

A RESOLUTION AMENDING THE FISCAL YEAR 1995-96 ANNUAL BUDGET TO ESTIMATE REVENUE FROM THE GENERAL FUND CONTINGENCY RESERVE AND APPROPRIATE FUNDING TO CAPITAL IMPROVEMENT PROJECT #908-020-E599, MCCLATCHY SQUARE

WHEREAS, a park was developed with a rose garden, named McClatchy Square, and

WHEREAS, additional funds, over the \$40,000 previously approved by Council, were requested from the City for the construction of the McClatchy Square Project, and

WHEREAS, the total amount of the City's contribution toward the McClatchy Square Project will be \$46,443.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the 1996-97 Annual Budget is hereby amended as shown below:

<u>Expenditures</u>		
#010-800-8000-8003	Contingency Reserve	\$(6,443)
#010-700-7000-7908	Transfer Out to Fund 908	\$ 6,443
#908-020-E599	McClatchy Square	\$ 6,443
<u>Revenue</u>		
#908-700-7000-9010	Transfer In from Fund 010	\$6,443

BE IT FURTHER RESOLVED that the Treasurer is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the day of January 16, 1996, by Agencymember McClanahan, who moved its adoption, which motion being duly seconded by Agencymember Friedman, was upon roll call carried and the resolution adopted by the following votes:

AYES: Agencymembers: Dobbs, Fisher, Friedman, McClanahan, McKinsey, Serpa and Chairperson Lang

NOES: Agencymembers: None

ABSENT: Agencymembers: None

ATTEST: Jean Adams
JEAN ADAMS, City Clerk

(seal)
APPROVED AS TO SUFFICIENCY:

By: Stan Feathers
STAN FEATHERS, Budget Officer

MODESTO REDEVELOPMENT AGENCY
RESOLUTION NO. 2-96

A RESOLUTION APPROVING AN AMENDMENT TO THE RIGHT OF ENTRY AND INDEMNIFICATION AGREEMENT WITH WELLS FARGO BANK, N.A., TRUSTEE, FOR THE WEINFLASH FAMILY TRUST

BE IT HEREBY RESOLVED by the Redevelopment Agency of the City of Modesto that the amendment to the Right of Entry and Indemnification agreement between the Redevelopment Agency and Wells Fargo Bank, N.A., Trustee, for the Weinflash Family Trust be, and it is hereby approved.

BE IT FURTHER RESOLVED that the execution of said agreement by the designated Redevelopment Agency officials be authorized.

The foregoing resolution was introduced at a regular meeting of the Redevelopment Agency of the City of Modesto held on the 23rd day of January, 1996, by Agency Member Friedman, who moved its adoption, which motion being duly seconded by Agency Member Dobbs, was upon roll call carried and the resolution adopted by the following vote:

AYES:	Agency Members:	Dobbs, Friedman, McKinsey, Serpa, Chairperson Lang
NOES:	Agency Members:	None
ABSENT:	Agency Members:	Fisher, McClanahan

ATTEST: Jean Adams
JEAN ADAMS, Secretary

**RESOLUTION OF
THE REDEVELOPMENT AGENCY OF THE CITY OF MODESTO
DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY
REQUIRE THE ACQUISITION OF CERTAIN LAND FROM
HAROLD N. JENSEN AND LENA C. JENSEN,
TRUSTEES, OF THE JENSEN FAMILY TRUST
AND DIRECTING THE FILING OF
EMINENT DOMAIN PROCEEDINGS**

Plaza Project

IT IS RESOLVED by the Redevelopment Agency of the City of Modesto as follows:

WHEREAS, it is desirable and necessary for the Redevelopment Agency of the City of Modesto to acquire certain real property, particularly described in Exhibit "A", attached hereto and made a part hereof by reference, in order to implement the Plaza Project (the "Project"); and

WHEREAS, the Redevelopment Agency of the City of Modesto is vested with the power of eminent domain to acquire real property by virtue of Article I, Section 19, of the Constitution of the State of California, Section 33391 of the Health and Safety Code of the State of California, and Sections 1240.050, 1240.110, 1240.120, 1240.125, 1240.150, and 1240.410 of the Code of Civil Procedure of the State of California; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to all persons whose property is to be acquired by eminent domain and whose names and addresses appear on the last Stanislaus County equalized assessment roll, all of whom have been given a reasonable opportunity to appear and be heard before the Redevelopment Agency of the City of Modesto on the following matters:

- (a) Whether the public interest and necessity require the Project;
- (b) Whether the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;

- (c) Whether the property sought to be acquired is necessary for the Project; and
- (d) Whether the offer required by Government Code Section 7267.2 has been made to the owner(s) of record.

NOW, THEREFORE, IT IS FOUND, DETERMINED, AND ORDERED as

follows:

1. The public interest and necessity require the Project;
2. The Project is planned and located in the manner which will be most compatible with the greatest public good and the least private injury;
3. The taking of the fee simple title in and to the real property more particularly described in said Exhibit "A" is necessary for the Project;
4. The offer required by Section 7267.2 of the Government Code of the State of California has been made to the owner or owners of record of the real property;
5. The law firm of Meyers, Nave, Riback & Silver is hereby authorized and directed to institute and conduct to conclusion an action in eminent domain for the acquisition of the estates and interests aforesaid and to take such action as it may deem advisable or necessary in connection therewith;
6. An order for prejudgment possession may be obtained in said action and a warrant issued to the State Treasury Condemnation Fund, in the amount determined by the Court to be so deposited, as a condition to the right of immediate possession.

The foregoing Resolution was introduced at a regular meeting of the Redevelopment Agency of the City of Modesto held on the 6th day of February, 1996, by Agency Member McKinsey, who moved its adoption, which motion being duly seconded by Agency Member Friedman, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dobbs, Friedman, McKinsey, Serpa, Chairperson Lang

NOES: Agency Members: None

ABSENT: Agency Members: Fisher, McClanahan

ATTEST: Judy C. Hall
JUDY C. HALL, Secretary

(SEAL)

APPROVED AS TO FORM:

By Michael D. Milich
MICHAEL D. MILICH, General Counsel

EXHIBIT "A"

LEGAL DESCRIPTION

All that certain real property situate in the County of Stanislaus, State of California, described as follows:

LOTS 28 AND 29 IN BLOCK 57 OF THE CITY OF MODESTO, AS PER MAP FILED DECEMBER 21, 1942 IN VOLUME 15 OF MAPS, STANISLAUS COUNTY RECORDS.

APN: 2-173/105-42-13-470

(Jensen)

J:\WPD\MNRSW\420\PLEAD\11\EXHIBIT.A

EXHIBIT A

MODESTO REDEVELOPMENT AGENCY
RESOLUTION No. 4-96

A RESOLUTION AMENDING THE ANNUAL BUDGET OF
THE REDEVELOPMENT AGENCY FOR THE SECOND
QUARTER OF THE FISCAL YEAR 1995-96.

WHEREAS, it has been determined that certain
adjustments are required to the Annual Budget of the
Redevelopment Agency for the second quarter of Fiscal Year
1995-96.

NOW, THEREFORE, BE IT RESOLVED by the Agency Members of
the Redevelopment Agency of the City of Modesto that the 1995-96
Annual Budget be amended as listed on "Schedule A" attached.

BE IT FURTHER RESOLVED that the Finance Director is
hereby authorized to take the necessary steps to implement the
provisions of this resolution.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 13th day of February, 1996, by Agency Member Serpa, who moved its adoption, which motion being duly seconded by Agency Member Friedman, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dobbs, Friedman, McKinsey, Serpa, Mayor Lang

NOES: Agency Members: None

ABSENT: Agency Members: Fisher, McClanahan

ATTEST: Jean Adams
JEAN ADAMS, Secretary

(SEAL)

APPROVED AS TO FORM:

By Michael D. Milich
MICHAEL D. MILICH, General Counsel

Schedule A

FD	AGY	ORGN	OBJT/ RSRC	DESC	CURRENT BUDGET	REVISED BUDGET	ADJUSTING AMOUNT
Revenues:							
905	140	1490	8126	PERS Credit	0	63	63
907	140	1492	4058	Developer Share of Project	14,300	38,566	24,266
Appropriations:							
905	800	8000	8003	Contingency Reserve	0	63	63
907	140	1492	0467	Land Acquisition	14,300	38,566	24,266

MODESTO REDEVELOPMENT AGENCY
RESOLUTION NO. 5-96

A RESOLUTION APPROVING THE PLAZA PROJECT SITE PLAN FOR "BLOCK A" - THE BLOCK BETWEEN 10TH, 11TH, J AND K STREETS

BE IT HEREBY RESOLVED by the Redevelopment Agency of the City of Modesto that the Plaza Project site plan for "Block A" - the block between 10th, 11th J and K Streets, and it is hereby approved.

