REDEVELOPMENT UPDATE: January 2011

Merced Redevelopment Agency

678 West 18th Street, Merced, CA 95340 209/385-6827 FAX 209/723-1780

UNDER CONSTRUCTION NOW:

<u>G Street Undercrossing:</u> Teichert Construction began work on the undercrossing in July 2010. All of the utilities have been relocated. The digging is nearly complete, the final work has been delayed due to adverse weather conditions. Construction is scheduled to last until December 2011. Upon the completion of construction, the Agency will work to redevelop several of the properties that were acquired for right of way. Lead Agency staff: Ainslie.

<u>Downtown Street Resurfacing, Public Improvements:</u> The second half of the City's \$3.1 million in federal stimulus funds will be combined with Agency funds to complete road reconstruction, sidewalk repairs and streetlight upgrades on 18th, N, M and Canal Streets in the Downtown and Midtown area. Project plans have been completed and the State has approved the project. Teichert Construction was awarded the contract in November and is beginning construction this month. Lead staff: Ainslie.

<u>Merced Theatre:</u> Construction on Phase III has begun. All of the interior demolition work has been completed. After completion of the demolition mold was discovered. Staff is receiving estimates for the abatement of the affected areas. Construction of the interior steel reinforcements is anticipated to begin late next month. Lead staff: Ainslie.

Commercial Façade Improvement Program:

The exterior rehabilitation of the Vagabond Inn at 1215 "R" Street is nearing completion. Painting of the structure as well as the installation of new windows has been completed. Remaining improvements include fencing, lighting and landscaping. Lead staff: Ewen.

The Robinson-Montgomery Building façade improvements began in September and are nearing completion. The improvements include replacing the west facing awning, installing new lights under all of the awning and in the parking lot. Lead staff: Ainslie

512 W. 11th Street, 927 W. 8th Street, 195 S. "T" Street: Habitat for Humanity is on its way to completing the home at 512 W. 11th Street. Work is currently being completed on the interior of the structure. The Agency continues to monitor the progress of the development agreement. Two additional houses will be built in the coming years. Lead Staff: Ewen.

Residential Façade Improvement Program:

Three (3) properties are currently under construction and should be completed in the coming months. An additional grant application for 230 W. 18th Street is being considered this month. Lead Staff: Ewen.

<u>Former Texaco Station (Costco Area)</u>: The Agency is proceeding with remediation efforts at the site in accordance with the DDA with Costco. Efforts this year are being funded through a \$200,000 grant from the Environmental Protection Agency. The contamination originated from former gas stations that once surrounded the site. The project is moving forward to meet the deadlines imposed by the Regional Water Quality Control Board. Lead staff: Angulo.

<u>Parsons Avenue</u>: The roadway widening project was awarded to RGW Construction, Inc. of Livermore for \$1.516 million. The City received a \$1,000,000 grant from the State of California to complete the Parsons Avenue road widening between Highway 140 and Childs Avenue. Preparation for construction has begun. The expected date of completion is April 2011. Lead Staff: Ainslie.

IN DEVELOPMENT:

<u>Pedestrian Crossing at Childs Avenue and S. Highway 59:</u> The Agency is funding a project to place a pedestrian crossing and sidewalks to the newly signalized intersection of Childs Avenue and South Highway 59 in Caltrans right of way. The Agency received a 4th plan revision from Caltrans and the plan comments are requiring significant changes to the proposed design. A Caltrans encroachment permit will be needed before the Agency can bid and award the project to a contractor. Lead staff: Ewen.

<u>Childs and Canal:</u> In May 2010, the Agency entered into an exclusive right to negotiate with Caddis Properties from Fresno, to complete the development of a neighborhood shopping center at this location. The Agency has begun the entitlement process on this 5.9 acre site in order to allow a neighborhood grocer and retailer to provide services to this underserved area. The developer has one year to complete terms of the agreement. Lead staff: Quintero/Ainslie.

<u>Downtown Parking Signs:</u> Staff is working with Armadillo Advertising of Fresno to design downtown parking lot signs that complement the wayfinding sign design. The signs will be paid from Downtown Parking District funds. The project is still in initial design phase and may be constructed by Spring 2011. Lead staff: Ewen.

<u>Merced Center (Hotel-Office Complex):</u> This project, located on the block bounded by 18th, 19th, M and N Streets, updates are as follows:

<u>Hotel:</u> The Agency has received a notice of closure on the site for soil contamination. The developer is completing an EB-5 Visa equity application. This federal program allows foreign nationals to invest in economically challenged areas. The application process is anticipated to be completed in the Summer of 2011. Lead staff: Ainslie.

<u>Parking Structure:</u> The Agency is continuing to market the structure. Westamerica is the first tenant to move into the space and leases 6,110 sq. ft. Approximately 4,000 square feet remain available for lease. Lead staff: Ainslie

19th and N Parcel: The Agency is continuing to complete an environmental assessment on this parcel. This \$200,000 project is being paid for through an EPA grant. If the conclusion of the process is positive, then development at the site could begin. Lead staff: Angulo

<u>Highway 59 & Cooper Avenue Signalization:</u> The California Transportation Commission is voting this month to approve of the project's environmental and right of way clearance. Once that is completed, the project will get in line for state bond proceeds. Staff has resubmitted plans for the project to Caltrans. Staff has prepared the necessary submittals to Caltrans to receive a funding allocation for the \$1,000,000 grant the City recently received for this project. Staff has completed all right of way negotiations needed and escrow is expected to close on the last parcels this month. Lead staff: Ainslie.

<u>Highway 59 & Cooper Avenue Housing:</u> The Agency entered into an Agreement to Negotiate Exclusively with The Cirrus Companies to conceptually develop an affordable housing project consisting of 50-75 units to be located on the Agency owned parcels at Highway 59 and Cooper Avenue. These units will be highly visible, high quality and will feature several green amenities. Lead staff: Ainslie.

<u>2668 N. Highway 59 Housing Reconstruction:</u> The City Housing Department purchased a blighted residential property at 2668 N. Highway 59 using Neighborhood Stabilization Program (NSP) funds. The Agency is partnering with the City Housing department to demolish and reconstruct an affordable rate owner occupied house. Construction may begin in Spring 2011. Lead staff: Ewen.

<u>Rehabilitation of 951 W. 7th Street:</u> The Agency is beginning the process of rehabilitating a vacant single family home in South Merced. The home will be sold in turn key condition to persons of an affordable income once the project is complete. Lead staff: Ewen

<u>East 16th Street Beautification</u>: The project's scope calls for the beautification of East 16th Street from G Street to Motel Drive. Caltrans issued a notice of a pending project for the Highway 99 overhead expansion. Staff is in the process of finalizing easements and designing the project for the utility relocations. The Agency project will be delayed until Caltrans constructs their overhead replacement project. Lead staff: Ewen.

<u>Simpson's Cleaners Site Investigation</u>: The Agency received a \$200,000 Brownfields Grant from the U.S. EPA for site investigation at 618 W. Main Street. Kleinfelder has completed the investigative work, and has submitted a report to the Regional Water Quality Control Board and U.S. EPA for review. The report recommends closure of the site and staff is awaiting a response from the Regional Water Quality Control Board. Lead Staff: Angulo.

<u>73 South R Street</u>: The site has been cleared and is available for future development. The project will improve the aesthetics and safety of the neighborhood and provide additional affordable housing. Lead Staff: Ewen.

Midtown Residential District:

A DDA with Maxwell Homes for the development of 7-13 new affordable housing units has been approved by the Agency Board. The homes would introduce new urban row housing units complete with green features displaying a historically appropriate appearance. The units would be developed on approximately .5 acre of land at the northwest and southeast corners of 18th & I Streets. The Agency is currently working on the entitlement and zone change process. Construction would be completed around Summer 2011. Lead staff: Ainslie.

The Agency closed escrow on 202 W. 19th Street and has begun the relocation process. This site will be demolished and used for future new construction housing. Additionally, work continues on façade improvements for residential properties in the district. Lead Staff: Ainslie/Ewen.

<u>Underground Utility Districts:</u> Underground Utility District #11 has been formed by the City Council. The district boundaries are along Parsons Avenue from south of Childs Avenue to Highway 140 and Childs Avenue from Highway 99 to Golden Valley High School. UUD #10, Yosemite Avenue Phase II is about to be released to construction by PG&E with an anticipated project completion date of April 2011. Additional districts along "M" Street, "R" Street and Childs Avenue are also being planned. Lead Staff: Ewen.

PROGRAMS, PROMOTION AND PLANNING:

<u>Visitor Services:</u> The California Welcome Center celebrated its 10th anniversary during the month of October. The staff continues to assist visitors and reply to inquiries regarding traveling to Merced. Lead staff: Baker

<u>Downtown Steering Committee:</u> The Committee met in September to review progress made to date on the Strategy. The Committee reviewed progress with the Merced Theatre and in downtown planning. Lead staff: Ainslie.

<u>Downtown Advertising and Business Services</u>: The focus of the marketing is print advertising in the D Life. The Agency is also considering a marketing plan within the coming months. The focus of the Downtown Fund is to continue to build Downtown as an entertainment, shopping, and business destination. Lead staff: Quintero.

<u>Merced Theatre Property Management:</u> Lease operations of the Merced Theatre have been turned over to Merced Theatre Landlord, LLC. Staff continues to market the commercial spaces for new tenants. Commercial lease rates are competitive with other downtown spaces and the City continues to receive interest. Lead Staff: Ewen.

<u>Downtown Design Guidelines</u>: Agency staff is working to complete a draft version of the design guidelines. The guidelines will establish façade, sign and public improvement design throughout the downtown area. Lead Staff: Ewen.

<u>Affordable Housing Monitoring:</u> Staff has developed a complete inventory of all housing units assisted in Agency history. The housing monitoring database has been posted on the Redevelopment Agency webpage under the Housing tab. Staff is performing its annual compliance audit of all Agency assisted housing units. Lead Staff: Ewen.

AVAILABLE

<u>Façade Improvement Program:</u> The Agency is taking applications for high quality comprehensive projects located within the Gateways Redevelopment Project Area. Lead staff: Mendoza/Ewen.

<u>Residential Façade Improvement Grant Program</u>: \$87,700 is available for residential property owners seeking improvements to the exterior's of their structures. Restrictions do apply. Lead staff: Ewen.

Calendar City Council/Agency Commission Meetings – 2010

January 3, 2011 January 18, 2011 January 18, 2011 City Council/Redevelopment Agency City Council/Redevelopment Agency Redevelopment Advisory Committee

This report is prepared monthly and distributed to the Executive Director, Redevelopment Advisory Committee, Economic Development Advisory Committee, City Council, department heads and others.

RDA Update 1/2011