

# Capitol Area Plan Progress Report

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**State of California**

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## Executive Summary

For close to 35 years, the California Department of General Services (DGS) and the Capitol Area Development Authority (CADA) have shared a commitment to the advancement of an active neighborhood of State offices and residential units located on State-owned land surrounding the State Capitol. Since 1977, the smart growth development of the Capitol Area has been guided by the Capitol Area Plan, the statutory master plan administered by DGS. The DGS implements the office and parking elements of the Capitol Area Plan and CADA, a joint powers authority between the State of California and the City of Sacramento, implements the housing and retail elements.

Under the objectives of the Capitol Area Plan, State-owned land in the Capitol Area has supported the development of signature office projects promoting state-of-the-art sustainable and energy-efficient design features. These transit-oriented office projects, which often include ground-floor retail, child care, and public art displays, have resulted in a concentration of State employees to support local economic development efforts, while also supporting State policies and directives. Ownership and rental opportunities are available in over 800 residential infill units sited on State-owned land, with an effort made to incorporate support retail operations in new developments. Further enhancements contributing to the overall Capitol Area experience include community gardens and the streetscape improvements being facilitated by CADA.

Pursuant to the annual legislative reporting requirement, the January 2011 Capitol Area Plan Progress Report describes the significant progress made during 2010 to advance the Capitol Area Plan's vision.

## State Offices

The State's portfolio in the Capitol Area includes 33 office buildings that provide over 7 million net square feet (NSF) of office space, as well as sites that are identified for future office development. The DGS' real estate asset management program includes new office space development to meet State agencies' program needs, as well as renovation of older buildings to upgrade building systems and increase their efficiency.

**Major State Agency Consolidation** - The renovation of the two 18-story towers located at 714 P and 744 P Street, Office Building (OB) 8 and OB 9, marked a milestone in 2008 with the completion of work at OB 8, and the subsequent relocation of the tenants from OB 9 to OB 8, so that work could begin on OB 9. In 2010 construction was completed on OB 9. This project advances the State's office space consolidation efforts, as the two buildings house the Department of Social Services (DSS).

**New State-of-the-Art Central Plant is Model of Energy Efficiency** - The new, state-of-the-art Central Plant facility commenced operation in August 2009. Following nearly two years of construction, the project was delivered on time and within budget. The new plant, incorporating the latest technologies, will reduce the State's energy cost, and the amount of water required to heat and cool the almost 5.5 million gross square feet (GSF) of space in the 23 State-owned

buildings it serves in the Capitol Area. A second phase of the project was completed in 2010, including demolition of the old plant structure, addition of a thermal-energy storage tank, and installation of solar panels to power the energy needs of the office space within the new facility.

**Historic Building Renovation Underway** - A major asset in the Capitol Area will be protected with the current renovation of the historic Stanley Mosk Library and Courts Building at 914 Capitol Mall. Construction documents were completed in 2009 and, although delayed for a period of time due to budget constraints, construction on the project commenced in fall of 2010, with an estimated completion date and occupancy by early 2013.

**Assessing the State's Assets** - Infrastructure and feasibility assessments have been completed for the State Personnel Board Building at 801 Capitol Mall, and infrastructure studies completed for the Bateson Building at 1600 Ninth Street and the State Garage at 1416 Tenth Street, all located within the Capitol Area. A feasibility study was undertaken in fourth quarter 2009 to evaluate the condition of the Food and Agriculture Annex Building at 1215 O Street. The study also examines the future best use of the site. Future projects will be based on the findings of the respective assessment, and upon authorized funding.

**Future Office Development Plans** - The DGS continues to review possible alternatives for the West End Office Complex Project, originally authorized in 2001 by Government Code (GC) Section 8169.6 (Chapter [Ch.] 672, Statutes [Stats.] of 2001). The project, which includes new buildings in the blocks bounded by 7<sup>th</sup>, 8<sup>th</sup>, N and P Streets, would have consolidated Resources Agency programs currently located in the Resources Building and in other leased space. However, due to significant increases in construction estimates, the State is re-examining the project scope and budget.

**Energy Management Programs Promote Increased Efficiencies** - Despite current fiscal challenges, the State continues its energy management program in accordance with the Green Building Initiative, Executive Order S-20-04. The required documentation has been submitted for the Central Plant to be certified Leadership in Energy and Environmental Design (LEED) for New Construction (NC) Gold, while the Stanley Mosk Library and Courts Building, and OB 8 and 9 will be certified LEED-NC Silver when their respective renovations are fully complete. With financial assistance from the American Recovery and Reinvestment Act of 2009 (ARRA), the DGS is implementing energy-saving projects in a number of State-owned office buildings in Sacramento. Retro-commissioning projects in the Bateson, Energy Commission, Secretary of State, and Jesse Unruh Buildings are underway. A lighting retrofit project is planned for the Bonderson Building, as well as three State parking garages located in the Capitol Area that are managed by the DGS, Office of Fleet and Asset Management. ARRA funds will also be utilized to retrofit a number of data centers in State-owned buildings, using new technology proven more efficient and less costly to operate. The Resources Building and the Legislative Office Building are scheduled for projects to incorporate new technology for increased efficiencies in their heating, ventilating, and cooling systems.

**Controlling Future Occupancy Costs** - Legislation passed in 2009 authorizes the DGS to sell and then lease back 11 State-owned office properties throughout California, including five in the Capitol Area. The sale is designed to provide revenue for addressing the State's current budgetary shortfall, while allowing the State to retain use of the properties. On October 11, 2010, the Director of the DGS submitted the 30-day notification to the State Legislature of the department's intent to sell the properties, as required by the authorizing legislation. The DGS is proceeding to work through the steps necessary to close escrow.

### Capitol Area within Central City



### Housing and Commercial

CADA, which has served as a catalyst for new housing development in downtown Sacramento, is directing its efforts towards the creation of a neighborhood that is environmentally, socially, and fiscally sustainable. In addition to its continued development and management of quality, urban infill, mixed-use developments in the Capitol Area, CADA is working on the development of streets that provide safe,

attractive, and comfortable access for all users and facilitating transit-oriented development on R Street. Additionally, CADA continues to incorporate resource and energy conservation into its projects in the Capitol Area.

**Planning Underway for New Projects** - Developers of the Capitol Lofts on R Street between 11<sup>th</sup> and 12<sup>th</sup> Streets and East End Gateway Sites 2 and 3 along 16<sup>th</sup> Street are ready to proceed with their respective projects, pending improvement of the economy, and the availability of financing. The developer of Capitol Lofts has designed project elements to qualify for LEED certification. This work has also resulted in the award of \$4.9 million in Proposition 1C funds from the California Department of Housing and Community Development (HCD). A developer has been selected for East End Gateway Site 1, located at the corner of 16<sup>th</sup> and N Streets, a project that will result in a significant condominium ownership project immediately adjacent to the East End Office Complex. Development proposals for East End Gateway Site 4 at 16<sup>th</sup> and P Streets are being solicited by CADA with a selection expected by year's end.

**The DGS Sells Land to CADA for New Housing Development** - In late 2008, CADA purchased from the State a small infill site at 1610 17<sup>th</sup> Street and received a developer proposal for two new residences to be constructed on the site. After that developer was unable to secure financing, CADA re-advertised the site and selected an alternate developer who is pursuing the city entitlement process to allow for construction of a similar project. Collaborations continue between CADA and representatives of the DGS' Green Action Team, established to ensure progress toward meeting the goals of Executive Order S-20-04. Special consideration is taken to incorporate Green Action Team objectives into all major capital improvement projects to the multi-family, residential structures that CADA manages, with the objective of meeting and exceeding the 20 percent energy reduction set forth in the Executive Order.

