

RESOLUTION NO. 2019-41

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING AN APPROPRIATION IN THE AMOUNT OF \$20,000 CASH FROM THE AIRPORT OPERATIONS FUND 555 AS PART OF CITY'S PLEDGE OF CASH MATCH CONTRIBUTION; AND, \$10,000 IN-KIND (STAFF TIME) FROM THE ECONOMIC DEVELOPMENT FUND 100-440 FOR JOINT GRANT APPLICATION BETWEEN FORA AND CITY OF MARINA TO THE U. S. ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) FOR FEASIBILITY STUDY ON AIR SPACE SYSTEM MANAGEMENT, UAS MARKET CONDITIONS, AIRPORT INFRASTRUCTURE SUITABILITY, FEDERAL AVIATION ADMINISTRATION (FAA) REGULATIONS FOR UAS TECHNOLOGY CLUSTER; WORKFORCE TRAINING AND BUSINESS INCUBATOR FACILITY AT OR NEAR THE AIRPORT; AND, AUTHORIZING THE CITY MANAGER TO EXECUTE GRANT DOCUMENTS AND ANY AMENDMENTS THERETO; AND, AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

WHEREAS, pursuant to the Fort Ord Base Reuse Plan (Volume 1, Section 3.8.4 page 158, Marina Airport Planning Area) the creation of Light Industrial/Technology Center District is among the identified uses in the Marina Airport Planning Area. The replacement of the 18,000 jobs lost as a result of the closure of Fort Ord is a major goal of the Reuse Plan (Base Reuse Plan Volume 1, Industrial and Commercial Job Creation programs, pages 199-200). To that end, multiple private businesses/partners and public agencies along with FORA are advancing the Monterey Bay Drone, Automation and Robotics Technology (DART) initiative as a regional economic development strategy to focus on these current and future growth sectors for new venture formation, jobs growth and regional vitality. The initiative grew out of a multi-sector partnership established in the fall of 2017 to respond to the FAA call for Unmanned Aerial Systems (UAS) Integration Pilot Program (IPP) responses. Led by FORA in collaboration with multiple public and private sector partners including the University of California, California State University, Airspace Integration, Joby Aviation and many others, the UASIPP was intended to establish a center for UAS innovation at the Marina Airport. The original Integration Pilot Program (IPP) Application to FAA benefited from active Marina Council member engagement and support at a FORA meeting. This led to productive FORA-Marina staff collaboration, including the submission of an Unmanned Aerial Systems Integration Pilot Program (UASIPP) Application to FAA. This effort brought together the original public-private collaboration and community interest on the concept of the Marina Airport as a drone innovation hub. As such, establishing a DRONE/UAS Research Development and Technology Cluster would be consistent with one of the goals of the Fort Ord Reuse Plan, and;

WHEREAS, at the regular meeting of April 17, 2018, under Special Presentations, both Josh Metz FORA Economic Development Manager and Jeff Crechriou Airport Services Manager, presented information to the Marina City Council on UASIPP and the integration of the Marina Municipal Airport. While unsuccessful in gaining the UASIPP designation, the partnerships established during the proposal development phase, and demonstrated market demand for drone testing and innovation spaces, led to a concept revision and expansion, and the current DART initiative, and;

WHEREAS, the current policy of FAA is that UAS operations are prohibited on the Marina Municipal Airport property, and no launch activities from the airport will occur. However, in other jurisdictions FAA has approved both airport operations and UAS operations to coexist at the same airport facility. The reason to consider UAS as an additional use on or near the Marina Municipal Airport is due to the educational component and potential economic opportunity. ***From the educational prospective, local/regional residents could be trained in high-value jobs in aerospace-sector commercial activity, which would retain talent in our county.*** According to [Goldman Sachs.com/insights/technology-driving-innovation/drones](https://www.goldmansachs.com/insights/technology-driving-innovation/drones), the UAS industry growth is exceeding projections with a market size of

\$100B. Comprised of the \$100B is \$70B military market; \$17B consumer market, and \$13B commercial market. According to AIA Think Bigger UAS Paper-February 2018 (Infinity Development Partners), large UAS is a growing industry segment of \$30B annually. Of the \$30B, the following segments are \$19B Passenger, \$6B Cargo, \$3.5 Industry Applications; \$1B Public Safety and \$0.5B Telecommunications, and;

