

**MINUTES
OF
REGULAR BOARD MEETING**

**BOARD OF DIRECTORS
CAPITOL AREA DEVELOPMENT AUTHORITY**

April 19, 2019

ITEM 1 – ROLL CALL

Chair Bailey called the Board Meeting of the CADA Board of Directors to order at 10:02 a.m. at 1522 14th Street, Sacramento, CA 95814.

Present: Avdis, Lagomarsino, Maviglio, Winston, Bailey
Absent: None

Board Member Steve Maviglio, participating via teleconference (Contrada Santo Stefano, 70043 Monopoli BA, Italy) (Pursuant to Government Code 54953(b)(3))

ITEM 2 – APPROVAL OF MINUTES: MARCH 22, 2019

Member Lagomarsino moved approval of the March 22, 2019 CADA Board Meeting minutes. Member Avdis seconded the motion.

AYES: Avdis, Lagomarsino, Maviglio, Winston, Bailey
NOES: None

ITEM 3 – CHAIR'S ORAL REPORT

No report.

ITEM 4 – EXECUTIVE DIRECTOR'S ORAL REPORT

Wendy Saunders reported the following:

- There will be a Sacramento Tree Foundation event on May 29. The May Midtown Love event will be at Faces on May 16, and she will be sending out an invitation soon.
- Downtown Sacramento Partnership: No report.
- Midtown Association: The Midtown Board signed the Midtown Parks nonprofit formation documents last week.
- Downtown Sacramento Revitalization Corporation: No update.
- 1717 S Street: She reported last month that staff had a good meeting with CalHFA and they indicated that CADA would qualify to participate in a new State of California tax credit program that is included in a trailer bill that's part of the state 2019-2020 budget that would bring additional tax credit equity to the project. The program will have \$500,000,000 the first year. Staff has since been informed that the program will not likely be available this year, which is discouraging. Staff submitted plans to the City building department and are requesting bids from major subcontractors. There should be a better picture of the budget in May.
- R Street Parking Structure: No update.

ITEM 5 — CAPITOL MALL REVITALIZATION (CAPITOL MALL, 7TH – 10TH STREET)

Staff Recommendation: Staff recommends that the Board adopt a resolution directing staff to incorporate a \$100,000 contribution to the redesign of the Capitol Mall planning process in the proposed Fiscal Year 2019-20 CADA Budget.

Staff Contact: Wendy S. Saunders, Executive Director

Councilmember Steve Hansen attended the Board meeting in support of CADA's potential involvement in the Capitol Mall project. Megan Johnson, Associate Civil Engineer with the City of Sacramento and the project manager for this project, gave a presentation talking about the Capitol Mall project.

Board Comments: Member Winston asked if the city has heard from property owners with varying setbacks and possible pedestrian issues. Megan has held one-on-one meetings with some property owners and the comments have varied, There may be interest in tying in private space with public space, The City will explore that. Hansen presented at DSP and they were in favor.

Member Lagomarsino asked if the Capitol Area Plan has outlined CADA's involvement in Capitol Mall. Wendy Saunders stated that the Capitol Area Plan was last updated in 1997, and staff will explore this further.

Member Avdis asked how the City will address the unique circumstances considering its users of the Capitol Mall. Megan Johnson said there will be a healthy budget for stakeholder collaboration.

Public Comments: None.

Member Winston moved approval of Resolution 19-11, attached hereto and incorporated herein. Member Lagomarsino seconded the motion.

AYES: Avdis, Lagomarsino, Maviglio, Winston, Bailey
NOES: None

ITEM 6 — HVAC UPGRADE PROJECT (VARIOUS LOCATIONS)

Staff Recommendation: Staff recommends the Board adopt a resolution authorizing the Executive Director to enter into a construction contract for the 2019 HVAC Upgrade Project at 1500 15th Street, 1514 15th Street, and 1506 13th Street with Airteks.com, Inc. in the amount of \$71,911.71.

Staff Contact: Frank Czajka, Construction Manager

Board Comments: Member Lagomarsino asked if Airteks is local since according to the bid sheet, they are located in the Bay Area. Frank Czajka stated that the contractor does have an office in Sacramento. Member Avdis asked if there is bidding criteria on giving preference to local contractors. Legal counsel stated that bidding doesn't have to be the lowest bid and the awarding bidder can be determined based on set criteria. Wendy Saunders stated that staff will look into bidding criteria options.

Public Comments: None.

Member Avdis moved approval of Resolution 19-12, attached hereto and incorporated herein. Member Winston seconded the motion.