**CADA Instrumental in Streetscape Improvements** - CADA made progress in 2010 on the development of streetscape improvement concepts that will allow pedestrians, bicyclists, motorists, and public transportation to safely and comfortably traverse O Street, and link remaining CADA development sites and 16<sup>th</sup> Street, the spine of East End Gateway development. CADA completed work in fall 2010 on the 16<sup>th</sup> Street Concept Plan that sets forth proposed streetscape improvements to 16<sup>th</sup> Street between the Capitol Avenue/N Street alley and S Street. CADA also worked with the local business owners on a plan to minimize the impact of the R Street Streetscape Project improvements from 10<sup>th</sup> to 13<sup>th</sup> Streets, which commenced construction in September 2010. CADA continues to work with the City of Sacramento and adjacent property owners on the design of the R Street Market Plaza project, the second phase of the R Street Streetscape Project planned for 16<sup>th</sup> to 18<sup>th</sup> Streets.

**Light Rail Stations Receive Much Needed Makeovers** - CADA's work with Sacramento Regional Transit (RT) culminated in summer 2010 with the completion of the 13<sup>th</sup> Street and 16<sup>th</sup> Street light rail station improvements. In 2010 and 2011, CADA will be working with RT to carry out improvements to the Archives Plaza station at 11<sup>th</sup> and O Streets.

## I. Introduction

In July 1997, the Director of DGS approved an update to the 1977 Capitol Area Plan which, by law, is the official State master plan for development in the Capitol Area. The Capitol Area Plan provides for the orderly development of the State's office facilities on State-owned land in a statutorily-defined, geographic area to the south, east, and west of the State Capitol Building and Capitol Park. The DGS is responsible for the administration of the Capitol Area Plan, including updates as required, and also retains responsibility for the implementation of the office and parking elements. The CADA, a State of California and City of Sacramento joint powers authority (JPA), retains the responsibility for the implementation of the housing and retail/commercial elements.

Other groups with roles in Capitol Area planning include the Capitol Area Committee formed in 1977 to advise the Director of the DGS on planning issues and activities in the Capitol Area, and to ensure public interests are represented in the planning process. At the same time, and to support this effort, the Capitol Area Technical Advisory Committee was formed to provide the Capitol Area Committee with technical input on Capitol Area issues. The DGS and CADA work closely with the Capitol Area Committee and the Technical Advisory Committee on every aspect of the planning, reporting, and implementation of the Capitol Area Plan. The Capitol Area Committee and the Technical Advisory Committee meet regularly in public meetings, with each committee meeting quarterly, typically in January, April, July, and October. Background and other information concerning CADA and these two committees may be found in the CADA section of the report.

GC Section 8164 requires DGS to report annually by January 1 to the Legislature on the progress made in the administration of the Capitol Area Plan, including a summary of all residential and commercial leases by the State to others, sales or building construction initiated or completed by the State, transactions and operations of CADA, and the State's appraisal of the degree to which projects conform to the Capitol Area Plan. This January 2011 Progress Report provides a summary overview of activities that occurred during the year 2010. The following elements are reported upon as they relate to these activities.

- Land Use
- State Offices
- Housing
- Development of the Community
- Administration of the Plan

## II. Land Use

The Capitol Area Plan is the official master plan for land use and development on State-owned land in the Capitol Area. Under the terms of GC Section 8160 et seq., the primary responsibility for the overall administration of the Capitol Area Plan is vested in DGS and its Director. The DGS has been working with CADA to achieve a vibrant mixed-use community that will serve as an integral part of downtown Sacramento's

landscape. In this regard, DGS concentrates upon State office and associated parking development, and CADA concentrates upon the residential and commercial aspects of the Capitol Area Plan. With the 1997 update of the Capitol Area Plan, the State is committed to maintaining a broad land use policy including both flexibility and stability for the development process. The map below contains the diagram illustrating the land use pattern on State-owned land to occur with the Capitol Area Plan implementation. The office, housing, parking, and open space designations remain as approved in the 1997 Capitol Area Plan.

On September 11, 2002, Senate Bill 1460 (Ortiz) (Chapter 468, Statutes of 2002) was enacted to enlarge the Capitol Area, as delineated in the 1997 Capitol Area Plan, by extending the Capitol Area boundary south at 10<sup>th</sup> Street to S Street, and east at 17<sup>th</sup> Street to the railroad right-of-way between 19<sup>th</sup> and 20<sup>th</sup> Streets. Expansion of CADA's redevelopment project area is designed to accelerate development efforts along the southern border of the Capitol Area between 10<sup>th</sup> and 19<sup>th</sup> Streets. The City of Sacramento has since approved CADA's R Street Urban Design Plan. The R Street Area Implementation Plan, which serves as the guide for CADA's development and redevelopment activities in the R Street Area, was adopted by CADA's Board in 2008, following the completion of environmental review. The map below shows the boundary of the enlarged Capitol Area. Land use designations within the 1997 Capitol Area Plan boundary have not been affected by the expansion of the Capitol Area because no State-owned land lies within the added area.





### III. State Offices

The DGS continues to work within the context of the 1997 Capitol Area Plan for the planning and development of State office space in the Capitol Area, as detailed on the map on page 12. This official master plan identifies State-owned land designated for approximately 2.82 million GSF of State office development on eight separate blocks within the Capitol Area.

Construction of the East End Office Complex on Blocks 171-174 and Block 225 produced approximately 1.3 million NSF of office development spanning the five blocks. The remaining office opportunity sites under the 1997 Capitol Area Plan project an additional 1.35 million GSF of future development on Block 204 (7<sup>th</sup> to 8<sup>th</sup> Streets and P to Q Streets), Block 213 (10<sup>th</sup> to 11<sup>th</sup> Streets and N to O Streets), and Block 275 (11<sup>th</sup> to 12<sup>th</sup> Streets and P to Q Streets). Additionally, the south half of Block 266 (8<sup>th</sup> to 9<sup>th</sup> Streets and Q to R Streets) is designated for a parking garage. These remaining office opportunity sites under the 1997 Capitol Area Plan are shown on the map on page 11. The scope of future development provided for in the Capitol Area Plan is shown in the table below.

**Capitol Area Plan Remaining Office and Parking Opportunity Sites**

	<b>Block 204</b>	<b>Block 213</b>	<b>Block 275</b>	<b>Block 266</b>	<b>Total</b>
Square Feet of Site Area	85,400	51,200	106,400	52,300	295,300
GSF of Office Space	628,000	268,000	454,600		1,350,600
NSF of Office Space	471,000	201,000	340,950		1,012,950
Floor Area Ratio	7.4:1	5.2:1	4.3:1		
Stories	18	8	6		
Parking Standard	1.1 per 1,000 GSF	1.1 per 1,000 GSF	1.1 per 1,000 GSF		
Parking to be Provided	355 spaces	350 spaces	501 spaces	720 spaces	1,926 spaces
State Department w/Jurisdiction over Property/ Private Owner	DGS, EDD, Parks and Recreation	Legislature	DGS, Caltrans, Private Owner	DGS, Private Owner	

Assembly Bill X4 22 (Evans) (Ch. 20, Stats. of 2009) authorizes DGS to sell and then lease back 11 State-owned office properties throughout California. The subject properties include the East End Office Complex, which is located within the boundaries

of the Capitol Area, and supplies over one million SF of office space to State agencies in the Capitol Area. The sale-leaseback was designed to free up the State's equity in the buildings to provide revenue for addressing the State's budgetary shortfall, while allowing the State to retain use of the properties. In October 2010, the Director of DGS submitted the 30-day notification to the State Legislature of the Department's intent to sell the properties, as required by the authorizing legislation. The DGS is proceeding to work through the steps necessary to close escrow.



