

REDEVELOPMENT AGENCY BOARD

SYNOPSIS

April 27, 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
DISTRICT10

CALL TO ORDER AND ROLL CALL

Mayor Ron Gonzales called the meeting to order at 4:22 p.m.

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

ABSENT: CHIRCO, DANDO, GREGORY.

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 – 7.4 are to be considered in a joint Redevelopment Agency/City Council session.

The item that was originally Item 5.1 (ERCA) is to be moved and renumbered as Item 7.3, and the item that was originally Item 6.1 (BHV) is to be moved and renumbered as Item 7.4 for consideration during the Joint City Council/ Redevelopment Agency portion of the meeting.

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

Orders of the day approved. Absent: Chirco, Dando, Gregory.

1 CEREMONIAL ITEMS

None.

2 CONSENT CALENDAR

2.1 Report of the Rules Committee – March 24, 2004.

Vice Mayor Dando, Chair

- (a) Review April 6, 2004 Draft Agenda.
- (b) Add new items to the March 30, 2004 Agenda.
- (c) Staff Reports Outstanding for the March 30, 2004 Agenda.

Approved. Absent: Chirco, Dando, Gregory.

2.2 Report of the Rules Committee – April 7, 2004.

Vice Mayor Dando, Chair

- (a) Review April 20, 2004 Draft Agenda.
- (b) Add new items to the April 13, 2004 Agenda.
- (c) Staff Reports Outstanding for the April 13, 2004 Agenda.

Approved. Absent: Chirco, Dando, Gregory.

2.3 Approval of amendments to the agreements with Studio “S Squared” and with M. Sandoval Architects for services related to the Facade Improvement Program and related budget actions.

Recommendations:

- (a) Approval of the third amendment to the agreement with Studio “S Squared”, in the amount of \$155,000, for a total amount not to exceed \$270,000, extending the term by one year to December 31, 2005, for architectural design and construction administration services for the Facade Improvement Program (FIP).

Approved. Absent: Chirco, Dando, Gregory.

- (b) Approval of the fourth amendment to the agreement with M. Sandoval Architects, in the amount of \$50,000, for a total not to exceed \$265,000, extending the term by one year to December 31, 2005, for architectural design and construction administration services for the Facade Improvement Program.

Approved. Absent: Chirco, Dando, Gregory.

- (c) Adoption of a resolution reallocating \$100,000 from the Museum of Quilts & Textiles project line to the Downtown Business Improvement Pool project line in the Merged Redevelopment Area in the Adopted FY 2003 – 2004 Capital Budget; and,

- (d) Amending the FY 2003-2004 Agency appropriations resolution to reflect the reallocation.

Agency Resolution No. 5486 adopted. Absent: Chirco, Dando, Gregory.

3 NEIGHBORHOOD IMPROVEMENT STRATEGIES

3.1 Approval of an SNI Reserve in the amount of \$500,000 to provide for contingency funding of priority neighborhood projects.

Recommendation:

- (a) Adoption of a resolution approving the shift of \$500,000 in the Strong

Neighborhoods Initiative Redevelopment Area, SNI - Neighborhood Reserve project line from the FY 2004-2005 to FY 2003-2004 in the FY 2003-2004 Adopted Budget and Five-Year Capital Improvement Program, to provide for contingency funding of priority neighborhood projects.

- (b) Amendment of the FY 2003-04 Agency appropriations resolution.
Agency Resolution No. 5487 adopted. Absent: Chirco, Dando, Gregory.

4 HOUSING

None.

5 PUBLIC FACILITIES AND SPACES

5.1 Award of construction contracts for abatement and demolition of vacant warehouses for the Bellevue Avenue Park project.

Recommendation: Adoption of resolutions:

- (a) Awarding a construction contract to RB Construction, the low bidder, in the amount of \$62,883 and establishing a construction contingency in the amount of \$7,117, for a total construction cost not to exceed \$70,000, for abatement of hazardous materials from vacant warehouses located at the Bellevue Avenue project site.
Agency Resolution No. 5488 adopted. Absent: Chirco, Dando, Gregory.
- (b) Awarding a construction contract to Kemen and Son Engineering Company, the low bidder, in the amount of \$126,780 and establishing a construction contingency in the amount of \$13,220, for a total construction cost not to exceed \$140,000, for demolition of vacant warehouses located at the Bellevue Avenue project site.
Agency Resolution No. 5489 adopted. Absent: Chirco, Dando, Gregory.

5.2 Approval of an agreement for facility programming and conceptual design services for a School/Community Hub in the Tully Senter SNI.

Recommendations: Approval of an agreement with Mark Cavagnero Associates, in an amount not to exceed \$190,000, for facility programming and conceptual design services for a School/Community Hub in the Tully-Senter SNI.
Item 5.2 deferred to May 11, 2004.

6 PRIVATE DEVELOPMENT

None.

7 JOINT REDEVELOPMENT AGENCY/COUNCIL

7.1 Approval of actions related to construction of traffic signals at the intersections of Santa Clara Street and 4th, 5th and 6th Streets.

Recommendations:

- (a) Adoption of a resolution by the City Council making certain determinations required by Redevelopment Law for the funding of Public Improvements, and authorizing acceptance by the City Manager for any easements necessary for project completion.

City Council Resolution No. 72084 adopted. Absent: Chirco, Dando, Gregory.

- (b) Approval by the City Council and Redevelopment Agency Board of a Cooperation Agreement providing for City funding and Agency oversight of construction of a traffic signal project at the intersections of Santa Clara Street and 4th, 5th and 6th Streets.

Approved. Absent: Chirco, Dando, Gregory.

