

**The 1997 Base Reuse Plan was based on assumptions about the pace of population and employment growth in Monterey County that have proven overly optimistic.** The pace of growth envisioned in the 1997 BRP was based on projections that the Association of Monterey Bay Area Governments (AMBAG) published for the county in 1995. However, regional population and employment growth has been slower than was originally anticipated, and AMBAG's projections have been revised downwards over time. To date, only 7 percent of the new housing units and 16 percent of the new commercial square feet that the BRP projected would be built by 2015 have been completed (see Figure II-2 in Chapter II).

**At the rate of growth that is now projected, build-out of the Base Reuse Plan is expected to take 20 to 30 years.** As discussed in Chapter III, AMBAG currently projects that the North Peninsula cities - including Seaside, Marina, Del Rey Oaks, and Sand City - will add no more than 200 to 300 housing units per year on average through 2035, and about the same number of jobs. At this rate of growth, it will take 20 to 30 years to build-out the remaining 5,700 housing units that the BRP envisioned for Fort Ord, even if the base were to capture 100 percent of new development in the North Peninsula. The number of housing units in the West Peninsula cities of Monterey, Carmel, and Pacific Grove is expected to barely grow at all by 2035, reflecting the fact that these cities are largely built-out and are very constrained by their limited water supply.

**While the many economic development initiatives on former Fort Ord are gradually adding jobs, no single project will replace the army's role as an economic generator for the region.** At the height of military activity, Fort Ord supported approximately 14,500 military jobs, 3,800 civilian jobs, and a total population of 31,270 residents. <sup>3</sup> The Base Reuse Plan projected that the former Fort Ord would support approximately 18,000 jobs by 2015. However, as of 2013, there were an estimated 4,100 full-time equivalent jobs on the former Fort Ord.<sup>4</sup> California State University at Monterey Bay (CSUMB) - the largest current employer on the base - employs 700 full time workers and 1,000 part-time employees, and is expected to grow to approximately 1,000 full time workers in the foreseeable future. Early reports suggest that the Veteran's Medical Clinic that is currently under construction will support around 100 new jobs.<sup>5</sup> While not insignificant, these increments of growth (a few hundred jobs at a time) are small compared to the thousands of jobs lost with the base closure.

**The real estate market in Monterey County has not proven robust enough to support the land values that were expected when the BRP was drafted, limiting FORA's ability to complete necessary improvements to the base.** The BRP assumed that land sale proceeds would be significant and that 50 percent of these proceeds would be

allocated to fund building removal. Many developers negotiated to assume the cost of blight removal themselves, in lieu of cash payments for the land, because this arrangement was less expensive for the developers and helped make their projects more financially feasible. However, given the slower than anticipated market growth, low real estate values after 2008, the discovery of unexpected levels of hazardous materials, and increased pre-development costs due to delays, many developers have been unable to proceed with building removal and development despite the fact that there was no upfront land cost. These same challenges also made developers more sensitive to costs associated with the Community Facilities District (CFD) Special Taxes and impact fees, which remain a key component of the plan to pay for base-wide improvements. FORA has significantly reduced CFD payments (by 27 percent, as of the 2012 Capital Improvement Program) to incentivize development.

**Given the challenging market conditions, it is increasingly clear that public investments need to be phased and targeted to create an environment that is supportive for new development.** Certain activity centers are emerging as places with more market strength, including The Dunes at Monterey Bay and East Garrison. Prioritizing investments - including place-making improvements as well as blight removal - that support and nurture these nodes can help ensure that scarce public dollars are used efficiently in the short-term, and will support the long-term build-out of the entire Base Reuse Plan. The Regional Urban Design Guidelines can help create a framework for phasing and prioritizing investments to support development at these emerging centers.

**Improving the cohesiveness and connectivity among the emerging neighborhoods and activity centers within and adjacent to Fort Ord can help support the overall success of development.** While certain areas within Fort Ord are beginning to emerge as activity centers - particularly The Dunes, CSUMB, and East Garrison - these centers are surrounded by blighted buildings and vacant land, making them feel isolated. Moreover, while FORA and the other jurisdictions have begun to invest in bicycle and pedestrian infrastructure, routes between The Dunes and CSUMB remain underdeveloped. Traveling to surrounding activity centers such as downtown Marina, the Sand City Retail Center, and Ryan Ranch, typically requires a car. The Regional Urban Design Guidelines can help coordinate and align existing transportation planning efforts to improve these connections, and provide guidelines to ensure that new private development contributes to a cohesive community with a special character and identity.