

REDEVELOPMENT AGENCY BOARD

SYNOPSIS

June 5, 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 5:52 p.m.

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

ORDERS OF THE DAY

Item 7.1 is 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 agendized items relating to the Redevelopment Agency.

Orders of the Day Approved. Absent: LeZotte.

1 CEREMONIAL ITEMS

None.

2 CONSENT CALENDAR

None.

3 NEIGHBORHOOD IMPROVEMENT STRATEGIES

None.

4 HOUSING

None.

Boardmember LeZotte entered the meeting at 6:00 p.m.

5 PUBLIC FACILITIES AND SPACES

5.1 Direction to staff concerning analysis of potential downtown area parking sites and authorization to amend the KAKU agreement.

Recommendation: Agency Board actions to:

- (a) Direct staff to proceed with parking feasibility analyses on the following sites: Plaza de Cesar Chavez, Saint James Park, Greyhound Site, SoFA Site, North Gateway (UPRR), Compaq Center at San Jose lot, Site #5 (one block north of De Anza Hotel), Site #6 (block north of the OPUS project), Site #9 (area behind Convention Center's Parkside Hall, excluding Sanwa Bank), and other site(s) determined by the Board; and,
- (b) Adoption of a resolution authorizing the Executive Director to negotiate and execute the first amendment to the agreement with KAKU Associates, in an amount not to exceed \$50,000, should more than six sites be chosen for the feasibility analysis.

Public testimony received. Motion was amended to include other actions per memorandum authored by Mayor Gonzales and Councilmembers Chavez and Reed. Resolution No. 5163 adopted.

6 PRIVATE DEVELOPMENT

6.1 Presentation on the non-profit arts groups ENA for the facility located at 500 South First Street.

Recommendation: Presentation on the Exclusive Negotiations Agreement (ENA) with Movimiento de Arte y Cultura Latino Americana, San Jose Institute for Contemporary Art, San Jose Museum of Quilts and Textiles, and Tapestry in Talent for the adaptive reuse of the facility located at 500 South First Street.

A presentation was given by Ms. Jane Przybysz, San Jose Museum of Quilts & Textiles; Maribel Alvarez, MACLA/Movimiento de Arte y Cultura Latino Americana; Cathy Kimball, San Jose Institute of Contemporary Art; and Angela Kirkner, Tapestry in Talent.

Boardmember Shirakawa, Jr. left the meeting at 6:02 p.m.

7 JOINT REDEVELOPMENT AGENCY/COUNCIL

7.1 Public hearing and approval of a DDA with Montgomery Hotel Group, LLC, for the adaptive reuse and disposition of the relocated Montgomery Hotel.

Recommendation: Adoption of resolutions by the City Council and Agency Board as follows:

- (a) Adoption of a resolution by the City Council approving the sale of the Montgomery Hotel site (generally located between San Fernando and San Carlos Streets) to the Montgomery Hotel Group, LLC and finding that the sale of the property will assist in the elimination of blight, is consistent with the Implementation Plan for the San Antonio Plaza Redevelopment Project Area and that the consideration for the property is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Disposition And Development Agreement (DDA).

City Council Resolution adopted. Absent: Shirakawa, Jr.

- (b) Adoption of a resolution by the Agency Board approving the addition of \$6,065,000 to the Adopted FY 2000-2001 Capital Budget Montgomery Hotel Development new project line in the San Antonio Redevelopment Area and amending the FY 2000-2001 Agency appropriation resolution.

Resolution No. 5164 adopted. Absent: Shirakawa, Jr.

- (c) Adoption of a resolution by the Agency Board amending the FY 2000-2001 Agency Appropriation resolution.

Resolution No. 5165 adopted. Absent: Shirakawa, Jr.

- (d) Adoption of a resolution by the Agency Board approving the Disposition and Development Agreement and authorizing the Executive Director to execute ancillary documents contemplated by the DDA and to close escrow and convey the Property subject to compliance with the terms of the DDA, and to negotiate and execute amendments to the DDA substantially in conformance with the intent of the DDA as reasonably necessary to conform to lender requirements.

CEQA: Resolution No. 67982.

Executive Director, Susan F. Shick, modified the recommendation to specify that the restaurant tenant required under the DDA be Real Restaurants or a like operator of similar quality. Resolution No. 5166 adopted. Absent: Shirakawa, Jr.

CLOSED SESSION REPORT

None.

ADJOURNMENT

The meeting was adjourned at 6:18 p.m.