



REDEVELOPMENT AGENCY BOARD

MINUTES

JUNE 9, 2009

PETE CONSTANT
ASH KALRA
SAM T. LICCARDO
KANSEN CHU
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED – CHAIR

PIERLUIGI OLIVERIO
MADISON P. NGUYEN
ROSE HERRERA
JUDY CHIRCO
NANCY PYLE

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Call to Order and Roll Call

3:48 p.m. - Regular Session, Council Chambers, City Hall

Absent: None.

- Open Forum
- Closed Session Report
None.
- Orders of the Day
The Orders of the Day were approved. (11-0)

1 CEREMONIAL ITEMS

None

2 CONSENT CALENDAR

2.1 Report of the Public Safety, Finance and Strategic Support Committee – May 21, 2009.

Boardmember Nguyen, Chairperson

3.1(a) Redevelopment Agency March 2009 Financial Reports.

- (1) Financial Statements
- (2) Capital Cost Report
- (3) Cash Flow Projections

Documents Filed: Report of the Public Safety, Finance and Strategic Support Committee meeting of May 21, 2009, with the Agency's Monthly Financial Reports for March 2009 attached.

Action: The Public Safety, Finance and Strategic Support Committee report and actions of May 21, 2009, were accepted. (11-0)

2.2 Approval of Board Meeting Minutes.

Recommendation: Approval of Redevelopment Agency Minutes for:

- (a) Regular meeting of May 12, 2009.
- (b) Regular meeting of May 19, 2009.

Documents Filed: Regular minutes of May 12 and May 19, 2009.

Action: The Redevelopment Agency minutes of May 12 and May 19, 2009, were approved. (11-0)

7 PRIVATE DEVELOPMENT

7.1 Approval of a Reimbursement Agreement with Ultratech, Inc., for acquisition of capital equipment.

Recommendation:

- (a) Approval of a Reimbursement Agreement with Ultratech, Inc., in an amount not to exceed \$150,000, to assist in acquisition of capital equipment to be installed in Ultratech's industrial headquarters facility at 3050 Zanker Road; and,
- (b) Adoption of a resolution making necessary findings required by law for such agreement.

[RINCON DE LOS ESTEROS]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated May 28, 2009, recommending approval of a Reimbursement Agreement with Ultratech, Inc., and adoption of a resolution making necessary findings required by law for such agreement.

Public Comments: David Ghosh, Vice President Corporate Services, Ultratech, Inc., spoke in support of the Redevelopment Agency's proposed agreement with Ultratech, Inc.

Action: The agreement with Ultratech, Inc., was approved. Agency Resolution No. 5910 adopted. (11-0)

7.2 Approval of a Reimbursement Agreement with Solar Junction Corporation for acquisition of capital equipment.

Recommendation:

- (a) Approval of a Reimbursement Agreement with Solar Junction Corporation, in an amount not to exceed \$500,000, for acquisition of capital equipment to be installed at Solar Junction's headquarters at 401 Charcot Avenue; and,
- (b) Adoption of a resolution making necessary findings required by law for such agreement.

[RINCON DE LOS ESTEROS]

(Item continued on the next page)

2 CONSENT CALENDAR

2.3 Report of the Rules and Open Government Committee – May 13, 2009. Chair Reed, Chairperson

“4.1 Review May 19, 2009, Final Agenda.

4.2 Review May 26, 2009, Draft Agenda: Meeting cancelled.

Documents Filed: Report of the Rules and Open Government Committee of May 13, 2009.

Action: The Rules and Open Government Committee report and actions of May 13, 2009, were approved. (11-0)

2.4 Report of the Rules and Open Government Committee – May 20, 2009. Chair Reed, Chairperson

“4.1 Review May 26, 2009, Final Agenda: Meeting cancelled.

4.2 Review June 2, 2009, Draft Agenda.

Documents Filed: Report of the Rules and Open Government Committee of May 20, 2009.

Action: The Rules and Open Government Committee report and actions of May 20, 2009, were approved. (11-0)

3 GENERAL

None

4 NEIGHBORHOOD IMPROVEMENT STRATEGIES

None

5 HOUSING

None

6 PUBLIC FACILITIES AND SPACES

None

7 PRIVATE DEVELOPMENT

(Cont'd)

- 7.2 Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated May 28, 2009, recommending approval of a Reimbursement Agreement with Solar Junction Corporation and adoption of a resolution making necessary findings required by law for such agreement. Supplemental memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated June 5, 2009, informing the Agency Board of revisions made to the draft reimbursement agreement between Solar Junction Corporation and the Agency, as reflected in the final reimbursement agreement

Public Comments: Jim Weldon, CEO Solar Junction, spoke in support of the Redevelopment Agency's proposed agreement with Solar Junction Corporation.

Action: The agreement with Solar Junction Corporation was approved. Agency Resolution No. 5911 adopted. (11-0)

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

No Redevelopment-related actions were discussed on the City Council agenda today.

The City Council convened at 4:00 p.m. to consider Items 8.1 – 8.2 in a Joint Session.

- 8.1 **Approval of an amendment to the DDA with 360 Residences LLC for development of Agency-owned land at 351-369 South First Street/360-396 South Market Street.**

Recommendations:

- (a) Redevelopment Agency Board approval of the fourth amendment to the Disposition and Development Agreement (DDA) with 360 Residences LLC (successor in interest to Mesa SoFA Partners, LLC), to:
- (1) Modify the terms of a \$2,000,000 Promissory Note payable to the Agency;
 - (2) Defer payment of a portion of the public art obligation;
 - (3) Increase the Agency assistance to reimburse Developer \$106,000 for off-site improvements;

(Item continued on the next page)

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

(Cont'd)

- 8.1 (a) (4) Amend the lease between the Agency and Mesa SoFA Partners, LLC, for ground floor retail space at 170 S. Market Street, and;
- (5) Provide for the recordation of Covenants, Conditions and Restrictions related to the leasing and maintenance of the retail spaces of the Project.
- (b) Adoption of a resolution by the Redevelopment Agency Board approving a budget adjustment to the Agency's Adopted FY 2008-09 Capital Budget, to reduce the Other/Miscellaneous Revenue budget line by \$2,000,000 from the Disposition and Development Agreement (DDA) with 360 Residences LLC Promissory Note, and amending the FY 2008-2009 Agency Revenue resolution.
- (c) Adoption of a resolution by the City Council accepting the supplemental 33433 Summary Report and Re-Use Valuation pursuant to the California Health and Safety Code Section 33433 which summarizes and evaluates the financial aspects of the proposed Fourth Amendment to DDA.

CEQA: Resolution No. 72767, Downtown Strategy 2000 FEIR and Addendum thereto, File No. H05-037. [MARKET GATEWAY]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated May 26, 2009, recommending a) approval of the fourth amendment to the Disposition and Development Agreement with 360 Residences LLC (successor in interest to Mesa SoFA Partners, LLC), b) adoption of a resolution by the Redevelopment Agency Board approving a budget adjustment to the Agency's Adopted FY 2008-09 Capital Budget and amending the FY 2008-2009 Agency Revenue resolution, and c) adoption of a resolution by the City Council accepting the supplemental 33433 Summary Report and Re-Use Valuation which summarizes and evaluates the financial aspects of the proposed Fourth Amendment to DDA.

Public Comments: Charles Young, Mesa SoFA Partners, spoke in support of the Redevelopment Agency's proposed agreement with 360 Residences LLC. Ross Signorino commented on the proposed agreement.

Action: The fourth amendment to the Disposition and Development Agreement with 360 Residences LLC was approved. Agency Resolution No. 5912 adopted. Council Resolution No. 74953 adopted. (11-0)

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

8.2 Approval of Findings for the demolition of vacant City-owned buildings.

Recommendation: Adoption of a resolution by the City Council making certain findings required under California Health and Safety Code Section 33445 approving the demolition of the vacant City-owned buildings at 460 Park Avenue. CEQA: Exempt, File No. PP08-256. [SNI]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated May 28, 2009, recommending adoption of a resolution by the City Council making certain findings required under California Health and Safety Code Section 33445 approving the demolition of the vacant City-owned buildings at 460 Park Avenue.

Action: Council Resolution No. 74954 adopted. (11-0)

- **Adjournment**
The City Council and Redevelopment Agency Board adjourned at 4:11 p.m.

ATTEST:



HARRY S. MAVROGENES, SECRETARY