WHEREAS, the next step in advancing the airport and its operation is to complete a feasibility study. The purpose of the feasibility study is to consider the following:

- Air space system management
- Evaluate market conditions market for a UAS Technology Cluster in Marina
- Can UAS operations be achieved at/or from UC Business Park campus and/or airport property
- Is there a method to operate a safe UAS program without conflict from aviation users at or near the Marina Municipal Airport
- Evaluate airport infrastructure suitability
- Evaluate FAA regulations for UAS Technology Cluster
- Is there a demand for workforce training/business incubator facility at or near the airport (recommended by EDA), and;

WHEREAS, the current EDA proposal is the first of a planned series of proposals being developed in coordination with the University of California (Workforce Training/Education and Aerospace Business Incubator Facilities), and the California State University (Business Incubator Program) to further advance the DART initiative to train current/future local and regional residents to be employed by the UAS industry, and;

WHEREAS, while the initiative is regional in scope, the City of Marina stands to benefit significantly as a potential center of drones, automation, robotics and technology related innovation, business activity as well as an economic development job creation opportunity. The Marina Municipal Airport, associated business park lands, and adjacent UC Monterey Bay Education Science & Technology (UCMBEST) are in an ideal location to support the growth of these new industries. Enabling commercial UAS operations at the Airport would be a significant step toward realizing this potential, would support the future growth of Joby Aviation or similar uses, and would further establish Marina as a home for aerospace innovation, and;

WHEREAS, since the Marina Airport is in a recently certified Opportunity Zone (OZ), EDA only requires a 20% local match (compared with 50% local match in non-OZ areas). The grant proposal target amount is in the range of \$400,000+ requiring a local match of \$96,000-\$100,000. Of the 20% match of presumed \$96,000, the City of Marina proposes to match \$20,000 cash and \$10,000 in-kind (staff time) for a total of \$30,000, which is 31.25%. FORA's match would be \$50,000 cash match plus staff time approximately \$16,000 to cover the balance, or 68.75%. The City contribution would be contingent upon fully funding a required 20% local match (31.25% City/ 68.75 % FORA) and approval of grant application from EDA. Moreover, FORA has reached out to its educational partners to build broader coalition for in-kind support, which may restructure in-kind levels if we receive commitments from them. Moreover, the City's in-kind contribution would include limited grant writing on the Phase I application, preparation of a Request for Proposal (RFP) on consultant services for feasibility study, submission of RFP to vendors, collaboration on vendor selection, grant reporting and grant closeout. The collaborative effort among the two agencies would result in the City of Marina achieving a return on our investment along with no downside with moving this project forward. Ultimately, the City of Marina will benefit from the critical data provided in the feasibility study, and;

WHEREAS, as cited above, the *next step in advancing the Marina Municipal Airport operations* is to conduct a feasibility study on the elements previously articulated in the Background Section (bullet points). It would be prudent of the City to consider a joint grant application on the feasibility study and cost sharing cash match, as future businesses (similar to Joby) will require necessary data. Under the current joint application scenario, the City would be obligated to fund \$20,000 cash and \$10,000 in-kind with FORA contributing \$66,000. In the event the City wishes to pursue the feasibility study on its own without FORA participation, then the City would be obligated to provide the local match in the amount of \$96,000. Hence, this is a good opportunity for Marina to obtain additional data for our airport, and;

WHEREAS, the UAS Operations Feasibility Study would provide critical information in advancing the overarching airport operations. This step would pave the way for private equity investment and significant new business opportunities and revenues for the City and the region. As previously cited above, the feasibility study would consider the following:

- Air space system management
- Evaluate market conditions market for a UAS Technology Cluster in Marina
- Can UAS operations be achieved at/or from UC Business Park campus and/or airport property
- Is there a method to operate a safe UAS program without conflict from aviation users at or near the Marina Municipal Airport?
- Evaluate airport infrastructure suitability
- Evaluate FAA regulations for UAS Technology Cluster
- Is there a demand for workforce training/business incubator facility at or near the Airport, and;

