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

**SAN JOSE, CALIFORNIA**

**THURSDAY, DECEMBER 8, 2016**

The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San Jose convened at 10:00 a.m. in Council Chambers in San Jose City Hall.

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

**BOARD MEMBERS PRESENT**

**Tony Estremera, Chair, Santa Clara Valley Water District  
Ed Maduli, Vice Chair California Community Colleges  
Abraham Andrade, City of San José  
Derek Hansel (Alternate), City of San José  
John Guthrie, County of Santa Clara  
Glen Williams (Alternate), County of Santa Clara  
Matthew Tinsley, Santa Clara County Office of Education**

**ABSENT BOARD MEMBERS:**

**All Present.**

**STAFF PRESENT**

**David Sykes, representing Successor Agency Executive Officer  
Richard Keit, Successor Agency Managing Director  
Richard Doyle, Successor Agency General Counsel  
Julia Cooper, Successor Agency, Chief Financial Officer  
Senior Deputy City Attorney, Tom Murtha  
Ruth Krantz, Deputy Clerk of the Board**

**2. Closed Session**

None.

Access the video, the agenda and related reports for this meeting by visiting the City's website at <https://ca-sanjose.civicplus.com/index.aspx?NID=3566>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.

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

Upon motion by Board Member Guthrie, seconded by Vice-Chair Maduli and carried unanimously, the agenda was adopted. (7-0.)

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

Documents Filed: Oversight Board Minutes dated October 27, 2016 and November 10, 2016.

Board Member Tinsley indicated that Resolution No. 2016-10-1127 did not reflect the motion as presented by Board Member Cauble regarding Item 6.2(b) on the Minutes of October 27, 2016. Successor Agency Managing Director Richard A. Keit offered to review for any perceived discrepancies and suggested deferral of the October 27, 2016 Minutes.

Action: Upon motion by Board Member Guthrie, seconded by Board Member Hansel and carried unanimously, the Minutes of November 10, 2016 were approved, and the Minutes of October 27, 2016 were deferred to the next meeting of the Oversight Board. (6-0-0-1. Abstain: Williams.)

### **5. Consent Calendar**

None.

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

#### **6.1 Presentation on the Independent Auditor's Report and Basic Financial Statements for the Fiscal Year 2015-2016.**

Documents Filed: (1) Memorandum from Successor to the Redevelopment Agency Chief Financial Officer, Julia H. Cooper, dated December 1, 2016, providing the Annual Audited Financial Statements. (2) Report of Independent Certified Public Accountants for the Year Ended June 30, 2016, provided by Grant Thornton, LLP, dated November 16, 2016.

Chief Financial Officer, Julia H. Cooper provided an introduction, and Deputy Director, Department of Finance, Grace Martinez, offered a presentation.

Action: Upon motion by Board Member Andrade, seconded by Vice-Chair Maduli and carried unanimously, the presentation on the Independent Auditor's Report and Basic Financial Statements for the Fiscal Year 2015-2016, was accepted. (7-0.)

**6.2 Presentation of the Successor Agency's Proposed July 1, 2017 – June 30, 2018 Administrative Budget and Draft Annual Recognized Obligation Payment Schedule 17-18.**

Documents Filed: Memorandum from Successor to the Redevelopment Agency Chief Financial Officer, Julia H. Cooper and Successor Agency Managing Director Richard A. Keit, dated December 2, 2016, recommending consideration of the Proposed Administrative Budget and Draft Recognized Obligation Payment Schedule (ROPS) Schedule.

Chief Financial Officer, Julia H. Cooper, provided a presentation of the draft ROPS, detailing obligations of the Successor Agency for the period of July 1, 2017 through June 30, 2018 and responded to questions from the Board.

Action: No action required.

**6.3 Approval of an Agreement with Jones Hall, a Professional Corporation, for Bond Counsel and Disclosure Counsel Services in Connection with Potential Refunding of Successor Agency Bonds..**

Documents Filed: Memorandum from Successor Agency General Counsel Richard Doyle, dated December 2, 2016, recommending adoption of a resolution.

Senior Deputy City Attorney Tom Murtha provided background and responded to questions from the Board.

Action: Upon motion by Vice-Chair Maduli, seconded by Board Member Guthrie and carried unanimously, Oversight Board Resolution No. 2016-12-1132, entitled: "A Resolution of the Oversight Board to the Successor Agency to the Redevelopment Agency of the City of San José Authorizing the Successor Agency to Enter into an Agreement with Jones Hall, a Professional Corporation, for Bond Counsel and Disclosure Counsel Services in Connection with a Potential Refunding of Successor Agency Bonds in an Amount Not to Exceed \$450,000, Contingent on the Sale of the Bonds", was adopted. (7-0.)

## **7. Reports and Correspondence**

**7.1 Letter dated October 12, 2016 from Art Evans on behalf of the Japantown Development, L.P. to Managing Director, Richard Keit.**

Documents Filed: Letter from Arthur F. Evans, President, AFE Urban, Inc., regarding the subject Ground Lease.

## 7.1 (Cont'd.)

Public Comment: Art Evans, representing Japantown Development, L.P., and Yosh Uchida, representing Miraido Corporation, offered a historical perspective of the property and requested that the land subject to the Ground Lease be put out to bid with a bidding process structured as an auction.

Action: No action required.

## 7.2 Letter dated November 4, 2016, from Department of Finance to Managing Director, Richard Keit regarding the Amended Recognized Obligation Payment Schedule.

Documents Filed: Letter from Justyn Howard, Program Budget Manager, State Department of Finance, dated November 4, 2016, regarding the Amended Recognized Obligation Payment Schedule.

Action: No action required.

## 7.3 November 7, 2016, Memorandum from Successor Agency General Counsel to Oversight Board Regarding the Third District Court of Appeal Decision in the Case, Successor Agency to the San Jose Redevelopment Agency versus County of Santa Clara.

Documents Filed: Memorandum from Successor Agency General Counsel, Richard Doyle, dated November 7, 2016, providing the Decision in the Successor Agency's case v. Vinod Sharma, County of Santa Clara.

Action: No action required.

## 7.4 Letter dated November 21, 2016, from Department of Finance to Managing Director, Richard Keit regarding the approval of the Fourth Amendment to the Amended and Restated Lease with the Comedy Club of San Jose, LLC to extend the lease term and increase the monthly base rent for the use of the Jose Theater.

Documents Filed: Letter from Justyn Howard, Program Budget Manager, State Department of Finance, dated November 21, 2016, regarding Approval of an Oversight Board Action.

Action: No action required.

## 7.5 Petition for Rehearing of Appellants Vinod K. Sharma and County of Santa dated November 18, 2016.

Documents Filed: Petition for Rehearing of Appellants Vinod K. Sharma and County of Santa dated November 18, 2016.

Action: No action required.

**7.6 Plaintiff/Appellant City of San Jose's Answer to Petition for Rehearing dated November 28, 2016.**

Documents Filed: Plaintiff/Appellant City of San Jose's Answer to Petition for Rehearing dated November 28, 2016.

Action: No action required.

**7.7 Order of Court of Appeal, Third Appellate District, dated November 30, 2016, denying the Petition for Rehearing.**

Documents Filed: Order of Court of Appeal, Third Appellate District, dated November 30, 2016, denying the Petition for Rehearing.

Action: No action required.

**8. Open Forum**

None.

**9. Adjournment**

The Oversight Board of the Successor Agency to the Redevelopment Agency adjourned at 10:56 a.m. to 10 a.m. January 12, 2017.

Minutes Recorded, Prepared and Respectfully Submitted by,  
ATTEST:



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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