



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

**SAN JOSE, CALIFORNIA**

**THURSDAY, SEPTEMBER 24, 2015**

The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José convened at 9:10 a.m. in the Council Chambers at San Jose City Hall.

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

**BOARD MEMBERS PRESENT**

**Tony Estremera, Chair, Santa Clara Valley Water District**

**Abraham Andrade, City of San José**

**Ed Maduli, Vice-Chair California Community Colleges**

**John Guthrie, County of Santa Clara**

**David Snow, County of Santa Clara**

**Jim Shannon, City of San José**

**Kolvira Chheng, Santa Clara County Office of Education**

**ABSENT BOARD MEMBERS:**

**All Present.**

**STAFF PRESENT**

**Richard Doyle, Successor Agency General Counsel**

**Norbert Dueñas, Successor Agency Executive Officer**

**Richard Keit, Successor Agency Managing Director**

**Julia H. Cooper, Chief of Financial Officer**

**2. Closed Session**

None.

**3. Adoption of Agenda**

Action: Upon motion by Vice-Chair Maduli, seconded by Board Member Snow, and carried unanimously the Agenda was adopted. (7-0.)

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.

## 4. Approval of Minutes

Documents Filed: Oversight Board Minutes dated August 27, 2015 and September 10, 2015.

Motion: Board Member Snow moved approval of the Minutes of August 27, 2015. Board Member Shannon seconded the motion.

Action: The minutes of August 27, 2015 were approved. (4-0-0-3. Recused: Estremera, Guthrie, Maduli.)

Motion: Board Member Snow moved approval of the Minutes of September 10, 2015. Board Member Chheng seconded the motion.

Action: The minutes of August 27, 2015 and September 10, 2015 were approved. (4-0-0-3. Recused: Andrade, Guthrie, Maduli.)

## 5. Consent Calendar

None.

## 6. Items Scheduled for Action/Discussion

### 6.1 Extension of the Long Term Reimbursement Agreement between the City of San José and the Successor Agency to the Redevelopment Agency.

Documents Filed: (1) Letter from County Counsel Orry P. Korb and Assistant County Counsel Steve Mitra, dated September 23, 2015, regarding the Reimbursement Agreement. (2) Letter from Alan Minato, Controller-Treasurer, County of Santa Clara, dated September 23, 2015.

Successor Agency Chief Financial Officer Julia H. Cooper provided an update on the extension of the Long Term Reimbursement Agreement, indicating a contradiction exists between a recent State law passed and sections of the Reimbursement Agreement as presented; therefore, deferral is recommended.

Item 6.1 was deferred.

### 6.2 Approval of the Administrative Budget and Draft Recognized Obligation Payment Schedule 15-16B.

#### A. Approve Administrative Budget for January 1, 2016 through June 30, 2016.

Documents Filed: Joint memorandum from Successor Agency Chief Financial Officer Julia H. Cooper and Successor Agency Managing Director Richard A. Keit, dated September 18, 2015.

## 6.2 (Cont'd.)

Motion 6.2(a): Board Member Guthrie moved approval of the Administrative Budget, and the motion was seconded by Board Member Andrade.

Action on 6.2(a): On a call for the question, the motion carried unanimously, Resolution No. 2015-09-1093, entitled "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José Approving the Administrative Budget for January 1, 2016 through June 30, 2016", was approved. (7-0.)

### **B. Approve the Recognized Obligation Payment Schedule 15-16B**

Documents Filed: Joint memorandum from Successor Agency Chief Financial Officer Julia H. Cooper and Successor Agency Managing Director Richard A. Keit, dated September 18, 2015.

Successor Agency Chief Financial Officer Julia H. Cooper explained that recent changes in the State law will require slight edits to notes for lines 246-248, on Attachment E, to remove the word "Agreement", and remove the sentence from each: "The Second Amendment to the Restated Reimbursement Agreement that is anticipated to be approved by the Oversight Board on September 24, 2015, provides a mechanism for the Successor Agency to repay the City for funds advanced for bonded debt during a given fiscal year." She noted that amounts would remain the same and recommended approval with these changes as indicated.

Board Member Guthrie asked if a review period may be advisable, suggesting additional time to review the methodology. Successor Agency Chief Financial Officer Julia H. Cooper and Assistant Director of Finance Derek Hansel responded to questions and indicated that the commercial paper treatment would need to be addressed as well. Successor Agency General Counsel Richard Doyle added that we are relying on Bond Counsel and their advice and concurred with staffs' direction to stay in compliance.

Motion: Board Member Shannon moved approval of the Draft Recognized Obligation Payment Schedule with changes as outlined by Successor Agency Chief Financial Officer Julia H. Cooper. Board Member Andrade seconded the motion.

Successor Agency Chief Financial Officer Julia H. Cooper noted that the recommendation would need to be at \$53 Million or would not technically be in compliance with the bond covenants and expressed concerns that penalties would be incurred for failure to submit on time. She offered that a special meeting could be arranged with something in writing received from the Successor Agency's bond counsel.

Substitute Motion: Board Member Guthrie moved approval of the ROPS with the \$37.6 Million, instead of staff's recommendation. Board Member Snow seconded the motion.

Board Member Andrade recommended continuing this item to a special meeting to be scheduled for next week to allow staff to work out a number agreeable to everyone and to allow for additional support from the bond counsel.

## 6.2 B (Cont'd.)

Chair Estremera asked if makers of the motions on the floor would be amenable to setting aside today's motions, and continuing this item to a special meeting to be held next week. Board Members agreed to continue this meeting to October 1, at 9 a.m.

Item 6.2(b) and 6.2(c) were continued to Thursday, October 1, 2015.

## 7. Reports and Correspondence

### 7.1 Letter regarding Release of Santa Clara County Deed of Trust Securing Successor Agency Obligation Under 2011 Settlement Agreement from Certain Properties

Documents Filed: Letter from Chief Financial Officer to Deputy County Executive Santa Clara County, James Williams dated September 15, 2015.

Successor Agency Chief Financial Officer Julia H. Cooper provided an update on conversations with the County regarding completion of documents to release the lien on the Old Fire Station No. 1 at the close of escrow.

## 8. Future Agenda Items

None.

## 9. Open Forum

None.

## 10. Adjournment

The Oversight Board of the Successor Agency to the Redevelopment Agency adjourned at 9:49 a.m. to a Special Meeting to be held on Thursday, October 1, 2015.

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

Susan Davis, Deputy Clerk of the Board

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