

REDEVELOPMENT AGENCY BOARD

SYNOPSIS

August 28, 2001

LINDA J. LEZOTTE
FORREST WILLIAMS
CINDY CHAVEZ
CHUCK REED
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

RON GONZALES CHAIR

KEN YEAGER
GEORGE SHIRAKAWA, JR.
DAVID CORTESE
JOHN DIQUISTO
PAT DANDO

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT10



Welcome to the San Jose Redevelopment Agency's Board meeting. Our Board is composed of the ten City Councilmembers and the Mayor, who serve as our Boardmembers and Chairperson.

This Agenda contains both a Consent Calendar section for routine business items requiring Board approval, and general business items arranged to correspond to the Agency's Core Service Areas. The Core Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the Agency provides to the community and to the City. The four Core Service Areas are:

- ***Promote and Implement Neighborhood Improvement Strategies*** — Through collaboration, revitalize commercial and residential neighborhoods so they are livable, safe, diverse and economically sustainable.
- ***Enhance the Quality and Supply of the City's Housing Stock*** — Enhance the Quality and Supply of the City's Housing Stock
- ***Initiate and Facilitate Public Facilities and Spaces*** — To guide the creation of a fabric of public facilities and spaces that is useful, stable, inviting, delightful and instills pride in the community to foster the opportunity for other investments
- ***Initiate and Facilitate Private Development*** — Capitalize on market opportunities and facilitate private development in the fastest possible time with the highest quality customer service

You may speak to the Board about items on the agenda by submitting a Speaker's Card to the Agency's Clerk seated at the front table. If you wish to address the Board about an issue that is not on the Board agenda, you may speak during the "Open Forum" during the City Council's meeting. The Board is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act), items must first be noticed on the agenda before any discussion or action. Tips for speaking to the Board:

- **Please submit a Blue Speaker's Card before the meeting or before the item is heard.** This ensures that your name is called for item(s) you wish to address, and that the meeting runs smoothly for all participants.
- When the Board reaches your item on the agenda, the Chairperson will open the public hearing and call your name. Please address the Board from the large podium located to the left of the Clerk's table.
- Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Chairperson's discretion however, depending on the number of speakers and length of agenda.
- There are three lights to assist you with tracking your speaking time. They are located to the far right of the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and, the red light comes on when your speaking time is up.

If you have any questions, please direct them to Agency staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings. The Redevelopment Agency's Board meets on Tuesdays, following the City Council meeting at 1:30 p.m. Agendas of future meetings are posted immediately outside City Hall's main entrance and at: www.sjredevelopment.org.

CALL TO ORDER AND ROLL CALL

Mayor Ron Gonzales called the meeting to order at 5:03 p.m.

**PRESENT: GONZALES, CAMPOS, CHAVEZ, CORTESE, DANDO,
DIQUISTO, LEZOTTE, REED, SHIRAKAWA, JR.,
YEAGER, WILLIAMS.**

ORDERS OF THE DAY

Items 7.1 - 7.3 are to be considered in a joint Redevelopment Agency Board/City Council session.

See Item 10 on the City Council Agenda for description of any City Council agenda items relating to the Redevelopment Agency.

Orders of the Day Approved. Absent: Cortese, Diquisto.

Boardmember Cortese entered the meeting at 5:05 p.m.

1 CEREMONIAL ITEMS

None.

2 CONSENT CALENDAR

2.1 Approval of Minutes:

Recommendation: Approval of Redevelopment Agency Minutes for:

(a) Mixed Use/Retail Study Session of June 20, 2001

Approved. Absent: Diquisto.

2.2 Report of the Rules Committee – August 8, 2001

Vice Mayor Shirakawa, Jr., Chair

(a) Review August 21, 2001 Draft Agenda.

(b) Add New Items to the August 14, 2001 Amended Agenda.

Approved. Absent: Diquisto.

2.3 Report of the Rules Committee – August 15, 2001

Vice Mayor Shirakawa, Jr., Chair

(a) Review August 28, 2001 Draft Agenda.

(b) Add New Items to the August 21, 2001 Amended Agenda.

Approved. Absent: Diquisto.

2 CONSENT CALENDAR (Continued)

2.4 Report of the Agency Finance Committee – June 27, 2001 Council Member Dando, Chair

- (a) Monthly Financial Statements – May 2001
- (b) Capital Cost Report - May 2001
- (c) Cash Flow Projection - May 2001
- (d) Agency Debt Profile

Board Member LeZotte removed Item 2.4(d) from the Consent Calendar and requested the City hold a session on debt profile. The Chairperson directed that the session be agendized through the Rules Committee. Approved. Absent: Diquisto.

2.5 Approval of a Facade Improvement Program Agreement, in the amount of \$132,000 including the contingency, for facade improvements of a building located at 3103 – 3107 Alum Rock Avenue, plus owner contributions of \$40,000 for a project total of \$172,000.

Recommendation: Approval of a Facade Improvement Program Agreement, in the amount of \$120,000, with Randy Cedano and Jenny Cadena, owners of a building located at 3103 – 3107 Alum Rock Avenue, for facade improvements of that building, establishing a contingency of \$12,000, plus owner contributions of \$40,000 for a project total of \$172,000. CEQA: Exempt.
Approved. Absent: Diquisto.

2.6 Approval of first amendment to the ground lease with F.C. Fairmont LLC and the granting of a new avigation easement for 50 West San Fernando Street to the City of San Jose.

Recommendation: Adoption of a resolution authorizing the Executive Director to negotiate and execute the first amendment to the ground lease with F.C. Fairmont LLC, and approving the granting of a new avigation easement for the office building located at 50 West San Fernando Street to the City of San Jose. CEQA: Resolution No. 68839.
Public testimony received. Resolution No. 5199 adopted. Absent: Diquisto.