WHEREAS, section 3.8.4 of the Ft. Ord Base Reuse Plan describes a total of 378 acres (48 acres, 207 acres and 123 acres) of Business Park/Light Industrial Land Use and Public Facilities (Exhibit “A”) within the Marina Airport Planning Area. Moreover, Table 3.4-2 (Exhibit “B”) provides a Summary of Land Resources (in acres) per jurisdictions (Mixed Use and Commercial=2,217 acres). Table 3.11-4 (Exhibit “C”) projects 11,350 employees on 30% build out of Industrial/Office/R&D Land Uses by 2015 across Marina, Seaside and County jurisdictions. Below is a calculation of **potential** job generation at the Marina Airport Planning Area with supporting information on Exhibits “B and C”). 2,217 acres x 30% = 665 acres (job creation projections through 2015 are generalized to the entire Reuse Area)

- 11,350 employees / 665 acres = 17 jobs/acre
- 378 acres (@ 30%) = 113 acres (information obtained from Exhibit “A”)
- 113 acres (@ 17 jobs/acre) = 1,921 jobs at 30% build out
- 378 acres (@ 17 jobs/acre) = 6,426 jobs (at 100% build out).

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Marina does hereby:

1. Approve an appropriation in the amount of \$20,000 cash from the Airport Operations Fund 555 as part of city’s pledge of cash match contribution; and, \$10,000 in-kind (staff time) from the Economic Development Fund 100-440 for joint grant application between FORA and City of Marina to the U.S. Economic Development Administration (EDA) for feasibility study on air space system management, UAS Market conditions, airport infrastructure suitability, federal aviation administration (FAA) regulations for UAS technology cluster, workforce training and business incubator facility at or near the airport;

2. Authorize City Manager to execute grant documents and any amendments thereto; and,
3. Authorize Finance Director to make necessary accounting and budgetary entries subject to final review and approval by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting held on the 16th day of April 2019 by the following vote:

AYES: COUNCIL MEMBERS: Berkley, Urrutia, O'Connell, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: Morton

ABSTAIN: COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk



1. *Extend the street pattern to connect this district with the adjacent Marina Village and provide a block pattern with a compatible scale and grain.*
2. *Orient development at the boundary with the former land fill to incorporate the views and open space amenities to the adjacent protected habitat and define the gateway to CSUMB.*
3. *Orient development and provide pedestrian-oriented improvements to take advantage of the transit potential in the Multi-Modal corridor.*
4. *Integrate any corporation yard activities that are included in a PBC north of the Intergarrison/8th Street corridor into the coordinated development of this District. Consider adjusting the boundaries of the PBC to facilitate a well-designed facility that promotes the value of the adjacent lands.*
5. *Coordinate development within this district with the preparation of a specific plan or other planned development mechanism to achieve the potential integrated design that can be realized in this key mixed-use district. Provide design guidelines to address architectural qualities, building massing and orientation, parking, fencing, lighting, and signage.*

3.8.4 Marina Airport Planning Area

The Marina Airport Planning Area contains five districts: 1) Municipal Airport District; 2) Light Industrial/Technology Center; 3) North Airport Light Industrial Tech Center; 4) UC MBEST Center Cooperative Planning District; and 5) Habitat Management District.

Marina Municipal Airport District

The airport district has several existing structures, which the City is leasing, within the airport itself. This area and the adjacent Light Industrial/Technology Center are both served with existing infrastructure providing limited capacity for early reuse. The Airport District can be accessed from Reservation Road via Imjin Road.

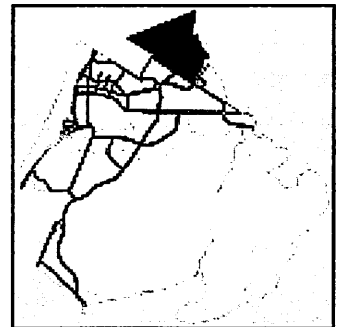
Projected Land Uses:

Business Park/Light Industrial Land Use. Approximately 60 acres are projected for this type of use, accommodating 340,000 sq. ft.

Public Facilities Land Use. Approximately 256 acres are reserved for aviation-related activities.

General Development Character and Design Objectives - To achieve the community design vision, the City of Marina shall implement the following:

1. *Retain the industrial character of the existing hangers and warehouses with rehabilitation, reuse and infill development.*



Airport Planning Area



2. *Identify the Imjin/Reservation intersection as the main gateway to the facility.*
3. *Provide for a direct connection to Blanco Road for this facility to reduce traffic impacts on Reservation Road.*

Light Industrial/Technology Center District

This district lies between the Airport and the UC MBEST Center Cooperative Planning District. Because of the existing airport and planned airport operations and the proximity to the Salinas Valley agricultural activities via Blanco Road, these locations are well poised to capture the light industrial/business park market.



Projected Land Uses:

Business Park/Light Industrial Land Use. Approximately 48 acres are projected for this use accommodating 421,000 sq. ft. of this use.

General Development Character and Design Objectives - To achieve the community design vision, the City of Marina shall implement the following:

1. *Coordinate development to promote the design qualities, pedestrian vitality, and visual appearance at the interface with the adjacent UC MBEST Center Cooperative Planning District.*
2. *Visually screen large outdoor working or storage areas from public roadways or adjacent development districts.*
3. *Incorporate noise mitigation measures to manage industrial activities to minimize potential adverse effects on sensitive research and development uses in the adjacent UC MBEST Center Cooperative Planning District.*
4. *Provide for a direct connection to Blanco Road for this district to reduce traffic impacts on Reservation Road.*

North Airport Light Industrial Tech Center District

This Center may represent a more long term opportunity because it is not within the existing infrastructure core area and industrial development would initially require a connection to Blanco Road and eventually a second outlet across Armstrong Ranch to the north. (Note: this site has also been identified as an “opportunity site” for visitor serving uses.)



Projected Land Uses:

Business Park/Light Industrial Land Use. 207 acres are projected accommodating approximately 1.81 million sq. ft. of potential light industrial and business park land use.



Visitor-Serving Land Use. 200 unit hotel with a golf course on a total of 222 acres is projected.

General Development Character and Design Objectives - To achieve the community design vision, the City of Marina shall implement the following:

1. *Orient development to take advantage of the scenic qualities of this location with views to the Pacific and the Salinas Valley.*
2. *Establish a maximum building height related to an identified mature landscape height to retain the visual line of the bluffs as viewed from the State Highway 1 Scenic Corridor and the Salinas Valley.*
3. *Maintain a minimum setback from the top of the bluff above the valley to retain the native vegetation and provide for a continuous bluff top trail.*
4. *Provide development standards that protect the interface with the adjacent protected habitat.*
5. *Coordinate development with planning for Armstrong Ranch to provide for a continuous circulation route north to Del Monte Boulevard.*

Habitat Management District

The habitat management district is comprised of all of the City's lands in the planning area that are included in the HMP for habitat protection. These areas include riparian habitat adjacent to the Salinas River and the coastal chaparral community conveyed as part of the Marina Municipal Airport lands. For coordination purposes, the District also includes the adjacent habitat conveyed to the University of California as part of the UC MBEST Center. (See Habitat Management Plan discussion in Section 4.4.3 of the Conservation Element.)

Projected Land Uses:

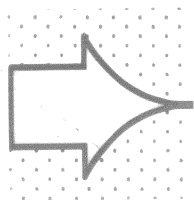
Habitat Management Land Use. 170 acres in habitat conservation conveyed to the City of Marina and 409 acres conveyed to the University of California. (See Habitat Management Plan discussion in Section 4.4.3 of the Conservation Element.)

University of California / UC MBEST Center Cooperative Planning District

The UC MBEST Center Cooperative Planning District is portion of the University's lands in the City of Marina northwest of Blanco and Reservation Road. The property includes a portion designated for development as well as a significant habitat reserve.

Projected Land Uses:

Planned Development Mixed Use. 123 acres are projected for this use and will accommodate approximately 1.38 million sq. ft. of Office / R&D land use.





Retail and Service Land Use. 10,890 sq. ft. are projected.

Visitor Serving Land Use. A 150-room hotel is projected.