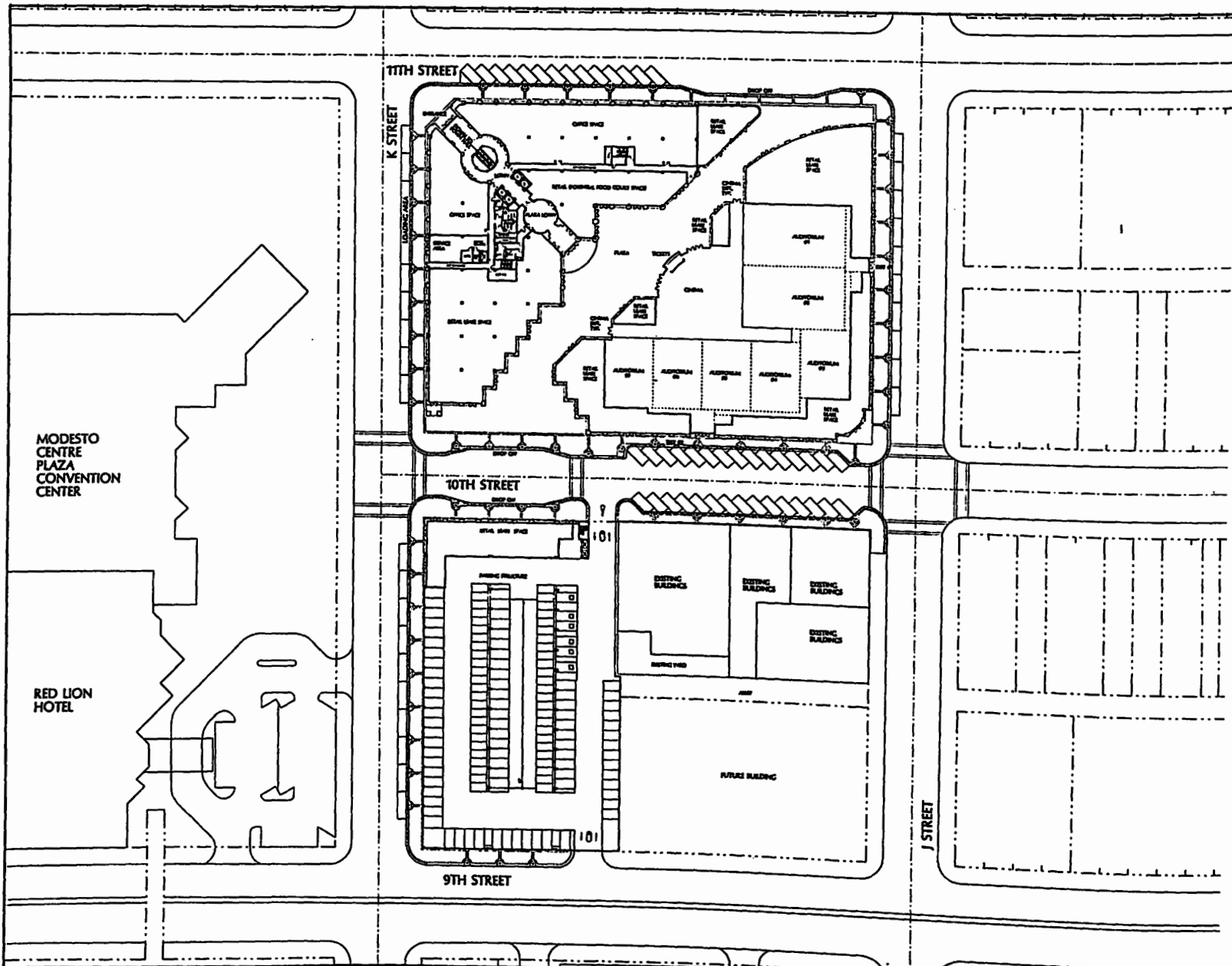
BE IT FURTHER RESOLVED that a copy of the site plan for "Block A," marked "Exhibit A" is attached hereto and incorporated herein by reference.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 5th day of March, 1996, by Agency Member Friedman, who moved its adoption, which motion being duly seconded by Agency Member Dobbs, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dobbs, Friedman, Serpa, Chairperson Lang
NOES: Agency Members: McKinsey
ABSENT: Agency Members: Fisher, McClanahan

ATTEST: Jean Adams
JEAN ADAMS, Secretary

"EXHIBIT A"



MODESTO CENTRE PLAZA CONVENTION CENTER

RED LION HOTEL

MODESTO
PLAZA
WILSON
FLUG
MODESTO

Site Plan



McLara
Vasquez
Partners

Architects & Planners

0 15 30
Scale: 1" = 40'
31-DEC-08

**MODESTO REDEVELOPMENT AGENCY
RESOLUTION NO. 6-96**

A RESOLUTION APPROVING REALLOCATION OF \$400,000 IN REDEVELOPMENT AGENCY HOUSING SET-ASIDE FUNDING FOR AFFORDABLE HOUSING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE LOAN AGREEMENTS WHEN PREPARED

WHEREAS, the City Council has made a commitment to the production of affordable housing as delineated in the Housing Element, the Consolidated Plan, and the Agency's Implementation Plan and has recognized the importance of increasing rental housing for large families of very low, low and moderate income households; and

WHEREAS, the availability of these funds to the community has been advertised and six proposals for the construction, acquisition, or rehabilitation of affordable housing were received; and

WHEREAS, the projects were assessed according to how well they meet the City's adopted housing priorities and goals as outlined in the Consolidated Plan, Housing Element, and the Redevelopment Implementation Plan; and

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the reallocation of \$400,000 in Redevelopment Agency Set-Aside Funds as recommended in the funding recommendation, marked "Exhibit A," a copy of which is attached hereto and incorporated herein by reference, is hereby authorized and that the Executive Director is hereby authorized to execute agreements and loan documents when prepared.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 12th day of March, 1996, by Agency Member Serpa, who moved its adoption, which motion being duly seconded by Agency Member McKinsey, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dobbs, Friedman, McKinsey, Serpa, Chairman
Lang

NOES: Agency Members: None

ABSENT: Agency Members: Fisher, McClanahan

ATTEST: Jean Adams
JEAN ADAMS, Secretary

Funding Recommendation

The recommendation consists of two scenarios. Scenario #1 reflects the preferred funding allocation and Scenario #2 reflects the funding allocation if Ashwood Village apartments fails to secure the proper development entitlements or the needed housing tax credits. Exhibit A-1 summarizes the following information into a table format. All of the following recommendations are subject to completing the corresponding conditions as listed in this staff report.

Scenario #1

- 1a. Staff recommends Marin Apartments be funded with a maximum loan of \$150,000 of redevelopment funds. Rehabilitation costs beyond this amount will be borne by the property owner.
- 1b. Staff recommends that Habitat for Humanity be funded with \$103,000 of redevelopment funds to help acquire any vacant residential property. Staff also recommends a loan commitment for two years to develop the acquired property, one additional year to sell, if development plans fail.
- 1c. Staff recommends that Ashwood Village be funded with the \$353,000 in HOME funds and \$147,000 in redevelopment funds.

If Ashwood Village is unsuccessful in obtaining the housing tax credits during the second tax credit cycle, then staff recommends that funding should be reallocated as depicted in Scenario #2.

Scenario #2

If Ashwood Village is not allocated tax credits in the second round or fails to secure the proper zoning and development entitlements, the funding allocations would be re-allocated as follows:

- 2a. Marin Apartments be funded with a maximum loan of \$150,000 of redevelopment funds. Rehabilitation costs beyond this amount will be borne by the property owner.
- 2b. Habitat for Humanity be funded with \$153,000 of HOME funds and \$185,000 of redevelopment funds (\$338,000 Total) to purchase a vacant parcel(s) and develop single-family residential housing.

- 2c. ~~Cape Cod Apartments~~ be funded with \$40,000 of HOME and \$40,000 of redevelopment funds to develop a four-plex.
- 2d. The **Glendale Avenue Project** be allocated \$100,000 in HOME funds to purchase the homes offered by Modesto City Schools.
- 2e. The **604 Briggs Avenue** project be allocated \$60,000 of HOME funds and \$25,000 of redevelopment funds. Rehabilitation costs beyond this amount would be borne by the property owner.

- Exhibit A-1. Summary Table of Proposals and recommendation
 A-2. Comparison Chart of proposed applications.

TOTAL REQUESTS AND RECOMMENDED FUNDING SUMMARY

SCENARIO 1 - If Sunrise Partners is allocated tax credits during the second round and receives zoning approval, the \$753,000 in funding would be allocated as follows:

Projects:	Total Requests	Funding Recommendations		
		HOME \$353,000	RDA \$400,000	Total \$753,000
1. Marin Apts.	149,200	0	150,000	150,000
2. 2438 Glendale Ave.	160,400	0	0	0
3. Habitat for Humanity	368,000	0	103,000	103,000
4. Ashwood Village	653,000	353,000	147,000	500,000
5. 604 Briggs Avenue	83,338	0	0	0
6. Cape Cod Apts.	80,000	0	0	0
Total	1,493,938	353,000	400,000	753,000

SCENARIO 2 - If Sunrise Partners is not allocated tax credits or does not receive zoning approval, the \$753,000 would be allocated as follows:

Projects:	HOME Funding Allocation			RDA Funding Allocation			Total
	Prior HOME \$ Allocated	Additional HOME \$ Allocated	Total HOME \$ Allocated \$353,000	Prior RDA \$ Allocated	Additional RDA \$ Allocated	Total RDA \$ Allocated \$400,000	Total City \$ Allocated \$753,000
1. Marin Apts.	0	0	0	150,000	0	150,000	150,000
2. 2438 Glendale Ave.	0	100,000	100,000	0	0	0	100,000
3. Habitat for Humanity	0	153,000	153,000	103,000	82,000	185,000	338,000
4. 604 Briggs Avenue	0	60,000	60,000	0	25,000	25,000	85,000
5. Cape Cod Apts.	0	40,000	40,000	0	40,000	40,000	80,000
Balance-Unallocated	--	--	0	--	--	0	0
Total Allocated	0	353,000	353,000	253,000	147,000	400,000	753,000

MODESTO REDEVELOPMENT AGENCY
RESOLUTION NO. 7-96

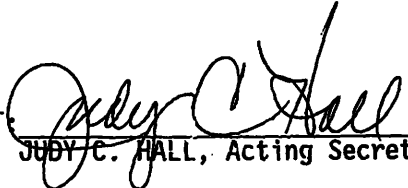
A RESOLUTION APPROVING A LOAN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND STANISLAUS APARTMENTS AND THE ALLOCATION OF \$15,000 IN HOUSING SET ASIDE FUNDS FOR THE COMPLETION OF EXTERIOR REPAIRS FOR A REHABILITATION PROJECT AT 622 15TH STREET

BE IT HEREBY RESOLVED by the Redevelopment Agency of the City of Modesto that the loan agreement between the Redevelopment Agency and Stanislaus Apartments and the allocation of \$15,000 in Housing Set-Aside Funds for the completion of exterior repairs for a rehabilitation project at 622 15th Street be, and it is hereby approved.

BE IT FURTHER RESOLVED that the Executive Director, or his authorized designee, is hereby authorized to execute said agreement.

The foregoing resolution was introduced at a regular meeting of the Redevelopment Agency of the City of Modesto held on the 23rd day of April, 1996, by Agency Member McClanahan, who moved its adoption, which motion being duly seconded by Agency Member Friedman, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dobbs, Fisher, Friedman, McClanahan, McKinsey, Serpa, Chairperson Lang
NOES: Agency Members: None
ABSENT: Agency Members: None

ATTEST: 
JUDY C. HALL, Acting Secretary

RESOLUTION NO. 8-96

A RESOLUTION AMENDING THE FISCAL YEAR 1995-96 BUDGET FOR AN OPERATING TRANSFER TO A NEW CAPITAL IMPROVEMENT PROJECT

WHEREAS, the Agency would like to acquire the Covell Hotel through a tax sale; however is unable to as it is not a taxing agency; and

WHEREAS, funds are being transferred from the Agency to the City so that the City can acquire the property.

