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Elk Grove adds bus routes to accommodate state workers

Premium content from Sacramento Business Journal by Sanford Nax, Staff Writer

Date: Friday, December 21, 2012, 3:00am PST



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Elk Grove officials have added two reverse-commute buses from Sacramento to accommodate about 1,100 state workers employed by an agency that is moving its offices to the suburban community.

A new route, No. 90, runs from downtown Sacramento to a bus stop near the new California Correctional Health Care Services offices at Laguna Springs Corporate Center. That route has two morning trips and two evening return trips. The service complements existing route 91, which started in 2007 and has one morning trip from the Butterfield light rail station near Mather Field to Elk Grove and one evening trip back, said [Christine Brainerd](#), city spokeswoman.

The routes were added to serve prison health care agency employees who are — or will be — working in five office buildings in Elk Grove. A total of 546 employees have moved, with the most recent batch of 125 relocating last weekend. Most of the rest will move by March 22. Originally, about 1,500 state employees were expected to move but attrition whittled that number down, said department spokeswoman [Joyce Hayhoe](#).

City officials hope the added employees will boost the economy and prompt more state agencies to move to Elk Grove, which is home to about 20,000 state workers.

The California Correctional Health Care Services agency is moving, in part, to spread out state business and to balance commute routes throughout the region. City officials estimate that up to half of the relocating workers already live in Elk Grove, south

Sacramento or the Pocket area, and that roughly 700 vehicles will be removed from northbound Highway 99 and Interstate 5 commute routes.

The agency also was attracted to the site because parking is free, public transit is available and retail is nearby.

Elk Grove officials want to improve what they call a jobs-housing imbalance. With 156,000 residents and 30,000 jobs, they are trying to make Elk Grove more attractive to business and adopted a state office building incentive program in 2009 using the large number of employees living in Elk Grove as a lure. Incentives can be used toward relocation costs, fee reductions, construction costs, building improvements, monthly rent or transportation.

"It started with a cold call," said Mayor [Gary Davis](#) of the attempt to get the correctional employees. "Getting the first state agency is often the hardest."

The incentives totaled \$3.3 million to the state agency and to the landlord, Pappas Investments, but Davis said the cost is worth it. The estimated direct and indirect economic benefit to the city is \$3 million to \$4 million, and Davis said he hopes the city will be able to recruit more state offices.

Meanwhile, hotel, restaurant and retail shops in the area hope for a boost in business and, eventually, the new state workers could make a permanent move to Elk Grove. [John Shook](#), manager of the Elk Grove branch of **Lyon Real Estate**, said people want to live where they work. Not everyone will take the bus and some will tire of the reverse commute — especially if they live north or east of Sacramento.

"When you start working in the community and meet people, you eventually will want to move there," he said.

Elk Grove's incentive program, which has been expanded to include federal buildings, remains in place, and Davis is prepared to use it again. "We continue to look for opportunities and to identify agencies with leases that are coming due," Davis said.

Sanford Nax covers real estate, planning, development, construction and economic issues for the Sacramento Business Journal.