



September 22, 2009

Dear Interested Developer,

**Subject: Lot Offering for Sale by CADA for 1610 17<sup>th</sup> Street  
Sacramento, California 95814  
Purchase and Development of Real Property**

The Capitol Area Development Authority (CADA) has reduced the price of the 40' x 40' lot at 1610 17<sup>th</sup> Street in Midtown Sacramento to \$85,000. The site was formerly under a purchase agreement with the previous developer who terminated it because of the unavailability of financing.

The site is located on the west side of 17<sup>th</sup> Street between P and Q Streets and is vacant. A copy of the topographic/boundary survey is available at the CADA office.

CADA's intent is to select a capable and qualified developer to purchase the lot and to develop a quality urban residential project.

CADA obtained a Limited Phase II Environmental Site Assessment (ESA) of the site that concluded "it does not appear that significant elevated lead concentrations are present". The ESA report dated July 13, 2006, is available for review at the CADA office.

There are deed restrictions on the title that require the property to remain as a residential use for 45 years and all mineral rights are to be retained by the State of California. The site is currently zoned R5 – Multi-family. Interested Developers are responsible for (1) insuring that their proposed development is consistent with such zoning, City building codes/standards and for completing the City review process, and (2) completing their own due diligence including title and environmental conditions if any. The site is categorically exempt from the California Environmental Quality Act (CEQA) as an infill Development Project under Section 15332, Class 32 in Article 19, Division 13, Environmental Quality of the Public Resources Code.

### **Building Plans**

The site is available from CADA without building plans. Darryl Chinn Architects (446-1293 ext 10) obtained various approvals and completed building plans for two half-plex units for the previous developer which are available for \$21,000 for use by the selected developer. CNA Engineering (485-3746) completed a lot split, filed the Tentative Parcel Map and obtained the Special Permit for the previous developer. CNA Engineering has provided an estimate of \$8,500 for this previous work and for the anticipated work to complete and submit a Final Map for use by the selected developer.

As a part of a submittal from a previous offering of the Site, Dennis Bylo (443-7445) prepared design development plans showing two half-plex units with a master bedroom on the first floor, a living area on the second floor and two bedrooms on the third floor.

Developers interested in using either of these designs are responsible for contacting the above individuals and making arrangements for use of their plans.

### **Required Submittal**

Interested developers are to submit a letter to CADA (maximum 4 pages) answering the following:

- A.** What do you propose to build and what is the estimated cost?
  - Provide at a minimum a rough sketch and description of the proposed structure including details of its various components.
  - Provide a breakdown of the estimated cost including the cost of providing a performance bond that indemnifies CADA, the State and City of Sacramento
  
- B.** Describe your proposed financing plan to include types of financing and potential equity requirements
  - List potential lenders with which you have relationships
  - Identify source of equity

(NOTE: NO SUBSIDY FUNDS FROM CADA ARE AVAILABLE FOR THIS PROJECT, INCLUDING LAND FINANCING).

- C.** Describe your proposed schedule
  - CADA requires that the selected developer start construction no later than one year following entering into a purchase agreement
  
- D.** Describe your qualifications and related completed projects

CADA asserts that the submission of a proposal and the accompanying documents in no way obligates CADA to a submitting developer with respect to the proposal and **CADA reserves the right to reject any and all proposals in its sole and absolute discretion.**

### **Development Selection Process**

Proposals will be evaluated as they are received and presented to the CADA Board for approval at the discretion of the Executive Director.

### **Goals**

- High quality of project design, specifically character, scale, texture and materials
- Design compatible with structures in the neighborhood
- Feasibility based on development cost, financing and projected revenue
- Ownership versus rental housing – preference will be given to ownership housing
- Expedient commencement and completion of construction
- Exceed Title 24 requirements

## **Energy Efficiency**

The developer is encouraged to work with CADA, SMUD staff and others to explore opportunities for solar installations and the use of their design programs that exceed Title 24 requirements. The developer is also encouraged to participate in all applicable energy conservation programs offered by SMUD and others.

## **Parking**

The proposed project should comply with the City of Sacramento Zoning Ordinance provisions for residential on-site parking which is one parking space per one residential unit.

## **Selection Process**

CADA staff will evaluate proposals and make a recommendation to the CADA Board. Upon selection of a developer, CADA will enter into a purchase agreement with the developer. The purchase agreement will require the developer to provide evidence of having obtained a building permit(s) and a financing commitment prior to closing on the site.

**Prospective developers are strongly encouraged to review carefully each of the terms and conditions of the draft purchase agreement, a copy of which is available at the CADA office, since if selected, they will be required to comply with such terms and conditions.**

## **Land Carry Fee**

The selected developer is required to pay a monthly \$879 Land Carry Fee to CADA until they close on the site. This fee is to compensate CADA for its cost to carry the site and will be credited against the purchase price. Should the developer fail to close on the site, the Fee will be retained by CADA.

## **Term of Offering**

The lot is being offered in the open market until an acceptable proposal is received. Once staff receives an acceptable proposal, it will be presented to the CADA Board for approval. Developers are to submit ten copies of complete proposals to the CADA Administration Office, 1522 14<sup>th</sup> Street, Sacramento, CA 95814 Attention: Tom Kigar (916) 322-2214. Developers are required to include with their proposal a \$1,758 good faith earnest deposit that will be used to cover the Land Carry Fee due for the first two months of the term of the purchase agreement (refunded if not selected). This offering is also available on CADA's website at: [www.cadanet.org](http://www.cadanet.org)

Sincerely,

Tom Kigar  
Development Director  
Capitol Area Development Authority

Cc: CADA Board of Directors  
Paul B. Schmidt