

**MINUTES  
OF  
REGULAR BOARD MEETING**

**BOARD OF DIRECTORS  
CAPITOL AREA DEVELOPMENT AUTHORITY**

**October 28, 2011**

**ITEM 1 – ROLL CALL**

Chair Bailey called the regular meeting of the CADA Board of Directors to order at 9:02 a.m. at 1522 14<sup>th</sup> Street, Sacramento, CA 95814.

Present: Alvarado, Lagomarsino, Robbins, Bailey

Absent: Otto

**ITEM 2 – APPROVAL OF MINUTES: September 23, 2011**

Member Robbins wanted noted on Page 2, under Agenda Item 6, second to last paragraph that "Katy Reynolds' partner, Khaled Mahjoub, is no longer an investor in the project" included in the first sentence of the paragraph. Member Robbins moved approval of the minutes as amended. Member Alvarado seconded the motion.

AYES: Alvarado, Lagomarsino, Robbins, Bailey

NOES: None

ABSENT: Otto

**ITEM 3 – CHAIR'S REPORT**

There was no report.

**ITEM 8 – CAPITOL LOFTS DISPOSITION AND DEVELOPMENT AGREEMENT AND PROMISSORY NOTE FOREBEARANCE LETTER (NORTHERN HALF BLOCK BOUNDED BY 11<sup>TH</sup> AND 12<sup>TH</sup> STREETS/R STREET AND THE R-S STREET ALLEY)**

Chair Bailey reported that this item is being continued to the December Board Meeting.

Chair Bailey moved to Agenda Item 4.

**ITEM 4 – EXECUTIVE DIRECTOR'S REPORT**

Paul Schmidt reported the following:

- Received a letter from the Department of General Services asking to be excluded from the R Street PBID.
- Along with Jacqueline Whitelam, met with the City Manager, John Shirey to discuss CADA business and his plans for the city and was very supportive of CADA's goals and mission. Mr. Shirey will be reporting on the proposed sale of CADA property to the City Council as a result of Council Member Fong's inquiry three weeks ago.
- The Capitol Area Committee reviewed CADA's scope of work for the proposed sale of its properties and they are preparing a letter to the Governor and the Director of the Department of General Services expressing their concern about the proposed sale.
- Introduced new employee, Linda Montoya as the new Vacancy Prep Coordinator at the CADA Maintenance Office.

**ITEM 5 – CAPITOL MALL DESIGN COMPETITION PRESENTED BY LUIS R. SANCHEZ AIA AND WILLIAM CROUCH AIA, CITY OF SACRAMENTO AND KRIS BARKLEY AIA, DREYFUSS AND BLACKFORD ARCHITECTS**

Competition Advisor, Kris Barkley, AIA of Dreyfuss and Blackford Architects provided an overview on the history of the Capitol Mall, and gave a Powerpoint presentation on the Capitol Mall Design Competition and the entries that were received.

Member Lagomarsino recused himself from Agenda Item 6.

**ITEM 6 – EAST END GATEWAY SITES 2 AND 3 RATIFICATION OF FOURTH AMENDMENT, SUBORDINATION AGREEMENT AND FIFTH AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT (NORTHWEST AND SOUTHWEST CORNERS OF 16<sup>TH</sup> AND O STREETS)**

Tom Kigar presented staff's recommendation that the Board adopt a resolution that:

- 1) Ratifies the action of the Executive Director entering into the Fourth Amendment to the Disposition and Development Agreement (DDA) which facilitated a loan commitment; and
- 2) Authorizes the Executive Director to:
  - A. Enter into a subordination agreement with the Developer and Union Bank that subordinates CADA's power of termination and option to acquire and allows CADA a 60-day period to cure any Developer default under the proposed Union Bank construction loan; and
  - B. Enter into a Fifth Amendment to the Disposition and Development Agreement (DDA) that revises the Schedule of Performance to extend the date to close on the site to January 31, 2012 and to commence construction no later than April 1, 2012.