Habitat Management Land Use. As noted above, UC MBEST Center is comprised of an additional 409 acres reserved for habitat and managed by the UC NRS. (See Conservation Element in Section 4.4.3.)

General Development Character and Design Objectives - To achieve the community design vision in the City of Marina, UC MBEST Center shall implement the following:

1. *Coordinate development to promote the design qualities, pedestrian vitality, and visual appearance at the interface with the adjacent Light Industrial/Technology Center District.*
2. *Enhance the visual identity and imagery for UCMBEST as viewed from the major circulation corridors, including Reservation Road and Blanco Road.*
3. *Establish a maximum building height related to an identified mature landscape height to retain a compatible relationship with the regional landscape character.*
4. *Provide primary access from Reservation Road to promote the role of this arterial as a distribution link in the network.*
5. *Provide for a direct connection to Blanco Road for this district to reduce traffic impacts on Reservation Road.*
6. *Provide development standards for the interface with the NRS lands to protect the habitat resources.*

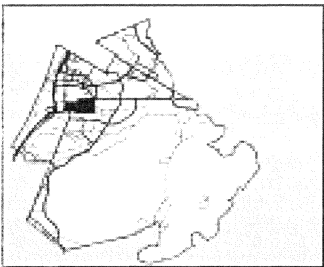
3.9 City of Seaside Planning Areas and Districts

The City of Seaside contains three Planning Areas: 1) CSUMB Planning Area; 2) University Planning Area; and 3) Seaside Residential Planning Area. (See Figure 3.9-1 which illustrates the Planning Areas for Seaside and the subdivision into the various Districts.) The land reserves and project development capacity for each District are summarized in Table 3.9-1, City of Seaside Land Development Intensity Summary.

3.9.1 CSUMB Planning Area

The amount of CSUMB land in Seaside is approximately 322 acres and is expected to accommodate academic, administrative, student housing, and other support facilities. For planning purposes, the Reuse Plan assumes that one half of the projected total of 5,100 student units planned for the campus are located within the City of Seaside. The balance is assumed to be located in the Marina portion of the CSUMB campus.

Access to the Seaside portion of the campus will be from the upgraded 2nd Ave/Del Monte Extension arterial on the west and from Gigling Road on the south.



CSUMB Planning Area
Seaside Portion



Table 3.4-2

General Land Use Designation	Land Resources Permitted Intensity	Summary by Jurisdictions (acres)			Totals (acres)
		Marina	Seaside	Mont. County	
RESIDENTIAL USE DESIGNATIONS					
SFD Low Density Residential	1 - 5 DU's/Acre	—	—	924	924
SFD Medium Density Residential	5 - 10 DU's/Acre	594	751	412	1,757
MFD High Density Residential	10 - 20 DU's/Acre	—	24	0	24
Residential Infill Opportunities		(559)	—	(555)	(1114)
MIXED USE AND COMMERCIAL DESIGNATIONS					
Planned Development Mixed Use	up to .35 FAR and 20 DU's/Acre	1,094	99	1,024	2,217
Office/R&D	.20 to .35 FAR	—	—	404	404
Business Park/Light Industrial	.20 FAR	271	—	—	271
RETAIL USES					
Convenience Retail Overlay(1)	.25 FAR	3 sites	6 sites	13 sites	22 sites
Neighborhood Retail	.25 FAR	—	54	—	54
Regional Retail	.25 FAR	—	44	—	44
VISITOR SERVING/OPEN SPACE/RECREATION/HABITAT MANAGEMENT					
Visitor Serving (2)	varies	—	375	169	544
Golf Course Opportunity Site Overlay		2 sites	2 sites	3 sites	7 sites
Hotel Opportunity Site Overlay		2 sites	1 site	3 sites	6 sites
Equestrian Opportunity Site Overlay		—	—	3 sites	3 sites
Open Space/ Recreation (3)	See Conservation Element	90	113	1,805	2,008
Habitat Management	See Conservation Element	170	962	14,819	15,951
INSTITUTIONAL AND PUBLIC FACILITIES					
School/University	N/A	265	472	342	1,079
Alternative High School sites Overlay		2 sites	—	—	2 sites
Public Facility/Institutional	N/A	391	59	231	681
Military Enclave	N/A	—	713	45	758
COMMUNITY RIGHTS-OF-WAY	N/A	49	570	96	1,165
Total Acreage					27,879

