION

Approve and file the accounts payable and wired payments made during the period of February 8, 2020 through February 21, 2020 including the payroll and benefits checks, direct deposits and wired payments related to the pay period ending Febrary 13, 2020. Total Accounts Payable and Payroll for the above referenced period is $2,470.00.

BACKGROUND

In accordance with Government Code Section 37208, at each City Council meeting the Council is provided a listing of the payroll and general checks issued since the last report so that it can inspect and confirm these checks. Each purchase has been reviewed and approved by the department making the purchase at the time of procurement. The invoice has been reviewed by the Finance Department prior to payment to ensure that it conforms to the approved budget.

Therefore, in accordance with Government Code Section 37208, the above referenced, and linked list of checks conforms to the approved budget and has been paid. These checks are submitted to the City Council for inspection and confirmation.

A description of the checks and wires exceeding $10,000 are as follows:

- No checks exceeded $10,000.

The Checks report is available on the City's website here:
http://www.ci.seaside.ca.us/194/Check-Draft-Register

FISCAL IMPACT

There are no additional fiscal impacts.

ATTACHMENTS

None

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.C.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

BY: Craig Malin, City Manager

DATE: March 5, 2020

SUBJECT: **APPROVE RESOLUTION AUTHORIZING A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF MARINA, THE CITY OF SEASIDE, AND THE MONTEREY COUNTY REGIONAL FIRE DISTRICT**

PURPOSE & RECOMMENDATION

Approve the agreement.

BACKGROUND

The Fort Ord Reuse Authority (FORA) is in process of preparing to issue bonds to remove blight on the former Fort Ord. Depending on market conditions on the bond sale date, the total amount of bonds could be as much as $55 million. Of that amount, the City of Seaside could receive approximately $15 million to remove blight, providing extraordinary value to the community.

Analysis provided by Economic & Planning Systems Inc. (EPS) indicates that the proposed blight removal bonds could negatively impact the Monterey County Regional Fire Protection District (MCRFPD) in the amount of $4,941,099 over the next twenty years (see Table 1 of the attached February 12, 2020 EPS memorandum).

In order to avoid negative impacts to MCRFPD while securing the transformatively positive results of blight removal, the cities of Seaside and Marina are proposing to enter into a three-party agreement that would provide annual reimbursements to MCRFPD. The annual reimbursements, in the amounts specified on Exhibit A to the agreement, would only occur if the bonds are issued.

In sum, the City of Seaside would provide $2,470,550.50 to the Monterey County Regional Fire Protection District over the course of twenty years, if and only if the City receives approximately $15 million in the months ahead.

ATTACHMENTS

1. Reimbursement agreement between the City of Marina, City of Seaside, and Monterey County Regional Fire District
2. February 12, 2020 EPS Memorandum
3. Resolution 2020-bond proceeds

Reviewed for Submission to the
City Council by:

____
Craig Malin, City Manager

REIMBURSEMENT AGREEMENT
BETWEEN THE
CITY OF MARINA, THE CITY OF SEASIDE, AND THE
MONTEREY COUNTY REGIONAL FIRE DISTRICT

THIS AGREEMENT is made and entered into on ___________, 2020 (the "Reference Date") by and between the **CITY OF MARINA**, a California charter city (hereinafter referred to as "Marina") the **CITY OF SEASIDE**, a California general law city (hereinafter referred to as "Seaside"), and the **MONTEREY COUNTY REGIONAL FIRE DISTRICT**, a California fire protection district formed under California Health & Safety Code §13800 et seq. (hereinafter referred to as the "District"). Marina, Seaside and the District are sometimes individually referred to as "Party" and collectively as the "Parties" in this Agreement.

Recitals

A. The Fort Ord Reuse Authority (hereinafter referred to as "FORA"), a public corporation of the State of California, was formed to plan, finance and manage the transition of the former Fort Ord from military to civilian use. FORA is authorized by law to issue bonds to fund base-wide improvements (Govt. Code §67679(d)).

B. FORA is scheduled by statute to dissolve on June 30, 2020, and prior to its dissolution, the FORA Board of Directors intends to issue bonds under the Marks-Roos Act (hereinafter referred to as the "Bonds") to raise up to the amount of $55 million in net Bond proceeds, to be repaid over a 20-year term (FYs ending 2021-2040) to be expended towards remediation of the remaining blighted property on former Fort Ord and payment of related costs. The Bonds are to be secured by a pledge of, and are to be repaid with, tax increment funds allocated to FORA. After FORA's dissolution by law these funds will continue to be paid to the accounts of FORA as needed to pay debt obligations incurred by FORA prior to its dissolution.

C. On January 28, 2020, FORA filed a Complaint for Validation in the Monterey County Superior Court seeking judicial validation of the Bonds.

D. The issuance of Bond debt by FORA prior to its dissolution will impact the redistribution of property tax revenues that would have otherwise been received by taxing entities on former Fort Ord after FORA is dissolved.

E. Marina, Seaside and the County of Monterey (hereinafter referred to as the "County") are FORA member entities and taxing entities on former Fort Ord.

F. Under an agreement with the County, the District is entitled to a percentage of the County's share of property tax revenue generated by the County's East Garrison development project ("County-District Agreement").

G. Issuance of the bonds will result in the District receiving less in property taxes under the County-District Agreement and from residual distributions of property taxes than the District anticipated. Projections of property tax revenues over the expected term of the bonds show that the District may receive $4,941,101 less in property tax revenues as a result of the issuance of the bonds.

H. Marina and Seaside are expected to receive significant benefits from the issuance of the bonds including funding necessary to remove the remaining blight at the former Fort Ord. Marina and Seaside have determined that it is in each of their best interests to mitigate the impacts of the issuance of the Bonds on the District by entering into this Agreement, providing financial mitigation payments to the District.

Terms and Conditions

In consideration of the mutual promises contained herein, Marina, Seaside and the District agree to the following terms and conditions:

1. **Recitals.** The Recitals set forth above are true and correct and are incorporated into this Agreement by this reference.

2. **Marina and Seaside to Reimburse the District**. The Parties acknowledge and agree that the issuance of the Bonds by FORA will result in a loss of tax revenue which would otherwise be received by the District and both Marina and Seaside agree that because of the benefit each receives from the operations of the District, including the District providing mutual aide to Marina and to Seaside, the benefits that Marina and Seaside will receive from the issuance of the Bonds, and the financial impact that the issuance of the Bonds will have on the District, each should pay its fair share to reimburse the District for property tax revenue that but for issuance of the Bonds would be received by the District under the terms of the County-District Agreement and as part of residual property tax distributions.

3. **Fair Share Reimbursement Payment**. Marina and Seaside shall each pay to the District the total amount of $2,470,550.50 in accordance with the Payment Schedule attached hereto as **Exhibit A** and by this reference made a part hereof. Payment in any fiscal year shall be subject to Article XIIIB of the California Constitution (the "Gann Appropriations Limit") which limits the amount of the proceeds of taxes cities can expend each fiscal year.

4. **Timing of Annual Payment.** Payment shall be due no later than June 1st of each year . Marina and Seaside shall each be independently responsible to meet their respective annual payment obligations. Liability for failure to make any payment shall not be joint.

5. **District Concurrence in Bond Issuance.** The District concurs in the issuance of the Bonds and agrees not to oppose the Complaint for Validation or otherwise impede, challenge, protest, object to or take any action affecting or in opposition to any matters in connection with or related to the issuance of the Bonds by for a, the expenditure of the Bond proceeds or any other actions related to the Bonds taken by FORA, Marina, or Seaside.

6. **No Legal Relationship.** The Parties disclaim any partnership, joint venture, fiduciary or agency status or relationship between them. No Party has the authority to make any representation or warranty or incur any obligation or liability on behalf of another Party, nor shall any Party make any representation to any third party inconsistent with this paragraph.

7. **Term**. The term of this Agreement shall begin on the date the Bonds are issued for sale to investors (the "Effective Date"). Marina and Seaside's obligation to reimburse the District for tax revenue shall not extend past June 30, 2040 and shall terminate automatically upon payment of the final annual installment payment as described in Section 3. In the event the Bonds are issued by FORA but in an amount or for a term other than as described in the Recitals, this Agreement may be amended in writing as provided herein. In the event the Bonds are not issued by FORA on or before June 30, 2020, this Agreement shall be null and void.

8. **Attorney's Fees**. In the event of any controversy, claim or dispute relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

9. **Severability.** In the event any part of this Agreement is declared by a court of competent jurisdiction to be invalid, void or unenforceable, such part shall be deemed severed from the remainder of the Agreement and the remaining provisions shall continue in full force without being impaired or invalidated in any way.

10. **Assignment.** No Party may assign this Agreement, or any part hereof, without written consent and prior approval of all other Parties and any assignment without said consent shall be void and unenforceable. The covenants and agreements of this Agreement shall inure to the benefit of, and shall be binding upon, each of the Parties and their respective successors and assignees.

11. **Amendment.** No amendment, modification, alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by authorized representatives for all the Parties hereto and no oral understanding or agreement not incorporated herein shall be binding on any of the Parties hereto.

12. **Law & Venue**. This Agreement shall be deemed an Agreement under the laws of the State of California and for all purposes shall be interpreted in accordance with such laws. All Parties hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that the venue of any action brought thereunder shall be Monterey County, California.

13. **No Liability of Officials/Employees.** No elected or appointed official, officer, agent, employee, consultant or counsel of Marina or Seaside shall be personally liable to another Party hereto or to any successor in interest in the event of any default or breach by Marina or Seaside or for any amount that may become due to the District or its successors or on any obligations under the terms of this Agreement.

14. **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.

15. **Waiver.** The waiver by any Party of any right granted to it hereunder shall not be deemed a waiver of any other right or of a subsequent right obtained by reason on the matter previously waived.

16. **Notices.** Any notice which any Party may desire to give to another Party or Parties under this Agreement must be in writing and may be given either by (i) personal service with return receipt or affidavit of delivery, (ii) delivery by a reputable document delivery service such as, but not limited to, FedEx, that provides a receipt showing date and time of delivery, or (iii) by mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the Party as set forth below or at any other address as that Party may later designate by written notice provided in accordance with this Section. Notice shall be effective upon delivery to the address specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

To Marina: City of Marina
Attn: City Manager
211 Hillcrest Avenue
Marina, CA 93933

To Seaside: City of Seaside
Attn: City Manager
440 Harcourt Avenue
Seaside, CA 93955

To District: Monterey County Regional Fire District
Attn: Fire Chief
19900 Portola Drive
Salinas, CA 93908

17. **Authority.** Each Party to this Agreement represents and warrants to the other Parties that it is authorized to execute, deliver and perform this Agreement and the terms and conditions hereof are valid and binding obligations of the party making this representation.

18. **No Third Party Beneficiaries.** There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

19. **Binding on Successors.** This Agreement shall be binding on and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors, and assigns.

20. **Construction/Headings.** The Parties waive the application of any rule of law relating to the construction of this Agreement that provides in effect that ambiguous or conflicting terms or provisions should be construed against the party who prepared this Agreement or any earlier draft thereof. The headings in this Agreement are for reference only and shall not limit or define the meaning of any provision of this Agreement.

21. **Counterparts**. This Agreement may be signed in counterparts, each of which shall constitute an original, but all of which shall constitute one and the same agreement. The signature page of this Agreement or any Amendment may be executed by way of a manual or authorized signature. Delivery of an executed counterpart of a signature page to this Agreement

or an Amendment by electronic transmission scanned pages shall be deemed effective as a delivery of a manually or digitally executed counterpart to this Agreement or any Amendment.

22. **Effective Date.** The Effective Date of this Agreement shall be the date the Bonds are issued for sale to investors.

23. **Entire Agreement.** This Agreement contains the entire understanding between the Parties and supersedes any prior written or oral understandings and agreements regarding the subject matter of this Agreement. There are no representations, agreements, arrangements or understandings, or written, between the Parties relating to the subject matter of this Agreement which are not fully expressed herein.

24. **Further Assurances.** The Parties shall cooperate, take such additional actions, sign such additional documentation, and provide such additional information as reasonably necessary to accomplish the objective set forth in this Agreement.

IN WITNESS WHEREOF, Marina, Seaside and the District by their duly authorized representatives, have executed this Agreement on the date(s) set forth below. The latter date shall be the Reference Date.

CITY OF MARINA

By: ______________________
Layne Long,
City Manager

Date:_______________ 2020

Approved as to form:

By: ______________________
City Attorney

CITY OF SEASIDE

By: ____________________
Craig Malin
City Manager

Date:_______________ 2020

Approved as to form:

By: ______________________
City Attorney

MONTEREY COUNTY REGIONAL FIRE DISTRICT

By: ______________________
____
Its Board Chair

Date:_______________ 2020

Approved as to form:

By: ______________________
District Legal Counsel

EXHIBIT A

PAYMENT SCHEDULE

For FY Ending	Payment Due from from Marina	Payment Due from Seaside
2021	$125,498.00	$125,498.00
2022	$146,269.50	$146,269.50
2023	$155,862.00	$155,862.00
2024	$155,755.00	$155,755.00
2025	$155,801.00	$155,801.00
2026	$155,827.00	$155,827.00
2027	$155,863.50	$155,863.50
2028	$155,896.50	$155,896.50
2029	$155,729.00	$155,729.00
2030	$155,778.50	$155,778.50
2031	$155,838.50	$155,838.50
2032	$155852.50	$155,852.50
2033	$155,811.00	$155,811.00
2034	$155,890.00	$155,890.00
2035	$ 65,817.00	$ 65,817.00
2036	$ 65,688.00	$ 65,688.00
2037	$ 65,798.00	$ 65,798.00
2038	$ 65,820.00	$ 65,820.00
2039	$ 65,755.50	$ 65,755.50
2040	$ -0-	$ -0-
Total	$2,470,550.50	$2,470,550.50

MEMORANDUM

To: Fort Ord Reuse Authority

From: Ellen Martin and Allison Shaffer

Subject: FORA Building Removal Bond—Monterey County Regional Fire District Impact; EPS #192102

Date: February 12, 2020

Economic & Planning Systems, Inc. (EPS) was retained by the Fort Ord Reuse Authority (FORA) to evaluate the potential impact that the proposed issuance of bond debt may have on property tax revenues received by the Monterey County Regional Fire District (MCRFD or District).

FORA is planning to issue bond debt supported by property tax revenue to finance building removal projects on the former Fort Ord military base. Debt service will be funded by FORA's share of property tax revenue generated on the former Fort Ord, which is governed by the FORA authorizing statute. Because FORA is scheduled to sunset in June 2020, the issuance of bond debt will potentially impact the redistribution of property tax revenues that would have otherwise been received by other taxing entities on the former Fort Ord.

In particular, MCRFD is concerned regarding the impact of a FORA bond issuance on the property tax revenues received by the District. Under a separate agreement with the County of Monterey (County), the Fire District is entitled to receive 65.5 percent of the County property tax revenue generated by the East Garrison development project, which is located on the former Fort Ord. The Fire District also receives a portion of property tax revenues that are distributed to other taxing entities.[1]

To evaluate the potential fiscal impact of a FORA bond issuance on MCRFD operations, and to inform discussions between the FORA, the Fire District, and the Cities of Marina and Seaside, EPS prepared the enclosed analysis. This analysis evaluates MCRFD property tax revenues received under three distinct property tax allocation alternatives:

[1] Monterey County Board of Supervisors Resolution No. 05-256.

The Economics of Land Use

Economic & Planning Systems, Inc.
400 Capitol Mall, 28th Floor
Sacramento, CA 95814
916 649 8010 tel
916 649 2070 fax

Oakland
Sacramento
Denver
Los Angeles

www.epsys.com

- **Base Case.** This alternative is intended to illustrate the property tax revenues received by the Fire District under the current property tax distribution method, prior to FORA's sunset. Acknowledging that FORA will sunset on June 30, 2020, this alternative is included to provide a baseline for comparison.
- **Alternative 1: FORA Dissolution and Bond Issuance.** This alternative estimates the property tax revenues received by MCRFD subsequent to FORA's sunset and assuming the issuance of bond debt.
- **Alternative 2: FORA Dissolution and No Bond Issuance.** This alternative estimates the property tax revenues received by MCRFD subsequent to FORA's sunset but assuming no bond debt.

Property Tax Distribution on the Former Fort Ord

Government Code Section 67650, the FORA authorizing statute, establishes the distribution of property tax revenues on the former Fort Ord. During FORA's operations, net tax increment on the former Fort Ord is distributed to the County, FORA, the Redevelopment Agency Successor Agency (Successor Agency) and other Affected Taxing Entities (ATEs) that are eligible to receive property tax revenues. Once FORA sunsets, any FORA property tax increment remaining after the payment of debt service on any outstanding bonds is redistributed to the County, Successor Agency and Other ATEs.