- (c) Adoption of a resolution by the Agency Board:

- (1) Approving the addition of \$316,000 in revenue for funds transferred from the City to fund the construction of traffic signals at the intersections of Santa Clara Street and 4th, 5th and 6th Streets, to the FY 2003-2004 Adopted Budget; and,

- (2) Approving the addition of \$316,000 to the Adopted FY 2003-2004 Capital Budget, Civic Plaza Streetscape Project line in the Civic Plaza Redevelopment Area; and,

- (3) Amending the FY 2003-2004 Agency appropriations resolution.

Agency Resolution No. 5490 adopted. Absent: Chirco, Dando, Gregory.

7.2 Approval of actions related to the Blackford Community Center Project.

Recommendations:

- (a) Approval by the City Council and Agency Board of a Cooperation

Agreement providing for the City's contribution of \$823,000 and the Agency's contribution of \$1,029,000 towards the City's acquisition of 3707 Williams Road (APN: 299-32-074); for the Blackford Community Center Project.

- (b) Approval by the City Council of a Purchase and Sale Agreement with OCIP, LLC, in the amount of \$1,850,000 plus related closing costs, for the acquisition of 3707 Williams Road.
- (c) Adoption by the City Council of Appropriation Ordinance amendments in the Subdivision Park Trust Fund: decreasing the Reserve for Blackford High School Swimming Pool by \$83,000; and establishing the Blackford Community Center Project for \$83,000 to the Department of Parks, Recreation and Neighborhood Services.
- (d) Amendment by the Redevelopment Agency Board of the Agency's FY 2003-04 Appropriation Resolution.
- (e) Approval by the City Council and the Redevelopment Agency Board of certain findings related to the Agency's payment for property that will be publicly owned.

CEQA: Exempt, PP04-03-090.

Item 7.2 deferred to May 4, 2004.

7.3 Award of a construction contract for the Edenvale Roundtable Community Association (ERCA) Neighborhood Center Project to the low bidder.

Recommendation:

- (a) Adoption by the City Council of appropriations ordinance amendments in the General Fund to:
 - (1) Establish a transfer to the Redevelopment Agency in the amount of \$280,000 for the construction of community neighborhood centers at Edenvale Elementary School and Stipe Elementary School; and,
 - (2) Reduce the appropriation to the Neighborhood Revitalization Strategy program in the amount of \$280,000.

City Ordinance No. 27133 approved. Absent: Chirco, Dando, Gregory, LeZotte.

- (b) Adoption of a resolution by the Agency Board approving adjustments to the FY 2003 – 04 Adopted Capital Budget;
 - (1) Add \$280,000 to Other/Miscellaneous Revenue transferred from the City's PRNS NRS fund.

- (2) Reallocating \$45,000 from ADA Curb Ramps to the ERCA Neighborhood Center project in the Edenvale/Great Oaks project line appropriation.
 - (3) Adding \$58,000 from the SNI Reserve to the ERCA Neighborhood Center Project in the Edenvale/Great Oaks project line appropriation.
 - (4) Adding \$80,000 to the ERCA Neighborhood Center Project appropriation in the Edenvale/Great Oaks project line.
 - (5) Adding \$200,000 to the GONA Neighborhood Center Project in the Edenvale/Great Oaks project line appropriation.
- (c) Amendment by the Agency Board of the FY 2003-2004 Agency appropriations resolution.

Agency Resolution No. 5492 adopted. Absent: Chirco, Dando, Gregory, LeZotte.

- (d) Adoption of a resolution by the Agency Board
- (1) Consenting to relieve the apparent low bidder, Bay Area Contractors Corporation, from its bid without forfeiture of bid security, on the grounds that bidder made an error in filling out the bid amount; and,
 - (2) Awarding a construction contract to Swenson & Associates, the lowest responsive bidder, in the amount of \$371,000 and establishing a construction contingency in the amount of \$37,100, for a total construction cost not to exceed \$408,100, for the ERCA Neighborhood Center Project.

Agency Resolution No. 5493 adopted. Absent: Chirco, Dando, Gregory, LeZotte.

- (e) Approval by the City Council and Agency Board of an Amended and Restated Cooperation Agreement that provides for the City's transfer of its share of the construction costs of the ERCA Neighborhood Center Project and the GONA Neighborhood Center Project to the Agency in a lump sum.

Approved. Absent: Chirco, Dando, Gregory, LeZotte.

7.4 Approval of the second amendment to the DDA with BHV San Jose LLC, for redevelopment of the commercial properties located at the southeast corner of Story and King Roads.

Recommendations: Adoption of a resolutions:

- (a) By the City Council approving the sale of the project site located on the southeast corner of Story and King Roads to Story and King, LLC, accepting

the 33433 Summary Report and Re-Use Valuation, and finding that the sale of the property will assist in the elimination of blight, is consistent with the Implementation Plan for the Story Road Redevelopment Project Area and that the consideration for the property is not less than the fair reuse value for the proposed use, with the covenants and conditions and development costs authorized by the Disposition and Development Agreement as amended (DDA).

City Council Resolution No. 72085 adopted. Absent: Chirco, Dando, Gregory, LeZotte.

- (b) By the Redevelopment Agency Board approving the second amendment to the Disposition and Development Agreement with BHV San Jose LLC, for the redevelopment of the commercial property at the southeast corner of Story and King Roads; and authorizing the Interim Executive Director to execute ancillary documents or to take those actions necessary to close escrow.

Agency Resolution No. 5494 adopted. Absent: Chirco, Dando, Gregory, LeZotte.

CLOSED SESSION REPORT

None.

OPEN FORUM

None.

ADJOURNMENT

The meeting adjourned at 4:31 p.m.