CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

REDEVELOPMENT AGENCY BOARD

MINUTES

June 28, 2005

LINDA J. LE ZOTTE	DISTRICT 1		KEN YEAGER	DISTRICT 6
FORREST WILLIAMS	DISTRICT 2		VACANT	DISTRICT 7
CINDY CHAVEZ	DISTRICT 3	RON GONZALES, CHAIR	DAVID D. CORTESE	DISTRICT 8
CHUCK REED	DISTRICT 4		JUDY CHIRCO	DISTRICT 9
NORA CAMPOS	DISTRICT 5		NANCY PYLE	DISTRICT10

• Call to Order and Roll Call

Mayor Gonzales called the meeting to order at 5:31 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.

1 CEREMONIAL ITEMS

None.

2 CONSENT CALENDAR

2.1 Approval of an agreement with the San Jose Downtown Association for promotional and marketing consulting services.

Recommendation: Adoption of a resolution:

(a) Approving an agreement with the San Jose Downtown Association, in an amount not to exceed $350,000, for public space programming and for promotional and marketing services for the period July 1, 2005 through June 30, 2006; and,
(b) Adding funding in the amount of $125,000 to the FY 2005-2006 Adopted Capital Budget San Jose Downtown Association project line in the Merged Redevelopment Area and amending the FY 2005-2006 Agency appropriations resolution.

[MERGED]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 28, 2005, recommending adoption of the resolution.

Action: Agency Resolution No. 5632 was adopted. (10-0).

3 GENERAL

None.

4 NEIGHBORHOOD IMPROVEMENT STRATEGIES

4.1 Approval of an OPA for the rehabilitation of the Wright-Curtner Building at 439 South First Street.

Recommendations: Approval of an Owner Participation Agreement (OPA) with Richard P. Berg and Made S. Berg, co-trustees of the Berg Living Trust, Adam W. Berg, and Ana D. Berg (Owners), in an amount not to exceed $550,000 for the rehabilitation of the Wright-Curtner Building at 439 South First Street. CEQA: Exempt, PP05-145 **[MARKET-GATEWAY SNI]**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 28, 2005, recommending approval of the OPA.

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

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]**
[Deferred 6/21/05, Item 5.1]

Action: This item was deferred to August 9, 2005.

6 PUBLIC FACILITIES AND SPACES

6.1 Delegation of the authority to award a contract for the Replacement of the Children's Discovery Museum Fountain Project.

Recommendation: Adoption of a resolution authorizing the Executive Director to award a contract to the lowest responsive bidder for the Replacement of the Children's Discovery Museum Fountain Project, in an amount not to exceed $450,000 and establishing a project contingency not to exceed $50,000. CEQA: Exempt, PP05-069 **[GUADALUPE-AUZERAIS]**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 28, 2005, recommending adoption of the resolution.

Action: Agency Resolution No. 5633 was adopted. (10-0).

6.2 Award of a contract for the Downtown Transit Mall Lighting Project.

Recommendation: Adoption of a resolution awarding a contract to the low bidder for the construction of the retrofit of pedestrian lighting within the Transit Mall and establishing a project contingency. CEQA: Exempt, PP04-06-193 **[MERGED]**

Action: This item was dropped.

6.3 Award of a contract for the Market Almaden Neighborhood Lighting Project.

Recommendation: Adoption of a resolution authorizing the Executive Director to award a contract to the lowest responsive bidder, in an amount not to exceed $761,596, including a construction contingency, for the construction of the Market Almaden Neighborhood Lighting Project within the Market Almaden neighborhood. CEQA: Exempt, PP04-06-193 **[SNI]**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 28, 2005, recommending adoption of the resolution.

Action: This item was moved and renumbered to Item 8.3

6 PUBLIC FACILITIES AND SPACES

6.4 Authorization for the Executive Director to amend certain parking agreements for Grand Prix weekend events.

Recommendation: Adoption of a resolution authorizing the Executive Director to negotiate and execute an amendment to the Parking Agreement by and between the Redevelopment Agency and Metropolitan Life Insurance Company to allow for MetLife to charge for public parking during Grand Prix race weekend and to establish a parking revenue participation formula for the 2005 and 2006 Grand Prix race weekends. CEQA: Resolution No. 68839, and Addendum thereto, PP05-061. **[MERGED]**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 28, 2005, recommending adoption of the resolution.

Action: Agency Resolution No. 5634 was adopted. (10-0).

6.5 Approval of an amended agreement with the San Jose Downtown Association for a seasonal ice-skating rink in the Circle of Palms.

Recommendations: Adoption of resolutions:

(a) Authorizing the Executive Director to negotiate and execute an Amended and Restated Agreement with the San Jose Downtown Association for the production of Downtown Ice Rink in the Circle of Palms, increasing the compensation in an amount not to exceed $1,050,000 over four years; reducing the term of the agreement from 15 years to four years; and other technical modifications; and,

(b) Approving additional funding in the amount of $250,000 in the FY 2005-2006 Adopted Capital Budget - Downtown Ice Rink project line in the Merged Redevelopment Area, and amending the FY 2005-2006 Agency appropriations resolution.

CEQA: Exempt: PP04-259 **[SAN ANTONIO PLAZA]**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 28, 2005, recommending adoption of the resolution.

Action: Agency Resolution Nos 5635 and 5636 were adopted. (10-0).

