



REDEVELOPMENT AGENCY BOARD

MINUTES

NOVEMBER 18, 2008

PETE CONSTANT
FORREST WILLIAMS
SAM T. LICCARDO
KANSEN CHU
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3 CHUCK REED – CHAIR
DISTRICT 4
DISTRICT 5

PIERLUIGI OLIVERIO DISTRICT 6
MADISON P. NGUYEN DISTRICT 7
DAVID D. CORTESE DISTRICT 8
JUDY CHIRCO DISTRICT 9
NANCY PYLE DISTRICT 10

Call to Order and Roll Call

3:46 p.m. - Regular Session, Council Chambers, City Hall

Absent: Constant, Nguyen (all excused)

- Open Forum
- Closed Session Report
None.
- Orders of the Day
The Orders of the Day were approved.

1 CEREMONIAL ITEMS

None

2 CONSENT CALENDAR

2.1 Report of the Public Safety, Finance and Strategic Support Committee – October 16, 2008.

Boardmember Nguyen, Chairperson

- “b.i-iii. Redevelopment Agency Monthly Financial Reports for August 2008.
e. Report on Comprehensive Annual Financial Report.”

Documents Filed: Report of the Public Safety, Finance and Strategic Support Committee, of October 16, 2008, with the Agency’s Monthly Financial Reports for August 2008 attached.

Action: The Public Safety, Finance and Strategic Support Committee report and actions of October 16, 2008, were accepted. (7-0-4) Absent: Constant, Nguyen, Cortese, Pyle.

2.2 Report of the Rules and Open Government Committee – October 8, 2008.

Chair Reed, Chairperson

- (a) Review October 14, 2008, Final Agenda: Meeting cancelled.
- (b) Review October 21, 2008, Draft Agenda.
- (c) Assign “Time Certain” for convening Redevelopment Agency Agenda.

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2 CONSENT CALENDAR

(Cont'd)

- 2.2** Documents Filed: Report of the Rules and Open Government Committee of October 8, 2008.

Action: The Rules and Open Government Committee report and actions of October 8, 2008, were approved. (7-0-4) Absent: Constant, Nguyen, Cortese, Pyle.

- 2.3** **Report of the Rules and Open Government Committee – October 15, 2008.**
Chair Reed, Chairperson

- (a) Review October 21, 2008, Final Agenda: Meeting cancelled.
- (b) Review October 28, 2008, Draft Agenda.
- (c) Assign “Time Certain” for convening Redevelopment Agency Agenda.

Documents Filed: Report of the Rules and Open Government Committee of October 15, 2008.

Action: The Rules and Open Government Committee report and actions of October 15, 2008, were approved. (7-0-4) Absent: Constant, Nguyen, Cortese, Pyle.

- 2.4** **Report of the Rules and Open Government Committee – October 22, 2008.**
Chair Reed, Chairperson

- (a) Review October 28, 2008, Final Agenda.
- (b) Review November 4, 2008, Draft Agenda.
- (c) Assign “Time Certain” for convening Redevelopment Agency Agenda.

Documents Filed: Report of the Rules and Open Government Committee of October 22, 2008.

Action: The Rules and Open Government Committee report and actions of October 22, 2008, were approved. (7-0-4) Absent: Constant, Nguyen, Cortese, Pyle.

2 CONSENT CALENDAR

2.5 Report of the Rules and Open Government Committee – October 29, 2008. Chair Reed, Chairperson

- (a) Review November 4, 2008, Final Agenda: Meeting cancelled.
- (b) Review November 11, 2008, Draft Agenda: Meeting cancelled.
- (c) Assign “Time Certain” for convening Redevelopment Agency Agenda.
- (d) Rules Committee Reviews, Recommendations and Approvals: Property Disclosures within the SNI by Kerry Adams-Hapner, Deputy Director of Economic Development for the City of San Jose.

Documents Filed: Report of the Rules and Open Government Committee of October 29, 2008.

Action: The Rules and Open Government Committee report and actions of October 29, 2008, were approved. (7-0-4) Absent: Constant, Nguyen, Cortese, Pyle.

2.6 Approval of Board Meeting Minutes.

Recommendation: Approval of Redevelopment Agency Minutes for:

- (a) Regular meeting of October 7, 2008.
- (b) Regular meeting of October 28, 2008.

Documents Filed: Regular minutes of October 7 and October 28, 2008.

Action: The Redevelopment Agency minutes were approved. (7-0-4) Absent: Constant, Nguyen, Cortese, Pyle.

2.7 Approval of Master Agreements for civil engineering services.

Recommendations:

- (a) Approval of a Master Agreement with JMH Weiss in the amount of \$50,000 for civil engineering services for two years; and,
- (b) Approval of a Master Agreement with Sandis Civil Engineers in the amount of \$50,000 for civil engineering services for two years; and,

2 CONSENT CALENDAR

- 2.7 (c) Adoption of a resolution adjusting the FY 2008-09 Adopted Capital Budget adding \$100,000 to the Project Support Studies project line in the Merged Redevelopment Area and amending the FY 2008-2009 Agency appropriations resolution.