NOW, THEREFORE, BE IT RESOLVED by the Agency of the City of Modesto that the 1995-96 Annual Budget is hereby amended as shown below:

Expenditures

#902-800-8000-8003	Contingency Reserve	\$(226,000)
#130-140-F823-6030	Covell Hotel	\$ 226,000

BE IT FURTHER RESOLVED that the Treasurer is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 21st day of May, 1996, by Agencymember McKinsey, who moved its adoption, which motion being duly seconded by Agencymember Friedman, was upon roll call carried and the resolution adopted by the following votes:

AYES: Agencymembers: Cogdill, Dobbs, Friedman, Serpa and Mayor Lang

NOES: Agencymembers: None

ABSENT: Agencymembers: Fisher & McClanahan

ATTEST: Jean Zahra
JEAN ADAMS, City Clerk

(seal)

APPROVED AS TO SUFFICIENCY:

By: Stan Feathers
STAN FEATHERS, Budget Officer

MODESTO REDEVELOPMENT AGENCY OF THE CITY OF MODESTO
RESOLUTION NO. 9-96

A RESOLUTION ADOPTING THE OPERATING BUDGET AND FIRST YEAR OF THE 1996-97 CAPITAL IMPROVEMENT PROGRAM FOR THE MODESTO REDEVELOPMENT AGENCY FOR THE FISCAL YEAR ENDING JUNE 30, 1997, AND PROVIDING FOR CERTAIN TRANSFERS OF FUNDS.

WHEREAS, a proposed City of Modesto Operating Budget and Capital Improvement Program (CIP) which encompasses the budget for the Redevelopment Agency for the 1996-1997 fiscal year has been submitted to the Redevelopment Agency by the Executive Director, and

WHEREAS, a duly noticed public hearing has been held relating to the adoption of the proposed budget, and

WHEREAS, copies of the proposed budget have been and are available for inspection by the public at the office of the City Clerk/Secretary,

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto as follows:

SECTION 1. That the "City of Modesto Proposed Annual Budget 1996-97", which encompasses the budget for the Redevelopment Agency, presented by the City Manager/Executive Director for the fiscal year ending June 30, 1997, a copy of which is on file in the office of the City Clerk/Secretary, is hereby adopted, excluding the Plaza Project parking item.

SECTION 2. That Redevelopment Agency funds encumbered on June 20, 1996, are hereby appropriated for the purposes for which they are encumbered and shall be a part of the budget for the fiscal year 1996-1997 adopted hereby.

SECTION 3. That Capital Projects carried over from fiscal year 1995-1996 are hereby re-appropriated as a part of the budget for the fiscal year 1996-1997 adopted hereby. The amount of said appropriations will equal

the Reserve for Appropriated Carryover Projects established in the General Ledger Accounts of the Redevelopment Agency for all funds as of June 30, 1996.

SECTION 4. That the Redevelopment Agency is authorized by resolution to transfer funds from one fund to another fund and to transfer and authorize the expenditure of funds from the Reserved Fund Balances for specific purposes.

SECTION 5. That the Executive Director is authorized to transfer funds within departmental budgets, and between departments within the General Fund, among the following classifications, to wit: Employee Services, Professional and Contractual Services, Materials and Supplies, other operating expenses and Capital Appropriations; and to transfer appropriations for capital items budgeted within the same capital fund and that the Executive Director may delegate this authority to the Deputy City Manager.

SECTION 6. Pursuant to Section 722 of the Charter of the City of Modesto, this ordinance shall take effect upon adoption.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 18th day of June, 1996, by Agency Member Friedman, who moved its adoption, which motion being duly seconded by Agency Member McClanahan, was upon roll call carried and the resolution adopted by the following vote:

AYES:	Agency Members:	Dobbs, Fisher, Friedman, McClanahan, McKinsey, Serpa, Mayor Lang
NOES:	Agency Members:	None
ABSENT:	Agency Members:	None

ATTEST: Jean Adams
JEAN ADAMS, Secretary

(SEAL)

MODESTO REDEVELOPMENT AGENCY
RESOLUTION No. 10-96

A RESOLUTION FINDING THAT THE FOLLOWING PROJECT IS WITHIN THE SCOPE OF THE PROJECT COVERED BY A PREVIOUS ENVIRONMENTAL IMPACT REPORT (SCH NO. 90021233); ACQUISITION OF ASSESSOR'S PARCEL NO. 105-37-06 (KOUNIAS PROPERTY) LOCATED ON THE EAST SIDE OF 10TH STREET BETWEEN J AND K STREETS.

WHEREAS, on November 5, 1991, the Redevelopment Agency of the City of Modesto by Agency Resolution No. 27-91 certified the Final Environmental Impact Report (EIR) [State Clearing House (SCH) No. 90021233] for the Amended Redevelopment Plan for the Redevelopment project, which would expand the redevelopment project area to upgrade or build new public improvements, and

WHEREAS, the Redevelopment Agency of the City of Modesto by Agency Resolution No. 17-94 adopted a Statement of Overriding Considerations and approved the Plaza Project Disposition and Development Agreement, and

WHEREAS, by a report dated September 5, 1996, from the Community Development Department City staff recommended to the Redevelopment Agency of the City of Modesto approval for the acquisition of Assessor's Parcel No. 105-37-06 (Kounias Property) located on the east side of 10th Street between J and K Streets, and

WHEREAS, said report included an Addendum to the Supplemental Environmental Impact Report for the Plaza Project dated September, 1996, for review by the Redevelopment Agency, a copy of which Addendum is attached and incorporated herein by

reference, and

WHEREAS, said matter was considered by the Redevelopment Agency at its meeting of September 10, 1996, at 4:00 p.m., in the City Council Chambers, City Hall, 801 11th Street, Modesto, California,

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the Agency has reviewed and considered the Addendum to the Supplemental Environmental Impact Report dated September, 1996, for the Plaza Project, a copy of which Addendum is attached and incorporated by reference, and the Agency hereby makes the following findings:

1. That the Agency has completed all environmental review for the project required by the California Environmental Quality Act (CEQA), including the certification of an Environmental Impact Report (EIR) for the Modesto Redevelopment Project in 1991 (Redevelopment Agency Resolution No. 27-91), the certification of a Supplemental EIR for the Plaza Project in 1994 (Redevelopment Agency Resolution No. 17-94), and the preparation of the September, 1996, Addendum to the Supplemental EIR for the Plaza Project, and that it has reviewed and considered the Addendum with the aforementioned EIR and Supplemental EIR.
2. That the Agency further finds, pursuant to Public Resources Code Section 21166 and CEQA Guidelines Section 15162 and 15164, and for the reasons set forth in the aforementioned Addendum (which is hereby incorporated by reference), that there is no need to prepare a subsequent or supplemental EIR in addition to the EIR and Supplemental EIR already prepared and certified.

BE IT FURTHER RESOLVED that the Council has determined that the acquisition of APN 105-37-06, the Kounias property, located on the east side of 10th Street between J and K Streets,

for the Plaza Project, is within the scope of the project covered by a previous EIR (SCH No. 90021233).

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 10th day of September, 1996, by Agency Member Cogdill, who moved its adoption, which motion being duly seconded by Agency Member Friedman, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Cogdill, Dobbs, Friedman, Serpa,
Chairperson Lang

NOES: Agency Members: None

ABSENT: Agency Members: Fisher, McClanahan

ATTEST: Jean Adams
JEAN ADAMS, Secretary

(SEAL)

APPROVED AS TO FORM:

By Michael D. Milich
MICHAEL D. MILICH, General Counsel

Addendum to the Supplemental Environmental
Impact Report for the Plaza Project

September 1996

In 1991 an expanded project area for the Modesto Redevelopment Project was adopted. At that time a Draft and Final EIR were prepared as required by CEQA (State Clearinghouse No. 90021233) and subsequently certified by the Redevelopment Agency in Resolution 27-91.

In 1994 the Redevelopment Agency submitted to the City of Modesto's Environmental Assessment Committee a redevelopment project known as the "Plaza Project." The Committee determined that a supplement to the previous Program EIR should be prepared, focused on a single issue of potential impact. The impact was that on a potentially historic building, the Covell Hotel.

At the time of the requirement for the supplemental EIR, while an application for inclusion of the Covell on the National Historic Register had been made, a final determination had not been made. The supplemental EIR was prepared, though, on the basis that the Covell was an historic structure, and subsequently the building was placed on the National Register.

As proposed in 1994, construction of the Plaza Project would result in the demolition of the Covell Hotel. The supplemental EIR, therefore, reviewed a number of project alternatives that would not require demolition of the Covell. This analysis reviewed how these alternatives would impact the ability of the Agency to achieve its redevelopment goals and the goals of the Plaza Project.

In December 1994 the City Council and Redevelopment Agency held a joint public hearing on the Disposition and Development Agreement for the Plaza Project. As part of this process, the Agency found that the loss of the Covell Hotel was a significant environmental effect of the Plaza Project. The Agency further found that specific economic legal, social, technological, and other considerations made infeasible the mitigation measures and alternatives identified in the supplemental EIR (Agency Resolution No. 17-94). The Agency therefore adopted a Statement of Overriding Considerations and approved the Plaza Project DDA.

As the project was approved in 1994 it included office space for two schools districts, Modesto City Schools and the Stanislaus County Office of Education. In mid 1996 both school districts withdrew from the project. Both the Agency and developer are committed to continuing with the project, however, and are in the process of revising the project site plan. One of the key continuing activities is acquiring the land needed for the project. At this time it is proposed to enter into escrow agreements with two property owners on the east side of 10th

