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by City Manager's Office

Memorandum

**TO: HONORABLE MAYOR
AND CITY COUNCIL**

FROM: Nadine Nader

SUBJECT: Early Council Packet

DATE: March 9, 2010

Approved

Date

3/9/10

EARLY DISTRIBUTION COUNCIL PACKET FOR MARCH 23, 2010

There are two Early Distribution items for the March 23, 2010 Council Meeting listed below. These items will be distributed as soon as they become available.

5.x Suspension of the Citywide Aquatics Program for the 2010-11 Fiscal Year.

Recommendation: Approve the Parks, Recreation, and Neighborhood Services Department recommendation to suspend the Citywide Aquatics Program for the 2010-11 fiscal year due to the recently revised General Fund projections; and to subsequently reevaluate delivery of the 2011-12 Program during the 2010-11 budget process. CEQA: Not a Project. (Parks, Recreation and Neighborhood Services/City Manager's Office)

9.x Redevelopment Agency Housing Set-Aside Tax Allocation Bonds.

Recommendation:

- (a) City Council hold a Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing in connection with the 2010A Bonds relating to certain affordable housing projects identified in Exhibit A.
- (b) 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 in an aggregate amount not to exceed \$160,000,000:
 - (a) Housing Set-Aside Tax-Exempt Refunding Tax Allocation Bonds, Series 2010A in an expected amount not to exceed \$56,695,000 (the "2010A Bonds");
 - (b) Housing Set-Aside Taxable Tax Allocation Bonds, Series 2010B in an expected amount not to exceed \$8,000,000 (the "2010B Bonds"); and

- (c) Taxable Subordinate Housing Set-Aside Tax Allocation Variable Rate Bonds, Series 2010C in an expected amount not to exceed \$93,000,000 (the "2010C" Bonds and collectively with the 2010A Bonds and 2010B Bonds, the "Bonds"); and
- (2) Approving in substantially final form the Bonds, Eighth Supplemental Fiscal Agent Agreement, Subordinate Fiscal Agreement, Continuing Covenant, a Bond Purchase Agreement relating to the 2010A and 2010B Bonds, one or more Continuing Disclosure Agreements, preliminary Official Statement relating to the 2010A and 2010B Bonds; authorizing the Agency's Executive Director and Chief Financial Officer to execute and, as appropriate, negotiate these documents and other related documents as necessary after consultation with Bond Counsel, Agency General Counsel, and the financial advisor for the Bonds;
- (3) Authorizing the Agency's Executive Director and Chief Financial Officer, and their designees, to take all necessary actions in connection with the issuance of the Bonds; and
- (4) Authorizing the General Counsel to negotiate and execute an agreement with Hawkins, Delafield & Wood LLC, for a total amount not to exceed \$270,000 for Bond Counsel and disclosure Counsel fees.
- (c) Adoption of a resolution of the City Council:
 - (1) Approving the issuance of the Bonds by the Redevelopment Agency; approving the execution and delivery of one or more tax regulatory agreements;
 - (2) Making a finding pursuant to Redevelopment Law that the Merged Area will benefit from the projects located outside of the Merged Area that are financed or refinanced by the Bonds;
 - (3) Authorizing the City Manager and her designees to take all necessary actions in connection with issuance of the Bonds; and
 - (4) Certifying that a TEFRA hearing was held in accordance with applicable federal regulations.

CEQA: See attachment for CEQA determinations. (City Manager's Office/Redevelopment Agency)

These items will also be included in the Council Agenda Packet with item numbers.



NADINE NADER

Assistant to the City Manager