

REDEVELOPMENT AGENCY BOARD

MINUTES

June 21, 2005

LINDA J. LE ZOTTE
FORREST WILLIAMS
CINDY CHAVEZ
CHUCK REED
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

RON GONZALES, CHAIR

KEN YEAGER
VACANT
DAVID D. CORTESE
JUDY CHIRCO
NANCY PYLE

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Call to Order and Roll Call

Mayor Gonzales called the meeting to order at 6:06 p.m.

**PRESENT: GONZALES, CAMPOS, CHAVEZ, CHIRCO, CORTESE,
LEZOTTE, PYLE, REED, WILLIAMS, YEAGER.**

ABSENT: None.

VACANT: DISTRICT 7 SEAT.

- **Orders of the Day**

The Orders of the Day and the Amended Agenda were approved. (10-0).

1 CEREMONIAL ITEMS

None.

2 CONSENT CALENDAR

2.1 Report of the Rules Committee – June 1, 2005.

- (a) Review June 14, 2005 Draft Agenda.
- (b) Addition of new items to the June 7, 2005 Agenda.
- (c) Staff Reports Outstanding for the June 7, 2005 Agenda.

Action: The Rules Committee report and actions of June 1, 2005 were approved. (10-0).

2.2 Approval of an agreement with City Year San Jose/Silicon Valley for six City Year teams to provide community organizing services for neighborhood beautification projects in six SNI areas.

Recommendation: Approval of an agreement with City Year San Jose/Silicon Valley, in an amount not to exceed \$120,000, for six City Year teams to provide community organizing services for neighborhood beautification projects in the University, Thirteenth Street, Mayfair, Winchester, Five Wounds/Brookwood Terrace and K.O.N.A. Strong Neighborhoods Initiative areas. (SNI)

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, June 21, 2005, recommending approval of an agreement.

Action: The agreement was approved. (10-0).

3 GENERAL

None.

4 NEIGHBORHOOD IMPROVEMENT STRATEGIES

None.

5 HOUSING

5.1 Approval of an Exclusive Negotiations Agreement with The Olson Company and Green Valley Corporation to negotiate for a 240-day period for a planned residential development of Agency-owned property.

Recommendations: Approval of an Exclusive Negotiations Agreement with The Olson Company and Green Valley Corporation to negotiate for a 240-day period for a planned residential development on Agency-owned property located at 178 and 201 Bassett Street; 129, 149, 153, 160, 185, 188, 190 and 255 West Julian Street; 274, 276, 290, 331, 340 and 380 Terraine Street, and 181 Devine Street; 320, 328, 340, 345 and 353 North San Pedro; City property located under such roadways as may be vacated; and State of California property available for purchase located at 255 Bassett and 331 Terraine. CEQA: Resolution No. 72170, File No. GPT03-03-01a and GP03-03-01b [JULIAN STOCKTON]

Action: This item deferred to June 28, 2005.

6 PUBLIC FACILITIES AND SPACES

6.1 Approval to submit an application for a Bay Area Air Quality Management District grant from the Transportation Fund for Clean Air for funding assistance to reinstate a shuttle bus service in New Edenvale.

Recommendations: Adoption of a resolution by the Redevelopment Agency Board:

- (a) Authorizing the Executive Director to submit an application for a Bay Area Air Quality Management District grant from the Transportation Fund for Clean Air in an amount not to exceed \$85,500; and,
- (b) Authorizing the Executive Director to accept the grant, if awarded; and to execute any necessary grant documents; and,

6 PUBLIC FACILITIES AND SPACES

- 6.1 (c) Authorizing the Executive Director to negotiate and execute an agreement with the Santa Clara Valley Transportation Authority to manage and operate a shuttle bus service in the Edenvale Redevelopment Project Area for one year in a total amount not to exceed \$115,500, consisting of an amount not to exceed \$30,000 of Agency funding plus \$85,500 from the Bay Area Air Quality Management District Grant.

CEQA: Not a project [MERGED]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 21, 2005, recommending adoption of the resolution.

Action: Agency Resolution No. 5623 was adopted. (10-0).

7 PRIVATE DEVELOPMENT

- 7.1 **Authorization for the Executive Director to take actions assigning rights and obligations of the Block 3 Mixed Use project under the Disposition and Development Agreement with CIM California Urban Real Estate Fund, L.P., for the development of mixed-use infill projects in the Downtown core to Block 3 Development Partners, LLC.**

Recommendations: Adoption of a resolution by the Redevelopment Agency Board:

- (a) Accepting a Request for Assignment of rights and obligations related to the Block 3 portion of the Downtown Mixed Use Project from CIM Urban Real Estate Fund, L.P. (CIM) to Block 3 Development Partners, LLC, whose members are CIM Urban Real Estate GP, LLC, and WMS Block 3 Investors, LLC; and,
- (b) Authorizing the Executive Director to negotiate and execute an Assignment, Assumption, and Release Agreement, and all other reasonably necessary agreements required to implement the assignment of the Block 3 portion of the Downtown Mixed Use Project to Block 3 Development Partners, LLC.