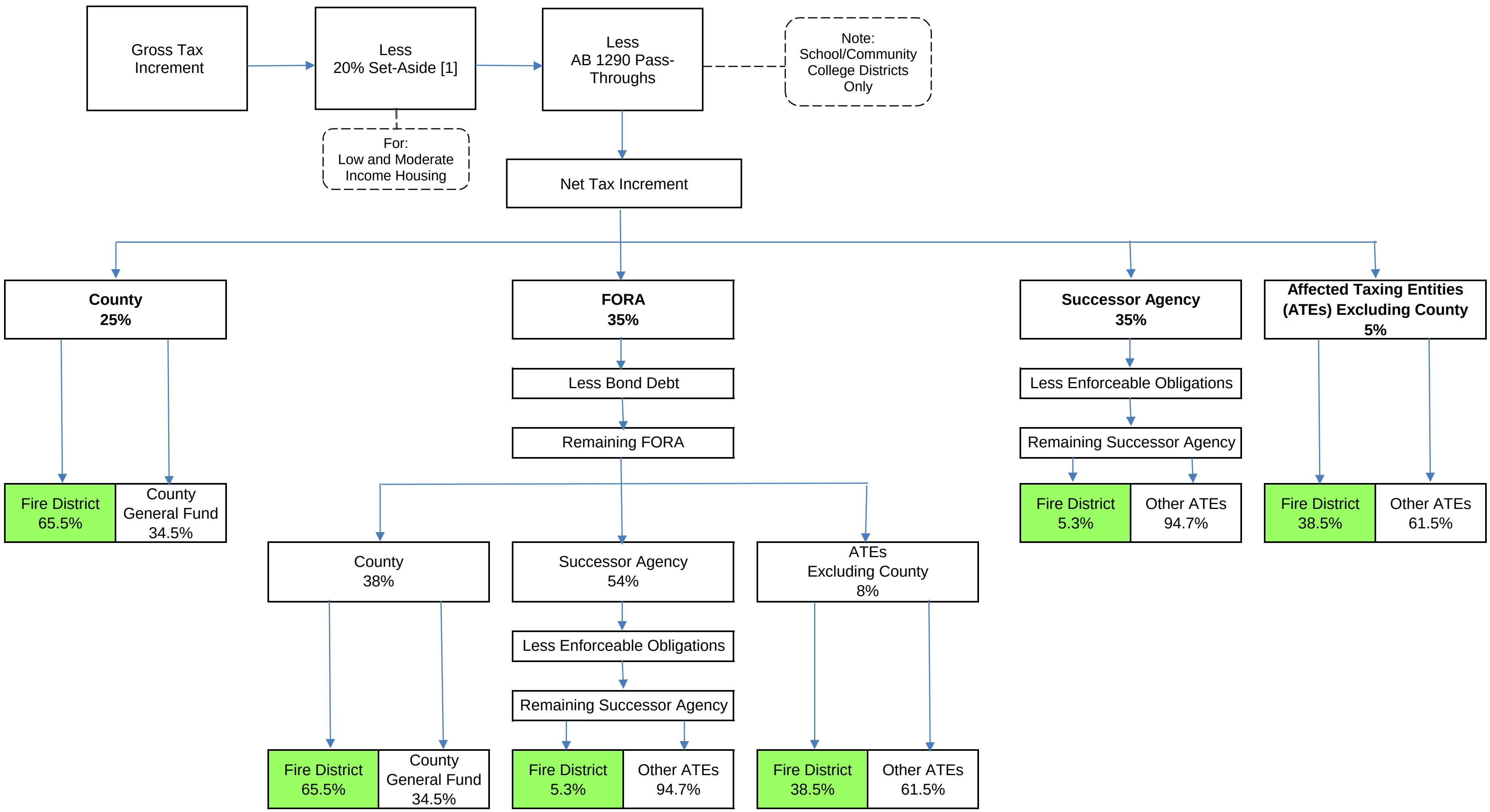
Figure 1 offers a summary illustration of how East Garrison net property tax increment revenues (after consideration of the 20 percent housing set aside and educational pass throughs) will be distributed subsequent to FORA's sunset. As denoted by boxes shaded green in **Figure 1**, the Fire District receives the following shares of property tax revenues allocated to the County, Successor Agency, and other ATEs:

- **MCRFD Share of County Property Tax Allocation.** The County receives 25 percent of the net tax increment revenues generated on the former Fort Ord. Subsequent to FORA's sunset, the County will receive 38 percent of any remaining FORA property tax revenue after the payment of debt service. The County has committed to distribute 65.5 percent of these amounts to the Fire District.
- **MCRFD Share of Successor Agency Revenues.** 35 percent of net tax increment revenues are allocated to the Successor Agency. After FORA sunsets, the Successor Agency will also receive 54 percent of FORA's property tax share after payment of any debt service.

  Property tax revenues received by the Successor Agency are used to pay any Successor Agency enforceable obligations. Any remaining successor agency revenues are distributed to the appropriate affected taxing entities based on the specified distribution of property tax

DRAFT

Figure 1
FIRE DEPARTMENT PROPERTY TAX INCREMENT FROM EAST GARRISON RDA



3

[1] Housing set-aside is needed to calculate the tax increment available for distribution. Because redevelopment agencies no longer exist, the housing set-aside is distributed to the successor agency.

Prepared by EPS 2/12/2020

Z:\Shared\Projects\SAC\192000\192102 FORA Fiscal Consultant Report\Models\192102 Fire m4.xlsx

revenues for each Tax Rate Area (TRA)[2]. The County Auditor Controller provided the property tax distribution for the East Garrison TRAs. The Fire District will receive 5.3 percent of any residual Successor Agency property tax revenues. Because there have not been any residual Successor Agency property tax revenues for the last several years, this analysis conservatively assumes that there will be no Successor Agency property tax revenues available for distribution to the affected taxing entities.

- **MCRFD Share of Other ATE Revenues.** All other ATEs within the East Garrison TRAs receive 5 percent of the net tax increment generated on the former Fort Ord. An additional 8 percent of any residual FORA property tax revenue (after debt service) is allocated to all other ATEs subsequent to FORA's sunset. This allocation is distributed to all other taxing entities eligible to receive property tax revenues in the East Garrison TRAs, excluding the County and education-related shares. The County Auditor Controller indicated that the Fire District will therefore receive approximately 38.51 percent of the East Garrison property tax revenues allocated to other ATEs.

MCRFD Property Tax Analysis Results

Table 1 summarizes the outcomes of EPS's analysis with respect to each of the alternatives evaluated. For each alternative, EPS estimated total revenues that the Fire District is anticipated to receive between the fiscal years ending (FY) 2021 and 2040:

- **Base Case.** The Base Case is intended to illustrate the current status quo, estimating the revenues that the Fire District would have received were FORA to remain in place. Under this property tax allocation paradigm, EPS estimates the Fire District would have received an estimated $15.5 million (2020$) in property tax revenues. See **Table 2** for additional detail.

- **Alternative 1: FORA Dissolution and Bond Issuance.** This alternative evaluates the estimated revenues that the Fire District will receive once FORA dissolves, assuming the issuance of the building removal bond.

  In this case, EPS estimates that the Fire District's share of total property tax revenues will increase by $4.1 million to approximately $19.7 million (2020$). This increase is attributable to the redistribution of FORA's property tax revenues, after the payment of debt service. Even considering the portion of FORA's share of East Garrison property tax revenue dedicated to debt service, once FORA sunsets, the fire district is anticipated to receive an average of approximately $200,000 (2020$) in additional annual revenues over the time period evaluated. See **Table 3** for additional detail.

- **Alternative 2: FORA Dissolution and No Bond Issuance.** Under this alternative, EPS estimated the property tax revenues received by the District after FORA sunsets, assuming no bond issuance and associated debt service. Under this alternative, the District is

[2] Per the California State Board of Equalization: "A tax rate area (TRA) is a geographic area within the jurisdiction of a unique combination of revenue districts, which includes local agencies (such as a city, county, or special district) and school districts, for the current fiscal year. Each TRA is assigned a six-digit numeric identifier, referred to as a TRA number. TRAs are primarily used by county assessors and county auditors for the allocation, collection and distribution of property tax revenue in the state." https://www.boe.ca.gov/proptaxes/sprdcont.htm

estimated to receive approximately $23.8 million (2020$) in property tax revenues from FY 2021 through FY 2040, an $8.3 million (2020$) increase over the **Base Case** and a $4.2 million (2020$) increase over **Alternative 1.** See **Table 4** for additional detail regarding the annual property tax shares received by the Fire District under this alternative.

Implications for Building Removal Bond

The Cities of Marina and Seaside are anticipated to be the primary beneficiaries of the proposed building removal bond. As such, the Cities and MCRFD are evaluating the degree to which the Fire District may be negatively affected by the bond issuance and various approaches to mitigating any negative fiscal outcomes associated with the bond issuance.

The outcomes of EPS's analysis indicate that property tax revenues received by MCRFD will increase upon FORA's sunset, whether or not a portion of FORA's property tax allocation is committed to building removal bond debt. The increase in property tax revenues received by MCRFD is greater without the building removal bond, but the proposed building removal bond is not anticipated to reduce the current annual revenue that the Fire District receives from its agreement with the County. The following considerations may inform discussions related to the impact of the building removal bond on the District:

- The building removal bond is not anticipated to reduce MCRFD's share of property tax revenue below that currently received by the District.
- Lower future property tax generation than assumed in this analysis will reduce the future property tax receipts, but East Garrison revenues would still be sufficient to fund FORA debt service without reducing revenue received by the District. Property taxes received by the District would decline only if the existing East Garrison assessed value declines.
- Without the building removal bond, the District is anticipated to receive an additional $5.0 million (2020$) in property tax revenues over the 20-year analysis period, which equates to approximately $250,000 (2020$) annually.
- It is unclear whether the removal of blighted buildings on the former Fort Ord will significantly reduce MCRFD operational costs associated with mutual aid to fire service providers in Marina and Seaside.

Key Analysis Assumptions

The above analytical conclusions are based on a number of key analytical assumptions documented in the enclosed analysis and briefly described below:

- **FORA Property Tax Distribution. Appendix A** documents the method by which East Garrison property tax revenues are distributed. **Tables A-1** and **A-2** detail how the East Garrison property tax revenues are allocated to FORA, the County, the Successor Agency, and the Other ATEs in accordance with the FORA authorizing statutes. **Tables A-3** and **A-4** detail how FORA's allocation of property tax is distributed upon FORA's sunset. **Table A-3** provides this calculation assuming the building removal bond issuance and associated debt service and **Table A-4** calculates the distribution assuming no building removal bond or debt service.

- **East Garrison Debt Service.** NHA Advisors (NHA) provided the estimate of East Garrison's share of annual building removal bond debt service. At this time, NHA anticipates that debt service payment requirements will be distributed to the FORA land use jurisdictions based on each jurisdiction's proportionate share of property tax increment. It is important to note that this item remains a topic of discussion and the precise approach to assigning debt service to each jurisdiction remains to be determined. As the only variable between **Alternative 1** and **Alternative 2**, this assumption is a key driver of the analytical outcomes presented herein.
- **East Garrison Absorption and Assessed Values.** Future property tax revenues are estimated based on East Garrison absorption and assessed values as provided by FORA and the County and documented in **Appendix B.** It is important to note that while these values drive the anticipated levels of property tax generation, because the same assumptions are applied to each alternative, the key outcomes of the analysis are not sensitive to the pace and value of anticipated development. Annual revenues received by the Fire District will not fall below those currently received unless the existing total assessed value for East Garrison declines.
- **Property Tax Distribution Factors. Appendix C** summarizes miscellaneous assumptions related to the calculation of property tax distribution factors, as provided by the County Auditor-Controller.

EPS looks forward to working with FORA, the FORA jurisdictions, and the Fire District to evaluate the effect of the proposed FORA building removal bond on MCRFD. Please contact Ellen Martin with any questions regarding this analysis or the enclosed tables.

Table 1
Fort Ord Reuse Authority Tax Increment Analysis
Fire District Share of Property Tax Increment Comparison

FY Ending	Base Case: No FORA Dissolution; No Bonds	Alternative 1: FORA Dissolution; Bonds	Alternative 2: FORA Dissolution; No Bonds	Difference Between Alternative 1 and Alternative 2
Source:	*Table 2*	*Table 3*	*Table 4*	
2021	$617,228	$696,416	$947,412	$250,996
2022	$692,238	$770,008	$1,062,547	$292,539
2023	$787,524	$897,083	$1,208,807	$311,724
2024	$837,234	$973,599	$1,285,109	$311,511
2025	$887,561	$1,050,757	$1,362,359	$311,601
2026	$903,972	$1,075,894	$1,387,548	$311,653
2027	$920,710	$1,101,514	$1,413,241	$311,727
2028	$937,784	$1,127,655	$1,439,448	$311,793
2029	$955,199	$1,154,721	$1,466,179	$311,458
2030	$972,962	$1,181,888	$1,493,445	$311,557
2031	$991,081	$1,209,579	$1,521,256	$311,677
2032	$1,009,562	$1,237,918	$1,549,623	$311,705
2033	$1,028,412	$1,266,936	$1,578,558	$311,622
2034	$1,047,640	$1,296,291	$1,608,071	$311,780
2035	$1,067,252	$1,506,541	$1,638,175	$131,634
2036	$1,087,257	$1,537,505	$1,668,881	$131,376
2037	$1,107,661	$1,568,605	$1,700,200	$131,596
2038	$1,128,474	$1,600,506	$1,732,146	$131,641
2039	$1,149,702	$1,633,221	$1,764,732	$131,511
2040	$1,168,824	$1,794,082	$1,794,082	$0
Total	**$19,298,276**	**$24,680,720**	**$29,621,820**	**$4,941,099**
Increase from Base		**$5,382,444**	**$10,323,543**	
NPV (@2%)	**$15,516,038**	**$19,651,285**	**$23,816,286**	**$4,165,001**
Increase from Base		**$4,135,247**	**$8,300,248**	

fire comp

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Table 2
Fort Ord Reuse Authority Tax Increment Analysis
Fire District Share of Property Tax Increment Prior to FORA - No FORA Dissolution; No Bonds

Base Case:
No FORA Dissolution
No Bonds

	County Property Tax Increment		Successor Agency Property Tax Increment		ATEs Property Tax Increment		Total Fire District Property Tax Increment	
FY Ending	Total	**Fire District Share**	Total [1]	**Fire District Share**	Total	**Fire District Share**	**Total**	**Cumulative**
Source:	*Table A-1*			*Table C-1*	*Table A-1*	*Table C-1*		
Percentage		*65.50%*		*5.32%*		*38.52%*		
2021	$843,173	**$552,278**	$0	**$0**	$168,635	**$64,950**	**$617,228**	**$617,228**
2022	$945,641	**$619,395**	$0	**$0**	$189,128	**$72,843**	**$692,238**	**$1,309,466**
2023	$1,075,808	**$704,654**	$0	**$0**	$215,162	**$82,870**	**$787,524**	**$2,096,989**
2024	$1,143,715	**$749,134**	$0	**$0**	$228,743	**$88,101**	**$837,234**	**$2,934,223**
2025	$1,212,465	**$794,165**	$0	**$0**	$242,493	**$93,396**	**$887,561**	**$3,821,784**
2026	$1,234,883	**$808,848**	$0	**$0**	$246,977	**$95,123**	**$903,972**	**$4,725,756**
2027	$1,257,749	**$823,826**	$0	**$0**	$251,550	**$96,885**	**$920,710**	**$5,646,466**
2028	$1,281,073	**$839,103**	$0	**$0**	$256,215	**$98,681**	**$937,784**	**$6,584,250**
2029	$1,304,863	**$854,685**	$0	**$0**	$260,973	**$100,514**	**$955,199**	**$7,539,449**
2030	$1,329,129	**$870,579**	$0	**$0**	$265,826	**$102,383**	**$972,962**	**$8,512,411**
2031	$1,353,880	**$886,791**	$0	**$0**	$270,776	**$104,290**	**$991,081**	**$9,503,492**
2032	$1,379,126	**$903,328**	$0	**$0**	$275,825	**$106,234**	**$1,009,562**	**$10,513,054**
2033	$1,404,877	**$920,195**	$0	**$0**	$280,975	**$108,218**	**$1,028,412**	**$11,541,466**
2034	$1,431,143	**$937,399**	$0	**$0**	$286,229	**$110,241**	**$1,047,640**	**$12,589,106**
2035	$1,457,935	**$954,947**	$0	**$0**	$291,587	**$112,305**	**$1,067,252**	**$13,656,359**
2036	$1,485,262	**$972,847**	$0	**$0**	$297,052	**$114,410**	**$1,087,257**	**$14,743,615**
2037	$1,513,136	**$991,104**	$0	**$0**	$302,627	**$116,557**	**$1,107,661**	**$15,851,276**
2038	$1,541,567	**$1,009,726**	$0	**$0**	$308,313	**$118,747**	**$1,128,474**	**$16,979,750**
2039	$1,570,567	**$1,028,721**	$0	**$0**	$314,113	**$120,981**	**$1,149,702**	**$18,129,452**
2040	$1,596,689	**$1,045,831**	$0	**$0**	$319,338	**$122,993**	**$1,168,824**	**$19,298,276**

fire base

[1] Successor Agency receives 35% of net tax increment available for distribution, but it is assumed that all of this tax increment will be needed for enforceable obligations and unavailable for distribution to the ATEs, including the Fire District.

