CAPITOL AREA PLAN PROGRESS REPORT

JANUARY 2011

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TABLE OF CONTENTS

Executive Summary

I. Introduction…….....……... 1

II. Land Use……...……...……..……... 2

III. State Offices…….....…… 4

IV. Housing……...……..…….. 10

V. Development of the Community……...……..…… 19

VI. Administration……...……..……... 22

VII. Capitol Area Development Authority……...…… 23

VIII. Capitol Area Committee / Technical Advisory Committee……..…...…..... 25-26

IX. Legend of Abbreviations……..……...…..... 28

EXECUTIVE SUMMARY

For over 30 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 the DGS. The DGS implements the office and parking elements of the 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 all 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.

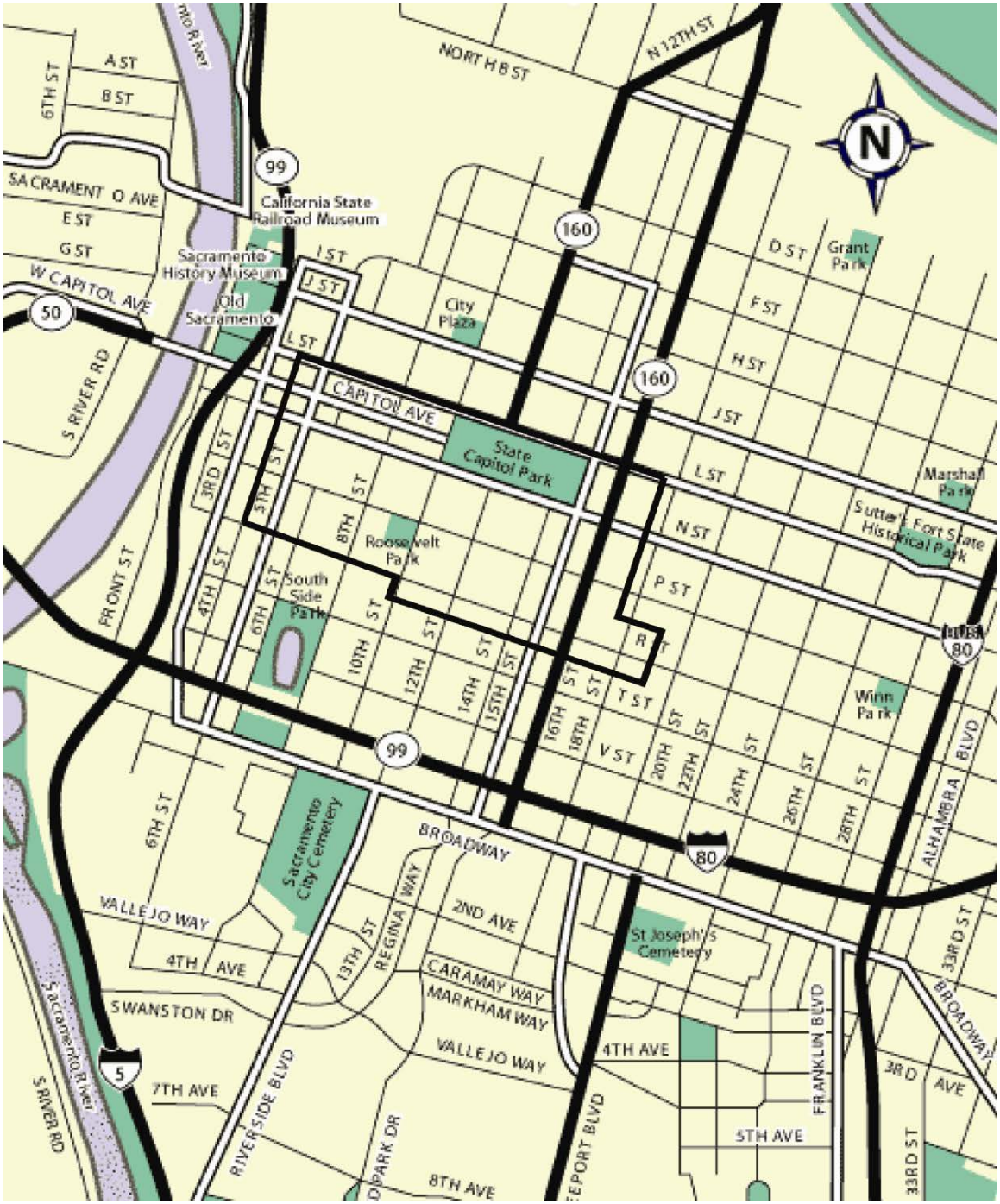
State Offices

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,

Capitol Area within Central City



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 7th, 8th, 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.

