



# **REDEVELOPMENT AGENCY BOARD**

## **MINUTES**

**JUNE 22, 2010**

4

PETE CONSTANT  
ASH KALRA  
SAM T. LICCARDO  
KANSEN CHU  
NORA CAMPOS

DISTRICT 1  
DISTRICT 2  
DISTRICT 3  
DISTRICT 4  
DISTRICT 5

CHUCK REED – CHAIR

PIERLUIGI OLIVERIO  
MADISON P. NGUYEN  
ROSE HERRERA  
JUDY CHIRCO  
NANCY PYLE

DISTRICT 6  
DISTRICT 7  
DISTRICT 8  
DISTRICT 9  
DISTRICT 10

## Call to Order and Roll Call

2:09 p.m. - Regular Session, Council Chambers, City Hall

Absent: None.

- Open Forum
- Closed Session Report
- Orders of the Day

The Orders of the Day were approved. (11-0)

## 1 CEREMONIAL ITEMS

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None

## 2 CONSENT CALENDAR

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### 2.1 Approval of Minutes.

### 2.2 Approval of Council/Board Committee Reports.

- (a) Report of the Rules and Open Government Committee – June 2, 2010.  
(Mayor)

Documents Filed: Report of the Rules and Open Government Committee meeting of June 2, 2010.

Action: The report of the Rules and Open Government Committee was approved.  
(11-0)

### 2.3 Approval of amendments to Agency Master Agreements.

**Recommendation:** Approval of amendments to Master Agreements:

- (a) Approval of the fourth amendment to the Master Agreement with HMM Engineers, Inc., extending the term through June 30, 2011, and updating the schedule of hourly rates with no additional compensation.

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## 2 CONSENT CALENDAR

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*(Cont'd)*

- 2.3 (b) Approval of a Continuation Agreement and Fourth Amendment to the Agreement with Bellecci & Associates, Inc., extending the term through June 30, 2011, and extending the hourly rate schedule for services, with no additional compensation.

CEQA: Not a Project. [MERGED]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 10, 2010, recommending: (a) approval of the Fourth Amendment to the Master Agreement with HMH Engineers, Inc., and (b) approval of a Continuation Agreement and Fourth Amendment to the Agreement with Bellecci & Associates, Inc.

Action: The Fourth Amendment to the Master Agreement with HMH Engineers, Inc., and the Continuation Agreement and Fourth Amendment to the Agreement with Bellecci & Associates, Inc., were approved. (11-0)

### 2.4 Approval of a Settlement Agreement with San Jose Parking.

**Recommendation:**

- (a) Approval of a Settlement Agreement and Release with San Jose Parking, Inc., considered by the Agency during the Closed Session held on June 15, 2010, in which San Jose Parking, Inc. will dismiss with prejudice its lawsuit against the Redevelopment Agency arising out of an Exclusive Negotiations and Operating Agreement for the Fountain Alley Parking Lot, and release the Agency from any and all liability in exchange for a payment of \$200,000 by the Agency; and,
- (b) Adoption of a resolution approving an adjustment to the Adopted FY 2009-10 Revised Capital Budget by adding \$200,000 to the Fountain Alley Parking Lot project line in the Century Center Redevelopment Area, and amending the FY 2009-2010 Agency appropriations resolution.

CEQA: Not a Project. [CENTURY CENTER]

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## **2 CONSENT CALENDAR**

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*(Cont'd)*

- 2.4** Documents Filed: Memorandum from General Counsel of the Redevelopment Agency Richard Doyle, dated June 16, 2010, recommending approval of a Settlement Agreement and Release with San Jose Parking, Inc., considered by the Agency during the Closed Session held on June 15, 2010, in which San Jose Parking, Inc. will dismiss with prejudice its lawsuit against the Redevelopment Agency arising out of an Exclusive Negotiations and Operating Agreement for the Fountain Alley Parking Lot, and release the Agency from any and all liability in exchange for a payment of \$200,000 by the Agency. Supplemental Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 21, 2010, recommending adoption of a resolution approving an adjustment to the Adopted FY 2009-10 Revised Capital Budget by adding \$200,000 to the Fountain Alley Parking Lot project line in the Century Center Redevelopment Area, and amending the FY 2009-2010 Agency appropriations resolution.