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Table 3
Fort Ord Reuse Authority Tax Increment Analysis
Fire District Share of Property Tax Increment After FORA Dissolution with Bonds

Alternative 1:
FORA Dissolution
Bonds

	County		Successor Agency		ATEs		Distribution of FORA Share of East Garrison Tax Increment (After Debt Service): County		Successor Agency		ATEs		Total Fire District	
FY Ending	Total	**Fire District Share**	Total [1]	**Fire District Share**	Total	**Fire District Share**	Total	**Fire District Share**	Total [1]	**Fire District Share**	Total	**Fire District Share**	**Total**	**Cumulative**
Source:	*Table A-1*		*Table A-1*	*Table C-1*	*Table A-1*	*Table C-1*	*Table A-3*		*Table A-3*	*Table C-1*		*Table C-1*	*Table A-3*	
Percentage		*65.50%*		*5.32%*		*38.52%*		*65.50%*		*5.32%*		*38.52%*		
2021	$843,173	**$552,278**	$0	**$0**	$168,635	**$64,950**	$107,580	**$70,465**	$0	**$0**	$22,648	**$8,723**	**$696,416**	**$696,416**
2022	$945,641	**$619,395**	$0	**$0**	$189,128	**$72,843**	$105,654	**$69,204**	$0	**$0**	$22,243	**$8,567**	**$770,008**	**$1,466,424**
2023	$1,075,808	**$704,654**	$0	**$0**	$215,162	**$82,870**	$148,841	**$97,491**	$0	**$0**	$31,335	**$12,069**	**$897,083**	**$2,363,507**
2024	$1,143,715	**$749,134**	$0	**$0**	$228,743	**$88,101**	$185,257	**$121,343**	$0	**$0**	$39,001	**$15,021**	**$973,599**	**$3,337,106**
2025	$1,212,465	**$794,165**	$0	**$0**	$242,493	**$93,396**	$221,708	**$145,219**	$0	**$0**	$46,675	**$17,977**	**$1,050,757**	**$4,387,863**
2026	$1,234,883	**$808,848**	$0	**$0**	$246,977	**$95,123**	$233,564	**$152,985**	$0	**$0**	$49,171	**$18,938**	**$1,075,894**	**$5,463,758**
2027	$1,257,749	**$823,826**	$0	**$0**	$251,550	**$96,885**	$245,629	**$160,887**	$0	**$0**	$51,711	**$19,917**	**$1,101,514**	**$6,565,272**
2028	$1,281,073	**$839,103**	$0	**$0**	$256,215	**$98,681**	$257,947	**$168,955**	$0	**$0**	$54,305	**$20,915**	**$1,127,655**	**$7,692,927**
2029	$1,304,863	**$854,685**	$0	**$0**	$260,973	**$100,514**	$271,059	**$177,544**	$0	**$0**	$57,065	**$21,979**	**$1,154,721**	**$8,847,648**
2030	$1,329,129	**$870,579**	$0	**$0**	$265,826	**$102,383**	$283,834	**$185,911**	$0	**$0**	$59,755	**$23,014**	**$1,181,888**	**$10,029,536**
2031	$1,353,880	**$886,791**	$0	**$0**	$270,776	**$104,290**	$296,839	**$194,430**	$0	**$0**	$62,492	**$24,069**	**$1,209,579**	**$11,239,115**
2032	$1,379,126	**$903,328**	$0	**$0**	$275,825	**$106,234**	$310,231	**$203,201**	$0	**$0**	$65,312	**$25,155**	**$1,237,918**	**$12,477,034**
2033	$1,404,877	**$920,195**	$0	**$0**	$280,975	**$108,218**	$324,044	**$212,249**	$0	**$0**	$68,220	**$26,275**	**$1,266,936**	**$13,743,970**
2034	$1,431,143	**$937,399**	$0	**$0**	$286,229	**$110,241**	$337,803	**$221,261**	$0	**$0**	$71,116	**$27,391**	**$1,296,291**	**$15,040,261**
2035	$1,457,935	**$954,947**	$0	**$0**	$291,587	**$112,305**	$596,792	**$390,898**	$0	**$0**	$125,640	**$48,390**	**$1,506,541**	**$16,546,802**
2036	$1,485,262	**$972,847**	$0	**$0**	$297,052	**$114,410**	$611,680	**$400,650**	$0	**$0**	$128,775	**$49,598**	**$1,537,505**	**$18,084,307**
2037	$1,513,136	**$991,104**	$0	**$0**	$302,627	**$116,557**	$626,210	**$410,168**	$0	**$0**	$131,834	**$50,776**	**$1,568,605**	**$19,652,911**
2038	$1,541,567	**$1,009,726**	$0	**$0**	$308,313	**$118,747**	$641,275	**$420,035**	$0	**$0**	$135,005	**$51,997**	**$1,600,506**	**$21,253,417**
2039	$1,570,567	**$1,028,721**	$0	**$0**	$314,113	**$120,981**	$656,879	**$430,256**	$0	**$0**	$138,290	**$53,263**	**$1,633,221**	**$22,886,638**
2040	$1,596,689	**$1,045,831**	$0	**$0**	$319,338	**$122,993**	$849,438	**$556,382**	$0	**$0**	$178,829	**$68,876**	**$1,794,082**	**$24,680,720**

fire bonds

[1] Successor Agency receives 35% of net tax increment available for distribution, but it is assumed that all of this tax increment will be needed for enforceable obligations and unavailable for distribution to the ATEs, including the Fire District

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Table 4
Fort Ord Reuse Authority Tax Increment Analysis
Fire District Share of Property Tax Increment After FORA Dissolution without Bonds

Alternative 2:
FORA Dissolution
No Bonds

							Distribution of FORA Share of East Garrison Tax Increment							
	County		Successor Agency		ATEs		County		Successor Agency		ATEs		Total Fire District	
FY Ending	Total	Fire District Share	Total [1]	Fire District Share	Total	Fire District Share	Total	Fire District Share	Total [1]	Fire District Share	Total	Fire District Share	Total	Cumulative
Source:	*Table A-1*		*Table A-1*	*Table C-1*	*Table A-1*	*Table C-1*	*Table A-4*		*Table A-4*	*Table C-1*	*Table A-4*	*Table C-1*		
Percentage		*65.50%*		*5.32%*		*38.52%*		*65.50%*		*5.32%*		*38.52%*		
2021	$843,173	**$552,278**	$0	**$0**	$168,635	**$64,950**	$448,568	**$293,812**	$0	**$0**	$94,435	**$36,372**	**$947,412**	**$947,412**
2022	$945,641	**$619,395**	$0	**$0**	$189,128	**$72,843**	$503,081	**$329,518**	$0	**$0**	$105,912	**$40,792**	**$1,062,547**	**$2,009,960**
2023	$1,075,808	**$704,654**	$0	**$0**	$215,162	**$82,870**	$572,330	**$374,876**	$0	**$0**	$120,490	**$46,407**	**$1,208,807**	**$3,218,766**
2024	$1,143,715	**$749,134**	$0	**$0**	$228,743	**$88,101**	$608,457	**$398,539**	$0	**$0**	$128,096	**$49,336**	**$1,285,109**	**$4,503,876**
2025	$1,212,465	**$794,165**	$0	**$0**	$242,493	**$93,396**	$645,031	**$422,496**	$0	**$0**	$135,796	**$52,302**	**$1,362,359**	**$5,866,234**
2026	$1,234,883	**$808,848**	$0	**$0**	$246,977	**$95,123**	$656,958	**$430,307**	$0	**$0**	$138,307	**$53,269**	**$1,387,548**	**$7,253,782**
2027	$1,257,749	**$823,826**	$0	**$0**	$251,550	**$96,885**	$669,123	**$438,275**	$0	**$0**	$140,868	**$54,255**	**$1,413,241**	**$8,667,023**
2028	$1,281,073	**$839,103**	$0	**$0**	$256,215	**$98,681**	$681,531	**$446,403**	$0	**$0**	$143,480	**$55,261**	**$1,439,448**	**$10,106,471**
2029	$1,304,863	**$854,685**	$0	**$0**	$260,973	**$100,514**	$694,187	**$454,692**	$0	**$0**	$146,145	**$56,288**	**$1,466,179**	**$11,572,650**
2030	$1,329,129	**$870,579**	$0	**$0**	$265,826	**$102,383**	$707,096	**$463,148**	$0	**$0**	$148,862	**$57,334**	**$1,493,445**	**$13,066,095**
2031	$1,353,880	**$886,791**	$0	**$0**	$270,776	**$104,290**	$720,264	**$471,773**	$0	**$0**	$151,635	**$58,402**	**$1,521,256**	**$14,587,351**
2032	$1,379,126	**$903,328**	$0	**$0**	$275,825	**$106,234**	$733,695	**$480,570**	$0	**$0**	$154,462	**$59,491**	**$1,549,623**	**$16,136,974**
2033	$1,404,877	**$920,195**	$0	**$0**	$280,975	**$108,218**	$747,395	**$489,543**	$0	**$0**	$157,346	**$60,602**	**$1,578,558**	**$17,715,532**
2034	$1,431,143	**$937,399**	$0	**$0**	$286,229	**$110,241**	$761,368	**$498,696**	$0	**$0**	$160,288	**$61,735**	**$1,608,071**	**$19,323,603**
2035	$1,457,935	**$954,947**	$0	**$0**	$291,587	**$112,305**	$775,621	**$508,032**	$0	**$0**	$163,289	**$62,891**	**$1,638,175**	**$20,961,778**
2036	$1,485,262	**$972,847**	$0	**$0**	$297,052	**$114,410**	$790,159	**$517,554**	$0	**$0**	$166,349	**$64,070**	**$1,668,881**	**$22,630,659**
2037	$1,513,136	**$991,104**	$0	**$0**	$302,627	**$116,557**	$804,988	**$527,267**	$0	**$0**	$169,471	**$65,272**	**$1,700,200**	**$24,330,859**
2038	$1,541,567	**$1,009,726**	$0	**$0**	$308,313	**$118,747**	$820,114	**$537,174**	$0	**$0**	$172,656	**$66,498**	**$1,732,146**	**$26,063,005**
2039	$1,570,567	**$1,028,721**	$0	**$0**	$314,113	**$120,981**	$835,542	**$547,280**	$0	**$0**	$175,904	**$67,749**	**$1,764,732**	**$27,827,737**
2040	$1,596,689	**$1,045,831**	$0	**$0**	$319,338	**$122,993**	$849,438	**$556,382**	$0	**$0**	$178,829	**$68,876**	**$1,794,082**	**$29,621,820**

fire no bonds

[1] Successor Agency receives 35% of net tax increment available for distribution, but it is assumed that all of this tax increment will be needed for enforceable obligations and unavailable for distribution to the ATEs, including the Fire District

APPENDICES:

Appendix A: FORA Property Tax Distribution

Appendix B: East Garrison Absorption and Assessed Values

Appendix C: Property Tax Distribution Factors

APPENDIX A:

FORA Property Tax Distribution

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Table A-1
Fort Ord Reuse Authority Tax Increment Analysis
FORA Tax Increment Available for Debt Service - County East Garrison

County
East Garrison

	Tax Increment for Statutory Distribution					**Statutory Share**			
FY Ending	Gross Tax Increment	Less Housing Set-Aside	Less Tier 1-3 Pass-Through	Unitary Tax Revenue	Remaining Tax Increment	FORA	County	Successor Agency	Other ATEs
Source	*Table A-2*		*Table A-2*						
Percentage		*20%*				*35%*	*25%*	*35%*	*5%*
2020	$4,427,463	($885,493)	($620,013)	$3,617	**$2,925,574**	$1,023,951	$731,394	$1,023,951	$146,279
2021	$5,201,065	($1,040,213)	($791,776)	$3,617	**$3,372,692**	$1,180,442	$843,173	$1,180,442	$168,635
2022	$5,910,221	($1,182,044)	($949,230)	$3,617	**$3,782,563**	$1,323,897	$945,641	$1,323,897	$189,128
2023	$6,811,079	($1,362,216)	($1,149,248)	$3,617	**$4,303,231**	$1,506,131	$1,075,808	$1,506,131	$215,162
2024	$7,281,052	($1,456,210)	($1,253,597)	$3,617	**$4,574,861**	$1,601,201	$1,143,715	$1,601,201	$228,743
2025	$7,756,854	($1,551,371)	($1,359,239)	$3,617	**$4,849,860**	$1,697,451	$1,212,465	$1,697,451	$242,493
2026	$7,912,003	($1,582,401)	($1,393,687)	$3,617	**$4,939,532**	$1,728,836	$1,234,883	$1,728,836	$246,977
2027	$8,070,255	($1,614,051)	($1,428,824)	$3,617	**$5,030,997**	$1,760,849	$1,257,749	$1,760,849	$251,550
2028	$8,231,673	($1,646,335)	($1,464,664)	$3,617	**$5,124,291**	$1,793,502	$1,281,073	$1,793,502	$256,215
2029	$8,396,318	($1,679,264)	($1,501,220)	$3,617	**$5,219,451**	$1,826,808	$1,304,863	$1,826,808	$260,973
2030	$8,564,257	($1,712,851)	($1,538,508)	$3,617	**$5,316,515**	$1,860,780	$1,329,129	$1,860,780	$265,826
2031	$8,735,554	($1,747,111)	($1,576,541)	$3,617	**$5,415,519**	$1,895,432	$1,353,880	$1,895,432	$270,776
2032	$8,910,278	($1,782,056)	($1,615,335)	$3,617	**$5,516,504**	$1,930,776	$1,379,126	$1,930,776	$275,825
2033	$9,088,496	($1,817,699)	($1,654,905)	$3,617	**$5,619,509**	$1,966,828	$1,404,877	$1,966,828	$280,975
2034	$9,270,278	($1,854,056)	($1,695,266)	$3,617	**$5,724,573**	$2,003,601	$1,431,143	$2,003,601	$286,229
2035	$9,455,696	($1,891,139)	($1,736,434)	$3,617	**$5,831,739**	$2,041,109	$1,457,935	$2,041,109	$291,587
2036	$9,644,822	($1,928,964)	($1,778,426)	$3,617	**$5,941,048**	$2,079,367	$1,485,262	$2,079,367	$297,052
2037	$9,837,730	($1,967,546)	($1,821,258)	$3,617	**$6,052,543**	$2,118,390	$1,513,136	$2,118,390	$302,627
2038	$10,034,497	($2,006,899)	($1,864,946)	$3,617	**$6,166,269**	$2,158,194	$1,541,567	$2,158,194	$308,313
2039	$10,235,199	($2,047,040)	($1,909,508)	$3,617	**$6,282,268**	$2,198,794	$1,570,567	$2,198,794	$314,113
2040	$10,439,916	($2,087,983)	($1,968,795)	$3,617	**$6,386,754**	$2,235,364	$1,596,689	$2,235,364	$319,338

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Table A-2
Fort Ord Reuse Authority Tax Increment Analysis
Gross Tax Increment and Tier 1 - Tier 3 Educational Passthroughs - County East Garrison

County East Garrison

Item	FY Ending	RDA Year	Assessed Value	Tier 1 Statutory Pass-Through (Years 1-45) Assessed Value Growth	Gross Tax Increment	Less Housing Set Aside	Remaining Tax Increment	Pass-Through	Tier 2 Statutory Pass-Through (Years 11-45) Assessed Value Growth	Gross Tax Increment	Less Housing Set Aside	Remaining Tax Increment	Pass-Through	Tier 3 Statutory Pass-Through (Years 31-45) Assessed Value Growth	Gross Tax Increment	Less Housing Set Aside	Remaining Tax Increment	Pass-Through	Total Tier 1-Tier 3 Pass-Through
Source			*Table B-2*					*Table C-2*											
Percentage					1%	20%		25.0%		1%	20%		21%		1%	20%		14%	
School Districts Pass-Through								60.3%					60.3%					60.3%	
Net Percentage								**15.08%**					**12.67%**					**8.45%**	
Base Year	2007	0		$61,250															
RDA Year	2002																		
First Year of Tax Increment	2008	1																	
Tier 2 Base	2019	12							$358,203,605										
Tier 3 Base (AV Projected)	2039	32												$1,023,581,198					
Last Year of Tax Increment	2048	41																	
	2020	13	$442,807,571	$442,746,321	$4,427,463	($885,493)	$3,541,971	$534,257	$84,603,966	$846,040	($169,208)	$676,832	**$85,756**	$0	$0	$0	$0	**$0**	**$620,013**
	2021	14	$520,167,722	$520,106,472	$5,201,065	($1,040,213)	$4,160,852	$627,606	$161,964,117	$1,619,641	($323,928)	$1,295,713	**$164,170**	$0	$0	$0	$0	**$0**	**$791,776**
	2022	15	$591,083,347	$591,022,097	$5,910,221	($1,182,044)	$4,728,177	$713,179	$232,879,742	$2,328,797	($465,759)	$1,863,038	**$236,051**	$0	$0	$0	$0	**$0**	**$949,230**
	2023	16	$681,169,147	$681,107,897	$6,811,079	($1,362,216)	$5,448,863	$821,885	$322,965,542	$3,229,655	($645,931)	$2,583,724	**$327,364**	$0	$0	$0	$0	**$0**	**$1,149,248**
	2024	17	$728,166,401	$728,105,151	$7,281,052	($1,456,210)	$5,824,841	$878,596	$369,962,796	$3,699,628	($739,926)	$2,959,702	**$375,001**	$0	$0	$0	$0	**$0**	**$1,253,597**
	2025	18	$775,746,626	$775,685,376	$7,756,854	($1,551,371)	$6,205,483	$936,010	$417,543,021	$4,175,430	($835,086)	$3,340,344	**$423,229**	$0	$0	$0	$0	**$0**	**$1,359,239**
	2026	19	$791,261,558	$791,200,308	$7,912,003	($1,582,401)	$6,329,602	$954,732	$433,057,953	$4,330,580	($866,116)	$3,464,464	**$438,955**	$0	$0	$0	$0	**$0**	**$1,393,687**
	2027	20	$807,086,790	$807,025,540	$8,070,255	($1,614,051)	$6,456,204	$973,828	$448,883,185	$4,488,832	($897,766)	$3,591,065	**$454,996**	$0	$0	$0	$0	**$0**	**$1,428,824**
	2028	21	$823,228,525	$823,167,275	$8,231,673	($1,646,335)	$6,585,338	$993,306	$465,024,920	$4,650,249	($930,050)	$3,720,199	**$471,358**	$0	$0	$0	$0	**$0**	**$1,464,664**
	2029	22	$839,693,096	$839,631,846	$8,396,318	($1,679,264)	$6,717,055	$1,013,174	$481,489,491	$4,814,895	($962,979)	$3,851,916	**$488,046**	$0	$0	$0	$0	**$0**	**$1,501,220**
	2030	23	$856,486,958	$856,425,708	$8,564,257	($1,712,851)	$6,851,406	$1,033,439	$498,283,353	$4,982,834	($996,567)	$3,986,267	**$505,069**	$0	$0	$0	$0	**$0**	**$1,538,508**
	2031	24	$873,616,697	$873,555,447	$8,735,554	($1,747,111)	$6,988,444	$1,054,109	$515,413,092	$5,154,131	($1,030,826)	$4,123,305	**$522,432**	$0	$0	$0	$0	**$0**	**$1,576,541**
	2032	25	$891,089,031	$891,027,781	$8,910,278	($1,782,056)	$7,128,222	$1,075,193	$532,885,426	$5,328,854	($1,065,771)	$4,263,083	**$540,142**	$0	$0	$0	$0	**$0**	**$1,615,335**
	2033	26	$908,910,812	$908,849,562	$9,088,496	($1,817,699)	$7,270,796	$1,096,698	$550,707,207	$5,507,072	($1,101,414)	$4,405,658	**$558,207**	$0	$0	$0	$0	**$0**	**$1,654,905**
	2034	27	$927,089,028	$927,027,778	$9,270,278	($1,854,056)	$7,416,222	$1,118,633	$568,885,423	$5,688,854	($1,137,771)	$4,551,083	**$576,632**	$0	$0	$0	$0	**$0**	**$1,695,266**
	2035	28	$945,630,808	$945,569,558	$9,455,696	($1,891,139)	$7,564,556	$1,141,007	$587,427,203	$5,874,272	($1,174,854)	$4,699,418	**$595,427**	$0	$0	$0	$0	**$0**	**$1,736,434**
	2036	29	$964,543,424	$964,482,174	$9,644,822	($1,928,964)	$7,715,857	$1,163,829	$606,339,819	$6,063,398	($1,212,680)	$4,850,719	**$614,597**	$0	$0	$0	$0	**$0**	**$1,778,426**
	2037	30	$983,834,293	$983,773,043	$9,837,730	($1,967,546)	$7,870,184	$1,187,107	$625,630,688	$6,256,307	($1,251,261)	$5,005,046	**$634,150**	$0	$0	$0	$0	**$0**	**$1,821,258**
	2038	31	$1,003,510,979	$1,003,449,729	$10,034,497	($2,006,899)	$8,027,598	$1,210,851	$645,307,374	$6,453,074	($1,290,615)	$5,162,459	**$654,095**	$0	$0	$0	$0	**$0**	**$1,864,946**
	2039	32	$1,023,581,198	$1,023,519,948	$10,235,199	($2,047,040)	$8,188,160	$1,235,069	$665,377,593	$6,653,776	($1,330,755)	$5,323,021	**$674,439**	$0	$0	$0	$0	**$0**	**$1,909,508**
	2040	33	$1,044,052,822	$1,043,991,572	$10,439,916	($2,087,983)	$8,351,933	$1,259,772	$685,849,217	$6,858,492	($1,371,698)	$5,486,794	**$695,189**	$20,471,624	$204,716	($40,943)	$163,773	**$13,834**	**$1,968,795**

