

**MINUTES OF THE JOINT CITY COUNCIL/  
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY**

**SAN JOSE, CALIFORNIA**

**TUESDAY, OCTOBER 1, 2013**

The Council of the City of San José convened in Regular Joint Session at 3:36 p.m. in the Council Chambers at City Hall.

Present: Council Members - Campos, Chu, Constant, Herrera, Kalra, Liccardo, Nguyen, Oliverio, Rocha.

Absent: Council Members - Khamis; Reed. (Excused)

**2. North San Pedro Housing Project.**

**(a) It is recommended that the Successor Agency:**

- (1) Approve an Amended and Restated Disposition and Development Agreement with North San Pedro Townhomes LLC (“Developer”) amending and restating in its entirety an existing Disposition and Development Agreement dated June 19, 2007, as amended by that certain First Amendment to Amended and Restated Disposition and Development Agreement dated December 14, 2010, between Developer and the Successor Agency to amend, among other things, the Schedule of Performance and to modify the Phases; and**
- (2) Approve an Amended and Restated Disposition and Development Agreement with San Pedro Life I, LLC (“SPL”) amending and restating in its entirety an existing Amended and Restated Disposition and Development Agreement dated June 26, 2007, as amended by that certain First Amendment to Amended and Restated Disposition and Development Agreement dated December 14, 2010 to amend, among other things, the Schedule of Performance and to modify the Phases;**

**(b) It is recommended that the City Council:**

- (1) Approve a \$1,600,000 loan (“Loan”), plus capitalization of up to \$100,000 of accrued but unpaid construction period interest, to First Community Housing, or a related legal entity, for construction of an affordable housing project required as a condition to the State Infill Infrastructure Grant for the North San Pedro Housing Project;**

**2. North San Pedro Housing Project. (Cont'd.)**

- (b) (2) Approve, in substantially final form, the Loan Agreement, Note, and Deed of Trust, and additional documents (collectively, “Loan Documents”) for the Loan;**
- (3) Adopt a resolution authorizing the Director of Housing to negotiate and execute: (i) any additional documents as may be necessary to effectuate and finalize this transaction, including any subordination agreements required to subordinate the City’s Deed of Trust to a senior lender, and (ii) amendments to the Loan Documents as may be reasonably required to finalize this transaction, provided such amendments do not increase the amount of the Loan, including any capitalized interest.**

**CEQA: Brandenburg Mixed Use Project/North San Pedro Housing Sites Project, File Nos. GP03-03-01a and GP03-03-01b. (Housing/Successor Agency)**

Documents Filed: Joint memorandum from Successor Agency Managing Director Richard A. Keit and Director of Housing Leslye Corsiglia, dated September 12, 2013, offering recommendations regarding the North San Pedro Housing Project.

Successor Agency Managing Director Richard A. Keit responded to questions from Council.

Action: Upon motion by Council Member Constant, seconded by Council Member Liccardo and carried unanimously, (1) An Amended and Restated Disposition and Development Agreement with North San Pedro Townhomes LLC (“Developer”) amending and restating in its entirety an existing Disposition and Development Agreement dated June 19, 2007, as amended by that certain First Amendment to Amended and Restated Disposition and Development Agreement dated December 14, 2010, between Developer and the Successor Agency to amend, among other things, the Schedule of Performance and to modify the Phases; and (2) An Amended and Restated Disposition and Development Agreement with San Pedro Life I, LLC (“SPL”) amending and restating in its entirety an existing Amended and Restated Disposition and Development Agreement dated June 26, 2007, as amended by that certain First Amendment to Amended and Restated Disposition and Development Agreement dated December 14, 2010 to amend, among other things, the Schedule of Performance and to modify the Phases; and a \$1,600,000 loan (“Loan”), plus capitalization of up to \$100,000 of accrued but unpaid construction period interest, to First Community Housing, or a related legal entity, for construction of an affordable housing project required as a condition to the State Infill Infrastructure Grant for the North San Pedro Housing Project; Approve, in substantially final form, the Loan Agreement, Note, and Deed of Trust, and additional documents (collectively, “Loan Documents”) for the Loan, were approved, and Resolution No. 76813, entitled: “A Resolution of the Council of the City of San José Authorizing the Director of Housing to Negotiate and Execute any Additional Documents as May be Necessary to Effectuate this Transaction and to Subordinate the City’s Deed of Trust to a Senior Lender”, was adopted. (9-0-2. Absent: Khamis; Reed.)

## **ADJOURNMENT**

Vice Mayor Nguyen adjourned the Joint Council/Successor Agency to the Redevelopment Agency at 3:40 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

Toni J. Taber, CMC, Acting City Clerk

Rmk/10-1-13 JT-SARA