December 14, 2004

TO: Chairperson and Members of the Stockton Redevelopment Agency

FROM: Mark Lewis, Executive Director
Redevelopment Agency of the City of Stockton

SUBJECT: RESOLUTION: AUTHORIZING PRELIMINARY ACTIONS NECESSARY FOR DESIGNATION OF THE D STREET MASTER DEVELOPMENT AREA, SOUTH STOCKTON REDEVELOPMENT PROJECT AREA

RECOMMENDATION

It is recommended by the Redevelopment Commission that the Redevelopment Agency adopt a resolution authorizing the notification of the affected property owners regarding the designation of a Master Development Area on land parcels located south and west of the intersection of Charter Way and Mariposa Road, bordered approximately by D Street on the west, Pock Lane on the east, the approximate extension of Fourth Street on the north, and the approximate extension of Sixth Street on the south. Please see an attached map of this rather geographically complex area for greater descriptive precision.

SUMMARY

Agency staff has determined that it is in the best interest of the South Stockton Project Area that certain properties be assembled and developed by a single developer as a unified development. Inasmuch as the subject parcels contain other than Agency-owned property, the establishment of a Master Development Area ("MDA") is required in order to proceed with the potential acquisition of property by the Agency in the proposed MDA. The process begins with the notification to property owners within the affected area that the Agency proposes to designate the area as an MDA. The Agency is being asked to begin the process by authorizing the notification of the affected property owners regarding the Agency plan to designate the area as an MDA.

DISCUSSION

Background

In July 2002, the City Council adopted the South Stockton Redevelopment Plan (the "Plan"). Several blocks within the Plan have already been designated as Master Development Areas, such as Airport Way Master Development Area. Master Development Areas are specific blocks or groups of parcels within the Plan Project Area that the Agency wants to target for new development.
RESOLUTION: AUTHORIZING PRELIMINARY ACTIONS NECESSARY FOR DESIGNATION OF THE D STREET MASTER DEVELOPMENT AREA, SOUTH STOCKTON REDEVELOPMENT PROJECT AREA

Present Situation

The owner participation rules for the South Stockton Redevelopment Project Area state that the Agency may determine by resolution, in its reasonable discretion, that it is in the best interest of the Project Area that property be assembled and developed by a single developer ("a master developer") as a unified development. Such determination may be made at the Agency's own direction or in response to an application by a property owner to become a master developer.

The Housing and Redevelopment Department has been informed of development interest in the proposed MDA. Inasmuch as the parcels contain other than Agency-owned property, establishment of an MDA under California Redevelopment Law is required. If only Agency-owned property were involved, it would not be necessary to form an MDA.

Creation of an MDA is one of the first steps necessary to acquire property that is not under the control of the Agency. In order to proceed with the potential acquisition of property in the proposed Master Development Area, the Redevelopment Agency must follow the guidelines outlined in the Owner Participation Rules. These rules require several steps be followed to insure that the current owners of the affected location are afforded the opportunity to participate in the redevelopment project.

The process begins with the notification to property owners within the affected area that the Agency proposes to designate the area as the D Street Master Development Area. Following this notification, the Owner Participation Rules specify that the Agency will request proposals for the master development of the parcels that will then be due within a reasonable amount of time after the Agency designates the Master Development Area. The Redevelopment Commission will review these proposals and will recommend that the strongest proposal(s), both in terms of providing a catalyst for the area and financial feasibility, would be brought forward to the Agency for consideration. At that point, negotiations regarding a Master Development Agreement would begin.

The following is the proposed timeline for the Master Development process:

Proposed Timeline

2004
December 6 Redevelopment Commission
December 14 Redevelopment Agency

-Authorize 10-day advance notification of affected property owners regarding Master Development Area
RESOLUTION: AUTHORIZING PRELIMINARY ACTIONS NECESSARY FOR DESIGNATION OF THE D STREET MASTER DEVELOPMENT AREA, SOUTH STOCKTON REDEVELOPMENT PROJECT AREA (PAGE 3)

2005
January 13  Project Area Committee
January 19  Redevelopment Commission
January 25  Redevelopment Agency
-Designate D Street Master Development Area
-Authorize Notice to property owners and other interested parties in Master Development Area requesting project proposals
February 25  Project Proposals Received
Wk of Feb 27  Redevelopment Commission Land Committee Review
March 10  Project Area Committee
March 21  Redevelopment Commission
March 29  Redevelopment Agency
-Master Developer selected
-Commence negotiation on Disposition and Development Agreement

This 10-day notification action represents the first step in the Master Development selection process.

Respectfully Submitted,

MARK LEWIS, EXECUTIVE DIRECTOR
REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON

ML:JS:jb
Attachment
Resolution No. __________

REDEVELOPMENT AGENCY

RESOLUTION AUTHORIZING PRELIMINARY ACTIONS NECESSARY FOR DESIGNATION OF THE D STREET MASTER DEVELOPMENT AREA, SOUTH STOCKTON REDEVELOPMENT PROJECT AREA

WHEREAS, there exists a need for the Redevelopment Agency of the City of Stockton to pursue the redevelopment of the property generally located south and west of the intersection of Charter Way and Mariposa Road, bordered approximately by D Street on the west, Pock Lane on the east, the approximate extension of Fourth Street on the north, and the approximate extension of Sixth Street on the south; and

WHEREAS, the Redevelopment Commission reviewed and recommended consideration of the designation at its meeting of December 6, 2004; and

WHEREAS, the Redevelopment Agency anticipates designating said parcel as a Master Development Area at its meeting of January 25, 2005; and

WHEREAS, in accordance with the Owner Participation Rules adopted for the project area, it is necessary that the property owners within the affected area be given 30 days notice that the Agency proposes to designate the area as a Master Development Area; now, therefore,

BE IT RESOLVED BY THE MEMBERS OF THE REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON, AS FOLLOWS:

That staff notify all affected property owners within the subject blocks of the Agency's intention to consider designating these parcels as a master development area.

PASSED, APPROVED and ADOPTED ____________________________

ATTEST:

GARY A. PODESTO, Chairperson
Redevelopment Agency of the City of Stockton

KATHERINE GONG MEISSNER, Secretary
Redevelopment Agency of the City of Stockton