

RESOLUTION NO. 73882

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING THE SALE OF CERTAIN SITES LOCATED ON AGENCY-OWNED PROPERTY, GENERALLY LOCATED IN THE BLOCKS BOUNDED BY HIGHWAY 87 TO THE WEST, WEST SAINT JAMES STREET TO THE SOUTH, NORTH MARKET STREET TO THE EAST AND A UNION PACIFIC RAILROAD RIGHT OF WAY TO THE NORTH, TO GREEN VALLEY CORPORATION (DBA BARRY SWENSON BUILDER), ACCEPTING THE 33433 SUMMARY REPORT AND RE-USE VALUATION, AND FINDING THAT THE SALE OF THE PROPERTY WILL ASSIST IN THE ELIMINATION OF BLIGHT, IS CONSISTENT WITH THE IMPLEMENTATION PLAN FOR THE JULIAN-STOCKTON REDEVELOPMENT PROJECT AREA, AND THAT THE CONSIDERATION FOR THE PROPERTY IS NOT LESS THAN THE FAIR REUSE VALUE FOR THE PROPOSED USE, WITH THE COVENANTS AND CONDITIONS AND DEVELOPMENT COSTS AUTHORIZED BY THE DISPOSITION AND DEVELOPMENT AGREEMENT**

**WHEREAS**, the Redevelopment Agency of the City of San Jose ("Agency") is presently engaged in redevelopment activities in the Julian-Stockton Redevelopment Project Area ("Project Area"); and

**WHEREAS**, in September 2003, the Agency acquired approximately 5.28 acres in the area north of Julian Street, and combined with existing Agency-owned land, City right-of-way for Julian Street and State-owned surplus property, was identified as a land assembly site for the development of housing ("Site"); and

**WHEREAS**, on December 4, 2003, the Agency issued a Request for Proposals for the Site; and

**WHEREAS**, on January 30, 2004, the Agency received proposals from three development teams and ultimately selected the development team of Green Valley

Corporation dba Barry Swenson Builders (“Swenson”) and Olson Urban Housing LLC (“Olson”); and

**WHEREAS**, on August 9, 2005, the Agency Board approved an Exclusive Negotiations Agreement with Olson and Swenson for the proposed sale and development of the Site; and

**WHEREAS**, Agency staff is recommending that the Agency Board approve a Disposition and Development Agreement (“DDA”) with Swenson for development of a portion of the Site for residential use (“Project”); 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 has been prepared pursuant to Health & Safety Code Section 33433, containing a summary of the key terms of the Project, costs, and other information required by Section 33433, and said report and copies of the proposed DDA were made available to the public for inspection prior to the hearing, as required by Community Redevelopment Law; and

**WHEREAS**, the Project will assist in the removal of blight by increasing the supply of housing downtown on an underutilized Site, creating public spaces, including a new park and the expansion of Pellier Park, and providing a catalyst for private investment in the area; and

**WHEREAS**, the Project is consistent with the Project Area Implementation Plan's goals to encourage investment in the area and eliminate conditions that negatively impact economic development in the community; and

**WHEREAS**, notice of a joint public hearing by the City Council and the Agency Board on the proposed DDA 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 June 19, 2007.

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

1. The sale of a portion of the project site located on Agency-owned property, generally located in the blocks bounded by Highway 87 to the west, West Saint James Street to the south, North Market Street to the east and a Union Pacific Railroad right of way to the north, to Green Valley Corporation dba Barry Swenson Builder, is approved.

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2. The 33433 Summary Report and Re-Use Valuation is accepted, and the Council finds that the sale of the property will assist in the elimination of blight, is consistent with the Implementation Plan for the Julian-Stockton Redevelopment Project Area, and that the consideration for the property is not less than the fair reuse value for the proposed use, with the covenants and conditions and development costs authorized by the Disposition and Development Agreement.

ADOPTED this 19<sup>th</sup> day of June, 2007, by the following vote:

AYES: CAMPOS, CHIRCO, CHU, CONSTANT, CORTESE,  
LICCARDO, NGUYEN, OLIVERIO, PYLE, WILLIAMS;  
REED

NOES: NONE

ABSENT: NONE

DISQUALIFIED: NONE

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CHUCK REED  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk