

# **REDEVELOPMENT AGENCY BOARD**

## **SYNOPSIS**

**December 18, 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](http://www.sjredevelopment.org).

## **CALL TO ORDER AND ROLL CALL**

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**Mayor Ron Gonzales called the meeting to order at 4:31 p.m.**

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

**ABSENT: CAMPOS (EXCUSED), DANDO (EXCUSED).**

## **ORDERS OF THE DAY**

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Item 2.3 recommended for deferral to January 8, 2002.

Item 2.4 recommended for deferral to January 22, 2002.

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: Campos, Dando.**

## **1 CEREMONIAL ITEMS**

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**None.**

## **2 CONSENT CALENDAR**

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### **2.1 Report of the Rules Committee – November 28, 2001**

**Vice Mayor Shirakawa, Jr., Chair**

(a) Review December 11, 2001 Draft Agenda.

(b) Review December 4, 2001 Draft Agenda.

**Approved. Absent: Campos, Dando.**

### **2.2 Approval of amendments to the Agency's 457 Public Employee Deferred Compensation Plan.**

**Recommendation:** Adoption of a resolution:

(a) Incorporating amendments to the Redevelopment Agency of the City of San Jose 457 Public Employee Deferred Compensation Plan with an effective date of January 1, 2002; and,

## **2 CONSENT CALENDAR (Continued)**

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- (b) Authorizing the Executive Director to execute instruments related to the proposed Amendments and Plan Document as may be necessary to maintain the eligible status of the Plan.

**Resolution No. 5236 adopted. Absent: Campos, Dando.**

### **2.3 Approval of a Facade Improvement Agreement with Kenneth Y. Kai and Tae Kai, joint owners of the buildings located on 3100 Alum Rock Avenue and 16-32B South White Road.**

**Recommendation:** Approval of a Facade Improvement Agreement, in the amount of \$212,300, with Kenneth Y. Kai and Tae Kai, joint owners of the buildings located on 3100 Alum Rock Avenue and 16-32B South White Road, for improvements to the buildings at those locations.

**Item 2.3 deferred to January 8, 2002.**

### **2.4 Approval of the third amendment to the agreement with Richard Avelar & Associates, in the amount of \$75,000, for a total amount not to exceed \$200,000, for expert litigation assistance, and related budget actions.**

**Recommendation:**

- (a) Adoption of a resolution approving the addition of \$75,000 to the Adopted FY 2001-2002 Capital Budget Block 3 – Repertory Theatre project line in the San Antonio Redevelopment Area and amending the FY 2001-2002 Agency appropriations resolution; and,
- (b) Approval of the third amendment to the agreement with Richard Avelar & Associates, in the amount of \$75,000, for a total amount not to exceed \$200,000; for expert litigation assistance to the General Counsel's Office.

**Item 2.4 deferred to January 22, 2002.**

**END OF CONSENT CALENDAR**

## **3 NEIGHBORHOOD IMPROVEMENT STRATEGIES**

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### **3.1 Approval of agreements for preparation of Neighborhood Plans in the Tropicana, Blackford and Mayfair Strong Neighborhoods Initiative areas.**

### 3 NEIGHBORHOOD IMPROVEMENT STRATEGIES (Continued)

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**Recommendation:** Approval of agreements for preparation of Neighborhood Plans:

(a) With Moore Iacofano Goltsman, in the amount of \$150,000, for planning services in the Tropicana Strong Neighborhoods Initiative area, for the period through October 31, 2002.

**Approved. Absent: Campos, Dando.**

(b) With Moore Iacofano Goltsman, in the amount of \$150,000, for planning services in the Blackford Strong Neighborhoods Initiative area, for the period through October 31, 2002.

**Approved. Absent: Campos, Dando.**

(c) With Design Community Environment, in the amount of \$200,000, for planning services in the Mayfair Strong Neighborhoods Initiative area, for the period through October 31, 2002

**Approved. Absent: Campos, Dando.**

3.2 Approval to initiate acquisition of property by eminent domain for a neighborhood park serving the Monterey Corridor Redevelopment Project Area.

**Recommendation:** Adoption of resolutions:

(a) Determining that the public interest and necessity require the acquisition by eminent domain of real property owned by Mary Jane Thoeny, Theodore Thoeny, T. Ansel Thoeny and Melissa Jane Thoeny located at [90-100 Bellevue Avenue, \(APN 434-24-073\)](#), and authorizing the General Counsel to file suit in eminent domain with respect to such property.

**Public testimony received. Resolution No. 5237 adopted. Absent: Campos, Dando, Yeager.**

(b) Determining that the public interest and necessity require the acquisition by eminent domain of real property owned by Mary Jane Thoeny, Theodore Thoeny, T. Ansel Thoeny and Melissa Jane Thoeny located at [102 Bellevue Avenue, \(APN 434-24-072\)](#), and authorizing the General Counsel to file suit in eminent domain with respect to such property.