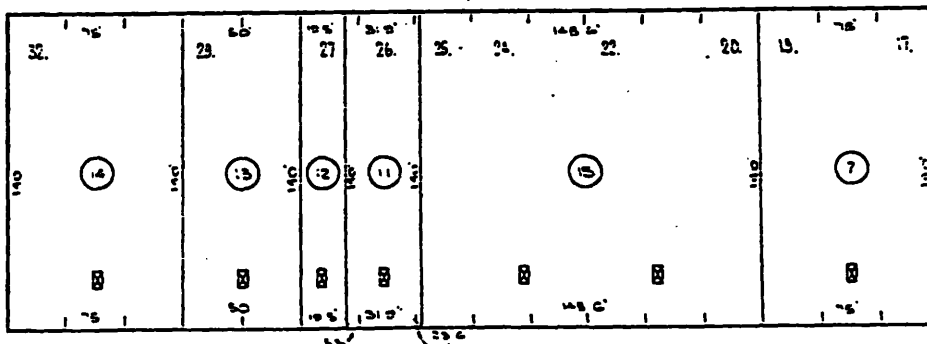
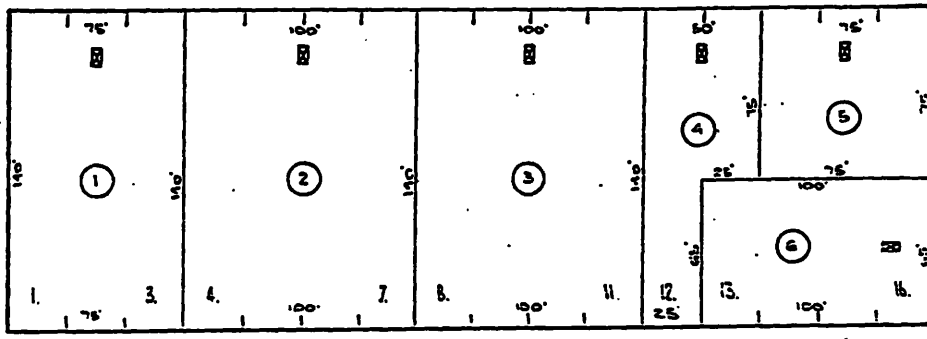
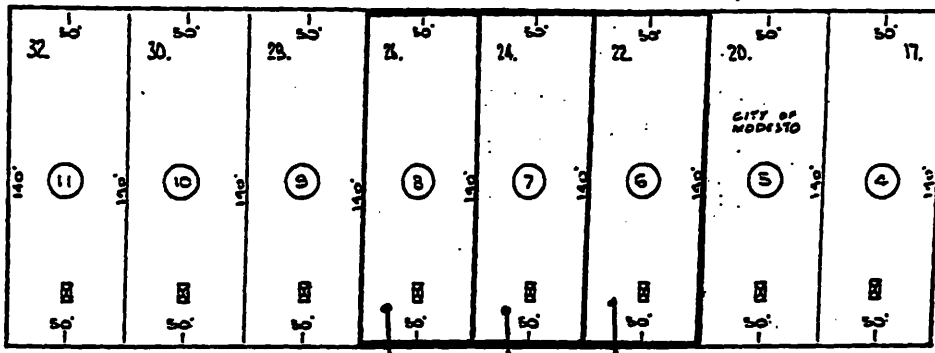
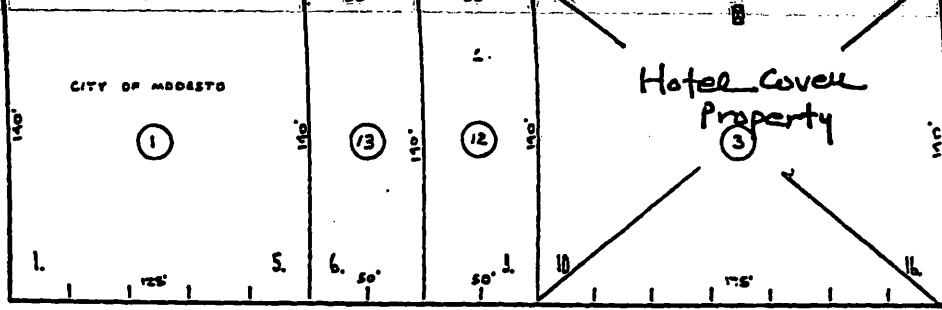
Street between J and K Streets (Saletta and Kounias), as well as initiate eminent domain proceedings on a third property in the same half block (Bacon). These properties are shown on the attached map. None of these properties includes the Covell Hotel. These three properties are central to the project area and will be needed for the project regardless of the ultimate site plan. After acquisition of these properties, the Agency will continue to take all other actions necessary to implement the project.

It is not yet known if the revised site plan will or will not include the Covell Hotel site. In light of the reduction in the amount of office uses, the Agency is presently reevaluating with the developer the feasibility of implementing a project alternative which would not include the Covell site.

The Agency notes, though, that even if the Covell were feasibly omitted from the Plaza Project site plan, action on the Covell would still be necessary. The continued existence of the Covell in its present blighted condition in the heart of downtown would continue to pose a significant negative impact on the marketability and desirability of the Plaza Project. The developers have indicated that resolution of this blight is crucial to the viability of the Plaza Project. The Agency would thus still intend to acquire the Covell to further its redevelopment objectives, even if excluded from the Plaza Project boundaries.

Renovation of the Covell still appears to be of questionable feasibility. The Covell has been vacant, abandoned, and run down for approximately 10 years, and numerous failed attempts already have been made to renovate it. Thus, in the event the Covell is excluded from the Plaza Project, the Agency remains concerned about its ability to find a reliable developer interested in renovation in sufficient time so as to provide the Plaza Project developers a satisfactory "comfort level" in proceeding with their investment. Indeed, as documented in the May 23, 1995 Appraisal Report for the Plaza Project (Parcel One, pages 16-20), such renovation would be dependent upon the use of special low-cost loans or no-cost grants from the City (which are limited in availability), and the costs of remodeling are estimated to far exceed the capitalized value of projected income.

Pursuant to Sections 15162 and 15164(e) of the CEQA Guidelines, the Agency thus finds that there is no need to prepare an additional subsequent or supplemental EIR to the 1991 EIR and the 1994 supplement to that EIR. The loss of the Covell Hotel is the only potentially significant environmental impact which the Plaza Project might have which was not specifically covered by the 1991 EIR, and this impact was covered in the 1994 supplement. As discussed above, the evidence in the record indicates that an alternative project plan which preserves the Covell continues to be infeasible.



80' ST. K

80' ST. J

T. S. R. R.

88' 9th ST.

MODESTO REDEVELOPMENT AGENCY
RESOLUTION NO. 10A-96

A RESOLUTION APPROVING AGREEMENT WITH GEORGE KOUNIAS, JR. FOR THE ACQUISITION OF REAL PROPERTY (APN 105-37-06) NEEDED FOR THE PLAZA PROJECT FOR \$250,000

BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the agreement with George Kounias, Jr. for the acquisition of real property (APN 105-37-06) for \$250,000 be, and it is hereby approved.

BE IT FURTHER RESOLVED that the execution of said agreement by the designated Agency officials be authorized.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 10th day of September, 1996, by Agency Member Cogdill, who moved its adoption, which motion being duly seconded by Agency Member Friedman, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Cogdill, Dobbs, Friedman, Serpa, Chairman Lang
NOES: Agency Members: None
ABSENT: Agency Members: Fisher, McClanahan

ATTEST: Jean Adams
JEAN ADAMS, Secretary

MODESTO REDEVELOPMENT AGENCY
RESOLUTION NO. 11-96

A RESOLUTION DESIGNATING AGENCY MEMBER TIM FISHER TO SERVE AS VICE CHAIRPERSON FOR THE ENSUING YEAR, PURSUANT TO SECTION 2.03 OF THE BYLAWS FOR THE REDEVELOPMENT AGENCY THE CITY OF MODESTO

BE IT RESOLVED by the Council of the City of Modesto that Agency Member Tim Fisher is hereby designated to serve as Vice Chair for the ensuing year, pursuant to Section 2.03 of the Charter of the City of Modesto.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of Modesto held on the 10th day of September, 1996, by Agency Member Friedman, who moved its adoption, which motion being duly seconded by Agency Member McClanahan, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Cogdill, Dobbs, Fisher, Friedman, McClanahan,
Serpa, Chairperson Lang

NOES: Agency Members: None

ABSENT: Agency Members: None

ATTEST: Jean Adams
JEAN ADAMS, Secretary

**RESOLUTION OF
THE REDEVELOPMENT AGENCY OF THE CITY OF MODESTO
DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY
REQUIRE THE ACQUISITION OF CERTAIN LAND FROM
TERENCE WILLIAM BACON, ET AL., AND
DIRECTING THE FILING OF EMINENT DOMAIN PROCEEDINGS**

Plaza Project

IT IS RESOLVED by the Redevelopment Agency of the City of Modesto as follows:

WHEREAS, it is desirable and necessary for the Redevelopment Agency of the City of Modesto to acquire certain real property, particularly described in Exhibit "A", attached hereto and made a part hereof by reference, in order to implement the Plaza Project (the "Project"); and

WHEREAS, the Redevelopment Agency of the City of Modesto is vested with the power of eminent domain to acquire real property by virtue of Article I, Section 19, of the Constitution of the State of California, Section 33391 of the Health and Safety Code of the State of California, and Sections 1240.050, 1240.110, 1240.120, 1240.125, 1240.150, and 1240.410 of the Code of Civil Procedure of the State of California; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to all persons whose property is to be acquired by eminent domain and whose names and addresses appear on the last Stanislaus County equalized assessment roll, all of whom have been given a reasonable opportunity to appear and be heard before the Redevelopment Agency of the City of Modesto on the following matters:

- (a) Whether the public interest and necessity require the Project;
- (b) Whether the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
- (c) Whether the property sought to be acquired is necessary for the Project; and

~~(d) Whether the offer required by Government Code Section 7267.2 has been made to the owner(s) of record.~~

NOW, THEREFORE, IT IS FOUND, DETERMINED, AND ORDERED as follows:

1. The public interest and necessity require the Project;
2. The Project is planned and located in the manner which will be most compatible with the greatest public good and the least private injury;
3. The taking of the fee simple title in and to the real property more particularly described in said Exhibit "A" is necessary for the Project;
4. The offer required by Section 7267.2 of the Government Code of the State of California has been made to the owner or owners of record of the real property;
5. The law firm of Meyers, Nave, Riback, Silver & Wilson is hereby authorized and directed to institute and conduct to conclusion an action in eminent domain for the acquisition of the estates and interests aforesaid and to take such action as it may deem advisable or necessary in connection therewith; and
6. An order for prejudgment possession may be obtained in said action and a warrant issued to the State Treasury Condemnation Fund, in the amount determined by the Court to be so deposited, as a condition to the right of immediate possession.

The foregoing resolution was introduced at a special meeting of the

Redevelopment Agency of the City of Modesto held on the 17th day of September, 1996, by Agency Member Friedman, who moved its adoption, which motion being duly seconded by Agency Member Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency members: Cogdill, Dobbs, Friedman, Serpa, Chairperson Lang

NOES: Agency Members: None

ABSENT: Agency Members: Fisher, McClanahan

ATTEST: Jean Adams
JEAN ADAMS, Secretary

(SEAL)

APPROVED AS TO FORM:

By Michael D. Milich
MICHAEL D. MILICH, General Counsel

EXHIBIT "A"

All that certain real property situate in the County of Stanislaus, State of California, described as follows:

LOTS 23 AND 24 IN BLOCK 67 OF THE CITY OF MODESTO, AS PER MAP FILED ON DECEMBER 21, 1942 IN VOLUME 15 OF MAPS.

APN: 2-173/105-37-07-400

EXHIBIT A

MODESTO REDEVELOPMENT AGENCY
RESOLUTION NO. 13-96

A RESOLUTION APPROVING AGREEMENT WITH MARY L. SALETTA, EXECUTRIX OF THE ESTATE OF JOSEPH A. SALETTA, FOR THE ACQUISITION OF REAL PROPERTY (APN 105-37-08) NEEDED FOR THE PLAZA PROJECT FOR \$238,000

BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the agreement with Mary L. Saletta, executrix of the estate of Joseph A. Saletta, for the aquisition of real property (APN 105-37-08) for \$238,000 be, and it is hereby approved.

BE IT FURTHER RESOLVED that the execution of said agreement by the designated Agency officials be authorized.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 17th day of September, 1996, by Agency Member Cogdill, who moved its adoption, which motion being duly seconded by Agency Member Friedman, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Cogdill, Dobbs, Friedman, Serpa, Chairman Lang
NOES: Agency Members: None
ABSENT: Agency Members: Fisher, McClanahan

ATTEST: Jean Adams
JEAN ADAMS, Secretary

~~MODESTO REDEVELOPMENT AGENCY~~
RESOLUTION NO. 14-96

**A RESOLUTION AMENDING THE FISCAL YEAR 1995-96 BUDGET TO
APPROPRIATE FUNDS FROM CONTINGENCY RESERVE TO AN OPERATING
ACCOUNT FOR EXPENSES INCURRED AND TO BE INCURRED FOR ADDITIONAL
CONSIDERATION TO PROPERTY OWNERS FOR LOSS OF RENT**

WHEREAS, during the last fiscal year, the Plaza Project developer advanced \$161,000 to the Agency for expense items in regards to the acquisition of real property; and

WHEREAS, this money was returned to the Contingency Reserve account at the end of Fiscal Year 1996 and needs to be reappropriated for expenses incurred and to be incurred for continued activities for the project this fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the Agency of the City of Modesto that the 1996-97 Annual Budget is hereby amended as shown below:

#907-800-8000-8003	\$(161,000)
#907-140-1492-0467	\$ 161,000

BE IT FURTHER RESOLVED that the Treasurer is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the day of September 24, 1996, by Agencymember Friedman, who moved its adoption, which motion being duly seconded by Agencymember Cogdill, was upon roll call carried and the resolution adopted by the following votes:

AYES: Agencymembers: Cogdill, Dobbs, Friedman, Serpa and Mayor Lang

NOES: Agencymembers: None

ABSENT: Agencymembers: Fisher & McClanahan

ATTEST: Jean Adams
JEAN ADAMS, City Clerk

(seal)

APPROVED AS TO SUFFICIENCY:

By: Stan Feathers
STAN FEATHERS, Budget Officer

**MODESTO REDEVELOPMENT AGENCY
RESOLUTION NO. 15-96**

A RESOLUTION AMENDING THE FISCAL YEAR 1996-97 ANNUAL BUDGET TO RETURN THE REDEVELOPMENT AGENCY'S FUNDS BACK TO THE AGENCY BY ACCEPTING THE TRANSFER OF \$226,000 FROM SPECIAL FUND FOR CAPITAL OUTLAY TO REDEVELOPMENT FUND 907 AND APPROPRIATING A NEW CIP PROJECT TO ACQUIRE THE COVELL HOTEL

WHEREAS, in May 1996, the Redevelopment Agency transferred \$226,000 to the City for acquiring on behalf of the Agency the Covell Hotel at tax sale;

WHEREAS, the bankruptcy court prevented the County from proceeding with the tax sale; therefore, requiring the funds to be returned to the Agency from the Special Fund for Capital Outlay;

WHEREAS, based on the bankruptcy court decision, the Agency is now ready to proceed to file for immediate possession of the Covell Hotel; therefore, the Agency must deposit the funds with the court;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the 1996-97 Annual Budget is hereby amended to accept funds for the purchase of the Covell Hotel and to transfer \$226,000 from the Fund 130 to Redevelopment Fund 907.

BE IT FURTHER RESOLVED that the Finance Director is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the day of October 22, 1996, by Councilmember Friedman, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following votes:

AYES: Councilmembers: Cogdill, Dobbs, Friedman, Serpa and Mayor Lang

NOES: Councilmembers: None

ABSENT: Councilmembers: Fisher and McClanahan

ATTEST: Jean Adams
JEAN ADAMS, City Clerk

(seal)

APPROVED AS TO SUFFICIENCY:

By: Stan Feathers
STAN FEATHERS, Budget Officer

A RESOLUTION AMENDING THE 1996-97 CAPITAL IMPROVEMENT PROGRAM BUDGET AND APPROPRIATING \$50,000 FOR THE LUCAS PLAZA PROJECT

WHEREAS, the ad hoc committee is proposing a redesign and reconstruction of the intersection where 17th and Downey meet McHenry Avenue and Needham;

WHEREAS, the committee estimates the total cost of the project to be \$175,000 and have asked that the City contribute funds for this purpose;

WHEREAS, the committee has discussed the construction of the Lucas Plaza Project with the Financial Policy Committee and believe that rehabilitation of the site and placement of the bronze structure would be not only a beautification for that area but a fitting tribute to one of Modesto's more notable citizens;

WHEREAS, it is recommended by the Financial Policy Committee that a city project be created and funds be appropriated from the Redevelopment Agency as the city's share toward construction of the Lucas Plaza Project.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that funds in the amount of \$50,000 be appropriated to establish the Lucas Plaza Project, creating Account #908-140-H049.

BE IT FURTHER RESOLVED that the Treasurer is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Redvelopment Agency of the City of Modesto held on the day of October 22, 1996, by Agencymember Cogdill, who moved its adoption, which motion being duly seconded by Agencymember Dobbs, was upon roll call carried and the resolution adopted by the following votes:

AYES: Agencymembers: Cogdill, Dobbs, Fisher, Friedman, McClanahan, Serpa and Chairperson Lang

NOES: Agencymembers: None

ABSENT: Agencymembers: None

ATTEST: Jean Adams
JEAN ADAMS, Secretary

(seal)

APPROVED AS TO SUFFICIENCY:

By: Stan Feathers
STAN FEATHERS, Budget Officer

Attachment A

Type of Account	Description	Fund	Agency	Orgn	Objt/ Revenue	Current Budget	Adjustment Amount	Revised Budget
Appropriation	Property Tax Collection	905	140	1490	0432	30,000	3,000	33,000
Appropriation	Contingency Reserve	905	800	8000	8003	59,907	(3,000)	56,907

This adjustment is a reestimate of property tax collections for FY96-97 based on actuals paid in FY95-96 of \$33,000.

~~MODESTO REDEVELOPMENT AGENCY~~
RESOLUTION NO. 18-96

A RESOLUTION DESIGNATING AGENCYMEMBER TIMOTHY FISHER TO SERVE AS VICE
CHAIRPERSON FOR THE ENSUING YEAR PURSUANT TO THE BYLAWS OF THE REDEVELOPMENT
AGENCY OF THE CITY OF MODESTO

BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that
Agencymember Timothy Fisher is hereby designated to serve as Vice Chairperson
for the ensuing year pursuant to the Bylaws of the Redevelopment Agency of the
City of Modesto.

The foregoing resolution was introduced at the annual regular meeting of
the Redevelopment Agency of the City of Modesto held on the 19th day of
November, 1996, by Agencymember Friedman, who moved its adoption, which motion
being duly seconded by Agencymember Cogdill, was upon roll call carried and
the resolution adopted by the following vote:

AYES: Agencymembers: Cogdill, Dobbs, Fisher, Friedman, McClanahan, Serpa
NOES: Agencymembers: None
ABSENT: Agencymembers: Chairperson Lang

ATTEST: Jean Adams
JEAN ADAMS, Secretary

MODESTO REDEVELOPMENT AGENCY
RESOLUTION No. 19-96

A RESOLUTION CONSENTING TO EXECUTION OF A JOINT POWERS AGREEMENT BY THE CITY OF MODESTO WITH THE COUNTY OF STANISLAUS TO PROVIDE FOR FORMATION OF A JOINT POWERS AGENCY (JPA) FOR THE PURPOSE OF CONSTRUCTING AND MANAGING A CITY-COUNTY ADMINISTRATION CENTER IN DOWNTOWN MODESTO AND MAKING CEQA FINDINGS.

WHEREAS, the City and the County recently completed a joint study of downtown facilities, and

WHEREAS, on October 21, 1996, the City Council, the Stanislaus County Board of Supervisors and the Stanislaus County Office of Education authorized their respective executive officers to sign a "Letter of Intent" authorizing the County and City staff to enter into negotiations to build a City-County Administration Center to be located in downtown Modesto, and

WHEREAS, it has been recommended that the City and County form a Joint Powers Agency (JPA) for the purpose of designing, constructing, owning, operating, managing and financing the City-County Administration Center to be located in the Plaza Project (now known as "Tenth Street Place"), and

WHEREAS, it has been proposed that the governing body of the JPA will be a six-member commission consisting of two members of the City Council, as selected by the City Council, and two members of the County Board of Supervisors, as selected by the Board of Supervisors, the County Chief Executive Officer, and the City Manager, and

WHEREAS, it would be appropriate for the Redevelopment Agency to consent to the formation of the JPA and to make the CEQA findings and to approve the Addendum to the Supplemental EIR for the Plaza Project which was previously certified by the Redevelopment Agency on December 27, 1994,

NOW, THEREFORE, BE IT RESOLVED by the Modesto Redevelopment Agency as follows:

SECTION 1. That the Modesto Redevelopment Agency makes the following two findings:

1. That the Agency has completed all environmental review for the project required by CEQA, including the certification of an EIR for the Modesto Redevelopment project in 1991 (Resolution No. 27-91), the certification of a Supplemental EIR for the project in 1994 (Resolution No. 17-94), and the preparation of the November 1996, Addendum to the Supplemental EIR for the project, and that it has reviewed and considered the Addendum with the aforementioned EIR and Supplemental EIR.
2. That the Agency further finds, pursuant to Public Resources Code section 21166 and CEQA Guidelines 15162 and 15164, and for the reasons set forth in the aforementioned Addendum (which is hereby incorporated by reference), that there is no need to prepare a subsequent or Supplemental EIR in addition to the EIR and Supplemental EIR already prepared and certified.

SECTION 2. That the Modesto Redevelopment Agency hereby consents to execution of a Joint Powers Agreement by the City of Modesto to provide for the formation of a Joint Powers Agency (JPA) with Stanislaus County for the purpose of constructing and managing a City-County Administration Center to be located in downtown Modesto.

The foregoing resolution was introduced at a regular meeting of the Modesto Redevelopment Agency held on the 19th day of November, 1996, by Agency Member Friedman, who moved its adoption, which motion being duly seconded by Agency Member Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Cogdill, Dobbs, Friedman,
Chairperson pro tem Serpa

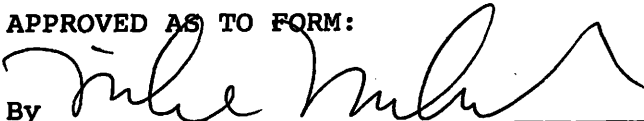
NOES: Agency Members: None

ABSENT: Agency Members: Fisher, McClanahan, Chairperson Lang

ATTEST: Jean Adams
JEAN ADAMS, Secretary

(SEAL)

APPROVED AS TO FORM:

By 
MICHAEL D. MILICH, General Counsel

Introduction

This is an Addendum to the Supplemental EIR for the Plaza Project (now named 10th Street Place) certified by the Redevelopment Agency of the City of Modesto via Agency Resolution No. 17-94 on December 27, 1994. This Addendum is prepared pursuant to Section 15164 of the CEQA Guidelines, subdivision (a) and (e), to address minor changes in and new information relating to the project and to explain why the Agency has found that such minor changes and new information does not trigger the need for another subsequent or supplemental EIR under Section 15162 and 15164 of the CEQA Guidelines.