Tom Kigar then announced that on October 21, 2011, the Developer was advised that Union Bank approved the \$17.5 Million construction loan for the project. The Developer has deposited its \$4.5 Million equity commitment with the bank. CADA has not received the written approval from the bank as yet, but the developer anticipates that he will be receiving it very soon.

Tom Kigar reviewed the subordination agreement and 60-Day period to cure Developer default. Mr. Kigar reported that because Union Bank is insistent on a short cure period (45 days), the Development and Construction Committee recommended approval of the cure period, but asked staff to explore with legal counsel, Jeff Mitchell to see if there were any other steps that CADA could take to protect itself as a result of this risk. Staff met with Jeff Mitchell since the Tuesday meeting and discussed the following:

- 1) In reality it takes a lender a long time to bring about a foreclosure
- 2) CADA could be more diligent than usual by looking for early problem signs and move aggressively to work with the Developer to forestall a default.
- 3) Neither the bank, the Developer nor CADA want the project to fail and it is not in any of the party's interest to wait until a problem gets to a point that it cannot be corrected.

Tom Kigar reported that as to the financial impact to CADA in the event of a foreclosure, the bank could take the property unless CADA or a third party assumes or pays off the loan. Under this scenario, CADA would have donated the site; granted the \$1.5 Million in financial assistance. CADA would be obligated to continue to make its land loan payments to the Department of General Services. If the bank sells the property, the purchaser of the site would be required to comply with

the Deed Restriction that requires the site to be used for residential-commercial mixed-use purposes for a period of 45 years from the Date of Conveyance.

Member Robbins stated that she supports the resolution, but wanted wording in the resolution added that strengthens CADA's position sending a message to the loan committee that CADA feels strongly that a 60-day period to cure Developer default is the minimum amount of time.

Jeff Mitchell responded that there are two possible ways this could be reflected in the recitals of the resolution; 1) strike out the reference of 45 days, so it is just says 60 days; or 2) express the Boards' concern over the 45 days, but leaving it at the discretion of the Executive Director of 45 days or 60 days.

Paul Schmidt reported that staff has talked to the bank's attorney and that they are in support of the 60 days.

No further Board comments.

No public comments.

Member Robbins moved approval of Resolution 11-38, as amended in Board discussion, attached hereto and incorporated herein. Member Alvarado seconded the motion.

AYES: Alvarado, Robbins, Bailey  
NOES: None  
ABSENT: Lagomarsino, Otto

Member Lagomarsino return to the meeting.

**ITEM 7 – SITE 9B REVISED VALUATION AND DISPOSITION PLAN (1610 17<sup>TH</sup> STREET)**

Tom Kigar presented staff's recommendation that the Board adopt a resolution that authorizes the Executive Director to:

- 1) Establish the new listing price of the 40' X40' vacant lot at 1610 17<sup>th</sup> Street at \$64,000;
- 2) Offer the site for sale in the open market until an acceptable proposal is received; and
- 3) Report back to the Board with a recommendation to select a proposal and enter into a Purchase Agreement with a prospective developer.

Tom Kigar reviewed the results of the reduced appraisal valuation and Disposition Plan. Mr. Kigar reported that assuming the Board approves the reduced offering price, staff will immediately give notification of the reduced price and will notify interested developers and the public. Proposals will be due December 30, 2011, and will be presented at the January 27, 2012, Board Meeting. Following the January Board Meeting, the developer(s) and staff will present their proposals to the stakeholders. Staff will make a recommendation to select a developer at the March 23, 2012, Board Meeting.

No Board comments.

No public comments.

Member Robbins moved approval of Resolution 11-39, attached hereto and incorporated herein. Member Alvarado seconded the motion.

AYES: Alvarado, Lagomarsino, Robbins, Bailey  
NOES: None  
ABSENT: Otto

Because Agenda Item 8 (Capitol Lofts) is being continued to December, Chair Bailey moved to Agenda Item 9.

