CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

REDEVELOPMENT AGENCY BOARD

SYNOPSIS

November 6, 2001

LINDA J. LEZOTTE	DISTRICT 1		KEN YEAGER	DISTRICT 6
FORREST WILLIAMS	DISTRICT 2		GEORGE SHIRAKAWA, JR.	DISTRICT 7
CINDY CHAVEZ	DISTRICT 3	RON GONZALES CHAIR	DAVID CORTESE	DISTRICT 8
CHUCK REED	DISTRICT 4		JOHN DIQUISTO	DISTRICT 9
NORA CAMPOS	DISTRICT 5		PAT DANDO	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 4:05 p.m.

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

ORDERS OF THE DAY

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.

1 CEREMONIAL ITEMS

None.

2 CONSENT CALENDAR

2.1 Report of the Agency Finance Committee – September 26, 2001
Council Member Dando, Chair

(1) Monthly Financial Statements – August 2001
(2) Capital Cost Report - August 2001
(3) Cash Flow Projection - August 2001
(4) FY 2000 – 2001 Comprehensive Annual Financial Report

Approved. Absent: Campos.

END OF CONSENT CALENDAR

Boardmember Campos entered the meeting at 4:07 p.m.

3 NEIGHBORHOOD IMPROVEMENT STRATEGIES

None.

4 HOUSING

4.1 Award of a contract to HRB, Inc., in the amount of $1,079,060, for Historic House Moving services.

Recommendation: Adoption of a resolution awarding a contract to HRB, Inc., the low bidder, in the amount of $1,079,060, for the relocation of five historic homes located at 26-28, 29-31, 35-37, 12-16 South Fifth Street and 37 South Sixth Street and establishing a construction contingency in the amount of $107,910 for a total budgeted amount of $1,186,970. CEQA: Resolution No. 68905.
Resolution No. 5224 adopted.

4.2 Approval of an exception to the Inclusionary Housing Policy.

Recommendation: Adoption of a resolution, pertaining to the Inclusionary Housing Policy:

(a) Finding that Legacy Partners would incur an unreasonable economic hardship if they are required to provide 22 very-low income units in a proposed 367-unit apartment project to be located on the west side of North First Street; and,

(b) Requiring that the Inclusionary Housing Policy obligation associated with the Legacy Partners proposed project be fulfilled as follows:

(1) Legacy Partners must set aside 33 units within their project for low or moderate-income households and pay a $660,000 in-lieu fee to the City of San Jose Housing Department.

(2) The Housing Department shall designate 22 units in the Girasol II Senior Apartment Project as Alternative Designated Units.

Item 4.2(a)-(b) deferred to November 13, 2001.

5 PUBLIC FACILITIES AND SPACES

5.1 Approval of the proposed Downtown Parking Management Plan.

Recommendation: Adoption of a resolution approving the proposed Downtown Parking Management Plan, directing staff to take various actions to implement the Plan, and including the recommended sites and priorities for construction of new downtown parking facilities as follows:

(a) Site 5 – Block north of the DeAnza Hotel.
(b) Site – Current Greyhound Site.
(c) Parking Plus throughout the Core.
(d) Site N – South First Area within the Mixed Use Project.
(e) Site 9 – Parkside Hall site.

Public testimony was received. Pat Gibson, Kaku & Associates, gave a presentation on the Parking Management Plan. Boardmember Chavez made the motion to include the memorandum co-signed by Mayor Gonzales and Councilmembers Chavez and Reed entitled, "Downtown Parking Management Plan," which recommended that the Redevelopment Agency approve the Downtown Parking Management Plan and related implementation steps with the following changes:

Development Properties:

Phase I: To proceed with actions to increase Interim peripheral supply, including finalizing the operating procedures for the Akatiff Lot and pursuing a Lease agreement with the Compaq Center.

Phase II: To proceed with Block North of De Anza and the Greyhound site acquisition simultaneously with consideration given to incorporating mixed-use developments and increasing parking capacity on both sites.

Phase III: To identify opportunities to provide "Parking Plus" spaces at the Retail Project and SoFA sites, and in any other downtown developments wherever feasible.

Phase IV: To proceed with long-term plans to develop a parking garage at the Parkside Hall site.

Phase V: To pursue expansion of the Downtown Free Parking Program to include the Market/Balbach lot.

<u>Financing Plan and Priority</u>:

Resources for the development of downtown parking facilities should be used in the following order of priority:

1. **Parking Fund**
2. **Redevelopment Agency Funding**
3. **Increased Parking Rates (effective April 1, 2002)**
4. **Implementation of a premium rate for multiple monthly spaces (effective July 1, 2002)**
5. **In-Lieu Fees, a source of funding where new developments would have the option to pay a fee to the downtown Parking Fund instead of developing a portion of their parking supply in an off-site location. These funds would then be used to construct new parking downtown.**

Staff also should review various financing options for the development of the Parkside Hall site that has a longer lead time. Options should include the possibilities of:

Public/private partnerships,
Parking assessment district,
Modification of the free parking program, or
Other funding sources available at the time the site is needed.

Although this priority order and these additional financing options have been identified, the City Manager and RDA Executive Director should continue to collaborate on the most efficient financing strategies that maximize parking development within aggressive time frames.

In addition, we recommend that staff prepare a biannual progress report to present to the City Council and the Downtown Parking Board. This report will assist the DPB and the Council in continuing to develop strategic solutions for our downtown parking needs.

Resolution No. 5225 adopted.

6 PRIVATE DEVELOPMENT

None.

7 JOINT REDEVELOPMENT AGENCY/COUNCIL

None.

CLOSED SESSION REPORT

None.

OPEN FORUM

None.

ADJOURNMENT

The meeting was adjourned at 5:28 p.m.