

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

**SAN JOSE, CALIFORNIA**

**THURSDAY, JANUARY 30, 2014**

The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José convened at 9:03 a.m. in the Council Chambers at San Jose City Hall.

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

**9:03 a.m.- Call to Order in Council Chambers**

**BOARD MEMBERS PRESENT**

**Chuck Reed, City of San José**

**Abraham Andrade, City of San José**

**John Guthrie, County of Santa Clara**

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

**David Snow, County of Santa Clara (Alternate)**

**Nimrat Johal, Santa Clara County Office of Education (Alternate)**

**ABSENT**

**Ed Maduli, California Community Colleges**

**STAFF PRESENT**

**Norberto Duenas, representing Successor Agency Executive Officer**

**Richard Doyle, Successor Agency General Counsel**

**Richard Keit, Successor Agency Managing Director**

**Julia Cooper, Successor Agency Chief Financial Officer**

## **2. Adoption of Agenda**

Approved.

## **3. Closed Session Report**

None.

## **4. Approval of Minutes**

Documents Filed: Oversight Board Minutes dated January 9, 2014.

Action: Upon motion by Board Member Guthrie, seconded by Board Member Andrade, and carried unanimously, the Minutes of January 9, 2014 were approved. (6-0-1. Absent: Maduli.)

## **5. Consent Calendar**

None.

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

### **6.1 Long-Range Property Management Plan**

Documents Filed: (1) Supplemental memorandum from Executive Officer Ed Shikada, dated January 24, 2014, Finalizing Review of the Draft Long Range Property Management Plan. (2) Supplemental memorandum from City Attorney Richard Doyle, dated January 27, 2014, regarding “Legal Status of Option Agreement with Athletics Investment Group”. (3) Letter from Deputy County Executive Santa Clara County, James Williams, dated January 27, 2014, regarding finalization of the LRMP for Oversight Board approval. (4) Letter from Marne S. Sussman, Pillsbury Winthrop Shaw Pittman, LLP, dated January 29, 2014, to Members of the Oversight Board, regarding listing the Diridon Properties as “Properties for Sale”. (5) Letter from Lewis N. Wolff, Oakland Athletics Baseball Company, dated January 30, 2014, clarifying AIG’s position with respect to the Option Agreement dated November 8, 2011.

The Board continued its discussion of the Long-Range Property Management Plan from the Oversight Board Meeting of January 9, 2014, continuing its review of Properties #60-64, and concluding with Property #65 through Property #103. Extensive discussion ensued, and Staff responded to questions from the Board.

Successor Agency General Counsel Richard Doyle responded to a request for review of an option agreement for Properties #60-64 citing that both an open and closed session for February 13, 2014 will be scheduled for the Board to address concerns.

Board Member Andrade asked that a summary of government entities that have expressed an interest in taking title of some of these properties be provided.

*(Item Continued on the next page)*

## **6.1 Long-Range Property Management Plan (Cont'd.)**

Public Comments: (1) Marne S. Sussman, representing Stand for San José, referenced the Diridon Properties, recommending that it not be listed and referring to her letter from January 29, 2014.

Action: No action required. To be continued at the next meeting of the Oversight Board on February 13, 2014.

## **6.2 Approval of the Property Disposition Process**

Documents Filed: (1) Memorandum from Executive Officer Ed Shikada, dated January 24, 2014, recommending adoption of a resolution approving a Property Disposition Process for the sale of Successor Agency owned properties. (2) Supplemental memorandum from Executive Officer Ed Shikada, dated January 29, 2014, addressing Board Member Ochoa's request that staff from the Santa Clara Office of Education be on the Evaluation Team.

Successor Agency Managing Director Richard A. Keit recommended that this item be deferred to the Board meeting of February 13, 2014, where Staff will bring forward a red-lined version for approval.

Senior Deputy City Attorney Tom Murtha outlined the strategy for the disposition process and responded to questions from the Board. He indicated the revised memorandum addressing the approval of sale will list all prospective bids for a full comparison with the successful bidder.

Assistant Director of Finance, Arn Andrews added that as properties are determined to be sold, J.P. Morgan has indicated vested interest in the disposition process.

Action: No action required. To be continued at the next meeting of the Oversight Board on February 13, 2014.

## **6.3 Discussion of Insufficiency of Funds**

Documents Filed: (1) Memorandum from Executive Officer Ed Shikada, dated January 24, 2014, regarding the variance between the Successor Agency's calculation of the Insufficiency of Funds forecasted for ROPS 13-14B and the County Finance Agency (Controller's) calculation. (2) Letter from County of Santa Clara Finance Agency Acting Director, Emily Harrison, dated January 28, 2014, regarding the insufficiency of funds and offering corrections to the Staff's report.

Assistant Director of Finance, Arn Andrews provided an overview.

Action: No action required.

## **7. Reports and Correspondence**

### **7.1 Letter from Department of Finance Approving the First Amendment to the Amended and Reinstated Lease with the Comedy Club of San José.**

Documents Filed: Letter from Justyn Howard, Assistant Program Budget Manager, California Department of Finance, to Successor Agency Managing Director Richard A. Keit dated January 10, 2014, offering approval to Oversight Board action.

Action: No action required.

### **7.2 Letter from Department of Finance regarding Actions related to Government Use Properties.**

Documents Filed: Letter from Justyn Howard, Assistant Program Budget Manager, California Department of Finance, to Successor Agency Managing Director Richard A. Keit dated January 14, 2014, offering determinations on Oversight Board action.

Action: No action required.

### **7.3 Oversight Board Conflict of Interest with respect to Property Disposition Process.**

Documents Filed: Memorandum from City Attorney Richard Doyle, dated January 24, 2014, regarding Board Members' Conflict of Interest.

Action: No action required.

## **8. Future Agenda Items**

Board Member Guthrie expressed an interest in having a closer look at the next administrative budget prior to going through the next ROPS.

## **9. Open Forum**

None.

## 10. Adjournment

The Oversight Board of the Successor Agency to the Redevelopment Agency was adjourned at 10:50 a.m. to 8:30 a.m. Thursday, February 13, 2014 at San José City Hall.

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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