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 11th and 12th Streets and East End Gateway Sites 2 and 3 along 16th 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 16th 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 16th 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 17th 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 readvertised 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 16th Street, the spine of East End Gateway development.

CADA completed work in fall 2010 on the 16th Street Concept Plan that sets forth proposed streetscape improvements to 16th 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 10th to 13th 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 16th to 18th 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 13th Street and 16th 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 11th and O Streets.

I. INTRODUCTION

In July 1997, the Director of the 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. CADA, a State of California and City of Sacramento joint powers authority, 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 that was 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 beginning on page 23.

GC Section 8164 requires the 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 the 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, the 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 that includes both flexibility and stability for the development process. The map on page 3 contains the diagram illustrating the land use pattern on State-owned land that will 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) (Ch. 468, Stats. of 2002) was signed to enlarge the Capitol Area, as delineated in the 1997 Capitol Area Plan, by extending the Capitol Area boundary south at 10th Street to S Street, and east at 17th Street to the railroad right-of-way between 19th and 20th Streets. Expansion of CADA's redevelopment project area will accelerate development efforts along the southern border of the Capitol Area between 10th and 19th Streets. The City of Sacramento has since approved CADA's R Street Urban Design Plan. The R Street Area Implementation Plan, which will serve as the guide for CADA's development and redevelopment activities in the R Street Area, was adopted by the CADA Board in 2008, following the completion of environmental review. The map on page 3 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.

0 .25 .5 miles

Land Use Diagram

Legend

- Office Use
- Residential
- Parking
- Other Existing Use
- 1997 Capitol Area Plan Boundary
- Expanded Boundary per SB 1460 (Ch. 468, Stats. of 2002)
- Parks and Open Space
- Light Rail

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 7. 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 (7th to 8th Streets and P to Q Streets), Block 213 (10th to 11th Streets and N to O Streets), and Block 275 (11th to 12th Streets and P to Q Streets). Additionally, the south half of Block 266 (8th to 9th 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 5. 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

	Block 204	**Block 213**	**Block 275**	**Block 266**	**Total**
SF 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
Property Owner	DGS, EDD, Parks and Recreation	Legislature	DGS, Caltrans, Private Owner	DGS, Private Owner	

Assembly Bill x4 22 (Evans) (Chap. 20, Stats. of 2009) authorizes the DGS to sell and then lease back 11 State-owned office properties throughout California. Six of the buildings subject to the proposed sale are located within the boundaries of the Capitol Area, including the Attorney General Building on I Street, and the five buildings that comprise the East End Office Complex. Together these buildings supply over one million square feet of office space to State agencies in the Capitol Area. Other Sacramento region properties proposed for sale include the Franchise Tax Board campus, the Justice Building, and three buildings occupied by the California Emergency Management Agency. 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. 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.

Office Development Sites on State-Owned Land

Legend

- Existing Office Site
- Future Office (includes on-site parking)
- Existing Garage
- Future Garage
- 1997 Capitol Area Plan Boundary
- Expanded Boundary per SB 1460 (Ch. 468, Stats. of 2002)
- Parks and Open Space
- Light Rail

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 (14th to 15th Streets and N to O Streets). In 2006, the building was certified LEED for Existing Building (EB) Platinum, the highest given by the U.S. Green Building Council (USGBC). The four office buildings and associated parking on Blocks 171-174 (15th to 17th 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 consisted of updating approximately 126,480 GSF of office and support space, 162-seat auditorium, café, and meeting and conference rooms. The four-story plus basement building was originally constructed in 1936 and is a registered historic structure. The project was completed in August 2005 at a cost of approximately $19 million.

- **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 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 DSS. Construction on OB 8 was completed in summer 2008, and the DSS staff housed in OB 9 was relocated to OB 8 to allow for the renovation of OB 9 to begin in fall 2008. Due to 2009 budget constraints that temporarily halted construction on OB 9, the completion of the renovation of OB 9 was delayed from spring to fall 2010. A number of Social Service programs are being moved from leased space back into OB 9, with full occupancy expected by January 2011. The project cost for both buildings is estimated to be approximately $157 million. The buildings 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 to be operated by a vendor from the DOR – Business Enterprise Program. Also included in the renovation 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 for the Americans with Disabilities Act (ADA) to current codes. OB 8 and OB 9 are expected to be certified LEED-NC Silver.

