



**MINUTES OF THE
JOINT REDEVELOPMENT AGENCY/CITY COUNCIL
BUDGET STUDY SESSION**

SAN JOSE, CALIFORNIA

MONDAY, SEPTEMBER 30, 2010

The Council of the City of San José convened in regular joint study session at 1:33 p.m. in the Council Chambers at City Hall.

Present: Council Members - Campos, Chirco, Chu, Constant, Kalra, Liccardo, Nguyen, Oliverio, Pyle; Reed.

Absent: Council Members - Herrera. (excused)

Staff: City Attorney Richard Doyle, Redevelopment Agency Executive Director Harry S. Mavrogenes, Redevelopment Agency Director Bill Ekern, Redevelopment Agency Director Richard Keit, Redevelopment Agency Assistant Director Gary Miskimon, Redevelopment Agency Deputy Executive Director Janet Kern, Redevelopment Agency Deputy Executive Director Abi Maghamfar, Redevelopment Agency Project Manager, Christopher “Kip” Harkness, Director of Finance/Chief Financial Officer David Baum, City Clerk Lee Price and Legislative Secretary Ruth Krantz.

Documents Filed: (1) Proposed 2010-2011 Revised Capital Budget and Three-Year Spending Plan & Revised Operating Budget prepared by Redevelopment Agency Executive Director Harry S. Mavrogenes, Redevelopment Agency Deputy Executive Director Janet Kern, Director of Finance/Chief Financial Officer David Baum and Redevelopment Agency Deputy Executive Director Abi Maghamfar, dated September 17, 2010. (2) Staff presentation dated September 30, 2010, summarizing the “Three Year Spending Plan – a fiscally responsible, focused plan for economic growth”. (3) Presentation to the San José Redevelopment Agency from Larry Stone, County Assessor”, dated September 30, 2010.

The purpose of the Study Session was to provide Redevelopment Agency and City Staff presentations of the Proposed FY 2010-2011 Operating and Capital Budget.

Access the video, the agenda and related reports for this meeting by visiting the City's website at <http://www.sanjoseca.gov/clerk/agenda.asp> or <http://www.sanjoseca.gov/clerk/MeetingArchive.asp>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.

Welcome and Background

Mayor Reed provided opening comments.

Executive Director Harry S. Mavrogenes provided an introduction to the Three-Year Spending Plan.

RDA Accomplishments

Project Management Director Bill Ekern provided a presentation on selected Redevelopment Agency Accomplishments for 2009-2010, including renovated public facilities, and Economic Developments: new retail, new offices and new manufacturing.

Challenging Times

Executive Director Harry S. Mavrogenes offered the City's historical tax revenue background, forecasts, revenue projections and budget assumptions.

Director of Finance/Chief Financial Officer David Baum provided an overview of the Three-Year Spending Plan, with the focus on capital projects that stimulate economic development, creation of jobs including the ballpark project and projects currently underway.

Growing the Pie

Executive Director Harry S. Mavrogenes continued with the City's goal of creating jobs, expanding businesses and strengthening neighborhoods.

Mayor Reed noted positive signs in the local economy, net job growth and the City's creation of a Jobs and Revenue Generation Team that has been tasked with working with a series of private developers who are willing to invest in San José.

Extensive Council discussion followed.

Project Manager, Christopher "Kip" Harkness spoke on project readiness for Alum Rock School District and the Mayfair Community/ACE Charter School Project. Council Member Campos offered comments on Mayfair and added that she would be submitting a budget document on the project, stressing that the City needs to get the best investment for its money.

Mayor Reed urged funding of economic development projects where immediate results can be seen.

Santa Clara County Assessor Larry Stone gave a presentation on the role of the Assessor's Office and criticized information provided to the City by the Spectrum Economics' 2010 Revenue Forecast Update, which placed blame on the Assessor's Office for their "disastrous" forecast.

The Council directed questions to Assessor Larry Stone, and discussion followed.

Public Comments: Greg Lippman, Executive Director ACE Charter School, expressed funding concerns regarding the ACE Charter School Project.

Mayor Reed adjourned the Study Session at 3:54 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

Lee Price, MMC
City Clerk

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