

CAPITOL AREA PLAN PROGRESS REPORT

JANUARY 2015



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STATE OF CALIFORNIA

Edmund G. Brown Jr., Governor

GOVERNMENT OPERATIONS AGENCY

Marybel Batjer, Secretary

DEPARTMENT OF GENERAL SERVICES

Esteban Almanza, Acting Director

REAL ESTATE SERVICES DIVISION

Sheral Gates, Deputy Director

Steve Durham, Acting Assistant Deputy Director

Prepared By

ASSET MANAGEMENT BRANCH

Jim Martone, Chief

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Cover photos (clockwise from top left): 16 Powerhouse, EVIVA MIDTOWN, Warehouse Artist Lofts (WAL), Legado de Ravel, and Capitol Building.

EXECUTIVE SUMMARY

For over 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. DGS implements the office and parking elements of the Capitol Area Plan and CADA, a joint powers authority (JPA) 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 (the boundaries of which are reflected in the map on page ii) 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.

This January 2015 Capitol Area Plan Progress Report describes the significant progress made during 2014 to advance the vision of the Capitol Area Plan.

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. 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.

Historic Building Renovation – The renovation of the historic Stanley Mosk Library and Courts Building at 914 Capitol Mall protects this major asset in the Capitol Area. The project, which consisted of fire, life, safety, and infrastructure improvements, and rehabilitation of historically significant architectural elements of the circa 1928 building, has resulted in a safer and more energy-efficient building for the California State Library and the California Courts, which reoccupied the building upon completion of the renovation in early 2013. The Sacramento Business Journal acknowledged the renovation of the Library and Courts Building in its 2013 edition of Best Real Estate Projects in the category of Historic Preservations, and the project received the 2013 Preservation Design Award given by the California Preservation Foundation.

Capitol Area within the Central City



Assessing the State's Assets – Infrastructure studies were completed for two buildings located within the Capitol Area: the Bateson Building at 1600 Ninth Street and the State Garage at 1416 10th Street, in 2008 and 2009, respectively. These studies identified alterations and repairs needed to upgrade the buildings to current code standards. An infrastructure study and subsequent in-house feasibility study were completed in 2009 for the State Personnel Board Building at 801 Capitol Mall. The studies evaluated and compared the cost to either retrofit the existing building or to construct a new office building at the site. A feasibility study on the Food and Agriculture Annex Building was completed in 2010 to determine the future best use of this property at 1215 O Street. A statewide infrastructure study for state garages is currently underway to assess and prioritize needed special repair work. In 2013, DGS updated the 2008 Jesse M. Unruh Office Building Infrastructure Study to provide additional alternatives and costs for renovating the historic landmark property. An update to the 2001 Resources Building Renovation Study was completed in 2014 to provide alternatives for a complete renovation of the building or the construction of a replacement building. In 2014, studies were initiated to study, design, and perform corrective repairs to address interior plumbing leaks and exterior water intrusion at the Bateson Building. Future projects will be based on the findings of the respective assessments, and upon available funding.

Sacramento Long-Range Planning Study – The Budget Act of 2014 provides \$2.5 million in capital outlay general funds for DGS to complete a Sacramento Long-Range Planning Study to determine the best course of action to address the state's infrastructure deficiencies and office space needs within the Sacramento region, focusing on long-term asset management. The study will include an update to the 2008 Sacramento Region State Office Planning Study, a facility condition assessment for each existing DGS facility in the Sacramento region, a project sequencing plan, and a project funding plan. The study will also be used as the basis for developing conceptual cost and scope information to be contained in future budget proposals. Additionally, Assembly Bill 1656 (Dickinson) (Ch. 451, Stats. of 2014) was signed, authorizing the director of DGS to issue one or more requests for proposals for the planning, design, construction and acquisition of facilities identified as requiring renovation or replacement as part of the study, beginning with the three buildings with the most significant and immediate needs.

Energy Management Programs Promote Increased Efficiencies – The state continues its energy management program in accordance with the Green Building Initiative, Executive Order B-18-12. The Stanley Mosk Library and Courts Building is seeking *Leadership in Energy and Environmental Design™ (LEED) for Building Design and Construction: New Construction and Major Renovations Silver®* certification now that its renovation is fully complete. The certification program for *LEED for Building Operations and Maintenance: Existing Buildings* is currently being revised to provide for a more efficient and economical process known as Volume Certification, which is expected to be in place in 2015. The DGS Building and Property Management Branch (BPM) is taking an active role in the installation of Electric Vehicle Charging Stations throughout DGS-controlled parking facilities, and is currently working in tandem with the DGS Project Management and Development Branch (PMDB) on the design stage of this effort. BPM is also working with PMDB and various utility companies in an effort to procure and install monitor-based commissioning systems throughout the DGS-controlled property portfolio.

At the request of the governor's office, DGS sponsored an energy assessment of the offices located in the East Annex of the State Capitol. A contingency from the California Conservation Corps undertook the energy assessment of current lighting and equipment usage. Based upon their findings, the California Lighting Technology Center and the California Energy Efficiency Center, both associated with the University of California, Davis, combined talents to create a

proposed list of modifications to lighting, controls, window shading, and equipment that will substantially reduce energy usage in the governor's offices, with an expected payback of approximately four years.

Aggressive Actions to Curb Water Use in the Capitol Area and Across California – With California facing its driest year on record, Governor Brown declared a drought state of emergency in January 2014, directing state officials to take all necessary actions to prepare for water shortages, and charging DGS with immediately implementing water use reduction plans for all state facilities. DGS water conservation efforts include shutting off fountains and decorative water features on state property, including the State Capitol grounds; cutting by 20 percent the amount of water used in landscaping at DGS properties; instituting a moratorium on non-essential landscaping projects at state facilities; cancelling contracts for water-intensive window washing at state facilities; eliminating all car washes in the state garage other than those required for safety; and installation of smart irrigation technologies.

