



Christina L. Shea, Mayor

cityofirvine.org

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949-724-6233

July 26, 2019

Assemblymember Sharon Quirk-Silva
1440 N. Harbor Blvd.
Suite 270
Fullerton, CA 92835

Dear Assemblymember Quirk-Silva:

As you know, the City of Irvine's staff spent the last year exploring the feasibility of two locations within the former MCAS El Toro for the creation of a Southern California Veterans Cemetery. These two potential sites, the ARDA site and the "Golf Course" site, were reviewed by the City of Irvine's Planning, Transportation, and Finance Commissions with all three groups recommending that the City Council select the Golf Course site for a no cost donation to the State of California for exclusive use as a State Veterans Cemetery.

On July 23, 2019, the Irvine City Council and the Orange County Great Park Board held a Special Joint Meeting to consider the relative merits of the two location and choose which location to offer to the State of California. After hearing an extensive report from and asking questions of our staff, receiving testimony from 56 public speakers, and vigorously debating the matter, the Council/Board voted 4-1 to offer the Golf Course site to the State of California.

Attached is a copy of the full Resolution adopted by the Council. The Resolution authorizes the City Manager and City Attorney to negotiate a "Transfer Agreement" with the State. We hope that this process can begin in the next few weeks.

Please contact the City Manager or me if you have any questions or concerns. We thank you for all your past efforts and look forward to a renewed partnership to finally achieve our mutual goal of making a Southern California Veterans Cemetery a reality.

Sincerely,

Christina L. Shea
Mayor

Attachment

Assemblymember Sharon Quirk-Silva

July 26, 2019

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cc: Irvine City Council
Richard Figueroa, Deputy Cabinet Secretary
Office of the Governor

Anthony Williams, Legislative Secretary
Office of the Governor

Melissa Immel, Deputy Legislative Secretary
Office of the Governor

John Spangler, Deputy Secretary for Legislation and Government Relations
California Department of Veterans Affairs

Keith Boylan, Deputy Secretary for Veterans Services
California Department of Veterans Affairs

Members of the California State Senate

Members of the California State Assembly

CITY COUNCIL RESOLUTION NO. 19-76

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, DESIGNATING THE CITY'S PREFERRED SITE FOR THE DEVELOPMENT AND OPERATION OF THE SOUTHERN CALIFORNIA VETERANS CEMETERY, AND RESCINDING AND SUPERSEDING ALL PRIOR RESOLUTIONS RELATING TO THAT SUBJECT MATTER

WHEREAS, on March 11, 2014, the Irvine City Council adopted Resolution No.14-27, which expressed its strong interest in identifying and designating a site at the Orange County Great Park for conveyance to the State of California for purposes of developing and operating the Southern California Veterans Cemetery; and

WHEREAS, on July 22, 2014, the Irvine City Council adopted Resolution 14-92, expressing its intent to make available certain City-owned property referred to as the "ARDA Transfer Site" for the Southern California Veterans Cemetery; the designated property was labeled the "ARDA Transfer Site" because it was transferred to the City pursuant to an Amended and Restated Development Agreement (ARDA) between the City of Irvine and Heritage Fields El Toro, LLC (Heritage Fields); and

WHEREAS, on September 27, 2014, AB 1453 was signed by the Governor of the State of California, which, among other things, (i) directed that the State Department of Veterans Affairs (CalVet), in voluntary cooperation with local government entities in Orange County, design, develop, construct, and equip a state-owned and state-operated Southern California Veterans Cemetery on the ARDA Transfer Site, and (ii) appropriated funding to CalVet for completion of the preliminary or conceptual design work; and

WHEREAS, CalVet, together with the Department of General Services (DGS), hired design and environmental consultants to evaluate the ARDA Transfer Site for the development of a Southern California Veterans Cemetery; and

WHEREAS, In June 2016, a consultant hired by DGS issued a report detailing, among other things, the costs of the demolition and site preparation for the ARDA Transfer Site, together with the build-out of 28 acres for burial sites administrative buildings and other improvements; and

WHEREAS the June 2016 report to DGS noted that the ARDA Transfer Site contains more than 70 structures, including 4 hangars that comprise approximately 20,000 square feet, a former MCAS El Toro control tower and offices, barracks, concrete runways, and asphalt roadways; and

WHEREAS, the June 2016 report to DGS was updated in June 2018, and the updated report forecasts that the costs to develop Phase 1 of the Southern California Veterans Cemetery at the ARDA Transfer Site is \$90,913,014; and