## Building Construction Initiated or Completed by the State Since 2002

- **East End Office Complex** – Construction of approximately 1.3 million NSF of office space on the five blocks that comprise the East End Office Complex completed consolidations for the Department of Education (CDE), the Department of Health Care Services (DHCS), and the California Department of Public Health (CDPH). DHCS and CDPH were formerly a single agency, the Department of Health Services. In 2002, CDE occupied the office building located on Block 225 (14<sup>th</sup> to 15<sup>th</sup> Streets and N to O Streets). In 2006, the building was certified LEED for Existing Building (EB) Platinum; the highest designation given by the U.S. Green Building Council. The four office buildings and associated parking on Blocks 171-174 (15<sup>th</sup> to 17<sup>th</sup> Streets, L Street to the alley between Capitol Avenue and N Street), were occupied by DHCS and CDPH in 2003, and the four buildings were certified LEED-EB Gold in 2008.
- **Food and Agriculture Building** – This renovation project at 1220 N Street was completed in 2005 at a cost of approximately \$19 million. The project consisted of updating approximately 126,480 GSF of office and support space, a 162-seat auditorium, the café, and meeting and conference rooms. The four-story plus basement building was originally constructed in 1936 and is a registered historic structure.
- **OB 10** – Located at 721 Capitol Mall, this building's \$18 million renovation work, completed in 2007, included installation of fire sprinklers, removal of hazardous materials, and upgrades to the electrical, communication, and data cabling systems. Additional work on this 163,350 GSF building included the removal and replacement of the roof and windows, new carpet, new ceiling tile, wall finishes, and modular furniture. The Department of Rehabilitation (DOR) fully occupied the renovated building in fall 2007, the same year the building was certified LEED-NC Silver.
- **OB 8 and OB 9** – These two, 18-story buildings, located at 714 and 744 P Street, were renovated in sequence, and are fully occupied with the consolidation of the Department of Social Services. A number of Social Service programs were moved from leased space back into OB 9. The buildings, totaling a combined 628,703 GSF, include a two-story reception building connecting the towers and providing one public entrance, a new child care center on the first floor of OB 8, and a cafeteria in OB 9 operated by a vendor from the DOR – Business Enterprise Program. Also included in the renovation, the cost of which was approximately \$157 million, was the abatement of hazardous materials; structural upgrade of both buildings to Seismic Risk Level III; demolition of all interior partitions including removal and replacement of existing finishes, demolition and upgrades to portions of the existing mechanical, electrical, plumbing, telephone, data, elevator, and security systems; upgrade of all fire and life safety items; and upgrades to meet the Americans with Disabilities Act (ADA) current codes. OB 8 and OB 9 are expected to be certified LEED-NC Silver.

- Capitol Building** – A roof replacement at the Capitol Building, which included the addition of skylights and the purchase of new window washing equipment, was completed in 2009. Upgrades to the building’s infrastructure, including the electrical and mechanical systems, are ongoing and will continue into the next fiscal year.



- Central Plant** – The new Central Plant opened for operation in August 2009, after nearly two years of construction. The Budget Act of 2003 (Ch. 157, Stats. of 2003) authorizes renovation and modernization of the State’s Central Plant that

provides heating and cooling to the State's downtown office campus. In June 2003, the State Public Works Board approved funding for preliminary plans for this renovation. Through the 2003/2004 Budget Item 1760-301-0660, the DGS received authorization to begin design work on the project to modernize the existing facility, size the plant to provide heating and cooling for the Capitol West Side Projects, and address the Cease and Desist Order issued by the Central Valley Regional Water Quality Control Board that requires the State to bring the plant's heated water discharge into compliance with the temperature criteria for the Sacramento River. The original Central Plant was built in 1968 and initially served 15 buildings. The new facility currently serves 23 existing buildings (nearly 5.5 million GSF) in the Capitol Area. A second phase of the project, completed in 2010, included construction of a 140-foot tall, 4.25 million gallon, thermal-energy storage tank to store reserves of necessary chilled water, produced during off-peak energy demand times for use during the heat of the day. Solar panels were also installed on the new facility to power the energy needs of the office space within. The required documentation has been submitted to the USGBC for the Central Plant to be certified Leadership in Energy and Environmental Design (LEED) for New Construction (NC) Gold.

- **Library and Courts Building** – The 2005/2006 Budget Item 1760-301-0660(1) provided funding for the \$49 million renovation of the Stanley Mosk Library and Courts Building located at 914 Capitol Mall. Located across the street from the historic State Capitol, the neo-classical Stanley Mosk Library and Courts Building was listed in the National Register of Historic Places in 1984. In 2009, a team of master architects and engineers began the process of bringing the 1928 building back to its light-filled magnificence, while outfitting the building with the finest technological features available today. Construction commenced in fall 2010. The renovation on the five-story building includes upgrades for security, accessibility, fire and life safety systems, correction of electrical and plumbing deficiencies, roof repair, and the restoration of historic features such as ceilings, lights, elevators, and public art, including the building's famous Maynard Dixon murals. Once renovation is complete, which is anticipated to be by late 2012, the building will be certified LEED-NC Silver.
- **West End Office Complex** – In 2001, DGS completed a facilities study to analyze the feasibility of developing 1.4 million GSF (1.0 million NSF) of State office space and associated underground parking for approximately 540 vehicles on a two-block site at the west end of the Capitol Area. Located between 6<sup>th</sup>, 7<sup>th</sup>, N, and P Streets, the site includes Block 204 and the adjacent Block 203 to the north. In conjunction with the development of this office space, a 932-space parking garage would be constructed on the south half of Block 266 (between 8<sup>th</sup>, 9<sup>th</sup>, Q, and R Streets) to provide additional off-site parking to serve the office complex. Development of this \$391 million office and associated parking project, known as the West End Office Complex, was authorized by Senate Bill 809 (Ortiz) (Ch. 672, Stats. of 2001). In September 2005, Assembly Bill 1663 (Jones) (Ch. 413, Stats. of 2005) was enacted providing that the project may include residential development, along with additional retail space. The Resources

Agency and departments were identified as the tenant for the office project. Due to significant increases in construction cost estimates, the project has not moved forward, and DGS continues to review possible alternatives for the West End Office Complex Project.

- **Bateson Building** – An infrastructure study was completed in 2008 for the Bateson Building located at 1600 Ninth Street. The building was found to be in generally good condition, but numerous repairs and alterations were identified that would bring the building up to current standards, including fire and life safety system upgrades and correction of ADA issues and conditions. The study also addressed the means to increase the usable square feet (USF) of the building by making modifications to the atrium area, thereby adding value to the building with a relatively low monetary investment. The Building and Property Management Branch, overseeing maintenance and operations at the building, will undertake a portion of the needed repairs utilizing funds from their annual maintenance and repair budget. The cost to complete the balance of alterations will be addressed in a future funding request for the renovation of the building, but will not include funds to increase the USF of the building.
- **Food and Agriculture Annex Building** – A feasibility study of the existing four-story Food and Agriculture Annex Building, located at 1215 O Street, was undertaken in 2009. The purpose of the study is to examine the possibility of refurbishing the existing building for continued occupancy by the Department of Food and Agriculture, or demolishing the entire structure to make way for a new high-rise building that would maximize office space, while still conforming to the Capitol View Protection Act. A proposed new building design will include some on-site parking.
- **State Garage** – An infrastructure study was completed in June 2009 for the State Garage located at 1416 Tenth Street. The study reveals significant deficiencies in the existing seismic, mechanical, fire sprinkler, security, and egress systems, with additional deficiencies noted with regard to accessibility, security, and water intrusion. The report also evaluates the feasibility of replacing the existing man-lift with a hydraulic elevator, and pursuing LEED-EB Silver certification. Based on the findings of the study, a future funding request will be made for a renovation of the building.
- **State Personnel Board Building** – An infrastructure study was completed in January 2009 for the State Personnel Board Building located at 801 Capitol Mall. The study evaluates the probable costs and construction schedule to repair and retrofit the building for an additional 50 years of serviceable life. Two alternatives are presented, including one to renovate, repair, and refurbish the existing building and surrounding site area, and another to demolish the existing structure and construct a new office building in the same configuration, footprint, and envelope size as currently exists. A subsequently commissioned, in-house, massing study evaluated replacement of the existing building with a structure that

would take advantage of the allowable height limits prescribed in the Capitol View Protection Act, as well as maximizing the use of the site pad.

## **IV. Housing**

Since its inception in 1978 as a joint powers authority, CADA has planned, implemented, and managed the housing and related retail/commercial elements on State-owned land in the Capitol Area, as highlighted on the map on page 12. CADA was created by a joint powers agreement (pursuant to GC Section 8169.4) between the State of California and the City of Sacramento. A volunteer five-member board of directors governs the authority. The State of California and the City of Sacramento each appoint two members, and these four directors select the fifth director. The daily operation of the authority is under the direction of its Executive Director. The members of the Board as of October 2011 are listed later in the report.

### **State-Owned Property Sold to CADA for Development**

Prior to 1996, all new CADA housing was developed on a long-term ground lease basis. This changed with the passage of legislation in 1996 and 1997. Under the terms of Senate Bill 1770 (Johnston) (Ch. 193, Stats. of 1996), the State sold the underlying fee interest in originally long-term leased land to the individual homeowners of three condominium projects: Somerset Parkside (north two-thirds of the block bounded by 10<sup>th</sup>, 11<sup>th</sup>, P, and Q Streets); Saratoga Townhomes (north half of the block bounded by 9<sup>th</sup>, 10<sup>th</sup>, Q, and R Streets); and Stanford Park Townhomes (southeast quarter of the block bounded by 14<sup>th</sup>, 15<sup>th</sup>, O, and P Streets, and south half of the block bounded by 15<sup>th</sup>, 16<sup>th</sup>, O, and P Streets).

Assembly Bill 666 (Ortiz) (Ch. 262, Stats. of 1997), which amended GC Section 8169, created a major change in the disposition of State-owned land in the Capitol Area. This bill authorizes the Director of DGS to sell real property under the jurisdiction of DGS to CADA that, in turn, sells the property to qualified developers for development of residential and neighborhood retail/commercial uses in the Capitol Area. Prior to enactment of this legislation, the sale of land was precluded, and CADA developments were on land that was long-term leased from the State. The ability to provide fee title to such property enhances the development opportunities within the Capitol Area, including the ability to develop more ownership housing. The ten properties shown in the table below and totaling 10.5 acres have been sold by the State to CADA under provisions of this legislation.

**State-Owned Property Sold to CADA for Development**

<b>Project</b>	<b>Site Acres</b>
Governor’s Terrace Apartments site, 14 <sup>th</sup> & P St.	0.59
Fremont Building Site, 16 <sup>th</sup> & P St.	0.89
Capitol Park Homes site, 12 <sup>th</sup> to 14 <sup>th</sup> & P to Q St.	3.45
Fremont Mews site, 15 <sup>th</sup> & Q St.	2.05
Capitol Lofts site, 11 <sup>th</sup> & R St.	1.18
East End Gateway Site 1, 16 <sup>th</sup> & N St.	0.70
East End Gateway Site 2, 16 <sup>th</sup> & O St.	0.44
East End Gateway Site 3, 16 <sup>th</sup> and O St.	0.72
East End Gateway Site 4, 16 <sup>th</sup> and P St.	0.44
1610 17 <sup>th</sup> St.	0.04
<b>TOTAL</b>	<b>10.5</b>

**Projects Completed on State-Owned Property and Sold or Long-Term Leased to CADA Since 1997**

Since the approval of the 1997 Capitol Area Plan, the following projects have resulted in the construction or rehabilitation of 296 residential units, 38 hotel units, and 12,000 SF of commercial space on State-owned land designated for housing development under the Capitol Area Plan. The following projects provide both rental and for-sale product to the downtown housing market:

- **Governor’s Terrace Apartments** – This project includes 44 residential units on .59 acres. When completed in 1997, it was the first market-rate apartment structure completed in downtown Sacramento in ten years.
- **Fremont Building** – Construction on this residential and commercial mixed-use project on Block 234, on the east side of 16<sup>th</sup> Street between O and P Streets, was completed in 2001. The project includes 69 apartments and 12,000 SF of ground floor commercial space.
- **Capitol Park Homes** – This development includes the construction of 64 for-sale, detached, single-family homes on Blocks 281 and 284 between 12<sup>th</sup>, 14<sup>th</sup>, P, and Q Streets. The project was completed in 2003. As a part of the project, CADA preserved 16 units of housing stock that were within the footprint of the new development site by relocating the structures to land formerly utilized for surface parking at 1321 and 1326 Q Street.
- **Fremont Mews** – This CADA project, completed in 2005, involves the State-owned property on Block 286 bounded by 14<sup>th</sup>, 15<sup>th</sup>, P, and Q Streets (Site 13), and a DGS-owned and operated surface parking lot. The development includes 119 residential rental units and a 19,200 SF on-site garden area. This on-site garden, Fremont Community Garden, as well as a 32,000 SF off-site garden located at 5<sup>th</sup> and W Streets, Southside Community Garden, is an element of the Garden Preservation and Replacement Plan incorporated into the development



of this project. Both the on-site and the off-site gardens were acquired by CADA, with assistance from DGS, and donated to the City of Sacramento Parks Department.

- **Seventeenth and N Streets** – An eight-unit art deco apartment building was moved from the East End Complex site to the southwest corner of 17<sup>th</sup> and N Streets on Block 233. It was rehabilitated and ten new units were constructed on the rear of the site. The project was completed in 2001. A grant from the East End Mitigation Funds was used for the move and rehabilitation of the older building.
- **The Inn Off Capitol Park** – The rehabilitation of the older Capitol Vue Hotel in 2000 provides 38 hotel units at the southeast corner of 16<sup>th</sup> and N Streets on Block 231.