Action: The Settlement Agreement and Release with San Jose Parking, Inc., was approved. Agency Resolution No. 5972 adopted. (11-0)

## **3 GENERAL**

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None

## **4 NEIGHBORHOOD IMPROVEMENT STRATEGIES**

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None

## **5 HOUSING**

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None

## **6 PUBLIC FACILITIES AND SPACES**

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### **6.1 Authority to award a contract for kitchen/concessions equipment at the Civic Auditorium.**

**Recommendation:** Adoption of a resolution by the Agency Board delegating authority to the Executive Director to award a contract for kitchen/concessions equipment, authorizing a project contingency in an amount not to exceed 10% of the contract amount, for a total contract amount not to exceed \$465,000 for the procurement, delivery, and installation of the Kitchen/Concession Equipment Project for the Civic Auditorium, to resolve related request for proposal protests and responsibility issues, or to reject all proposals if determined that an award can not be made. CEQA: Exempt, File No. PP 10 – 066. **[PARK CENTER]**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 10, 2010, recommending adoption of a resolution delegating authority to the Executive Director to award a contract for kitchen/concessions equipment, authorizing a project contingency in an amount not to exceed 10% of the contract amount, for a total contract amount not to exceed \$465,000 for the procurement, delivery, and installation of the Kitchen/Concession Equipment Project for the Civic Auditorium, to resolve related request for proposal protests and responsibility issues, or to reject all proposals if determined that an award can not be made.

Action: Agency Resolution No. 5973 adopted. (11-0)

## **7 PRIVATE DEVELOPMENT**

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### **7.1 Approval of an amendment to the Sublease and Co-Sponsorship Operating Agreement with the SJSURF for management of the San Jose BioCenter.**

**Recommendation:** Approval of the fifth amendment to the Sublease and Co-Sponsorship Operating Agreement with the San Jose State University Research Foundation (SJSURF) for the management of the San Jose BioCenter, extending the Agency's obligation to pay the base rent for the BioCenter through June 30, 2011, in an amount not to exceed \$395,215.20. CEQA: Not a project. **[EDENVALE]**

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## **7 PRIVATE DEVELOPMENT**

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*(Cont'd)*

- 7.1 Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 10, 2010, recommending approval of the Fifth Amendment to the Sublease and Co-Sponsorship Operating Agreement with the San Jose State University Research Foundation for the management of the San Jose BioCenter.

Action: The Fifth Amendment to the Sublease and Co-Sponsorship Operating Agreement with the San Jose State University Research Foundation was approved. (11-0)

## **8 JOINT REDEVELOPMENT AGENCY/COUNCIL**

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*Item 9.2, "RFP for the Convention Center," on the City Council's Agenda, was heard and action taken concurrently with these Agency items. Item 9.1, "Development Agreement with Cisco Technology," was heard and action taken during the Council meeting today.*

**The City Council convened at 2:12 a.m. to consider Items 8.1 – 8.2 in a Joint Session.**

- 8.1 **Approval of a Capital Equipment Assistance Agreement with Intermolecular, Inc., for acquisition of capital equipment.**

**Recommendations:**

- (a) Agency Board approval of a Capital Equipment Assistance Agreement with Intermolecular, Inc., in an amount not to exceed \$400,000, for acquisition of capital equipment for manufacturing to be installed at Intermolecular's headquarters in the Rincon de Los Esteros Redevelopment Project Area; and,
- (b) Adoption of a resolution by the Agency Board making necessary findings required by law for such agreement.

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## **8 JOINT REDEVELOPMENT AGENCY/COUNCIL**

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*(Cont'd)*

- 8.1 (c) City Council reaffirmation of the prior Council resolution to invest Community Development Block Grant (CDBG) funds from the City's Clean Tech Careers fund to create job opportunities for low to moderate-income residents and to further assist Intermolecular by providing a \$200,000 CDBG grant for additional equipment acquisition and creation of low to moderate income jobs.

CEQA: Not a Project. **[RINCON DE LOS ESTEROS]**

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes and City Manager Debra Figone, dated June 10, 2010, recommending: (a) Agency Board approval of a Capital Equipment Assistance Agreement with Intermolecular, Inc., in an amount not to exceed \$400,000, (b) adoption of a resolution by the Agency Board making necessary findings required by law for such agreement and (c) City Council reaffirmation of the prior Council resolution to invest \$200,000 in CDBG funds from the City's Clean Tech Careers fund.