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Table A-3
Fort Ord Reuse Authority Tax Increment Analysis
Distribution of FORA Share of East Garrison Property Tax Increment After FORA Dissolution with Bonds

Alternative 1: FORA Dissolution Bonds

	FORA Share of East Garrison Property Tax Increment			Distribution of FORA Share of East Garrison Property Tax Increment After FORA Dissolution			
FY Ending	Total FORA Share	Less East Garrison Debt Service [1]	**Net FORA Share**	County	Successor Agency	ATEs	**Total**
Source	*Table A-1*						
Percentage		*29.53%*		*38.00%*	*54.00%*	*8.00%*	
2021	$1,180,442	($897,336)	**$283,106**	$107,580	$152,877	$22,648	**$283,106**
2022	$1,323,897	($1,045,859)	**$278,038**	$105,654	$150,141	$22,243	**$278,038**
2023	$1,506,131	($1,114,445)	**$391,686**	$148,841	$211,510	$31,335	**$391,686**
2024	$1,601,201	($1,113,684)	**$487,518**	$185,257	$263,260	$39,001	**$487,518**
2025	$1,697,451	($1,114,008)	**$583,443**	$221,708	$315,059	$46,675	**$583,443**
2026	$1,728,836	($1,114,194)	**$614,643**	$233,564	$331,907	$49,171	**$614,643**
2027	$1,760,849	($1,114,456)	**$646,393**	$245,629	$349,052	$51,711	**$646,393**
2028	$1,793,502	($1,114,694)	**$678,808**	$257,947	$366,556	$54,305	**$678,808**
2029	$1,826,808	($1,113,494)	**$713,314**	$271,059	$385,189	$57,065	**$713,314**
2030	$1,860,780	($1,113,849)	**$746,931**	$283,834	$403,343	$59,755	**$746,931**
2031	$1,895,432	($1,114,276)	**$781,155**	$296,839	$421,824	$62,492	**$781,155**
2032	$1,930,776	($1,114,379)	**$816,398**	$310,231	$440,855	$65,312	**$816,398**
2033	$1,966,828	($1,114,080)	**$852,748**	$324,044	$460,484	$68,220	**$852,748**
2034	$2,003,601	($1,114,646)	**$888,955**	$337,803	$480,035	$71,116	**$888,955**
2035	$2,041,109	($470,604)	**$1,570,504**	$596,792	$848,072	$125,640	**$1,570,504**
2036	$2,079,367	($469,683)	**$1,609,684**	$611,680	$869,229	$128,775	**$1,609,684**
2037	$2,118,390	($470,468)	**$1,647,922**	$626,210	$889,878	$131,834	**$1,647,922**
2038	$2,158,194	($470,629)	**$1,687,565**	$641,275	$911,285	$135,005	**$1,687,565**
2039	$2,198,794	($470,166)	**$1,728,628**	$656,879	$933,459	$138,290	**$1,728,628**
2040	$2,235,364	$0	**$2,235,364**	$849,438	$1,207,097	$178,829	**$2,235,364**

f bonds

[1] Provided by NHA.

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Alternative 2: FORA Dissolution No Bonds

Table A-4
Fort Ord Reuse Authority Tax Increment Analysis
Distribution of FORA Share of East Garrison Property Tax Increment After FORA Dissolution without Bonds

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FY Ending	FORA Share of East Garrison Property Tax Increment	Distribution of FORA Share of East Garrison Property Tax Increment After FORA Dissolution			
		County	Successor Agency	ATEs	**Total**
Source					
Percentage		*38.00%*	*54.00%*	*8.00%*	
2021	**$1,180,442**	$448,568	$637,439	$94,435	**$1,180,442**
2022	**$1,323,897**	$503,081	$714,904	$105,912	**$1,323,897**
2023	**$1,506,131**	$572,330	$813,311	$120,490	**$1,506,131**
2024	**$1,601,201**	$608,457	$864,649	$128,096	**$1,601,201**
2025	**$1,697,451**	$645,031	$916,624	$135,796	**$1,697,451**
2026	**$1,728,836**	$656,958	$933,572	$138,307	**$1,728,836**
2027	**$1,760,849**	$669,123	$950,858	$140,868	**$1,760,849**
2028	**$1,793,502**	$681,531	$968,491	$143,480	**$1,793,502**
2029	**$1,826,808**	$694,187	$986,476	$146,145	**$1,826,808**
2030	**$1,860,780**	$707,096	$1,004,821	$148,862	**$1,860,780**
2031	**$1,895,432**	$720,264	$1,023,533	$151,635	**$1,895,432**
2032	**$1,930,776**	$733,695	$1,042,619	$154,462	**$1,930,776**
2033	**$1,966,828**	$747,395	$1,062,087	$157,346	**$1,966,828**
2034	**$2,003,601**	$761,368	$1,081,944	$160,288	**$2,003,601**
2035	**$2,041,109**	$775,621	$1,102,199	$163,289	**$2,041,109**
2036	**$2,079,367**	$790,159	$1,122,858	$166,349	**$2,079,367**
2037	**$2,118,390**	$804,988	$1,143,931	$169,471	**$2,118,390**
2038	**$2,158,194**	$820,114	$1,165,425	$172,656	**$2,158,194**
2039	**$2,198,794**	$835,542	$1,187,349	$175,904	**$2,198,794**
2040	**$2,235,364**	$849,438	$1,207,097	$178,829	**$2,235,364**

f no bonds

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APPENDIX B:

East Garrison Absorption and Assessed Values

Table B-1	Projected New Assessed Value from Development—County East Garrison	15
Table B-2	Annual Assessed Value—County East Garrison	16
Table B-3	Estimate of Assessed Value for Fiscal Year 2019-2020	17

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Table B-1
Fort Ord Reuse Authority Tax Increment Analysis
Projected New Assessed Value from Development - County East Garrison

County
East Garrison

	Development [1]					**Taxable Value**							
Year	Resid. Units	Office Sq. Ft.	Industrial Sq. Ft.	Retail Sq. Ft.	Hotel Rooms	Resid. Units	Office Sq. Ft.	Industrial Sq. Ft.	Retail Sq. Ft.	Hotel Rooms	**Total**	Annual Escalation Factor	**Total Taxable Value**
	per unit	*per sq. ft.*	*per sq. ft.*	*per sq. ft.*	*per room*								
Value [2]	$505,000	$223	$91	$269	$164,430							*1.5%*	
2019	114	24,000	0	20,000	0	$57,772,000	$5,352,000	$0	$5,380,000	$0	$68,504,000	1.000	$68,504,000
2020	100	24,000	0	14,000	0	$50,500,000	$5,352,000	$0	$3,766,000	$0	$59,618,000	1.015	$60,512,270
2021	142	20,000	0	0	0	$71,508,000	$4,460,000	$0	$0	$0	$75,968,000	1.030	$78,264,133
2022	63	0	0	0	0	$31,916,000	$0	$0	$0	$0	$31,916,000	1.046	$33,373,871
2023	62	0	0	0	0	$31,108,000	$0	$0	$0	$0	$31,108,000	1.061	$33,016,897
2024	0	0	0	0	0	$0	$0	$0	$0	$0	$0	1.077	$0
2025	0	0	0	0	0	$0	$0	$0	$0	$0	$0	1.093	$0
2026	0	0	0	0	0	$0	$0	$0	$0	$0	$0	1.110	$0
2027	0	0	0	0	0	$0	$0	$0	$0	$0	$0	1.126	$0
2028	0	0	0	0	0	$0	$0	$0	$0	$0	$0	1.143	$0
2029	0	0	0	0	0	$0	$0	$0	$0	$0	$0	1.161	$0
2030	0	0	0	0	0	$0	$0	$0	$0	$0	$0	1.178	$0
Total	**481**	**68,000**	**0**	**34,000**	**0**	**$242,804,000**	**$15,164,000**	**$0**	**$9,146,000**	**$0**	**$267,114,000**		**$273,671,171**

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[1] Development projections from 2019-20 FORA CIP. Residential projections equal to 80% of total projections to account for non-taxable affordable housing.
[2] Nonresidential values from 2019-20 FORA CIP. Residential unit value based on input from County.

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Table B-2
Fort Ord Reuse Authority Tax Increment Analysis
Annual Assessed Value - County East Garrison

County
East Garrison

	Assessed Value - County			
FY Ending	Beginning	Annual Value Increase	New Dev.	Ending Value
Source	*Table B-3*		*Table B-1*	
Formula	*A*	*B=A*2%*	*B*	*C+D+E*
Annual Escalation		*2.00%*		
2020	$442,807,571	$8,856,151	$68,504,000	**$520,167,722**
2021	$520,167,722	$10,403,354	$60,512,270	**$591,083,347**
2022	$591,083,347	$11,821,667	$78,264,133	**$681,169,147**
2023	$681,169,147	$13,623,383	$33,373,871	**$728,166,401**
2024	$728,166,401	$14,563,328	$33,016,897	**$775,746,626**
2025	$775,746,626	$15,514,933	$0	**$791,261,558**
2026	$791,261,558	$15,825,231	$0	**$807,086,790**
2027	$807,086,790	$16,141,736	$0	**$823,228,525**
2028	$823,228,525	$16,464,571	$0	**$839,693,096**
2029	$839,693,096	$16,793,862	$0	**$856,486,958**
2030	$856,486,958	$17,129,739	$0	**$873,616,697**
2031	$873,616,697	$17,472,334	$0	**$891,089,031**
2032	$891,089,031	$17,821,781	$0	**$908,910,812**
2033	$908,910,812	$18,178,216	$0	**$927,089,028**
2034	$927,089,028	$18,541,781	$0	**$945,630,808**
2035	$945,630,808	$18,912,616	$0	**$964,543,424**
2036	$964,543,424	$19,290,868	$0	**$983,834,293**
2037	$983,834,293	$19,676,686	$0	**$1,003,510,979**
2038	$1,003,510,979	$20,070,220	$0	**$1,023,581,198**
2039	$1,023,581,198	$20,471,624	$0	**$1,044,052,822**
2040	$1,044,052,822	$20,881,056	$0	**$1,064,933,879**

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Prepared by EPS 2/12/2020

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Table B-3
Fort Ord Reuse Authority Tax Increment Analysis
Combined Project Areas
Estimate of Assessed Value for Fiscal Year 2019-2020

	Secured						Unsecured						
TRA	Parcels	Land	Improvements	Personal Property	Other Exemptions	**Total**	Parcels	Land	Improvements	Personal Property	Other Exemptions	**Total**	**TOTAL**
Seaside													
010-007	0	$0	$0	$0	$0	**$0**	4	$0	$0	$8,080	$0	**$8,080**	**$8,080**
010-027	0	$0	$0	$0	$0	**$0**	1	$0	$0	$5,920	$0	**$5,920**	**$5,920**
010-029	743	$161,203,768	$222,312,634	$2,946,735	($19,818,385)	**$366,644,752**	63	$12,582,927	$5,212,104	$1,643,899	($78,540)	**$19,360,390**	**$386,005,142**
Total	**743**	**$161,203,768**	**$222,312,634**	**$2,946,735**	**($19,818,385)**	**$366,644,752**	**68**	**$12,582,927**	**$5,212,104**	**$1,657,899**	**($78,540)**	**$19,374,390**	**$386,019,142**
Marina Airport													
012-000	0	$0	$0	$0	$0	**$0**	0	$0	$0	$0	$0	**$0**	**$0**
012-005	0	$0	$0	$0	$0	**$0**	0	$0	$0	$0	$0	**$0**	**$0**
012-015	3	$195,433	$0	$0	$0	**$195,433**	1	$0	$0	$0	$0	**$0**	**$195,433**
012-016	0	$0	$0	$0	$0	**$0**	4	$0	$225,609	$1,042,120	$0	**$1,267,729**	**$1,267,729**
012-021	52	$2,783,956	$6,559,024	$0	$0	**$9,342,980**	110	$430,448	$1,357,613	$7,911,007	($346,833)	**$9,352,235**	**$18,695,215**
Total	**55**	**$2,979,389**	**$6,559,024**	**$0**	**$0**	**$9,538,413**	**115**	**$430,448**	**$1,583,222**	**$8,953,127**	**($346,833)**	**$10,619,964**	**$20,158,377**
Marina Project #3													
012-011	205	$89,645,336	$217,572,101	$2,344,940	($43,285,701)	**$266,276,676**	53	$16,448	$10,181,652	$6,220,816	($473,799)	**$15,945,117**	**$282,221,793**
012-022	581	$175,904,345	$171,108,694	$680	($20,912,578)	**$326,101,141**	18	$5,571,321	$10,972,941	$1,014,848	$0	**$17,559,110**	**$343,660,251**
Total	**786**	**$265,549,681**	**$388,680,795**	**$2,345,620**	**($64,198,279)**	**$592,377,817**	**71**	**$5,587,769**	**$21,154,593**	**$7,235,664**	**($473,799)**	**$33,504,227**	**$625,882,044**
County Fort Ord													
057-058	4	$360,277	$0	$0	($287,067)	**$73,210**	0	$0	$0	$0	$0	**$0**	**$73,210**
096-015	12	$516,621	$0	$0		**$516,621**	0	$0	$0	$0	$0	**$0**	**$516,621**
096-027	0	$0	$0	$0	$0	**$0**	1	$0	$0	$24,690	$0	**$24,690**	**$24,690**
139-030	0	$0	$0	$0	$0	**$0**	1	$751,494	$2,254,486	$0	$0	**$3,005,980**	**$3,005,980**
Total	**16**	**$876,898**	**$0**	**$0**	**($287,067)**	**$589,831**	**2**	**$751,494**	**$2,254,486**	**$24,690**	**$0**	**$3,030,670**	**$3,620,501**
County East Garrison													
096-060	1,206	$189,893,243	$259,395,304	$0	($26,119,218)	**$423,169,329**	4	$0	$0	$10,870	$0	**$10,870**	**$423,180,199**
096-061	0	$0	$0	$0	$0	**$0**	0	$0	$0	$0	$0	**$0**	**$0**
096-069	174	$1,778,383	$16,429,699	$0	$0	**$18,208,082**	16	$167,002	$739,198	$513,090	$0	**$1,419,290**	**$19,627,372**
Total	**1,380**	**$191,671,626**	**$275,825,003**	**$0**	**($26,119,218)**	**$441,377,411**	**20**	**$167,002**	**$739,198**	**$523,960**	**$0**	**$1,430,160**	**$442,807,571**
TOTAL	**2,980**	**$622,281,362**	**$893,377,456**	**$5,292,355**	**($110,422,949)**	**$1,410,528,224**	**276**	**$19,519,640**	**$30,943,603**	**$18,395,340**	**($899,172)**	**$67,959,411**	**$1,478,487,635**

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Source: Monterey County Auditor-Controller

APPENDIX C:

Property Tax Distribution Factors

Table C-1 East Garrison Property Tax Factors 18

Table C-2 Pass-Through Percentages 19

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Table C-1
Fort Ord Reuse Authority Tax Increment Analysis
East Garrison Property Tax Factors

Item	TRA: 096-060	TRA: 096-069	Weighted Average of TRA Factors	ERAF Shift	Factors After ERAF Shift	Original Weighted Avg. Factors *prior to ERAF Shift*	Readjusted Factors
	East Garrison Property Tax Factors					**Factors for ATE Distribution** *(excludes County and Schools)*	
FY 2019-20 Secured and Unsecured AV [1]	$423,180,199	$19,627,372					
Percent of Total AV	96%	4%					
19000 Monterey Countywide	0.249437	0.249492	**0.249439**	40.516439%	**0.148375**	**-**	**-**
19500 County Library	0.028250	0.028250	**0.028250**	24.602346%	**0.021300**	**0.028250**	**0.191894**
24300 Fort Ord RDA	0.000000	0.000000	**0.000000**	0.000000%	**0.000000**	**0.000000**	**0.000000**
25300 Monterey County Office of Education	0.033151	0.033151	**0.033151**	0.000000%	**0.033151**	**0.033151**	**0.225185**
27400 Monterey Pen Unified Sch Dist	0.544537	0.544537	**0.544537**	0.000000%	**0.544537**	**-**	**-**
27900 Monterey Pen College	0.058807	0.058807	**0.058807**	0.000000%	**0.058807**	**-**	**-**
37000 MCWRA Dist	0.001730	0.001730	**0.001730**	31.387004%	**0.001187**	**0.001730**	**0.011751**
41500 Fire Monterey County Regional Prot. District	0.056703	0.056648	**0.056701**	6.173318%	**0.053200**	**0.056701**	**0.385151**
46000 Monterey Regional Park Dist	0.014413	0.014413	**0.014413**	15.788231%	**0.012137**	**0.014413**	**0.097903**
47300 North Salinas Valley Mosquito Abate	0.010378	0.010378	**0.010378**	38.373203%	**0.006396**	**0.010378**	**0.070495**
47400 Moss Landing Harbor Dist	0.002594	0.002594	**0.002594**	36.753367%	**0.001641**	**0.002594**	**0.017620**
ERAF	-	-	**-**	-	**0.119269**		
TOTAL	1.000000	1.000000	**1.000000**	1.935939	**1.000000**	**0.147217**	**1.000000**

tra factors

[1] See Table B-3.