### **ITEM 9 – 16<sup>TH</sup> STREET STREETScape 30% DESIGN AND STRATEGIC GROWTH COUNCIL GRANT APPLICATION**

Marc de la Vergne presented staff's recommendation on the following:

- 1) Board review of the 16<sup>th</sup> Street Streetscape 30% design, and
- 2) Board adoption of a resolution authorizing staff to submit a grant proposal to the Strategic Growth Council.

Marc de la Vergne reported that the design that is being considered builds on work that began in 1997. It represents an effort to design and make physical improvements to 16<sup>th</sup> Street between the Capitol Avenue-N Street alley and S Street. The improvements are intended to improve pedestrian ability to move to and from the State Capitol Office Campus to the light rail station, improve environmental quality, beautify 16<sup>th</sup> Street and contribute to the vitality of the street's businesses and residences, as well as that of the surrounding neighborhoods.

Marc de la Vergne provided a synopsis on the background of the 16<sup>th</sup> Street Streetscape Design. On October 5, 2011, CADA and DOT staff presented a draft of the 30%-level design to the public for review and comment. The project was well received by the twenty people that were in attendance.

Marc de la Vergne then reviewed the key components of the 30% design that included:

- **Storm Water Planters:** 12 storm water retention units are proposed to be installed along the frontage of East End Gateway Sites 1, 2, 3 and 4.
- **Bio Swale:** Design includes one bio swale along 125' length of Fremont Park.
- **Corner Bulb-outs:** The plan includes installation of eleven corner bulb-outs at N, O, P, Q and S Streets. The City does have a problem with the proposed bulb-outs at the south/west corner of Q Street which has a half block row of historic houses which is part of the Fremont Park Historic District. The City feels that the bulb-out is not consistent with the historic character of the block. The City did say that CADA has the option to appeal to the Preservation Commission if CADA wishes. Mr. de la Vergne stated that he would appreciate any feedback from the Board on this issue.
- **Mid-block Bulb-outs:** In front of the Fremont Building there is a problem with meandering sidewalks. In many cases only two people are able to walk side-by-side. A solution has been proposed which is the mid-block bulb-out that essentially buys real estate. The property owners and local business owners are concerned because this will impact their parking by the loss of approximately seven parking spaces. Staff will be working with the property owner(s) to come up with a solution that will remedy their concerns.
- **Crosswalks:** Upgrades to all the existing crosswalks will be upgraded with special low maintenance pavers.
- **Miniplazas:** A miniplaza is being proposed at the corner of 16<sup>th</sup> and S Streets which might be a location for a collection of art. There is also an opportunity to build a small miniplaza at the corner of 16<sup>th</sup> and O Streets.
- **Trees:** Trees will be planted along 16<sup>th</sup> Street that are either missing or will need to be replaced in the future due to disease or construction of CADA development projects.
- **Bike Racks:** Bike racks will be placed the length of the corridor in appropriate locations. The City already has a stock of city standard bike racks that they are willing to provide and install for CADA.

They have requested a map from CADA indicating where the businesses are along 16<sup>th</sup> Street that have customers who may want to park bikes.

Marc de la Vergne and Rachel Mercurio visited UC Davis and discovered that they have skateboard racks which CADA might want consider.

- **Street Lights:** The existing acorn streetlights are high-pressure sodium bulbs that are inefficient, do not provide sufficient lighting and are costly to maintain. These bulbs will be replaced with LED bulbs which will address those problems making for a safer corridor and provide better quality light. The program calls for the installation of lights at the southern end of the corridor where a number of lights are missing.
- **Signage:** Currently there is a sign bridge that crosses 16<sup>th</sup> Street at Fremont Park that can become a frame for a new sign. One of the citizens from the 16<sup>th</sup> Street Streetscape workshop suggested turning it in to an art piece, forgetting about signage and letting it become an iconic sculpture. Along with the upgrades to the light itself staff are proposing banners which can change seasonally and can add another unifying element to the streetscape.