Housing and Commercial

CADA, which has served as a catalyst for new housing development in downtown Sacramento, is directing its efforts toward 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 developing 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.

New Residential Developments Enliven Capitol Area – The developer of Legado de Ravel on 16th and O Streets, formerly known as East End Gateway Sites 2 and 3, completed construction on this mixed-use project in October 2013. The developer of the Warehouse Artist Lofts (WAL) on R Street between 11th and 12th Streets, formerly known as the Capitol Lofts, secured financing and began construction on this phased project in February 2013. The developer has also begun the second phase of construction on this project, which includes transforming CADA's Building and Grounds building at the corner of 11th and R Streets into commercial space. Construction of all phases is anticipated to be complete by March 2015.

Developers of East End Gateway Site 1, now known as EVIVA MIDTOWN, which is located at the corner of 16th and N Streets, commenced construction in fall 2014 with completion anticipated in summer 2015. The developers of East End Gateway Site 4, now known as 16 Powerhouse, located at 16th and P Streets, began construction in August 2013 on this energy-efficient project, anticipating completion by January 2015.

Energy Reduction Efforts Continue – CADA continues to take measures to reduce grid-based energy purchases through implementation of DGS' Green Building Action Plan, established to ensure progress toward meeting the goals of the state's Green Building Initiative Executive Order B-18-12. Special consideration is taken to incorporate Green Building Action Plan objectives into all major capital improvement projects associated with the multi-family residential structures managed by CADA, with the objective of meeting and exceeding the 20 percent energy reduction set forth in the executive order.

CADA continued its energy efficiency measures in 2014 and by September had completed energy upgrades in five buildings containing 21 residential units and one commercial space. This is in addition to energy updates completed by CADA in 2012 and 2013 in seven buildings, comprising 188 residential units, using construction assistance provided by public utilities. As a result, energy usage in these buildings was reduced by over 12 percent from 2012 to 2013, with even greater savings anticipated in the coming year as further efficiencies are implemented. Energy efficiency projects include replacement or installation of attic insulation and replacement of building boilers and elevator motors with more energy-efficient products. CADA has also undertaken replacement of refrigerators and heating, ventilating, and air conditioning units with ENERGY STAR efficient units, as well as replacement of single-pane windows with dual-pane retrofitted National Fenestration Rating Council-rated windows to reduce heat gain and loss inside residential apartments, thereby reducing overall energy usage on the grid.

CADA Instrumental in Streetscape Improvements – CADA made progress in 2014 on the design, funding, and 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.

In 2012, CADA obtained a \$795,000 Proposition 84 Green Project Grant from the state's Strategic Growth Council for the 16th Street Streetscape Plan, which sets forth streetscape improvements to 16th Street between the Capitol Avenue/N Street alley and S Street. The first of the grant-funded improvements was completed at 16th and O Streets in October 2013, with additional grant-funded improvements estimated to be complete by fall 2015.

In January 2012, CADA completed the R Street Streetscape Phase I Project from 10th to 13th Streets, a multimillion dollar infrastructure project, and subsequently spearheaded creation of a property and business improvement district to improve and maintain the R Street area from Seventh to 15th Streets. In July 2013, designs were completed for the R Street Streetscape Phase II Project for 16th to 18th Streets. CADA and the City of Sacramento submitted for a grant in August 2013 to fund construction of the project. The grant funding was secured in December 2013 and the project is anticipated to begin construction in late 2014 and be complete by summer 2015. In late 2012, CADA also initiated design work for the R Street Streetscape Phase III Project. The project design and environmental process are projected to be complete by fall 2014.

Reducing State Government's Property Footprint – The Governor's 2011-12 Budget May Revision proposed to improve the state's asset management through initiatives including the review and disposal of properties with no state programmatic use. The review includes an assessment of properties owned by the state and managed by CADA.

In 2012, Senate Bill 1006 (Committee on Budget) (Ch. 32, Stats. of 2012) was signed, authorizing DGS to pursue the disposition of six of the properties managed by CADA, where the state owns the underlying land and a private-sector individual or company owns the improvements constructed on that land. The owners of five of the six properties authorized for sale continue their negotiations with DGS for a potential purchase of their respective properties. The sixth of the private-sector owners is not pursuing a purchase from DGS at this time. In 2013, Assembly Bill 826 (Jones-Sawyer) (Ch. 505, Stats. of 2013) was signed, authorizing DGS to sell an additional five commercial properties owned by the state and managed by CADA.

In September 2013, CADA submitted a transition proposal for the state's consideration that would restructure the JPA to permit the state to withdraw and be replaced by an alternate public entity; have the state sell developed residential and residential mixed-use properties to the new JPA in a single transaction; allow the new JPA to form a nonprofit organization to own and manage the properties; and authorize the new CADA to proceed with development of the remaining residential development sites consistent with the statutory goals of the Capitol Area Plan. DGS and CADA continue to discuss how the transition proposal might be implemented and what statutory changes would be required to implement it.

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. 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 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 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. 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 each hold public meetings at least once annually, upon the call of the chairperson or upon the written request of any three members. Background and other information concerning CADA and these two committees may be found beginning on page 23.

DGS has historically been required by Government Code (GC) Section 8164 to annually prepare the Capitol Area Plan Progress Report for submission by January 1 to the Legislature to document the progress made during the previous year in the administration of the Capitol Area Plan. In September 2012, Senate Bill 71 (Leno) (Ch. 728, Stats. of 2012) was signed, which repealed GC Section 8164 and, as a result, ended the annual reporting requirement for the progress report. DGS Real Estate Services Division, however, continues 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 update and to record those activities. This January 2015 Capitol Area Plan Progress Report provides a summary overview of activities that occurred during the year 2014. 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. 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 on page 3 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) (Ch. 468, Stats. 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 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 is designed to 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 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 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.