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Table C-2
Fort Ord Reuse Authority Tax Increment Analysis
Pass-Through Percentages

RDA / TRA	2019-20 Assessed Value [1]	2019-20 School District AB 8 Tax Increment Factors [2]						
		MPUSD	MPC	Spreckels Union	Washington Union	Salinas Union High	Hartnell	Total
Seaside								
010-007	$8,080	41.5074%	4.4825%	N/A	N/A	N/A	N/A	45.9899%
010-029	$386,005,142	41.2535%	4.4551%	N/A	N/A	N/A	N/A	45.7086%
Seaside Total	**$386,013,222**	**41.2535%**	**4.4551%**	**0.0000%**	**0.0000%**	**0.0000%**	**0.0000%**	**45.7086%**
Marina Airport								
012-000	$0	N/A	N/A	9.8454%	N/A	18.4629%	7.8217%	36.1300%
012-005	$0	43.0198%	4.6459%	N/A	N/A	N/A	N/A	47.6657%
012-015	$195,433	43.0198%	4.6459%	N/A	N/A	N/A	N/A	47.6657%
012-016	$1,267,729	42.7860%	4.6206%	N/A	N/A	N/A	N/A	47.4066%
012-021	$18,695,215	43.7978%	4.7299%	N/A	N/A	N/A	N/A	48.5277%
Marina Airport Total	**$20,158,377**	**43.7266%**	**4.7222%**	**0.0000%**	**0.0000%**	**0.0000%**	**0.0000%**	**48.4488%**
Marina Project #3								
012-011	$282,221,793	43.4253%	4.6897%	N/A	N/A	N/A	N/A	48.1150%
012-022	$343,660,251	43.7978%	4.7299%	N/A	N/A	N/A	N/A	48.5277%
Marina Project #3 Total	**$625,882,044**	**43.6298%**	**4.7118%**	**0.0000%**	**0.0000%**	**0.0000%**	**0.0000%**	**48.3416%**
County Fort Ord								
057-058	$73,210	N/A	N/A	12.4568%		23.3602%	9.8964%	45.7134%
096-015	$516,621	54.0177%	5.8336%	N/A	N/A	N/A	N/A	59.8513%
096-027	$24,690	54.5954%	5.8960%	N/A	N/A	N/A	N/A	60.4914%
139-030	$3,005,980	N/A	N/A	N/A	21.8140%	20.8633%	8.8369%	51.5142%
Subtotal County Fort Ord	**$3,620,501**	**8.0803%**	**0.8726%**	**0.2519%**	**18.1114%**	**17.7945%**	**7.5371%**	**52.6478%**
County East Garrison								
096-060	$423,180,199	54.4537%	5.8807%	N/A	N/A	N/A	N/A	60.3344%
096-061	$0	54.5954%	5.8960%	N/A	N/A	N/A	N/A	60.4914%
096-069	$19,627,372	54.4537%	5.8807%	N/A	N/A	N/A	N/A	60.3344%
Subtotal County East Garrison	**$442,807,571**	**54.4537%**	**5.8807%**	**0.0000%**	**0.0000%**	**0.0000%**	**0.0000%**	**60.3344%**
TOTAL	**$1,478,481,715**							

pt pct

Source: Monterey County Auditor Controller

[1] See Table B-3.
[2] Total percentage for each RDA is weighted average of TRA percentages and is used in school pass-through calculations on Table A-2.

RESOLUTION NO. 2020-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE AUTHORIZING A REIMBURSEMENT CONTRACT WITH MONTEREY COUNTY REGIONAL FIRE DISTRICT AND CITY OF SEASIDE AND CITY OF MARINA

WHEREAS, the Fort Ord Reuse Authority is pursuing actions in order to proceed with a bond issuance prior to June 30, 2020 which would be secured by future tax increment funding; and

WHEREAS, the City of Seaside and the City of Marina would receive bond proceeds, estimated to be a portion of up to $55 million dollars, which could be used to remove buildings and perform other actions to remediate sites and buildings left on the former Fort Ord; and

WHEREAS, the City of Seaside has building removal costs of approximately $12 million dollars in Surplus II which is a part of the Campus Town Specific Plan area; and

WHEREAS, the Monterey County Regional Fire District receives a certain tax increment funding and estimates that its tax revenues will be reduced if bonds are issued by FORA; and

WHEREAS, the Monterey County Regional Fire District provides mutual aid fire services to the City of Marina and the City of Seaside; and

WHEREAS, the City of Marina and the City of Seaside have agreed to participate equally to reimburse the Monterey County Regional Fire District for its lost tax revenues if FORA successfully issues bond debt.

NOW, THEREFORE, BE IT RESOLVED that the City of Seaside hereby authorizes the City Manager to execute a Reimbursement Agreement with the Monterey County Regional Fire District in order to offset a reduction in tax increment funding contingent upon City's receipt of bond revenues from the Fort Ord Reuse Authority.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Seaside duly held on the 5th day of March 2020 by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

____
Ian N. Oglesby, Mayor

ATTEST:

____
Lesley Milton-Rerig, City Clerk

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.D.

TO: City Council

FROM: Craig Malin, City Manager

BY: Scott Ottmar, Senior Engineer
Misty Bradshaw, Associate Engineer

DATE: March 5, 2020

SUBJECT: **APPROVE A RESOLUTION AUTHORIZING FISCAL YEAR 2020-21 STREET REPAIR PROJECT LIST TO BE FUNDED IN PART WITH SB1: THE ROAD MAINTENANCE REPAIR AND ACCOUNTABILITY ACT OF 2017 FUNDS, AND AUTHORIZING STAFF TO SUBMIT TO THE CALIFORNIA TRANSPORTATION COMMISSION**

PURPOSE & RECOMMENDATION

Approve a resolution authorizing staff to submit a revised SB 1 Project List to the California Transportation Commission (CTC), and authorizing the SB1 Project List to be funded in part with fiscal year (FY) 2020-21 Road Maintenance Repair and Accountability (RMRA) Revenues.

BACKGROUND

Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide.

City Council previously held study sessions on the Pavement Management Program on April 19, 2018, June 7, 2018, and July 10, 2018. Based upon Council direction to focus on upgrading major streets, staff developed preferred scenarios identifying the City's ability to upgrade these roads using Measure X and SB1 funds. The locations were combined into a single Arterial and Collector Resurfacing Project, which will be completed over multiple phases projected over three years, with Fiscal Year 2020-21 anticipated to be the final year.

SB1 places accountability and compliance requirements on jurisdictions in order to exhibit effectiveness of the program. The City must adopt by resolution a list of projects proposed to receive fiscal year funding in part from the RMRA, created by SB 1. Previously, the City submitted to the CTC the Arterial and Collector Resurfacing Project for the FY 2018-19 and FY 2019-20 project list updates. As part of this year's project list update, the City is re-submitting the same project as an ongoing project proposed to continue through FY 2020-21.

It is recommended that the City Council adopt a resolution approving the attached SB1 Project List in order to update the project list with the CTC for continuation of SB1 funding.

ENVIRONMENTAL COMPLIANCE

Per Title 14 of the California Code of Regulations, Chapter 3, "Guidelines for Implementation of California Environmental Quality Act (CEQA)," Article 19, "Categorical Exemptions," Section 15301.c, "Existing Facilities" the following actions are categorically exempt;

"Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities (this includes road grading for the purpose of public safety)."

FISCAL IMPACT

The City of Seaside RMRA revenues generated from SB1 are budgeted to be $637,922 in FY 2020-21. The proposed project list (Exhibit A) will be partially funded from the budgeted RMRA SB1 revenues accounted for in #210-3526 and expended from budgeted amounts in account "SB1 Capital Projects (Acct # 210-8210-9577).

ATTACHMENTS

1. Resolution
2. Exhibit A: SB1 project-list
3. CTC Reporting_Guidelines Adopted

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

RESOLUTION NO. 20-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE

APROVE A RESOLUTION AUTHORIZING FISCAL YEAR 2020-21 STREET REPAIR PROJECT LIST TO BE FUNDED IN PART WITH SB1: THE ROAD MAINTENANCE REPAIR AND ACCOUNTABILITY ACT OF 2017 FUNDS, AND AUTHORIZING STAFF TO SUBMIT TO THE CALIFORNIA TRANSPORTATION COMMISSION

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of our City are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City of Seaside (City) must adopt by resolution a list of projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, attached hereto as Exhibit A, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvements; and

WHEREAS, the City could receive an estimated $637,922 in RMRA funding in Fiscal Year 2020-21 from SB 1; and

WHEREAS, this is the fourth year in which the City is receiving SB 1 funding and will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, the City has undergone a robust public process to ensure public input into our community's transportation priorities, including City Council Study Sessions, and Council's direction to focus on upgrading major streets and roads; and.

WHEREAS, the City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the communities priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain and rehabilitate approximately nine streets and roads throughout the City as part of Phase 3 of the Arterial and Collector Resurfacing Project this year; and

WHEREAS, the 2018 California Statewide Local Streets and Roads Needs Assessment found that the City's streets and roads are in an "at risk" condition and this revenue will help us improve the overall quality of our road system; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide; and

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Seaside approves a resolution authorizing Fiscal Year 2020-21 Street Repair Project List (Exhibit A) to be funded in part with SB1: The Road Maintenance Repair and Accountability Act of 2017 funds, to allocate these funds to "SB1 Capital Project" (Acct # 210-8210-9577), and authorizing staff to submit to the California Transportation Commission.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Seaside duly held on the 5th day of March 2020 by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

____
Ian N. Oglesby, Mayor

ATTEST:

____
Lesley Milton, City Clerk

Exhibit A: Senate Bill (SB) 1 Proposed Project List for Fiscal Year 2020/2021

Title	Description	New or Carried Over Project for SB1 Reporting	Location	Estimated Project Completion	Est Useful Life Min	Est Useful Life Max	FY20/21 Estimated SB1 Funding
Arterial and Collector Resurafacing Project (Construction)	Remove & Replace failed road sections utilzing various treatment types selected as the best applicable treatment. This is a multi-phase project spanning upwards of three years for Construction, with a construction phase spanning from FY18/19 through FY20/21.	Carried Over - Carried over from FY 19/20 to FY 20/21	Various arterial and collector roadways around the City	December 2021	5	30	**$ 637,922.00**
				Total Estimated Budget:			**$ 637,922.00**

CALIFORNIA TRANSPORTATION COMMISSION

ADOPTION OF THE 2019 LOCAL STREETS AND ROADS FUNDING PROGRAM REPORTING GUIDELINES
Resolution G-18-38

1.1 **WHEREAS,** on April 28, 2017, the Governor signed Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017), known as the Road Repair and Accountability Act of 2017 to address basic road maintenance, rehabilitation, and critical safety needs on both the state highway and local streets and road system; and

1.2 **WHEREAS,** beginning November 1, 2017, new funding from increases to certain fuel excise and sales taxes and vehicle registration fees were deposited into the Road Maintenance and Rehabilitation Account, and a percentage of this new funding has been apportioned monthly by formula by the State Controller pursuant to paragraph (2) of subdivision (h) of Section 2032 of the Streets and Highways Code to eligible cities and counties for basic road maintenance, rehabilitation, and critical safety projects on local streets and roads; and

1.3 **WHEREAS,** Streets and Highways Code Section 2034(a)(1) requires that prior to receiving an apportionment of Road Maintenance and Rehabilitation Account funds pursuant to paragraph (2) of subdivision (h) of Section 2032 from the Controller in a fiscal year, an eligible city or county shall submit to the California Transportation Commission (Commission) a list of projects proposed to be funded with these funds pursuant to an adopted resolution; and

1.4 **WHEREAS,** Streets and Highways Code Section 2034(a)(2) requires that the Commission report to the Controller the cities and counties that have submitted a list of projects as described in this subdivision and that are therefore eligible to receive an apportionment of funds under the program for the applicable fiscal year. The Controller, upon receipt of the report, shall apportion funds to eligible cities and counties; and

1.5 **WHEREAS,** Streets and Highways Code Section 2034(a)(1) specifies that the project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities, so long as the projects are consistent with Streets and Highways Code Section 2030(b); and

1.6 **WHEREAS,** the Commission, in consultation with cities, counties, and their representatives as well as the State Controller's Office and other stakeholders, developed the Draft 2019 Local Streets and Roads Funding Program Reporting Guidelines and released for public comment on July 13, 2018; and

1.7 **WHEREAS**, Commission staff conducted five online workshops to discuss the proposed guideline amendments and encouraged cities, counties, as well as program stakeholders to provide comments and questions; and

1.8 **WHEREAS**, Commission staff worked collaboratively with representatives from the cities and counties, State Controller's Office, and regional partners to address and incorporate comments into the Draft 2019 Local Streets and Roads Funding Program Reporting Guidelines where feasible.

2.1 **NOW, THEREFORE, BE IT RESOLVED,** that the Commission adopts the attached 2019 Local Streets and Roads Funding Program Reporting Guidelines; and

2.2 **BE IT FURTHER RESOLVED,** that the purpose of these guidelines is to 1.) Outline the general policies and procedures for cities and counties to carryout out the annual Local Streets and Roads Funding Program reporting requirements and for the Commission's annual transmittal of a list of eligible cities and counties to the State Controller pursuant to Streets and Highways Code Section 2034, and 2.) Outline the responsibility of the Commission to receive project expenditure information each year from cities and counties and provide statewide information regarding the use of the Road Maintenance and Rehabilitation Account funds available through the Local Streets and Roads Funding Program to the public and the Legislature to promote transparency, accountability, and meet the legislative intent of SB 1; and

2.3 **BE IT FURTHER RESOLVED,** that Commission staff is authorized to make minor technical changes as needed to the guidelines; and

2.4 **BE IT FURTHER RESOLVED,** that the Commission directs staff to post these guidelines to the Commission's website.

THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

LOCAL STREETS AND ROADS FUNDING PROGRAM

2019 REPORTING GUIDELINES

August, 2018

California Transportation Commission

CALIFORNIA TRANSPORTATION COMMISSION
THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

LOCAL STREETS AND ROADS FUNDING PROGRAM ANNUAL REPORTING GUIDELINES

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I. Introduction

1. Background and Purpose of Reporting Guidelines

On April 28, 2017 the Governor signed Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017), which is known as the Road Repair and Accountability Act of 2017. To address basic road maintenance, rehabilitation and critical safety needs on both the state highway and local streets and road system, SB 1: increases per gallon fuel excise taxes; increases diesel fuel sales taxes and vehicle registration fees; and provides for inflationary adjustments to tax rates in future years.

As of November 1, 2017, the State Controller began depositing various portions of these funds into Road Maintenance and Rehabilitation Account (RMRA); a percentage of these funds are to be apportioned by formula to eligible cities and counties pursuant to Streets and Highways Code (SHC) Section 2032(h) intended for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system. For a detailed breakdown of RMRA funding sources and the disbursement of funding please see Sections 5 and 6 of these guidelines.

SB 1 emphasizes the importance of accountability and transparency in the delivery of California's transportation programs. Therefore, in order to be eligible for RMRA funding, statute requires cities and counties provide basic annual RMRA project reporting to the California Transportation Commission (Commission).

These guidelines describe the general policies and procedures for carrying out the annual RMRA project reporting requirements for cities and counties and other statutory objectives as outlined in Section 2 below. The guidelines were developed in consultation with state, regional, and local government entities, and other transportation stakeholders.

The Commission may amend these guidelines after first giving notice of the proposed amendments. In order to provide clear and timely guidance, it is the Commission's policy that a reasonable effort be made to amend the guidelines prior to the due date for project lists. The Commission may extend the deadline for project list submission in order to facilitate compliance with the amended guidelines.

2. Funding Program Objectives and Statutory Requirements

Streets and Highways Code (SHC) Section 2032.5(a) articulates the general intent of the legislation that recipients of RMRA funding be held accountable for the efficient investment of public funds to maintain local streets and roads and are accountable to the people through performance goals that are tracked and reported.

Pursuant to SHC Section 2030(a), the objective of the Local Streets and Roads Funding Program is to address deferred maintenance on the local streets and roads system through the prioritization and delivery of basic road maintenance and rehabilitation projects as well as critical safety projects.

Cities and counties receiving RMRA funds must comply with all relevant federal and state laws, regulations, policies, and procedures. The main requirements for the funding program are codified in SHC Sections 2032.5, 2034, 2036, 2037, and 2038 and include the following:

- It is the intent of the Legislature that the Department of Transportation and local governments are held accountable for the efficient investment of public funds to maintain the public highways, streets, and roads, and are accountable to the people through performance goals that are tracked and reported [SHC 2032.5(a)].

