

**CAPITOL AREA COMMITTEE
MEETING MINUTES**

**OCTOBER 2, 2012 - 2:00 PM
CAPITOL AREA DEVELOPMENT AUTHORITY
1522 14TH STREET
SACRAMENTO, CA
FIRST FLOOR BOARDROOM**

Members Present

Joe Mugartegui
David Gonsalves
John Lambeth
Bill Wong

Members Absent

Darryl Chinn
Richard Cowan
Darrick Lawson
Curtis Namba

**Department of General Services (DGS) and Capitol Area Development Authority
(CADA) Staff**

Liz Ames, DGS
Marc de la Vergne, CADA
Jane Hershberger, DGS
Tom Kigar, CADA
Pella McCormick, DGS
Jackie Whitelam, CADA

Visitors

Rachel Hazlewood, City of Sacramento

Chairperson John Lambeth called the meeting to order at 2:06 p.m.

1. Approval of Minutes

A quorum was not established at the October 2012 meeting, therefore the July 10, 2012, meeting minutes will be approved at the January 2013 meeting.

2. Technical Advisory Committee (TAC) Update

Liz Ames from DGS reported a TAC meeting was held on September 20, 2012, at which time Jackie Whitelam from CADA gave a presentation on CADA's Proposed Sequenced Disposition Strategy. Ms. Ames also discussed the signing of Assembly Bill 2445 and the resulting extension of the CAC's sunset date to January 2018. The 2013 CAC and TAC meeting schedule will be forthcoming based on the new requirement for a minimum of one annual meeting.

3. **Information Item**

a. ***CADA Proposed Sequenced Disposition Strategy***
Jackie Whitelam, CADA

Ms. Whitelam gave a brief overview of CADA's proposed Sequenced Disposition Strategy, including the activities outlined in each of the three phases presented in the plan. Ms. Whitelam stated that a number of local government, business, and neighborhood groups are still reviewing the proposed strategy, and she is having conversations with, and answering questions posed by, a number of representatives of the aforementioned organizations. CADA staff plan to present all the feedback received in a formal report at the October 2012 CADA Board meeting, and a copy of the staff report will be distributed to all CAC members once it becomes available.

Discussion ensued regarding the timing and next steps in the disposition process. The current effort is to sell the Development Ground Lease properties pursuant to the legislation passed last year. Additionally, under direction from the Administration, DGS is being asked to include in the next budget cycle additional properties to market for sale. Plans for how to meet the ongoing affordable restrictions were also discussed.

4. **Old Business**

a. ***DGS Projects Update***
Pella McCormick, RESD

Board of Equalization Remediation Projects: Remediation and reconstruction work is nearly complete, however, investigation and maintenance to plumbing and window systems will continue.

Pella McCormick was asked to elaborate on work undertaken at the Board of Equalization Building, and Ms. McCormick gave an overview of the current and recently completed projects at the building.

Capitol Building Infrastructure Repairs: Upgrades to the building's electrical panels were completed in early 2012. Mechanical equipment replacement has been completed in the first of eighteen fan rooms and, since the replacement was successful, it will now be replicated in the balance of the fan rooms. Upgrades to the building's infrastructure, including the electrical and mechanical systems, are ongoing and will continue into the next fiscal year.

Capitol Park Master Plan: The topography survey of Capitol Park is complete, however, until additional funding is made available to properly study and plan for the future of the park, only limited work can be accomplished.

East End Complex - Retail Build-Out: Zia's Restaurant is in the process of making alterations in the space at 14th and O Streets and is anticipated to open for business later this year. The owner of Magpie Café at 14th and R Streets has opened its second location, Yellowbill Café and Bakery, in the space previously leased to Baladi Gourmet Coffee. The remaining 1,236 SF of never before leased space at this corner continues to be advertised as available for lease.

Library and Courts Building Renovation: Renovation of this historic 1928 building, including fire, life safety, infrastructure improvements, and rehabilitation of historically significant architectural elements, is approximately 85 percent complete, and should be fully complete by the end of 2012. The California State Library and the California Courts will begin reoccupying the building in early 2013, and will likely take from three to six months to fully complete their respective moves.

b. CADA Housing Update

Tom Kigar, Capitol Area Development Authority

Capitol Lofts: CADA has entered into a Disposition and Development Agreement with CFY Development for rehabilitation of the Building and Grounds building into commercial space at the corner of 11th and R Streets. Plans for full development of the site include 116 residential units in total, with 86 of the proposed units affordable and marketed toward artists. The developer received \$18 million in Low Income Housing Tax Credits and is currently seeking the balance of the needed financing. CADA intends to transfer the site to the developer on December 12, 2012; construction is anticipated to take two years to complete.

Tom Kigar responded to various questions posed regarding the affordable units to be included in the project.

R Street Streetscape Implementation Plan – Phase II - 16th-18th Streets: This phase of the streetscape plan is currently being designed and CADA is seeking the funding necessary to undertake the build out.

5. Public Comment

With no further business, the meeting was adjourned at 2:40 p.m. Although no date has yet been established for the next CAC meeting, based on the signing of Assembly Bill 2445, the 2013 CAC and TAC meeting schedule will be forthcoming soon.

Following adjournment of the meeting, CADA staff provided a tour of the East End Gateway 2 and 3 construction sites for those interested, and provided updates on East End Gateway Sites 1 and 4, Fremont Park, and the 16th Street Streetscape, as well.