Marc de la Vergne reported that the project is designed to be low-maintenance. The plants that are to be planted in the bulb-outs are specifically intended to be slow-growing, easy to maintain and drought tolerant. Staff has had several discussions with the Midtown Business Association (MBA) about their involvement in maintaining portions of the project. Prior to Rob Kerth's departure from MBA there was an interest in dedicating PBID funding to both capital and maintenance expenditures for the project. Staff hopes to secure a letter from MBA prior to the deadline of the grant proposal at least expressing the willingness to negotiate with CADA going forward.

Marc de la Vergne continued that CADA will be applying for \$1 Million in funding from the Strategic Growth Council and will be apply for another \$300,000 from SACOG and other sources. The value of the other improvements the developers are making on their own sites is approximately \$460,000. CADA's contribution will be approximately \$240,000 which brings the total budget up to approximately \$2 Million.

Member Lagomarsino inquired into the City's opinion on the bulb-out at the south corner of 16<sup>th</sup> and Q Streets and asked whether there was an action to appeal the proposed bulb-out.

Marc de la Vergne responded that the design currently includes this bulb-out. The Department of Transportation (DOT) disagrees with the Historic Preservation Officer on this issue. If the plan moves forward with the bulb-out included and is presented to City Council, the Historic Preservation Officer could oppose it and insist that it be brought before the Historic Preservation Commission. Member Lagomarsino stated that should the City oppose the bulb-out, that he would support CADA's action to appeal their decision. Chair Bailey and CADA Board Members concurred.

Member Alvarado reported that the Development and Construction Committee discussed the parking along 16<sup>th</sup> Street and the merchant's concern about the potential loss of that parking, but it sounds like staff are making some progress in discussing some potential options.

Marc de la Vergne said that with the elimination of the bio-swale eliminates the problem along the Fremont Park so there would be no net loss. The elimination of the mid-block bulb-out along the Fremont Building would eliminate the problem there. The bulb-outs themselves would cumulatively eliminate six to seven parking spaces, but it would be spread out throughout the neighborhood. Mr. de la Vergne reported that he had met with Howard Chan, City Parking Director and he has

committed to and is currently working on an effort to identify all the parking that could introduce angled parking, or 10 hour spaces that could be turned into 60 to 90 minute parking spaces.

No further Board comments.

No public comments.

Member Robbins moved approval of Resolution 11-40, attached hereto and incorporated herein.  
Member Alvarado seconded the motion.

AYES: Alvarado, Lagomarsino, Robbins, Bailey  
NOES: None  
ABSENT: Otto

**ITEM 10 – R STREET PROPERTY AND BUSINESS IMPROVEMENT DISTRICT (10<sup>TH</sup> – 13<sup>TH</sup> STREETS)**

Todd Leon presented staff's recommendation that the Board adopt a resolution authorizing the Executive Director to:

- 1) Execute a second amendment to the consultant contract with Civitas to further assist and complete the formation of the R Street PBID and
- 2) Authorize the Executive Director to sign a petition to establish the R Street PBID.

Todd Leon reported that the original contract with Civitas, in an amount of \$37,000 was signed in July 2010 to collect data, map, strategize, conduct stakeholder outreach and prepare a draft service plan for a proposed PBID for the R Street Area and was completed in January 2011. At that time, the Civitas analysis indicated that the R Street PBID was not only a needed district, but based on the outreach would most likely be approved with little opposition. An amendment to the Civitas contract was made at that time for \$20,000 by the Executive Director to finish the PBID analysis and to work to complete the formation of the PBID by July 2011. During the outreach and initial petition period under the amendment, a key property in the proposed PBID boundary; Crystal Ice owned by Fulcrum Property questioned the need for the PBID. Civitas tried to work with Fulcrum Property to address their concerns. Civitas provided additional analysis and data and went to a number of meetings with Fulcrum Property to get them back on board, but were not successful. In order to secure the fact that Fulcrum Property would not be included in the PBID, Civitas began a lobbying campaign to get two other large property owners to not be involved as well. Todd Leon reported that the Department of General Services sent a letter to CADA expressing their concern and asking that their property not be included in this PBID.