Land Use Diagram

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



III. STATE OFFICES

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 2.8 million gross square feet (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 1.5 million GSF of office development spanning the five blocks. The remaining office opportunity sites projected under the 1997 Capitol Area Plan include more than an additional 1.3 million GSF of future development on Block 204 (Seventh to Eighth 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 (Eighth to Ninth Streets and Q to R Streets) is designated for a parking garage. These remaining office and parking 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
Square feet (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
State department with jurisdiction over property/ private ownership	DGS, EDD, Parks and Recreation	Legislature	DGS, Caltrans, private ownership	DGS, private ownership	



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 Completed, Initiated, or Evaluated by the State Since 2004

- **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, café, and meeting and conference rooms. The four-story plus basement building was originally constructed in 1936 and is a registered historic structure.
- **Office Building (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 Silver.
- **OB 8 and OB 9** – These two 18-story buildings, located at 714 and 744 P Street, were renovated in sequence and were fully occupied in 2008 and 2010, respectively, with the consolidation of the Department of Social Services (DSS). A number of DSS programs were moved from leased space back into OB 9. The buildings, totaling a combined 628,592 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, at a cost of approximately \$157 million, were 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. The two buildings have been certified LEED Gold.
- **Central Plant** – The new Central Plant opened for operation in 2009, after nearly two years of construction. The original Central Plant was built in 1968 and initially served 15 buildings. The new plant provides heating and cooling to the state's downtown office campus of 23 existing office buildings (nearly 5.5 million GSF) in the Capitol Area and is sized to also provide heating and cooling for more than 1.3 million additional GSF of future development on the remaining office opportunity sites identified under the 1997 Capitol Area Plan. As a result of the new facility incorporating the latest technologies, the plant uses 58 percent less energy and 90 percent less water than its predecessor. The smaller footprint allowed a portion of the reclaimed land to be turned into a public garden, complete with a landscape feature reusing water from the plant. The Central Plant was the third state facility to be certified LEED Platinum, the highest designation in the LEED program, and was the state's first new construction project to achieve this rating. The project has received numerous honors and awards.
- **Library and Courts Building** – Funding for the \$49 million renovation of the Stanley Mosk Library and Courts Building located at 914 Capitol Mall was provided by the 2005-06 Budget Item 1760-301-0660(1). Construction commenced in fall 2010 and was completed in early 2013, at which time the building was reoccupied by the California



State Office Buildings in Downtown Sacramento

Key	Building Name, No.	Address
State Office Buildings	1. Board of Equalization HQ Building	450 N Street
State Garage	2. CalPERS HQ	400 P Street
1997 Capitol Area Boundary	3. CalPERS HQ Expansion	3rd & O Street
Expanded Boundary per SB 1460 (Ch. 468, Stats. of 2002)	4. Office Building	10, 721 Capitol Mall
Parks and Open Space	5. Employment Development Solar Bldg	751 N Street
Central Heating/Cooling Plant	6. Employment Development Annex	751 N Street
Light Rail	7. Office Building	8, 714 P Street
	8. Office Building	9, 744 P Street
	9. State Personnel Board Building	801 Capitol Mall
	10. Employment Development HQ Bldg	800 Capitol Mall
	11. Resources Building	1416 Ninth Street
	12. Energy Commission Building	1516 Ninth Street
	13. Bateson Building	1600 Ninth Street
	14. CalEPA Building	1001 I Street
	15. Jesse M. Unruh Office Building	915 Capitol Mall
	16. Stanley Mosk Library & Courts Building	914 Capitol Mall
	17. Library Annex	900 N Street
	18. Blue Anchor Building	1400 Tenth Street
	19. Paul Borekson Building	901 P Street
	20. State Capitol Building	1000 I Street
	21. Legislative Office Building	1020 N Street
	22. Secretary of State / Archives Building	1300 11th Street
	23. Transportation HQ Building	1120 N Street
	24. 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

State Library and the California Supreme Court, Court of Appeal. The renovation on the five-story building included 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. A LEED Silver certification is being sought now that construction is complete. The renovation of the Library and Courts Building was acknowledged in the category of Historic Preservations in the Sacramento Business Journal's 2013 edition of Best Real Estate Projects. The project was also the recipient of the 2013 Preservation Design Award presented by the California Preservation Foundation at its September 2013 awards ceremony. The California Preservation Foundation recognizes those projects that display exemplary work in historic preservation, restoration, rehabilitation, and sustainability.

- **Capitol Building** – Mechanical equipment replacement continues in 18 fan rooms throughout the building. Two of the three main hydronic risers have been replaced. Twenty electrical rooms have been upgraded with new panels providing increased electrical capacity, and minor generator repairs have been completed. Further upgrades to the building's infrastructure including electrical, mechanical, and control systems are ongoing and will continue into the next fiscal year.
- **Bateson Building** – An infrastructure study completed in 2008 for the Bateson Building located at 1600 Ninth Street found the building 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. While a full building renovation or upgrade is not economically feasible at this time, DGS BPM will undertake a portion of the needed repairs on an annual basis utilizing funds from its special repairs budget. In 2014, studies were initiated to study, design, and perform corrective repairs to address interior plumbing leaks and exterior water intrusion in the Bateson Building. Design work is proceeding with funding from BPM; however, further work on this project will be based upon available funding.
- **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 evaluated the probable costs and construction schedule to renovate the building to achieve an additional 50 years of serviceable life. Two alternatives were presented, including a renovation to repair and refurbish the existing building and surrounding site area. The second alternative proposed demolition of the existing structure and construction of a new office building in the same configuration, footprint, and envelope size as currently exists. A subsequent 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 (CVPA), as well as maximizing the use of the site pad. Although no project has been authorized at this time, a renovation of the building was estimated at a cost of \$34.5 million.
- **State Garage** – An infrastructure study was completed in June 2009 for the State Garage located at 1416 10th Street. The study of the 282,050 GSF structure revealed 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 cost to correct all cited deficiencies was estimated to be \$3.2 million. The study also evaluated the feasibility of replacing the existing man-lift

