

REDEVELOPMENT  
UPDATE:  
February 2010

ATTACHMENT G-1  
Merced Redevelopment Agency

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

**UNDER CONSTRUCTION NOW:**

Former Texaco Station (Costco Area): 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.

512 W. 11<sup>th</sup> Street, 927 W. 8<sup>th</sup> Street, 195 S. "T" Street: Habitat for Humanity is making steady progress at the 1<sup>st</sup> site of 512 W. 11<sup>th</sup> Street. They have installed sewer and water lines and are planning to lay the foundation when the weather clears. Lead Staff: Ewen.

Way Finding Signs: A total of 64 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 revised final construction plans and will be submitting the documents in February. Lead Staff: Ewen.

16<sup>th</sup> Street Resurfacing: The City received \$3.1 million in federal stimulus funds. Half of the funds will be used to complete road resurfacing on 16<sup>th</sup> Street between G and V Streets and on G Street between 16<sup>th</sup> and 23<sup>rd</sup> Street. A contract for the project was awarded by the City Council on February 1. The bid award included resurfacing all of 16<sup>th</sup> From G Street to V Street and all of G Street from 16<sup>th</sup> Street to 23<sup>rd</sup> Street (the starting point for the G Street undercrossing project). Construction should begin in March. Lead staff: Ainslie.

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. More than 58 ADA ramps and 5,000 sq. ft. of sidewalks will be improved under the public works contract with Teichert Construction. Construction should begin by March 2010. Plans and specifications have also been completed and submitted for the Highway 59 and Childs Avenue Pedestrian Crossing within Caltrans right of way. Lead Staff: Ewen.

RDA Owned Property Demolitions:

The Agency will begin 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 this month with Bowen Engineering and Demolition. Future demolition projects are being developed for recently acquired Agency owned properties. Lead Staff: Ewen.

**IN DEVELOPMENT:**

Merced Theatre: The building permits have been issued for the restoration project. In addition, the Agency has received approval for its Part II application from the National Parks Service. This approval is required in order for work to begin on a building listed on the National Register. Application has also been made for a nearly \$250,000 grant through the Department of Housing and Urban Development. Staff has completed a Round 4 grant application for \$500,000 with the California Cultural and Historic Endowment. In addition, Staff is working to finalize a Historic Tax Credit agreement and a New Market Tax Credit agreement. These funding sources are necessary in order to complete a rehabilitation of the Merced Theatre. Construction should begin mid-year. Lead staff: Cahill, Ainslie.

*Downtown Street Resurfacing, Public Improvements:* 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 18<sup>th</sup>, N, M and Canal Streets in the Downtown and Midtown area. Project plans have been completed and the State has approved the project. Bids are anticipated to be released next month. Lead staff: Ainslie.

*Childs and Canal:* The Agency is marketing the site for a new development with various developers. A temporary fence has been installed. The Agency is in escrow to purchase a nearly one acre site directly south of the currently owned Agency parcel. Additional property purchases are anticipated to be presented to RDAC and the Agency Board later this year. Lead staff: Quintero/Ainslie.

*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.

*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

*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 has been demolished to clear dirt for the project. Lead Staff: Ainslie

*Highway 59 & Cooper Avenue Signalization:* Staff will resubmit plans for the project to Caltrans this month. 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 finalizing the plans for final plan review. Staff is working to complete the last needed right of way purchases. 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 has applied for the Environmental Enhancement and Mitigation Program (EEMP) grant through the California Resources Agency. The project is expected to be presented to the Design Review Commission and Bicycle Advisory Commission in February 2010. Caltrans will be sent an encroachment permit application thereafter. 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 took possession of the 8 unit property neighboring the NW corner of 18<sup>th</sup> & I Street at 211 W. 18<sup>th</sup> Street. Three of the four tenant families have been relocated. There are two developers still interested in the future housing project. The fire damaged structure at 49 West 18<sup>th</sup> Street is currently in escrow. Both sites mentioned will be demolished upon completion of any relocations. 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. Staff is working with 3-5 interested parties at this time. 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.

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.

## **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 next fiscal year's Downtown Fund Budget. 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. A used bookstore has shown interest in occupying 805 square feet at #315. Commercial lease rates are competitive with other downtown spaces. The apartment units will have 2 vacancies but they will be filled with new tenants this month. Lead Staff: Ewen.

Downtown Design Guidelines: 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.

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 sent verification letters to all active developers and property owners assisted with Agency housing funds. 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 – 2010**

February 1, 2010	City Council/Redevelopment Agency
February 16, 2010	Redevelopment Advisory Committee
February 16, 2010	City Council/Redevelopment Agency

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