WHEREAS, on June 6, 2017 the Irvine City Council adopted Resolution 17-39, rescinding the designation of the ARDA Transfer Site as the preferred site for the Southern California Veterans Cemetery, and instead designating a property known as the "Strawberry Fields" as the preferred site; and

WHEREAS, Heritage Fields previously committed to contribute \$10,000,000 toward the development of the Southern California Veterans Cemetery on the Strawberry Fields site; and

WHEREAS, the ability to implement the Southern California Veterans Cemetery at the Strawberry Fields site was contingent on the approval of zoning text amendments that were initially approved by the City Council, but were later invalidated by a voter referendum on June 5, 2018; and

WHEREAS, following the voter referendum, on July 10, 2018 the Irvine City Council directed a further assessment and analysis of the potential development of the Southern California Veterans Cemetery at the ARDA Transfer Site; and

WHEREAS, on July 16, 2018 then Mayor Pro Tem Shea and Councilmember Fox submitted a joint memorandum to the City Manager requesting that, in addition to studying the ARDA Transfer Site, City staff also analyze the potential development of the Southern California Veterans Cemetery on 100 acres of land located on the site of the former Marine Corps Air Station El Toro adjacent to the Agua Chinon, commonly known as "Golf Course Site" in the Orange County Great Park (generally depicted on Exhibit A hereto), for development of a Southern California State Veterans Cemetery; and

WHEREAS, on August 2, 2018, the Planning Commission also requested City staff prepare analyses of both the ARDA Transfer Site and the Golf Course Site as potential locations for the Southern California Veterans Cemetery; and

WHEREAS, a significant portion of the Golf Course Site is currently planned, pursuant to the "Second Agreement With City of Irvine as Adjacent Landowner" (ALA II), for development of a golf course which Heritage Fields has the right and obligation to build at a forecasted cost of \$18,000,000; and

WHEREAS, Heritage Fields, through its development manager FivePoint Communities, has indicated a willingness to contribute the following amounts toward the construction of the Southern California Veterans Cemetery at the Golf Course Site: (i) the \$10,000,000 it previously committed to contribute toward development of the Southern California Veterans Cemetery at the Strawberry Fields site, and (ii) the \$18,000,000 that under the ALA II is currently intended for expenditure toward the development of a golf course at the Orange County Great Park; and

WHEREAS, City staff and legal counsel prepared analyses for both the ARDA Transfer Site and the Golf Course Site, and presented those findings to the Irvine Transportation Commission, the Irvine Planning Commission, and the Irvine Finance Commission; and

WHEREAS, on November 20, 2018, the Irvine Transportation Commission reviewed a traffic evaluation prepared by City staff, which determined that a State veterans cemetery will not cause any significant traffic impacts at intersections and roadway segments based on the City's adopted performance criteria and General Plan standards at either the ARDA Transfer Site or Golf Course Site; and

WHEREAS, at its November 20, 2018 meeting, the Irvine Transportation Commission expressed a preference to locate the Southern California Veterans Cemetery at the Golf Course Site, from the transportation aspect, because it will have better access and less impact upon the adjacent residential areas; and

WHEREAS, on February 7, 2019, the Irvine Planning Commission considered a legal review of the City's Orange County Great Park construction obligations that was prepared by the City Attorney's Office; and reviewed comparative timelines for clean-up and first phase development of the Southern California Veterans Cemetery at the ARDA Transfer Site and the Golf Course Site; and

WHEREAS, at its February 7, 2019 meeting, the Irvine Planning Commission provided the following recommendations to the Irvine City Council: (i) select the Golf Course Site as the preferred location and make moving forward with that site a priority; (ii) involve state and federal agencies in identifying funding opportunities; (iii) establish a milestone schedule for construction of the Southern California Veterans Cemetery over a 10-year period, and if progress is not made during that time, consider a legal mechanism that would have the property revert back to City ownership; and (iv) accept the City Attorney's written comprehensive review of the City's contractual obligations with its development partner, and legal constraints analysis, relative to the City's Orange County Great Park construction obligations; and

WHEREAS, at its meeting of February 4, 2019, the Finance Commission considered whether or not to recommend to the Irvine City Council a Veterans Cemetery site. The Finance Commission made no motion and tabled the item thereby resulting in the Commission's November 19, 2018 action intact; and

WHEREAS, at its meeting of July 15, 2019 the Finance Commission considered whether or not to recommend to the Irvine City Council a Veteran's Cemetery site. By a vote of 3-1-1, Finance Commission did recommend that the Irvine City Council choose the location referred to as the golf site as the preferred location for the Southern California Veterans Cemetery because the golf site has lower estimated development costs, has identified full funding opportunities, does not have a bisecting public roadway, and has no compatibility concerns expressed by Irvine Unified School District; and