- Prior to receiving an apportionment of RMRA funds from the State Controller in a fiscal year, a city or county must submit to the Commission a list of projects proposed to be funded with these funds. All projects proposed to receive funding must be adopted by resolution by the applicable city council or county board of supervisors at a regular public meeting each fiscal year [SHC 2034(a)(1)].
- The list of projects must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement [SHC 2034(a)(1)]. Further guidance regarding the scope, content, and submittal process for project lists prepared by cities and counties is provided in Sections 9-10.
- The project list does not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities so long as the projects are consistent with RMRA priorities as outlined in SHC 2030(b) [SHC 2034(a)(1)].
- The Commission will submit an initial report to the State Controller that indicates the cities and counties that have submitted a list of projects as described in SHC 2034(a)(1) and that are therefore eligible to receive an apportionment of RMRA funds for the applicable fiscal year [SHC 2034(a)(2)].
- The State Controller, upon receipt of an initial report from the Commission, shall apportion RMRA funds to eligible cities and counties pursuant to SHC 2032(h) [SHC 2034(a)(3)].
- The State Controller will retain the monthly share of RMRA funds for cities and counties not included in the Commission's initial report that would otherwise be apportioned and distributed to those cities and counties [SHC 2034(a)(4)(A)]. Pursuant to SHC 2034(a)(4)(B), the monthly share of RMRA funds for each of these cities and counties will be retained by the State Controller for 90 days.
- Upon receipt of a list of projects from a city or county after the Commission has submitted its initial report to the State Controller, the Commission will submit a subsequent report to the State Controller that specifies all newly eligible cities and counties [SHC 2034(a)(2)].
- After 90 days, the State Controller will apportion to all newly eligible cities and counties the RMRA funds that were retained but not previously apportioned and distributed pursuant to SHC 2304(a)(4)(B).
- Any RMRA funds held by the State Controller for a city or county that still remains ineligible after 90 days will be reapportioned to all other eligible cities and counties [SHC 2034(a)(4)(C)].
- For each fiscal year in which RMRA funds are received and expended, cities and counties must submit documentation to the Commission that details the expenditure of all RMRA funds, including a description and location of each completed project, the amount of funds expended on the project, the completion date, and the estimated useful life of the improvement [SHC 2034(b)]. Further guidance regarding the scope, content, and submittal process for program expenditure reports is provided in Sections 12-13.

- Prior to receiving an apportionment of funds under the program an eligible city or county may expend other funds on eligible projects and may reimburse the source of those other funds when it receives its apportionment from the State Controller over one or more years [SHC 2034(c)].
- A city or county receiving an apportionment of RMRA funds is required to sustain a maintenance of effort (MOE) by spending at least the annual average of its general fund expenditures during the 2009–10, 2010–11, and 2011–12 fiscal years for street, road, and highway purposes from the city's or county's general fund [SHC 2036]. Monitoring and enforcement of the maintenance of effort requirement for RMRA funds will be carried out by the State Controller and is addressed in more detail in Section 15.
- A city or county may spend its apportionment of RMRA funds on transportation priorities other than priorities outlined in SHC 2030(b) if the city or county's average Pavement Condition Index (PCI) meets or exceeds 80 [SHC 2037].
- By July 1, 2023, cities and counties receiving RMRA funds must follow guidelines developed by the California Workforce Development Board (Board) that address participation and investment in, or partnership with, new or existing pre-apprenticeship training programs [SHC 2038]. Further information regarding the forthcoming Board Guidelines and future Board-sponsored grant opportunities is available in Section 16.

3. Funding Program Roles and Responsibilities

Below is a general outline of the roles and responsibilities of recipient cities/counties, the Commission, the State Controller, and the California Workforce Development Board, in carrying out the funding program's statutory requirements, as well as activities the Commission will undertake to meet the legislative intent of SB 1:

Recipient Cities/Counties:

- Develop and submit a list of projects to the Commission each fiscal year.
- Develop and submit a project expenditure report to the Commission each fiscal year.
- Comply with all requirements including reporting requirements for RMRA funding.

Commission:

- Provide technical assistance to cities and counties in the preparation of project lists and reports.
- Receive and review project lists from cities and counties each fiscal year to ensure compliance with the statutorily required elements of a project list submittal is met.
- Provide a comprehensive list to the State Controller each fiscal year of cities and counties eligible to receive RMRA apportionments.
- Receive program expenditure reports from cities and counties each fiscal year and provide aggregated statewide information regarding use of RMRA funds to the Legislature and the public (e.g. the Commission's Annual Report to the Legislature and a SB 1 Accountability Website).

State Controller:

- Receive list of cities and counties eligible for RMRA apportionments each fiscal year from the Commission.
- Apportion RMRA funds to cities and counties.
- Oversee Maintenance of Effort and other requirements for RMRA funds including reporting required pursuant to SHC 2151.

California Workforce Development Board:

- Pursuant to SHC 2038, establish a pre-apprenticeship development and training grant program beginning January 1, 2019 that local public agencies receiving RMRA funds are eligible to apply for or partner with other entities to apply for.
- Pursuant to SHC 2038, develop guidelines for public agencies receiving RMRA funds to participate, invest in, or partner with, new or existing pre-apprenticeship training programs. Local public agencies receiving RMRA funds must follow the guidelines by no later than July 1, 2023.

4. Funding Program Schedule

The following schedule lists the major milestones for the Local Streets and Roads Funding Program Annual Reporting.

Project Lists due to Commission	May 1st each year
Commission Adopts Initial List of Eligible Cities and Counties	June Commission Meeting each year
Commission Submits Initial List to State Controller	No later than June 30th each year
Subsequent Eligibility Project Lists due to Commission	August 1st each year (if needed)
Commission Adopts Subsequent List of Eligible Cities and Counties	August Commission Meeting each year (if needed)
Commission Submits Subsequent List to State Controller	No later than August 31st each year (if needed)
Annual Reporting of Fiscal Year Expenditures due to Commission	October 1st each year
Informational Funding Program Update to Commission	December Commission Meeting each year

II. Funding

5. Source

The State of California imposes per-gallon excise taxes on gasoline and diesel fuel, sales taxes on diesel fuel, and registration taxes on motor vehicles and dedicates these revenues to transportation purposes. Portions of these revenues flow to cities and counties through the Highway Users Tax Account (HUTA) and the newly established RMRA created by SB 1.

The Local Streets and Roads Funding is supported by RMRA funding which includes portions of revenues pursuant to SHC 2031 from the following sources:

- An additional 12 cent per gallon increase to the gasoline excise tax effective November 1, 2017.
- An additional 20 cent per gallon increase to the diesel fuel excise tax effective November 1, 2017.
- An additional vehicle registration tax called the "Transportation Improvement Fee" with rates based on the value of the motor vehicle effective January 1, 2018.
- An additional $100 vehicle registration tax on zero emissions (ZEV) vehicles of model year 2020 or later effective July 1, 2020.
- Annual rate increases to these taxes beginning on July 1, 2020 (July 1, 2021 for the ZEV fee) and every July 1st thereafter equal to the change in the California Consumer Price Index (CPI).

SHC 2032(h)(2) specifies that 50 percent of the balance of revenues deposited into the RMRA, after certain funding is set aside for various programs, will be continuously appropriated for apportionment to cities and counties by the State Controller pursuant to the formula in SHC Section 2103(a)(3)(C)(i) and (ii).

6. Estimation and Disbursement of Funds

While neither, the Commission nor the State Controller's Office prepare formal estimates of RMRA funds, the Department of Finance (DOF) estimates the total amount of funding that will be deposited into the RMRA annually. The California State Association of Counties and the League of California Cities use this information from DOF to develop city and county level estimates of RMRA funds which are available here:

California State Association of Counties
http://www.counties.org/sb-1-road-repair-and-accountability-act-2017

League of California Cities
http://www.californiacityfinance.com/

Each fiscal year, upon receipt of a list of cities and counties that are eligible to receive an apportionment of RMRA funds pursuant to SHC 2032(h)(2) from the Commission, the State Controller is required to apportion RMRA funds to eligible cities and counties consistent with the formula outlined in SHC Section 2103(a)(3)(C)(i) and (ii). It is expected that the State Controller will continuously apportion RMRA funds on a monthly basis to eligible cities and counties using a process and system similar to that of HUTA apportionments. RMRA funding is continuously apportioned and is not provided on a reimbursement basis.

The Commission does not approve the projects listed or provide authorization to proceed with RMRA funded projects. The Commission receives project lists, determines they are complete and meet basic statutory requirements outlined in SHC 2034 and then approves and submits a statewide list to the State Controller of cities and counties that are eligible to begin receiving monthly RMRA funding apportionments.

III. Eligibility and Funding Program Priorities

7. Eligible Recipients

Eligible recipients of RMRA funding apportionments include cities and counties that have prepared and submitted a project list to the Commission each fiscal year pursuant to SHC Section 2034(a)(1) and that have been included in a list of eligible entities submitted by the Commission to the State Controller pursuant to SHC Section 2034(a)(2).

Recipients of RMRA apportionments must comply with all relevant federal and state laws, regulations, policies, and procedures.

8. Funding Program Priorities and Example Projects

Pursuant to SHC Section 2030(a), RMRA funds made available for the Local Streets and Roads Funding Program shall be prioritized for expenditure on basic road maintenance and rehabilitation projects, and on critical safety projects.

SHC Section 2030(b)(1) provides a number of example projects and uses for RMRA funding that include, but are not limited to, the following:

- Road Maintenance and Rehabilitation
- Safety Projects
- Railroad Grade Separations
- Complete Streets Components (including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and stormwater capture projects in conjunction with any other allowable project)
- Traffic Control Devices
- Other (match funds for eligible project advancement)
- Pursuant to Article XIX Section 2(a) of the constitution: "The research, planning, construction, improvement, maintenance, and operation of public streets and highways (and their related public facilities for nonmotorized traffic), including the mitigation of their environmental effects, the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes."

SHC Section 2030(b)(2) states that funds made available by the program may also be used to satisfy a match requirement in order to obtain state or federal funds for projects authorized by this subdivision.

SHC Section 2030(c)-(f) specifies additional project elements that will be incorporated into RMRA-funded projects by cities and counties to the extent possible and cost effective, and where feasible (as deemed by cities and counties). These elements are:

- Technologies and material recycling techniques that lower greenhouse gas emissions and reduce the cost of maintaining local streets and roads through material choice and construction method.
- Systems and components in transportation infrastructure that recognize and accommodate technologies including but not limited to ZEV fueling or charging and infrastructure-vehicles communications for transitional or fully autonomous vehicles.
- Project features to better adapt the transportation asset to withstand the negative effects of climate change and promote resiliency to impacts such as fires, floods, and sea level rise (where appropriate given a project's scope and risk level for asset damage due to climate change).
- Complete Streets Elements (such as project features that improve the quality of bicycle and pedestrian facilities and that improve safety for all users of transportation facilities) are expected to be incorporated into RMRA funded projects to the extent (as deemed by cities and counties) beneficial, cost-effective, and practicable in the context of facility type, right-of-way, project scope, and quality of nearby facilities.

Pursuant to SHC Section 2037, a city or county may spend its apportionment of RMRA funds on transportation priorities other than those outlined in SHC Section 2030 if the city's or county's average Pavement Condition Index (PCI) meets or exceeds 80.

IV. Project List Submittal

9. Content and Format of Project List

Pursuant to SHC Section 2034(a)(1), prior to receiving an apportionment of RMRA funds from the State Controller in a fiscal year (funds collected from July 1 to June 30 and apportioned September 1 to August 31), a city or county must submit to the Commission a list of projects proposed to be funded with these funds pursuant to an adopted resolution by the city council or county board of supervisors at a regular public meeting. Each year, a city or county must submit to the Commission an adopted resolution and updated proposed project list in order to meet the eligibility requirements for the upcoming fiscal year's apportionment. A submittal with a resolution adopted in a previous fiscal year will not be considered complete and deemed not compliant with statute.

Project lists must, at a minimum, include any new proposed projects for the upcoming fiscal year and any projects from previous fiscal years that will continue to receive funding in the upcoming fiscal year (i.e. multi-year funded projects).

Each city and county is strongly encouraged to provide a copy of their Proposed Project List to their applicable Regional Transportation Planning Agencies and Metropolitan Planning Organizations, once reviewed and accepted by the Commission.

Listed below are the specific statutory criteria for the content of the project list along with additional guidance provided to help ensure a consistent statewide format and to facilitate accountability and transparency within the Local Streets and Roads Funding Program.

a.) Adopted Resolution

All proposed projects must be adopted by resolution by the applicable city council or county board of supervisors at a regular public meeting.

Documentation of Inclusion in an Adopted Resolution

A city or county must provide a public record which illustrates that projects proposed for each fiscal year's apportionment of RMRA funding through the Local Streets and Roads Funding Program have been included in a current fiscal year's adopted resolution by the applicable city council or county board of supervisors at a regular public meeting. An acceptable public record shall include a signed, executed copy of the city/county's adopted resolution including the relevant list of projects documenting approval at a regular public meeting.

Submittal of an electronic copy of the relevant support documentation (i.e. resolution) is required. Support documentation requirements are further discussed in the Online Reporting Tool Guidelines.

b.) List of Projects – Content

Pursuant to SHC 2034(a)(1), the project list must include a description and the location of each proposed project, a proposed schedule for each project's completion, and the estimated useful life of the improvement. The project list is intended to cover, at a minimum, the applicable fiscal year. Cities and counties may include project information for future fiscal years but are expected to update the project list as needed every fiscal year prior to submittal to the Commission. Cities and counties must list projects that will be funded with the apportioned funds for that fiscal year, including projects for which the fiscal year funds are being reserved for future project funding.

Development and Content

The Commission recognizes the inherent diversity of road maintenance and rehabilitation needs among the approximately 539 jurisdictions across the state that may utilize Local Streets and Roads Program funding.

Given the emphasis SB 1 places on accountability and transparency in delivering California's transportation programs, cities and counties are encouraged to clearly articulate how these funds are being utilized through the development of a project list.

To promote statewide consistency in the content and format of project information submitted to the Commission, and to facilitate transparency within the Local Streets and Roads Funding Program, the following guidance is provided regarding the key components of the project list. Please note that project lists included in a city or county adopted resolution should, at a minimum, include the elements mandated by statute: description, location, schedule for completion and useful life. Cities and counties should include more detailed project information as described below in the project list submitted to the Commission.

For further assistance, the Online Reporting Tool Instructions have been developed to outline project list content and format.

Project Description

The list must include a project description for each proposed project. The city/county is encouraged to provide a brief non-technical description written so that the main objectives of the project can be clearly and easily understood by the public.

The description should clearly inform the public if the project listed is for construction, pre-construction (i.e. environmental, design, right of way, feasibility studies, needs assessments, etc.), or procurement/operational needs as consistent with Article XIX Section 2(a) of the constitution. The level of detail provided will vary depending upon the nature of the project; however, it is highly encouraged that the project description contain a minimum level of detail needed for the public to understand what is being done and why it is a critical or high-priority need.

Project Location

The list must include a project location for each proposed project. The city/county is encouraged to provide project location information that, at a minimum, would allow the public to clearly understand where within the community the project is being undertaken. For example, providing specific street names where improvements are being undertaken and specifying project termini when possible would allow the public to clearly understand where the project is to take place within the community. If project-specific geolocation data is available, it is highly encouraged to be included in the project list submitted to the Commission.

If the listed project component is for procurement/operational needs or pre-construction and a location of work has yet to be determined, city or county-wide is an acceptable location description. If the proposed project is for construction and specific project locations have not been finalized, city/county boundaries or identifiable neighborhoods and communities is also an acceptable location description. In such instances, it is encouraged to provide a statement prior to listing the estimated or proposed locations that "All locations listed are an estimate and have yet to be finalized."

Proposed Schedule for Completion

The list must include a completion schedule for each proposed project. The city/county is encouraged to provide a general timeline that provides a clear picture to the public of when a project is reasonably expected to start and to be completed. The proposed schedule for completion should clearly articulate if a project will take multiple years to complete.

Estimated Useful Life

The list must include an estimated useful life for each proposed project in its entirety, not by each segment/location to be improved. The city/county is encouraged to provide information regarding the estimated useful life of the project that is clear, understandable, and based on industry-standards for the project materials and design, where applicable.

Technology, Climate Change, and Complete Streets Considerations

SHC Section 2030(c)-(f) specifies additional project elements that will be incorporated into RMRA-funded projects by cities and counties to the extent possible and cost effective, and where feasible. These elements are:

- Technologies and material recycling techniques that lower greenhouse gas emissions and reduce the cost of maintaining local streets and roads through material choice and construction method.
- Systems and components in transportation infrastructure that recognize and accommodate technologies including but not limited to ZEV fueling or charging and infrastructure-vehicles communications for transitional or fully autonomous vehicles.
- Project features to better adapt the transportation asset to withstand the negative effects of climate change and promote resiliency to impacts such as fires, floods, and sea level rise (where appropriate given a project's scope and risk level for asset damage due to climate change).
- Complete Streets Elements (such as project features that improve the quality of bicycle and pedestrian facilities and that improve safety for all users of transportation facilities) are expected to be incorporated into RMRA funded projects to the extent (as deemed by cities and counties) beneficial, cost-effective, and practicable in the context of facility type, right-of-way, project scope, and quality of nearby facilities.

Cities and counties are encouraged to consider all of the above for implementation, to the extent possible, cost-effective, and feasible, in the design and development of projects for RMRA funding.

To meet the intent of SHC 2032.5(a) as outlined in Section 2 of these guidelines, in addition to the statutory requirements outlined in Section 10, the standard forms developed by the Commission will allow cities and counties to report on the inclusion of these elements.

Other Statutory Considerations for Project Lists

Pursuant to SHC Section 2034(a)(1), the project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities, so long as the projects are consistent with SHC Section 2030(b). After submittal of the project list to the Commission, in the event a city or county elects to make changes to the project list pursuant to the statutory provision noted above, formal notification of the Commission is not required. However, standard reporting forms will provide an opportunity for jurisdictions to annually communicate such changes to the Commission as part of the Annual Expenditure Reporting process.

Pursuant to SHC Section 2037, a city or county may spend its apportionment of RMRA funds on transportation priorities other than those outlined in SHC 2030(b) if the city or county's average Pavement Condition Index (PCI) meets or exceeds 80. This provision however, does not eliminate the requirement for cities and counties to prepare and submit a list of projects or the requirement to consider technology, climate change, and complete streets elements to the extent possible, cost-effective and feasible, in the design and development of projects for RMRA funding.

In the event a city or county will spend its apportionment of RMRA funds on transportation priorities other than those outlined in Section 8 of these guidelines and pursuant to SHC 2037, cities and counties are encouraged to work with its respective Regional Transportation Planning Agency or Metropolitan Planning Organization to ensure that projects are included in the applicable Regional Transportation Plan.

Should a city or county choose to seek eligibility with the intent of reserving their fiscal year apportionment of RMRA funds for a project to take place in a future fiscal year, an adopted resolution and proposed project list submittal is still required.

c.) List of Projects – Standard Format and Online Submittal Tool

Please note that project lists included in a city or county adopted resolution should, at a minimum, include the elements mandated by statute: description, location, schedule for completion and useful life elements. Cities and counties should include more detailed project information in the project list submitted to the Commission.

To promote statewide consistency of project information submitted to the Commission, a standard project list format and online submittal tool has been developed and is further explained in the Online Reporting Tool Instructions. The tool is available at http://www.catc.ca.gov/programs/sb1/lsrp/.

10. Process and Schedule for Project List Submittal

A city or county must submit a project list and support documentation to the Commission by May 1st each year. All materials must be provided electronically using the online submittal tool described in the Online Reporting Tool Instructions. The online submittal tool with instructions is available at http://www.catc.ca.gov/programs/sb1/lsrp/.

11. Commission Submittal of Eligible Entities to the State Controller's Office

Pursuant to SHC Section 2034(a), a city or county must submit a project list to the Commission to be eligible for the receipt of RMRA funds, and the Commission must report to the State Controller the jurisdictions that are eligible to receive funding. Upon receipt of project lists and support documentation, Commission staff will review submittals to ensure they are complete. Once a project list submittal has been received and deemed complete by staff, the city or county will be added to a list of jurisdictions eligible to receive RMRA funding for that fiscal year as required by SHC Section 2034(a)(2). All proposed project lists submitted by those cities and counties deemed eligible will be posted to the Commission's website.

The list of eligible cities and counties will be brought forward for Commission consideration at a regularly scheduled meeting where staff will request Commission direction to transmit the list to the State Controller. Upon direction of the Commission, staff will transmit the list to the State Controller pursuant to SHC Sections 2034(a)(2) and 2034(a)(4)(B) and the cities and counties included on the list will be deemed eligible to receive RMRA apportionments for that fiscal year pursuant to SHC Section 2034 (a)(1). Upon receipt of the list from the Commission, the State Controller is expected to apportion funds to the cities and counties included on the list pursuant to SHC Sections 2034(a)(3) and 2032(h).

In the event a city or county does not provide a complete project list with the required support documentation for Commission consideration and eligibility designation pursuant to the deadline established by these guidelines, cities and counties are expected to work cooperatively with Commission staff to provide any missing information as soon as possible, prior to the established subsequent submittal deadline. Once the completed information is provided in accordance with the subsequent submittal deadline Commission action to establish eligibility will be taken at the next earliest opportunity.

V. Annual Project Expenditure Reporting and Auditing

12. Scope of the Annual Project Expenditure Report

Pursuant to SHC Section 2034(b), for each fiscal year in which an apportionment of RMRA funds is received and upon expenditure of funds, cities and counties must submit documentation to the Commission detailing the expenditure of those funds on completed and in-progress projects. Information is to include: a description and location of each project, the amount of funds expended on the project, the completion date or anticipated date of completion, and the estimated useful life of the overall improvement performed. The project expenditure reporting process will allow for cities and counties to capture actual project outcomes for completed projects that will be aggregated statewide. This is the opportunity for cities and counties to report project updates associated with that reporting year's proposed projects including a project status, project component, and any changes made throughout the year to those listed projects.

Listed below are the specific statutory criteria for the content of the annual project expenditure report along with additional guidance provided to help ensure a consistent statewide format and to facilitate accountability and transparency within the Local Streets and Roads Funding Program.

a.) Annual Project Expenditure Report – Content

Development and Content

Given the emphasis SB 1 places on accountability and transparency in delivering California's transportation programs, it is vitally important that cities and counties clearly articulate the public benefit of these funds through the development of a project expenditure report submitted annually.

To promote statewide consistency in the content and format of the annual project expenditure information submitted and to facilitate transparency and reporting within the Local Streets and Roads Funding Program, the following guidance is provided regarding the key components of the project expenditure report. The Online Reporting Tool Instructions provide an example of project expenditure report content and format.

The project expenditure report must cover the full fiscal year and must include updates for all projects that were proposed in the reporting year. Expenditure information regarding the program funding is to be provided on all projects that have been deemed complete and in-progress at the end of the fiscal year. Completed construction projects are considered complete once they are fully operational with no remaining construction to be performed.

The standard form will also request cities and counties to report updates on any project that was neither completed nor in-progress by the end of the reporting period (July 1 to June 30). Updates to projects must include: a status, component identification, project specific details previously reported on, and identify the removal from or addition of projects to the list.

Funds Expended

For the purposes of the Annual Expenditure Report, the report must include the amount of RMRA funds expended. This is defined as the costs accrued as a result of activities performed on each completed and in-progress project during the State Fiscal Year (July

1 – June 30). The RMRA expenditures reported shall be based on services obtained and invoiced, work performed, or goods received within the reporting period.

Commission staff consulted with the State Controller's Office to ensure the reporting period and accounting basis for the Local Streets and Roads Annual Expenditure Report aligns with the Annual Streets and Roads report collected by the State Controller each year. The State Controller identifies the reporting accounting basis as: "Street-related activities recorded in a governmental fund type should be reported on the modified accrual basis of accounting. Street-related activities recorded in a proprietary fund type should be reported on the accrual basis of accounting. Whenever reference is made to the accrual basis in these instructions, it is intended to include both full accrual and modified accrual bases of accounting."

Project Description

The report must include a project description for each completed and in-progress project. The city/county is encouraged to provide a brief non-technical description (up to 5 sentences) written so that the main objectives of the project can be clearly and easily understood by the public.

The level of detail provided will vary depending upon the nature of the project; however, it is highly encouraged that the project description contains a minimum level of detail needed for the public to understand what work was completed or will be completed in the future.

Completed projects will report project deliverables based on a selection of applicable general outcomes with quantifiable metrics that will be aggregated statewide. This method of outcome related data collection should minimize the level of detail needed in the description field streamlining the overall reporting process.

The Commission will aggregate all quantifiable data collected in the Annual Project Expenditure Reports for inclusion in the Annual Report to the California Legislature.

Project Location

The report must include a project location for each completed and in-progress project. The city/county is required to provide project location information that, at a minimum, would allow the public to clearly understand where within the community the project was or will be constructed. For example, specific street names where improvements were undertaken and project termini should be specified. If project-specific geolocation data is available, it is highly encouraged to be included. For completed pre-construction components (i.e. feasibility studies, maintenance program plan and asset management plan development, etc.), or completed procurement/operational needs that would not have the ability to provide specific location detail, "city/county-wide" is acceptable.

Actual and Estimated Project Completion Date

The report must include the date of completion or expected date of completion for those projects utilizing RMRA funds. For the purposes of the project expenditure report, a construction project is considered complete when it is operational/open to traffic by June

30. Construction contract close-out is not required for the project to be reported as complete.

Estimated Useful Life

The report must include an estimated useful life for each proposed project in its entirety. The city/county is encouraged to provide information regarding the estimated useful life of the project that is clear, understandable, and based on industry-standards for the project materials and design, where applicable.

Technology, Climate Change, and Complete Streets Considerations

SHC Section 2030(c)-(f) specifies additional project elements that will be incorporated into RMRA-funded projects by cities and counties to the extent possible and cost effective, and where feasible. These elements are:

- Technologies and material recycling techniques that lower greenhouse gas emissions and reduce the cost of maintaining local streets and roads through material choice and construction method.
- Systems and components in transportation infrastructure that recognize and accommodate technologies including but not limited to ZEV fueling or charging and infrastructure-vehicles communications for transitional or fully autonomous vehicles.
- Project features to better adapt the transportation asset to withstand the negative effects of climate change and promote resiliency to impacts such as fires, floods, and sea level rise (where appropriate given a project's scope and risk level for asset damage due to climate change).
- Complete Streets Elements (such as project features that improve the quality of bicycle and pedestrian facilities and that improve safety for all users of transportation facilities) are expected to be incorporated into RMRA funded projects to the extent (as deemed by cities and counties) beneficial, cost-effective, and practicable in the context of facility type, right-of-way, project scope, and quality of nearby facilities.

Cities and counties are encouraged to consider all of the above for implementation, to the extent possible, cost-effective and feasible, in the design and development of projects for RMRA funding. In the event that completed projects contain technology, climate change, and complete streets considerations pursuant to SHC 2030(c)-(f). Standard reporting forms developed by the Commission will request cities and counties to report on the inclusion of these elements in RMRA-funded projects.

Other Statutory Considerations for Project Expenditure Reports

Pursuant to SHC Section 2037, a city or county may spend its apportionment of RMRA funds on transportation priorities other than those outlined in SHC Section 2030(b) if the city's or county's average Pavement Condition Index (PCI) meets or exceeds 80. This provision, however, does not eliminate the requirement for cities and counties to prepare and submit a completed project expenditure report or the requirement to consider technology, climate change, and complete streets elements to the extent possible, cost-effective and feasible, in the design and development of projects for RMRA funding.

To clearly communicate how RMRA funding is effectively used, the project expenditure report format will provide space for supplementary information to be provided regarding the benefits of RMRA funded projects in addition to the project deliverables and outcomes featured. Cities and counties should report any changes to proposed projects within the reporting period (July 1 to June 30), including why a project(s) was not ultimately funded or was replaced with another project(s).

b.) Project Expenditure Report – Standard Format

To promote statewide consistency of project information submitted to the Commission, a standardized annual project expenditure reporting format was developed and made available as of September 1, 2018, as further explained in the Online Reporting Tool Instructions.

For the initial submittal of project expenditure reports due October 1, 2018, and for each subsequent report thereafter, cities and counties will be required to use the standard online format.

13. Process and Schedule for Project Expenditure Report Submittal

Completed Project Reports must be developed and submitted to the Commission according to the statutory requirements of SHC Section 2034(b) as outlined above in Section 12.

A city or county must submit an Annual Project Expenditure Report by **October 1, 2018** and October 1st of each subsequent year to the Commission. The report must be provided electronically using the standard format provided through the online tool.

14. Commission Reporting of Project Information Received

In order to meet the requirements of SB 1 which include accountability and transparency in the delivery of California's transportation programs, it is vitally important that the Commission clearly communicate the public benefits achieved by RMRA funds. The Commission intends to articulate these benefits by posting reported project information on the Commission's website (www.catc.ca.gov), providing project information to the California State Transportation Agency for posting on the Rebuilding California – SB 1 website (www.rebuildingca.ca.gov), and through other reporting mechanisms such as the Commission's Annual Report to the Legislature.

Upon receipt of project expenditure reports, Commission staff will review submittals to ensure they are complete. If any critical project information is missing (i.e. SHC 2034(b) requirements such as project description, location, date of completion, expenditures, and useful life of improvement) Commission staff will notify city/county staff to complete for resubmittal within 10 working days of receipt.

All project expenditure reports submitted by cities and counties will be posted to the Commission's website. The Commission will also analyze the project expenditure reports provided by cities and counties and aggregate the project information to provide both statewide and city/county level summary information such as the number, type, outcomes, and location of the RMRA funded projects. This information will also be provided on the Commission's website by December 1st each year, and included in the Commission's Annual Report to the Legislature which is delivered to the Legislature by December 15th each year.

In the event a city or county does not provide a project expenditure report by the deadline requested (October 1st each year) to allow for Commission analysis and inclusion on the SB 1 accountability website and in the Annual Report to the Legislature, absence of the report will be noted on the Commission's website, in the Annual Report, and will be reported to the State Controller.

15. State Controller Expenditure Reporting and Maintenance of Effort Monitoring

This section provides general information regarding the detailed expenditure reporting and maintenance of effort requirements that cities and counties are responsible for demonstrating to the State Controller's Office. It is important to note that the Commission has no oversight or authority regarding these provisions. Specific guidance should be sought from the State Controller's Office in these areas.

In addition to the RMRA project expenditure reporting requirements outlined in SHC Section 2034(b), SHC Section 2151 requires each city and county to file an annual report of expenditures for street or road purposes with the State Controller's Office. SHC Section 2153 imposes a mandatory duty on the State Controller's Office to ensure that the annual streets and roads expenditure reports are adequate and accurate. Additional information regarding the preparation of the annual streets and roads expenditure report is available online in the Guidelines Relating to Gas Tax Expenditures for Cities and Counties issued in January 2018 and maintained by the State Controller's Office.

Expenditure authority for RMRA funding is governed by Article XIX of the California Constitution as well as Chapter 2 (commencing with Section 2030) of Division 3 of the SHC.

RMRA funds received should be deposited as follows in order to avoid the commingling of those funds with other local funds:

a.) In the case of a city, into the city account that is designated for the receipt of state funds allocated for local streets and roads.

b.) In the case of a county, into the county road fund.

c.) In the case of a city and county, into a local account that is designated for the receipt of state funds allocated for local streets and roads.

RMRA funds are subject to audit by the State Controller pursuant to Government Code Section 12410 and SHC Section 2153. Pursuant to SHC 2036, a city or county receiving an apportionment of RMRA funds is required to sustain a maintenance of effort (MOE) by spending at least the annual average of its general fund expenditures during the 2009–10, 2010–11, and 2011–12 fiscal years for street, road, and highway purposes from the city's or county's general fund, Monitoring and enforcement of the MOE requirement for RMRA funds will be carried out by the State Controller.

MOE requirements are fully articulated in statute as follows:

Streets and Highways Code Section 2036

(a) Cities and counties shall maintain their existing commitment of local funds for street, road, and highway purposes in order to remain eligible for an allocation or apportionment of funds pursuant to Section 2032.
(b) In order to receive an allocation or apportionment pursuant to Section 2032, the city or county shall annually expend from its general fund for street, road, and highway purposes an amount not less than the annual average of its expenditures from its general fund during the 2009–10, 2010–11, and 2011–12 fiscal years, as reported to the Controller pursuant to Section 2151. For purposes of this subdivision, in calculating a city's or county's annual general fund expenditures and its average general fund expenditures for the 2009–10, 2010–11, and 2011–12 fiscal years, any unrestricted funds that the city or county may expend at its discretion, including vehicle in-lieu tax revenues and revenues from fines and forfeitures, expended for street, road, and highway purposes shall be considered expenditures from the general fund. One-time allocations that have been expended for street and highway purposes, but which may not be available on an ongoing basis, including revenue provided under the Teeter Plan Bond Law of 1994 (Chapter 6.6 (commencing with Section 54773) of Part 1 of Division 2 of Title 5 of the Government Code), may not be considered when calculating a city's or county's annual general fund expenditures.
(c) For any city incorporated after July 1, 2009, the Controller shall calculate an annual average expenditure for the period between July 1, 2009, and December 31, 2015, inclusive, that the city was incorporated.
(d) For purposes of subdivision (b), the Controller may request fiscal data from cities and counties in addition to data provided pursuant to Section 2151, for the 2009–10, 2010–11, and 2011–12 fiscal years. Each city and county shall furnish the data to the Controller not later than 120 days after receiving the request. The Controller may withhold payment to cities and counties that do not comply with the request for information or that provide incomplete data.
(e) The Controller may perform audits to ensure compliance with subdivision (b) when deemed necessary. Any city or county that has not complied with subdivision (b) shall reimburse the state for the funds it received during that fiscal year. Any funds returned as a result of a failure to comply with subdivision (b) shall be reapportioned to the other counties and cities whose expenditures are in compliance.
(f) If a city or county fails to comply with the requirements of subdivision (b) in a particular fiscal year, the city or county may expend during that fiscal year and the following fiscal year a total amount that is not less than the total amount required to be expended for those fiscal years for purposes of complying with subdivision (b).

16. Workforce Development Requirements and Project Signage

Pursuant to SHC Section 2038, by July 1, 2023, cities and counties receiving RMRA funds must follow guidelines developed by the California Workforce Development Board that address participation & investment in, or partnership with, new or existing pre-apprenticeship training programs. Cities and Counties receiving RMRA funds will also be eligible to compete for funding from the Board's pre-apprenticeship development and training grant program that includes a focus on outreach to women, minority participants, underrepresented subgroups, formerly incarcerated individuals, and local residents to access training and employment opportunities. Upon California Workforce Development Board adoption of guidelines and grant funding opportunities in this area, the Commission will update the Local Streets and Roads Funding Program Reporting Guidelines to incorporate this information by reference.

To demonstrate to the public that RMRA funds are being put to work, cities and counties should consider including project funding information signage, where feasible and cost-effective, stating that the project was made possible by SB 1 – The Road Repair and Accountability Act of 2017.

Project funding information signage specifications are available online at: http://www.dot.ca.gov/trafficops/tcd/pfi.html.

Cities and Counties must follow the Online Reporting Tool Instructions available at http://catc.ca.gov/programs/sb1/lsrp/.

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 15-16, 2018

Reference No.: 4.10
Action

Published Date: August 3, 2018

From: SUSAN BRANSEN
Executive Director

Prepared By: Alicia Sequeira Smith
Assistant Deputy Director

Subject: **ADOPTION OF THE 2019 LOCAL STREETS AND ROADS FUNDING PROGRAM REPORTING GUIDELINES RESOLUTION G-18-38**

ISSUE:

Should the California Transportation Commission (Commission) adopt the Draft 2019 Local Streets and Roads Funding Program Reporting Guidelines presented in Attachment B?

RECOMMENDATION:

Staff recommends that the Commission adopt the 2019 Local Streets and Roads Funding Program Reporting Guidelines provided in Attachment B, and direct staff to post the guidelines onto the program website.

BACKGROUND:

On April 28, 2017, the Governor signed Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017). A percentage of the new Road Maintenance and Rehabilitation Account funding created by SB 1 is apportioned by formula to eligible cities and counties pursuant to Streets and Highways Code Section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

Statutory Requirements and Reporting Guidelines

The Local Streets and Roads Funding Program Guidelines were first adopted by the Commission on August 16, 2017. Subsequently, guideline amendments were adopted on October 18, 2017 and March 21, 2018, to incorporate statutory and technical updates.

Commission staff has prepared statutory and technical updates in the Draft 2019 guidelines to provide the following:

- Reflect a recent amendment to Streets and Highways Code Section 2034(c), which allows a jurisdiction to advance a project that is eligible under the program prior to receiving an apportionment of funds from the State Controller over one or more years. This change provides an opportunity for a jurisdiction to pay for eligible project activities up front with other fund sources, and later reimburse those expenditures when they receive the Local Streets and Roads Program apportionment from the State Controller.