CEQA: Not a project. [MERGED]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated November 6, 2008, recommending (a) approval of a Master Agreement with JMH Weiss and (b) approval of a Master Agreement with Sandis Civil Engineers and (c) adoption of a resolution adjusting the FY 2008-09 Adopted Capital Budget adding \$100,000 to the Project Support Studies project line in the Merged Redevelopment Area and amending the FY 2008-2009 Agency appropriations resolution.

Action: The Redevelopment Agency Board approved the Master Agreement with JMH Weiss, and the Master Agreement with Sandis Civil Engineers. Agency Resolution 5871 adopted. (7-0-4) Absent: Constant, Nguyen, Cortese, Pyle.

3 GENERAL

None

4 NEIGHBORHOOD IMPROVEMENT STRATEGIES

None

5 HOUSING

None

6 PUBLIC FACILITIES AND SPACES

None

7 PRIVATE DEVELOPMENT

7.1 Approval of an amendment to the Loan Modification Agreement with Camera Cinemas at the Pavilion.

Recommendation: Approval of the second amendment to the Commercial Building Loan and Facade Improvement Grant Agreement with Camera Cinemas at the Pavilion, L.P., amending and restating a Promissory Note to modify the payment schedule, reduce the interest rate, eliminate the default interest penalty previously assessed and provide Cameras with a credit against the amount of the monthly payments in exchange for certain services to be provided by Cameras. CEQA: Not a project. [SAN ANTONIO PLAZA]

Approved

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated November 4, 2008, recommending approval of the second amendment to the Commercial Building Loan and Facade Improvement Grant Agreement with Camera Cinemas at the Pavilion, L.P., amending and restating a Promissory Note to modify the payment schedule, reduce the interest rate, eliminate the default interest penalty previously assessed and provide Cameras with a credit against the amount of the monthly payments in exchange for certain services to be provided by Cameras.

Action: The Redevelopment Agency Board approved the second amendment to the Commercial Building Loan and Facade Improvement Grant Agreement with Camera Cinemas at the Pavilion, L.P. (7-0-4) Absent: Constant, Nguyen, Cortese, Pyle.

7.2 Approval of actions related to the use of theater space at 29 North San Pedro Street.

Recommendations:

- (a) Approve an Amended and Restated Property Use Agreement with the Tabard Theatre Company to provide additional marketing and other management services during the public use period at the Theater on San Pedro Square located at 29 North San Pedro Street for an additional \$243,000 at a maximum cost for the remainder of the term of the Agreement to the Agency of \$423,000; and,

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7 PRIVATE DEVELOPMENT

(Cont'd)

- 7.2 (b) Adoption of a resolution approving an adjustment to the FY 2008-09 Adopted Capital Budget adding \$62,000 to the Competitive Art Capital Fund project line in the Merged Redevelopment Area and amending the FY 2008-2009 Agency appropriations resolution.
CEQA: Not a Project. [SNI]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated November 6, 2008, recommending (a) approval of an Amended and Restated Property Use Agreement with the Tabard Theatre Company, and (b) adoption of a resolution approving an adjustment to the FY 2008-09 Adopted Capital Budget adding \$62,000 to the Competitive Art Capital Fund project line in the Merged Redevelopment Area and amending the FY 2008-2009 Agency appropriations resolution.

Action: The Redevelopment Agency Board approved an Amended and Restated Property Use Agreement with the Tabard Theatre Company. Agency Resolution 5872 adopted. (7-0-4) Absent: Constant, Nguyen, Cortese, Pyle.

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

No Redevelopment-related actions were discussed on the City Council agenda today.

The City Council convened at 3:48 p.m. to consider Items 8.1 – 8.3 in a Joint Session.

- 8.1 Approval of actions by the Agency Board and City Council related to the SoFA Sidewalk Demonstration Project.**

Recommendations:

- (a) Adoption of a resolution by the City Council making certain determinations required by Redevelopment Law, Health and Safety Code Section 33445, for Agency funding of the proposed improvements in the SoFA Sidewalk Demonstration Project; and,

(Item continued on the next page)

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

(Cont'd)

- 8.1 (b) Adoption of a resolution by the Redevelopment Agency Board awarding a contract to Bugler Construction for the SoFA Sidewalk Demonstration Project, the low bidder in the amount of \$374,400, and authorizing a construction contingency in the amount of \$37,440 for a total construction budget not to exceed \$411,840.

CEQA: Final EIR San Jose Downtown Strategy 2000, Resolution No 72767, File No. PP08-119. **[MARKET GATEWAY]**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated November 6, 2008, recommending (a) adoption of a resolution by the City Council making certain determinations required by Redevelopment Law, Health and Safety Code Section 33445, for Agency funding of the proposed improvements in the SoFA Sidewalk Demonstration Project, and (b) adoption of a resolution by the Redevelopment Agency Board awarding a contract to Bugler Construction for the SoFA Sidewalk Demonstration Project, the low bidder in the amount of \$374,400, and authorizing a construction contingency in the amount of \$37,440 for a total construction budget not to exceed \$411,840.