Todd Leon then identified the new proposed boundary area which excludes the properties south of R Street from 13<sup>th</sup> to 15<sup>th</sup> Street and properties from 16<sup>th</sup> to 19<sup>th</sup> Streets. New properties fronting R Street were added to the area between 7<sup>th</sup> and 10<sup>th</sup> Streets. Todd Leon reported that after collecting data and analyzing the new area, Civitas began an outreach process to gauge owner interest on the east side to be included into this PBID. After receiving many positive comments Civitas began an initial petition drive with success and were able to acquire petitions from some of the key properties in this new proposed draft of the PBID area and that they are very close to a starting a formal outreach for the petition drive. However, because of the extra time spent with Fulcrum Property addressing their issues and backtracking significantly after redrafting the Boundary Re-management Plan, CADA's contract with Civitas was completed. Staff is now asking for a second amendment of \$22,300 to the Civitas contract to complete the PBID formation.

Todd Leon reported that legislation changed this year to allow for JPA's such as CADA to approve PBID's within their jurisdiction. That is an option that the Board can take. Civitas will be coming to the Board in

December to discuss this option, what it means and what the Board's obligation would be with the City and County in relation to that ability.

There was general discussion between the Board and CADA staff regarding the recovery of some of its costs that would take place over a five year period and DGS's decision to opt out of the PBID.

Cathy Buck from the Department of General Services reported that the State's Building Property Management staff already take care of the state warehouse so there would be no need to be included in the PBID.

Member Lagomarsino asked Michelle Smira of Civitas whether this cost that this project is up to is typical of other PBID projects.

Michelle Smira from Civitas stated that the first contract was simply for outreach and to determine the feasibility of moving forward by completing boundary assessments and a database management. The second contract was for the formation and that's where it would have typically ended. Ms. Smira reported that they do not typically run into owners that are actively opposing the PBID and then get other owners that had already signed the petition to back out as a result of their relationship with that owner. It was definitely more than a road block and it absolutely put a stop to the project at that particular point. Ms. Smira continued that Civitas had to go back and figure out who at that point was in or out and relook at the assessment figures, what the management district plan had called out and services the owners were wanting to provide and how that could be achieved.

No further Board comments.

No further public comments.

Member Alvarado moved approval of Resolution 11-41, attached hereto and incorporated herein. Member Robbins seconded the motion.

AYES: Alvarado, Lagomarsino, Robbins, Bailey  
NOES: None  
ABSENT: Otto

#### **ITEM 11 – WORKERS' COMPENSATION INSURANCE POLICY**

Jill Azevedo presented staff's recommendation that the Board adopt a resolution authorizing the renewal of CADA's workers' compensation policy with the State Compensation Insurance Fund (SCIF) for the 2011 Policy Year (December 1, 2011 through November 30, 2012).

Jill Azevedo reviewed CADA's 2010 plan year in which SCIF applied premium discounts because CADA was virtually "accident free" during 2008 and 2009 plan years, but unfortunately because of two reportable accidents this past year, the premium has increased.

Chair Bailey reported that the Operations Committee supported staff's recommendation.

No further Board comments.

No public comments.

Member Lagomarsino moved approval of Resolution 11-42, attached hereto and incorporated herein. Member Robbins seconded the motion.

AYES: Alvarado, Lagomarsino, Robbins, Bailey  
NOES: None  
ABSENT: Otto

### **ITEM 12 – CLOSED SESSION**

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

Negotiators: Paul Schmidt

Other Parties: Department of General Services, State of California

Properties: CADA Managed and Leased Properties in the Area Bound by 7<sup>th</sup> to 17<sup>th</sup>, L to R Streets, in Sacramento, California

Under Negotiation: Price and terms of payment

Chair Bailey reported the Board discussed the managed and leased properties. There was no Board action taken.

