

REDEVELOPMENT AGENCY BOARD

SYNOPSIS

August 10, 2004

LINDA J. LE ZOTTE
FORREST WILLIAMS
CINDY CHAVEZ
CHUCK REED
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

RON GONZALES CHAIR

KEN YEAGER
TERRY GREGORY
DAVID D. CORTESE
JUDY CHIRCO
PAT DANDO - VICE CHAIR

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Welcome to the San Jose Redevelopment Agency's Board meeting. Our Board is composed of the ten City Council members and the Mayor, who serve as our Board members and Chairperson.

This Agenda contains both a Consent Calendar section for routine business items requiring Board approval, and general business items arranged to correspond to the Agency's Core Service Areas. The Core Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the Agency provides to the community and to the City. The four Core Service Areas are:

- ***Promote and Implement Neighborhood Improvement Strategies*** — Through collaboration, revitalize commercial and residential neighborhoods so they are livable, safe, diverse and economically sustainable.
- ***Enhance the Quality and Supply of the City's Housing Stock*** — Enhance the Quality and Supply of the City's Housing Stock
- ***Initiate and Facilitate Public Facilities and Spaces*** — To guide the creation of a fabric of public facilities and spaces that is useful, stable, inviting, delightful and instills pride in the community to foster the opportunity for other investments
- ***Initiate and Facilitate Private Development*** — Capitalize on market opportunities and facilitate private development in the fastest possible time with the highest quality customer service

You may speak to the Board about items on the agenda by submitting a Speaker's Card to the Agency's Clerk seated at the front table. If you wish to address the Board about an issue that is not on the Board agenda, you may speak during the "Open Forum" during the City Council's meeting. The Board is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act), items must first be noticed on the agenda before any discussion or action. Tips for speaking to the Board:

- **Please submit a Blue Speaker's Card before the meeting or before the item is heard.** This ensures that your name is called for item(s) you wish to address, and that the meeting runs smoothly for all participants.
- When the Board reaches your item on the agenda, the Chairperson will open the public hearing and call your name. Please address the Board from the large podium located to the left of the Clerk's table.
- Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Chairperson's discretion however, depending on the number of speakers and length of agenda.
- There are three lights to assist you with tracking your speaking time. They are located to the far right of the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and, the red light comes on when your speaking time is up.

If you have any questions, please direct them to Agency staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings. The Redevelopment Agency's Board meets on Tuesdays, following the City Council meeting at 1:30 p.m. Agendas of future meetings are posted immediately outside City Hall's main entrance and at: www.sjredevelopment.org.

CALL TO ORDER AND ROLL CALL

Mayor Ron Gonzales called the meeting to order at 3:35 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.

Items 7.1 and 7.2 are to be considered in a joint Redevelopment Agency/City Council session.

Recommend deferral of Item 7.2, high-rise residential incentive program, to August 17, 2004.

See Item 10 on the City Council Agenda for description of any City Council agenda items relating to the Redevelopment Agency.

Approved.

1 CEREMONIAL ITEMS

None.

2 CONSENT CALENDAR

2.1 Approval of Board Meeting Minutes:

Recommendation: Approval of Redevelopment Agency Minutes for:

- (a) Regular meeting of June 22, 2004
- (b) Regular meeting of June 29, 2004

Approved.

2 CONSENT CALENDAR (Continued)

2.2 Report of the Rules Committee – June 23, 2004.

Vice Mayor Dando, Chair

- (a) Review July 6, 2004 Draft Agenda, meeting cancelled.
- (b) Addition of new items to the June 29, 2004 Agenda.
- (c) Staff Reports Outstanding for the June 29, 2004 Agenda.

Approved.

2.3 Acceptance of Agency Financial Reports

- (a) Monthly Financial Statements – June 2004
- (b) Capital Cost Report – June 2004
- (c) Cash Flow Projection - June 2004

Approved. Noes: LeZotte.

3 NEIGHBORHOOD IMPROVEMENT STRATEGIES

None.

4 HOUSING

None.

5 PUBLIC FACILITIES AND SPACES

None.

6 PRIVATE DEVELOPMENT

6.1 Approval of an agreement with Isis Properties for the rehabilitation of the buildings located at 35-49 East Santa Clara Street.

Recommendation: Approval of an Owner Participation and Loan Agreement with Isis Properties, LLC, in the amount of \$2,900,000 (\$1,550,000 HUD funds / \$1,350,000 Agency funds), for the rehabilitation of the buildings located at 35-49 East Santa Clara Street, also known as the Dr. Eu Building. CEQA: Resolution No. 71039.1; RCP03-002.

Public testimony was received. Approved.

6 PRIVATE DEVELOPMENT (Continued)

6.2 Approval of an ENA with Mesa SoFA Partners, LLC, for a 120-day term, for the proposed sale of the Dimensions Site located at 351-369 South First Street/360-396 South Market Street.

Recommendation: Approval of an Exclusive Negotiations Agreement (ENA) with Mesa SoFA Partners, LLC, for a 120-day term with an option to extend for an additional 90-day period for the proposed sale of the Dimensions Site located at 351-369 South First Street/360-396 South Market Street, for development as a mixed-use high rise residential and retail complex. CEQA: Exempt, PP04-05-158. **Item 6.2 was deferred to September 7, 2004.**

7 JOINT REDEVELOPMENT AGENCY/COUNCIL

7.1 Approval of an amendment to the DDA with Regis Homes of Northern California, for the development of residential units at 320 North First Street and acceptance of the revised 33433 Summary Report and Re-Use Appraisal.

Recommendation: Adoption of resolutions:

- (a) By the City Council and Agency Board accepting the summary of costs and findings of the enclosed Amended Summary 33433 Report, pursuant to the California Health and Safety Code Section 33433, for the planned 38 to 42 unit for-sale residential project, and that the consideration for the site is not less than the fair reuse value; and,
- (b) By the Agency Board approving the First Amendment to the Disposition and Development Agreement and authorizing the Executive Director to execute ancillary documents as contemplated by the First Amendment to the DDA, and to negotiate and execute additional amendments to this amended DDA substantially in conformance with the intent of the First Amendment to the DDA as reasonably necessary to comply with lender restrictions.

CEQA: Resolution No. 68839, PDC02-077.

Item 7.1 was dropped.

7 JOINT REDEVELOPMENT AGENCY/COUNCIL (Continued)

7.2 Approval of a high-rise residential incentive program for the Downtown Core.

Recommendation: Adoption of resolutions by the City Council and Agency Board approving a high-rise residential incentive program for the Downtown Core City's Inclusionary Housing Policy temporary high-rise residential incentive program for the Downtown Core exempting from the City's Inclusionary Housing Policy eligible projects that meet specific timing/location/size criteria. CEQA: Resolution No's 64273, 68839, PP04-07-224.

Item 7.2 was deferred to August 17, 2004.

CLOSED SESSION REPORT

None.

OPEN FORUM

None.

ADJOURNMENT

The meeting adjourned at 3:39 p.m.