



Memorandum

TO: HONORABLE MAYOR,
CITY COUNCIL AND
SUCCESSOR AGENCY BOARD

FROM: Richard A. Keit

SUBJECT: SEE BELOW

DATE: November 2, 2018

Approved

Date

11/2/18

**SUBJECT: TERMINATION AGREEMENT AND RELEASE WITH INTEGRATED
DEVICE TECHNOLOGY**

REASON FOR SUPPLEMENTAL

At the time the original memorandum to the City Council and the Successor Agency Board was prepared, the State Department of Finance had not finalized their review of the Countywide Oversight Board's approval of the Termination Agreement and Release. On November 1, 2018, the San Jose Successor Agency staff received approval from State Department of Finance of the Oversight Board's action. The approval letter is attached.

/s/
RICHARD A. KEIT
Managing Director

For more information, contact Richard Keit, Managing Director, Successor Agency, at 408-795-1849.

Attachment



DEPARTMENT OF
FINANCE

EDMUND G. BROWN JR. • GOVERNOR

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November 1, 2018

Mr. Richard Keit, Managing Director
City of San Jose
200 East Santa Clara Street, 14th Floor Tower
San Jose, CA 95113

Dear Mr. Keit:

Subject: Approval of Oversight Board Action

The City of San Jose Successor Agency (Agency) notified the California Department of Finance (Finance) of its September 17, 2018 Oversight Board (OB) Resolution on September 24, 2018. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. OB-2018-12 (Resolution), approving the Termination Agreement and Release (Termination Agreement) between the Agency and Integrated Design Technology to pay off certain enforceable obligations and to save the affected taxing entities \$264,535, is approved.

Pursuant to HSC section 34181 (e), the OB has the authority to terminate or renegotiate an agreement between the dissolved Redevelopment Agency and any private parties if it finds that amendments or early termination would be in the best interest of the taxing entities.

It is our understanding the Termination Agreement will result in the termination of both an Agreement Regarding Real Property and a Lease of Real Property with Option to Purchase, which will result in savings totaling \$264,535. As a result, the requirements of HSC section 34181 (e) will be satisfied.

This is our determination with respect to the OB action taken.

Please direct inquiries to Nichelle Jackson, Supervisor, or Michael Barr, Lead Analyst, at (916) 322-2985.

Sincerely,

ERIKA LI
Program Budget Manager

cc: Ms. Julia Cooper, Chief Financial Officer, City of San Jose
Ms. Emily Harrison, Finance Agency Director, Santa Clara County