### **ITEM 13 – PRESENTATION REGARDING SALE OF CADA PROPERTIES**

Kay Kneprath representing the Sacramento Old City Association complimented CADA on its approach to development. Ms. Kneprath stated that they do not like the idea of various developers coming in and taking pieces and CADA not having some control over what happens in the Capitol Park Neighborhood because CADA's presence is what made this part of Sacramento so lovely and livable. The Sacramento Old City Association wants the status quo to continue.

Jacqueline Whitelam reported that in May 2011, the Department of General Services (DGS) was directed by the Governor to review state-owned properties with the intention of selling those properties that no longer service a state programmatic use. DGS has advised CADA that this review is being taken with the objective of minimizing impacts on the neighborhood and CADA's implementation of residential and neighborhood commercial components of the State Capitol Area Plan. In discussions with DGS, the course of action needs to be a thoughtful and collaborative process and that it will take some time to prepare it. DGS has nevertheless been requested to identify properties for the fiscal year 2012-2013 budget. With this circumstance, CADA is conducting a study to address this issue with four objectives.

1. Work with DGS on a comprehensive report on state-owned property leased to CADA from 1978 to 2011
2. Identify state properties which may be considered for sale in FY 2012-2013
3. Quantify the fiscal requirements to complete the residential and neighborhood commercial components of the State Capitol Area Plan.

Jacqueline Whitelam reported that the Governor's Directive says that you should proceed with selling properties that have no state programmatic use. CADA does have a legislative mandate to fulfill which is a chief concern with regard to any sale. This directive would affect CADA's ability to fulfill its mandate. Part of CADA's process will be to report its fiscal needs to the state.

4. Propose long term strategies for state-owned properties lease by CADA

Jacqueline Whitelam reported that at this meeting staff is addressing CADA Study Objectives 1 and 2. CADA Study Objectives 3 and 4 will be addressed at the February 2012 CADA Board Workshop.

Jacqueline Whitelam reviewed CADA's jurisdiction, its role in the implementation of the State's Capitol Area Plan since 1978, future State development sites and future CADA development sites and properties managed by CADA under Regulatory Agreements.

Ms. Whitelam then reviewed the development ground lease properties. Ms. Whitelam reported that staff has recommended to the Board the following ground lease properties to be considered as candidates for sale in FY 2012-2013:

1. Admail Express Building (Site 16A)
2. Deloney Properties; Sites 17<sup>th</sup> and N Apartments (Site 8E) is in the process of trying to conclude negotiations
3. Inn off Capitol Park, 16<sup>th</sup> and N Streets
4. Site 16AII, 14<sup>th</sup> and O Streets

Jacqueline Whitelam reported that the properties managed by CADA to meet its affordable housing requirements, that it is important to recognize that CADA is tasked with meeting challenging government mandates, one of the most challenging of which is assuring that 25% of the housing is affordable to low-income households on a continuing basis. CADA has been charged with this mandate since 1978. This is accomplished by the rental revenue stream that it collects from all the properties that CADA manages which incorporates the scattered subsidized apartments throughout its inventory. If you start eliminating any one building, it will affect the modal which is self-sustaining and does not require outside funding. Careful consideration and timing is necessary to assure that, that mandate can be met and meeting that mandate is a part of the Capitol Area Plan.

Jacqueline Whitelam presented staff's recommendation to the Board that staff continue to work with the Department of General Services to complete this comprehensive report on what the status is on the state-owned properties by December. The second recommendation is that CADA take interim action facilitating the sale of certain development ground lease properties and certain development sites in FY 2012-2013, and that CADA recommend the State and the City that work on the sale of any additional properties be held in abeyance pending the outcome of the February 2012 CADA Board Workshop.

At the 2012 CADA Workshop there will be two exercises:

1. Review fiscal requirements to implement the State Capitol Area Plan which are the residential and neighborhood commercial components.
2. An exercise on proposing long term strategies for those state-owned properties leased to CADA in the context of what needs to be done to complete the Capitol Area Plan and what CADA currently has.