Public Comments: Peter Eidelman, CFO of Intermolecular, Inc., spoke in support of item 8.1.

Action: The Capital Equipment Assistance Agreement with Intermolecular, Inc., was approved. Agency Resolution No. 5974 was adopted. The City Council reaffirmed the prior Council resolution to invest \$200,000 in CDBG funds from the City's Clean Tech Careers fund. (11-0)

- 8.2 **FY 2010-2011 Cooperation Agreements between the City of San Jose and the Redevelopment Agency.**

**Recommendation:** Adoption of resolutions by the Redevelopment Agency and the City Council authorizing the Executive Director and City Manager to execute:

- (a) Capital Improvement Projects in the Merged Redevelopment Area; and  
(b) Support Services in the FY 2010-11 Operating Budget.

CEQA: Not a Project. **[MERGED]**

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## **8 JOINT REDEVELOPMENT AGENCY/COUNCIL**

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*(Cont'd)*

- 8.2 Documents Filed:** Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes and City Manager Debra Figone, dated June 16, 2010, recommending adoption of resolutions by the Redevelopment Agency and the City Council authorizing the Executive Director and City Manager to execute: (a) a Cooperation Agreement for Capital Improvement Projects in the Merged Redevelopment Area; and, (b) a Cooperation Agreement for Support Services in the FY 2010-11 Operating Budget.

Action: Agency Resolution No. 5975 adopted. Council Resolution No. 75457 adopted. (11-0)

**8.3 Acceptance of a report on the Strong Neighborhoods Business Plan Update.**

**Recommendations:** As referred by the Neighborhood Services and Education Committee on June 10, 2010:

- (a) Accept the report on the Strong Neighborhoods Business Plan Update with the goals of:
- (1) Removing barriers to neighborhood action,
  - (2) Stabilizing neighborhoods in crisis,
  - (3) Supporting neighborhood action, and
  - (4) Connecting resources to priorities.
- (b) Adoption of resolutions by the City Council and Agency Board directing the City Manager and Redevelopment Agency Executive Director to implement the Strong Neighborhoods Business Plan Update.

[Neighborhood Services and Education Committee referral 6/10/10 – Item D(6)]  
[SNI]

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## **8 JOINT REDEVELOPMENT AGENCY/COUNCIL**

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*(Cont'd)*

- 8.3** Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 11, 2010, recommending: (a) acceptance of the report on the Strong Neighborhoods Business Plan Update, (b) adoption of resolutions by the City Council and Agency Board directing the City Manager and Redevelopment Agency Executive Director to implement the Strong Neighborhoods Business Plan Update.

Action: Deferred to August 10, 2010.

- 8.4** **Approval of an amendment to the Inclusionary Housing Policy.**

**Recommendation:** Adoption of resolutions by the Redevelopment Agency Board and City Council approving an amendment to the City/Agency Inclusionary Housing Policy in Redevelopment Project Areas, temporarily suspending inclusionary housing requirements related to newly constructed rental units until the earlier of January 1, 2013, or the effective date of the City's Inclusionary Housing Ordinance, to ensure compliance with case law, and making other minor changes. CEQA: PP08-258, addendum to the General Plan Update EIR, Resolution No. 65459 [MERGED] [Rules and Open Government Committee referral, 5/26/10 – Item H(1)] (Deferred June 8, June 15, 2010, Item 8.2)

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 14, 2010, recommending adoption of resolutions by the Redevelopment Agency Board and City Council approving an amendment to the City/Agency Inclusionary Housing Policy in Redevelopment Project Areas, temporarily suspending inclusionary housing requirements related to newly constructed rental units until the earlier of January 1, 2013, or the effective date of the City's Inclusionary Housing Ordinance, to ensure compliance with case law, and making other minor changes.

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## **8 JOINT REDEVELOPMENT AGENCY/COUNCIL**

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*(Cont'd)*

8.4 Action: Agency Resolution No. 5976 adopted. Council Resolution No. 75458 adopted. (11-0)

**The City Council portion of the meeting adjourned at 3:01 p.m.**

- **Adjournment**  
**The Redevelopment Agency Board adjourned at 3:01 p.m.**

**ATTEST:**



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**HARRY S. MAVROGENES, SECRETARY**