



**BOARD MEETING MINUTES  
OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE  
SAN JOSE REDEVELOPMENT AGENCY**

**SAN JOSE, CALIFORNIA**

**THURSDAY, DECEMBER 14, 2017**

The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José convened at 10:05 a.m. in San José City Hall, Wing Committee Room 118-120.

**1. Call to Order and Roll Call**

**BOARD MEMBERS PRESENT**

**Tony Estremera, Chair, Santa Clara Valley Water District (10:22 a.m.)**  
**Ed Maduli, Vice Chair, California Community Colleges**  
**Abraham Andrade, City of San José**  
**Jim Shannon, City of San José**  
**Glen Williams, County of Santa Clara**  
**David Barry, County of Santa Clara**  
**Matthew Tinsley, Santa Clara County Office of Education**

**ABSENT BOARD MEMBERS:**

**All Present.**

**STAFF PRESENT**

**David Sykes, Successor Agency Executive Officer**  
**Richard Keit, Successor Agency Managing Director**  
**Kevin Fisher, Chief Deputy City Attorney**  
**Julia Cooper, Successor Agency Chief Financial Officer**  
**Ruth Krantz, Deputy Clerk of the Board**

**Vice Chair Maduli chaired the meeting in Chair Tony Estremera's absence.**

**2. Closed Session**

None.

### **3. Adoption of Agenda**

Upon motion by Board Member Shannon, seconded by Board Member Williams and carried unanimously, the agenda was adopted. (6-0-1. Absent: Estremera.)

### **4. Approval of Minutes**

Documents Filed: Oversight Board Minutes dated November 9, 2017.

Action: Upon motion by Board Member Tinsley, seconded by Board Member Andrade and carried unanimously, the Minutes of November 9, 2017 were approved. (6-0-1. Absent: Estremera.)

### **5. Consent Calendar**

None.

### **6. Items Scheduled for Action/Discussion**

#### **6.1 Third Amendment to the Off-Site Improvement & Disbursement Agreement – North San Pedro Housing.**

Documents Filed: Memorandum from Successor Agency Managing Director, Richard Keit, dated December 8, 2017, recommending adoption of a resolution.

Successor Agency Managing Director, Richard Keit offered an overview. Senior Deputy City Attorney Tom Murtha explained that the draft agreement provided to the Department of Finance includes additional language that the Grant Funds shall be the sole source of funding to satisfy the Successor Agency's obligation under the Disposition and Development Agreements (DDA's) to provide Affordable Housing Assistance to First Community Housing ("FCH") and the use of such Grant Funds by FCH shall satisfy the Successor Agency's remaining obligation under the DDAs to provide Affordable Housing Assistance to FCH. The Agency is awaiting a response from the Department of Finance before the final agreement can be reposted.

Motion: Board Member Andrade moved approval of the Agreement, including the language as noted by staff. Board Member Shannon seconded the motion.

Action: On a call for the question, the motion carried unanimously, Oversight Board Resolution No. 2017-12-1160, entitled "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José: (A) Approving a Third Amendment to the Amended and Restated Off-Site Improvement and Disbursement Agreement Among the Successor Agency, North San Pedro Townhomes LLC, San Pedro Life 1 LLC, and First Community Housing (FCH) to Require FCH to

*(Item continued on the next page)*

## 6.1 (Cont'd.)

Use \$949,541.26 of State Prop 1C, Infill and Infrastructure Grant Funds Towards Construction of the Affordable Housing Project; and (B) Finding that the Third Amendment to the Amended and Restated Off-Site Improvement and Disbursement Agreement Will Increase Revenues, Decrease Liabilities, and is in the Best Interest of the Taxing Entities”, was adopted. (6-0-1. Absent: Estremera.)

## 6.2 Presentation on Independent Auditor’s Report and Basic Financial Statements for the Fiscal Year Ended June 30, 2017.

Documents Filed: (1) Joint memorandum Successor Agency Chief Financial Officer Julia Cooper and Successor Agency Managing Director Richard A. Keit, dated December 8, 2017 providing the Annual Audited Financial Statements. (2) “Report of Independent Certified Public Accountants” provided by Grant Thornton LLP, dated November 13, 2017.

Successor Agency Chief Financial Officer Julia Cooper offered a brief presentation on the Independent Auditor’s Report.

Action: Upon motion by Board Member Shannon, seconded by Board Member Andrade and carried unanimously, the Independent Auditor’s Report and Basic Financial Statements for the Fiscal Year Ended June 30, 2017 was accepted. (6-0-1. Absent: Estremera.)

## 6.3 Presentation on Status of Successor Agency Property Dispositions

Documents Filed: Memorandum from Successor Agency Managing Director Richard A. Keit, dated December 8, 2017 regarding Status of Successor Agency Property Dispositions.

Successor Agency Managing Director, Richard Keit provided an update on property sales and the proposed disposition of assets and responded to questions from the Board.

*Chair Estremera arrived at 10:23 a.m. and chaired the remainder of the meeting.*

Board Member Williams asked that staff research balances on each of the collateralized properties, explore pre-payment penalties, and move forward in particular with the sale of the South Hall and 62 South Second properties, providing a report at the next meeting of the Board.

Public Comment: Jenny Treis, Program Manager with the County of Santa Clara, indicated her expectation that an appraisal of the Market Gateway housing property will be done by the end of this month.

Action: The report was accepted, with staff to return with additional information as requested by the Board.

## **7. Reports and Correspondence**

### **7.1 Approval of Adjustments to the Amended ROPS 17-18B**

Documents Filed: Memorandum from Department of Finance Program Budget Manager Erika Li to Successor Agency Managing Director Richard A. Keit, dated November 14, 2017 approving ROPS adjustments.

Action: No action required.

### **7.2 Subordination Notification Relating to Proposed Refunding Bond Issue**

Documents Filed: Letter from County Executive Jeffrey V. Smith, dated November 14, 2017, regarding Subordination Notification Relating to Proposed Refunding Bond Issue for Merged Redevelopment Project Areas.

Successor Agency Chief Financial Officer Julia Cooper indicated that a more simplified debt structure is expected for FY18-19 and noted that she will be providing a detailed report at the January meeting of the Board showing how this taxing entity may be benefited.

Action: No action required.

### **7.3 Notification of Insufficiency of Funds**

Documents Filed: Letter from Successor Agency Chief Financial Officer Julia Cooper to Finance Director, County of Santa Clara, Emily Harrison, dated December 1, 2017 regarding the Insufficiency of Funds report.

Action: No action required.

## **8. Successor Agency Board Actions**

None provided.

## **9. Future Agenda Items**

Successor Agency Managing Director, Richard Keit indicated potentially setting the next meeting of the Board for January 11, 2018. He also announced that Board Member Abe Andrade will be leaving the Oversight Board/Agency in January to accept a position with the County of Santa Clara, and thanked him for his service.

## **10. Open Forum**

None.

## 11. Adjournment

The Oversight Board of the Successor Agency to the Redevelopment Agency adjourned at 10:48 a.m.

Minutes Recorded, Prepared and Respectfully Submitted by,  
ATTEST:

A handwritten signature in black ink, appearing to read "Ruth Krantz". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE  
SAN JOSE REDEVELOPMENT AGENCY  
TONI J. TABER, CLERK OF THE BOARD

Ruth Krantz, Deputy Clerk of the Board

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