WHEREAS, the City staff and legal analyses of the ARDA Transfer Site and the Golf Course site, and more recently received and developed information, indicate the following:

- According to DGS, the forecasted cost for development of Phase 1 of the Southern California Veterans Cemetery at the ARDA Transfer Site is \$91 million.
- Utilizing the same methodology as was used by DGS in its analysis of the ARDA Transfer Site, the City Engineer forecasts that the cost for development of Phase 1 of the Southern California Veterans Cemetery at the Golf Course Site is \$58,998,323 million.
- The ARDA Transfer Site's development cost is larger than the Golf Course Site's development cost primarily because the ARDA Transfer Site will require significant remediation and demolition work, which would not be necessary on the Golf Course Site.
- Both the ARDA Transfer Site and the Golf Course Site are eligible for up to \$24.5 million in funding from the State of California.
- If the City selects the Golf Course Site, Heritage Fields will contribute approximately \$28 million toward development of the Southern California Veterans Cemetery at that location.
- The competitive Veterans Cemetery Grants Program (Grants Program) administered by the U.S. Department of Veterans affairs offers additional potential funding for the Southern California Veterans Cemetery, and the Golf Course Site is better positioned to compete for those grant funds because, unlike the ARDA Transfer Site, it (i) is not bisected by a public road, and (ii) does not contain any buildings that require historic assessment and, potentially, preservation; the forecasted size of a grant for the Southern California Veterans Cemetery under the Grants Program is \$10 million.
- In total, the forecasted financial resources available for construction of the Southern California Veterans Cemetery at the ARDA Transfer Site are \$24,500,000, and the total forecasted cost is \$90,913,014, resulting in a funding gap of \$66,413,014.
- In total, the forecasted financial resources available for construction of the Southern California Veterans Cemetery at the Golf Course Site are \$62,500,000, and the forecasted total cost is \$58,998,323, resulting in a funding surplus of \$3,501,677.

- There is no known public opposition to the development of the Southern California Veterans Cemetery at the Golf Course Site, but if the cemetery is developed at the ARDA Site, Irvine Unified School District has expressed concerns about the psychological impact that the repeated discharge of rifles would have on students at a nearby K-8 school located directly across the street from the ARDA Site.

NOW, THEREFORE, the City Council of the City of Irvine does hereby resolve as follows:

SECTION 1. That the Golf Course Site is hereby designated as the preferred site for development of the Southern California State Veterans Cemetery.

SECTION 2. That the City Manager, with the assistance of the City Attorney, shall immediately begin negotiations with the State of California on an agreement to transfer the Golf Course Site to the State of California, at no cost, once the State provides binding assurances to the City that there are sufficient funds available to remediate the entire site and to complete Phase 1 of the Southern California Veterans Cemetery (Transfer Agreement).


SECTION 3. That the Transfer Agreement must be approved by the City Council at a properly noticed public meeting, after receiving a recommendation from the Board of Directors of the Orange County Great Park Corporation, before any City officer has authority to execute the Transfer Agreement.

SECTION 4. That the City Manager, with the assistance of the City Attorney, shall take all steps necessary to, contingent on approval of the Transfer Agreement, remove Heritage Fields' right and obligation under the ALA II to construct a golf course at the Orange County Great Park, and in its place secure a commitment that Heritage Fields will contribute \$18,000,000 toward the construction of the Southern California Veterans Cemetery on the Golf Course Site.

SECTION 5. That City of Irvine staff shall initiate all necessary revisions to the entitling documents for the Orange County Great Park to facilitate the development of a State Veterans Cemetery on the Golf Course Site.

SECTION 6. That City Council Resolution 14-27, City Council Resolution 14-92, City Council Resolution 17-39, and all prior policy statements of the City Council with regard to the siting of a Veterans Cemetery in the City of Irvine are hereby rescinded, and replaced with and superseded in full by this Resolution.

PASSED AND ADOPTED by the City Council of the City of Irvine at a special joint meeting with the Orange County Great Park Board held on the 23rd day of July 2019.


MAYOR OF THE CITY OF IRVINE

ATTEST:

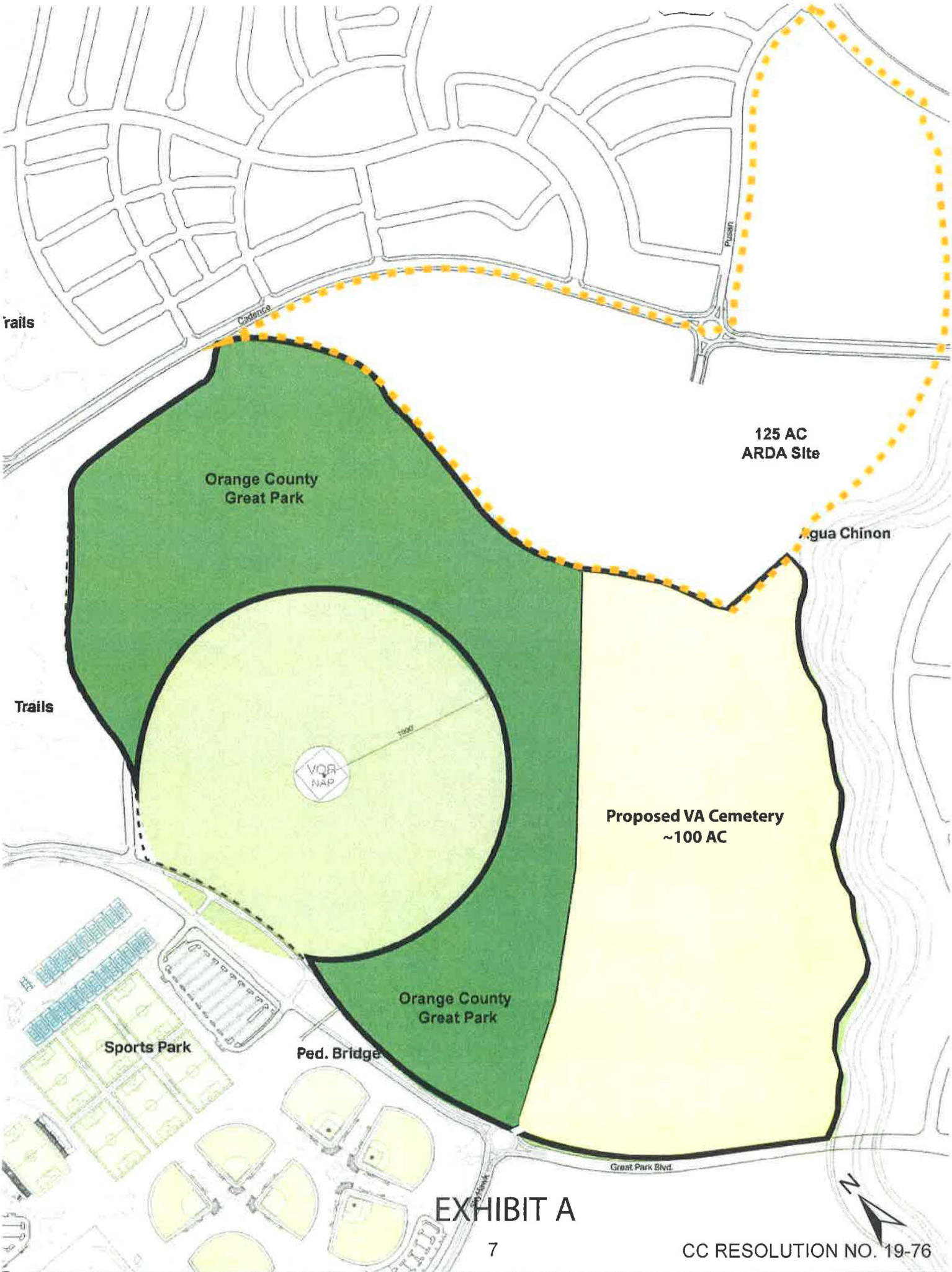

CLERK OF THE CITY OF IRVINE

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, MOLLY M. PERRY, City Clerk of the City of Irvine, HEREBY DO CERTIFY that the foregoing resolution was duly adopted at a special joint meeting of the City Council of the City of Irvine with the Orange County Great Park Board held on the 23rd day of July 2019.

AYES: 4 COUNCILMEMBERS: Carroll, Khan, Kuo, and Shea
NOES: 1 COUNCILMEMBERS: Fox
ABSENT: 0 COUNCILMEMBERS: None
ABSTAIN: 0 COUNCILMEMBERS: None


CITY CLERK OF THE CITY OF IRVINE



rails

Orange County Great Park

125 AC ARDA Site

Laguna Chinon

Trails

Proposed VA Cemetery ~100 AC

Orange County Great Park

Sports Park

Ped. Bridge

Great Park Blvd

EXHIBIT A