

REDEVELOPMENT AGENCY SYNOPSIS

JUNE 5, 2007

PETE CONSTANT
FORREST WILLIAMS
SAM LICCARDO
Vacant
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED – CHAIR

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

- **Call to Order and Roll Call**
4:07 p.m. - Regular Session, Council Chambers, City Hall
Absent – Campos (Excused) District 4 vacant.
- **Open Forum**
None.
- **Closed Session Report**
None.
- **Orders of the Day**
The Orders of the Day were approved. (10-0-1) District 4 vacant.

1. CEREMONIAL ITEMS

None.

2. CONSENT CALENDAR

Notice to the public: There will be no separate discussion of Consent Calendar items as they are considered to be routine by the Agency and will be adopted by one motion. If a member of the Redevelopment Agency Board, staff, or public requests discussion on a particular item, that item will be removed from the Consent Calendar and considered separately.

2.1 Approval of Board Meeting Minutes.

Recommendation: Approval of Redevelopment Agency Minutes for:

(a) Regular meeting of May 8, 2007

Approved.

2.2 Report of the Rules Committee – May 9, 2007.

Chair Reed, Chairperson

(a) Addition of new items to the May 15, 2007.

(b) Review May 22, 2007 Draft Agenda.

(c) Assign “Time Certain” for convening Redevelopment Agency Agenda.

Approved.

2. CONSENT CALENDAR

2.3 Report of the Rules Committee – May 16, 2007.

Chair Reed, Chairperson

- (a) Addition of new items to the May 22, 2007.
- (b) Review May 29, 2007 Draft Agenda: Meeting Cancelled.

Approved.

2.4 Approval of an amendment to the agreement with the San Jose Conservation Corps for community improvement services.

Recommendation: Approval of the third amendment to the agreement with the San Jose Conservation Corps, in the amount of \$50,000 for a total contract amount not to exceed \$220,000, for community improvement services in redevelopment project areas and extend the term of the agreement through June 30, 2008. CEQA: Exempt. File No. PP07-105. [SNI]

Approved.

3. GENERAL

None.

4. NEIGHBORHOOD IMPROVEMENT STRATEGIES

4.1 Approval of an Owner Participation Agreement with Alameda & Stockton, LLC, to demolish five buildings to prepare a site for a supermarket.

Recommendations:

- (a) Adoption of a resolution approving an adjustment to the Adopted FY 2006-07 Capital Budget, adding \$250,000 to the NID Implementation and Opportunity Sites project line in The Alameda Redevelopment Area; and amending the FY 2006-07 Redevelopment Agency appropriations resolution; and,

Agency Resolution No. 5747 adopted.

4. NEIGHBORHOOD IMPROVEMENT STRATEGIES

- 4.1 (b) Approval of an Owner Participation Agreement with Alameda & Stockton, LLC, in an amount not to exceed \$250,000, to demolish five buildings located at 241 Stockton Avenue, the northwest corner of The Alameda and Stockton Avenue, to prepare the site for a supermarket.

Approved.

CEQA: Mitigated Negative Declaration, PDC06-064. [THE ALAMEDA]

5. HOUSING

None.

6. PUBLIC FACILITIES AND SPACES

- 6.1 **Approval of actions related to a Lease Agreement for a parking lot located at 575 North Sixth Street.**

Recommendations:

- (a) Approval of a Lease Agreement, in the amount of \$39,600 per year for a five-year period with 3% annual rent increases, with the Wesley K. Dobashi and Perry T. Dobashi, Co-Trustees of The James K. Dobashi and Chizuye Dobashi Family 1985 Revocable Trust U/A dated September 19, 1985, Wesley K. Dobashi and Amy Dobashi, Trustee under The Wesley K. Dobashi and Amy Dobashi 1995 Revocable Trust, dated July 21, 1995, and Perry T. Dobashi and Toni T. Dobashi, Trustee under The Perry T. Dobashi and Toni T. Dobashi 2000 Revocable Trust, dated February 24, 2000, for the parcel located at 575 North Sixth Street.

Approved.

- (b) Adoption of a resolution approving an adjustment to the FY 2006-07 Adopted Capital Budget adding \$39,600 to a new project line, Japantown Parking Lot Lease in the Neighborhood Business District - Japantown Redevelopment Area, and amending the FY 2006-2007 Agency appropriations resolution.

Agency Resolution No. 5748 adopted.

CEQA: Exempt. File No. PP07-087. [JAPANTOWN]

6. PUBLIC FACILITIES AND SPACES

6.2 Approval of an Owner Participation Agreement for the St. Claire Building at 301 South First Street.

Recommendations:

- (a) Approval of an Owner Participation Agreement, in an amount not to exceed \$3,000,000 with Pacific Properties III, James Fox and Kirk Kozlowski for seismic retrofit, historic renovation and off-site improvements at the St. Claire Building at 301 South First Street; and,

Approved.

- (b) Adoption of a resolution approving an amendment to the FY 2006-2007 Revenue Resolution to add \$1,900,000, representing developer-agreed acceleration payment on an existing Agency loan for the New Century Commons retail space; adjusting the FY 2007-2008 CIP to decrease by \$1,100,000 the FY 2007-08 Development Incentive project line; amending the FY 2006-2007 Capital Budget to add \$3,000,000 to the St. Claire Building Facade Program new project line in the Market-Gateway Redevelopment Area; and amending the FY 2006-2007 Agency appropriations resolution.