with a hydraulic elevator, and pursuing LEED Silver certification. The Office of Fleet and Asset Management submitted a Budget Change Proposal (BCP) requesting \$1.077 million in funding to perform structural, mechanical, and electrical repairs in the State Garage. The Department of Finance approved the BCP, but the Legislative Analyst's Office (LAO) rejected the request for special repairs to the State Garage for fiscal year 2013-14. The LAO recommended preparation of a statewide garage infrastructure study, including a five-year repair plan and prioritization of special repair work for state-owned garages throughout the state. This statewide garage infrastructure study is currently underway. A project at the State Garage consisting of general maintenance and repairs, including voluntary accessibility upgrades throughout the facility, has also been initiated.

- **Food and Agriculture Annex Building** – A feasibility study of the existing four-story Food and Agriculture Annex Building, located at 1215 O Street, was completed in 2010. In determining the highest and best use of the property and evaluating the cost to renovate the existing building, the study concluded it is not cost-effective to renovate the building, and recommended replacing the existing structure with a new 397,400 GSF 11-story office building with tenant parking, at an estimated cost of \$234 million. This approach would maximize office space while still conforming to the CVPA. Although no project has been authorized at this time, the building occupants have been relocated and the building will remain unoccupied until funds can be identified to undertake the recommended scope of work.
- **Jesse M. Unruh Office Building** – DGS updated the 2008 Jesse M. Unruh Office Building Infrastructure Study to provide additional alternatives and costs for renovating the historic landmark property. The recommended alternative for a complete renovation of the building was estimated at a cost of \$70.3 million. Although no project has been authorized at this time, a renovation would extend the building's useful life by upgrading infrastructure systems and would restore its original historic character.
- **Resources Building** – An update to the 2001 Resources Building Renovation Study was completed by DGS to provide alternatives for a complete renovation of the building or the construction of a replacement building. The recommended alternative for a complete renovation of the building was estimated at a cost of \$356 million; however, no project has been authorized at this time.

Sacramento Long-Range Planning Study – The Budget Act of 2014 provides \$2.5 million in capital outlay general funds for DGS to complete a Sacramento Long-Range Planning Study to determine the best course of action to address the state's infrastructure deficiencies and office space needs within the Sacramento region, focusing on long-term asset management. The study will include an update to the 2008 Sacramento Region State Office Planning Study, a facility condition assessment for each existing DGS facility in the Sacramento region, a project sequencing plan, and a project funding plan. The study will also be used as the basis for developing conceptual cost and scope information to be contained in future budget proposals. Additionally, Assembly Bill 1656 (Dickinson) (Ch. 451, Stats. of 2014) was signed, authorizing the director of DGS to issue one or more requests for proposals for the planning, design, construction and acquisition of facilities identified as requiring renovation or replacement as part of the study, beginning with the three buildings with the most significant and immediate needs.

IV. HOUSING

Since its inception in 1978 as a JPA, 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 December 2014 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 the 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 authorized 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 11 properties shown in the table below, totaling 10.79 acres, have been sold by the state to CADA under provisions of this legislation.

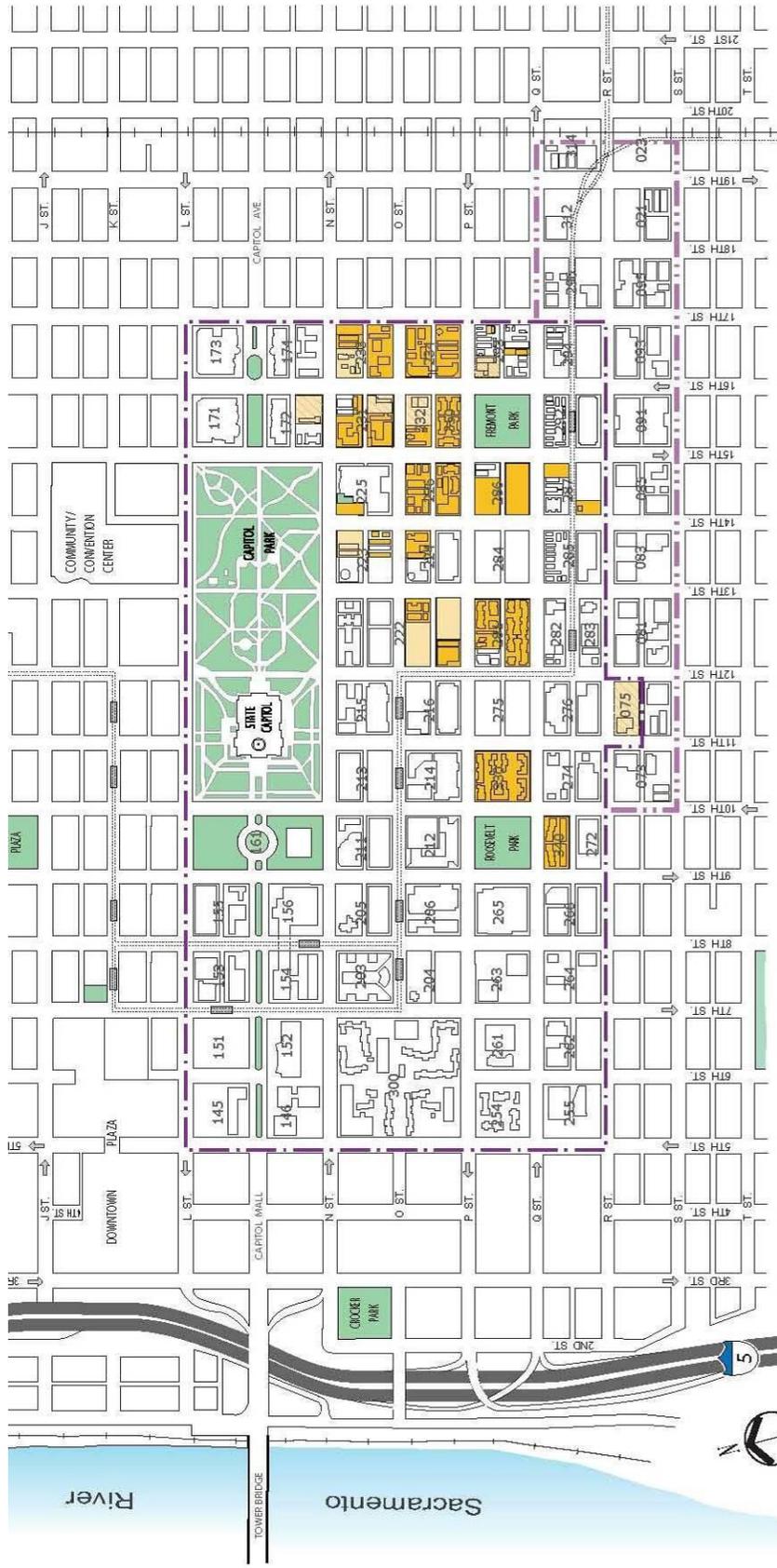
State-Owned Property Sold to CADA for Development

