

REDEVELOPMENT AGENCY  
BOARD

HARRY S. MAVROGENES  
EXECUTIVE DIRECTOR

PORTER STOCK BUILDING

JANUARY 17, 2008

**INFORMATION DELIVERED BY EMAIL TO REDEVELOPMENT  
AGENCY BOARD ON JANUARY 17, 2008.**

As you are all probably aware, at 2:00 a.m. on Thursday morning, January 17, 2008, the Porter Stock building located at 83-91 South First Street had a serious fire. The fire and the resulting damage were serious enough to impact traffic in downtown all day. This memo is to provide the Board with an update on the Agency's involvement in this building.

The Porter Stock building was a two-story masonry building of approximately 18,760 square feet. The building was designed by architect J. Lenzen and built in 1867. Over the years the building housed commercial tenants including a livery, stable, and several newspapers including the Mercury News. As an unreinforced masonry building, the structure was vacated in 1989 after being deemed unsafe for occupancy.

In 2004 the Agency entered into an OPA with Green Valley Enterprises (Barry Swenson Builder) providing \$2,000,000 in Agency funds to assist with the seismic reinforcement, faCade restoration, and building shell improvement costs. As of January 16, 2007, the Agency had approved \$1,337,583.55 in expenditures against the assistance provided and has paid the owner \$1,203,825.20 of this amount (10% of the authorized expenditures have been held back by the Agency as retention for the project).

The OPA requires that the property owner carry insurance and name the Redevelopment Agency as additional insured.

Over the coming days and week Agency staff and the property owner will work through issues to determine the nature of the damage and next steps (e.g., reconstruction or demolition/new construction).

Because of the fire and resulting damage, much of South First was closed for business today from San Fernando Street to just south of Post Street.

We will keep the Board apprised of updates as they become available.

HARRY S. MAVROGENES  
Executive Director