Action: City Council Resolution 74674 adopted. Agency Resolution 5873 adopted. (9-0-2) Absent: Constant, Nguyen.

- 8.2 **Agency Board and City Council actions related to issuance of Merged Area Redevelopment Project Revenue Bonds in an amount not to exceed \$38,855,000.**

Recommendations:

- (a) Adoption of a resolution by the Redevelopment Agency Board:
- (1) Authorizing the issuance of Merged Area Redevelopment Project Tax Allocation Bonds, in one tax-exempt series, in an aggregate principal amount not to exceed \$38,855,000 (the 2008A Bonds); and approving in substantially final form the Thirteenth Supplemental Indenture of Trust with Union Bank, as Trustee; and,
 - (2) Authorizing the competitive sale of the 2008A Bonds; and,

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8 JOINT REDEVELOPMENT AGENCY/COUNCIL

(Cont'd)

- 8.2
- (3) Approving in substantially final form the Preliminary Official Statement(POS), Notice of Intention to Sell Bonds and Official Notices Inviting Bids and authorizing Agency staff to distribute the POS; and,
 - (4) Authorizing the General Counsel to negotiate and execute a first amendment to the agreement for Bond Counsel Services, in an amount not to exceed \$45,000 for a total contract amount not to exceed \$135,000, for Series 2008A and Series 2008 B Bonds; and,
 - (5) Authorizing all officers, agents and employees to take such actions and execute such documents necessary and desirable to accomplish issuance of the 2008A Bonds.
- (b) Adoption of a resolution by the City Council approving the issuance of Merged Area Redevelopment Project Tax Allocation Bonds, in one tax-exempt series, in an aggregate principal amount not to exceed \$38,855,000.

8.2 Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated November 6, 2008, recommending (a) adoption of a resolution by the Redevelopment Agency Board (1) authorizing the issuance of Merged Area Redevelopment Project Tax Allocation Bonds, in one tax-exempt series, in an aggregate principal amount not to exceed \$38,855,000 (the 2008A Bonds); and approving in substantially final form the Thirteenth Supplemental Indenture of Trust with Union Bank, as Trustee; and, (2) authorizing the competitive sale of the 2008A Bonds; and, (3) approving in substantially final form the Preliminary Official Statement(POS), Notice of Intention to Sell Bonds and Official Notices Inviting Bids and authorizing Agency staff to distribute the POS; and, (4) authorizing the General Counsel to negotiate and execute a first amendment to the agreement for Bond Counsel Services, in an amount not to exceed \$45,000 for a total contract amount not to exceed \$135,000, for Series 2008A and Series 2008 B Bonds; and, (5) authorizing all officers, agents and employees to take such actions and execute such documents necessary and desirable to accomplish issuance of the 2008A Bonds; and, (b) adoption of a resolution by the City Council approving the issuance of Merged Area Redevelopment Project Tax Allocation Bonds, in one tax-exempt series, in an aggregate principal amount not to exceed \$38,855,000.

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8 JOINT REDEVELOPMENT AGENCY/COUNCIL

(Cont'd)

8.2 Action: City Council Resolution 74675 adopted. Agency Resolution 5874 adopted. (9-0-2) Absent: Constant, Nguyen.

- **Adjournment**

The City Council and Redevelopment Agency Board adjourned the afternoon session at 3:49 p.m.

The City Council and Redevelopment Agency Board convened at 7:00 p.m. to consider Item 8.3 in a Joint Session.

Absent: Constant, Nguyen, Chirco (all excused)

8.3 Public Hearing on the Agency's FY 2008-2009 Capital Budget and 2009-2013 Capital Improvement Program.

Recommendation: Joint Public Hearing on the Redevelopment Agency's Proposed FY 2008-2009 Capital Budget and 2009-2013 Capital Improvement Program.

Documents Filed: The proposed, undated, Redevelopment Agency FY 2008-09 Capital Budget and the FY 2009-2013 Capital Improvement Program

Mayor Reed opened the Public Hearing.

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8 JOINT REDEVELOPMENT AGENCY/COUNCIL

(Cont'd)

8.3 Public Comments: Speaking in favor of Capital funding for the San Jose Municipal Stadium were: Clayton Tanner, Shirley Madsen, Hilton Graef, Roger Carter, Lance Choy, Skylar Phoenix, Len Grilli, Robert Day, Ronald Castro, Stewart Peebles, Sharon Laughlin, Steve Smith, Julie McDonald, Fred Shirey, Geoff Alexander and Andy Dymore. John Mitchell requested funds be appropriated for the restoration of the San Jose Clock Tower.

Mayor Reed closed the public hearing.

The Redevelopment Agency Board adjourned at 7:29 p.m.

ATTEST:



HARRY S. MAVROGENES, SECRETARY