In those fiscal requirements, CADA will be assessing at staff level between now and then the cost to build out the remaining CADA development sites, continuing cost that needs to be in place to enhance the public spaces and streetscape in the Capitol Area, and how to ensure the continued provision of affordable housing.

Member Lagomarsino asked that in the second to the last paragraph of the resolution, the wording "to take interim action" the word "interim" be removed from the resolution.

Leslie Fritzsche from the City of Sacramento Economic Development Department commended Jacqueline Whitelam on the thoroughness of the progress report and that CADA has taken a very comprehensive look at the steps needed to fulfill the Capitol Area Plan. From the City's perspective CADA has always done a wonderful job in supporting neighborhood development, commercial development and revitalization of State Capitol Area Plan. The City is very sensitive to wholesale

disposition of properties and recommends a very thoughtful and methodical approach which it seems is the path currently being taken and that the City wants to make sure that the affordable housing components remain a key part of the progress moving forward. The commitment of the City to affordable housing is very keen and commits to do all it can to support the efforts of CADA and the state.

Mr. Michael Brill reported that the SOCA Board fully supports CADA's position.

No further Board comments.

No further public comments.

Member Lagomarsino moved approval of Resolution 11-43 as amended, attached hereto and incorporated herein. Member Alvarado seconded the motion.

AYES: Alvarado, Lagomarsino, Robbins, Bailey  
NOES: None  
ABSENT: Otto

#### **ITEM 14 - CLOSED SESSION**

##### **A. PUBLIC EMPLOYEE APPOINTMENT (Government Code Section 54957.5)**

Title: Executive Director

##### **B. CONFERENCE WITH LABOR NEGOTIATOR (Government Code Section 54957.6)**

CADA Designated Representatives: Ann Bailey, Paul Schmidt  
Unrepresented Employee: Executive Director

Chair Bailey reported that the Board discussed the public employee appointment as noted.

#### **ITEM 15 – APPOINTMENT OF EXECUTIVE DIRECTOR**

Chair Bailey reported that the Board proposes to appoint Jacqueline Whitelam as the Interim Executive Director until the end of the fiscal year with compensation to be the same as the current Executive Director.

Member Robbins moved approval of the motion. Member Alvarado seconded the motion.

#### **ITEM 16 – STAFF REPORTS/UPDATES**

- A. Jefferson School (1619 N Street): Paul Schmidt reported that staff is working with the Sacramento School District on a Memorandum of Understanding.
- B. Downtown Sacramento Revitalization Corporation: Paul Schmidt reported that two Board Member positions have been added to their Board in order to increase participation by the development community and private downtown residents.
- C. O Street Streetscape; Artwork and Improvements; Regional Transit Stations: Marc de la Vergne reported that staff is in the process of reviewing a draft bid package with Regional Transit (RT). Allison Cash is in the process of reviewing the final recommendations that RT made for repainting RT fixtures on the two-block length of O Street, but may delay painting until spring.
- D. Capitol Lofts (11<sup>th</sup>/R Streets) and HCD Infill Grant: No report.

