

REDEVELOPMENT  
UPDATE:  
November 2009

ATTACHMENT G-1  
Merced Redevelopment Agency

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

**UNDER CONSTRUCTION NOW:**

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

Hotel: Financing had been stalled due to the current national economic recession. The Agency has received a notice of closure on the site for soil contamination. The plans for the building have been completed. Staff is working with the developer to amend the development agreement and to seek alternate forms of financing. Lead staff: Cahill/Ainslie/Angulo.

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

Merced Theatre: The final renovation plans have been reviewed by the building department. The Agency's architect is now reviewing the comments and updating the plans. The Agency is working to finalize a Historic Tax Credit deal and a New Market Tax Credit deal with new potential investors. The State has approved the Agency's Part II application and has forwarded the application to Washington for final approval. Construction should begin early next year. Lead staff: Cahill, Mendoza, Ainslie.

Former Texaco Station (Costco Area): The Agency is proceeding with remediation efforts at the site in accordance with the DDA with Costco. The contamination originated from former gas stations that once surrounded the site. The Agency has exhausted an Underground Storage Tank Cleanup Grant from the state and is now using Agency funds and a US EPA grant to proceed with the remediation. The project is moving forward to meet the deadlines imposed by the Regional Water Quality Control Board. Lead staff: Angulo.

512 W. 11<sup>th</sup> Street, 927 W. 8<sup>th</sup> Street, 195 S. "T" Street: Habitat for Humanity has merged their two single family home sites into one lot at 512 W. 11<sup>th</sup> Street. Building permits and development fees have also been paid. They have begun to arrange for constructing the pad, installing sewer and water lines and laying the foundation. Lead Staff: Ewen.

Way Finding Signs: A total of 63 signs have been installed. Staff applied for an encroachment permit with Caltrans for 16 signs to be placed in the state right of way. Caltrans initially objected to the signs, but an exception was granted by the Caltrans Headquarters. Staff has received District 10 comments and will be reapplying to Caltrans by mid-December. Lead Staff: Ewen.

Underground Utility District #9 & East 13<sup>th</sup> Street Streetlights: PG&E is in construction for the Rule 20A project since Mid-July 2009. The Agency has completed the East 13<sup>th</sup>/15<sup>th</sup> Street streetlight improvement project. The lights have been energized. Staff is coordinating with the Inspection Services Department to ensure the PG&E Rule 20A project is finished correctly. Lead staff: Ewen.

**IN DEVELOPMENT:**

Childs and Canal: The Agency is marketing the site for a new development with various developers. A temporary fence has been installed. The Agency repurchased a 4.7 acre parcel from the Housing Authority. Additional property purchases will be presented to RDAC and the Agency Board in the coming month. Lead staff: Quintero/Ainslie.

Parsons Avenue: The City received a \$1,000,000 grant from the state to complete the Parsons Avenue road widening between Highway 140 and Childs Avenue. Staff has prepared the necessary paperwork to receive the funds from this grant and is awaiting comments from Caltrans. Meanwhile staff is completing the design of the project and the right of way acquisition that remains. The site at 33 Parsons Avenue is being demolished at this time. Lead Staff: Ainslie

Downtown Street Resurfacing, Public Improvements: The City is receiving \$3.1 million in federal stimulus funds. These funds will be combined with Agency funds to complete road reconstruction, sidewalk repairs and streetlight upgrades on 16<sup>th</sup>, 18<sup>th</sup>, N, M and G Streets in the Downtown and Midtown area. The project will be divided into two phases. Plans for the first phase are complete; construction will begin once the City receives funding through the Federal Government. Lead staff: Ainslie.

Highway 59 & Cooper Avenue Signalization: Staff has received all comments from its encroachment permit application and are working to complete a resubmittal. 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 is working with two potential developers on developing the remaining land for a quality affordable housing project. Lead staff: Ainslie.

G Street Undercrossing: Staff is approximately one month from final plan submission. Staff is working to complete the last needed right of way purchases. The landscape design is taking shape and should be presented to RDAC early next year. Staff is working to relocate the present tenants living in buildings that need to be demolished. The start date of construction is dependent on when the City receives state funding from the Proposition IB grant the City was previously awarded. Lead Agency staff: Ainslie.

East 16<sup>th</sup> Street Beautification: The project's scope calls for the beautification of East 16<sup>th</sup> Street from G Street to Motel Drive. Engineering staff has completed a design plan set and is currently working with Heacox Associates to complete the landscaping design. The Agency is also applying for the Environmental Enhancement and Mitigation Program grant through the California Resources Agency. Once completed, the project will be presented to the Design Review commission and then sent on to Caltrans for an encroachment permit. Lead staff: Ewen.

