

**CAPITOL AREA COMMITTEE
MEETING MINUTES**

**TUESDAY, AUGUST 2, 2016 – 8:30 A.M.
CAPITOL AREA DEVELOPMENT AUTHORITY (CADA)
1522 14TH STREET, FIRST FLOOR BOARDROOM
SACRAMENTO, CA 95814**

Members Present

Shaun Flanigan
Lynne Freeman
ELizabeth Hess (representing Assembly Member Ken Cooley)
Brian Holloway
Jim Martone
Steven Maviglio
Susan McKee
Joseph Yee

Members Absent

None

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

Cathy Buck, DGS
Jane Hershberger, DGS
Mandy Latzen, DGS
Tom Kigar, CADA
Wendy Saunders, CADA

Visitors

Emilie Cameron, Downtown Sacramento Partnership
Jillena Hernandez (Assembly Member Ken Cooley's office)
Denise Malvetti, City of Sacramento

Brian Holloway, Secretary of the Capitol Area Committee (CAC), called the meeting to order at 8:33 a.m. and introduced Joseph Yee, a new CAC member replacing Dick Cowan.

1. Approval of Minutes

The minutes of the February 2, 2016 meeting were approved as written.

2. Technical Advisory Committee Update

Mandy Latzen reported that the Technical Advisory Committee (TAC) met on July 7, 2016. Mr. Martone provided information on the Governor's Fiscal Year 2016-17 Budget, and Wendy Saunders gave an update on CADA housing projects. The next annual TAC meeting will be held in mid-2017 on a date to be determined.

3. Information Item

a. Governor's Fiscal Year 2016-17 Budget

Jim Martone, Asset Management Branch

Mr. Martone announced that \$1.3 billion was approved in the FY 2016-17 Budget for funding three infrastructure projects:

- 1) New or renovated Resources Building to house tenants from the existing Resources Building and DWR staff currently located in the Bonderson Building;
- 2) New building to replace the vacant Food and Agriculture Annex at 12th and O Streets to house tenants currently located in the Bateson Building;
- 3) Renovation or replacement of the State Capitol's east annex.

A Request for Qualifications has been issued for a Master Architect for two of the projects as well as another request for CEQA and Construction Management services.

4. Old Business

a. CADA Housing Update

Wendy Saunders, CADA

Eviva Midtown: Eviva Midtown, located at 16th & N Streets, commenced pre-leasing, and eight units have been leased to date. The modular residential development project includes 118 market rate units, with underground parking. Ms. Saunders announced that CADA will be conducting tours at Eviva Midtown and CAC members will be invited to a walk-through this fall.

13th and O Streets: CADA continues to explore a potential mixed income housing project at the Westminster Church parking lot located on the corner of 13th and O Streets. This parking lot is currently leased to state employees during the work week and utilized by Westminster Church attendees on weekends and evenings. The proposed project would include 97 housing units with a mix of 60 percent market rate and 40 percent affordable units. The project has an estimated cost of \$35 million and CADA anticipates project viability will be determined this fall.

1717 S Street: CADA is in contract to purchase a property located at 1717 S Street (between 17th and 18th Streets) behind the Ice Blocks project. Groundwater beneath the site is contaminated from use by a former plating shop. The property is currently in escrow but further investigation will be required to determine the extent of contamination. The Regional Water Quality Control Board and CADA are entering into a prospective purchase agreement with a covenant not to sue related to the groundwater contamination. If escrow closes, CADA envisions a mixed-use project with ground floor retail and approximately 150 mixed income housing units, with 60 percent market rate and 40 percent affordable units. CADA plans to use tax credit equity and potentially Cap and Trade funds for the project.

14th and N Streets: Negotiations between CADA and DGS regarding a potential purchase and sale agreement for Site 21 have stalled with unresolved issues to be worked out.

O Street Streetscape: CADA applied for a Caltrans grant to improve the streetscape along O Street with the intent to make the street more pedestrian oriented and to encourage transit, but was unsuccessful this year. CADA intends to apply for a Caltrans grant again in the next funding cycle.

5. Discussion Items

a. East End Complex Public Artwork

Mr. Holloway recapped that a subcommittee, consisting of former CAC Chairperson Meea Kang, Lynne Freeman and himself, had been formed to review the public artwork in the plaza at the East End Complex and explore potential for repurposing the plaza area. Susan McKee volunteered to sit on the committee (replacing Meea Kang) going forward. Mr. Martone suggested that with the approved \$1.3 billion infrastructure funds in the state budget there are other options that may have more impact for development in the downtown area, and the CAC could look at other projects with a different focus. Mr. Martone further noted that there are funding and other debt issues from the perspective of the Public Works Board and bond counsel related to the artwork at the East End Complex, and these issues represent potential challenges or constraints. Subcommittee members expressed continued interest to contact the artists to explore options, and Mr. Holloway requested that DGS research state records to provide contact information for the artists. Mr. Martone agreed that he would provide the subcommittee with contact information for the artists for this purpose.

6. Selection of Capitol Area Committee Officers (Chair, Vice Chair, Secretary)

Following nominations, the CAC voted unanimously to elect the following officers:

- Brian Holloway – Chairperson
- Lynne Freeman – Vice Chairperson
- Steven Maviglio – Secretary

7. Public Comment

There were no public comments presented at the meeting.

Mr. Holloway asked if there were any items to add for the next CAC meeting agenda. Wendy Saunders suggested that State Architect Chester Widom be invited to the next CAC meeting to present information about the RFQ process for selecting a Master Architect for the infrastructure projects. Mr. Martone said that DGS would invite Mr. Widom to be a guest speaker at the next CAC meeting. Ms. Saunders also suggested that CADA conduct a tour of Eviva Midtown at the next CAC meeting.

With no further business the meeting was adjourned at 8:56 a.m. The next CAC meeting is scheduled for November 1, 2016.