

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

**\$106,000,000
Redevelopment Agency of the City of San Jose
Merged Area Redevelopment Project
Tax Allocation Bonds, Series 1997**

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 MBIA Insurance Corp and/or its subsidiaries (collectively "MBIA") have had their insured ratings downgraded by the following rating agencies:

- On April 4, 2008, Fitch Ratings downgraded MBIA to 'AA' from 'AAA' and placed them on a rating outlook "Negative."
- On June 6, 2008, Standard & Poor's downgraded MBIA to 'AA' from 'AAA' and placed them on a "Negative Credit Watch."
- On June 19, 2008, Moody's Investor Services downgraded MBIA to 'A2' from 'Aaa' and placed them on a "Negative Outlook."
- On June 26, 2008, Fitch Ratings withdrew its 'AA' rating upon MBIA's request.
- On November 7, 2008, Moody's Investor Services downgraded MBIA to 'Baa1' from 'A2' with a Developing Outlook.
- On February 18, 2009, MBIA restructured its public finance business, ceding all operations to MBIA Insurance Corp. of Illinois ("MBIA Illinois") who has agreed to reinsure all outstanding municipal obligations insured by MBIA. As a result of the restructuring, Standard & Poor's downgraded MBIA to 'BBB+' with a 'Negative Credit Watch' and Moody's Investor Services downgraded MBIA to 'B3' with a 'Developing Outlook'. Standard & Poor's has also downgraded MBIA Illinois to 'AA-' with a 'Developing Credit Watch' and Moody's Investor Services is reviewing its 'Baa1' rating on MBIA Illinois for potential upgrade.

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):

\$106,000,000, Redevelopment Agency of the City of San Jose, Merged Area Redevelopment Project, Tax
Allocation Bonds, Series 1997. (California)

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

798147NK6	798147YN8	798147YR9	798147NL4	798147YP3	798147YS7	798147PB4	798147NR1
798147NM2	798147D43	798147F33	798147NN0	798147D50	798147F41	798147E42	798147E67
798147NP5	798147D68	798147F58	798147NQ3	798147D76	798147F66	798147G32	798147G57
798147NS9	798147D84	798147F74	798147NT7	798147D92	798147F82	798147PC2	
798147NU4	798147E26	798147F90	798147NW0	798147E34	798147G24	798147E59	

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 _____