Project	Site Acres
Governor's Terrace Apartments site, 14 th and P Streets	0.59
Fremont Building site, 16 th and P Streets	0.89
Capitol Park Homes site, 12 th to 14 th and P to Q Streets	3.45
Fremont Mews site, 15 th and Q Streets	2.05
Capitol Lofts site, 11 th and R Streets	1.18
EVIVA MIDTOWN (EEG Site 1), 16 th and N Streets	0.70
Legado de Ravel (EEG Site 2), 16 th and O Streets	0.44
Legado de Ravel (EEG Site 3), 16 th and O Streets	0.72
16 Powerhouse (EEG Site 4), 16 th and P Streets	0.44
1610 17 th Street – Site 9B	0.04
1626 & 1630 N Street and 1410 & 1414 17 th Street – Site 8E	0.29
TOTAL	10.79

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, CADA's development activities have resulted in the construction or rehabilitation of 480 residential units, 38 hotel units, and over 27,000 SF of commercial space on state-owned land designated for housing development under the Capitol Area Plan. The following projects, which provide both rental and for-sale product to the downtown housing market, are among those projects completed since 1997:

- **Governor's Terrace Apartments** – This project at 14th and P Streets includes 44 residential units on .59 acre. When completed in 1997, it was the first market-rate apartment structure completed in downtown Sacramento in ten years.
- **The Inn Off Capitol Park** – The rehabilitation of the older Capitol Vue Hotel in 2000 provided 38 hotel units at the southwest corner of 16th and N Streets on Block 231.
- **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.
- **Seventeenth and N Streets (Residential Site 8E)** – An eight-unit art deco apartment building was moved from the East End Office Complex site to the southwest corner of 17th and N Streets on Block 233. It was rehabilitated and 10 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.
- **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, and a DGS-controlled 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 Fifth 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.
- **Legado de Ravel** – Construction on this mixed-use project on Blocks 231 and 232, featuring a Spanish Colonial Revival architecture, was completed in October 2013. The development includes 84 market-rate apartments, 13,000 SF of ground floor commercial space, and 93 surface parking spaces.



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 property sold to CADA and designated for housing development under the Capitol Area Plan include the following projects:

- **WAL** (formerly known as Capitol Lofts) – This property, located between 11th, 12th, R, and S Streets, was sold by DGS to CADA for development in 2004, and includes an historic six-story warehouse building that was built in 1914. In 2009, the project was awarded \$4.9 million in Proposition 1C infill infrastructure funds from the Department of Housing and Community Development and, in July 2012, the project obtained \$18.5 million in Low Income Housing Tax Credits from the California Tax Credit Allocation Committee. When construction is complete in 2015, the phased project that began construction in February 2013 will include 116 new housing units, of which 75 percent will be affordable. The project also involves rehabilitation of a small, three-story commercial building, construction of a new below-grade parking garage, and the addition of new ground floor retail along R Street. The housing units and the 23,000 SF of commercial space will be marketed to the artist community with the goal of making the R Street Historic District an art and cultural district. The project is being undertaken jointly by Capitol Lofts-Sacramento, LLC, a partnership of CFY Development and Holliday Development, and CADA.
- **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 Qualifications 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 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 corridor.
- **East End Gateway Sites 1 and 4** – After the 2008 expiration of a national developer's Exclusive Negotiating Agreement for East End Gateway Sites 1 and 4, located at 16th and N Streets, and 16th and P Streets, respectively, CADA reissued the Request for Proposal for the development of these two sites. In March 2009, CADA selected a partnership of Em Johnson Interest, Inc. and Nehemiah Community Reinvestment Fund Holdings, Inc. (NCRF) to construct a mixed-use structure at East End Gateway Site 1, located at 16th and N Streets, and subsequently entered into a Development and Disposition Agreement. In 2013, Atlanta-based Integral Development joined the development team and, in 2014, NCRF withdrew from the project. Project design was completed in 2014 and construction financing was secured. Soil remediation was completed in June 2014, paving the way for commencement of construction in fall 2014, with the project anticipated to be ready for occupancy in approximately 15 months. This development will be a six-story structure that will include 118 modular rental units, 5,200 SF of retail space, and 133 underground parking spaces. Community members and stakeholders celebrated the groundbreaking for the project, now called EVIVA MIDTOWN, in September 2014.