Background

In 1991 an expanded project area for the Modesto Redevelopment Project was adopted. At that time a Draft and Final EIR were prepared as required by CEQA (State Clearinghouse No. 90021233) and subsequently certified by the Redevelopment Agency in Resolution 27-91. These are available for review at the offices of the Redevelopment Agency.

Section 15180(b) of the CEQA Guidelines states that, "An EIR on a redevelopment plan shall be treated as a program EIR with no subsequent EIRs required for individual components of the redevelopment plan unless a subsequent or a supplement to an EIR would be required..."

Sections 15162 and 15163 of the CEQA Guidelines require a subsequent or supplemental EIR only if there are substantial changes in the project or surrounding circumstances involving new significant environmental impacts, or if other new information of substantial importance which could not have been known previously with the exercise of reasonable diligence becomes available and discloses new impacts or feasible mitigation measures or alternatives.

In 1994 the Redevelopment Agency submitted to the City of Modesto's Environmental Assessment Committee a redevelopment project known as the "Plaza Project." The project has since been renamed "10th Street Place." The Committee determined that a supplement to the previous Program EIR, focused on a single issue of potential impact should be prepared. The impact was that on an historic building, the Covell Hotel.

A draft and final supplemental EIR were prepared. Concurrently with adoption of the development agreement for the Plaza Project in December 1994, the City Council found that the loss of the Covell Hotel would be a significant environmental impact of the project. The City Council also found that specific economic, legal, social, technological, and other considerations made infeasible the mitigation measures and alternatives identified in the supplemental EIR, and that the benefits of the Plaza Project outweighed the significant impact on the Covell.

These findings were subsequently challenged in Stanislaus County Superior Court where the actions of the City and Agency were upheld. This decision was appealed to the Fifth District Court of Appeals, which also upheld the City and Agency findings and actions.

In the spring and summer of 1996 the school district occupants of the project, Modesto City Schools and the County Office of Education, withdrew from the project. However, Stanislaus County has now decided to join the project. The City and County would construct a joint administration building. This change, together with other changes necessitated by information recently acquired about the status of certain properties, has resulted in the rearrangement of the project site plan.

The Redevelopment Agency is about to take a number of steps regarding the Plaza Project, including formation of a joint powers agency with Stanislaus County, revision of the project Disposition and Development Agreement, and other approvals and discretionary actions related to the project. The Redevelopment Agency and other responsible agencies will consider this Addendum with the supplemental EIR prior to making its decisions on these discretionary actions.

Comparison of Current and Previous Project

The revised project has the same components as the previous project. Those components are an office building, retail space, multi-screen cinema complex and parking. These project components, though, have been rearranged on the site for the reasons outlined below.

Total Square Footage in Project

Following is a table comparing the total building square footage of the project adopted in 1994 with the project as revised in 1996 (after loss of the school districts and addition of Stanislaus County).

	<u>Previous</u>	<u>Current</u>
1. Office building square footage	253,000	220,000
2. Retail square footage	83,000	60,000
3. Cinema square footage	61,000	60,000
4. Parking square footage (600+ spaces)	<u>180,000</u>	<u>180,000</u>
Total building square footage	577,000	520,000

Total building square footage has been reduced by approximately 10%.

Total Project Land Area

Total land available for the project has also been reduced. The reason for this reduction is the result of the Phase 1 and Phase 2 environmental tests of all the project properties. Two properties along 9th Street, which was the location of the parking garage in the previous site plan, have underground soil and/or water contamination problems. These are the parcels at the corners of 9th and J and 9th and K Streets.

These findings created three problems for the project. One was the potential for costly clean-up operations. The second was the potential for project delays due to clean-up activities. The third was concern about potential liability. For these reasons the half-block along 9th Street was judged not to be a suitable location for the project's parking garage. Therefore, while there has been some reduction in the project's total square footage, the amount of land in the project site in which to build the project has decreased by an even greater amount, significantly reducing the Agency's ability to identify alternative site plans which could accomplish the Agency's goals.

Parking Garage and Cinema Location

For the reasons set forth below (as well as in the analysis of Alternative Three), the Agency has determined that the only design and location for the parking garage which would feasibly advance the project's main objectives is a structure three bays in width along K and 11th Streets.

There were two options for relocating the parking garage. One was to the west side of 10th Street. However, placing the parking along 10th Street would undermine the redevelopment goal of creating a major retail environment along this street.

The second option was to locate the parking on the block between 10th and 11th Streets. Again the east side of 10th Street was not viable because it would undermine the goal of having 10th as a major retail street. The J Street frontage of this block was not desirable because J Street between 9th and 12th Streets is very narrow and focusing the garage traffic on J Street would overly congest this street.

In the block between 10th and 11th Streets, therefore, the best location for the garage is along 11th and/or K Streets.

As previously planned along 9th Street, the garage would have been two parking bays wide. It was possible to have only two bays because the entire 400 feet of frontage was to be used. The length of the garage parcel enabled the project to provide the required parking in only two bays without being excessively tall and dominating the project architecturally and aesthetically.

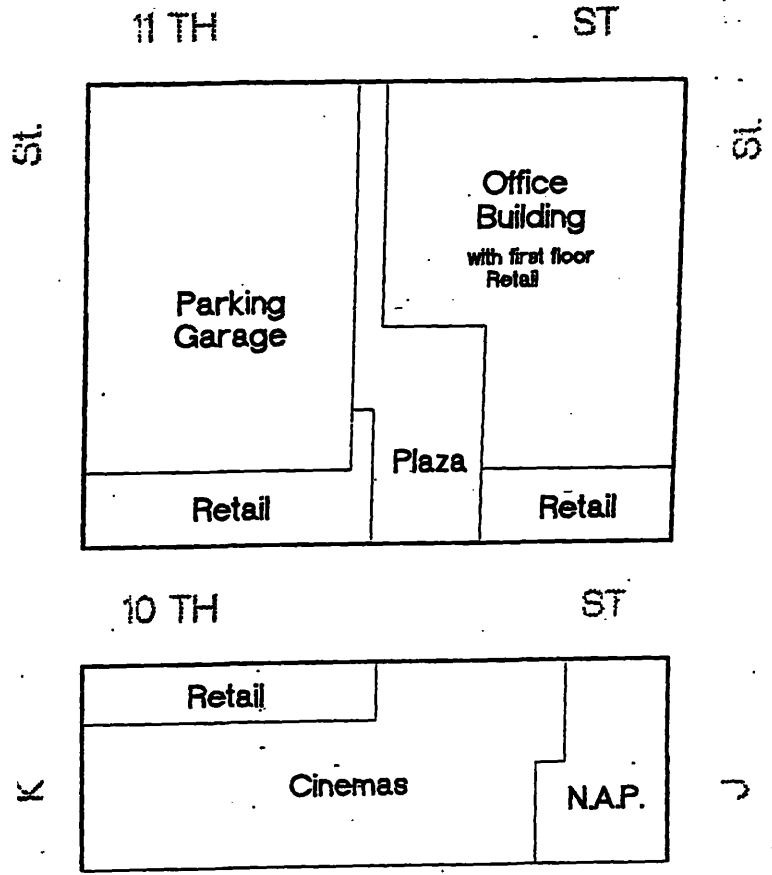
Along K Street between 10th and 11th it is not physically possible to get 400 feet for the garage since the total dimension is only 300 feet. While there is 400 feet of frontage along 11th Street between J and K Streets, it is again not desirable from a policy point of view of encouraging retail to devote this entire frontage to the parking garage.

If the garage was left at two bays in width and the length of the garage reduced substantially, in order to achieve the required parking the garage would have been 7 or 8 stories in height. This would create a garage that aesthetically and architecturally dominated the site.

Therefore the garage has been redesigned to be three bays wide and to be focused on 11th and K Streets. At three bays the garage can be limited to three or four stories and will not dominate the site.

With regard to the cinemas, their depth is such that they can fit on the west side of 10th Street. Furthermore, the cinemas, in conjunction with retail uses in the cinema building, would help to create the retail environment desired along 10th Street.

The attached revised project site plan incorporates these changes. It features the cinemas on the west side of 10th Street, retail on both sides of 10th Street, parking focused at the corner of 11th and K Streets, and the major office building focused on J Street.



Revised Site Plan

Alternatives to the Project

The 1994 supplemental EIR analyzed four conceptual project alternatives for saving the Covell Hotel. These four alternatives are reanalyzed below based on the revised site plan as described above.

Alternative One: Exclude the Covell Property

This alternative simply excluded the Covell property from the project. As the previous analysis showed, while there are many possible site plan redesigns without the Covell property, they all have one thing in common. In all cases there would be less land to accommodate the project uses. This is even more so the case with the current plan given the reduction in total land area explained above.

The attached Alternative One Site Plan shows how this alternative might look. Without the Covell property, and with a three bay parking garage focused on 11th and K Streets, there are few options for siting the retail and offices. The plan shows the offices at the corner of 10th and J Streets and the retail along 10th Street backing up to the parking garage.