State Office Buildings in Downtown Sacramento

Legend

- State Office Buildings
- State Garage
- 1997 Capitol Area Boundary
- Expanded Boundary per SB 1460 (Ch. 468, Stats. of 2002)
- Parks and Open Space
- Central Heating/Cooling Plant
- Light Rail

Key No. Building Name, Address

1. BOE HQ Building, 450 N Street
2. CalPERS HQ, 400 P Street
3. CalPERS HQ Expansion, 3rd & Q Street
4. Office Building 10, 721 Capitol Mall
5. EDD Solar Building, 751 N Street
6. EDD Annex, 751 N Street
7. Office Building 8, 714 P Street
8. Office Building 9, 744 P Street
9. State Personnel Board Building, 801 Capitol Mall
10. EDD HQ Building, 800 Capitol Mall
11. Resources Building, 1416 9th Street
12. Energy Commission Building, 1516 9th Street
13. Bateson Building, 1600 9th Street
14. CalEPA Building, 1001 I Street
15. Jesse Unruh Office Building, 915 Capitol Mall
16. Stanley Mosk Library & Courts Building, 914 Capitol Mall
17. Library Annex, 900 9th Street
18. Blue Anchor Building, 1400 10th Street
19. Bonderson Building, 901 P Street
20. State Capitol Building, 1000 L Street
21. Legislative Office Building, 1020 N Street
22. Secretary of State / Archives Building, 1500 11th Street
23. Transportation HQ Building, 1120 N Street
24. Dept. of Justice HQ Building, 1300 I Street
25. Food & Agriculture Building, 1220 N Street
26. Food & Agriculture Building, 1215 O Street
27. Veterans Affairs Building, 1227 O Street
28. BPM Regional Office, 1304 O Street
29. Block 225, 1430 N Street
30. Block 171, 1501 Capitol Avenue
31. Block 172, 1500 Capitol Avenue
32. Block 173, 1615 Capitol Avenue
33. Block 174, 1616 Capitol Avenue

- **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. 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. Although construction drawings were completed in 2009, the construction phase of the project was delayed due to budget constraints, with construction commencing in fall 2010. 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. 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 in early 2013, the building will be certified LEED-NC Silver.

- **West End Office Complex** – In 2001, the 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 6th, 7th, 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 8th, 9th, 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 signed providing that the project may include residential development, along with additional retail space. The Resources Agency was identified as the tenant for the office project. Due to significant increases in construction cost estimates, the project has not moved forward, and the 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. A future funding request will be made for a renovation of the building, but will not include funds to increase the USF of the building.

- **Food & 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 agency. 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 agency is under the direction of its Executive Director. The members of the Board as of October 2010 are listed on page 24.

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 10th, 11th, P and Q Streets); Saratoga Townhomes (north half of the block bounded by 9th, 10th, Q and R Streets); and Stanford Park Townhomes (southeast quarter of the block bounded by 14th ,15th, O and P Streets, and south half of block bounded by 15th,16th , 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 the DGS to sell real property under the jurisdiction of the DGS to CADA that can, in turn, sell 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

Project	Site Acres
Governors Terrace Apartments site, 14th and P Streets	0.59
Fremont Building site, 16th and P Streets	0.89
Capitol Park Homes site, 12th to 14th and P to Q Streets	3.45
Fremont Mews site, 15th and Q Streets	2.05
Capitol Lofts site, 11th and R Streets	1.18
East End Gateway Site 1, 16th and N Streets	0.70
East End Gateway Site 2, 16th and O Streets	0.44
East End Gateway Site 3, 16th and O Streets	0.72
East End Gateway Site 4, 16th and P Streets	0.44
1610 17th Street	0.04
TOTAL	**10.5**

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 Apartment** – 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 16th 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 12th, 14th, 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 14th, 15th, 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 5th and W Streets, Southside Community Garden, is an element of the Garden Preservation and Replacement Plan that was incorporated into the development of this project. Both the on-site and the off-site gardens were acquired by CADA, with assistance from the 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 17th 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 16th and N Streets on Block 231.

