

REDEVELOPMENT AGENCY SYNOPSIS

DECEMBER 12, 2006

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

VACANT
MADISON P. NGUYEN
DAVID D. CORTESE
JUDY CHIRCO
NANCY PYLE

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 Boardmembers and Chairperson.

If you wish to address the Redevelopment Agency about an issue that is not on the agenda, you may speak during the "Open Forum" during the City Council's meeting. The Council/Agency is unable to take action on issues presented during "Open Forum."

The Agenda following this page contains a Consent Calendar section for routine business items requiring Redevelopment Agency approval, as well as general business items arranged corresponding to the Agency's Critical Service Areas. The Critical 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 Critical 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 provide input on agenda items by filling out a BLUE Speaker's Card and submitting it to the City Clerk or Agency's Clerk during the meeting. If you wish to speak to the Agency, some tips to help you are noted below:

- **Submit a speaker's card before the meeting and before the item is heard.** This will ensure that your name is called for the items you wish to address, and ensure 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 Agency from the speaker's podium.
- 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.

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 meets on Tuesdays, following the City Council's meeting at 1:30 p.m.

- **Call to Order and Roll Call**
3:32 p.m. - Regular Session, Council Chambers, City Hall
Absent – None (District 6 vacant).
- **Orders of the Day**
The Orders of the Day were 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 October 31, 2006
- (b) Regular meeting of November 14, 2006

Approved.

2.2 Report of the Rules Committee – November 29, 2006.

Vice Chair Chavez, Chair

- (a) Review December 12, 2006 Draft Agenda.
- (b) Addition of new items to the December 5, 2006 Agenda.
- (c) Staff Reports outstanding for December 5, 2006: as of November 29, 2006.

The Rules Committee report and actions of November 29, 2006 were accepted.

2.3 Approval of a Work Letter Agreement with Mission West Properties for an exterior building sign for the San Jose BioCenter.

Recommendation: Approval of a Work Letter Agreement with Mission West Properties, in the amount of \$16,000, for the design, fabrication, and installation of an exterior building sign for the San Jose BioCenter. CEQA: Exempt. File No. PP06-200. [EDENVALE]

Approved.

2. CONSENT CALENDAR

2.4 Approval of an amendment to the agreement with EDS.

Recommendation: Approval of the fifth amendment to the agreement with Economic Development Systems, extending the agreement by one year through December 31, 2007, for retail consulting services for the Downtown Redevelopment Project Areas, Neighborhood Business District Areas and the SNI Redevelopment Project Area, at no additional cost to the Agency. **[MERGED]**
Approved.

2.5 Approval of Agency insurance policy renewals.

Recommendation: Adoption of a resolution authorizing the Executive Director to negotiate and execute Agency insurance policy renewals for property coverage, primary liability coverage, and excess liability coverage for the period December 31, 2006, to December 31, 2007, in a total amount not to exceed \$190,000. **[MERGED]**
Agency Resolution No. 5722 adopted.

2.6 Approval of agreements allowing for the partial closure of the Washington alleyway.

Recommendation: Approval of Agreements to Terminate Easement and Close the Alleyway, allowing for the partial closure of the Washington Alleyway bounded by Edwards Avenue, Almaden Avenue, Oak Street, and Vine Street. CEQA: Exempt, File No. PP06-205. **[MERGED]**
Approved.

2.7 Report of the Rules Committee – December 6, 2006.

Vice Chair Chavez, Chair

- (a) Review December 19, 2006 Draft Agenda; Meeting Cancelled.
 - (b) Addition of new items to the December 12, 2006 Agenda.
 - (c) Staff Reports outstanding for December 12, 2006: as of December 6, 2006.
- The Rules Committee report and actions of December 6, 2006 were accepted.**

3. GENERAL

3.1 Acceptance of Agency Financial Reports

- (a) Monthly Financial Statements – October 2006
- (b) Capital Cost Report - October 2006
- (c) Cash Flow Projection - October 2006

Accepted.

4. NEIGHBORHOOD IMPROVEMENT STRATEGIES

None.

5. HOUSING

5.1 Approval of actions related to the EHC Lifebuilders' Sobrato House.

Recommendation:

- (a) Approval of the second amendment to the Relocation and Development Agreement with EHC Lifebuilders, adding the amount of \$1,850,000 for a total Agency contribution to the project of \$4,350,000; and,

Approved.

- (b) Adoption of a resolution approving an adjustment to the FY 2006-2007 Capital Budget to add \$1,400,000 to the existing \$450,000 in the EHC – 3rd and William Street Housing project line in the Merged Redevelopment Area, reflecting a reallocation of \$387,695 from the Civic Plaza Land Acquisition project line in the Civic Plaza Redevelopment Area and \$1,012,305 from Capital Reserve; and amending the FY 2006-2007 Agency appropriations resolution.

