

RESOLUTION NO. 73444

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE ACCEPTING THE SUMMARY OF COSTS AND FINDINGS OF THE SUMMARY 33433 REPORT AND THE ESTIMATED REUSE VALUATION PURSUANT TO THE CALIFORNIA HEALTH AND SAFETY CODE SECTION 33433 FOR THE LEASE TO PHAN HA, TRAN HA AND VINH HA DBA JUICE ZONE OF 1,648 SQUARE FEET OF CITY-OWNED GROUND FLOOR RETAIL SPACE AT 88 SOUTH FOURTH STREET, SUITE 100 THAT IS MASTER LEASED TO THE REDEVELOPMENT AGENCY; AND MAKING CERTAIN FINDINGS**

**WHEREAS**, the Redevelopment Agency of the City of San Jose ("Agency") is presently engaged in redevelopment activities in the Strong Neighborhoods Initiative Redevelopment Project Area; and

**WHEREAS**, the Fourth Street Garage at 88 South Fourth Street has ground-floor retail, a top floor banquet hall, and parking; and

**WHEREAS**, on October 13, 2003, the City Council and Agency Board approved a Cooperation Agreement transferring the Fourth Street Garage from the Agency to the City of San Jose and a Master Lease providing for the Agency's continued control of the ground floor retail space; and

**WHEREAS**, the proposed lease between the Agency and Phan Ha, Tran Ha and Vinh Ha dba Juice Zone ("Juice Zone") would provide for the lease of 1,648 square feet of ground floor retail space ("Lease"); and

**WHEREAS**, Community Redevelopment Law provides in Section 33433 that (1) before any property acquired, in whole or in part, with tax increment monies is sold or leased for development pursuant to a redevelopment plan, such sale or lease shall first be approved by the City Council, after a duly noticed public hearing of the City Council, and

(2) the Agency shall make available for public inspection a copy of the proposed sale or lease and a summary which describes the financial aspects of the transaction; and

**WHEREAS**, a Summary Report and an Estimated Reuse Valuation have been prepared by Agency's consultant, Keyser Marston Associates, Inc., pursuant to Health & Safety Code Section 33433, that analyzes the project's financial structure, costs, revenues, and other information required by Section 33433, and said report and copies of the proposed Lease were made available to the public for inspection prior to the hearing, as required by Community Redevelopment Law; and

**WHEREAS**, notice of a joint public hearing by the City Council and the Agency Board on the proposed Lease has been duly published in accordance with the Community Redevelopment Law; and

**WHEREAS**, the joint public hearing of the Agency Board and the City Council was held on October 3, 2006; and

**WHEREAS**, the proposed Lease will assist in the elimination of blight by addressing the Agency's urban design goals of enlivening the streetscape, creating pedestrian linkages between the new City Hall, adjacent residential neighborhoods and the historic Downtown retail area, and avoiding the aesthetic and economic barrier created by large expanses of blank streetscape by tenanting a vacant retail space; and

**WHEREAS**, the proposed Lease is consistent with the Strong Neighborhoods Initiative Project Area Implementation Plan's goal to encourage retail/entertainment activity.

**NOW, THEREFORE**, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. The summary of costs and findings of the Summary 33433 Report and the Estimated Reuse Valuation pursuant to the California Health and Safety Code Section

33433 are accepted for the lease of approximately 1,648 square feet of ground floor retail space at 88 South Fourth Street to Phan Ha, Tran Ha and Vinh Ha dba Juice Zone.

2. The consideration that the Agency will receive is not less than the fair reuse value at the use and with the covenants, conditions and development costs set forth in the Lease.

3. The Project will assist in the elimination of blight and that the project is consistent with the Agency's Implementation Plan for the Strong Neighborhoods Initiative Project Area.

ADOPTED this 3<sup>rd</sup> day of October, 2006, by the following vote:

AYES: CAMPOS, CHAVEZ, CHIRCO, CORTESE, LeZOTTE,  
NGUYEN, PYLE, REED, WILLIAMS, YEAGER;  
GONZALES

NOES: NONE

ABSENT: NONE

DISQUALIFIED: NONE

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RON GONZALES  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk