

OVERSIGHT BOARD - SUCCESSOR AGENCY TO THE SAN JOSE REDEVELOPMENT AGENCY

AGENDA

Board Meeting

THURSDAY, May 18, 2017 @ 10:00 AM

SAN JOSE CITY HALL – COUNCIL CHAMBERS
200 E. SANTA CLARA STREET, SAN JOSE, CA 95113

MEMBERS:

Tony Estremera, Chair, Santa Clara Valley Water Dist.
Ed Maduli, Vice-Chair, California Community Colleges
Abraham Andrade, City of San Jose
Jim Shannon, City of San Jose
Matthew Tinsley, Santa Clara County Office of Education
Debbie Cauble, County of Santa Clara
Glen Williams, County of Santa Clara

ALTERNATE MEMBERS:

David Barry, County of Santa Clara
David Snow, County of Santa Clara
David Campos, County of Santa Clara
Linda LeZotte, Santa Clara Valley Water District
Kip Harkness, City of San Jose
Jacky Morales-Ferrand, City of San Jose
Marko Mosunic, SC County Office of Education

STAFF:

David Sykes, Successor Agency Executive Officer
Richard Doyle, Successor Agency General Counsel
Richard Keit, Successor Agency Managing Director
Julia Cooper, Successor Agency Chief Financial Officer
Toni J. Taber, Clerk of the Oversight Board

ORDER OF BUSINESS

1. CALL TO ORDER
2. CLOSED SESSION
3. ADOPTION OF AGENDA
4. APPROVAL OF MINUTES – [March 23, 2017](#) and [April 13, 2017](#)
5. CONSENT CALENDAR – None
6. ITEMS SCHEDULED FOR ACTION/DISCUSSION

6.1 [Approval of the Sale and Issuance of Multiple Series of Tax Allocation Refunding Bonds and Related Bond Documents.](#)

[Informational Packet – Successor Agency Refunding Bond Documents](#)

[Informational - SARA Board Resolution](#)

[Presentation](#)

[Adopt a resolution:](#)

- a. Subject to the approval of the State Department of Finance (“DOF”), approving and directing the issuance by the Successor Agency to the

- Redevelopment Agency of the City of San José (the “Successor Agency”) of multiple series of tax allocation refunding bonds (the “Refunding Bonds”) in an aggregate principal amount not to exceed \$1,800,000,000 to refund bonds or other indebtedness of the Successor Agency (the “Refunded Obligations”);
- b. Determining that the issuance of Refunding Bonds to refund or defease all or a portion of the outstanding Refunded Obligations will generate significant potential savings available to the Successor Agency and applicable taxing entities and will eliminate future interest rate risk;
 - c. Subject to the approval of the DOF, approving and directing the issuance of the Refunding Bonds in whole or in part;
 - d. Authorizing the Successor Agency to recover its costs related to the issuance of the Refunding Bonds from the proceeds of the Refunding Bonds, including certain arbitrage rebate payments required to be made with respect to the Refunded Obligations; and
 - e. Directing Successor Agency staff to comply with the Policy Objectives set forth in the Memorandum provided by Successor Agency staff in connection with the issuance of the Refunding Bonds.

6.2 Extend Escrow for Up to Ninety Days for Three Properties

Adopt a resolution:

Authorizing the Managing Director to extend for up to ninety (90) days the close of escrow for the sale of the following Successor Agency owned properties: 201 South Second Street, 292 Stockton Avenue, and 280 Jackson Street in San Jose.

6.3 Sale of Real Property at 1343 The Alameda

Adopt a resolution:

Approving the sale of Successor Agency owned real property located at 1343 The Alameda to the highest bidder, Imwalle Properties, for a purchase price of \$363,000, subject to an extension of the close of escrow for an additional sixty (60) days in addition to the thirty (30) days required under the Purchase and Sale Agreement.

6.4 Sale of Real Property at 551 West Julian Street

Adopt a resolution:

Approving the sale of Successor Agency owned real property located at 551 West Julian Street to the highest bidder, TC Agoge Associates, LLC, for a purchase price of \$650,000, subject to an extension of the close of escrow for an additional sixty (60) days in addition to the thirty (30) days required under the Purchase and Sale Agreement.

6.5 Sale of Revenue Participation Interest in 261 North Second Street

Adopt a resolution:

Approving the sale of the Successor Agency’s Revenue Participation Interest in the property located at 261 North Second Street to the highest bidder Germania Verein Inc., for a purchase price of \$32,056, subject to an extension of the close of escrow for an additional sixty (60) days in addition to the thirty (30) days required under the Purchase and Sale and Assignment Agreement.

6.6 Sale of Real Property located at 366 South First Street/SUPPLEMENTAL Adopt one of the following resolutions:

- a. Instruct Successor Agency staff to prepare and send a Notice of Intent to Sell as required to commence the Right of First Refusal process contained in the Lease dated May 3, 2005, as amended, between the Successor Agency and Brian Elder and Cherri Lakey dba Two Fish Design Group, and to follow the process as set forth therein; or
- b. Offer the property for sale through the open solicitation process after the Lease expires on October 24, 2017; or
- c. Approve the sale of Successor Agency owned real property located at 366 South First Street to Brian Elder and Cherri Lakey dba Two Fish Design Group, the current tenant of the real property under a Lease dated May 3, 2005, as amended for the appraised amount of \$750,000 as set forth in the appraisal prepared by Valbridge dated December 5, 2016.

7. REPORTS and CORRESPONDENCE

7.1 May 1, 2017, Letter from Successor Agency Chief Financial Officer to County Finance Director regarding Notification of Insufficiency of Funds.

7.2 May 10, 2017, Letter from Santa Clara County Controller to the State of California Controller regarding the San José Successor Agency - Verification of insufficiency of Funds for the period July 1,2017 - December 31, 2017 (ROPS I7-I8A).

OVERSIGHT BOARD REFERRAL ITEMS:

NO.	REFERRAL ITEM	REQUESTED BY	DATE REQUESTED	MEETING DATE
1	Quarterly Update Obligations in DDAs and CC&Rs	Board	2/9/2017	6/2017
2	Update on Alternatives for Administration – Review Every Six Months	Board	8/11/2016	8/2017

8. SUCCESSOR AGENCY BOARD ACTIONS

On April 25, 2017, the Successor Agency Board approved the following Oversight Board approved actions:

9.1 The Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San Jose, as seller and Kade Development Inc., as buyer to allow the sale of 292 Stockton Avenue for the purchase price of \$4,000,000.

9.2 The Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San Jose, as seller and Imwalle Properties as buyer to allow the sale of 201 South Second Street for a purchase price of \$726,000.

9.3 The Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San Jose, as seller and AFE Urban, Inc. as buyer to allow the sale of 280 Jackson Street for a purchase price of \$2,800,000.

9. FUTURE AGENDA ITEMS

10. OPEN FORUM

Members of the Public are invited to speak on any item that does not appear on this Agenda and that is within the subject matter jurisdiction of the Oversight Board. Speakers may be limited to no more than two minutes at the discretion of the Chair.

11. ADJOURNMENT

The next Oversight Board meeting is scheduled for Thursday, June 8, 2017 at 10:00 a.m.

Oversight Board meetings will be held at San Jose City Hall located at 200 E. Santa Clara Street, San José, CA 95113.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the Oversight Board will be available for public inspection at the Office of the City Clerk at San José City Hall, 200 E. Santa Clara Street, San José, CA 95113 at the same time that the public records are distributed or made available to the Oversight Board.

To request an accommodation or alternative format for an Oversight Board meeting or printed materials, please call 408-535-1252 or (408) 294-9337 (TTY) as soon as possible, but at least three business days before the meeting.