## Projects Currently Being Developed on State-Owned Property Sold to CADA

The CADA's current development activities on State-owned property sold to CADA and designated for housing development under the Capitol Area Plan include the following projects:

- **Capitol Lofts (formerly the CADA Warehouse)** – This project is structured around a 1920s vintage brick warehouse owned by the State and formerly leased to CADA for its maintenance operations. The property, which was sold by DGS to CADA for development in 2004, is located between 11<sup>th</sup>, 12<sup>th</sup>, R, and S Streets. In 2009, the developer's work on redesigning the project to increase its affordability and qualify it for LEED certification resulted in the award of \$4.9 million in Proposition 1C funds from HCD. The developer is currently evaluating the feasibility of a phased development of the project, which would commence with conversion of the former State Building and Grounds structure into office space with ground floor retail. The residential components of the project would follow, with a portion being developed in the warehouse building, and additional units being constructed over a new parking garage, to be located on currently vacant land. The developer is a partnership of Holliday Development and Regis Homes of Northern California, Inc. In 2009, the developer's work on redesigning the project to increase its affordability and qualify it for LEED certification resulted in the award of \$4.9 million in Proposition 1C funds from HCD. The developer continues to seek construction financing necessary for this project to proceed.
- **East End Gateway Sites** – In order to stimulate interest and provide a vision for CADA's development goals along 16<sup>th</sup> Street, CADA issued a Request for Qualification in early 2003 for four sites known as the East End Gateway. The properties, also referred to as Sites 1 through 4, were sold in late 2005 by the DGS to CADA for development, which will serve to improve the image of the east entry into the Capitol Area, and enhance 16<sup>th</sup> Street as a desirable residential and mixed-use address.

A local developer was awarded an Exclusive Negotiating Agreement (ENA) for East End Gateway Sites 2 and 3, at 16<sup>th</sup> and O Streets, and a national developer was awarded an ENA for East End Gateway Sites 1 and 4, located at 16<sup>th</sup> and N Streets, and 16<sup>th</sup> and P Streets, respectively.

In 2006, after CADA cleared and remediated East End Gateway Sites 2 and 3, the local developer withdrew his proposal, citing financial and market timing concerns. Subsequently, CADA re-advertised the sites and selected the local development team of Ravel Rasmussen Properties in the spring of 2007. The project is fully entitled and is poised to proceed, subject to securing financing and pending an improvement in market conditions. This project will provide 84 apartments and approximately 13,000 SF of commercial space.

After the developer's ENA for East End Gateway Sites 1 and 4 expired in 2008, CADA reissued the Request for Proposal (RFP) for the development of these two sites. The RFP development criteria for East End Gateway Site 1 called for the development of between 8 and 15 floors of residential units, with ground-floor retail. The RFP criteria for East End Gateway Site 4 called for development of a minimum of 22 residential units. In March 2009, CADA selected a partnership of Em Johnson Interest, Inc. and Nehemiah Community Reinvestment Fund Holdings to construct an eight-story structure at East End Gateway Site 1. A Development and Disposition Agreement was entered into and a pre-marketing campaign launched and, subject to securing financing, the development team plans to commence construction in late 2011, or early 2012. The building, named The Warren, will include 117 market-rate condominium units, 5,200 SF of retail space, and 136 parking spaces. The building will be constructed with the goal of achieving LEED-NC Silver certification.

CADA received three proposals in 2009 in response to its RFP for East End Gateway Site 4. The selected developer withdrew due to the unavailability of private commercial lending. CADA subsequently solicited proposals on an on-going basis, resulting in receipt of several proposals currently under consideration.

- **1610 17<sup>th</sup> Street (Residential Site 9B)** – This 40' x 40' parcel, located at the southeast corner of the Capitol Area, is a vacant piece of land CADA purchased from the State in 2008. The developer CADA initially selected to develop the site as a half-plex withdrew from the project in 2009 due to the economic decline. The site was re-advertised, and CADA selected another developer who is pursuing the City of Sacramento's entitlement process to allow construction of a similar project to proceed in 2011.

## Future Purchase Agreements

The map on page 18 shows sites designated for housing development within the 1997 Capitol Area Plan boundaries. CADA has proposed future projects that would include purchase agreements with the State for the following two sites:

- **Block 222 – South Half of Block Bounded by 12<sup>th</sup>, 13<sup>th</sup>, O, and P Streets:** In 2008, a purchase agreement was structured between the State and CADA that would allow CADA to proceed with the development of market-rate and affordable housing on this site. The execution of the purchase agreement between CADA and the State for the south half of the block is contingent upon a land exchange agreement first being reached between DGS and the Department of Veterans Affairs that own different parcels on this block.
- **Residential Site 21 – 14<sup>th</sup> and N Streets:** In 2008, a purchase agreement was structured between the State and CADA that would allow for the development of a high-density residential development on the last remaining housing site facing Capitol Park. The DGS subsequently requested that CADA delay purchase of the site and the issuance of the development RFP until the economy improves.

- **East End Gateway Site 5 – 1610 – 1614 N Street:** At its March 2010 meeting, the CADA Board of Directors approved a development plan for East End Gateway Site 5 that includes approximately 50 affordable apartment units for seniors, with rents affordable to households earning an average of 47 percent of median income. The Board of Directors authorized negotiations for a Purchase Agreement and Appraisal Instructions with the DGS for acquisition of the site, and also authorized the preparation and negotiation of an ENA with BRIDGE Housing Corporation to develop and operate the proposed project. Development of this site will assist CADA in meeting its affordable housing mandates.

## Affordable Housing in the Capitol Area and R Street Area

**Capitol Area** – GC Section 8193 states CADA is required to have occupied, or make available, 25 percent of the residential units located on land either purchased or leased from the DGS in the Capitol Area at affordable rents to low-income households. On December 15, 2000, the CADA Board of Directors adopted CADA Board Resolution 00-49 stating CADA will meet its 25 percent obligation in the Capitol Area by directly subsidizing units, utilizing external funding sources to subsidize units it manages, and causing or assisting in the development of affordable units by third parties. This resolution further states CADA will consider the impact on its 25 percent obligation whenever it takes any action that affects housing stock in its redevelopment project area. CADA annually presents in its year-end stakeholders report actions taken in the past year to ensure its 25 percent obligation is met, as reflected in the table below.

<b>Capitol Area</b>	<b>Affordable</b>	<b>Market</b>	<b>Total</b>
CADA-Managed Units	210	574	784
Units Managed by Others	136	464	600
<b>Total Units</b>	<b>346</b>	<b>1038</b>	<b>1384</b>
<b>Current Percentage Split</b>	<b>25%</b>	<b>75%</b>	<b>100%</b>

**R Street Area** – Senate Bill 1460 (Ortiz) (Chapter 468, Statutes of 2002) amends GC Section 8193 to regulate the following affordable housing requirements for the R Street Area. Prior to the completion of redevelopment activities in the R Street Area, at least 30 percent of all new and substantially rehabilitated dwelling units developed by CADA within the R Street Area shall be available at affordable housing costs for low-income or moderate-income households. Of these units, at least 50 percent shall be within the means of very low-income households. Prior to the completion of redevelopment activities in the R Street Area, at least 15 percent of all new and substantially rehabilitated dwelling units developed by public or private entities other than CADA within the R Street Area shall be available at affordable housing costs for low-income or moderate-income households. Of these units, at least 40 percent shall be affordable to very low-income households.

The R Street Area Implementation Plan adopted by CADA in 2008 sets forth strategies for ensuring the provision of affordable housing as shown in the table below prior to the completion of redevelopment activities in the R Street Area.

	Total Units	Total Affordable	Affordable to Very Low
Projected at Build-Out	797	119	48
Produced Since 2002	22	0	0

## Residential Management and Development

The CADA is responsible for managing the housing development for a range of income categories within the Capitol Area, in response to market conditions and priorities as they develop. The statutorily-stated goal is to create a viable community of 3,500 residents in both public and privately-owned housing within the 1997 Capitol Area Plan boundary, (exclusive of the R Street Area, added to CADA's Redevelopment Project Area in 2002) and to ensure the availability of retail/commercial facilities to support the residents, employees, and visitors who frequent the Capitol Area. The table below and on the following page identifies CADA-managed residential properties that are located on State-owned land, and the table on page 24 summarizes new housing that has been developed by CADA since 1978.