NOTES

- (1) permitted use in Mixed Use District
 (2) Includes Golf Courses
 (3) Includes sufficient neighborhood/community park area reserves to serve anticipated Buildout population at local standards (see figures 4-13,14,15)

Table 3.11-4
Job Creation Projected Through 2015
 (Based on 6,600 AFY Water Supply)

LAND USE CATEGORY	PERCENT BUILDOUT	EMPLOYEES
CSUMB	50%	1,600
POM Annex	100%	310
Industrial/Office/R&D	30%	11,350
Retail	60%	2,372
Hotel(includes golf and other visitor-serving)	56%	1,155
Parks and Open Space (State Park, etc.)	100%	90
Public Facilities (Schools, MPC, including Military)	99%	1,450
Habitat Management	100%	15
TOTAL		18,342

(c) through the water purveyor, monitor chloride levels in the wells supplying the former Fort Ord in order to provide warning of salt water intrusion. If a detected upward trend in chloride levels results in exceeding potable water standards over a five year period, the FORA Board will be notified by the water purveyor in order to take corrective action.

(d) take measures to eliminate extraction of the former Fort Ord's water supply from the 180-foot shallow aquifer by encasing those wells through the shallow aquifer zone.

- 2) **Water Use Efficiency Program.** FORA shall establish water efficiency and on-site reuse policies governing development to achieve conservation objectives.
- 3) **Reclaimed Water Source and Funding.** FORA shall continue to actively participate in and support the development of reclaimed water supply sources by the water purveyor and the Monterey Regional Water Pollution Control Agency (MRWPCA) to insure adequate water supplies for the former Fort Ord. The CIP shall fund a reclaimed water program adequate for the full development of industrial and commercial land uses and golf course development.
- 4) **On-Site Water Collection Program.** FORA shall promote the use of on-site water collection, incorporating measures such as cisterns or other appropriate improvements to collect surface water for in-tract irrigation and other non-potable use.
- 5) **Additional Potable Water Supplies Program.** FORA may investigate and provide appropriate augmentation of the potable water supplies to:

March 6, 2019

Item No. **11b**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of April 16, 2019

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2019-, APPROVING AN APPROPRIATION IN THE AMOUNT OF \$20,000 CASH FROM THE AIRPORT OPERATIONS FUND 555 AS PART OF CITY'S PLEDGE OF CASH MATCH CONTRIBUTION; AND, \$10,000 IN-KIND (STAFF TIME) FROM THE ECONOMIC DEVELOPMENT FUND 100-440 FOR JOINT GRANT APPLICATION BETWEEN FORA AND CITY OF MARINA TO THE U. S. ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) FOR FEASIBILITY STUDY ON AIR SPACE SYSTEM MANAGEMENT, UAS MARKET CONDITIONS, AIRPORT INFRASTRUCTURE SUITABILITY, FEDERAL AVIATION ADMINISTRATION (FAA) REGULATIONS FOR UAS TECHNOLOGY CLUSTER; WORKFORCE TRAINING AND BUSINESS INCUBATOR FACILITY AT OR NEAR THE AIRPORT; AND, AUTHORIZING CITY MANAGER TO EXECUTE GRANT DOCUMENTS AND ANY AMENDMENTS THERETO; AND, AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2019- , approving an appropriation in the amount of \$20,000 cash from the Airport Operations Fund 555 as part of city's pledge of cash match contribution; and, \$10,000 in-kind (staff time) from the Economic Development Fund100-440 for joint grant application between FORA and City of Marina to the U.S. Economic Development Administration (EDA) for feasibility study on air space system management, UAS Market conditions, airport infrastructure suitability, federal aviation administration (FAA) regulations for UAS technology cluster, workforce training and business incubator facility at or near the airport;
2. Authorizing City Manager to execute grant documents and any amendments thereto; and,
3. Authorizing Finance Director to make necessary accounting and budgetary entries subject to final review and approval by the City Attorney.