Agency Resolution No. 5749 adopted.

CEQA: Exempt. File No. PP07-115. [MARKET GATEWAY]

7. PRIVATE DEVELOPMENT

None.

8. JOINT REDEVELOPMENT AGENCY/COUNCIL

Item 9.1 on the City Council's Agenda, related to the "Vietnamese Business District" was heard and action taken during the Council meeting at 1:30 p.m. today.

The City Council convened at 4:12 p.m. to consider Items 8.1 – 8.5 in a Joint Session.

8. JOINT REDEVELOPMENT AGENCY/COUNCIL

8.1 Approval of an agreement with LMN Architects for architectural and design services for the San Jose McEnery Convention Center Expansion.

Recommendation: Approval of an agreement with LMN Architects, in the amount of \$400,000, for architectural and design master planning services for the San Jose McEnery Convention Center Expansion. CEQA: Exempt. File No. PP07-083. [GUADALUPE-AUZERAIS]

Approved.

8.2 Approval of an amendment to an agreement with Leddy Maytum Stacy Architects, for architectural services for CDM Expansion Project.

Recommendations:

- (a) Adoption of a resolution by the City Council making certain determinations required by Redevelopment Law, Health and Safety Code Section 33445, for Agency funding of the architectural services for the Children's Discovery Museum Expansion Project Master Plan and Phase One of the Project: Mechanical System Upgrades.

Council Resolution No. 73805 adopted.

- (b) Approval of the first amendment to an agreement with Leddy Maytum Stacy Architects, in the amount of \$155,000 for a total contract amount not to exceed \$230,000, for architectural services for the master plan of the Children's Discovery Museum Expansion Project and Phase One of the Project, Mechanical System Upgrades.

Approved.

CEQA: Not a project. [GUADALUPE-AUZERAIS]

8.3 Approval of actions related to the transfer of ownership of Bellevue Avenue Park from the Redevelopment Agency to the City of San Jose.

Recommendation: Adoption of resolutions by the Redevelopment Agency Board and the City Council:

- (a) Approving a Cooperation Agreement between the City and the Agency, providing for the transfer of the Bellevue Avenue Park property from the Agency to the City; and,

8. JOINT REDEVELOPMENT AGENCY/COUNCIL

- 8.3 (b) Authorizing the City Manager and Executive Director to execute all documents necessary to affect the transfer of ownership of the land to the City of San Jose.

Council Resolution No. 73806 adopted. Agency Resolution No. 5750 adopted.
CEQA: Mitigated Negative Declaration, File No. PP03-289. [MONTEREY CORRIDOR]

- 8.4 **Approval of a DDA with Imwalle Properties; acceptance of the 33433 Summary Report and Re-Use Valuation, and actions related to development of the Site located at 1696 Story Road and 1101 South King Road.**

Recommendation:

- (a) Adoption of a resolution by the City Council approving the sale of the project site located at 1696 Story Road and 1101 South King Road to Imwalle Properties, 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 (DDA).

Council Resolution No. 73807 adopted.

- (b) Adoption of a resolution by the Redevelopment Agency Board approving a DDA with Imwalle Properties and authorizing the Executive Director to execute the DDA and ancillary documents contemplated by the DDA, to close escrow subject to compliance with the terms of the DDA, and to negotiate and execute amendments to the DDA substantially in conformance with the intent of the DDA and as reasonably necessary to conform to lender requirements.

Agency Resolution No. 5751 adopted.

- (c) Adoption of a resolution by the Redevelopment Agency Board amending the FY 2006-2007 Revenue Resolution to decrease Other/Miscellaneous Revenue by \$2,150,000 to reflect the adjusted price and the deferred sale of the subject property to FY 2007-08 at the adjusted price of \$1,600,000, a net decrease of \$550,000 to the Agency's Capital Reserve; and amending the FY 2006-2007 Agency appropriations resolution.

Agency Resolution No. 5752 adopted.

CEQA: Mitigated Negative Declaration. File No. CP03-030. [STORY ROAD]

8. JOINT REDEVELOPMENT AGENCY/COUNCIL

8.5 Approval of a Settlement Agreement with West Hotel Partners, L.P.

Recommendations:

- (a) Redevelopment Agency Board and City Council approval of an agreement with West Hotel Partners, L.P., settling pending litigation on Convention Center parking and providing for the upgrade of the hotel located at 300 Almaden Boulevard, at a maximum cost to the Agency of \$3,829,944.

Approved.

- (b) Redevelopment Agency Board approval of the First Amendment to the Amended and Restated Ground Lease with West Hotel Partners, L.P., modifying the terms of the Hilton Hotel parking rates at the Convention Center pursuant to the Settlement Agreement.

Approved.

- (c) Adoption of a resolution by the Redevelopment Agency Board approving the addition to the FY 2006-07 Adopted Capital Budget of \$3,830,000 to the Hilton Hotel new project line in the Guadalupe-Auzerais Redevelopment Area, and amending the FY 2006-2007 Agency appropriations resolution.

Agency Resolution No. 5753 adopted.

CEQA: Exempt. File No. PP07-114. [GUADALUPE-AUZERAIS]

The City Council portion of the meeting adjourned at 4:45 p.m.

- **Adjournment**
The Redevelopment Agency Board adjourned at 4:45 p.m.