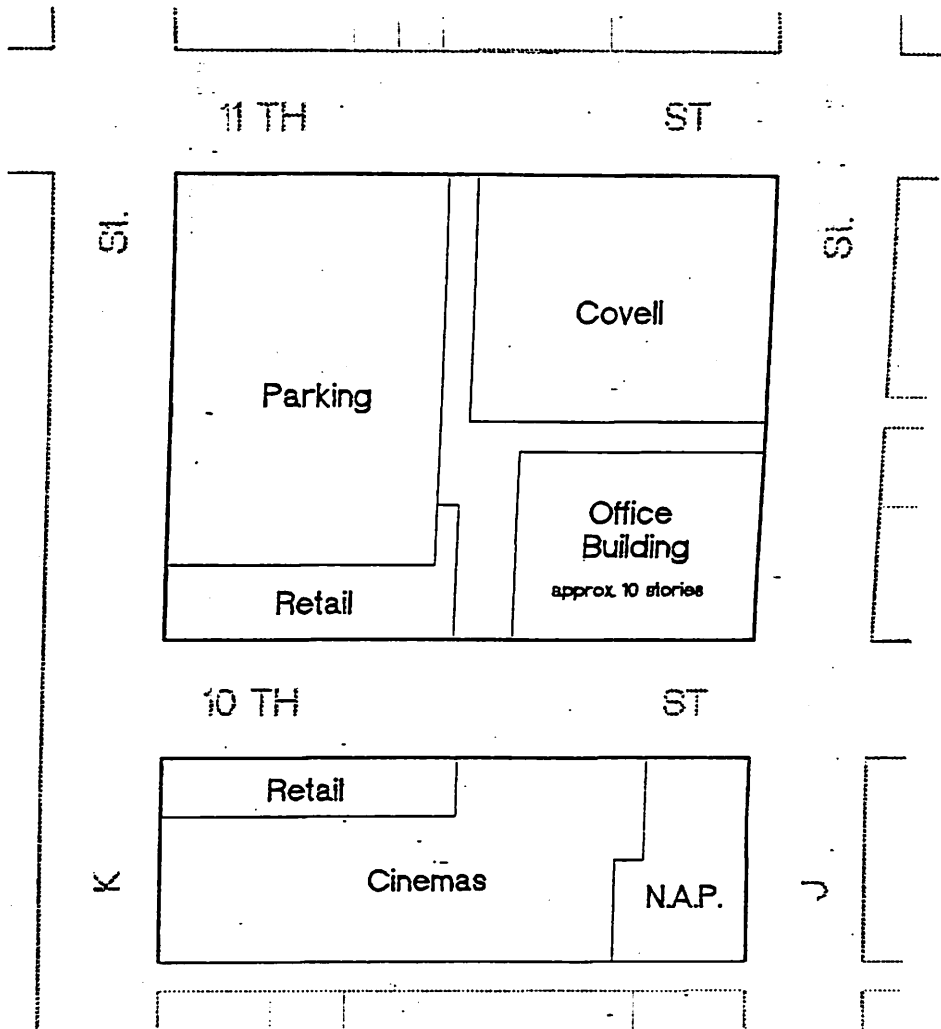
As with this alternative when analyzed in the December 1994 supplemental EIR, the main impact of this alternative is cost. In order to construct 220,000 gross square feet of offices on the pad shown, the office building would have to be at least 10 stories in height. As explained in the previous supplemental EIR, this would add substantially to the cost of the building. The reason for the added costs is that the building height requires more stringent and costly life-safety building measures. The current estimate of the cost of the office building is approximately \$25 million. At a minimum the added cost of the building would be \$2 million.

As in 1994, a secondary impact of this alternative would be the fact that the Covell Hotel would remain as is. In its current dilapidated state, it may be impossible to convince potential project tenants to locate next door in the redevelopment project. The presence of the dilapidated Covell is a serious impediment to the success of 10th Street Place.

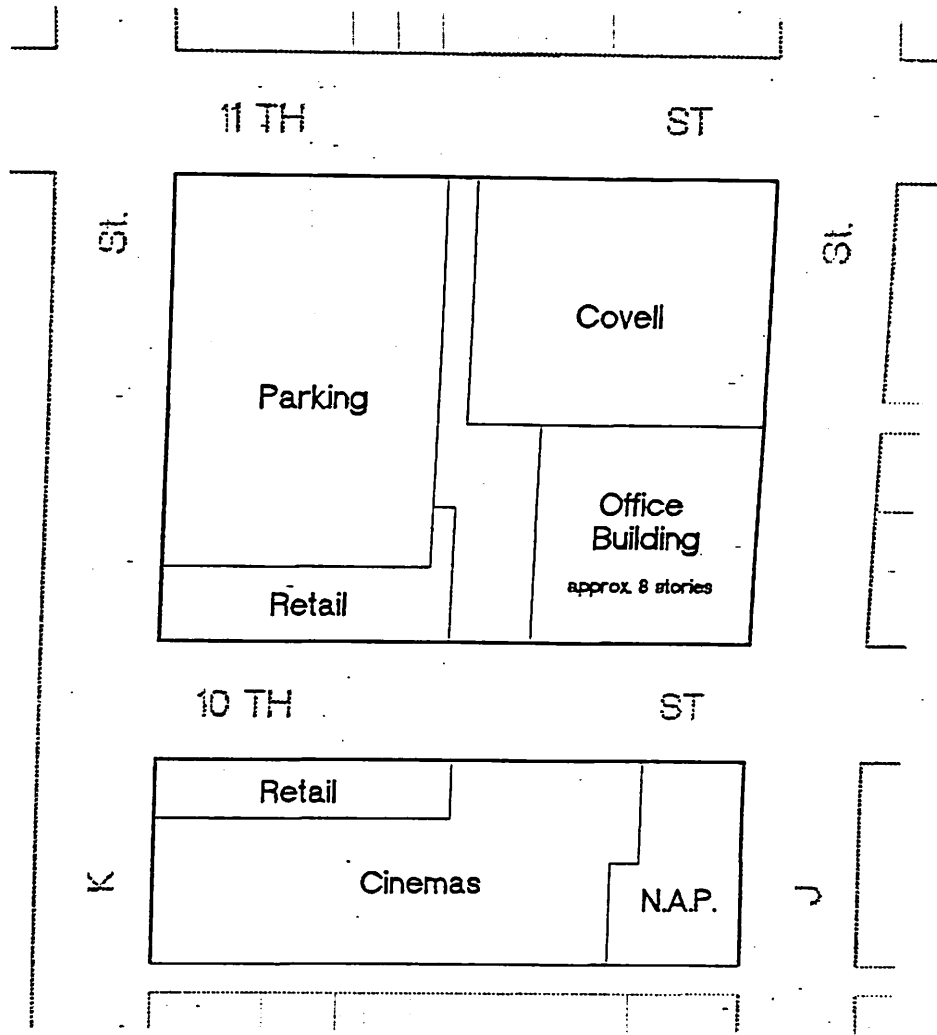
Another secondary impact of this alternative would be that it would be extremely difficult to provide the public plaza event space as envisioned for the project. The site is simply too tight to accommodate the space the plaza requires.

Alternative Two: Include the Covell Structure in the Project

This alternative renovated the Covell and included it in the project. It was determined in the previous supplemental EIR that about 17,000 square feet of retail, and 40,000 square feet of offices could be accommodated.



Alternative One Site Plan



Alternative Two Site Plan

The attached Alternative Two Site Plan for this alternative is basically the same as for the first alternative. The only variations would be in the height of the office building and possibly in the size of the 10th Street retail building.

With the possibility of 17,000 square feet of retail in the Covell, one of two things could happen with project retail. Either the retail building along 10th Street could be reduced somewhat in size or the total project retail could be increased.

With the possibility of 40,000 square feet of offices in the Covell, the adjacent new office building could be decreased a corresponding amount. This would result in a minimum 8 story office building. At this height the building still requires the higher life-safety requirements and therefore the added cost still applies.

As with this alternative when previously analyzed, the major impact is that of cost. In addition to the added cost for the new building, as previously explained, renovating space in the Covell for offices would be more costly than building those offices in a new building.

Alternative Three: Partial Move of the Plaza Project

This alternative contemplated the feasibility of moving part of the project to other blocks, thus eliminating the impact on the Covell.

The first alternative in the previous supplemental EIR was to relocate the cinemas off the Covell block to the west side of 10th Street. By moving the cinemas sufficient space might be created between 10th and 11th so that the Covell could remain.

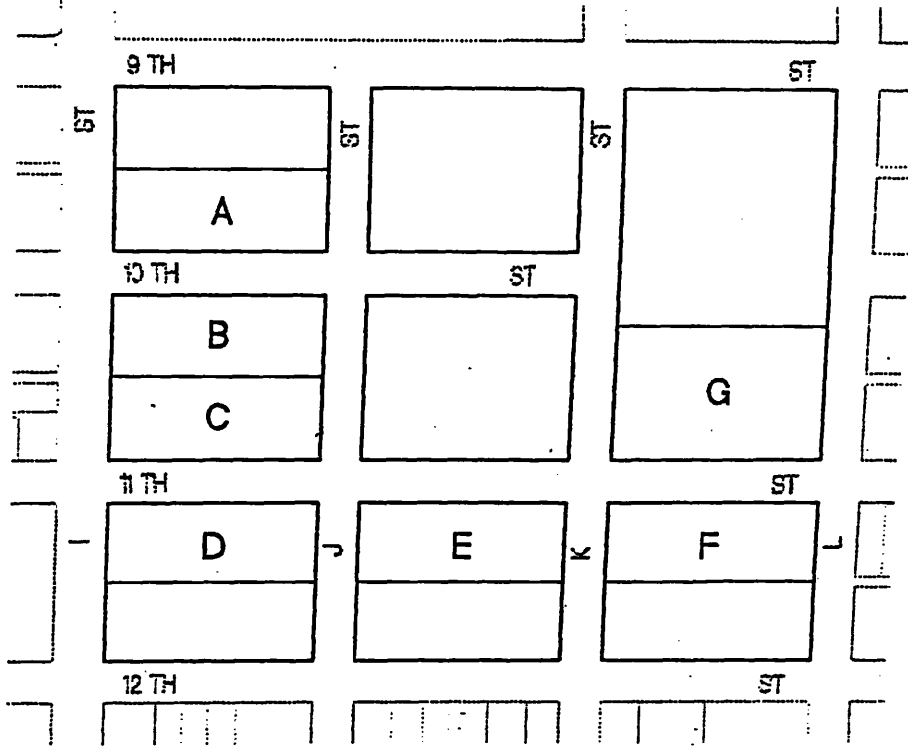
Indeed, this change of the cinema location has been incorporated into the revised plan. But as described above, the parking garage has had to be relocated to the block between 10th and 11th, and additional space for the Covell is therefore not created. The analysis in this case is exactly as described in alternatives one and two.

Moving the cinemas to the southeast corner of 10th and J Streets, another option explored in the previous supplemental EIR, fares no better. Wherever the cinema might be located, with the garage on the block between 10th and 11th, moving the cinemas does not create the flexibility to save the Covell.

Another alternative would be to relocate the parking garage to a block other than the block between 10th and 11th Streets. The two attached drawings, Alternative Parking Garage Locations, identify a number of alternative garage sites. The first drawing identifies sites for a two-bay width garage. As previously noted, in order that a two-bay garage not be excessively tall, the two-bay garage needs a full block frontage of 400 feet. The second drawing identifies sites for a three-bay garage, which while requiring a wider parcel of land, does not require a full block frontage of 400 feet.

For the two-bay garage seven alternative sites are shown, labeled A through G. Following is an analysis of the feasibility of each of these sites.