**Public testimony received. Resolution No. 5238 adopted. Absent: Campos, Dando, Yeager.**

### 3 NEIGHBORHOOD IMPROVEMENT STRATEGIES (Continued)

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- (c) Determining that the public interest and necessity require the acquisition by eminent domain of real property owned by Mary Jane Thoeny, Theodore Thoeny, T. Ansel Thoeny and Melissa Jane Thoeny located at [110-120 Bellevue Avenue, \(APN's 434-24-070 and 434-24-071\)](#), and authorizing the General Counsel to file suit in eminent domain with respect to such property.

**Public testimony received. Resolution No. 5239 adopted. Absent: Campos, Dando, Yeager.**

- (d) Determining that the public interest and necessity require the acquisition by eminent domain of real property owned by Mary Jane Thoeny and Theodore Thoeny located at [136 Bellevue Avenue, \(APN 434-24-069\)](#), and authorizing the General Counsel to file suit in eminent domain with respect to such property.

**Public testimony received. Resolution No. 5240 adopted. Absent: Campos, Dando, Yeager.**

### 4 HOUSING

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None.

### 5 PUBLIC FACILITIES AND SPACES

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#### 5.1 [Approval of an amendment to the ENA with History San Jose pertaining to the development of a museum.](#)

**Recommendation:** Approval of an amendment to the Exclusive Negotiations Agreement (ENA) with History San Jose, allowing continuation of their feasibility study of the proposed museum development at the southwest corner of North San Pedro and West Saint John Streets by extending the term of the agreement two months, through February 28, 2002.

**Public testimony received. Approved. Absent: Campos, Dando, Yeager.**

## 5 PUBLIC FACILITIES AND SPACES (Continued)

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### 5.2 Approval to issue a Request for Proposals for a childcare center at the current Fitness 101 site on West San Fernando Street.

**Recommendation:** Approval for the issuance of a Request For Proposals for the development and operation of a childcare center at the current Fitness 101 site, located at 355 W. San Fernando Street.

**Public testimony received. Board Member Chavez made the following additions to the motion: 1) That the RFP be modified to entice non-profit as well as for-profit companies to participate; and 2) That benchmarks in the RFP not limit ability to participate. Approved. Absent: Campos, Dando, Yeager.**

## 6 PRIVATE DEVELOPMENT

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### 6.1 Approval of extension of the DDA with Boston Properties Limited Partnership for the proposed development of a mixed-use project.

**Recommendation:** Approval of an amendment to the Disposition and Development Agreement (DDA) with Boston Properties Limited Partnership, extending the schedule of performance for construction of three buildings with approximately 863,000 rentable square feet of Class A office space, maintaining the sales price of Agency real property at its fair market value of \$1.5 million for an additional year until December 31, 2002, and approving an additional easement on the northern boundary of the project site for landscaping, maintenance, and a no-build area in perpetuity, unless and until terminated upon the mutual written consent of each of the parties.

**Public testimony received. Approved. Absent: Campos, Dando, Yeager.**

### 6.2 Approval of an amendment to the lease with Hawgs Seafood Restaurant, to revise the structure of required rental payments.

**Recommendation:** Approval of an amendment to the lease with Matthew Hardin and Steve Hardin, d.b.a. Hawgs Seafood Restaurant, to restructure the rent payment for a one-year period and to amend the rent commencement date.

**Approved. Absent: Campos, Dando, Yeager.**

## **6 PRIVATE DEVELOPMENT (Continued)**

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### **6.3 Approval of an amendment to the Disposition and Development Agreement (DDA) with Kimball Small Properties for Block 2, on East San Fernando Street between First and Second Streets, extending the timeline for the DDA.**

**Recommendation:** Approval of an amendment to the Amended and Restated Disposition and Development Agreement with 8 East LLC, for the development of a 21-story, 329,000 square foot Class A office building on Block 2, located on East San Fernando Street between First and Second Streets, extending the date for close of escrow and application for Building Permit to December 31, 2002, and requiring the Developer to redesign the retail space.

**Public testimony received. Approved. Absent: Campos, Dando, Reed, Yeager.**

## **7 JOINT REDEVELOPMENT AGENCY/COUNCIL**

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### **7.1 Approval of the Annual Report of Financial Transactions of Community Redevelopment Agencies, FY 2000 - 01.**

**Recommendation:** Adoption of resolutions by the City Council and Agency Board approving the Annual Report of Financial Transactions of Community Redevelopment Agencies, FY 2000 - 01, and directing staff to forward the report to the State of California Controller.

**City Resolution No. 70781 adopted. Agency Resolution No. 5241 adopted. Absent: Campos, Dando, Reed, Yeager.**

### **CLOSED SESSION REPORT**

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**None.**

### **OPEN FORUM**

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**None.**

### **ADJOURNMENT**

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**The meeting was adjourned at 5:05 p.m.**