



**REPORT TO THE CITY COUNCIL
REPORT TO THE REDEVELOPMENT AGENCY**

Agency Item No.
Agency Meeting: 09/16/08


(Executive Director)

DATE: September 16, 2008
FROM: Marlene Murphey, Executive Director
BY: Terry Cox, Project Manager
SUBJECT: Edison Plaza Partners, L.P., California-Walnut Mixed Use Project

1. CONSIDER RECOMMENDING THE AGENCY BOARD AND CITY COUNCIL APPROVE AND AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A DEVELOPMENT AND DISPOSITION AGREEMENT between the REDEVELOPMENT AGENCY OF THE CITY OF FRESNO (the "Agency") and EDISON PLAZA PARTNERS, LP, a California limited partnership (the "Developer") for a mixed-use project, approximately 6.5 acres vicinity of California Avenue and Walnut Street, subject to City Attorney approval form.

A. A JOINT RESOLUTION OF THE COUNCIL AND OF THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO APPROVING A DEVELOPMENT AND DISPOSITION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO AND EDISON PLAZA PARTNERS, LP, A CALIFORNIA LIMITED PARTNERSHIP, EXECUTION OF RELATED DOCUMENTS AND MAKING CERTAIN FINDINGS.

2. RECOMMEND THE AGENCY BOARD APPROVE AND AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO AN EXCLUSIVE NEGOTIATING AGREEMENT between the REDEVELOPMENT AGENCY OF THE CITY OF FRESNO (the "Agency") and EDISON PLAZA PARTNERS, LP, a California limited partnership (the "Developer") for a mixed-use project, approximately 10 acres vicinity of California Avenue and Walnut Street, subject to City Attorney approval form.

RECOMMENDATION

It is recommended that the Redevelopment Agency Board:

1. Approve the Joint Resolution and Development and Disposition Agreement between the Redevelopment Agency of the City of Fresno and Edison Plaza Partners, LP for a mixed-use project on approximately 6.5 acres at California Avenue and Walnut Street.
2. Approve and authorize the Executive Director to enter into an Exclusive Negotiating Agreement for the development of a mixed-use project, on approximately 10 acres in the vicinity of California Avenue and Walnut Street.

EXECUTIVE SUMMARY

In collaboration with the Housing Authority, the Agency has worked to implement the Master Plan developed in conjunction with the HOPE VI Project. The plan includes a mixed-use component for the area in Southwest Fresno generally between California/Church Avenues and Walnut/West Streets. The Agency assembled and cleared the sixteen acre site that is the subject of this report.

Following a Request for Proposals, the Redevelopment Agency Board on October 11, 2005, directed the Agency to proceed to negotiate with the selected developer, Edison Plaza Partners for a mixed-use project on approximately sixteen acres in the Southwest Fresno Redevelopment Project Area.

The developer is proposing an office and commercial development of 69,617 square feet on 6 ½ acres anchored by County Services Facility. Edison Plaza Partners, L.P. (Developers) has completed negotiations with the County of Fresno to build a 30,744 square foot "One-Stop West Fresno Regional Center" including a 6,873 square foot County Library. The mixed-use project will also include a 25,000 square foot medical office building and a 7,000 square foot retail building.

This recommendation to approve the Disposition and Development Agreement for the approximately 6.5 acres between California Avenue, Walnut, Lorena and Plumas Streets with Edison Plaza Partners, L.P., advances the progress of the Master Plan.

An Exclusive Negotiation Agreement is proposed to analyze the development feasibility of the 10 acre area between Lorena, Walnut, Florence and Plumas Streets.

BACKGROUND

After Agency Board award of a Request for Proposal to Edison Plaza Partners, the developers secured the County of Fresno as an anchor tenant for the California and Walnut mixed-use project. The developers negotiated and executed a lease agreement for the "One-Stop" offices and Library.

The Disposition and Development Agreement provides that the developer will pay appraised "Fair Market Value" for the eight parcel, 6.5 acre site to be constructed as a 37,617 square foot "One-Stop" with Library, a 25,000 square foot medical office building, a 7,000 square foot retail building and 407 surface parking spaces.

The Agency completed the assembly of the site and the 6.5 acre site is currently vacant. All existing structures/improvements have been demolished. The property is zoned C-P Commercial Office and is consistent with professional and commercial land uses.

The Agency has agreed to assist with public off-site improvements up to \$1,400,000 along California, Walnut, Plumas and Lorena. The offsite improvements assistance will be along the approximately 3,850 lineal feet of frontage along California, Plumas, Lorena, and Walnut. The improvements will include curbs, gutters, sidewalks, street lights, utility relocation/replacement

and traffic signals. The off-site improvements will further the planned widening of California Avenue and the realignment of Walnut Avenue.

An Exclusive Negotiation Agreement is proposed to analyze the development feasibility of the 10 acre area between Lorena, Walnut, Florence and Plumas Streets.

Attachments:

Disposition and Development Agreement
Joint Resolution
Exclusive Negotiating Agreement