



City of Grass Valley City Council and Redevelopment Agency Agenda Action Sheet

Council Meeting Date: August 25, 2009

Date Prepared: August 17, 2009

Prepared by: Joe C. Heckel, Community Development Director

Title: Feasibility Study for Expanding and Amending Redevelopment Project Area to include portions of Glenbrook Basin and northeast Grass Valley

Agenda: Administrative (Redevelopment)

Recommended Motion: Allow for presentation by City Staff and consultant team on findings of Feasibility Study and, via motion, accept the findings of the Feasibility Study and provide direction to initiate an amendment to Redevelopment Agency for expanding area to include portions of Glenbrook Basin and to increase the cumulative debt limit

Background Information: Since 2004, the Redevelopment Agency (RDA) has discussed the opportunity for expanding its boundaries into the Glenbrook Basin since this area was annexed to the City as part of the "Glenbrook Annexation Strategy". Funds were set aside in FY08-09 to conduct a feasibility study on whether the inclusion of the Glenbrook Basin, along with other properties along E. Main Street or Nevada City Highway, would meet the State requirements for blight and be economically beneficial to the City and the properties lying within this area. This area of interest consists of approximately 504 acres with a number of vacant or underdeveloped properties. Any future development proposals on these properties will need insight and guidance into how services and infrastructure can be effectively extended to serve their future needs.

The steps required by State Redevelopment Law to complete an expansion of an existing redevelopment area could take approximately a year to complete. The first step, a Financial Feasibility Study, has been completed and provides sufficient information to the Agency to determine whether the findings under State Law can be justified. On December 9, 2008 the Agency retained RSG, Inc. to undertake the preparation of this feasibility study, primarily to evaluate whether the area to be included meets the physical condition and urbanization requirements set forth in State Law. Also, RSG, Inc. worked closely with Don Fraser and Associates, the Agency's financial specialist, who evaluated the financial viability of adding any new area and also whether the Agency's cumulative debt limitation should be increased. Based on the investigation conducted in the study, it has been verified that this area contains a certain level of blight and economic hardship and the findings required under Section 33354.6 of State Redevelopment Law can be made. During the August 25 meeting, City staff and the consultant team will present an overview of this report and its findings. In addition, staff will seek authorization from the Council to proceed with the process of amending the boundaries of the Agency. The Agency's budget for FY09-10 includes funding for this amendment process.

Funds Available: N/A

Account #: N/A

Route to be Reviewed by: _____ City Administrator _____ Finance Director

Agenda #



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