



REDEVELOPMENT AGENCY BOARD

MINUTES

MARCH 15, 2011

PETE CONSTANT
ASH KALRA
SAM LICCARDO
KANSEN CHU
XAVIER E. CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED – CHAIR

PIERLUIGI OLIVERIO
MADISON P. NGUYEN
ROSE HERRERA
DONALD ROCHA
NANCY PYLE

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Call to Order and Roll Call

9:00 a.m. - Closed Session, Council Chambers Conference Room W133

Absent: Constant, Kalra (Excused).

3:14 p.m. - Regular Session, Council Chambers, City Hall

Absent: Constant, Kalra (Excused).

- Open Forum
- Closed Session Report
- Orders of the Day

The Orders of the Day were approved with items 3.3 and 8.1 added to the agenda by a 2/3 majority vote. (9-0-2)

1 CEREMONIAL ITEMS

None

2 CONSENT CALENDAR

2.1 Approval of Minutes.

- (a) Approval of Redevelopment Agency Minutes for the Special meeting of January 19, 2011.

Documents Filed: Regular minutes of January 19, 2011.

Action: The Redevelopment Agency minutes of January 19, 2011 were approved. (9-0-2) Absent: Constant, Kalra.

2.2 Approval of Council/Board Committee Reports.

- (a) Report of the Rules and Open Government Committee – February 23, 2011. (Mayor)
- (b) Report of the Rules and Open Government Committee – March 2, 2011. (Mayor)
- (c) Report of the Rules and Open Government Committee – March 9, 2011. (Mayor)

Documents Filed: Reports of the Rules and Open Government Committee meetings of February 23, March 2, and March 9, 2011.

Action: Reports of the Rules and Open Government Committee meetings of February 23, March 2, and March 9, 2011, were approved. (9-0-2) Absent: Constant, Kalra.

3 GENERAL

3.1 Report of the Executive Director, Harry S. Mavrogenes (Verbal Report)

Executive Director Harry S. Mavrogenes reported that the California State Legislature would be voting on Governor Jerry Brown's proposed budget including the elimination of redevelopment on Wednesday, March 16, 2011. The outcome will determine whether there will be an impact on the Agency Board's ability to take future actions.

3.2 Approval of an adjustment to the FY 2010-11 Revised Operating Budget, Operating Personnel Services line.

Recommendation: Adoption of a resolution approving an adjustment to the Adopted FY 2010-11 Revised Operating Budget adding \$3.6 million to the Personnel Services appropriation. CEQA: Not a project. [MERGED]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated March 11, 2011, recommending adoption of a resolution approving an adjustment to the Adopted FY 2010-11 Revised Operating Budget.

Action: Agency Resolution No. 6010 adopted. (9-0-2) Absent: Constant, Kalra.

3.3 Approval of an adjustment to the FY 2010-11 Revised Capital Budget, Downtown Association project line.

Recommendation: Adoption of a resolution approving an adjustment to the FY 2010-11 Adopted Revised Capital Budget, reallocating \$250,000 to the San Jose Downtown Association project line in the Merged Redevelopment Area, \$220,000 from the BioCenter: Equipment Acquisitions & Tenant Improvements project line in the Edenvale Redevelopment Area, and \$30,000 from the Downtown Business Improvements & Loans project line in the Merged Redevelopment Area, and amending the FY 2010-11 Agency appropriations resolution. CEQA: Exempt, File No. PP08-105. [MERGED]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated March 14, 2011, recommending adoption of a resolution approving an adjustment to the FY 2010-11 Adopted Revised Capital Budget and amending the FY 2010-11 Agency appropriations resolution.

Action: Added under Orders of the Day. Agency Resolution No. 6011 adopted. (9-0-2) Absent: Constant, Kalra.

4 NEIGHBORHOOD IMPROVEMENT STRATEGIES

None

5 HOUSING

None

6 PUBLIC FACILITIES AND SPACES

6.1 Approval of an amendment to the lease with MACLA for 500-510 South First Street.

Recommendations:

- (a) Approval of the second amendment to the lease with Movimiento De Arte Y Cultura Latino Americano (MACLA), modifying the lease terms for space located at 500-510 South First Street of approximately 7,980 square feet.
- (b) Adoption of a resolution granting the Executive Director the authority to negotiate and execute an amendment to the MACLA Lease to add 3,700 square feet of vacant first floor retail space to the leased premises subject to MACLA being awarded a \$360,000 Peapod Academy Grant and after notice and a public hearing as required pursuant to Health and Safety Code Section 33431.

