



MINUTES OF THE SAN JOSÉ FINANCING AUTHORITY

SAN JOSÉ, CALIFORNIA

TUESDAY, MAY 22, 2007

The Council of the City of San José convened in joint session at 5:11 p.m. with the San José Financing Authority, in City Council Chambers at City Hall.

Present: Council Members - Campos, Chirco, Constant, Cortese, Liccardo, Nguyen, Pyle, Williams; Reed.

Absent: Council Members - Oliverio. (Excused)

Vacant: - Council District 4.

2. (a) **Approval for the City Council to take the following actions:**
 - (1) **Conduct a public hearing of the City Council concerning the approval of the financing by the City of San José Financing Authority's issuance of taxable commercial paper and/or lease revenue bonds in order to finance certain public capital improvements of the City, consisting of additional capital improvements of the HP Pavilion and certain related costs.**
 - (2) **Adoption of a resolution of the City Council approving the issuance of commercial paper notes pursuant to the previously established commercial paper program designated as "*City of San José Financing Authority Lease Revenue Commercial Paper Notes*" in the not-to-exceed aggregate amount of \$116 million, and determining that there will be significant public benefits accruing from such financing.**
- (b) **Approval for the City of San José Financing Authority Board to take the following action:**
 - (1) **Adoption of a resolution of the City of San José Financing Authority authorizing the issuance of City of San José Financing Authority Lease Revenue Commercial Paper Notes for the additional purpose of additional capital improvements of the HP Pavilion and certain related costs.**

CEQA: Not a Project. (Finance)

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2. (Cont'd.)

Documents Filed: (1) Memorandum from Director of Finance Scott Johnson, dated May 2, 2007, recommending conducting a public hearing and adoption of resolutions. (2) Proof of Publication of Notice of Public Hearing, executed on May 16, 2007, submitted by the City Clerk. (3) Letter from a member of the public, dated May 22, 2007, regarding the San José Financing Authority.

Mayor Reed opened the public hearing.

Public Comments: William Garrett spoke in opposition to the Staff recommendations. Mayor Reed closed the public hearing.

Action: Upon motion by Council Member Pyle, seconded by Council Member Chirco and carried unanimously, Resolution No. 73775, entitled: "A Resolution of the Council of the City of San José Approving the Issuance of Commercial Paper Notes Pursuant to the Previously Established Commercial Paper Program Designated as City of San José Financing Authority Lease Revenue Commercial Paper in the Not To Exceed Amount of \$116 Million and Determining that there Will Be Significant Public Benefits Accruing from Such Financing" and San José Financing Authority Resolution No. 74, entitled: "A Resolution of the City of San José Financing Authority Authorizing the Issuance of City of San José Financing Authority Taxable Lease Revenue Commercial Paper Notes for the Additional Purpose of Capital Improvements to the HP Pavilion and Certain Related Costs", were adopted. (9-0-1. Absent: Oliverio.)

3. (a) **Adoption of a resolution of the City Council approving, authorizing and directing execution of certain financing documents and direct certain related actions in connection with the issuance of the City of San José Financing Authority Lease Revenue Bonds, Series 2007A (Recreational Facilities Refunding Project) (the "Refunding Bonds") in an aggregate principal amount not to exceed \$39,300,000, in connection with the refinancing of certain public capital improvements of the City of San José, to be sold through competitive sale, and authorizing the City Manager or the City Manager's designee to take other actions as necessary in connection with the issuance of the Refunding Bonds.**
- (b) **Adoption of a resolution of the City of San José Financing Authority Board:**
- (1) **Authorizing the issuance of the Refunding Bonds, in an aggregate principal amount not to exceed \$39,300,000, in connection with the refinancing of certain public capital improvements of the City of San José to be sold through competitive sale; and**
 - (2) **Approving, authorizing and directing the execution of various financing documents related to the Refunding Bonds and authorizing the Executive Director or the Executive Director's designee to take other actions as necessary in connection with the issuance of the Refunding Bonds.**

CEQA: Not a Project. (Finance)

3. (Cont'd.)

Documents Filed: (1) Memorandum from Deputy Director of Finance Julia Cooper, dated May 2, 2007, recommending adoption of resolutions. (2) Supplemental memorandum from Deputy Director of Finance Julia Cooper, dated May 16, 2007, transmitting the Official Statement of the proposed Series 2007A Bonds and its Appendix A, providing updated information regarding the procurement of bond insurance and the selection of a trustee bank.

Deputy Director of Finance Julia Cooper responded to Council questions.

Action: Upon motion by Council Member Pyle, seconded by Council Member Liccardo and carried unanimously, Resolution No. 73776, entitled: "A Resolution of the Council of the City of San José Approving, Authorizing and Directing Execution of Certain Financing Documents and Directing Certain Related Actions in Connection with Refinancing for Certain Public Capital Improvements" and San José Financing Authority Resolution No. 75, entitled: "A Resolution of the City of San José Financing Authority Authorizing the Issuance of Lease Revenue Refunding Bonds in the Initial Aggregate Principal Amount of Not To Exceed \$39,300,000 in Connection with Refinancing Certain Public Capital Improvements of the City and Refunding Certain Bonds Related Thereto, Authorizing and Directing Execution of a Trust Agreement and Certain Financing Documents, Authorizing a Competitive Sale of Bonds, Approving an Official Statement and Authorizing Other Related Actions", were adopted. (9 -0-1. Absent: Oliverio.)

The Joint City Council/San José Financing Authority was adjourned at 5:19 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

Lee Price, MMC
City Clerk

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