Agency Resolution No. 5723 adopted.

CEQA: Resolution No. 68905. [**CIVIC PLAZA**]

6. PUBLIC FACILITIES AND SPACES

6.1 Delegation of authority to award a contract pertaining to HVAC and electrical upgrades at the Mexican Heritage Plaza and Gardens.

Recommendation: Adoption of a resolution authorizing the Executive Director to determine the lowest responsive bidder, decide protests if any are received, and award a contract to the lowest responsive bidder in an amount not to exceed \$500,000, including any contingency, for HVAC and electrical upgrades at the Mexican Heritage Plaza and Gardens. CEQA: Exempt: File PP06-072. [ALUM ROCK]

Agency Resolution No. 5724 adopted.

6.2 Approval of agreements related to the proposed Edenvale Community Center.

Recommendation:

- (a) Approval of an agreement for architectural services for the Edenvale Community Center, through Schematic Design only, with Carrier Johnson Architects, in the amount of \$300,000, for a term extending through June 30, 2007; and,

Approved.

- (b) Approval of an agreement for pre-construction management services for the Edenvale Community Center, with Gilbane Building Company, in the amount of \$100,000, for a term extending through June 30, 2007.

Approved.

CEQA: Not a project. [EDENVALE]

6.3 Approval of an amendment to the agreement with LSA Associates, for an EIR for a potential baseball stadium in the Diridon/Arena area.

Recommendation: Approval of the first amendment to the agreement with LSA Associates, in the amount of \$20,000 for a total contract not to exceed \$520,000, and extending the contract from December 31, 2006, to August 31, 2007, for the completion of an Environmental Impact Report for a potential baseball stadium in the Diridon/Arena area. [MERGED]

Approved.

7. PRIVATE DEVELOPMENT

7.1 Approval of an Amended and Restated Exclusive Negotiations Agreement for development of parcels at 490 and 500 South First Street.

Recommendation: Approval of an Amended and Restated Exclusive Negotiations Agreement with SummerHill Homes, Inc., with a term of the agreement through April 30, 2007, and an option to extend the term for an additional 90 days, for the development of Agency-owned properties located at 490 and 500 South First Street as mixed-use projects, including residential and community arts facilities. **[MARKET GATEWAY]**
Approved.

7.2 Approval of the second amendment to the Owner Participation Agreement with Isis Properties, LLC, revising the terms for the rehabilitation of the buildings located at 35-49 East Santa Clara Street.

Recommendation:

(a) Approval of the second amendment to the Owner Participation and Loan Agreement (OPA) with Isis Properties, LLC, revising the Schedule of Performance and the repayment provisions of the HUD loan, and delegating authority to the Executive Director to consent to an increase in the permitted mortgage for the rehabilitation of the buildings located at 35-49 East Santa Clara Street; and,

Approved.

(b) Adoption of a resolution amending the FY 2006-2007 Revenue Resolution to add \$200,000 to Other/Miscellaneous Revenue from an Economic Development Initiative (EDI) grant; and amending the FY 2006-2007 Capital Budget to add \$200,000 to the Bassler Haynes URM-OPA project line in the Merged Redevelopment Area; and amending the FY 2006-07 Agency appropriations resolution.

Agency Resolution No. 5725 adopted.

CEQA: Resolution No. 71039.1; RCP03-002. **[MERGED]**

7. PRIVATE DEVELOPMENT

7.3 Approval of an OPA with First Street Associates Two pertaining to the space located at 451 South First Street.

Recommendations: Approval of an Owner Participation Agreement (OPA) with First Street Associates Two, in the amount of \$190,000, to be used as supplemental rent payments for the leased space housing Works/San Jose, located at 451 South First Street. CEQA: Resolution No. 64273 and 68839, PP04-07-224. [SNI]

Approved.

8. JOINT REDEVELOPMENT AGENCY/COUNCIL

See items 9.1- 9.2 on the City Council's Synopsis for actions related to the "San Jose Day Nursery," and the "Blackford Neighborhood Improvement Plan."

The City Council convened at 3:50 p.m. to consider Item 8.1 in a Joint Session.

8.1 Approval of a Cooperation Agreement for the loan of an Agency employee to the City.

Recommendation: City Council and Redevelopment Agency Board approval of a Cooperation Agreement specifying the terms and conditions for the loan and employment of an Agency employee to the City on a temporary basis.

Approved.

The City Council portion of the meeting adjourned at 3:55 p.m.

- **Closed Session Report**
None.
- **Open Forum**
None.
- **Adjournment**
The Redevelopment Agency Board adjourned at 3:56 p.m.