CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

REDEVELOPMENT AGENCY BOARD

SYNOPSIS

November 18, 2003

LINDA J. LEZOTTE	DISTRICT 1		KEN YEAGER	DISTRICT 6
FORREST WILLIAMS	DISTRICT 2		TERRY GREGORY	DISTRICT 7
CINDY CHAVEZ	DISTRICT 3	RON GONZALES CHAIR	DAVID CORTESE	DISTRICT 8
CHUCK REED	DISTRICT 4		JUDY CHIRCO	DISTRICT 9
NORA CAMPOS	DISTRICT 5		PAT DANDO	DISTRICT10

CALL TO ORDER AND ROLL CALL

Mayor Ron Gonzales called the meeting to order at 2:30 p.m.

PRESENT: GONZALES, CAMPOS, CHAVEZ, CHIRCO, CORTESE, DANDO, GREGORY, LEZOTTE, REED, YEAGER, WILLIAMS.

ORDERS OF THE DAY

Items recommended to be added, dropped, or deferred are usually approved under Orders of the Day unless the Council directs otherwise.

Item 7.1 is to be considered in a joint Redevelopment Agency/City Council session.

See Item 10 on the City Council Agenda for description of any City Council agendized items relating to the Redevelopment Agency.
Orders of the day approved.

1 CEREMONIAL ITEMS

None.

2 CONSENT CALENDAR

2.1 Acceptance of Agency Financial Reports
(a) Monthly Financial Statements – September 2003
(b) Capital Cost Report - September 2003
(c) Cash Flow Projection - September 2003
Approved. Noes: LeZotte.

2.2 Report of the Rules Committee – October 15, 2003.
Vice Mayor Dando, Chair
(a) Review October 28, 2003 Draft Agenda.
(b) Changes to the October 21, 2003 Agenda.
(c) Staff reports outstanding for October 21, 2003.
Approved.

2.3 Report of the Rules Committee – October 22, 2003.
Vice Mayor Dando, Chair
(a) Review November 4, 2003 Draft Agenda.

(b) Changes to the October 28, 2003 Agenda.
(c) Staff reports outstanding for October 28, 2003.
Approved.

2.4 Report of the Rules Committee – October 29, 2003.
Vice Mayor Dando, Chair
(a) Review November 11, 2003 Draft Agenda. (Cancelled)
(b) Changes to the November 4, 2003 Agenda. (Cancelled)
(c) Staff reports outstanding for November 4, 2003.
Approved.

3 NEIGHBORHOOD IMPROVEMENT STRATEGIES

None.

4 HOUSING

None.

5 PUBLIC FACILITIES AND SPACES

None.

6 PRIVATE DEVELOPMENT

6.1 Approval of a lease agreement with Mission West Properties to house the San Jose Bioscience Incubator and Innovation Center.

Recommendation: Adoption of a resolution approving a lease agreement with Mission West Properties for Research and Development and Office Space at 5941 Optical Court, for the sole purpose of housing the San Jose Bioscience Incubator and Innovation Center, with a term of approximately nine years, an initial monthly payment for Common Area Maintenance (CAM) of $10,978, followed by monthly rent and CAM charges commencing in the fourth year of the lease in the amount of $48,340. CEQA: Resolution No. 69699 and 70021, PP03-10-331.
Resolution No. 5448 adopted.

6.2 Approval of an amendment to an Owner Participation Agreement (OPA) with SJ Plaza, LLC, 101 Park, LLC, and 177 Park, LLC, for a proposed seventeen-

story, 516,000 square foot, Class A office tower development.

Recommendation: Approval of the second amendment to the Owner Participation Agreement with SJ Plaza, LLC, 101 Park, LLC, and 177 Park, LLC, controlled by Divco West Properties LLC, for a proposed seventeen-story, approximately 516,000 square foot, Class A office tower development, extending the Schedule of Performance for three years and, if within that period the development capacity secured by the OPA is required for another project in the Downtown, authorization for the Executive Director to terminate the agreement. CEQA: Resolution No. 68839, RH01-09-004.
Approved.

6.3 Approval of an amendment to the DDA relating to the development of the Montgomery Hotel.

Recommendation: Approval of the Second Amendment to the Amended and Restated Disposition and Development Agreement with the Montgomery Hotel Group, LLC, to substitute Paragon Restaurants, LLC, as the operator of the Montgomery Hotel restaurant.
Approved.

7 JOINT REDEVELOPMENT AGENCY/COUNCIL

7.1 Approval actions related to a lease with BTN Restaurant, LLC (dba Lee's Sandwiches) for Agency-owned space located in the Fourth Street Garage.

Recommendations:

(a) The City Council adopt a resolution accepting the summary of costs and findings of the Summary 33433 Report and the Estimated Reuse Valuation pursuant to the California Health and Safety Code Section 33433 for the lease of approximately 2,890 square feet at 88 South Fourth Street to BTN Restaurant, LLC (dba Lee's Sandwiches), making certain findings and approving the lease.

(b) The City Council and Agency Board approve a lease between BTN Restaurant, LLC (Tenant), and the Agency (Landlord) for the space located at 88 South Fourth Street, with a ten-year term and four five-year options.

(c) The City Council adopt a resolution authorizing the City Manager to execute a Certificate of Nondisturbance and Attornment and other documents necessary to effectuate the lease with BTN Restaurant, LLC (dba Lee's Sandwiches), under the terms of the Master Lease Between the City and the

Agency.
CEQA: Resolution No. 68839, PP03-09-279.
Approved. City Council Resolution No. 71837 adopted.

CLOSED SESSION REPORT

None.

OPEN FORUM

None.

ADJOURNMENT

The meeting adjourned at 3:04 p.m.