

PROPOSAL TO ABOLISH REDEVELOPMENT AGENCIES

Do you remember when local businesses put sandbags in front of their stores because of poor drainage infrastructure?



FEB 13 1987

CITY OF HOLLISTER REDEVELOPMENT AGENCY

BLIGHTING CONDITIONS FOR FORMATION OF THE HOLLISTER PROJECT AREA

- ⇒ Poor Land Use
- ⇒ Poor circulation patterns
- ⇒ Inadequate public improvements
- ⇒ Physical deterioration
- ⇒ Economic Dislocation

Inadequate Public Improvements

PROBLEM: Downtown Business area flooded – businesses frequently put sand bags in front of stores during periods of heavy rainfall

SOLUTION: RDA assisted with replacing inadequate drainage and downtown no longer floods ---- Today newer residents are surprised to learn about the sandbags

PROBLEMS: Inadequate public facilities

SOLUTIONS: RDA funded

1. Construction of Fire Station 2
2. Pending reconstruction of Fire Station 1 (outdated facility converted from a former tractor shop)
3. Replacement of substandard Animal Shelter with a new Animal Shelter
4. Replacement of substandard Police Station with a new facility
5. Pavement overlay to improve roads
6. Assistance with the near regional water reclamation facility
7. Assistance with water treatment plant (groundwater is poor which can be an impediment to attracting new business)

Poor circulation patterns

PROBLEM: Poor circulation and congestion in downtown Hollister

1. Agency contributed \$10 million dollars which helped assure construction of the Highway 25 bypass
2. Agency contributed to Highway 25 safety improvements
3. Agency funded a project design report for Downtown Hollister in anticipation of the relinquishment of the Highway 25 right-of-way to on main street – San Benito Street to the City of Hollister. The project design report includes measures to begin transitioning the four-lane state highway to a pedestrian friendly retail environment.

Economic Blight in Downtown Hollister

PROBLEM: Inadequate parking downtown to support existing and future economic growth

SOLUTION: The agency contributed \$3.5 million for the construction of the Briggs building. The four story parking structure includes space for office/retail. The space has been leased to Gavilan Junior College for a reduced rate for ten years. This has enabled Gavilan Junior College to establish a satellite campus in Hollister and serve local students. The satellite facility has been so successful that it has outgrown the space.

PROBLEM: The State court planned to relocate the outdated downtown courthouse with a new facility in the industrial area of Hollister. This could have resulted in increased vacancies in the downtown area from associated relocation of support services.

SOLUTION: Redevelopment Agency gave a surplus school site (Fremont School) that it had acquired to San Benito County for a new courthouse site. The facility is scheduled for construction in 2011 but at no small cost. The Agency first demolished the school and conducted a surface fault investigation even though the property is not in an Alquist Priolo Earthquake hazard zone. The State Court refused to consider the downtown site without the geologic investigation.

PROBLEMS: Loma Prieta Earthquake and Alquist Priolo Earthquake Hazard Zone in downtown Hollister

- ⇒ Over 20 buildings were destroyed or required rehabilitation as a result of the Loma Prieta Earthquake
- ⇒ Eight businesses were destroyed after the earthquake from fires.
- ⇒ Many of the buildings that were destroyed or required rehabilitation were located in the Alquist Priolo Earthquake Hazard Zone. It was not economically feasible for individual property owners on small lots generally of 6000 square feet or less to pay for the surface fault hazard investigation required for property in the earthquake hazard zone to 'clear the property' for reconstruction or repair. The study required excavation of a trench that could range in depth from 14 to 20 feet. The costs in downtown Hollister were higher because of requirements to avoid utilities, temporary road closures, disruption to businesses and replacement of paving. The 1995-1999 Redevelopment Five Year Implementation Plan included an exhibit showing that in 1993 (four years after the Loma Prieta Earthquake) there was a vacant lot on every block in downtown Hollister. The economic job loss to San Benito County was estimated to be over \$6 million.

SOLUTION: The Agency funded a series of surface fault hazard investigations so reconstruction/repairs could occur on multiple lots where buildings were either condemned due to the earthquake or destroyed by fire. The following map shows where geologic studies were conducted. In many cases, one story buildings that were destroyed were replaced with two story structures which expanded the ground floor retail and second floor office space in the Downtown. All but two of the vacant 'gaps' identified in the 1995-1999 Implementation Plan have been filled with the new buildings - Howard Harris building, Martin Building, Klauer building, Polleti Building, IOOF, and the four story Briggs Building (parking structure with retail area). The fault study also enabled a circa 1882 Farmer's and Merchants Bank building listed as a contributing building in the Downtown National Historic District to be repaired. The old Showcase Theater and grassy lot at Fourth and San Benito remain undeveloped.



jeers only, was on standby, ready for action within seconds of the quake, according to firefighter Pat Oretti. San Juan dispatched one of its fire trucks to Alister to assist with emergency activity and help

was centered at San Juan's favorite watering holes — Moon & Pops Bar and Daisy's Saloon, both romantically brightened by candlelight. Both bars hosted accidents throughout the eve-

off this afternoon while public works employees installed a new generator. Several RVs at the Mission Vineyard RV Park fell off their bases, with no injuries reported.

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At left, Owner Chon Reynoso contemplates his first move at Hollister Drive Inn on Fourth and Line streets while a Hollister policeman asks a bystander to stay off San Benito Street. The main street was patrolled by the Hollister Police Department with the help of Morgan Hill and Gilroy police departments and no looting was reported. At lower left, family members convene in front of their Las Palmas Restaurant on San Benito Street. Below, onlookers survey damage on Fourth Street across from Rovella's Gym. The gym, IOOF and Christian Bookstore suffered the some of the most severe damage in the county when the facade fell off top of several cars, including this S10 Chevrolet pickup truck. It was reported that weightlifters left the gym when the quake started and no injuries were reported.

