

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF MILPITAS AUTHORIZING THE NEGOTIATION AND EXECUTION OF AN AGREEMENT FOR THE DEVELOPMENT OR REHABILITATION OF MANUFACTURING PROPERTY AND THE FINANCING OF FACILITIES OR CAPITAL EQUIPMENT WITH FLEXTRONICS AMERICAS, INC.

WHEREAS, Flextronics Americas is involved in the manufacture of solar panels within Milpitas, California and needs to receive shipments, install specialized manufacturing equipment and make facility upgrades for the purpose of producing SunPower solar panels in conjunction with SunPower Corporation (such efforts collectively referred to herein as the "Enterprise"). The installation and manufacturing work and necessary administrative, shipping, and other support services and activity centers are entirely within the City of Milpitas and include facilities within City of Milpitas Redevelopment Project Area No. 1 (such areas referred to herein as the "Enterprise Site"); and

WHEREAS, pursuant to Health & Safety Code Section 33444.6, the Agency wishes to assist with the financing of such facilities and capital equipment improvements and operations as part of an effort to provide for the development or rehabilitation of the Enterprise Site; and

WHEREAS, the provision of such financial assistance would further the goals of the City of Milpitas Redevelopment Project Area No. 1 Redevelopment Plan; and

WHEREAS, the Agency held a public hearing at its February 15, 2011 meeting to consider the need for such financial assistance.

NOW, THEREFORE, the Board of the Redevelopment Agency of Milpitas hereby finds, determines, and resolves as follows:

1. The Board has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The provision of Agency financial assistance is necessary for the economic feasibility of the Enterprise Site development and the assistance cannot be obtained on economically feasible terms in the private market, given the extensive initial capital costs to set up local manufacturing, the intense global competition in the solar industry, the need to cover fit up costs to accommodate fabrication lines and other expenses related to the development or rehabilitation of the Enterprise Site and the financing of facilities and capital equipment.
3. The Executive Director is hereby authorized to negotiate and execute an agreement for the development or rehabilitation of manufacturing property and the financing of facilities or capital equipment with Flextronics Americas, Inc., for an amount not to exceed One Million Dollars (\$1,000,000.00), for properties within the Enterprise Site.

PASSED AND ADOPTED this _____ day of _____, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, Agency Secretary

Jose S. Esteves, Chair

APPROVED AS TO FORM:

Michael J. Ogaz, Agency Counsel