Underground Utility District #10 Phase II: PG&E has designed Phase II of their Rule 20A UUD #10 project. It will include an area along Yosemite Ave. from Edwards Ave. to the City limits. Plans have been submitted to Caltrans but there has not been final approval given. Caltrans will install Sternberg lights from the Bradley Overhead Bridge to Edwards Ave. The Agency will not have to install lighting for this project. Total project cost committed from the City's UUD Rule 20A allowance is \$1,028,000. Lead staff: Ewen.

Simpson's Cleaners Site Investigation: 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.

73 South R Street: 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:

Staff is in escrow for the 8 unit property neighboring the NW corner of 18<sup>th</sup> & I Street at 211 W. 18<sup>th</sup> Street. Staff has accumulated tenant information for future relocations. One of four tenant families in currently being relocated. There are two developers still interested in the future housing project. Additional properties are in negotiation for purchase including the burnt out structure at 49 West 18<sup>th</sup> Street.

Staff has also begun to market the Residential Façade Improvement Grant Program to select properties in the Midtown District. Approximately 15 notices have been sent to properties in need of an aesthetic revitalization. Applicants will be brought before the committee for review of the project.

Redevelopment and engineering staff have also performed preliminary research for the improvement of public amenities in the district. These improvements may include streetlights, sidewalks, ADA accessible ramps and parking. The project will go into development some time early 2010. Lead Staff: Ewen/Ainslie.

*RDA Owned Property Demolitions:*

The Agency and Engineering department are bidding a project that involves the demolition of blighted structures at 150 West 19<sup>th</sup> Street, 2800, 2808, 2810 North Highway 59 and the 12 unit multi-family structure at 2874 North Highway 59. The demolitions are planned to be undertaken by January 2010. In addition, the Agency has recently demolished 33 North Parsons Avenue to clear right of way for the Parsons Avenue Expansion Project. Future demolition projects are being developed for recently acquired Agency owned properties. Lead Staff: Ewen.

*South Merced Sidewalks/Childs Avenue and Highway 59 Pedestrian Crossing:*

The City received a \$350,000 grant from the Housing and Urban Development Department under the CDBG-R funding allocation. Staff is using the funds to construct new sidewalk and reconstruct existing curb returns to ADA standard within HUD census tract areas. In addition, the City has been working with an interested community group to install a pedestrian crossing at the recently signaled intersection of South Highway 59 and Childs Avenue within state right of way. The Agency is expected to supplement some of the hard and soft costs of the pedestrian crossing. Plans are being completed and staff is working with Caltrans for an encroachment permit. The improvements utilizing CDBG-R funds must be awarded to an independent public works contractor by February 1, 2009. Lead Staff: Ewen.

## **PROGRAMS, PROMOTION AND PLANNING:**

*Visitor Services:* The staff continues to assist visitors and reply to inquiries regarding traveling to Merced. Lead staff: Baker

*Downtown Steering Committee:* The Committee will meet next month to review progress made to date on the Strategy. Further discussion will be made on potential future developments. Lead staff: Ainslie.

*Downtown Advertising and Business Services:* The focus of the marketing is print advertising. A trial joint advertising buy with Valley Values will begin next month. This will be combined with a six issue add in the new downtown newspaper entitled The D Life. The focus of the Downtown Fund is to continue to build Downtown as an entertainment, shopping, and business destination. Lead staff: Quintero.

*Merced Theatre Property Management:* Staff is working with new potential retail tenants to join Forte Yogurt. Commercial lease rates are competitive with other downtown spaces. The apartment units will have two vacancies starting December 1<sup>st</sup>. Lead Staff: Ewen.

*Downtown Design Guidelines:* Agency staff is working to complete a draft version to present to committees later this quarter. The guidelines will establish façade, sign and public improvement design throughout the downtown area. Lead Staff: Ewen.

Affordable Housing Monitoring: 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 will begin to compile the documents needed for the December 2009 housing units assisted verifications. Past documents are on file at the Agency office. Lead Staff: Ewen.

**AVAILABLE**

Façade Improvement Program: Approximately \$34,102 is available in the Gateways Project Area. Lead staff: Mendoza.

Residential Façade Improvement Grant Program: \$180,000.00 is available for residential property owners seeking improvements to the exterior's of their structures. Restrictions do apply.

**Calendar**

**City Council/Agency Commission Meetings – 2009**

November 2, 2009  
November 16, 2009  
November 21, 2009

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.*