

Legislation Details (With Text)

**File #:** 18-1065      **Version:** 1

**Type:** Joint Meeting Agenda      **Status:** Agenda Ready

**File created:** 8/1/2018      **In control:** City Council

**On agenda:** 8/14/2018      **Final action:**

**Title:** Actions Related to the Purchase of the San Jose Convention Center South Hall Property and City of San José Financing Authority’s Commercial Paper Program.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Memorandum, 2. a.2 Resolution, 3. b.1 Resolution, 4. Fifth Amendment to Memo of Assignment, 5. Sixth Amendment to Sublease, 6. Sixth Supplement to the Amended and Restated Trust Agreement, 7. Third Amendment to Letter of Credit and Reimbursement Agreement with State Street Bank and Trust, 8. Third Amendment to Letter of Credit and Reimbursement Agreement with U.S. Bank National Association

Date	Ver.	Action By	Action	Result
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**Actions Related to the Purchase of the San Jose Convention Center South Hall Property and City of San José Financing Authority’s Commercial Paper Program.**

- (a) City Council take the following actions:
  - (1) Conduct a Public Hearing for the approval of the issuance by the City of San José Financing Authority of commercial paper notes in order to finance the purchase of the San José Convention Center South Hall property (“South Hall”).
  - (2) Adopt a resolution to approve the issuance of commercial paper notes pursuant to the previously established commercial paper program designated as "City of San José Financing Authority Lease Revenue Commercial Paper Notes" to provide financing for the purchase of the South Hall in an amount not to exceed \$47 million and to state the City Council's determination that there will be significant public benefits accruing from such financing; authorize the negotiation, execution, and delivery of amendments to two Letter of Credit and Reimbursement Agreements and authorizing other related action in connection with the City of San José Financing Authority’s Lease Revenue Commercial Paper Notes in order to increase the not-to-exceed aggregate principal amount thereof from \$85 million to \$125 million and to extend the stated expiration dates and commitments available under such Letter of Credit Reimbursement Agreements.
  - (3) Approval of a Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San Jose, as seller and the City of San José as buyer to allow the purchase of South Hall for a price of \$47,000,000, plus closing costs.
  - (4) Adopt the following 2018-2019 Funding Sources Resolution and Appropriation Ordinance Amendments in the Convention and Cultural Affairs Capital Fund (560):
    - (1) Establish a revenue estimate for Financing Proceeds in the Amount of \$42,400,000;
    - (2) Increase the Convention Center Expansion appropriation to the Office of Economic Development in the amount of \$40,100,000;
    - (3) Establish the South Hall Site Acquisition Debt Service appropriation to the Finance Department in the amount of \$1,750,000; and
    - (4) Increase the Unrestricted Ending Fund Balance in the amount of \$550,000.

(b) City of San José Financing Authority Board take the following actions:

(1) Adopt a resolution to approve the issuance of commercial paper notes pursuant to the previously established commercial paper program designated as "City of San Jose Financing Authority Lease Revenue Commercial Paper Notes" to provide financing for the purchase of the South Hall in an amount not to exceed \$47 million and to state Authority Board's determination that there will be significant public benefits accruing from such financing; authorize the negotiation, execution, and delivery of amendments to two Letter of Credit and Reimbursement Agreements and authorizing other related action in connection with the City of San José Financing Authority's Lease Revenue Commercial Paper Notes in order to increase the not-to-exceed aggregate principal amount thereof from \$85 million to \$125 million and to extend the stated expiration dates and commitments available under such Letter of Credit and Reimbursement Agreements.

CEQA: Exempt, File No. PP18-073, CEQA Guidelines Section 15312, Surplus Government Property Sales.

(Finance/City Manager)

**TO BE HEARD BEFORE ITEM 9.1 (18-1064)**