- Update the annual program schedule chart to reflect August 1 as the subsequent project list submittal deadline to the Commission.
- Clarify the adopted resolution and project list detail to allow for a more accurate representation of the projects anticipated to be funded with Road Maintenance and Rehabilitation Account funds each year. Specifically, to provide more transparency to the public, the guidelines were clarified to address the following:
    - The resolution adopted by jurisdictions will reflect not only newly proposed projects but also those projects previously proposed that will continue into the next fiscal year or that are scheduled to commence in the next fiscal year.
    - Project components will be included in the project descriptions.
- Clarify the basis of accounting in which the cities and counties are required to report their Annual Program Fiscal Year Apportionments received and Annual Expenditure Activity.
- Appendices A and B were removed from the Draft 2019 guidelines creating the standalone reference document, "Online Reporting Tool Instructions", for the Local Streets and Roads Funding Program. This reference document must be followed for the program reporting requirements and is available on the Commission's Local Streets and Roads Funding Program website at: http://catc.ca.gov/programs/sb1/lsrp/.

The online tool for Annual Project Expenditure Reporting will be available for cities and counties to use upon adoption of these program reporting guidelines.

On July 13, 2018, Commission staff circulated the proposed guidelines for stakeholder review and comment. Staff held five online workshops from July 24-27, 2018, to develop the Draft 2019 Local Streets and Roads Funding Program Reporting Guidelines and the Annual Project Expenditure Report criteria. In total, 360 jurisdictions were represented in the webinars. Furthermore, a specific webinar session was held for the Regional Transportation Planning Agencies and Metropolitan Planning Organizations.

Attachments:
Attachment A – Commission Resolution G-18-38
Attachment B – Draft 2019 Local Streets and Roads Funding Program Reporting Guidelines

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.E.

TO: City Council

FROM: Craig Malin, City Manager

BY: Dan Meewis, Recreation Director

DATE: March 5, 2020

SUBJECT: **ADOPT A RESOLUTION MODIFYING THE 2019-2020 FEE SCHEDULE TO ADD VENDOR FEES SPECIFICALLY FOR THE JULY 4TH EVENT FOR THE AMOUNT OF $161.25 FOR RESIDENTS AND $201.75 FOR NON-RESIDENTS**

PURPOSE & RECOMMENDATION

Approve a resolution to modify the 2019-2020 fee schedule to add vendor fees for the July 4th Red, White, & Blues event to $161.25 for residents and $201.75 for non-residents which will help offset some of the cost of the event.

BACKGROUND

The City of Seaside will be holding the third annual July 4th celebration "Red, White, & Blues on Saturday July 4, 2020. Last year we increase the fees which did help. However, if the City plans on to continue having the event free for the community there needs to be more avenues to collect revenue. The increase of vendor fees should increase the amount of revenue collected from the event by 50% which will help offset some of the costs that are incurred with hosting the event.

Staff has coordinated with the finance department regarding the change to 2019-2020 fee schedule.

FISCAL IMPACT

There is no fiscal impact associated with the proposed action.

ATTACHMENTS

1. Draft Resolution

Reviewed for Submission to the
City Council by:

____
Craig Malin, City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE

MODIFYING THE 2019-2020 FEE SCHEDULE TO ADD VENDOR FEES SPCIFICALLY FOR THE JULY 4TH EVENT FOR THE AMOUNT OF $161.25 FOR RESIDENTS AND $201.75 FOR NON-RESIDENTS

WHEREAS, the City hosted the second annual Red, White, and Blues July 4th celebration in 2019, and had twenty seven food and craft vendors who sold goods to the estimated fifteen thousand participants in attendance; and

WHEREAS, the event last year cost the City over one hundred thousand dollars, and other than donations the sole source of revenue for the event came from the vendor fees that were collected; and

WHEREAS, raising the fees for the 2020 event will help the City generate more revenue to help offset the cost for the event.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Seaside herby approves the addition of vendor fees for the July 4th event to $161.25 for residents and $201.75 for non-residents.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Seaside duly held on the 5th day of March by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

____
Ian N. Oglesby, Mayor

ATTEST:

____
Lesley Milton, City Clerk

CITY OF SEASIDE
STAFF REPORT

Item No.: 7.A.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

BY: Craig Malin, City Manager

DATE: March 5, 2020

SUBJECT: **AGREEMENT BETWEEN THE CITY OF MARINA, THE CITY OF SEASIDE, AND MONTEREY COUNTY REGARDING POTENTIAL FORA BUILDING REMOVAL BOND ISSUE**

PURPOSE & RECOMMENDATION

Authorize execution of agreement between the City of Marina, County of Monterey and City of Seaside regarding distribution of FORA building removal bonds.

BACKGROUND

The Fort Ord Reuse Authority (FORA) is in process of preparing to issue bonds to remove blight on the former Fort Ord. Depending on market conditions on the bond sale date, the total amount of bonds could be as much as $55 million. Of that amount, the City of Seaside could receive approximately $15 million to remove blight, providing extraordinary value to the community.

Early estimates of Monterey County building removal costs have been found to be in error. In order to equitably share potential bond revenue between Seaside, Marina and Monterey County, adjustments to the previously anticipated percentage distributions are appropriate.

At the March 5 meeting, the latest information available will be shared with the City Council, with the expectation that Seaside's percentage of the bond revenue may be reduced from 32% to 27% - 29%. Marina would have a similar percentage reduction.

FISCAL IMPACT

$9 million to $14 million of bond revenue, depending on final percentage distributions and market conditions at the sale of bonds.

ATTACHMENTS

1. Executed Reimbursement Agreement (Marina-Seaside-MCRFD)

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

REIMBURSEMENT AGREEMENT
BETWEEN THE
CITY OF MARINA, THE CITY OF SEASIDE, AND THE
MONTEREY COUNTY REGIONAL FIRE DISTRICT

THIS AGREEMENT is made and entered into on March 4, 2020 (the "Reference Date") by and between the **CITY OF MARINA**, a California charter city (hereinafter referred to as "Marina") the **CITY OF SEASIDE**, a California general law city (hereinafter referred to as "Seaside"), and the **MONTEREY COUNTY REGIONAL FIRE DISTRICT**, a California fire protection district formed under California Health & Safety Code §13800 et seq. (hereinafter referred to as the "District"). Marina, Seaside and the District are sometimes individually referred to as "Party" and collectively as the "Parties" in this Agreement.

Recitals

A. The Fort Ord Reuse Authority (hereinafter referred to as "FORA"), a public corporation of the State of California, was formed to plan, finance and manage the transition of the former Fort Ord from military to civilian use. FORA is authorized by law to issue bonds to fund base-wide improvements (Govt. Code §67679(d)).

B. FORA is scheduled by statute to dissolve on June 30, 2020, and prior to its dissolution, the FORA Board of Directors intends to issue bonds under the Marks-Roos Act (hereinafter referred to as the "Bonds") to raise up to the amount of $55 million in net Bond proceeds, to be repaid over a 20-year term (FYs ending 2021-2040) to be expended towards remediation of the remaining blighted property on former Fort Ord and payment of related costs. The Bonds are to be secured by a pledge of, and are to be repaid with, tax increment funds allocated to FORA. After FORA's dissolution by law these funds will continue to be paid to the accounts of FORA as needed to pay debt obligations incurred by FORA prior to its dissolution.

C. On December 13, 2019, the FORA Board of Directors adopted Resolution 19-13 authorizing issuance and sale of the Bonds and a judicial validation proceeding relating to the issuance of the Bonds and estimating the allocable share of Bond proceeds to Marina and to Seaside to be 50% and 32.25% respectively.

D. On January 28, 2020, FORA filed a Complaint for Validation in the Monterey County Superior Court seeking judicial validation of the Bonds (the "Validation Action").

E. The issuance of Bond debt by FORA prior to its dissolution will impact the redistribution of property tax revenues that would have otherwise been received by taxing entities on former Fort Ord after FORA is dissolved.

F. Marina, Seaside and the County of Monterey (hereinafter referred to as the "County") are FORA member entities and taxing entities on former Fort Ord.

G. Under an agreement with the County, the District is entitled to a percentage of the County's share of property tax revenue generated by the County's East Garrison development project ("County-District Agreement").

H. Issuance of the bonds will result in the District receiving less in property taxes under the County-District Agreement and from residual distributions of property taxes than the District anticipated. Projections of property tax revenues over the expected term of the bonds show that the District may receive $4,941,101 less in property tax revenues as a result of the issuance of the bonds.

I. Marina and Seaside are expected to receive significant benefits from the issuance of the Bonds including funding necessary to remove the remaining blight at the former Fort Ord. Marina and Seaside have determined that it is in each of their best interests to mitigate the impacts of the issuance of the Bonds on the District by entering into this Agreement, providing financial mitigation payments to the District.

J. The financial mitigation payments made by Marina and Seaside pursuant to this Agreement can be paid from any funding source, including but not limited to property tax revenues, consistent with applicable law.

K. This Agreement does not affect or alter the terms of the County-District Agreement.

Terms and Conditions

In consideration of the mutual promises contained herein, Marina, Seaside and the District agree to the following terms and conditions:

1. **Recitals.** The Recitals set forth above are true and correct and are incorporated into this Agreement by this reference.

2. **Marina and Seaside to Reimburse the District**. The Parties acknowledge and agree that the issuance of the Bonds by FORA will result in a loss of tax revenue which would otherwise be received by the District and both Marina and Seaside agree that because of the benefit each receives from the operations of the District, including the District providing mutual aide to Marina and to Seaside, the benefits that Marina and Seaside will receive from the issuance of the Bonds, and the financial impact that the issuance of the Bonds will have on the District, each should pay its fair share to reimburse the District for property tax revenue that but for issuance of the Bonds would be received by the District under the terms of the County-District Agreement and as part of residual property tax distributions. In the event the Bonds are issued by FORA but in an amount or for a term other than as described in the Recitals, this Agreement will be amended in writing as provided herein. In the event the Bonds are not issued by FORA on or before June 30, 2020, this Agreement shall be null and void.

3. **Reimbursement Payment**. Marina and Seaside shall each pay to the District the total amount of $2,470,550.50 payable in nineteen annual installments in accordance with the Payment Schedule attached hereto as **Exhibit A** and by this reference made a part hereof. Payment in any fiscal year shall be subject to Article XIIIB of the California Constitution (the "Gann Appropriations Limit") which limits the amount of the proceeds of taxes cities can expend each fiscal year. Notwithstanding the Gann Appropriations Limit, Marina and Seaside shall remain liable to the District for any unpaid portions of annual installments, consistent with the Payment Schedule and Section 4 of this Agreement.

4. **Timing of Annual Payment; Delinquency.**

a. Payment shall be due no later than June 1st of each year. Marina or Seaside may prepay all or any portion of the amount then due without a prepayment penalty and each shall be independently responsible to meet their respective annual payment obligations. Liability for failure to make any payment shall not be joint.

b. If a Party does not pay its obligation as set forth in Agreement Section 3 on or before the June 1st of each year interest shall accrue on the unpaid amount at the legal rate of 7% per year from the date each installment is due. If either Marina or Seaside does not pay its respective obligation when due, upon request of the District the delinquent Party will execute a promissory note in favor of the District acknowledging in full current amount of the debt with interest at the legal of 7% per annum and execute and agree to the entry in the Monterey County Superior Court of a confession of judgment for that amount.

5. **District Concurrence in Bond Issuance.** In reliance on the reimbursement payments by Marina and Seaside to be made pursuant to this Agreement, the District agrees not to challenge the Validation Action. Upon the approval of this Agreement by the Parties' respective legislative bodies and its execution, the District concurs in the issuance of the Bonds and agrees not to oppose or otherwise impede, challenge, protest, object to or take any action affecting or in opposition to any matters in connection with or related to the issuance of the Bonds by FORA, the expenditure of the Bond proceeds or any other actions related to the Bonds taken by FORA, Marina, or Seaside..

6. **No Legal Relationship.** The Parties disclaim any partnership, joint venture, fiduciary or agency status or relationship between them. Except as otherwise set forth in this Agreement, no Party has the authority to make any representation or warranty or incur any obligation or liability on behalf of another Party, nor shall any Party make any representation to any third party inconsistent with this paragraph.

7. **Term**. The term of this Agreement shall begin on the date the Bonds are issued for sale to investors (the "Effective Date"). Marina and Seaside's obligation to reimburse the District for tax revenue shall not extend past June 30, 2040 or the maturity date and final payoff of the FORA Bonds and shall terminate automatically upon payment of the final annual installment

payment as described in Section 3.

8. **Attorney's Fees**. In the event of any litigation, claim or proceedings relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the non-prevailing party reasonable expenses, attorney's fees and costs.

9. **Severability.** In the event any part of this Agreement is declared by a court of competent jurisdiction to be invalid, void or unenforceable, such part shall be deemed severed from the remainder of the Agreement and the remaining provisions shall continue in full force without being impaired or invalidated in any way.

10. **Assignment.** No Party may assign this Agreement, or any part hereof, without written consent and prior approval of all other Parties and any assignment without said consent shall be void and unenforceable. The covenants and agreements of this Agreement shall inure to the benefit of, and shall be binding upon, each of the Parties and their respective successors and assignees.

11. **Amendment.** No amendment, modification, alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by authorized representatives for all the Parties hereto and no oral understanding or agreement not incorporated herein shall be binding on any of the Parties hereto.

12. **Governing Law and Venue**. This Agreement shall be deemed an Agreement under the laws of the State of California and for all purposes shall be interpreted in accordance with such laws. All Parties hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that the venue of any action brought thereunder shall be Monterey County, California.

13. **No Liability of Officials/Employees.** No elected or appointed official, officer, agent, employee, consultant or counsel of Marina or Seaside shall be personally liable to another Party hereto or to any successor in interest in the event of any default or breach by Marina or Seaside or for any amount that may become due to the District or its successors or on any obligations under the terms of this Agreement.

14. **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.

15. **Waiver.** The waiver by any Party of any right granted to it hereunder shall not be deemed a waiver of any other right or of a subsequent right obtained by reason on the matter previously waived.

16. **Notices.** Any notice which any Party may desire to give to another Party or Parties under this Agreement must be in writing and may be given either by (i) personal service with return receipt or affidavit of delivery, (ii) delivery by a reputable document delivery service such as, but not limited to, FedEx, that provides a receipt showing date and time of delivery, or (iii) by mailing in the United States Mail, certified mail, postage prepaid, return receipt requested,

addressed to the address of the Party as set forth below or at any other address as that Party may later designate by written notice provided in accordance with this Section. Notice shall be effective upon delivery to the address specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

To Marina:	City of Marina Attn: City Manager 211 Hillcrest Avenue Marina, CA 93933	To Seaside: City of Seaside Attn: City Manager 440 Harcourt Avenue Seaside, CA 93955
To District:	Monterey County Regional Fire District Attn: Fire Chief 19900 Portola Drive Salinas, CA 93908	

17. **Authority.** Each Party to this Agreement represents and warrants to the other Parties that it is authorized to execute, deliver and perform this Agreement and the terms and conditions hereof are valid and binding obligations of the party making this representation.

18. **No Third Party Beneficiaries.** There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

19. **Binding on Successors.** This Agreement shall be binding on and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors, and assigns.

20. **Construction/Headings.** The Parties waive the application of any rule of law relating to the construction of this Agreement that provides in effect that ambiguous or conflicting terms or provisions should be construed against the party who prepared this Agreement or any earlier draft thereof. The headings in this Agreement are for reference only and shall not limit or define the meaning of any provision of this Agreement.

21. **Counterparts**. This Agreement may be signed in counterparts, each of which shall constitute an original, but all of which shall constitute one and the same agreement. The signature page of this Agreement or any Amendment may be executed by way of a manual or authorized signature. Delivery of an executed counterpart of a signature page to this Agreement or an Amendment by electronic transmission scanned pages shall be deemed effective as a delivery of a manually or digitally executed counterpart to this Agreement or any Amendment.

22. **Effective Date.** The Effective Date of this Agreement shall be the date the Bonds are issued for sale to investors.

23. **Entire Agreement.** This Agreement contains the entire understanding between the Parties and supersedes any prior written or oral understandings and agreements regarding the subject matter of this Agreement. There are no representations, agreements, arrangements or understandings, or written, between the Parties relating to the subject matter of this Agreement which are not fully expressed herein.

24. **Further Assurances.** The Parties shall cooperate, take such additional actions, sign such additional documentation, and provide such additional information as reasonably necessary to accomplish the objective set forth in this Agreement.

25. **Remedies.** The Parties retain all available remedies in law and equity to enforce the terms of this Agreement.

IN WITNESS WHEREOF, Marina, Seaside and the District by their duly authorized representatives, have executed this Agreement on the date(s) set forth below. The latter date shall be the Reference Date.

CITY OF MARINA	**CITY OF SEASIDE**
By: ____________________ Layne Long, City Manager	By: ____________________ Craig Malin City Manager
Date:______________ 2020	Date:______________ 2020
Approved as to form:	Approved as to form:
By: ____________________ City Attorney	By: ____________________ City Attorney

MONTEREY COUNTY REGIONAL FIRE DISTRICT

By: ____________________
Michael B. Urquides
Fire Chief

Date: March 4th 2020

Approved as to form:

By: ____________________
William D. Ross,
District Counsel

EXHIBIT A

PAYMENT SCHEDULE

For FY Ending	Payment Due from from Marina	Payment Due from Seaside
2021	$125,498.00	$125,498.00
2022	$146,269.50	$146,269.50
2023	$155,862.00	$155,862.00
2024	$155,755.00	$155,755.00
2025	$155,801.00	$155,801.00
2026	$155,827.00	$155,827.00
2027	$155,863.50	$155,863.50
2028	$155,896.50	$155,896.50
2029	$155,729.00	$155,729.00
2030	$155,778.50	$155,778.50
2031	$155,838.50	$155,838.50
2032	$155852.50	$155,852.50
2033	$155,811.00	$155,811.00
2034	$155,890.00	$155,890.00
2035	$ 65,817.00	$ 65,817.00
2036	$ 65,688.00	$ 65,688.00
2037	$ 65,798.00	$ 65,798.00
2038	$ 65,820.00	$ 65,820.00
2039	$ 65,755.50	$ 65,755.50
2040	$ -0-	$ -0-
Total	$2,470,550.50	$2,470,550.50