CEQA: Exempt, File No. PP07-104 [MONTEREY CORRIDOR]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated March 11, 2011, recommending: 1) approval of the second amendment to the lease with MACLA for space located at 500-510 South First Street and, 2) adoption of a resolution granting the Executive Director the authority to negotiate and execute an amendment to the MACLA Lease to add 3,700 square feet to the leased premises, subject to MACLA being awarded a \$360,000 Peapod Academy Grant and after notice and a public hearing as required pursuant to Health and Safety Code Section 33431.

Public Comments: Elizabeth Waldo spoke in support of item 6.1.

Action: The second amendment to the lease with MACLA for space located at 500-510 South First Street was approved. Agency Resolution No. 6012 adopted. (9-0-2) Absent: Constant, Kalra.

7 PRIVATE DEVELOPMENT

7.1 Approval of a Property Use Agreement with the Tabard Theatre Company.

Recommendations:

- (a) Approval of a Property Use Agreement with the Tabard Theatre Company to provide theater space to non-profit community art organizations for a minimum of 90 days a year.
- (b) Adoption of a resolution approving an adjustment to the FY 2010-11 Adopted Capital Budget adding \$36,000 to the Competitive Art Capital Fund/Theater San Pedro Square project lines in the Merged Redevelopment Area; and amending the FY 2010-11 appropriations resolution.

CEQA: Not a project. [SNI]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated March 11, 2011, recommending: 1) approval of a Property Use Agreement with the Tabard Theatre Company and, 2) adoption of a resolution approving an adjustment to the FY 2010-11 Adopted Capital Budget and amending the FY 2010-11 appropriations resolution.

Public Comments: Cathy Spielberger Casseta spoke in support of item 7.1.

Action: The Property Use Agreement with Tabard Theatre Company was approved. Agency Resolution No. 6013 adopted. (9-0-2) Absent: Constant, Kalra.

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

Item 9.1 on the City Council's Agenda related to "Review and Discussion of the Mayor's Budget Message" was heard and action taken during the Council meeting.

The City Council convened at 3:33 p.m. to consider Item 8.1 in a Joint Session.

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

8.1 Approval of actions related to a Capital Equipment and Assistance Agreement with C8 MediSensors, Inc.

Recommendations:

- (a) Adoption of a resolution by the Redevelopment Agency Board authorizing the Executive Director to negotiate and execute a Capital Equipment and Assistance Agreement with C8 MediSensors, Inc., in which the Agency will provide an amount not to exceed \$400,000 for the acquisition of industrial and manufacturing equipment to be installed at C8 MediSensors's new global headquarters and assembly facility in the Edenvale Redevelopment Project Area; and making certain findings as required by California Redevelopment Law.
- (b) Adoption of a resolution by the City Council authorizing the City Manager to negotiate and execute a Participation Agreement with C8 MediSensors that will provide funding in an amount equal to 90% of net new sales tax revenue generated in Year 1, 80% of the net new sales tax revenue generated in Year 2 and 50% of the net new sales tax revenue generated in Year 3 by C8 MediSensors's new headquarters facilities for three consecutive years.

CEQA: Not a project. [EDENVALE]

Documents Filed: Memorandum from Executive Director of Redevelopment Agency Harry S. Mavrogenes and City Manager Debra Figone, dated March 14, 2011, recommending: 1) adoption of a resolution by the Redevelopment Agency Board authorizing the Executive Director to negotiate and execute a Capital Equipment and Assistance Agreement with C8 MediSensors, Inc., and making certain findings as required by California Redevelopment Law, 2) adoption of a resolution by the City Council authorizing the City Manager to negotiate and execute a Participation Agreement with C8 MediSensors, Inc.

(Item continued on the next page)

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

(Cont'd)

- 8.1 Public Comments: Joseph Okpaku, Fred Toney, and Dr. Robert McNamara spoke in support of item 8.1.

Action: Added under Orders of the Day. Agency Resolution No. 6014 adopted. City Council Resolution No. 75761 adopted. (9-0-2) Absent: Constant, Kalra.

The City Council portion of the meeting adjourned at 3:50 p.m.

- **Adjournment**

The Redevelopment Agency Board adjourned at 3:50 p.m.

ATTEST:



HARRY S. MAVROGENES, SECRETARY