

April 2, 2018

Mayor Ralph Rubio, Chair Fort Ord Reuse Authority (FORA) Board of Directors 920 2nd Avenue, Suite A Marina, CA 93933

Dear Chair Rubio and Board of Directors:

One of the arguments in support of the Eastside Parkway is that it will facilitate much needed affordable or workforce housing on the Monterey Peninsula. LandWatch remains perplexed by this argument because 65% of new units under the 6,160 residential housing cap has already been approved; the remainder is in the pipeline to be approved; very little has been built; of the housing built a small percentage of it is permanently affordable; and none of it is contingent on the Eastside Parkway.

I'm writing to ask the Fort Ord Reuse Authority (FORA) to shed light on its perception of the relationship between the Eastside Parkway and housing. Please explain:

- How much affordable housing has been built on the former Fort Ord?
- How much additional residential housing does FORA forecast will be approved within FORA's 6,160 housing cap?
- Within the 6,160 cap, how much additional affordable housing does FORA expect to be built?
- How many years do you estimate until the cap is reached? When will significant new affordable housing come on the market?
- Why is the Parkway necessary for housing?

Here is our data and analysis. We would welcome seeing yours.

How much affordable housing has been built on the former Fort Ord?

Table 6 FY 2018/2019 Through Post-FORA Development Forecasts in the Fort Ord Reuse Authority Administrative Committee February 14, 2018 agenda identifies new and existing/replacement residential housing on the former Fort Ord. How many of the residential units are legally set aside, either permanently or for 20 years or longer, as "affordable" housing as defined by local inclusionary housing ordinances?

<u>LandWatch's research</u> suggests that the number of currently affordable housing units is exceedingly low. LandWatch estimates that ~1,007 residential housing units have actually been

built since 1997. (Table 6 FY 2018/2019 Through Post-FORA Development Forecasts identifies 1,062 new residential units that have been constructed.) We estimate that at most 20% of these are permanently affordable. Please provide a full accounting of all affordable housing that has been built on the former Fort Ord so we can reconcile our records with yours.

We would also appreciate your verifying the following:

- Del Rey Oaks, a FORA member, has no permanently affordable housing, and its housing plan was apparently last updated in 1997.
- The <u>Seaside Housing Element</u>, 2009-2014 (Table 26: Inventory of Assisted Rental Housing) identifies 441 assisted rental units, but none of these appear to be on the former Fort Ord.
- The <u>City of Marina Interim Housing Element 2015-2023</u> identifies 476 affordable housing units, but 201 of these were built in the 1970s, so at most there are 275 new affordable housing units.
- The Monterey County Fort Ord Committee reports that 616 residential units have been built at East Garrison, of which 83 (16%) are affordable (Agenda Item #2, March 22, 2018, Monterey County Fort Ord Committee). FORA's Table 6 FY 2018/2019 Through Post-FORA Development Forecasts reports that 668 new residential units have been constructed at East Garrison. Why is there a discrepancy between these numbers?

How much additional residential housing does FORA forecast will be approved within FORA's 6,160 housing cap?

Our research shows that since 1997, local governments have approved 4,012 new residential units and built 1,007 units, leaving an inventory of 3,005 approved but unbuilt residential dwelling units on the former Fort Ord:

Jurisdiction	Project	Approved	Built	Unbuilt
Marina	The Dunes on Monterey Bay	1,237	391	846
	Marina Heights	1,050	0	1,050
	Cypress Knolls	200	0	200
Seaside	Seaside Resort	125	0	125
Monterey County	East Garrison	1,400	616	784
	TOTAL	4,012	1,007	3,005

If the cap for new residential units is 6,160 and local governments have approved 4,012 then they can still approve an additional 2,148 residential units. Please confirm, correct, or explain.

However, Table 6 FY 2018/2019 Through Post-FORA Development Forecasts identifies projects and forecasts that don't reconcile with our research. Would you please clarify, correct, or explain:

- For Del Rey Oaks, FORA projects 691 new housing units, but the <u>1997 Del Rey Oaks</u> General Plan shows only five new housing units.
- For Seaside East, FORA projects 310 housing units, but the City has estimated a much higher number; the <u>draft 2010 Seaside East Conceptual Plan</u> envisions 25-105 acres of Seaside East zoned "residential" with 8 to 15 dwelling units/acre, potentially 200-1,500 new housing units.
- For Campus Town, Seaside estimates 1,000 general residential units and 450 residential student units, a total of 1,450 dwelling units (per Kurt Overmeyer, City of Seaside, Economic Development Program Manager).
- For Main Gate, Seaside estimates 1,050 residential units (per Kurt Overmeyer).
- For Cypress Knolls, it was approved for 200 units. Where did the forecast of 712 originate?
- What is UC Blanco Triangle? We are unfamiliar with that project.

Within the 6,160 cap, how much additional affordable housing does FORA expect to be built? That is, what percentage of the planned housing will be permanently affordable?

FORA expects more than 20% of the units will be below market priced:

There are many housing projects planned for the former Fort Ord. In most cases, California redevelopment law requires that 15% of the units built be affordable, and an overall total of 20% has been adopted by the land use jurisdictions that will receive land on the former Fort Ord. It is currently expected that over 20% of the units on Fort Ord will be below market priced. (FAQ on FORA website)

Why does FORA expect that over 20% of the units will be affordable? Would you please clarify, correct, or explain.

LandWatch estimates that at most 20% of the 2,148 new residential units, or about 430 units, that can be approved under the cap will be permanently affordable.

How many years do you estimate until the cap is reached? When will significant new affordable housing come on the market?

Over the past 20 years, through three economic cycles, on average approximately 50 new residential units are built on the former Fort Ord each year. At this rate, LandWatch forecasts it would take more than 50 years to build-out the inventory of approved but unbuilt homes.

FORA's forecast (Table 6 FY 2018/2019 Through Post-FORA Development Forecasts) suggests that the inventory will be built out by 2029, or in 11 years.

Why would FORA expect the rate of residential housing construction in the next 10 years to be on average more than five times faster than it's been over the past 20 years? What economic factors would drive this historically unprecedented rate of growth?

Why is the Parkway necessary for housing?

With no housing dependent on the Eastside Parkway and extremely slow housing growth, why has FORA made the Parkway a priority now? Why not first improve existing roads that are a problem today?

There are many people in the community eager to understand FORA's reasoning in relentlessly pursuing a road that is not supported by either housing or traffic projections.

Thank you for your consideration and timely response.

Sincerely,

Michael D. DeLapa Executive Director