BACKGROUND:

Pursuant to the Fort Ord Base Reuse Plan (Volume 1, Section 3.8.4 page 158, Marina Airport Planning Area) the creation of Light Industrial/Technology Center District is among the identified uses in the Marina Airport Planning Area. The replacement of the 18,000 jobs lost as a result of the closure of Fort Ord is a major goal of the Reuse Plan (Base Reuse Plan Volume 1, Industrial and Commercial Job Creation programs, pages 199-200). To that end, multiple private businesses/partners and public agencies along with FORA are advancing the Monterey Bay Drone, Automation and Robotics Technology (DART) initiative as a regional economic development strategy to focus on these current and future growth sectors for new venture formation, jobs growth and regional vitality. The initiative grew out of a multi-sector partnership established in the fall of 2017 to respond to the FAA call for Unmanned Aerial Systems (UAS) Integration Pilot Program (IPP) responses. Led by FORA in collaboration with multiple public and private sector partners including the University of California, California State University, Airspace Integration, Joby Aviation and many others, the UASIPP was intended to establish a center for UAS innovation at the Marina Airport. The original Integration Pilot Program (IPP) Application to FAA benefited from active Marina Council member engagement and

support at a FORA meeting. This led to productive FORA-Marina staff collaboration, including the submission of an Unmanned Aerial Systems Integration Pilot Program (UASIPP) Application to FAA. This effort brought together the original public-private collaboration and community interest on the concept of the Marina Airport as a drone innovation hub. As such, establishing a DRONE/UAS Research Development and Technology Cluster would be consistent with one of the goals of the Fort Ord Reuse Plan.

At the regular meeting of April 17, 2018, under Special Presentations, both Josh Metz FORA Economic Development Manager and Jeff Crechriou Airport Services Manager, presented information to the Marina City Council on UASIPP and the integration of the Marina Municipal Airport. While unsuccessful in gaining the UASIPP designation, the partnerships established during the proposal development phase, and demonstrated market demand for drone testing and innovation spaces, led to a concept revision and expansion, and the current DART initiative.

The current policy of FAA is that UAS operations are prohibited on the Marina Municipal Airport property, and no launch activities from the airport will occur. However, in other jurisdictions FAA has approved both airport operations and UAS operations to coexist at the same airport facility. The reason to consider UAS as an additional use on or near the Marina Municipal Airport is due to the educational component and potential economic opportunity. ***From the educational prospective, local/regional residents could be trained in high-value jobs in aerospace-sector commercial activity, which would retain talent in our county.*** According to Goldman Sachs.com/insights/technology-driving-innovation/drones, the UAS industry growth is exceeding projections with a market size of \$100B. Comprised of the \$100B is \$70B military market; \$17B consumer market, and \$13B commercial market. According to AIA Think Bigger UAS Paper-February 2018 (Infinity Development Partners), large UAS is a growing industry segment of \$30B annually. Of the \$30B, the following segments are \$19B Passenger, \$6B Cargo, \$3.5 Industry Applications; \$1B Public Safety and \$0.5B Telecommunications.

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- Evaluate FAA regulations for UAS Technology Cluster
- Is there a demand for workforce training/business incubator facility at or near the airport

The current EDA proposal is the first of a planned series of proposals being developed in coordination with the University of California (Workforce Training/Education and Aerospace Business Incubator Facilities), and the California State University (Business Incubator Program) to further advance the DART initiative to train current/future local and regional residents to be employed by the UAS industry.

ANALYSIS:

While the initiative is regional in scope, the City of Marina stands to benefit significantly as a potential center of drones, automation, robotics and technology related innovation, business activity as well as an economic development job creation opportunity. The Marina Municipal Airport, associated business park lands, and adjacent UC Monterey Bay Education Science & Technology (UCMBEST) are in an ideal location to support the growth of these new industries. Enabling commercial UAS operations at the Airport would be a significant step toward realizing this potential, would support the future growth of Joby Aviation or similar uses, and would further establish Marina as a home for aerospace innovation.