CEQA: Resolution No. 71039.1; H04-038 [MERGED]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 21, 2005, recommending adoption of the resolution.

Action: Agency Resolution No. 5624 adopted. (10-0).

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

8.1 Approval a mutual release and surrender of leasehold with Caltrans and City Council approval of two leases between the City and the California Department of Transportation.

Recommendations:

- (a) Approval by the Redevelopment Agency Board of an agreement for the mutual release and surrender of leasehold by and between the Redevelopment Agency and California Department of Transportation for three parcels located at Auzerais Avenue and Woz Way and Almaden Boulevard.
- (b) Approval by the City Council of two leases between the City of San Jose and California Department of Transportation for parcels located on Auzerais Avenue and Woz Way.

[MERGED]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 21, 2005, recommending approval of the agreement and approval by the City Council of the two leases.

Action: The agreement and two leases between the City of San José and California Department of Transportation were approved. (10-0).

8.2 Public hearing and approval of the actions by the City Council and Redevelopment Board for a DDA for the development of a mixed-use residential high rise tower on the Dimensions site at the northeast corner of Market and San Salvador Streets.

Recommendations:

- (a) Adoption of a resolution by the City Council accepting the summary of costs and findings of the Summary 33433 Report pursuant to the California Health and Safety Code Section 33433 for the sale and development of the former Dimensions Site located at 351-369 South First Street/360-396 South Market Street; and,
- (b) Adoption of a resolution by the Redevelopment Agency Board approving the Disposition and Development Agreement (DDA) with Mesa SoFA Partners, LLC, for the development of a mixed-use high rise residential project and authorizing the Executive Director to negotiate, execute, and record all documents reasonably necessary to convey the Site as provided in the DDA.

CEQA: Resolution to be adopted. **[MARKET GATEWAY]**

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

- 8.2 Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 21, 2005, recommending adoption of the resolution by the City Council and adoption of the resolution by the Redevelopment Agency Board.

Action: Resolution No. 72776 and Agency Resolution No. 5625 were adopted. (10-0).

- 8.3 **Approval actions for the sale of Merged Area Redevelopment Project Tax Allocation Refunding Bonds Series 2005A in a principal amount not to exceed \$500,000,000.**

Recommendation: City Council and Agency Board actions including:

- (a) Adoption of a resolution by the Redevelopment Agency Board:
- (1) Authorizing the issuance of Merged Area Redevelopment Project Tax Allocation Refunding Bonds in one or more series in an aggregate principal amount not to exceed \$500,000,000 (the “Refunding Bonds”); and approving in substantially final form the Eighth Supplemental Indenture of Trust with Union Bank, as Trustee; and,
 - (2) Approving the negotiated sale of Bonds to a team of Underwriters led by JP Morgan Securities Inc.; and,
 - (3) Approving in substantially final form the Preliminary Official Statement (POS) and Bond Purchase Agreement, and authorizing the Underwriters to distribute the POS; and,
 - (4) Authorizing the Executive Director to execute the Bond Purchase Agreement provided that the 2005 Bonds generate a present value savings of at least three percent of the par amount of the bonds being refunded; and,
 - (5) Authorizing all officers, agents and employees to take such actions and execute such documents necessary and desirable to accomplish issuance of the Refunding Bonds; and,
 - (6) Authorizing the Executive Director to purchase municipal bond insurance and purchase a surety bond for the 2005 Bonds.
- (b) Adoption of a resolution by the City Council approving the issuance of Merged Area Redevelopment Project Tax Allocation Refunding Bonds in one or more series in an aggregate principal amount not to exceed \$500,000,000.

[MERGED]

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

- 8.2** Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 21, 2005, recommending adoption of a resolution by the Redevelopment Agency Board and adoption of the resolution by the City Council.

Action: Agency Resolution No. 5626 and Resolution No. 72777 were adopted. (10-0).

- **Closed Session Report**

None.

- **Open Forum -**

None.

- **Adjournment**

The Joint Council/Redevelopment Agency Board meeting was adjourned at 6:13 p.m.

RON GONZALES, MAYOR

ATTEST:

HARRY S. MAVROGENES, SECRETARY