

**NOTICE OF MATERIAL EVENT
UNDER SEC RULE 15c2-12**

**\$67,130,000.00
Redevelopment Agency of the City of San Jose
Merged Area Redevelopment Project
Tax Allocation Refunding Bonds, Series 2005B**

On behalf of the Redevelopment Agency of the City of San Jose, we would like to inform you of the following material event(s) on the issue captioned above (the "Bonds"). The Bonds and all other issues insured by Ambac Assurance Corp. ("Ambac") have had its insured ratings downgraded by the following rating agencies:

- On January 18, 2008, Fitch Ratings downgraded Ambac to 'AA' from 'AAA' and placed them on a "Rating Watch Negative."
- On June 5, 2008, Standard & Poor's downgraded Ambac to 'AA' from 'AAA' with a "Negative Outlook."
- On June 19, 2008, Moody's Investor Services downgraded Ambac to 'Aa3' from 'AAA' and placed them on a "Negative Outlook."
- On June 26, 2008, Fitch Ratings withdrew its 'AA' rating upon Ambac's request.
- On November 5, 2008, Moody's Investor Services downgraded Ambac to 'Baa1' from 'Aa3' with a Developing Outlook.
- On November 19, 2008, Standard & Poor's downgraded Ambac to 'A' from 'AA' with a "Negative Outlook."
- On April 13, 2009, Moody's Investor Services downgraded Ambac to 'Ba3' from 'Baa1' with a Developing Outlook.

Please contact Fitch Ratings, Standard & Poor's and Moody's Investor Services for an explanation of the significance of their ratings.

Municipal Secondary Market Disclosure Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange Commission rule 15c2-12 or any analogous state statute.

See www.sec.gov/info/municipal/nrmsir.htm for list of current NRMSIRs and SIDs

IF THIS FILING RELATES TO A SINGLE BOND ISSUE:

Provide name of bond issue exactly as it appears on the cover of the Official Statement
(please include name of state where issuer is located):

\$67,130,000.00 . Redevelopment Agency of the City of San Jose, Merged Area Redevelopment Project Tax
Allocation Refunding Bonds, Series 2005B. (California)

Provide nine-digit CUSIP* numbers if available, to which the information relates:

798147C36 798147C44 798147C51 798147C69 798147C77

IF THIS FILING RELATES TO ALL SECURITIES ISSUED BY THE ISSUER OR ALL SECURITIES OF A SPECIFIC CREDIT OR ISSUED UNDER A SINGLE INDENTURE:

Issuer's Name (please include name of state where Issuer is located): Redevelopment Agency of the City of San
Jose. (California)

Other Obligated Person's Name (if any): Not Applicable
(Exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP* number(s), if available, of Issuer: 798147

*(Contact CUSIP's Municipal Disclosure Assistance Line at 212.438.6518 for assistance with obtaining the proper CUSIP numbers.)

TYPE OF FILING:

Electronic (number of pages attached) 4 Paper (number of pages attached) _____

If information is also available on the Internet, give URL: _____

WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)

A. Financial Information and Operating Data pursuant to Rule 15c2-12

(Financial information and operating data should not be filed with the MSRB.)

- Annual
 Semi-annual
 Quarterly

Fiscal Period Covered: _____

B. Audited Financial Statements or CAFR pursuant to Rule 15c2-12

Fiscal Period Covered: _____

C. Notice of a Material Event pursuant to Rule 15c2-12 (Check as appropriate)

- | | |
|--|--|
| 1. <input type="checkbox"/> Principal and interest payment delinquencies | 6. <input type="checkbox"/> Adverse tax opinions or events affecting the tax-exempt status of the security |
| 2. <input type="checkbox"/> Non-payment related defaults | 7. <input type="checkbox"/> Modifications to the rights of security holders |
| 3. <input type="checkbox"/> Unscheduled draws on debt service reserves reflecting financial difficulties | 8. <input type="checkbox"/> Bond calls |
| 4. <input type="checkbox"/> Unscheduled draws on credit enhancements reflecting financial difficulties | 9. <input type="checkbox"/> Defeasances |
| 5. <input type="checkbox"/> Substitution of credit or liquidity providers, or their failure to perform | 10. <input type="checkbox"/> Release, substitution, or sale of property securing repayment of the securities |
| | 11. <input checked="" type="checkbox"/> Rating changes |

D. Notice of Failure to Provide Annual Financial Information as Required

E. Other Secondary Market Information (Specify): _____

I hereby represent that I am authorized by the issuer or obligor or its agent to distribute this information publicly:

Issuer/Filer Contact:

Name Stephen G. Melikian Title Bond Counsel
Employer Jones Hall, A Professional Law Corporation
Address 650 California Street 18th Floor City San Francisco State CA Zip Code 94108
Telephone (415) 391-5780 Fax (415) 391-5784
Email Address smelikian@joneshall.com Relationship to Issuer Bond Counsel

Dissemination Agent Contact, if any:

Name _____ Not Available _____ Title _____

Employer _____

Address _____ City _____ State _____ Zip Code _____

Telephone _____ Fax _____

Email Address _____ Relationship to Issuer _____

Obligor Contact, if any:

Name _____ Title _____

Employer _____

Address _____ City _____ State _____ Zip Code _____

Telephone _____ Fax _____

Email Address _____ Obligor Web site Address _____

Investor Relations Contact, if any:

Name _____ Title _____

Telephone _____ Email Address _____