0 .25 .5 miles

Housing/Commercial Development

Legend

- CADA Developed and/or Managed Housing/Commercial
- Future Housing/Commercial Sites
- Housing/Commercial Under Development
- 1997 Capitol Area Plan Boundary
- Expanded Boundary per SB 1460 (Ch. 468, Stats. of 2002)
- Parks and Open Space
- Light Rail

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

CADA's current development activities on State-owned land designated for housing development under the Capitol Area Plan include the following projects:

- **Capitol Lofts (formerly the CADA Warehouse)** – This project, which meets the goals of a smart, sustainable, infill development located near jobs and transit, is structured around a 1920s vintage brick warehouse that was owned by the State and formerly leased to CADA for its maintenance operations. The property, which was sold by the DGS to CADA for development in 2004, is located on the north half of Block 075 between 11th, 12th, R and S Streets, on a site containing 1.18 acres, or 51,200 SF. The current plans call for the development of 141 units on the property, subject to finalization of the design and the ability to secure financing. The units in the old warehouse portion will range in size from approximately 580 SF to 1,400 SF. New construction on vacant portions of the site will include townhouse live/work units or, alternatively, may be developed as a boutique hotel. The historic Building and Grounds Building, a three-story brick structure at the corner of 11th and R Streets, will be converted to commercial use with the possibility of locating retail uses in the ground floor level. 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 16th 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 16th 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 16th and O Streets, and a national developer was awarded an ENA for East End Gateway Sites 1 and 4, located at 16th and N Streets, and 16th 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 readvertised 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 17th Street (Residential Site 9B)** – This 40' x 40' parcel, located at the southeast corner of the Capitol Area, is a vacant piece of land that 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 February 2009 due to the economic decline. The site was readvertised, 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 12 shows sites designated for housing development within the 1997 Capitol Area Plan boundaries. CADA has proposed future State purchase agreements for the following three sites:

- **Block 222 – South Half of Block Bounded by 12th, 13th, O and P Streets**
  In 2008, a purchase agreement was structured between the State of California 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 the DGS and the Department of Veterans Affairs that own different parcels on this block.

- **Residential Site 21 – 14th and N Streets**
  In 2008, a purchase agreement was structured between the State of California 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 that 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 that 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.

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

R Street Area – Senate Bill 1460 (Ortiz) (Ch. 468, Stats. 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

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 17 summarizes new housing that has been developed by CADA since 1978.

State-Owned and CADA-Managed Residential Properties

Address	Property Name	Market-Rate Units	Rent-Assisted Units	Total Units	Lease No.
		(See Note 1)			
1517 12th Street		7	2	9	6465
1521 12th Street		3	1	4	6465
1506 13th Street	McCafferty Manor	20	3	23	6465
1512 13th Street		7	0	7	6465
1428 14th Street	Metro Building	8	0	8	6465
1317 15th Street	Lombard	12	0	12	6465
1325 15th Street	Park Mansion	37	5	42	6465
1421 15th Street	Biele Place*	1	34	35	6527
1500 15th Street	Auslender	24	1	25	6709
1501 15th Street	Dauger Manor	21	1	22	6465
1510 15th Street	The Victorian	3	0	3	6465
1514 15th Street	The Victorian	2	0	2	6465
1606 15th Street	Fremont*	9	11	20	N/A
1412 ½ 16th Street	(Above Luna's)	4	0	4	6465
1601 16th Street	Elmwood	19	2	21	6465
1316 N Street	Le Chateau	11	0	11	6465
1320 N Street	Senator Manor	25	5	30	6465
1400 N Street	Dean Apartments	11	0	11	6465
1500 N Street	Brannan Court*	32	8	40	6712
1517 N Street	Capitol Gardens	12	2	14	6465
1522 N Street	Judith Manor	23	7	30	6465
1616 N Street	Grantwood Manor	17	3	20	6465
1622 N Street	Shelly Arms	25	5	30	6465
1228 O Street	Gibson Arms	12	8	20	6465

State-Owned and CADA-Managed Residential Properties (continued)

Address	Property Name	Market-Rate Units	Rent-Assisted Units	Total Units	Lease No.
		(See Note 1)			
1316 O Street		7	4	11	6465
1317 O Street	The Valencia	14	2	16	6465
1327 O Street	Capri	9	3	12	6465
1330 O Street		2	0	2	6465
1400-04 O Street	Greentree	17	0	17	6671
1414 O Street	Moore Manor	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 Carlos 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	5	3	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	7	4	11	6465
1326 P Street		10	2	12	6465
1330 P Street	Palm Mansion	4	0	4	6710/ 6668
1424 P Street	Wilshire (See Note 3)	11	1	12	N/A
1615-17 P Street	Lanai Apartments	12	8	20	6465
1623 P Street	Lanai Apartments	10	2	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	17th St. Commons*	17	12	29	6620
Placements in Process:	Multi-Site (See Note 2)	-9	9	0	N/A
TOTAL		**574**	**210**	**784**	

Notes:
(1) 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 that have specific affordability restrictions are asterisked (*).