- E. Mercury Cleaners (Northeast Corner of 16<sup>th</sup> and O Streets): Marc de la Vergne reported staff is waiting to hear from the Department of General Services on the proposal that was submitted to them early last month.
- F. East End Gateway Site 1 (Northwest Corner of 16<sup>th</sup> and N Streets): Marc de la Vergne reported that staff is waiting on a proposal from the developer on the revised configuration on the project. The deadline for submitting the proposal to make the December Board Meeting is October 31<sup>st</sup>.
- G. Streetscape Projects; 16<sup>th</sup> Street and O Street: This was reported on under Agenda Item 9.
- H. Loan and Grant Research: Tom Kigar reported that staff is revising the loan and grant research format for the December Board Meeting so that it is easier to follow and more efficient in reporting.
- I. East End Gateway Sites 2 and 3 (Northwest and Southwest Corners of 16<sup>th</sup> and O Streets): This was reported on under Agenda Item 6.
- J. East End Gateway Site 4 (Southeast Corner of 16<sup>th</sup> and P Streets): Tom Kigar reported that the developer was planning to provide evidence of financing by the December Board Meeting, but is unable to provide it by then. They are planning to provide the evidence of financing by the January Board Meeting. Staff has cancelled the Special Development and Construction Committee Meeting that had been scheduled for November 18<sup>th</sup> to discuss this matter.
- K. East End Gateway Site 5 (1610 - 1614 N Street): Tom Kigar and Marc de la Vegne are meeting with a consultant this afternoon to discuss further testing that may need to be completed before CADA closes escrow on this site. Staff is still waiting to hear from HUD 202 financing and should hear by the end of December.
- L. Site 9B (1610 17<sup>th</sup> Street): This item was reported under Agenda Item 7.
- M. Rebuilding Together Event: Tom Kigar reported that on October 8th Merri Stutes, Richard Crosby of CADA and Charles Sutherland worked on a house in Oak Park. Wells Fargo and Market One Builders were the main sponsors of this program. There were 70 people who participated in the plumbing and HVAC house repairs. Mr. Kigar stated that what we would ultimately like to do is have CADA sponsor or co-sponsor a house in the South Side Park Neighborhood as an extension of our Capitol Park Neighborhood. April 28, 2012, is the next schedule project date for the Rebuilding Together Event and is an opportunity for CADA to be of service.
- N. CADA Police Services Coverage: Todd Leon reported that he met with the police department this week to discuss CADA's service contract with them. At this point, CADA has stopped the weekend coverage as we head into winter months and that it was also a suggestion by the police department because they have noticed that the number of people out late at night has gone down because of the colder weather. The police department provide CADA with statistical information; calls for service, etc. Mr. Leon said that he would provide that information in the next Board packet. Staff will have the police come back the day before Thanksgiving which seems to be a big bar night. Staff will also be having discussions with the police regarding what their service will be for the entire city on New Year's Eve.

Member Alvarado left the Board Meeting at 12:25 p.m.

- O. Fremont Park and Roosevelt Park Improvement Project MOU; CADA and the City of Sacramento: Marc de la Vergne and Todd Leon drafted together an MOU along with the City governing how CADA and the City Parks Department will work together on projects in Fremont Park and Roosevelt Park.

Staff will be reporting in to the Development and Construction Committee whenever there is a specific project to work on with the City and staff will have a specific development agreement with the City for each specific project.

- P. Phase I – R Street Streetscape Implementation: 10<sup>th</sup> – 13<sup>th</sup> Street: Todd Leon reported the following:
- The construction for the major street work is almost completed; 12<sup>th</sup> Street is the last major phase of the project.
  - The bike racks are in production along with the archway and the art as well.
  - Staff is working with the artist to set a date that the Board can view what has been done as far as the significant stage in development to the art piece.
  - The dock extension project: CADA has signed the loan documents with Allison Dalton and the project is under construction.
  - With regard to the grand opening celebration, the date set for December 1<sup>st</sup> is now tentative which is due to a contract payment dispute between Teichert Construction and Pacific Neon. Staff will know by November 14<sup>th</sup> whether the grand opening celebration set for December 1<sup>st</sup> will occur or not.
- Q. Phase II – Streetscape Implementation, Market Plaza: Todd Leon reported that this project is still on hold. Staff are waiting for a cost analysis from the City on moving backwards on the process to go back to the community, and if the community is supportive, moving forward with a hybrid design concept (adding more parking to that particular phase of the project).
- R. R Street Affordable Housing: No report.

**ITEM 17 – TRANSMITTALS**

Received as transmitted.

**ITEM 18 – OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD REGARDING MATTERS NOT ON THE AGENDA**

None

**ITEM 19 – ADJOURNMENT**

The meeting adjourned at 12:32 p.m.



Sharon M. Bennett  
Secretary to the Board of Directors