2.7 Approval of an agreement with Pergola Marketing, in the amount of \$144,000, for developing and implementing the FY 2001-2002 Industrial Marketing Program in the Rincon de Los Esteros and Edenvale Redevelopment Project Areas.

2 CONSENT CALENDAR (Continued)

Recommendation: Approval of an agreement with Pergola Marketing, in the amount of \$144,000, for services relating to developing and implementing the FY 2001-2002 Industrial Marketing Program in the Rincon de Los Esteros and Edenvale Redevelopment Project Areas.

Public testimony received. Resolution No. 5199. Absent: Diquisto.

3 NEIGHBORHOOD IMPROVEMENT STRATEGIES

3.1 Approval of the Preliminary Report for the Fifteenth Amendment to the Century Center Plan.

Recommendation: Adoption of a resolution approving the Preliminary Report for the proposed Fifteenth Amendment to the Century Center Redevelopment Plan, and directing the Agency to transmit the Preliminary Report to all affected taxing agencies.

Resolution No. 5200 adopted. Absent: Diquisto.

Boardmember Diquisto entered the meeting at 5:12 p.m.

3.2 Approval of the Eighth Amendment to the Strong Neighborhoods Initiative Survey Area, expanding the Survey Area in Council Districts 5, 6, and 8, and related actions.

Recommendation: Adoption of a resolution approving the eighth amendment to the Strong Neighborhoods Initiative Survey Area, finding that the Survey Area be studied to determine if one or more redevelopment projects are feasible, and directing the Executive Director to commence study of the Amended Survey Area to determine the feasibility of Redevelopment Plan adoption activities in the areas including:

- (a) In Council District 6, the area generally bounded by Forest Avenue to the north, Hester Street to the east, San Carlos Street to the south and Bascom Avenue to the west; and,
- (b) In Council District 5, the area generally bounded by St. James Street to the north, Silcreek Drive to the east, Alum Rock Avenue to the south and King Road to the west; and,

3 NEIGHBORHOOD IMPROVEMENT STRATEGIES (Continued)

- (c) In Council District 8, the area generally bounded by Ocala Drive to the north, Reid-Hillview Airport to the east, Tully Road to the south and King Road to the west.

Public testimony received. Resolution No. 5201 adopted.

4 HOUSING

None.

5 PUBLIC FACILITIES AND SPACES

5.1 Finding of need and necessity for eminent domain acquisition of the property at 156 – 160 East Saint John Street for the parking garage for the Civic Center Project.

Recommendation: Adoption of a resolution determining that the public interest and necessity require the acquisition by eminent domain of the property owned by Keith Alan Watt and located at 156 – 160 East Saint John Street (APN: 467-20-018), for the parking garage for the Civic Center Project, and authorizing the General Counsel to file suit in eminent domain with respect to such property.

Item 5.1. continued to September 11, 2001.

Boardmember Shirakawa, Jr. left the meeting at 5:25 p.m.

6 PRIVATE DEVELOPMENT

6.1 Approval of revisions to the Agency's Development Design Guidelines to incorporate the City's Green Building Guidelines.

Recommendation: Approval of an amendment to the Greater Downtown Strategy for Development Design Guidelines (Downtown Design Guidelines), incorporating the City's Green Building Guidelines as adopted and as may be amended from time to time by the City Council.

Approved. Absent: Shirakawa, Jr.

7 JOINT REDEVELOPMENT AGENCY/COUNCIL

7.1 Amendment of the City and Agency Inclusionary Housing Policy.

Recommendation: Adoption of resolutions by the City Council and Agency Board amending the City and Agency Inclusionary Housing Policy by:

- (a) Increasing the affordable housing requirement from 15% to 20% of the units in each project; and,
- (b) Allowing for-sale projects to fulfill the policy's requirement with moderate-income units; and,
- (c) Requiring rental projects to fulfill the policy's requirement with very-low income units.

Public testimony received. Motion based on the memorandum by Mayor Gonzales and Council member Chavez dated August 28, 2001 entitled "Amendment of the Inclusionary Affordable Housing Policy in Redevelopment Project Areas," was approved. Staff was directed to return within three weeks with more information. Absent: Shirakawa, Jr.

Boardmember Shirakawa, Jr. returned at 5:26 p.m.

7.2 Approval of the release of an RFQ to solicit developer interest for Greater Downtown Housing Sites.

Recommendation: Approval of the release of the first phase of a Request for Qualifications (RFQ) to solicit developer interest for Greater Downtown Housing Sites.

Public testimony received. Motion approved based on recommendations outlined in Mayor Gonzales and Council member Chavez' memorandum dated August 27, 2001, entitled "Downtown Residential RFQ."

7.3 Approval by the City Council of an amendment to the agreement with Neighborhood Housing Services of Silicon Valley to assist with tenant improvements for the NHS office at Story and King Roads and approval by the Agency Board to reimburse the City for one-half of the costs.

7 JOINT REDEVELOPMENT AGENCY/COUNCIL (Continued)

Recommendation: Approval by the City Council of an amendment to the agreement between Neighborhood Housing Services of Silicon Valley (NHS) and the City of San Jose to partially fund tenant improvements, in an amount not to exceed \$155,370, for the 5,179 square foot permanent NHS office at the corner of Story and King Roads, and adoption of a resolution by the Agency Board approving reimbursement to the City for one-half of the costs. CEQA: Resolution No. 62615.

Item 7.3. deferred until September 11, 2001.

CLOSED SESSION REPORT

None.

OPEN FORUM

None.

ADJOURNMENT

The meeting was adjourned at 6:10 p.m.