Photos by Don Smith and Ray F...



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Kerry W. Swanson/Staff Photo

The wall of the Odd Fellow's Hall in downtown Hollister collapsed. The Fourth Street building housed Rovella's Gym and Caputo Printing.



Homes ruined; no lives lost here

The Tri Valley Cannery closed after the Loma Prieta earthquake

A12 - Wednesday, October 18, 1989

THE QUAKE OF '89

**HOLLISTER
REPORT**

Hollister canneries stock, buildings devastated by quake

Damage extensive, future is uncertain

By Scott Wilson
Staff Writer

Tri-Valley Growers and San Benito Foods, the county's two canneries and its largest employers for over six weeks of each year, suffered extensive damages in Tuesday's earthquake and may be forced to shut down indefinitely.

"We're not letting anyone else in the (Tri-Valley) Building," Greg Smith, a fire inspector with the state fire marshal, said this morning. "It has received extensive structural damage and the cans have shifted and are precarious."

Warehouse walls were ripped open when the earthquake caused the packed cans to topple, forming pools of tomato puree and sauce in scattered areas throughout the canneries.

"We've had major damage," said Tri-Valley plant manager David Broutman. "At least 50 percent of our canned stock was damaged."

He declined to comment on rumors circulating that the plant would have to be closed due to the heavy losses.

"It would be rash to make such a judgment at this point. It's premature," he said.

But even the cans that stayed inside Tri-Valley's three buildings were badly beaten up with dents and ruptures. Tomato paste covered much of the warehouse floor.

"The structure's gone, all the posts are off their columns," said Joe Cousins of the San Juan Bautista fire volunteers. Cousins is also a builder and was sent with Smith to inspect the structure.

"We could hear the sucker creaking when we were walking through. I don't know if it will have to be torn down, but it will certainly have to be beefed up," he said.

Joe Saleide, who had worked for the last 25 years at Tri-Valley Growers until this year, described the scene as "really bad."

"The majority of the stock is ruined," he said. "I think a lot can be salvaged, but anything that is dented at all will have to be gotten rid of."

"There is going to be a great big sale on a lot of dented cans," Cousins added.

Mike Muller, plant manager of San Benito Foods, the area's other major cannery, confirmed the plant suffered some damage but refused to comment on the extent of it.



A small crowd gathers to survey the damage to the north wall of the Tri-Valley cannery one hour after the quake.

The 2005-2023 General Plan changed the Downtown retail core to a mixed use land use pattern. Property owners interested in replacing single story structures with mixed use structures have been deterred by the cost of a fault hazard investigation (\$100,000 in downtown). The Agency has funded a study that is nearly complete to determine if additional properties can be cleared for re-use from the previous fault hazard studies. The study could allow at least two interested property owners to proceed with re-use of their property.

PROBLEM: Economic blight in downtown Hollister due to small lots and poor building layout, lack of critical retail “mass” to attract buyers, traffic congestion from a state highway on Main Street and lack of parking.

SOLUTIONS: The Agency has funded support of the Hollister Downtown Association, a 1991 Downtown Strategy and Plan, a 1997 update to the Strategy and Plan, a Downtown Beautification Project (sidewalk pavers, street trees, street furniture and street lights), and a façade improvement program through a series of economic setbacks. The ongoing support of the programs has helped the community to address some extraordinary challenges – Loma Prieta Earthquake (1989), shift of Hollister from a small farming community to a bedroom community (23% percent of work force commuted in Census 1980 versus 46% in Census 2000), job losses from closure of 13 major plants (including a cannery) between 1986-1992, six year sewer moratorium, shift in consumer preferences to shop at big box retail outside of the community, loss of real-estate support businesses downtown with the onset of the 2008 foreclosure crisis.

PROBLEM: Economic and physical blight at the west entrance to Hollister on the San Juan Road corridor. This former state highway 156 corridor is now a mixed use corridor but the area has blight from non-conforming industrial uses, underdeveloped vacant land and lack of some commercial facilities for the residents in the area such as a bank and drug store.

SOLUTION: The Agency has committed to fund \$1.2 million dollars to fund a street scape improvement plan and some targeted improvements to facilitate the transition of the former highway corridor to a mixed use pedestrian friendly retail area. The streetscape plan will be completed in 2011.

PROBLEM: Leatherback tar paper facility closed leaving a vacant blighted non-conforming use between two commercial areas.

SOLUTION: The Agency acquired the plant and is funding the demolition and hazardous material abatement to clear the site for reuse as a mixed use or commercial development. Demolition is scheduled for completion in 2011.

HOUSING:

The Hollister Redevelopment Agency has **exceeded** the requirement in Redevelopment Law for 15% of the housing units constructed or substantially rehabilitated in the Redevelopment Project Area to be affordable to low and moderate income persons. The current surplus of 94 units should increase to 173 units by the end of 2011.

Total Units Constructed in Project Area (1984 – Present): 1,888 units

Fifteen Percent Requirement: 283 units

Affordable Units Constructed (1984 to present):

| | |
|--|-----------|
| Inside Project Area | 291 |
| Credit for Units Outside of Project Area | <u>86</u> |
| Total Affordable Units | 377 |
| Existing Surplus of Units | +94 |
| Credited Units Scheduled for 2011 completion | 78 |

The Agency has also exceeded the requirement in Redevelopment Law for 6% of the units constructed in the Project Area to be for very low income persons. The Agency presently has a surplus of 98 units.