AYES: Avdis, Lagomarsino, Maviglio, Winston, Bailey
NOES: None

Member Lagomarsino recused himself at 10:40 a.m. from participating in Agenda Item 7.

ITEM 7 — AMENDMENT TO AD MAIL EXPRESS DEVELOPMENT GROUND LEASE (14th AND O STREET)

Staff Recommendation: Staff recommends that the Board adopt a resolution authorizing the Executive Director to execute the Fifth Amendment to the Ad Mail Express Development Ground Lease.

Staff Contact: Tom Kigar, Special Projects Director

Board Comments: Member Avdis stated that he is in full support of this project. Member Winston stated that he is also supportive of this affordable housing opportunity and asked if DGS has been willing to sell the property. Wendy Saunders reported that several years ago, DGS proposed to sell CADA-owned properties as well as the ground lease properties, and the ground leases have been purchased by the lease holders over the past several years. Phil Shott, the owner of Ad Mail, did not want to purchase when offered the opportunity. Wendy Saunders reported that she talked with DGS staff yesterday and agreed that a DGS-approved firm will appraise the ground lease so both parties should be able to agree on the price quickly.

Public Comments: None.

Member Winston moved approval of Resolution 19-13, attached hereto and incorporated herein. Member Avdis seconded the motion.

AYES: Avdis, Maviglio, Winston, Bailey
NOES: None

Member Lagomarsino came back to the meeting at 10:56 a.m.

Chair Bailey moved to Agenda Item 11.

ITEM 11 – OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD REGARDING MATTERS NOT ON THE AGENDA

None.

Chair Bailey moved to Agenda Item 8.

Member Maviglio left the meeting at 10:57 a.m.

ITEM 8 — CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION (Pursuant to Government Code 54956.9(a))

- a. Mader v. CADA: Case No. 34-2018-00244133
- b. Cisneros DFEH Complaint: Case No. 20901-04655401
- c. Law DFEH Complaint: Case No. 201812-04517514

B. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION (Pursuant to Government Code 54956.9(b))

- a. Significant Exposure to Litigation – One matter

Chair Bailey reported that Member Lagomarsino did not participate in discussions about Agenda Item 8 (B). Chair Bailey reported that there was Board discussion in closed session and that no action was taken.

ITEM 9 – ORAL STAFF REPORTS/UPDATES

A. Downtown Sacramento Partnership: This item was reported on in its Agenda Item 4.

B. Downtown Sacramento Revitalization Corporation: This item was reported on in Agenda Item 4.

- C. Midtown Association: This item was reported on in Agenda Item 4.
- D. Mercury Cleaners (Northeast Corner of 16th and O Streets): Marc de la Vergne reported that DGS's consultant collected vapor samples and will report their findings to the Water Board. There will be more to report next month, after the Water Board publishes the report.
- E. Roosevelt Park Streetlights (1619 9th Street): Marc de la Vergne reported that the City and the consultant are working on a scope of work to bid out the work on the softball facility. The bid package will be released later this summer and the selection will be made in early Fall, and work should be completed by the end of the calendar year.
- F. O Street Streetscape (7th – 17th Streets): Marc de la Vergne reported that the public outreach portion of the project has been finished. Staff will meet with the consultant next week regarding next steps.
- G. Other Neighborhood Improvements: Marc de la Vergne reported that the new paint on Biele Place brought the building out of the 80s, giving it a vibrant fresh look that adds to the neighborhood. Staff is looking at other buildings that need attention in the coming year or two.
- H. HCD LPR Application for Biele Place (1421 15th Street): Marc de la Vergne stated that HCD has responded to CADA staff on the application, and they are moving toward an agreement on a new regulatory agreement late this summer.
- I. Vantage (Site 21 - 14th and N Streets): Tom Kigar reported that staff and the developer are on track for closing on the site in the middle of August. According to the DDA term sheet, May 1st is the deadline for the developer to provide evidence of construction financing. The developer has executed contracts with the architect and the general contractor, and a preliminary marketing plan will follow.
- J. R Street PBID: No report.
- K. R Street Affordable Housing (1717 S Street): This item was reported on in Agenda Item 4.
- L. R Street Parking Structure (8th/9th Streets): This item was reported on in Agenda Item 4.

Chair Bailey moved to Agenda Item 10.

ITEM 10 – TRANSMITTALS

Received as transmitted.

Chair Bailey moved to Agenda Item 12.

ITEM 12 – ADJOURNMENT

The meeting adjourned at 11:23 a.m.



Rachel Mercurio
Secretary to the Board of Directors