### State-Owned and CADA-Managed Residential Properties

Address	Property Name	Market-Rate Units <sup>1</sup>	Rent-Assisted Units	Total Units	Lease No.
1517 12 <sup>th</sup> Street		7	2	9	6465
1521 12 <sup>th</sup> Street		3	1	4	6465
1506 13 <sup>th</sup> Street	McCafferty Manor	20	3	23	6465
1512 13 <sup>th</sup> Street		7	0	7	6465
1428 14 <sup>th</sup> Street	Metro Building	8	0	8	6465
1317 15 <sup>th</sup> Street	Lombard	12	0	12	6465
1325 15 <sup>th</sup> Street	Park Mansion	37	5	42	6465
1421 15 <sup>th</sup> Street	Biele Place*	1	34	35	6527
1500 15 <sup>th</sup> Street	Auslender	24	1	25	6465
1501 15 <sup>th</sup> Street	Dauger Manor	21	1	22	6465
1510 15 <sup>th</sup> Street	The Victorian	3	0	3	6465
1514 15 <sup>th</sup> Street	The Victorian	2	0	2	6465
1606 15 <sup>th</sup> Street	Fremont*	9	11	20	N/A
1412 ½ 16 <sup>th</sup> Street	(Above Luna's)	4	0	4	6465
1601 16 <sup>th</sup> Street	Elmwood	18	3	21	6465
1316 N Street	Le Chateau	11	0	11	6718
1320 N Street	Senator Manor	24	6	30	6718
1400 N Street	Dean Apartments	11	0	11	6465

<sup>1</sup> With the exception of units in buildings that already have affordability restrictions mandated by regulatory agreement, vacant units are counted as market-rate units. Properties with specific affordability restrictions are asterisked (\*).

Address	Property Name	Market-Rate Units <sup>1</sup>	Rent-Assisted Units	Total Units	Lease No.
1500 N Street	Brannan Court*	32	8	40	6527
1517 N Street	Capitol Grounds	12	2	14	6465
1522 N Street	Judith Manor	25	5	30	6465
1616 N Street	Grantwood Manor	17	3	20	6465
1622 N Street	Shelly Arms	24	6	30	6465
1228 O Street	Gibson Arms	13	7	20	6465
1316 O Street		8	3	11	6465
1317 O Street	The Valencia	13	3	16	6465
1327 O Street	Capri Apts.	9	3	12	64665
1330 O Street	Moore Manor	2	0	2	6672
1400-04 O Street	Greentree	17	0	17	6671
1414 O Street		11	3	14	6671
1420 O Street	The Statesman	22	5	27	6465
1506 O Street	Johnston House	0	6	6	6618
1510 O Street	Don Carolos Apts.*	2	8	10	6618
1515 O Street	Morgenson Manor	18	2	20	6527
1625 O Street		17	3	20	6645
1201 P Street	Del Capri	6	2	8	6465
1209 P Street	Wing Manor	7	4	11	6465
1214 P Street		5	0	5	6465
1215 P Street	Gibb Arms	9	3	12	6465
1216-18 P Street		2	0	2	6465
1220 P Street	Deus	6	5	11	6465
1326 P Street	Mi Casa	9	3	12	6668
1330 P Street	Palm Mansion	4	0	4	6710
1424 P Street	Wilshire <sup>2</sup>	11	1	12	N/A
1615-17 P Street	Lanai Apartments	14	6	20	6465
1623 P Street	Lanai Apartments	9	3	12	6465
1321 Q Street		6	0	6	6465
1619 Q Street	Rooming House	13	3	16	6617
1001-35 Q Street	Somerset Parkside*	1	25	26	6619
1614-40 O Street	17 <sup>th</sup> St. Commons*	17	12	29	6620
Placements in Process	Multi-Site <sup>3</sup>	-9	9	0	N/A
<b>TOTAL</b>		<b>574</b>	<b>210</b>	<b>784</b>	

<sup>2</sup> At the end of 2009, CADA increased its housing inventory stock through the completion of the rehabilitation of the Fremont-Wilshire Apartments that it purchased from a private property owner earlier in the year.

<sup>3</sup> Units occupied by CADA tenants in the process of being qualified for the CADA Multi-Site Assistance Program that intersperses rent-assisted units throughout CADA's housing inventory for very low-income senior, disabled or family w/minor child households.

**New CADA Housing Development Since 1978**

<b>Project</b>	<b>Site</b>	<b>Site Acres</b>	<b>Privately Owned</b>	<b>State or CADA</b>	<b>No. of Units</b>	<b>Dwelling Units/Acre</b>	<b>Completed</b>
Somerset Parkside 1001-35 Q Street	RS-2	2.5	75	25	Market 76 Low 25	40	1984
Saratoga Townhomes 900 Q Street	4-B	1.17	36		Market 36	31	1983
Stanford Park 1515-23 P Street	15B/19C	1.76	50		Market 50	28	1986
Palm Mansion 1330 P Street	7C	0.07		4	Market 4	57	1985
Delta Victorians 16166-26 14 <sup>th</sup> Street	7C	0.15	8		Market 8	53	1984
Wiese Townhomes 1612 14 <sup>th</sup> Street	7C	0.07	3		Market 3	43	1993
Admail Express 1501-12 14 <sup>th</sup> Street	16A	0.11	7		Market 4 Low 3	64	1984
Greentree Commons 1400-04 O Street	15A	0.59		17	Market 17	29	1988
Brannan Court 1500 N Street	6A	0.59		40	Market 32 Low 8	68	1988
Biele Place 1421 15 <sup>th</sup> Street	6B	0.51		35	Market 1 Low 34	69	1984
17 <sup>th</sup> Street Commons 17 <sup>th</sup> and O Streets	5/8B	1.26		29	Market 17 Low 12	23	1981 2001
Wiese 17 <sup>th</sup> /O Sts. 1631 O Street	8B	0.15	3		Market 3	20	1988
Rooming House 1619 Q Street	9A	0.15		16	Market 16	107	1982
Elmwood 1601 16 <sup>th</sup> Street	N/A	0.44		21	Market 21	48	1981
Capital Terrace 1615 O Street	8C	0.59	60		Low 60	102	1994
Governor's Terrace 1519 14 <sup>th</sup> Street	15C	0.59	44		Market 44	75	1997
The Inn Off Capitol Park 1530 N Street	N/A	0.22	38		Hotel 38	173	2000
Fremont Building 1501 16 <sup>th</sup> Street	5A	0.89	69		Market 58 Low 11	77	2001
1500 Q Street	N/A	0.15	6		Market 4 Low 2	40	2001
17 <sup>th</sup> and N Streets	8E	0.29	18		Market 18	62	2001
1321 Q Street (moved from 1201 Q Street)		0.07		4	Market 4	57	2001



Project	Site	Site Acres	Privately Owned	State or CADA	No. of Units	Dwelling Units/Acre	Completed
1326 P Street (moved from 1223 Q Street)		0.15		12	Market 12	80	2001
Capitol Park Homes 12 <sup>th</sup> /14 <sup>th</sup> , P/Q Street	18A/7A	3.45	64		Market 46 Moderate 6 Low 12	19	2002/ 2003
Fremont Mews 15 <sup>th</sup> and Q Streets	13	2.05	119		Market 71 Low 24 Very Low 24	54	2005

**Unit Type**

Market	545
Moderate	6
Low	191
Very Low	24
Hotel	38
<b>TOTAL:</b>	<b>804</b>

## V. Development of the Community

The 1997 Capitol Area Plan references an estimated additional need of approximately 90,000 SF of retail, commercial, and service space as the Capitol Area Plan is built out to its maximum office and residential capacity. In terms of development and space distribution, 17 blocks within the 1997 Capitol Area Plan boundary are involved, or will be involved, in office and residential developments that could include or accommodate this type of space, most of which would be retail/commercial enterprises. However, two of the developments may involve office/commercial developments, and one would be a child care service facility. The majority of the developments are connected with residential projects under CADA's sponsorship, and the balance of developments are under DGS' State-owned office program, or private ownership. The referenced blocks within the 1997 Capitol Area Plan boundary and their related projects are outlined in the table below.

### Retail / Commercial Development in the Capitol Area

#### Residential Blocks

Block No.	Project Name	Status	Type of Space	SF
075	Capitol Lofts	In Development	Commercial	TBD
172	East End Gateway 1	In Development	Retail/Commercial	TBD
231	East End Gateway 2	In Development	Retail/Commercial	5,816
232	East End Gateway 3	In Development	Retail/Commercial	8,087
233	East End Gateway 6 & 7	Potential	Retail/Commercial	TBD
234	Fremont Building	Completed	Retail/Commercial	12,000
292	1500 Q Street	Completed	Retail/Commercial	1,200
293	East End Gateway 4	Potential	Retail/Commercial	TBD
222	TBD	Potential	Retail/Commercial	TBD
224	TBD	Potential	Retail/Commercial	TBD

#### Office Blocks

Block No.	Project Name	Status	Type of Space	SF
173	East End Complex	Completed	Retail/Commercial	6,800
174	East End Complex	Completed	Retail/Commercial <sup>4</sup>	6,000
225	East End Complex	Completed	Retail/Commercial	5,400
225	East End Complex	Shell Completed	Retail/Commercial	1,000
225	East End Complex	Completed	Child Care Interior	7,367
203	West End Complex	Potential	Retail/Commercial	TBD
204	West End Complex	Potential	Retail/Commercial	TBD
275	Caltrans Block	Potential	Retail/Commercial	TBD

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<sup>4</sup> Unable to locate a viable retail tenant for these premises, a general purpose office suite was completed in 2007.

**Garage Blocks**

<b>Block No.</b>	<b>Project Name</b>	<b>Status</b>	<b>Type of Space</b>	<b>SF</b>
224	East End Complex	Completed	Office/Commercial	6,500
266	West End Complex	Potential	Retail/Commercial	TBD

These retail, commercial, and service activities, which reflect a considerable investment and effort in their planning and development by both DGS and CADA, will broaden the scope of community services in the Capitol Area. The amount of SF to be developed in the R Street Area for retail, commercial, and service space, as set forth by the City of Sacramento in the 1996 R Street Corridor Plan, has been superseded by the R Street Urban Design Plan prepared by CADA and adopted by the Sacramento City Council in 2006.

Shown below and on the following page are retail and commercial businesses operating in State-owned property within the Capitol Area.

**State-Owned and CADA-Managed Retail / Commercial Properties**

<b>Address</b>	<b>Business Name</b>	<b>Type of Business</b>	<b>Lease No.</b>
1601 10 <sup>th</sup> Street	Yummy Choice	Restaurant	6619
1603 10 <sup>th</sup> Street	OB 2000	Restaurant	6619
1607 10 <sup>th</sup> Street	Sacramento Bagel Time	Restaurant	6619
1623-25 10 <sup>th</sup> Street	Goodyear Cobbler and Cleaners	Dry Cleaners & Cobbler	6619
1424 14 <sup>th</sup> Street	Capitol Dry Cleaners	Dry Cleaners	6465
1426 14 <sup>th</sup> Street	Alternations By Pros	Alternations Shop	6465
1501 14 <sup>th</sup> Street	Bistro Michel	Restaurant	6671
1317 15 <sup>th</sup> Street	Law Offices of Rob Hewitt	Office	6465
1401 & 1409 16 <sup>th</sup> St.	Enterprise Rent-A-Car	Car Leasing	6465
1412 16 <sup>th</sup> Street	Golden Gate Cleaners	Dry Cleaners	6465
1413 & 1415 16 <sup>th</sup> St.	Simon's Bar & Grill	Restaurant	6465
1414 16 <sup>th</sup> Street	Luna's Café	Restaurant	6465
1419 16 <sup>th</sup> Street	Mercury Cleaners	Dry Cleaners	6465
1421 16 <sup>th</sup> Street	Albert Lovely-Ball Consultants, LLC	Consultant	6465
1520 16 <sup>th</sup> Street, #B	Klick Nation	Gaming Company	6697
1520 16 <sup>th</sup> Street, #D	ACIS	Travel Company	6697
1530 16 <sup>th</sup> St., #A & C	Mochii Yogurt	Yogurt Shop	6697
1614 N Street	Hand-in-Hand	Day Care	6697
730 O Street	Capital Athletic Club	Athletic Club Parking	6650
1322 O Street	The Courtyard	Banquet Hall	6465
1329-31 O Street	Vallejo's Restaurant	Restaurant	6465
1330 O Street	Sam's Market	General Store	6465
1036 P Street	Le Croissant	Restaurant/Café	6619
1209 P Street	Forever Young	Day Care	6465
1212 P Street	RMB Enterprises	Computer Billing Srvcs.	6465

**State-Owned and State-Managed Retail / Commercial Properties**

<b>Address</b>	<b>Business Name</b>	<b>Type of Business</b>	<b>Lease No.</b>
1600 L Street	Reda Bellarbi & Associates, Inc. dba The Grand Wine bar	Wine Bar	L-2291
1401 O Street Suite B	Kulbir S. Mayall dba Samurai Sam's	Restaurant	L-2311
1104 O Street	East End Child Care Center (Nonprofit Public Benefit Corp.)	Day Care	L-2043
901 P Street Room I55-B	Rainbow Day Care (Nonprofit Public Benefit Corp.)	Day Care	L-1817
1425 14 <sup>th</sup> Street Suite A	Keith A. Hummel and Srinapa Hummel dba Ki Gifts	Frame and Gift Shop	L-2293
1425 14 <sup>th</sup> Street Suite C	Timothy Brand dba Brand's International Coffee and Bakery	Bakery and Sandwich Shop	L-2328

## **VI. Administration**

This Progress Report is designed to meet the requirements of GC Section 8164, which requires DGS to present an annual analysis and reporting to the Legislature on the administration of the Capitol Area Plan.

The DGS will continue to coordinate with CADA, the Capitol Area Committee, and the Technical Advisory Committee to oversee the progress made in realizing the development goals set forth in the 1997 Capitol Area Plan, and to continually evaluate priorities, capabilities, and opportunities of each responsible party.

## **VII. Capitol Area Development Authority (CADA)**

The CADA is a joint powers authority between the State of California and the City of Sacramento created to implement the plans and objectives of the Capitol Area Plan, as directed by the State of California and the City of Sacramento. The Capitol Area Plan is a mixed-use plan for the management, development, and disposition of State-owned property located directly south and east of the State Capitol and Capitol Park in the City of Sacramento.

The CADA has been specifically designated to implement the housing and support retail goals of the Capitol Area Plan. The Capitol Area Plan legislation sets a population goal of 3,500 residents living in housing built for a variety of incomes. Additional legislation enacted in 1978 requires CADA maintain 25 percent of its units at affordable levels for low-income households, and provides CADA the powers of a redevelopment agency for the Capitol Area Redevelopment Project Area.

