

DRAFT MEETING MINUTES CITY OF MILPITAS

Minutes of: Regular Meeting of the Milpitas Redevelopment Agency
(Including Joint Meeting with the City Council)

Date: Tuesday, June 17, 2008

Time: 7:00 PM

Location: Milpitas City Hall Council Chambers, 455 E. Calaveras Blvd.

JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

- RA 1. CALL TO ORDER** Mayor/Agency Chairman Esteves called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at 7:57 PM.
- RA 2. ROLL CALL** **PRESENT:** Mayor/Chair Esteves, Vice Mayor/Vice Chair Livengood, Agency/Councilmembers Gomez and Polanski
- ABSENT:** Agency/Councilmember Giordano
- RA 3. MEETING MINUTES** Motion: to approve the Redevelopment Agency minutes of June 3, 2008, including joint meeting with the City Council, as submitted
- Motion/Second: Agency/Councilmember Polanski / Vice Chair/Vice Mayor Livengood
- Motion carried by a vote of: AYES: 4
NOES: 0
ABSENT: 1 (Giordano)
- RA 4. Approval of Agenda and Consent Calendar** Motion: to approve the meeting agenda and Consent Calendar (items with *asterisk)
- Motion/Second: Agency/Councilmember Polanski / Vice Chair/Vice Mayor Livengood
- Motion carried by a vote of: AYES: 4
NOES: 0
ABSENT: 1 (Giordano)
- RA 5. Update Report on New Library and related actions** CIP Project Manager Steve Erickson addressed members on development projects in the MidTown including the new Library under construction. For the south tower art sculpture, staff recommended moving forward on an agreement for a hanging art piece by artist Mr. Cork Marcheschi. Mr. Erickson showed a rendering of what the piece would look like, inside the south tower of the new library.
- Councilmember Polanski asked if the artist was prepared, and staff reported that he was comfortable with the terms and requirements of the project.
- With regard to the outdoor art piece, artist Mr. Goggin was not prepared to complete the Terrapedia piece. Therefore, for plaza art, staff recommended to consider art after the library was completed and open.
- On the historic Fire Truck display at the parking garage, Mr. Erickson reported that the City had arrived at an agreement with the Milpitas Historical Society, with costs covered under a contract change order in the library construction. Costs included \$25,000 for the railing and \$14,000 for security of the truck.

Councilmember Polanski inquired how long the contract term was for the fire truck display and staff replied two years minimum.

Vice Mayor Livengood felt the end result was where the Council/RDA started actually, and he felt the display was better not enclosed. He thanked staff and the Historical Society representatives for working on this outcome.

Mr. Erickson next provided members with statistics on N. Main Streetscape and Library budgets and construction status. Library construction was 76% complete at this date.

City Attorney Mike Ogaz clarified that ten years was the term for the fire truck display, in the contract with the Historical Society.

Motion: to approve and authorize the following actions:

1. Receive progress report on the new Milpitas Library, Midtown East Parking Garage, and N. Main Streetscape Projects No. 8161, No. 8162, and No. 8165.
2. Authorize the Executive Director to execute a contract with artist Cork Marcheschi for an amount not to exceed \$100,000 for the fabrication and installation of art for the new library south tower.
3. Direct staff to cease negotiation with artist Brian Goggin for the Terrepedia artwork at the library plaza, and to consider plaza artwork in the future after completion and opening of the new library.
4. Authorize the Agency Executive Director to execute an agreement between the City/ Agency and the Milpitas Historical Society for display of the 1932 GMC fire truck, within the City's Midtown East Parking Garage.

Motion/Second: Agency/Councilmember Polanski / Vice Chair/Vice Mayor Livengood

Motion carried by a vote of:

AYES: 4

NOES: 0

ABSENT: 1 (Giordano)

RA 6. Amendments to the Terms of the Memorandum of Understanding with Apton Properties

Principal Planner Felix Reliford addressed members with a new request to amend the Memorandum of Understanding from the developer of Apton Properties, regarding financing terms for Apton Plaza. The developer requested a change in terms for the affordability of project units and restructuring the loan with the Agency. Late this same day, staff received a new proposal from the developer to request 100% of the units to be affordable housing, as opposed to a lower percent in existing agreement.

Vice Mayor Livengood asked about the future: would all units come off the tax rolls and become affordable units, so it would save the City money now, and later receive all the building and connection fees when built? Staff answered yes. Mr. Livengood asked if the City could sell those credits to another developer? Staff responded that was the idea behind the tax credits if issued by the state.

The Apton developer wanted 100% affordable (93) units for his project, when earlier proposals were for fewer than that, and to finance it with tax credits. The Agency would not need to put out any funds, yielding \$4 million long-term impact over 30 years time, and would assist the City with meeting housing goals. Excess credits could allow for payback of RDA funds with 50% surplus from residual receipts (rent). The developer would apply for low income tax credits from the State of California. If those credits were not granted (application not approved), then this project would convert to the original terms of the Memorandum/Owner Participation Agreement.

Mr. Reliford agreed to return to the Agency with appropriate documents to reflect the latest request from the developer. He asked for approval of the following three actions:

- Direct staff to return with a program to enable future developments to obtain credits for surplus affordable units within the Redevelopment Project Area