(2) 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.

(3) 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.

New CADA Housing Developed Since 1978

Project	Site	Site Acres	Privately Owned	State or CADA	No, of Units	Dwelling Units/Acre	Completed
Somerset Parkside 1001-35 Q St.	RS-2	2.5	75	25	Market 76 Low 25	40	1984
Saratoga Townhomes 900 Q St.	4-B	1.17	36		Market 36	31	1983
Stanford Park 1515-23 P St.	15B/19C	1.76	50		Market 50	28	1986
Palm Mansion 1330 P St.	7C	0.07		4	Market 4	57	1985
Delta Victorians 1616-26 14th St.	7D	0.15	8		Market 8	53	1984
Wiese Townhomes 1612 14th St.	7D	0.07	3		Market 3	43	1993
Admail Express 1501-12 14th St.	16A	0.11	7		Market 4 Low 3	64	1984
Greentree Commons 1400-04 O St.	15A	0.59		17	Market 17	29	1988
Brannan Court 1500 N St.	6A	0.59		40	Market 32 Low 8	68	1988
Biele Place 1421 15th St.	6B	0.51		35	Market 1 Low 34	69	1984
17th St. Commons	5/8B	1.26		29	Market 17 Low 12	23	1984
17th and O Sts.							2001
Wiese 17th/O Sts. 1631 O St.	8B	0.15	3		Market 3	20	1988
Rooming House 1619 Q St.	9A	0.15		16	Market 16	107	1982
Elmwood 1601 16th St.	N/A	0.44		21	Market 21	48	1981
Capital Terrace 1615 O St.	8C	0.59	60		Low 60	102	1994
Governor's Terrace 1519 14th St.	15C	0.59	44		Market 44	75	1997
The Inn Off Capitol Park - 1530 N St.	N/A	0.22	38		Hotel 38	173	2000
Fremont Building 1501 16th St.	5A	0.89	69		Market 58 Low 11	77	2001
1500 Q St.	N/A	0.15	6		Market 4 Low 2	40	2001
17th and N Sts.	8E	0.29	18		Market 18	62	2001
1321 Q St. (moved from 1201 Q St.)		0.07		4	Market 4	57	2001
1326 P St. (moved from 1223 Q St.)		0.15		12	Market 12	80	2001
Capitol Park Homes 12th/14th, P/Q Sts.	18A/7A	3.45	64		Market 46 Moderate 6 Low 12	19	2002/03
Fremont Mews 15th and Q Sts.	13	2.05	119		Market 71 Low 24 Very Low 24	54	2005

UNIT TYPE - Market = 565 Moderate = 6 Low = 191 Very Low = 24 Hotel = 38 TOTAL = 804

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 this floor space will be occupied by retail/commercial enterprises. However, two of the developments may involve office/commercial developments, and one will 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 the 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

Block No.	Project Name	Status	Type of Space	SF
Residential Blocks				
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				
173	East End Complex	Completed	Retail/Commercial	6,800
174	East End Complex	Completed	Retail/Commercial *	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
Garage Blocks				
224	East End Complex	Completed	Office/Commercial	6,500
266	West End Complex	Potential	Retail/Commercial	TBD

* Unable to locate a viable retail tenant for these premises, a general purpose office suite was completed in 2007.

These retail, commercial, and service activities, which reflect a considerable investment and effort in their planning and development by both the DGS and CADA, will broaden the scope of community services in the Capitol Area. The amount of square feet 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

Address	Business Name	Type of Business	Lease No.
1601 10th Street	Yummy Choice	Restaurant	6619
1603 10th Street	OB 2000	Restaurant	6619
1607 10th Street	Sacramento Bagel Time	Restaurant	6619
1623-25 10th Street	Goodyear Cobbler and Cleaners	Dry Cleaners & Cobbler	6619
1424 14th Street	Capitol Dry Cleaners	Dry Cleaners	6465
1426 14th Street	Alterations By Pros	Alterations Shop	6465
1501 14th Street	Bistro Michel	Restaurant	6671
1317 15th Street	Law Offices of Rob Hewitt	Office	6465
1401 and 1409 16th Street	Enterprise Rent-A-Car	Car Leasing	6465
1412 16th Street	Golden Gate Cleaners	Dry Cleaners	6465
1413 and 1415 16th Street	Simon's Bar & Grill	Restaurant	6465
1414 16th Street	Luna's Café	Restaurant	6465
1419 16th Street	Mercury Cleaners	Dry Cleaners	6465
1421 16th Street	Albert Lovely-Ball Consultants, Inc.	Consultant	6465
1520 16th Street, #B	Klick Nation	Gaming Company	6697
1520 16th Street, #D	ACIS	Travel Company	6697
1530 16th Street, #A & C	Mochii Yogurt	Yogurt Shop	6697
1614 N Street	Hand-in-Hand	Day Care	6725
730 O Street	Capital Athletic Club	Athletic Club Parking	6650
1322 O Street	The Courtyard	Banquet Hall	6672
1329 - 1331 O Street	Vallejo's Restaurant	Restaurant	6465
1330 O Street	Sam's Market	General Store	6465
1036 P Street	Le Croissant	Restaurant/Cafe	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

Address	Business Name	Type of Business	Lease No.
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 a nonprofit Public Benefit Corporation	Day Care	L2043
901 P Street Room I55-B	Rainbow Day Care a nonprofit Public Benefit Corporation	Day Care	L-1817
1425 14th Street, Suite A	Keith A. Hummel and Srinapa Hummel dba Ki Gifts	Frame and Gift Store	L-2293
1425 14th 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 the 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, the Technical Advisory Committee, and others 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)

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 State 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.

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 that 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 that expanded 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 10th and 19th Streets. Redevelopment of this area will enhance the Capitol Park Neighborhood and serve as an opportunity for transit-oriented development in proximity to the 13th Street and 16th Street light rail stations.

From an organizational standpoint, CADA has four service units that include Property Management, Asset Management, Development, and Administrative Services. CADA has 4 executive staff, 22 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

MEMBERS	APPOINTING POWER
Ann Bailey, Chair	State of California
William Ishmael, Vice Chair	City of Sacramento
Ron Alvarado	State of California
Bob Lagomarsino	City of Sacramento
Page Robbins	CADA Board of Directors

Executive Director: Paul B. Schmidt

Board Secretary: Sharon M. Bennett

VIII. CAPITOL AREA COMMITTEE

AUTHORITY:
The Committee was formed in 1977 to advise the 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 the 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 14th 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 the DGS' reports to the Legislature and to counsel and advise the DGS in the carrying out of its responsibilities related to the Capitol Area Plan. The Committee may submit separate comments on the 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.

Within the DGS, the main point of contact for the Committee is the Real Estate Services Division, Asset Management Branch.

CONTACT PERSON:
Staff contact is Liz Ames, Associate Construction Analyst, 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 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 the 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 the 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 14th 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 PERSON:
Staff contact is Liz Ames, Associate Construction Analyst, 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 & Technical Advisory Committee Members

CAPITOL AREA COMMITTEE MEMBERS	APPOINTING POWER
John Lambeth, Chair	Governor's Office
Darryl Chinn	Governor's Office / City Representative
Curtis R. Namba	Governor's Office / County Representative
Vacant	Governor's Office
Assembly Member Dave Jones	Assembly Speaker's Office
Bill Wong	Assembly Speaker's Office
Darrick Lawson	Senate Rules Committee
Vacant	Senate Rules Committee
Ted Park	Department of General Services Director

TECHNICAL ADVISORY COMMITTEE

STATE

Department of General Services
- Real Estate Services Division
- Office of Fleet and Asset Management
- Division of the State Architect

California Highway Patrol
Department of Transportation
Senate Budget and Fiscal Review Committee

LOCAL

Capitol Area Development Authority
City of Sacramento
- Community Development Department
- Department of Transportation, Parking Services
- Economic Development Department

City of West Sacramento
- 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 of 2009…… 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
Department 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 Building…… LEED-EB
LEED for New Construction…….. LEED-NC
Net Square Feet…… NSF
Office Building…….. OB
Regional Transit…… RT
Request for Proposal…… RFP
Square Feet…… SF
Statutes…… Stats.
U.S. Green Building Council…… USGBC
Usable Square Feet……... USF