

REDEVELOPMENT AGENCY SYNOPSIS

JANUARY 25, 2011

PETE CONSTANT
ASH KALRA
SAM LICCARDO
KANSEN CHU
XAVIER E. CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED – CHAIR

PIERLUIGI OLIVERIO
MADISON P. NGUYEN
ROSE HERRERA
DONALD ROCHA
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.

1:51 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 with items 8.1 and 8.4(b) deferred to February 1, 2011.

1 CEREMONIAL ITEMS

None

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

Items 9.1 – 9.3 on the City Council's Agenda related to "Confirmation of Vice Mayor and Vice Chair", "Good Neighbor Committee Recommendations", and the "Diridon Station Area Master Plan", were heard and action taken during the Council meeting.

The City Council convened at 1:51 p.m. to consider Items 8.2 – 8.3 in a Joint Session.

8.1 Discussion of proposed State budget actions and impacts to Redevelopment Agency budgeting.

Recommendation:

- (a) Acceptance of the Agency's Financial Progress Report;
- (b) Discussion of proposed State budget actions and impacts to Redevelopment Agency and City of San Jose budgets; and,
- (c) Direction to Agency and City Administrations.

CEQA: Not a project. [MERGED]

(Deferred to February 1, 2011)

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

8.2 Approval of a Capital Equipment and Assistance Agreement and a Participation Agreement with Maxim.

Recommendations:

- (a) Adoption of a resolution by the Redevelopment Agency Board authorizing the Executive Director to negotiate and execute a Capital Equipment and Assistance Agreement with Maxim Integrated Products, Inc., and the City of San Jose, in which the Redevelopment Agency will provide an amount not to exceed \$500,000 for the acquisition of industrial and manufacturing equipment to be installed at Maxim's new global headquarters and existing fabrication facility in the Rincon de Los Esteros Redevelopment Project Area; and making certain findings as required by California redevelopment law.

Agency Resolution No. 6001 adopted.

- (b) Adoption of a resolution by the City Council authorizing the City Manager to:
 - (1) Negotiate and execute a Capital Equipment and Assistance Agreement with Maxim and the Redevelopment Agency, in which the City will provide an amount not to exceed \$500,000 for the acquisition of equipment to be installed at Maxim's new headquarters and existing fabrication facility in San Jose, and for payment of fees and taxes associated with Maxim's relocation and expansion; and,
 - (2) Negotiate and execute a Participation Agreement with Maxim that will provide funding in an amount equal to 50% of the City's 5% of net new utilities taxes generated by Maxim's new headquarters facility for five consecutive years.

**CEQA: Not a Project, File No. PP10-066(a). [RINCON DE LOS ESTEROS]
Council Resolution No. 75714 adopted.**

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

8.3 Approval of a Capital Equipment and Assistance Agreement with SunPower.

Recommendations:

- (a) Adoption of a resolution by the Redevelopment Agency Board authorizing the Executive Director to negotiate and execute a Capital Equipment and Assistance Agreement with SunPower Corporation and the City of San Jose, in which the Agency will provide an amount not to exceed \$500,000 for the acquisition of industrial and manufacturing equipment to be installed at SunPower's new global headquarters in the Rincon de Los Esteros Redevelopment Project Area; and making certain findings as required by California redevelopment law.

Agency Resolution No. 6002 adopted.

- (b) Adoption of a resolution by the City Council authorizing the City Manager to:
- (1) Negotiate and execute a Capital Equipment and Assistance Agreement with SunPower and the Redevelopment Agency, in which the City will provide an amount not to exceed \$500,000 for the acquisition of equipment to be installed at SunPower's new headquarters in San Jose.
 - (2) Negotiate and execute a Participation Agreement with SunPower that will provide funding in an amount equal to 50% of the City's 5% of net new utilities taxes received from SunPower for five consecutive years, and 50% of the City's 1% of net new sales taxes received from SunPower for five consecutive years.

**CEQA: Not a Project, File No. PP10-066(a). [RINCON DE LOS ESTEROS]
Council Resolution No. 75715 adopted.**

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

- 8.4 In response to the Governor's proposed State budget package and proposals for FY 2011-12, which include recommending the elimination of redevelopment agencies "to realign the delivery of state services to counties and local governments" and eliminate a projected State deficit of \$25.4 billion, the City Manager and Agency Executive Director recommend the following actions intended to provide flexibility to fund the Agency's existing debt obligations and to reaffirm the Agency's obligations and appropriation of funding for its previously approved FY 2010-11 Operating Budget, its Three-Year Capital Improvement Plan and other contractual obligations.**

Recommendation:

- (a) City Council and Agency Board by motion, makes a good faith, reasonable determination by a 2/3 vote of the body that an issue has arisen that must be resolved in less than 4 days.

[Action taken at Special Meeting on Jan 19, 2011.]

- (b) Adoption of resolutions by the Agency Board and City Council authorizing the Executive Director and City Manager to negotiate and execute a Cooperation Agreement between the City of San Jose and the San Jose Redevelopment Agency relating to funding certain Redevelopment Agency capital improvements, public improvements and obligations located within currently designated redevelopment project areas.

(Deferred to February 1, 2011)

- (c) Adoption of resolutions by the Agency Board, the San Jose Financing Authority Board and the City Council authorizing the Agency Executive Director, the City Manager, the Executive Director of the Financing Authority and the Housing Department Director to negotiate and execute agreements necessary to protect and secure existing obligations and to acquire, construct, develop and implement projects specified in the Agency and City's approved capital improvement plan and City's five-year affordable housing plan as specified herein.

[Action taken at Special Meeting on Jan 19, 2011.]

- (d) Adoption of a resolution by the City Council making certain findings and determinations as may be necessary.

[DROPPED]

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

- 8.4 (e) Adoption of resolutions by the Agency Board and City Council authorizing the Director of Housing to negotiate and execute agreements in the amount of \$1.43 million of Low- and Moderate-Income Housing funds (20% funds) to Eden Housing or its affiliate for the Ford & Monterey Special Needs Housing Project (Project) in order to meet federal Stimulus (NSP2) timeframes; and make a finding that the use of 20% Low- and Moderate-Income Housing Funds outside a redevelopment project area for the affordable housing to be provided by the Project and its Phase II benefits the Agency's redevelopment project areas.

[Action taken at Special Meeting on Jan 19, 2011.]

The City Council portion of the meeting adjourned at 2:15 p.m.

2 CONSENT CALENDAR

2.1 Approval of Minutes.

- (a) Approval of Redevelopment Agency Minutes for the Regular meeting of December 7, 2010.
- (b) Approval of Redevelopment Agency Minutes for the Regular meeting of December 14, 2010.

Approved

2.2 Approval of Council/Board Committee Reports.

- (a) Report of the Rules and Open Government Committee – December 1, 2010. (Mayor)
- (b) Report of the Rules and Open Government Committee – December 8, 2010. (Mayor)
- (c) Report of the Rules and Open Government Committee – December 15, 2010. (Mayor)
- (d) Report of the Public Safety, Finance and Strategic Support Committee – December 16, 2010. (Nguyen)

Approved

3 GENERAL

3.1 Report of the Executive Director, Harry S. Mavrogenes (Verbal Report)

No report.

3.2 Approval of the Redevelopment Agency's revised Conflict of Interest Code

Recommendation: Adoption of a resolution amending the Conflict of Interest Code for the Redevelopment Agency of the City of San Jose. CEQA: Not a project. [MERGED]
Agency Resolution No. 6003 adopted.

3.3 Approval of an agreement with Keyser Marston Associates, Inc., for financial consulting services.

Recommendations Approval of an agreement with Keyser Marston Associates, Inc., in an amount not to exceed \$120,000, for real estate and financial consulting services. CEQA: Not a project. [MERGED]
Approved

4 NEIGHBORHOOD IMPROVEMENT STRATEGIES

None

5 HOUSING

None

6 PUBLIC FACILITIES AND SPACES

None

7 PRIVATE DEVELOPMENT

7.1 Approval of an amendment to the agreement with AECOM for environmental monitoring services.

Recommendations: Approval of the ninth amendment to the agreement with AECOM (formerly Earth Tech, Inc.), in the amount of \$56,036 for a total agreement amount not to exceed \$502,489, for ongoing environmental monitoring and reporting services for the Adobe Systems Phase II sites at 345 Park Avenue and 151 Almaden Boulevard, and extending the term of the agreement by one year to February 28, 2012. CEQA: Downtown Strategy EIR, Resolution No. 72767.

[PARK CENTER PLAZA]

Approved

- **Adjournment**

The Redevelopment Agency Board adjourned at 2:21 p.m.