In 2002, legislation was passed expanding CADA's redevelopment project boundaries to include a key section of the R Street Corridor, a former warehouse and industrial

district. The purpose of this expansion was to accelerate the pace of investment and redevelopment along the southern border of the Capitol Area between 10<sup>th</sup> and 19<sup>th</sup> Streets. Redevelopment of this area will enhance the Capitol Park Neighborhood and serve as an opportunity for transit-oriented development in proximity to the 13<sup>th</sup> Street and 16<sup>th</sup> Street light rail stations.

From an organizational standpoint, CADA has four service units including Property Management, Asset Management, Development, and Administrative Services. CADA has 4 executive staff, 20 administrative staff members, a 9-member maintenance crew, and 13 resident service managers (full and part-time). CADA develops and manages its own budget. While it is a joint powers authority between the City and the State, CADA's main revenue sources come from residential and commercial rents, and tax increment revenue from properties within its redevelopment project area. CADA does not rely on the City of Sacramento or the State for any direct operational financial support.

**Capitol Area Development Authority – Board of Directors**

<b>Members</b>	<b>Appointing Power</b>
Ann Bailey, Chair	State of California
William Ishmael, Vice Chair	City of Sacramento
Ron Alvarado	State of California
Kristan Otto	City of Sacramento
Page Robbins	CADA Board of Directors

Executive Director: Paul B. Schmidt

Board Secretary: Sharon M. Bennett

## **VIII. Capitol Area Committee**

The Capitol Area Committee was formed in 1977 to advise Director of the DGS about issues affecting the Capitol Area Plan per GC Sections 8164.1– 8164.3.

### **MEMBERSHIP:**

The Committee consists of nine members appointed as follows:

- A. Four members are appointed by the Governor, of which at least one is appointed from a list of three candidates submitted by the City of Sacramento, and at least one is appointed from a list of three candidates submitted by the County of Sacramento (four-year terms).
- B. Two members are appointed by the Speaker of the Assembly (one of whom may be a member of the Assembly), and two members are appointed by the Senate Rules Committee (one of whom may be a member of the Senate) (four-year terms).
- C. One member is appointed by the Director of DGS (term is at the pleasure of the Director).

The Chairperson is elected by the Committee Members.

### **MEETINGS:**

Meetings are open to the public and are held quarterly, typically on the first Tuesday of the first month of the quarter, at 2:00 p.m. (established by Committee); upon call of the Chairperson; or upon written request of any three members (GC Section 8164.2). Meetings are normally held at the CADA Headquarters, 1522 14<sup>th</sup> Street, First Floor Boardroom, Sacramento, California. Members are always notified of meeting changes and cancellations.

### **ORGANIZATIONAL FUNCTIONS AND RESPONSIBILITIES:**

The Capitol Area Plan was established for the orderly development of the State's facilities in the metropolitan area of Sacramento. It serves as the master plan for development of State-owned land within the Capitol Area. The DGS is assigned responsibility for carrying out development within the Plan Area in accordance with the Capitol Area Plan. The DGS must report annually (GC Section 8164) to the Legislature on its actions.

It is the purpose of the Committee to independently review DGS' reports to the Legislature and to counsel and advise DGS in the carrying out of its responsibilities related to the Capitol Area Plan. The Committee may submit separate comments on DGS' reports on the Capitol Area Plan to the Legislature. The Committee involves a broad cross-section of interested citizens in the form of an advisory body. The advisory body serves without compensation.

**CONTACT INFORMATION:**

Staff contact is Liz Ames, Regional Portfolio Manager, DGS, 707 Third Street, Sixth Floor, West Sacramento, CA 95605. Her contact numbers are (916) 376-1831 or fax (916) 376-1833.

**Technical Advisory Committee**

**AUTHORITY:**

The Technical Advisory Committee (Committee) was formed in 1977 to provide technical comments to the Capitol Area Committee. GC Sections 8164.1– 8164.3 established the Capitol Area Committee and provided that an advisory body to the Committee could be created.

**MEMBERSHIP:**

Membership is determined by DGS, Real Estate Services Division. Members are representatives of a cross-section of planning, transportation, business, neighborhood, development, local, regional, and State agencies, and associations that provide technical analyses and comments for the consideration of the Capitol Area Committee. In turn, the Capitol Area Committee advises the Director of DGS about issues affecting the Capitol Area Plan. The Committee is chaired by the Chief, Asset Management Branch, Real Estate Services Division, DGS.

**MEETINGS**

Meetings are open to the public and are held quarterly, and additionally as needed, at 8:30 a.m. at the CADA Headquarters, 1522 14<sup>th</sup> Street, First Floor Boardroom, Sacramento, California.

**ORGANIZATIONAL FUNCTIONS AND RESPONSIBILITIES:**

The Committee examines proposals and issues that may have an impact on the planning area governed by the Capitol Area Plan (GC Section 8160.1). Through the Chairman of the Committee, comments, analyses, and recommendations on technical planning matters and issues of the community are reported to the Capitol Area Committee.

**CONTACT INFORMATION:**

Staff contact is Liz Ames, Regional Portfolio Manager, DGS, 707 Third Street, Sixth Floor, West Sacramento, CA 95605. Her contact numbers are (916) 376-1831 or fax (916) 376-1833.

**Capitol Area Committee and Technical Advisory Committee Members**

**Capitol Area Committee Members**

John Lambeth, Chair  
 Darryl Chinn  
 Curtis R. Namba  
 Vacant  
 Assembly Member Dave Jones  
 Bill Wong  
 Darrick Lawson  
 Vacant  
 Ted Park

**Appointing Power**

Governor's Office  
 Governor's Office / City Representative  
 Governor's Office / County Representative  
 Governor's Office  
 Assembly Speaker's Office  
 Assembly Speaker's Office  
 Senate Rules Committee  
 Senate Rules Committee  
 Department of General Services Director

**Technical Advisory Committee**

<b>State</b>	<b>Local</b>
Department of General Services	Capitol Area Development Authority
Division of the State Architect	City of Sacramento
Office of Fleet and Asset Management	Community Development Department
Real Estate Services Division	Department of Transportation, Parking Services
California Highway Patrol	Economic Development Department
Department of Transportation	City of West Sacramento
Senate Budget and Fiscal Review Committee	Redevelopment Agency
	Downtown Neighborhood Association
	Downtown Sacramento Partnership
	Sacramento Metropolitan Air Quality Management District
	Sacramento Regional Transit District



## IX. Legend of Abbreviations

American Recovery and Reinvestment Act.....	ARRA
Americans with Disabilities Act.....	ADA
California Department of Education.....	CDE
California Department of Public Health.....	CDPH
Capitol Area Development Authority.....	CADA
Chapter.....	Ch.
Department of General Services.....	DGS
Department of Health Care Services.....	DHCS
Department of Housing and Community Development.....	HCD
Department of Rehabilitation.....	DOR
Development of Social Services.....	DSS
Exclusive Negotiation Agreement.....	ENA
Government Code.....	GC
Gross Square Feet.....	GSF
Leadership in Energy and Environmental Design ®.....	LEED ®
LEED for Existing Buildings.....	LEED-EB
LEED for New Construction.....	LEED-NC
Net Square Feet.....	NSF
Office Building.....	OB
Request for Proposal.....	RFP
Square Feet.....	SF
Statutes.....	Stats.
U.S. Green Building Council.....	USGBC
Usable Square Feet.....	USF