In December 2010, CADA selected Sukna Global Holdings to develop a mixed-use project at East End Gateway Site 4 at the southeast corner of 16th and P Streets, directly across from Fremont Park. In March 2012, D & S Development joined Sukna Global Holdings as its development partner and, in July 2013, Sukna's interest was acquired by a private investor. This project, now known as 16 Powerhouse, will include

50 market-rate, for-lease condominium units, 49 parking spaces, and 7,200 SF of retail space. Once the economy sufficiently improves to support the sale of ownership housing, the project is proposed to be converted to for-sale condominiums. The development is intended to be a model of sustainability and the developer intends to obtain a LEED Platinum certification. The developer commenced construction in August 2013 and expects the project to be complete in January 2015.

- **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 CADA purchased from the state in 2008. In March 2012, CADA selected a proposal for a single-family residence and a guest unit for the site. Construction started in August 2013 and is expected to be complete by January 2015.

Reducing State Government's Property Footprint

The Governor's 2011-12 Budget May Revision proposed to improve the state's asset management through initiatives including the review and disposal of properties with no state programmatic use. The review includes an assessment of properties owned by the state and managed by CADA.

In 2012, Senate Bill 1006 (Committee on Budget) (Ch. 32, Stats. of 2012) was signed, authorizing DGS to pursue the disposition of six of the properties managed by CADA, where the state owns the underlying land and a private sector individual or company owns the improvements constructed on that land. The owners of five of the six properties authorized for sale continue their negotiations with DGS for a potential purchase of their respective properties. The sixth of the private sector owners is not pursuing a purchase from DGS at this time. In 2013, Assembly Bill 826 (Jones-Sawyer) (Ch. 505, Stats. of 2013) was signed, authorizing DGS to sell an additional five commercial properties owned by the state and managed by CADA.

DGS and CADA continue to work on the development of a strategic transition plan to achieve the governor's objective while meeting legislatively mandated housing affordability requirements and fulfilling CADA's legal obligations. In September 2013, CADA submitted a transition proposal for the state's consideration that includes four major components:

- Restructure the JPA to allow the state to withdraw and be replaced by an alternate public entity.
- The state sells improved/already developed residential and residential mixed-use properties to the new JPA in a single transaction.
- The JPA forms a nonprofit organization (essentially this would be CADA, but in a new form) to own and manage the properties.
- The new CADA proceeds with development of the remaining residential development sites consistent with the statutory goals for the Capitol Area Plan.

DGS and CADA continue to discuss how the transition proposal might be implemented and the statutory changes that would be required to do so.

Affordable Housing in the Capitol Area and the 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 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 that 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 affecting 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 Housing

Capitol Area	Affordable	Market	Total
CADA-managed units	213	537	750
Units managed by others	136	510	646
Total units	349	1,047	1,396
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.

R Street Area Affordable Housing

	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 (which continues on page 17) identifies CADA-managed residential properties that are located on state-owned land, and the table on page 18 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 12 th Street		8	1	9	6465
1521 12 th Street		3	1	4	6465
1506 13 th Street	McCafferty Manor	20	3	23	6465
1512 13 th Street	Southwark	7	0	7	6465
1428 14 th Street	Metro Building	6	2	8	6465
1317 15 th Street	Lombard	13	0	13	6465
1325 15 th Street	Park Mansion	37	5	42	6465
1421 15 th Street	Biele Place ⁽²⁾	1	34	35	6527
1500 15 th Street	Auslender	24	1	25	6709
1501 15 th Street	Dauger Manor	21	1	22	6465
1510 15 th Street	The Victorian	3	0	3	6465
1514 15 th Street	The Victorian	2	0	2	6465
1606 15 th Street/ 1424 P Street	Fremont/ Wilshire ⁽³⁾	20	12	32	N/A
1412 ½ 16 th Street	(Above Luna's)	4	0	4	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 ⁽²⁾	32	8	40	6712
1522 N Street	Judith Manor	23	7	30	6465
1616 N Street	Grantwood Manor	16	4	20	6465
1622 N Street	Shelly Arms	22	8	30	6465
1228 O Street	Gibson Arms	14	6	20	6465
1316 O Street		8	3	11	6465
1317 O Street	The Valencia	14	2	16	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)			
1327 O Street	Capri Apts.	8	4	12	6465
1330 O Street	(Above Sam's)	2	0	2	6672
1400-04 O Street/ 1401-15 Carriage Path Way	Greentree Commons/ Carriage Path Way	17	0	17	6671
1414 O Street	Moore Manor	12	2	14	6465
1420 O Street	The Statesman	25	2	27	6465
1506 O Street	Johnston House ⁽²⁾	0	6	6	6618
1510 O Street	Don Carlos Apts. ⁽²⁾	2	8	10	6618
1515 O Street	Morgenson Manor	18	2	20	6465
1625 O Street		15	5	20	6465
1201 P Street	Del Capri	6	2	8	6465
1209 P Street	Wing Manor	6	5	11	6465
1214 P Street		5	0	5	6465
1215 P Street	Gibb Arms	8	4	12	6465
1216-18 P Street		2	0	2	6465
1220 P Street	Deus	9	2	11	6465
1326 P Street	Mi Casa	6	6	12	6465
1330 P Street	Palm Mansion	4	0	4	6710
1615-17 P Street	Lanai Apartments	14	6	20	6465
1623 P Street	Lanai Apartments	8	4	12	6465
1321 Q Street	Culjis	6	0	6	6465
1619 Q Street	Rooming House ⁽⁴⁾	16	0	16	6617
1001-35 Q Street	Somerset Parkside ⁽²⁾	1	25	26	6619
1614-40 O Street	17th St. Commons ⁽²⁾	17	12	29	6620
Placements Available or in Process:	Multi-site ⁽⁴⁾	<u>-14</u>	<u>14</u>	<u>0</u>	N/A
TOTAL		549	201	750	

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.
- (2) Properties that have specific affordability restrictions.
- (3) CADA-owned property with no state lease.
- (4) Multi-site units needed to meet affordability mandates that are not yet assigned or are in process.

