

# **REDEVELOPMENT AGENCY SYNOPSIS**

**DECEMBER 15, 2009**

PETE CONSTANT  
ASH KALRA  
SAM 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

**9:30 a.m.** - Closed Session, Council Chambers Conference Room W133

**Absent: None.**

**5:04 p.m.** - Regular Session, Council Chambers, City Hall

**Absent: None**

- Open Forum
- Closed Session Report  
None.
- 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 Report of the Public Safety, Finance and Strategic Support Committee – November 19, 2009.**

**Boardmember Nguyen, Chairperson**

(C)(1) Acceptance of the Redevelopment Agency Monthly Financial Reports for September 2009.

(D)(6) Approval of the Comprehensive Annual Financial Report for Fiscal Year 2008–2009, ending June 30, 2009.”

**Approved.**

## **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 Public Hearings on the proposed Five-Year Implementation Plans for the San Jose Redevelopment Project Areas.**

**Recommendation:** Public Hearing and adoption of a resolution approving the 2010 - 2014 Five-Year Implementation Plans for the existing Redevelopment Project Areas, less the Strong Neighborhoods Initiative Redevelopment Project Area, pursuant to Health and Safety Code 33490. CEQA: Not a project.

**[MERGED]**

**Agency Resolution No. 5935 adopted.**

### **6.2 Approval of an amendment to the agreement with Gilbane Building Company.**

**Recommendation:** Approval of an amendment to the agreement with Gilbane Building Company for the Convention Center. CEQA: Resolution No. 72767, Use of San Jose Downtown Strategy 2000 FEIR and addenda thereto, File No. PP08-002. **[MERGED]**

**(DROPPED)**

## **7 PRIVATE DEVELOPMENT**

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None

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

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*Item 9.1 on the City Council's Agenda pertaining to the "National Basketball Association MOU" was heard and action taken during the Council meeting that began at 1:30 p.m.*

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

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The City Council convened at 5:06 p.m. to consider Items 8.1 – 8.5 in a Joint Session.

### **8.1 Acceptance of the Annual Report of Financial Transactions of Community Redevelopment Agencies.**

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

- (a) Accepting the Annual Report of Financial Transactions of community redevelopment agencies for FY 2008-09 for the purpose of forwarding the annual report to the State Controller, in accordance with Community Redevelopment Law, Section 33080.1.
- (b) Approving the Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statement Performed In Accordance With Government Auditing Standards, (Compliance Report) as required by Health and Safety Code 33080.1.

CEQA: Not a Project. [MERGED]

**Agency Resolution No. 5936 adopted. Council Resolution No. 75242 adopted.**

### **8.2 City Council and Redevelopment Agency Board actions related to the FY 2009-2010 Cooperation Agreements between the City and Agency.**

**Recommendations:**

- (a) Adoption of a resolution by the Redevelopment Agency Board approving an amendment to the Redevelopment Agency's FY 2009-10 Adopted Capital Budget, adding \$1,869,741 for City Support Services, and amending the FY 2009-10 Agency appropriations resolution.
- (b) Adoption of resolutions by the City Council and Redevelopment Agency Board authorizing the Executive Director and City Manager to negotiate and execute an amendment to the FY 2009-10 Cooperation Agreement for the Merged Redevelopment Project Area to make payments to the City for January and February 2010 City Services and project expenses.

CEQA: Not a Project. [MERGED]

**Agency Resolution No. 5937 and No. 5938 adopted. Council Resolution No. 75243 adopted.**

## 8 JOINT REDEVELOPMENT AGENCY/COUNCIL

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### 8.3 City Council/Redevelopment Agency Board approval of the Mayor's Redevelopment Budget Message.

**Recommendation:** City Council and Redevelopment Agency Board consideration and approval of the Mayor's Redevelopment Agency Budget Message. (Mayor) [Deferred 12/8/09, Item 8.1]

Substitute Motion: Board member Nguyen moved to amend the Mayor's Budget Message to direct the City Manager and Executive Director to prepare an analysis inclusive of the financing options proposed by Team San Jose for Convention Center expansion in FY 2009/10 as part of the Mayor's 45-day analysis and to amend the Budget message to:

- (a) initially require a loan from the 20% Housing Fund of no more than \$40 Million in Year 1;
- (b) Accept the Mayor's proposal for \$10 million in other funds,
- (c) Defer final decision on additional 20% Housing Fund loans until the February 2010 mid-year budget review;
- (d) Direct staff to inform the State, at the required deadline, that the Agency will pay the required \$62 million in Year 1 and \$13 million in Year 2;
- (e) Direct staff to evaluate other sources of funds for the remainder of the obligation to the state and include in the evaluation the issues of fairness, risk and cost of borrowing and report back at the mid-year budget review.

The motion included an amendment by Board member Liccardo that requested the City staff explore and articulate a fully developed response to the question of whether the following listed funding sources are appropriate, in order of the following priority: 1) Redevelopment budget; 2) City issuance of Commercial Paper with full reimbursement by the Agency; 3) Borrowing from two of the funds identified by the Mayor (Fund 539-Sewage Treatment Plan Connection Fee and Fund 432-Ice Centre); and 4) Temporary loans (interest paid by Agency) from Fund 423-Integrated Waste Management; Fund 541-Sewer Service and Use Charge; 4) Fund 446-Storm Service Operating; 5) Fund 418-Library Parcel Tax; 6) Fund 426-Anti-Tobacco Master Settlement Agreement Revenue Fund.

The maker of the motion and seconder of the motion confirmed the Mayor's direction for the Executive Director to move forward with the obtaining of bids for the Civic Auditorium Phase 2 but to defer award of bids until the February 23<sup>rd</sup> meeting.

**Substitute motion, as amended, carried. (7-3-1). Noes: Reed, Constant, Oliverio. Absent: Chirco. (Excused)**

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

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### **8.4 Redevelopment Agency Board approval of proposed contracts/payments.**

**Recommendation:** Adoption of resolutions by the Redevelopment Agency Board:

- (a) Authorizing the Executive Director to negotiate and execute contracts and make specified payments during the Interim Budget Period) December 16, 2009, through February 23, 2010; and,
- (b) Authorizing the Executive Director negotiate and execute additional contracts, without additional Board approval, in an amount not to exceed \$10,000 per contract, capped at a cumulative maximum amount of \$100,000 during the Interim Budget Period.
- (c) Approving adjustments to the FY 2009-10 Adopted Capital Budget and amendments to the FY 2009-2010 Agency appropriations resolution.

**Agency Resolutions No. 5939 and No. 5940 adopted.**

### **8.5 Approval of the Agency's FY 2009-10 Revised Capital and Operating Budgets and the FY 2010-2015 CIP.**

**Recommendations:** Redevelopment Agency Board approval of:

- (a) The Redevelopment Agency's Revised FY 2009-2010 Revenue, Capital and Operating Budgets; and,
- (b) The Redevelopment Agency's Capital Improvement Program (CIP) for FY 2010-15.

[Deferred 12/8/09, Item 8.2]

**Deferred to February 23, 2009.**

- **Adjournment**  
**The Redevelopment Agency Board and City Council adjourned at 6:49 p.m.**