

**MINUTES OF THE CITY OF SAN JOSÉ/REDEVELOPMENT
AGENCY BOARD**

SAN JOSE, CALIFORNIA

TUESDAY, NOVEMBER 30, 2004

The Council of the City of San José convened in Joint Session with the Financing Authority Board at 4:42 p.m. in City Council Chambers at City Hall.

Present: Council Members: Campos, Chavez, Chirco, Cortese, Dando, Gregory, LeZotte, Reed, Williams, Yeager; Gonzales.

Absent: Council Members: None.

- 2 (a) Hold a public hearing under the California Government Code Section 6586.5 related to the issuance of the City of San José Financing Authority Lease Revenue Bonds (Land Acquisition Project), Series 2004B (Taxable) and Series 2004C (AMT), in an aggregate principal amount not to exceed \$90,000,000 and under the Tax Equity and Fiscal Responsibility Act (TEFRA), related to the issuance of the Series 2004C (AMT), for the purpose of financing the acquisition and improvement of real property located at 1125 Coleman Avenue and 328 West Brokaw Road in the cities of San José and Santa Clara, respectively to be used by the City for various City and aviation-related purposes**
- (b) Adoption of a resolution by the City of San José Financing Authority (the “Authority”):**
- (1) Authorizing the issuance of City of San José Financing Authority Lease Revenue Bonds (Land Acquisition Project), Series 2004B (Taxable) and Series 2004C (AMT), (collectively, the “Bonds”) in the not-to-exceed aggregate principal amount of \$90,000,000, to be sold through negotiated sale subject to certain limitations.**
 - (2) Authorizing the Executive Director or the Executive Director’s designee to select the appropriate variable rate mode at the time of the sale and throughout the duration of the Bonds pursuant to the terms and conditions of the Trust Agreement and the Remarketing Agreements.**
 - (3) Approving, in substantially final form, the Bonds, the Trust Agreement, Site Lease Agreement, General Sublease Agreement, Operating Sublease Agreement, Standby Bond Purchase Agreement, Financial Guaranty Agreement, Preliminary Official Statement, Continuing Disclosure Agreement, Bond Purchase Agreements and Remarketing Agreements for the Bonds; authorizing the Executive Director, or the Executive Director’s designee to execute and, as appropriate, to negotiate, and deliver these documents and other related financing documents and to take other actions as necessary in connection with the issuance of the Bonds.**

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- (4) **Authorizing the Executive Director or the Executive Director's designee, without further action from the Authority, to replace the Remarketing Agent and to enter into new Remarketing Agreements, in substantially the form of those approved hereby, with other broker dealers, remarketing agents or banks if the Executive Director or the Executive Director's designee deems it in the best interest of the Authority to do so. (Cont'd.)**
- (c) **Adoption of a resolution by the San José City Council:**
- (1) **Approving in substantially final form and authorizing the execution, as applicable, of the Site Lease Agreement, General Sublease Agreement, Operating Sublease Agreement, Preliminary Official Statement, Continuing Disclosure Agreement, Financial Guaranty Agreement, Standby Bond Purchase Agreement, Bond Purchase Agreement, Custodian Agreement and authorizing the City Manager or his designee to execute and, as appropriate, to negotiate, and deliver these documents and other related financing documents and to take other actions as necessary in connection with the issuance of the Bonds.**
 - (2) **Authorizing the City Manager to negotiate and execute an Agreement with Fullerton & Friar, Inc. and Public Resources Advisory Group for financial advisory services in an amount not to exceed \$140,000.**
 - (3) **Authorizing the City Attorney to negotiate and execute an Agreement with Orrick Herrington & Sutcliffe LLP for bond counsel and disclosure counsel services in an amount not to exceed \$210,000.**
- (Finance)**

Documents Filed: Memorandum from Deputy Director of Debt & Risk Management, Julia Cooper, dated November 23, 2004, recommending the public hearing and adoption of the resolution.

Action: Items 2(b)(1)(2)(3)(4) and 2(c)(1) were deferred to January 25, 2005. The Public Hearing was held and Resolution No. 72408, entitled: "A Resolution of the Council of the City of San José Authorizing Agreements with Fullerton & Friar, Inc. and Public Resources Advisory Group; and Orrick, Herrington & Sutcliffe, LLP Relating to the Issuance of Lease Revenue Bonds for the Acquisition of the FMC Property", was adopted. (10-0-1). Absent: Dando.

ADJOURNMENT

The Joint Council/Financing Authority adjourned at 4:43 p.m.

RON GONZALES, MAYOR

ATTEST:

LEE PRICE, C.M.C, CITY CLERK

EW/11-30-04