



CITY OF SAN JOSÉ, CALIFORNIA

MINUTES OF THE CITY OF SAN JOSÉ JOINT CITY COUNCIL /FINANCING AUTHORITY

SAN JOSE, CALIFORNIA

TUESDAY, MAY 24, 2005

The Council of the City of San José convened in Joint Session with the San José Financing Authority at 3:19 p.m. in City Council Chambers at City Hall.

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

Absent: Council Members: None.

- 2 (a) **Adoption of a resolution of the Redevelopment Agency Board:**
 - (1) **Authorizing the issuance of the following series of Redevelopment Agency of the City of San José Merged Area Redevelopment Project housing set-aside tax allocation bonds:**
 - (a) **Housing Set-Aside Tax-Exempt Refunding Tax Allocation Bonds, Series 2005A in an amount not to exceed \$12,000,000 (the "2005A Bonds");**
 - (b) **Housing Set-Aside Taxable Refunding Tax Allocation Bonds, Series 2005B in an amount not to exceed \$125,000,000 (the "2005B Bonds");**
 - (c) **Subordinate Housing Set-Aside Tax Allocation Variable Rate Demand Bonds, Series 2005C (AMT) and 2005D (AMT) in an aggregate principal amount not to exceed \$75,315,000 (respectively, the "2005C and 2005D Bonds" and, collectively with the 2005A and 2005B Bonds, the "Bonds");**

- 2(Cont'd.)
- (2) **Approving in substantially final form the Bonds, Seventh Supplemental Agreement, First Supplemental Agreement (Subordinate), one or more Bond Purchase Agreements, one or more Reimbursement Agreements, one or more Remarketing Agreements, one or more Escrow Agreements, a Continuing Disclosure Agreement, preliminary and final Official Statements relating to the 2005A and 2005B Bonds, final Official Statement relating to the 2005C and 2005D Bonds; authorizing certain Agency officials to execute and, as appropriate, negotiate these documents and other related documents as necessary; and**
 - (3) **Authorizing certain Agency officials to take all necessary actions in connection with the issuance of the Bonds.**
 - (b) **Adoption of a resolution of the City Council: (Cont'd.)**
 - (1) **Approving the issuance of the Bonds by the Redevelopment Agency; approving the execution and delivery of one or more Tax Regulatory Agreements; and making a finding pursuant to Redevelopment Law that the Merged Area will benefit from the projects funded by the Bonds that are located outside of the Merged Area;**
 - (2) **Authorizing certain City officials to take all necessary actions in connection with issuance of the Bonds;**
 - (3) **Authorizing the City Attorney to negotiate and execute an amendment to the agreement with Nixon Peabody LLC, increasing compensation by \$50,000 for a total amount not to exceed \$173,000 for Bond Counsel and Disclosure Counsel fees.**
 - (c) **Adoption of a resolution of the Authority Board:**
 - (1) **Approving the purchase of the 2005A and 2005B Bonds from the Agency for concurrent resale to the underwriters of such Bonds; approving the purchase of the 2005C and 2005D Bonds from the Agency for concurrent resale to the underwriters of such Bonds; approving the execution of one or more Bond Purchase Agreements with respect to the Bonds; and approving the distribution of preliminary and final Official Statement relating to the 2005A and 2005B Bonds and the final Official Statement relating to the 2005C and 2005D Bonds;**
 - (2) **Authorizing certain City and Agency officials on behalf of the Authority to take all necessary actions in connection with the issuance of the Bonds.**

CEQA: Not a Project. (City Manager's Office/Redevelopment Agency)

Documents Filed: (1) Supplemental memorandum from Deputy Director of Finance Julia H. Cooper, dated May 19, 2005, providing an update of the financing transaction, transmitting Official Statements for the Redevelopment

2 (Cont'd.)

Agency Housing Set-Aside Tax Allocation Bonds, Series 2005A, B, C, and D (the "Bonds"); increasing the not to exceed amount of the Series 2005B to \$125 million; and changing CEQA reference to not a project. (2) Memorandum from Deputy Director of Finance Julia H. Cooper, dated May 18, 2005, providing documents for filing in the packet of the May 24, 2005 City Council meeting. (3) Memorandum from City Manager Del D. Borgsdorf and Executive Director of Redevelopment Agency Harry S. Mavrogenes, dated May 5, 2005, recommending adoption of the resolutions.

Action: Upon motion by Council Member Chirco, seconded by Council Member Reed, and unanimously carried, Resolution No. 72689, "A Resolution of the City Council of the City of San José Approving the Issuance by the Redevelopment Agency of the City of San José of Its Merged Area Redevelopment Project Housing Set-Aside Tax-Exempt Refunding Tax Allocation Bonds, Series 2005A, in An Aggregate Principal Amount Not to Exceed \$12,000,000 Its Merged Area Redevelopment Project Subordinate Housing Set-Aside Tax Allocation Variable Rate Demand Bonds, Series 2005C (AMT) and Its Merged Area Redevelopment Project Subordinate Housing Set-Aside Tax Allocation Variable Rate Demand Bonds, Series 2005D (AMT) in a Combined Aggregate Principal Amount Not to Exceed \$75,315,000; Approving the Execution and Delivery of One or More Tax Regulatory Agreements; and Authorizing and Approving Certain Other Actions in Connection Therewith", San José Financing Authority Resolution No. 70, entitled: "A Resolution of the City of San José Financing Authority Authorizing the Purchase and Sale of Not to Exceed \$12,000,000 Aggregate Principal Amount of Redevelopment Agency of the City of San José Merged Area Redevelopment Project Set-Aside Tax-Exempt Refunding Tax Allocation Bonds, Series 2005A, \$125,000,000 Aggregate Principal Amount of Redevelopment Agency of the City of San José Merged Area Redevelopment Project Housing Set-Aside Taxable Refunding Tax Allocation Bonds, Series 2005B, and \$75,315,000 Combined Aggregate Principal Amount of Redevelopment Agency of the City of San José Merged Area Redevelopment Project Subordinate Housing Set-Aside Tax Allocation Variable Rate Demand Bonds, Series 2005C (AMT) and Redevelopment Agency of the City of San José Merged Area Redevelopment Project Subordinate Housing Set-Aside Tax Allocation Variable Rate Demand Bonds, Series 2005D (AMT), and, Upon Certain Terms and Conditions, Approving Distribution of Preliminary and Final Official Statements Relating Thereto, as Applicable, and Providing Other Matters Property Relating", and Agency Resolution No. 5608 were adopted. (8-0-2). Absent: Williams; Gonzales.

ADJOURNMENT

The Joint San José Council/Redevelopment Agency/Financing Authority meeting adjourned at 3:19 p.m.

RON GONZALES, MAYOR

ATTEST:

LEE PRICE, C.M.C, CITY CLERK
EW/5-24-05 JT_FinancingAuth_Min.