



Legislation Details (With Text)

File #: 16-094 **Version:** 1 **Name:**

Type: Consent Item **Status:** Passed

File created: 3/9/2016 **In control:** City Council/Public Finance and Economic Development Authority/Parking Authority

On agenda: 3/21/2016 **Final action:** 3/21/2016

Title: SUBJECT: Transfer of 19th and "N" Streets Property to Merced Designated Local Authority

REPORT IN BRIEF

Authorizes transfer of the property at 19th and "N" Streets to the Merced Designated Local Authority, which - in turn - will license the property to UC Merced as a construction staging site for UC Merced's new downtown administrative building project.

RECOMMENDATION

Parking Authority - Adopt a motion authorizing the Executive Director of the Parking Authority to sign all necessary documents to facilitate the transfer of the parcel at the corner of 19th and "N" Streets to the Merced Designated Local Authority, the successor agency to the Merced Redevelopment Agency.

ALTERNATIVES

1. Approve as recommended;
2. Refer back to staff with specific direction;
3. Take no further action regarding this matter.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
3/21/2016	1	City Council/Public Finance and Economic Development Authority/Parking Authority	approved	Pass

Report Prepared by: Kenneth Rozell, Senior Deputy City Attorney

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AUTHORITY

Streets and Highways Code Section 32500, *et seq.*

CITY COUNCIL PRIORITIES

Not Applicable.

DISCUSSION

In January 2011, the City of Merced and the Merced Redevelopment Agency took a series of steps to protect the important assets of the Merced Redevelopment Agency from a then pending effort by the State of California pursuant to AB 1x 26 and AB 1x 27 to take the assets for the benefit of the State of California.

Like a number of other redevelopment agencies around the state of California, the Merced Redevelopment Agency transferred a variety of assets to another entity. For Merced, it was to the City of Merced Public Financing and Economic Development Authority ("PFEDA"). Until all redevelopment agencies in California were dissolved in February 2012, PFEDA continued acting on behalf of the Merced Redevelopment Agency in fulfilling the mission of the agency - including funding the construction of affordable housing and needed public infrastructure within the City of Merced.

PFEDA subsequently transferred certain assets to the City of Merced that had been the housing assets of the Merced Redevelopment Agency. PFEDA also transferred some parking-related assets to the Parking Authority of the City of Merced (the "Parking Authority"), including the parking structure located on "M" Street between 18th and 19th Streets and the undeveloped parcel located at the corner of 19th and "N" Streets.

In August 2014, the City Council authorized staff to begin the process of turning over to the Merced Designated Local Authority (the DLA) selected non-housing assets that were previously owned by the Merced Redevelopment Agency. This asset transfer, however, was contingent upon the City and the State of California first resolving issues regarding the amount of credit that the City of Merced and PFEDA would receive for the redevelopment activities that were conducted by PFEDA between February 1, 2011 and February 1, 2012.

Although these issues are still outstanding, the DLA has requested that the City facilitate the transfer of the property at 19th and "N" Streets because UC Merced wishes to use that parcel for a construction staging ground for its proposed new administrative building located across the street from City Hall. It is also anticipated that - once construction is completed on the administrative building - UC Merced will purchase the property and use the parcel at 19th and "N" Streets for off-street parking for that facility.

The Parking Authority will not receive any compensation for conveying the property located at 19th and "N" Streets to the DLA. However, if (as expected) the DLA sells the property to UC Merced, the City of Merced (as well as the other taxing entities in Merced County) will receive a share of the

proceeds from the sale of the property.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed.

ATTACHMENTS

None.