New CADA Housing Developed Since 1978

<u>Project</u>	<u>Site</u>	<u>Site Acres</u>	<u>Privately Owned</u>	<u>State or CADA</u>	<u>No. of Units</u>	<u>Dwelling Units/Acre</u>	<u>Completed</u>
Somerset Parkside 1001-35 Q St.	RS-2	2.5	75	26	Market 76 Low 18 Very Low 7	40	1984
Saratoga Townhomes 900 Q St.	4-B	1.17	36		Market 36	31	1983
Stanford Park 1515-26 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 (1) 1616-26 14 th St.	7D	0.30	8		Market 8	27	1984
1612 14 th St. Townhomes (1)	7D	0.07	3		Market 3	43	1993
Admail Express (1) 1501-12 14 th St	16A	0.11	7		Market 4 Low 3	64	1984
Greentree Commons/ Carriage Path Way 1400-04 O St./ 1401-15 Carriage Path Way	15A	0.59		17	Market 17	29	1988
Brannan Court 1500 N St.	6A	0.59		40	Market 32 Very Low 8	68	1988
Biele Place 1421 15 th St.	6B	0.51		35	Market 1 Low 11 Very Low 23	69	1984
17 th St. Commons	5/8B	1.26		29	Market 17 Low 12	23	1984
17 th and P Streets							2001
1416 17 th St./ (1) 1631 O St.	8B	0.15	3		Market 3	20	1988
Rooming House 1619 Q St.	9A	0.15		16	Market 16	107	1982
Capital Terrace (1) 1615 O St.	8C	0.59	60		Very Low 60	102	1994
Governor's Terrace 1519 14 th St.	15C	0.59	44		Market 44	75	1997
The Inn Off Capitol Park - 1530 N St. (1)	N/A	0.22	38		Hotel 38	173	2000
Fremont Building 1501 16 th St.	5A	0.89	69		Market 58 Low 11	78	2001
1500 Q St.	N/A	0.15	6		Market 4 Low 2	40	2001
17 th 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 12 th /14 th , P/Q Sts.	18A/7A	3.45	64		Market 46 Moderate 6 Low 12	19	2002/03
Fremont Mews 15 th and Q Sts.	13	2.05	119		Market 71 Low 24 Very Low 24	58	2005
Legado de Ravel	EEG 2&3	1.16	84		Market 84	72	2013
TOTAL			684	183			

UNIT TYPE: Market = 608 ● Moderate = 6 ● Low = 93 ● Very Low = 122 ● Hotel = 38 ● TOTAL⁽²⁾ = 867

Notes:

- (1) 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; however, the state continues to own land on which private developers have constructed residential and commercial improvements. Assembly Bill 1006, signed in 2012, authorizes DGS to sell these properties.
- (2) Completion of the WAL, currently under construction, will add 87 affordable units to totals, resulting in the mandated 25 percent affordable units.

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 the land use area targeted for this development, approximately 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 include 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 is 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

Block No.	Project Name	Status	Type of Space	SF
Residential Blocks				
075	WAL	Under Construction	Commercial	23,000
172	EVIVA MIDTOWN (EEG 1)	Under Construction	Retail/Commercial	2,500
231	Legado de Ravel (EEG 2)	Completed	Retail/Commercial	5,816
232	Legado de Ravel (EEG 3)	Completed	Retail/Commercial	8,087
293	16 Powerhouse (EEG 4)	Under Construction	Retail/Commercial	7,200
233	East End Gateway 5 & 6	Potential	Retail/Commercial	TBD
234	Fremont Building	Completed	Retail/Commercial	12,000
292	1500 Q Street	Completed	Retail/Commercial	1,200
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 ⁽¹⁾	6,000
225	East End Complex	Completed	Retail/Commercial	5,400
225	East End Complex	Shell Completed	Retail/Commercial ⁽²⁾	1,236
225	East End Complex	Completed	Child Care Interior	7,367
204	TBD	Potential	Retail/Commercial	TBD
275	Caltrans Block	Potential	Retail/Commercial	TBD
Garage Blocks				
224	East End Complex	Completed	Office/Commercial	6,500
266	TBD	Potential	Retail/Commercial	TBD

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

(2) Unable to locate a viable retail tenant for these premises, a general purpose office suite is planned for construction in 2015.