Since the Marina Airport is in a recently certified Opportunity Zone (OZ), EDA only requires a 20% local match (compared with 50% local match in non-OZ areas). The grant proposal target amount is in the range of \$400,000+ requiring a local match of \$96,000-\$100,000. Of the 20% match of presumed \$96,000, the City of Marina proposes to match \$20,000 cash and \$10,000 in-kind (staff time) for a total of \$30,000, which is 31.25%. FORA's match would be \$50,000 cash match plus staff time approximately \$16,000 to cover the balance, or 68.75%. The City contribution would be contingent upon fully funding a required 20% local match (31.25% City/ 68.75 % FORA) and approval of grant application from EDA. Moreover, FORA has reached out to its educational partners to build broader coalition for in-kind support, which may restructure in-kind levels if we receive commitments from them. Moreover, the City's in-kind contribution would include limited grant writing on the Phase I application, preparation of a Request for Proposal (RFP) on consultant services for feasibility study, submission of RFP to vendors, collaboration on vendor selection, grant reporting and grant closeout. The collaborative effort among the two agencies would result in the City of Marina achieving a return on our investment along with no downside with moving this project forward. Ultimately, the City of Marina will benefit from the critical data provided in the feasibility study.

As cited above, the *next step in advancing the Marina Municipal Airport operations* is to conduct a feasibility study on the elements previously articulated in the Background Section (bullet points). It would be prudent of the City to consider a joint grant application on the feasibility study and cost sharing cash match, as future businesses (similar to Joby) will require necessary data. Under the current joint application scenario, the City would be obligated to fund \$20,000 cash and \$10,000 in-kind with FORA contributing \$66,000. In the event the City wishes to pursue the feasibility study on its own without FORA participation, then the City would be obligated to provide the local match in the amount of \$96,000. Hence, this is a good opportunity for Marina to obtain additional data for our airport.

The UAS Operations Feasibility Study would provide critical information in advancing the overarching airport operations. This step would pave the way for private equity investment and significant new business opportunities and revenues for the City and the region. As previously cited above, the Feasibility Study would consider the following:

- Air space system management
- Evaluate market conditions market for a UAS Technology Cluster in Marina
- Can UAS operations be achieved at/or from UC Business Park campus and/or airport property
- Is there a method to operate a safe UAS program without conflict from aviation users at or near the Marina Municipal Airport
- Evaluate airport infrastructure suitability
- Evaluate FAA regulations for UAS Technology Cluster
- Is there a demand for workforce training/business incubator facility at or near the Airport (recommended by EDA)

Section 3.8.4 of the Ft. Ord Base Reuse Plan describes a total of 378 acres (48 acres, 207 acres and 123 acres) of Business Park/Light Industrial Land Use and Public Facilities (**"EXHIBIT A"**) within the Marina Airport Planning Area. Moreover, Table 3.4-2 (**"EXHIBIT B"**) provides a Summary of Land Resources (in acres) per jurisdictions (Mixed Use and Commercial= 2,217 acres). Table 3.11-4 (**"EXHIBIT C"**) projects 11,350 employees on 30% build out of Industrial/Office/R&D Land Uses by 2015 across Marina, Seaside and County jurisdictions. Below is a calculation of **potential** job generation at the Marina Airport Planning Area with supporting information on (**EXHIBITS "B AND C"**).

2,217 acres x 30% = 665 acres (job creation projections through 2015 are generalized to the entire Reuse Area)

- 11,350 employees / 665 acres = 17 jobs/acre
- 378 acres (@ 30%) = 113 acres (information obtained from **EXHIBIT "A"**)
- 113 acres (@ 17 jobs/acre) = 1,921 jobs at 30% build out
- 378 acres (@ 17 jobs/acre) = 6,426 jobs (at 100% build out)

FISCAL IMPACT:

Should the City Council approve this request, a local cash match contribution in the amount of \$20,000 is required from the Airport Operations Fund 555 as part of city's pledge of cash match contribution; and, \$10,000 in-kind (staff time) from Economic Development Fund 100-440. Therefore, it is requested an appropriation to the adopted FY 2018-19 Airport Operations Fund 555 in the amount of 20,000; and, \$10,000 in-kind (staff time) from Economic Development Division 100-440.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,

Marilyn Lidyoff
Economic Development Coordinator
City of Marina

Jeff Crechriou
Airport Services Manager
City of Marina

REVIEWED/CONCUR:

Layne P. Long
City Manager
City of Marina