



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

SAN JOSE, CALIFORNIA

THURSDAY, SEPTEMBER 22, 2016

The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San Jose convened at 10:02 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
Jim Shannon, City of San José
Debbie Cauble (Alternate), County of Santa Clara
David Snow, County of Santa Clara
Natalie Zaderoy, 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 Vice-Chair Maduli, Seconded by Board Member Shannon and carried unanimously, the agenda was adopted. (7-0.)

4. Approval of Minutes

Documents Filed: Oversight Board Minutes dated August 11, 2016.

Action: Upon motion by Board Member Snow, seconded by Board Member Cauble and carried unanimously, the Minutes of August 11, 2016 were approved, with changes as noted. (6-0-0-1. Abstain: Andrade.)

5. Consent Calendar

None.

6. Items Scheduled for Action/Discussion

6.1 Approval of the Successor Agency's Amended Recognized Obligation Payment Schedule 16-17

Documents Filed: (1) Joint memorandum from Successor Agency Chief Financial Officer Julia Cooper and Successor Agency Managing Director Richard A. Keit, dated September 15, 2016, recommending adoption of a resolution. (2) Letter from County of Santa Clara County Controller-Treasurer, Alan Minato, dated September 20, 2016, "Notice of No Objection to Amended ROPS".

Successor Agency Chief Financial Officer Julia Cooper highlighted corrections to the resolution and provided a brief overview.

Action: Upon motion by Board Member Andrade, seconded by Vice Chair Maduli and carried unanimously, Resolution No. 2016-09-1124, entitled: "A Resolution of the Council of the City of San José Approving the Proposed Adjustments to the Recognized Obligation Payment Schedule 16-17, Which Details the Obligations of the Successor Agency for the Period of July 1, 2016 Through June 30, 2017, and Authorizing Payment for the Amended Amounts in the "B" Period of ROPS 16-17", was adopted. (7-0.)

6.2 Approval of First Amendment to the Purchase and Sale Agreement Between the Successor Agency and Lawrence Wu

Documents Filed: Memorandum from Successor to the Redevelopment Agency Managing Director Richard A. Keit, dated September 16, 2016, recommending adoption of a resolution.

Successor Agency Managing Director Richard A. Keit provided an overview and responded to questions from the Board.

6.2 (Cont'd.)

Action: Upon motion by Board Member Cauble, seconded by Board Member Snow and carried unanimously, Resolution No. 2016-09-1125, entitled: "A Resolution of the Council of the City of San José: (A) Approving the First Amendment to the Purchase and Sale Agreement and Escrow Instructions Between the Successor Agency and Lawrence Wu for the Sale of that Certain Real Property Located at South Almaden Boulevard (APN 264-31-101); and (B) Finding that Approval of the First Amendment Will Increase Revenues, Decrease Liabilities and is in the Best Interest of the Taxing Entities", was adopted. (7-0.)

6.3 Accept the Report Regarding Status of Housing and Urban Development (HUD) Section 108 Loans

Documents Filed: Joint memorandum from Successor Agency Chief Financial Officer Julia Cooper and Successor Agency Managing Director Richard A. Keit, dated September 15, 2016, recommending acceptance of a report.

Successor Agency Managing Director Richard A. Keit provided an overview, and he and Senior Deputy City Attorney Tom Murtha responded to questions from the Board.

The report was accepted. No action required.

6.4 Accept the Report Regarding Status of the Convention Center South Hall Site

Documents Filed: (1) Memorandum from Successor Agency Managing Director Richard A. Keit, dated September 16, 2016, recommending acceptance of a report. (2) Letter from Deputy City Manager/Director of Economic Development Kim Walesh to Successor Agency Managing Director Richard A. Keit dated September 20, 2016, conveying interest in the City's acquisition of the South Hall Site.

Public Comments: Expressing the importance of maintaining the Convention Center South Hall site as a full-service convention center and its importance in the creation of jobs, were: Sarah McDermott (Unite Here Local 19), Steve Wymer (Team San José) and Owen Murphy (Sign Display Installation Union 510).

Successor Agency Managing Director Richard A. Keit and Julia Cooper, Successor Agency Chief Financial Officer, responded to questions from the Board. Board Member Snow requested that both Phase I and Phase II reports be provided to the Board, which staff agreed to provide.

The report was accepted. No action required.

6.5 Disposition Process for Sale of Properties

Documents Filed: (1) Memorandum from Successor Agency Managing Director Richard A. Keit, dated September 15, 2016, recommending adoption of a resolution. (2) Letter from Dennis Martin and Jerry Strangis, San José Stage Company to the Oversight Board, dated September 20, 2016, advocating adoption of Staff's recommendation.

Successor Agency Managing Director Richard A. Keit provided an overview.

Public Comments: Jerry Strangis, Dennis Martin and Randall King, representing the San José Stage Company, advocated retaining the direct sale process to secure their future on the San José Stage Company site.

Successor Agency Managing Director Richard A. Keit clarified the context of the existing process and responded to questions from the Board, and further discussion ensued.

Motion: Board Member Shannon moved approval of maintaining the direct sale process. Vice Chair Maduli seconded the motion.

Successor Agency Managing Director Richard A. Keit responded to the Boards' questions regarding the length of time some sales are taking. Board discussion followed regarding accelerating the sales processes and the possibility of retaining the direct sales processes for the six properties currently on Table 1, and various timelines/milestones were discussed.

Successor Agency General Counsel, Richard Doyle, recommended that the Board return after reviewing milestone dates and further caucus staff. Board Members agreed to return with this item at the next meeting of the Oversight Board for a final discussion.

Board Member Shannon and Vice Chair Maduli withdrew the motion on the floor.

Action: Staff was directed to continue discussion with the County including consideration of future milestones, and the item was deferred as an action item to the next meeting of the Board.

6.6 Asset/Real Property Update and Amended Asset Disposition Schedule

Documents Filed: Memorandum from Successor Agency Managing Director Richard A. Keit, dated September 16, 2016, recommending acceptance of an update and adoption of a resolution.

Successor Agency Managing Director Richard A. Keit provided an overview. Board discussion followed regarding placement of items on the disposition schedule and consideration of a solicitation for a broker to expedite sale of properties.

Action: Item deferred as an action item at the next meeting of the Board.

7. Reports and Correspondence

7.1 Camera 12 Closing

Documents Filed: Information memorandum from Successor Agency Managing Director Richard A. Keit dated September 9, 2016, regarding Camera 12 closing.

Successor Agency Managing Director Richard A. Keit provided an overview.

No action required.

8. Future Agenda Items

Cancellation of the Oversight Board Meeting for October 13, 2016 was proposed. The Disposition Process for Sale of Properties was deferred as an action item at the next meeting of the Board, tentatively scheduled for October 27, 2016.

9. Open Forum

None.

10. Adjournment

The Oversight Board of the Successor Agency to the Redevelopment Agency adjourned at 11:32 a.m.

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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