

**MINUTES
OF
SPECIAL BOARD MEETING**

**BOARD OF DIRECTORS
CAPITOL AREA DEVELOPMENT AUTHORITY**

May 26, 2011

ITEM 1 – ROLL CALL

Chair Bailey called the special meeting of the CADA Board of Directors to order at 2:39 p.m. at 1522 14th Street, Sacramento, CA 95814.

Present: Alvarado, Lagomarsino, Robbins, Bailey

Absent: Otto

Chair Bailey moved to Agenda Item 3.

ITEM 3 - STAFF REPORTS/UPDATES

- A. East End Gateway Site 5 Disposition and Development Agreement, Purchase Agreement and Loan (1610-1614 N Street): Tom Kigar reported the following:
- CADA will soon be entering into a Purchase Agreement with the State of California, Department of General Services for EEG Site 5.
 - Staff is in the process of finalizing the Disposition and Development Agreement and the Letter of Commitment with BRIDGE Housing.
 - The deadline for submitting the HUD 202 application for funding is June 21, 2011.
 - One of the issues in entering into a Purchase Agreement with BRIDGE Housing is site control. HUD will not allow CADA in the DDA to impose its standard requirements on transferring the site to BRIDGE Housing. As a result, CADA is entering into a separate agreement from the DDA with BRIDGE Housing to protect CADA.
 - There is a required 30 day circulating period which ends tomorrow. In order to meet the June 21 HUD application deadline, the Department of General Services will be executing the Purchase Agreement so that it is effective by tomorrow and will include the change in the appraised value from \$310,000 to \$400,000.
 - CADA has performed more PERC testing for toxic materials due the possibility of exposure to vapor gas from the dry cleaners that is next to the EEG Site 5. Staff is happy to report that the test results are within limits. Staff will be sending the report to BRIDGE Housing to include as part of their HUD application for financing stating that only a vapor barrier in the slab is needed to construct their project.
 - Staff are currently working on letters of support, will serve letters from utilities and title reports which are all requirements for the HUD financing application.
- B. East End Gateway Site 4 i6 Federal Grant Application (Southeast Corner of 16th and O Streets): Tom Kigar reported the following:
- Walter Kim of CONSOL has been hired as consultant by Sukna to complete the i6 application which is due by the end of the day or 12:00 a.m. eastern standard time.
 - Staff appreciates the extensive comments received by the Board which have been incorporated into the application. Jeff Mitchell, CADA legal counsel has reviewed the application as well. Both the Board Chair and legal counsel have given their approval for the i6 application to be submitted.
 - Staff is expected to hear if CADA's application was approved in September. The application amount being requested is between \$1.5M to \$1.6M.

The Chair Bailey moved to Agenda Item 2A.

ITEM 2 – CLOSED SESSION

A. CONFERENCE WITH REAL ESTATE NEGOTIATOR (Government Code 54956.8)

Negotiator: Paul Schmidt

Other Party: Department of General Services, State of California

Properties: CADA Managed and Leased Properties

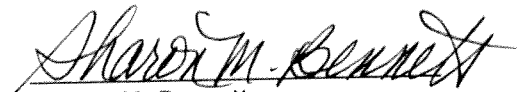
Chair Bailey reported that there was discussion with the real estate negotiator. No action was taken.

ITEM 4 – OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD REGARDING MATTERS NOT ON THE AGENDA

None

ITEM 5 – ADJOURNMENT

The meeting adjourned at 4:35 p.m.



Sharon M. Bennett

Secretary to the Board of Directors