7 PRIVATE DEVELOPMENT

7.1 Approval of an amendment to the sublease and co-sponsorship operating agreement with SJSUF to operate and manage the San Jose BioCenter and related actions.

Recommendations:

(a) Approval of an amendment to the San Jose BioCenter sublease and co-sponsorship operating agreement with San Jose State University Foundation (SJSUF) to allow the Redevelopment Agency to install building signage and, if needed by existing and future tenants, make additional tenant improvements and install additional capital equipment; and,

(b) Adoption of a resolution authorizing the Executive Director to negotiate and execute a contract with a consulting team to evaluate whether additional tenant improvements and capital equipment are needed to enhance the viability of the incubator, in an amount not to exceed $25,000.

CEQA: Resolution No. 69699 and 70021, PP03-10-331 **(EDENVALE)**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 28, 2005, recommending adoption of the resolution.

Action: Agency Resolution No. 5637 was adopted. (10-0).

7.2 Actions related to the facility lease and Co-Sponsorship Operating Agreement for the San Jose Entrepreneur Center located at 84 West Santa Clara Street.

Recommendation:

(a) Approval of a lease for the San Jose Entrepreneur Center (E-Center) with the Redevelopment Agency and San Jose State University Foundation (SJSUF) as lessees, and Ernest and Irene Pestana as lessors, for 16,350 square feet of office space at 84 West Santa Clara Street, for a one-year term, with two one-year extension options, with the Agency's contribution towards rent in an amount not to exceed $224,000; and,

(b) Approval of a Co-Sponsorship Operating Agreement between the Redevelopment Agency and SJSUF, which stipulate the financial obligations of the Agency and SJSUF in regard to lease payments and to designate the SJUSF as the fiscal agent for the E Center.

7 PRIVATE DEVELOPMENT

7.2 (c) Adoption of a resolution authorizing the Executive Director to negotiate and execute a Co-Sponsorship Operating Agreement or similar form of agreement between the Redevelopment Agency and the Small Business Administration that outlines SBA's relationship with the E-Center.

(d) Approval for the addition of $120,376 to the FY 2005-2006 Adopted Capital Budget project line Merged Area, Small Business Administration Lease and amending the FY 2005-2006 Agency appropriations resolution.

CEQA: Exempt; PP05-109 **[PUEBLO UNO]**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 28, 2005, recommending adoption of the resolution.

Discussion:

Action: This item was deferred to August 9, 2005, with direction to staff to clarify the future of the Small Business Association (SBA), the impact of the award of contract with DeAnza College upon local services and for staff to address complaints and concerns regarding access and usage of the building facilities, finally, staff directed to pay rental fees for the month of August to allow time for Council to discuss and review the facility lease and Co-Sponsor Operating agreement.

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

8.1 City Council and Redevelopment Agency Board actions related to the disposition of the City of San Jose Main Corporation Yard.

Recommendation:

(a) Adoption of resolutions by the City Council and Redevelopment Agency Board authorizing the City Manager and Executive Director to negotiate and execute a Cooperation Agreement providing for the Agency's disposition of the City's Main Corporation Yard located in Japantown.

(b) Approval by the Redevelopment Agency Board to issue the proposed Request for Qualifications for the Japantown site.

[MERGED]

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

8.1 Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 28, 2005, recommending adoption of a resolution by the City Council and an adoption of a resolution by the Redevelopment Agency Board.

Action: Resolution No. 72839 and Agency Resolution No. 5629 were adopted. (10-0).

8.2 Award of a contract for the Downtown Transit Mall Lighting Project.

Recommendations:

(a) Adoption of resolution by the City Council making certain determinations required by State law for Redevelopment Agency funding of City-owned improvements.

(b) Adoption of resolution by the Redevelopment Agency Board awarding a contract to Rosendin Electric, Inc., the lowest responsive bidder, for the construction of pedestrian lighting within the Transit Mall, in the amount of $254,400 and establishing a construction contingency in the amount of $38,160 or 15% of the contract amount, for a total funding authorization of $292,560.

CEQA: Resolution No. 64273, 68839 and addenda thereto, File No. PP92-170, PP98-224 and PP03-254 **[MERGED]**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 28, 2005, recommending adoption of a resolution by the City Council and an adoption of a resolution by the Redevelopment Agency Board.

Action: Resolution No. 72840 and Agency Resolution No. 5638 were adopted. (10-0).

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

8.3 Award of a contract for the Market Almaden Neighborhood Lighting Project.

Recommendations:

(a) Adoption of a resolution by the City Council making certain determinations required by State law for Redevelopment Agency funding of City-owned improvements.

Action: This item was dropped.

(b) Adoption of a resolution by the Redevelopment Agency Board authorizing the Executive Director to award a contract to the lowest responsive bidder, in an amount not to exceed $761,596, including a construction contingency, for the construction of the Market Almaden Neighborhood Lighting Project within the Market Almaden neighborhood.

CEQA: Exempt, PP04-06-193 **[SNI]**

Action: This item was moved and renumbered from Item 6.3 and Agency Resolution No. 5639 adopted.

Closed Session Report

None.

• Open Forum -

None.

• Adjournment

The Redevelopment Agency Board meeting adjourned at 5:59 P.M.

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RON GONZALES, MAYOR

ATTEST:

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HARRY S. MAVROGENES, SECRETARY