These retail, commercial, and service activities, which reflect considerable investment and effort by both DGS and CADA in their planning and development, will broaden the scope of community services available 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

Address	Business Name	Type of Business	Lease No.
1601 10 th Street	Yummy Choice	Restaurant	6619
1603 10 th Street	OB 2000	Restaurant	6619
1607 10 th Street	Bagel Time	Restaurant	6619
1623-25 10 th Street	Goodyear Cobbler and Cleaners	Dry Cleaners & Cobbler	6619
1424 14 th Street	Capitol Dry Cleaners	Dry Cleaners	6465
1426 14 th Street	Cap City Squeeze	Juice Bar	6465
1501 14 th Street	Bistro Michel	Restaurant	6671
1401 and 1409 16 th Street	Enterprise Rent-A-Car	Car Leasing	6465
1412 16 th Street	Golden Gate Cleaners	Dry Cleaners	6465
1413 - 1415 16 th Street	Simon's Bar & Grill	Restaurant	6465
1414 16 th Street	Luna's Café	Restaurant	6465
1419 16 th Street	Vacant	Vacant	6465
1421 16 th Street	Vacant	Vacant	6465
1520 16 th Street, #B	Legado de Ravel	Property Management/ Leasing Office	6697
1520 16 th Street, #D	University of Beer	Office	6697
1530 16 th Street, #A	Karma Brew	Restaurant	6697
1530 16 th Street, #C	CES Real Estate	Real Estate Sales	6697
1614 N Street	Hand-in-Hand	Child Care	6725
730 O Street/714 O Street	Capital Athletic Club Parking	Parking Lot	6650
1322 O Street	The Courtyard	Banquet Hall/Event Space	6672
1329-31 O Street	Eliana's Cafe	Restaurant	6465
1330 O Street	Sam's Market	General Store	6672
1036 P Street	Le Croissant	Restaurant	6619
1209 P Street	Forever Young	Child Care	6465
1212 P Street	RMB Enterprises	Computer Billing Services	6465
1330 N Street		Surface Parking Lot	6718

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 A	Kevin Crilly and Anne Marie Crilly dba Zia's Delicatessen	Sandwich shop	L-2473
1401 O Street, Suite B	Manjinderpal Gill dba Curry Club	Restaurant	L-2311
1425 14 th Street, Suite A	Robert Puleo and Danny Gentry dba Puleo Gentry Gallery	Antique store	L-2684
1425 14 th Street, Suite C	Magpie Caterers, Inc., a California Corporation dba Yellowbill Cafe and Bakery	Cafe/caterer	L-2328

VI. ADMINISTRATION

Although annual preparation of the Capitol Area Plan Progress Report is no longer a statutory requirement, DGS continues to coordinate with CADA, the Capitol Area Committee, and the Technical Advisory Committee to oversee the progress made in realizing the goals and objectives 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

The Capitol Area Development Authority (CADA) is a JPA 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.

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 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 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 including Property Management, Asset Management, Development, and Administrative Services. CADA has four executive and 20 administrative staff members, a seven-member maintenance crew, and 13 resident service managers (full- and part-time). CADA develops and manages its own budget. While it is a JPA between the state and the city, 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 state or the city for any direct operational financial support.

Capitol Area Development Authority Board of Directors

MEMBERS

Ann Bailey, Chair

Bob Lagomarsino, Vice Chair

Kristan Otto

David Smith

Vacant effective December 12, 2014

Executive Director: Wendy S. Saunders

Board Secretary: Rachel Mercurio

APPOINTING POWER

State of California

CADA Board of Directors

City of Sacramento

State of California

City of Sacramento

CADA's board agendas, staff reports, and meeting minutes are posted on CADA's website at www.cadanet.org.

VIII. CAPITOL AREA COMMITTEE

AUTHORITY:

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

MEMBERSHIP:

The Committee consists of the nine members shown on page 27, who are 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 on an annual basis, upon the call of the chairperson, or upon the written request of any three members. 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. DGS is assigned responsibility for carrying out development within the planning area in accordance with the Capitol Area Plan.

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:

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

Staff contact is Liz Ames, Regional Portfolio Manager, DGS, 707 Third Street, Fifth Floor, West Sacramento, CA 95605. Her contact numbers are (916) 376-1831 (phone) or (916) 376-6219 (fax).

WEBSITE:

The Capitol Area Committee website can be found at <http://www.dgs.ca.gov/resd/home.aspx>. Click on "Capitol Area Committee Homepage" on the right side under "What's New".

TECHNICAL ADVISORY COMMITTEE

AUTHORITY:

The Technical Advisory 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 Technical Advisory Committee is chaired by the Chief, Asset Management Branch, Real Estate Services Division, DGS.

MEETINGS:

Meetings are open to the public and are held annually, and additionally as needed, 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 INFORMATION:

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Capitol Area Committee & Technical Advisory Committee Members

CAPITOL AREA COMMITTEE MEMBERS

Lynne Freeman
Meea Kang
Steven Maviglio
Brian Holloway
Assembly Member Ken Cooley
Shaun Flanigan
Richard Cowan
Susan McKee
Sheral Gates

APPOINTING POWER

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

TECHNICAL ADVISORY COMMITTEE MEMBERSHIP

STATE REPRESENTATIVES

Department of General Services
Division of the State Architect
Office of Fleet and Asset Management
Real Estate Services Division
California Highway Patrol
Department of Transportation
Senate Budget and Fiscal Review Committee

LOCAL REPRESENTATIVES

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 Sacramento Partnership
Sacramento Metropolitan Air Quality
Management District
Sacramento Regional Transit District

IX. LEGEND OF ABBREVIATIONS

Americans with Disabilities Act.....	ADA
Budget Change Proposal.....	BCP
Building and Property Management Branch.....	BPM
Capitol Area Development Authority.....	CADA
Capitol View Protection Act.....	CVPA
Chapter.....	Ch.
Department of General Services.....	DGS
Department of Health Care Services.....	DHCS
Department of Rehabilitation.....	DOR
Department of Social Services.....	DSS
East End Gateway.....	EEG
Government Code.....	GC
Gross Square Feet.....	GSF
Joint Powers Authority.....	JPA
Leadership in Energy and Environmental Design.....	LEED
Legislative Analyst’s Office.....	LAO
Net Square Feet.....	NSF
Office Building.....	OB
Project Management and Development Branch.....	PMDB
Square Feet.....	SF
Statutes.....	Stats.
Warehouse Artist Lofts.....	WAL