

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

**SAN JOSE, CALIFORNIA**

**THURSDAY, JUNE 27, 2013**

The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José convened at 9:01 a.m. in the Council Chambers at San Jose City Hall.

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

**9:01 a.m.- Call to Order in Council Chambers**

**BOARD MEMBERS PRESENT**

**Chuck Reed, City of San José**

**Abe Andrade, City of San José**

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

**Emily Harrison, County of Santa Clara**

**Ed Maduli, California Community Colleges**

**John Guthrie, County of Santa Clara**

**ABSENT: Micaela Ochoa, Santa Clara County Office of Education**

**STAFF PRESENT**

**Debra Figone, Successor Agency Executive Officer**

**Richard Doyle, Successor Agency General Counsel**

**Richard Keit, Successor Agency Managing Director**

**Julia H. 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 June 13, 2013.

Action: Upon motion by Board Member Estremera, seconded by Board Member Andrade, the minutes of June 13, 2013 were approved. (6-0-1. Absent: Ochoa.)

## 5. Consent Calendar

1. Monthly Financial Statements (First Meeting of the Month) – None.
2. Audit Status – None.

## 6. Items Scheduled for Action/Discussion

### 6.1 Reimbursement Agreement Between the City of San José and the Successor Agency to the Redevelopment Agency

Documents Filed: (1) Memorandum from Executive Officer Debra Figone, dated June 7, 2013, regarding the Reimbursement Agreement. (2) Supplemental memorandum from Executive Officer Debra Figone, dated June 12, 2013, updating the Oversight Board on the results of the continued discussions between the City and the County regarding the Reimbursement Agreement. (3) Supplemental memorandum from Executive Officer Debra Figone, dated June 24, 2013, revising the previous recommendation and providing a draft resolution. (4) Letter from F. Gale Connor, Nossaman LLP, dated June 20, 2013, regarding the Reimbursement Agreement.

Executive Officer Debra Figone provided an introduction, and Assistant Director of Finance Arn Andrews offered a presentation and responded to questions from the Board. He indicated that once the final numbers are available, the July Reimbursement Agreement will be included on the 13-14B ROPS (January 1 – June 30, 2014) and the Successor Agency's cash balance available at the end of FY 2012-13 will be separately listed on the 13-14B ROPS as the source of funds for the repayment of the Intra-Year Repayment Obligation. He added that an outside financial consultant is working on a long-term cash-flow model, and this information can be presented to the Board when available.

Supervising Senior Associate Counsel Tom Murtha indicated that one change to the reimbursement agreement would be on how we are repaid, clarifying the source of funds.

## 6.1 (Cont'd.)

Action: Upon motion by Board Member Maduli, seconded by Board Member Estremera and carried unanimously, [Resolution No. 2013-05-1045](#), entitled “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José Approving the Fiscal Year 2012-13 Reimbursement Agreement Between the City of San Jose and the Successor Agency; Restating the Oversight Board’s Intent to have the Advances and Repayment of Obligations Under the Reimbursement Agreement to be Effective as of July 1, 2012; and Approving the Inclusion of the Reimbursement Agreement as an Enforceable Obligation on the Recognized Obligation Schedule 13-14b (for the Period Jan 1-June 30, 2014) and Authorizing the Successor Agency’s Cash Balance Available at the End of FY 2012-13 to be Separately Listed on the 13-14b ROPS as the Source of Funds for the Repayment of the Intra-Year Repayment Obligation in an Amount Not To Exceed \$11 Million”, was adopted. (6-0-1. Absent: Ochoa.)

## 6.2 Wells Fargo Renewal

Documents Filed: (1) Memorandum from Executive Officer Debra Figone, dated June 21, 2013, regarding Redevelopment Agency Taxable Subordinate Housing Set-Aside Tax Allocation Bonds, Series 2010C, Second Interim Extension of Tender date, and recommending adoption of a resolution.

Successor Agency Chief Financial Officer Julia H. Cooper provided an overview of the renewal, offering that it will extend the expiration date to September 30, 2013, and will return to the Board by late August or early September 2013.

Action: Upon motion by Board Member Andrade, seconded by Board Member Maduli, and carried unanimously, [Resolution No. 2013-05-1046](#), entitled “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José Authorizing the Chief Financial Officer of the Successor Agency to Execute the Second Extension of Mandatory Purchase Date Agreement with Wells Fargo Bank, National Association Extending the Mandatory Tender Date of the Taxable Subordinate Housing Set-Aside Tax Allocation Variable Rate Bonds, Series 2010C (“2010C Bonds”), from the Previously Extended Interim Tender Date, July 29, 2013, to September 30, 2013, and Finding that the Extension is in the Best Interest of the Taxing Entities; and Authorizing the Chief Financial Officer of the Successor Agency, or Her Designee, to Enter into Future Extensions of the Mandatory Tender Date of the 2010C Bonds Past September 30, 2013 if Necessary”, was adopted. (6-0-1. Absent: Ochoa.)

### **6.3 North San Pedro Housing Project**

Documents Filed: Memorandum from Executive Officer Debra Figone, dated June 21, 2013, recommending approval of Amended and Restated Disposition and Development Agreements for Development of the North San Pedro Housing Project.

Successor Agency Managing Director Richard A. Keit provided a presentation, and he and Supervising Senior Associate Counsel Tom Murtha responded to questions from the Board. In response to Board Member's request, staff agreed to return with a matrix to review some of the particulars of how the property management plan is in the best interest of the taxing entities.

Action: Upon motion by Board Member Estremera, seconded by Board Member Harrison, the motion carried unanimously, [Resolution No. 2013-05-1047](#), entitled "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José Approving an Amended and Restated Disposition and Development Agreement with North San Pedro Townhomes LLC ("NSPT") and Finding that the Amended and Restated DDA between NSPT and the Successor Agency is in the Best Interest of the Taxing Entities; and Approving an Amended and Restated Disposition and Development Agreement with San Pedro Life I, LLC ("SPL") and Finding that the Amended and Restated DDA between SPL and the Successor Agency is in the Best Interest of the Taxing Entities; and Directing Successor Agency Staff to Include on the Long Range Property Management Plan the Disposition and Development of the Properties Included in the Above Referenced Amended and Restated Disposition and Development Agreements as More Particularly Described Therein", was adopted. (6-0-1. Absent: Ochoa.)

## **7. Reports and Correspondence**

### **7.1 Asset Transfers Update Report**

Documents Filed: (1) Memorandum from Executive Officer Debra Figone, dated June 21, 2013, providing information on the transfer from the City and Diridon Area Development Authority Board of certain properties and assets as identified by the State Controller in the Asset Transfer Review back to the Successor Agency. (2) Letter from Marne S. Sussman, Pillbury Winthrop Shaw Pittman LLP, dated June 26, 2013, submitting concerns on behalf of Stand for San José.

Public Comment: Paul Levin, representing Stand for San José urged the Oversight Board to direct the Successor Agency to treat the Option Agreement as an unenforceable obligation.

Successor Agency General Counsel Richard Doyle addressed the speaker's comments, offering that this is currently the subject of litigation and will be returning to the Board in the near future.

Action: No action required.

## **8. Future Agenda Items**

None.

## **9. Open Forum**

None.

## **10. Adjournment**

The Oversight Board of the Successor Agency to the Redevelopment Agency was adjourned at 8:57 a.m. to 9:00 a.m. Thursday, August 8, 2013 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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