A.B: Placing the garage on the west or the east side of 10th between I and J Streets



Alternative Parking Garage Locations

Two- Bay Garage

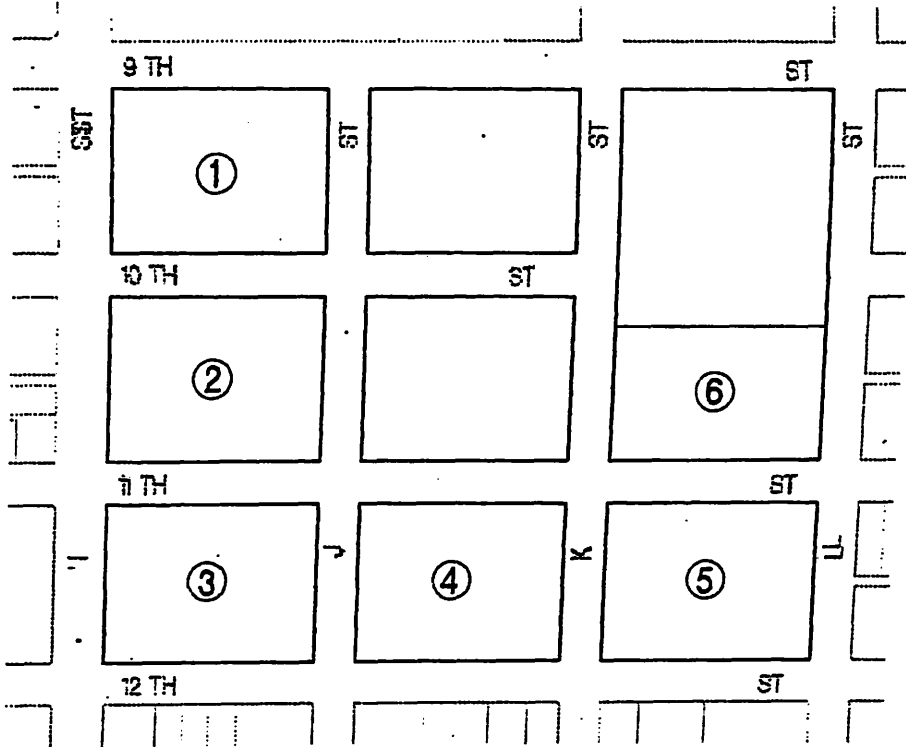


would undermine the Agency's goal of strengthening retail along 10th Street.

- C: This half block already contains a parking garage. One option would be to expand the existing garage. But the existing garage is flanked on both sides by major office buildings. This existing garage was designed to some day allow it to be expanded by one floor. Such an expansion, though, would create only about 80 spaces and would not meet the Plaza project demands.
- D: This half block already contains three significant office buildings, six retail stores, and a restaurant. Removal of these existing offices and retail stores would again undermine the Agency's goals. In addition, parking on this half block is too far removed from the cinemas, both in terms of walking distance and line of sight.
- E: This half block already contains a major four story office building, a freestanding financial institution, and a one story office and retail building. Removal of these existing offices and retail businesses would again undermine the Agency's overall goals. As with site D, the parking would also be too far removed from the cinemas.
- F: This half block already contains a freestanding financial institution, an office building, and a multi-story apartment house. In addition to the loss of these uses were the garage to be located on this site, demolition of the housing units would significantly increase projects costs. This is because redevelopment law requires that the demolished units be replaced and the tenants relocated. Finally, as with D and E, the parking on this half block would be too far removed from the cinemas.
- G: This property is currently used as a parking lot for the City's convention center. However, the parking lot is an interim use and this site is currently designated as the location for a performing arts center.

For the three-bay garage, there are six possible blocks where the garage could be located. Following is an analysis of these blocks.

- 1: Placing a three-bay garage in this block would require most of the distance between 9th and 10th Streets somewhere in the block, leaving a small depth of retail to front on 10th. Unfortunately, this would be a step backwards for the Agency's 10th Street retail goal since it would displace a number of existing retail stores which could not fit into shallow depth retail space. In addition, if placed directly along J Street, where the parking would be most convenient for the project, the garage would require the demolition of two buildings which have been recently remodeled, one in part with redevelopment funds from the Agency's facade renovation program.
- 2: Because of the presence of the existing parking garage in this block, it is not possible to locate a new three-bay garage in the block.



Alternative Parking Garage Locations

Three- Bay Garage



- 3: The southerly half of this block would be too far removed from the cinemas and would require the demolition of a major office building and the U.S. Post Office. The northerly half of the block would require the demolition of a major office building and a freestanding financial institution. In addition, the northerly half would displace existing and future retail uses along J Street.
- 4: The southerly half of this block would require demolition of two major financial institutions and two office buildings. The northerly half of this block would require demolition of a major financial institution and a mixed office/retail building. In addition, this block is too far removed from the cinemas, particularly in terms of line of sight.
- 5: The southerly half of this block would require demolition of a major freestanding financial institution, several small businesses and a restaurant. The northerly half of this block would require demolition of four office buildings and an apartment house. In addition, this entire block would be too far removed from the cinemas both in terms of distance and line of sight.
- 6: This property, as discussed above, is the location for creation of a performing arts center in conjunction with the convention center.

Finally, all of these partial move alternatives, whether they move the cinema or the parking, leave the Covell in its current dilapidated state. As such these alternatives pose a serious impediment to the success of the redevelopment project.

Alternative Four: Complete Move of the Plaza Project

This alternative contemplated the feasibility of moving the entire project to other blocks.

The project changes described above have no impact on the analysis of this alternative. The analysis is identical to that in the previous supplemental EIR.

Summary

In summary, the rearrangement of the project components with the new site plan does not make feasible any of the alternatives analyzed in 1994 which would enable the Covell to remain.

MODESTO REDEVELOPMENT AGENCY
RESOLUTION NO. 20-96

A RESOLUTION APPROVING ALLOCATION OF \$190,000 IN FISCAL YEAR 1996 REDEVELOPMENT AGENCY HOUSING SET ASIDE FUNDS TO SUNRISE PARTNERS IN THE AMOUNT OF \$88,000, STANCO IN THE AMOUNT OF \$35,000, AND TO ERIK JOHNSON IN THE AMOUNT OF \$67,000

WHEREAS, proposals for the development of affordable housing projects to be funded with Redevelopment Agency funds were solicited; and

WHEREAS, the Redevelopment Housing Development Committee and the Redevelopment Advisory Committee considered the applications for Redevelopment funds and recommended the allocations of Redevelopment funds to the City Council; and

WHEREAS, it is recommended that all allocations are subject to certain individual project conditions.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the allocation of \$190,000 in Fiscal Year 1996 Redevelopment Agency Housing Set-Aside funds to developers of affordable housing in the following amounts is hereby authorized:

\$88,000 to Sunrise Partners for the Ashwood Village Project

\$35,000 to STANCO for the Transitional Housing Program

\$67,000 to Eric Johnson for the Rehabilitation of the Hacienda Town House Project

BE IT FURTHER RESOLVED that the execution of said grant agreements by the designated Redevelopment Agency officials be authorized.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 26th day of November, 1996, by Councilmember Friedman, who moved its adoption, which motion being duly seconded by Councilmember McClanahan, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Cogdill, Friedman, McClanahan, Serpa, Mayor Lang

NOES: Agency Members: None

ABSENT: Agency Members: Dobbs, Fisher

ATTEST: Jean Adams
JEAN ADAMS, Secretary

MODESTO REDEVELOPMENT AGENCY
RESOLUTION NO. 21-96

A RESOLUTION OF THE REDEVELOPMENT AGENCY
APPROVING REVISION OF THE CITY'S DOWN PAYMENT
ASSISTANCE PROGRAM TO INCLUDE OWNER SWEAT-
EQUITY AS A PORTION OF THE DOWN PAYMENT
REQUIREMENT.

WHEREAS, in 1994, the City began operating a Down
Payment Assistance Program (DPAP) to help low and moderate income
families purchase new homes in Modesto, and

WHEREAS, homebuyers are assisted through a deferred-
payment loan funded by HOME, Community Development Block Grant,
or the Redevelopment Agency set-aside housing funds, and

WHEREAS, currently, DPAP guidelines are such that
homebuyers are required to contribute from one to three percent
cash toward the down payment, and sweat-equity cannot be counted
as a portion of the down payment, and

WHEREAS, it is often difficult for low-income working
families, who could afford to make a monthly mortgage payment, to
simultaneously pay rent and save for a down payment on a home,
thus forcing them to remain in rental units because they lack the
required cash down payment, and

WHEREAS, other organizations such as Habitat for
Humanity and Self-Help Enterprises have recognized and overcome
this problem by allowing homebuyers to contribute sweat-equity to
meet the down payment requirement, and

WHEREAS, the Redevelopment Agency has resolved that
providing owner-occupied housing for low and moderate income

families is a high priority for the City, and

WHEREAS, the Redevelopment Agency and the City Council have allocated DPAP program funds for affordable homes to be developed by non-profit agencies offering sweat-equity programs, and

WHEREAS, allowing sweat-equity to meet down payment requirements will strengthen the Redevelopment Agency's partnership with local affordable housing providers, and

WHEREAS, home ownership reinforces responsibility and self-reliance and contributes greatly to stability and neighborhood pride, and

WHEREAS, recent changes to HOME program rules allow sweat-equity to be counted toward the 25% City match requirement for every HOME dollar expended,

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the City's Down Payment Assistance Program is hereby revised to allow owner sweat-equity to be counted as a portion of the down payment requirement for home loans.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 26th day of November, 1996, by Agency Member Cogdill, who moved its adoption, which motion being duly seconded by Agency Member Friedman, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Cogdill, Fisher, Friedman, McClanahan, Serpa, Chairperson Lang

NOES: Agency Members: None

ABSENT: Agency Members: Dobbs

ATTEST: Jean Adams
JEAN ADAMS, Secretary

(SEAL)

APPROVED AS TO FORM:

By Michael D. Milich
MICHAEL D. MILICH, General Counsel

A RESOLUTION APPROVING AN AGREEMENT WITH KEYSER MARSTON ASSOCIATES FOR FINANCIAL CONSULTING SERVICES TO ASSIST WITH NEGOTIATIONS ON AND FINANCING OF 10TH STREET PLACE

BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the agreement with Keyser Marston Associates for financial consulting services to assist with negotiations on and financing of 10th Street Place be, and it is hereby approved.

BE IT FURTHER RESOLVED that the execution of said agreement by the designated Agency officials be authorized.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 3rd day of December, 1996, by Agency Member Dobbs, who moved its adoption, which motion being duly seconded by Agency Member Friedman, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Cogdill, Dobbs, Friedman, Serpa, Chairman Lang
NOES: Agency Members: None
ABSENT: Agency Members: Fisher, McClanahan

ATTEST: Jean Adams
JEAN ADAMS, Secretary

