

**MINUTES  
OF  
REGULAR BOARD MEETING**

**BOARD OF DIRECTORS  
CAPITOL AREA DEVELOPMENT AUTHORITY**

**May 17, 2019**

**ITEM 1 – ROLL CALL**

Vice Chair Lagomarsino called the Board Meeting of the CADA Board of Directors to order at 10:01 a.m. at 1522 14<sup>th</sup> Street, Sacramento, CA 95814.

Present: Maviglio, Winston, Lagomarsino

Absent: Avdis, Bailey

**ITEM 2 – APPROVAL OF MINUTES: APRIL 19, 2019**

Member Maviglio moved approval of the April 19, 2019 CADA Board Meeting minutes. Member Winston seconded the motion.

AYES: Maviglio, Winston, Lagomarsino

NOES: None

**ITEM 3 – CHAIR'S ORAL REPORT**

No report.

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

Wendy Saunders reported the following:

- There are some tickets left for the Sacramento Tree Foundation event on May 29. It's a nice event and she invited the Board members.
- Downtown Sacramento Partnership (DSP): The DSP met this week, focusing on homelessness issues, particularly Capitol Park Hotel, an existing SRO, being purchased by Mercy Housing for renovation into a permanent supportive housing building. SHRA will be running a shelter for the next 18 months while Mercy will be applying for tax credits in March of next year. Assuming they receive the tax credit allocation, they will renovate the site beginning in November 2020. There has been concern by the community over the lack of communication and that the shelter will be "high-barrier," meaning no pets, no substance abuse, fairly high-functioning. One of the primary problems downtown has are homeless individuals who will not qualify for the shelter.
- Midtown Association: The Midtown Love annual gala was last night, and it was a great event. They are taking responsibility for the historic building within Winn Park including leasing the structure, overseeing TI's and subleasing to a user.
- Downtown Sacramento Revitalization Corporation: No report
- She introduced CADA's new Leasing Services Manager Tama Harville and temporary Administrative Assistant KaTina Vincent.

**ITEM 5 – FREMONT MEWS – DEFERRAL OF CADA NOTE WITH FREMONT MEWS, LLC TO AUGUST 2019 (BLOCK BOUNDED BY 14<sup>TH</sup>, 15<sup>TH</sup>, P AND Q STREETS)**

*Staff Recommendation:* Staff recommends that the Board adopt a resolution deferring the due date of the CADA Note with Fremont Mews, LLC for the Fremont Mews project from May 31, 2019 to August 30, 2019 to provide

time for the Developer and staff to finalize details concerning the restructuring the note and return to the Board for review and approval.

Staff Contact: Tom Kigar, Special Projects Director

**This item will be moved to the June 21, 2019 Board meeting.**

**ITEM 6 — ROOSEVELT PARK BALLFIELD IMPROVEMENTS PROJECT (1619 9<sup>TH</sup> STREET)**

*Staff Recommendation:* Staff recommends the Board adopt a resolution authorizing the Executive Director to enter into a Memorandum of Understanding with the City of Sacramento to provide partial funding for renovation of the softball field at Roosevelt Park.

Staff Contact: Marc de la Vergne, Deputy Executive Director

Board Comments: Member Winston stated that he has seen soccer matches in the middle of the day at Roosevelt Park, and wanted to know if a soccer field was considered in the planning. Marc de la Vergne stated that the City only considered the baseball field space but staff is looking into this for future improvements because people also play kickball in the lower right field. Member Winston stated that he is excited to see these improvements because it gets a lot of use.

Member Maviglio asked if there has been any effort to engage the private sector for fundraising. Marc de la Vergne reported that there was not private sector engagement for the softball field but Kaiser donated \$60,000 to the fitness court and the Sacramento Kings contributed to the basketball court modifications. Member Maviglio stated that with Measure U funding, the City has adequate revenue for these improvements and with CADA being such a large contributor, he would be pleased to see CADA be acknowledged in a more substantial way. Wendy Saunders stated that it's a point well taken.

Member Winston asked if there were attempts to speak with participating teams regarding their sponsors. Marc de la Vergne says that staff has not reached out to the teams who utilize the park, but that Xosa, the organization that facilitates sports events, has been in the loop. Member Winston stated that there might be potential willing partners to help contribute and support the improvements to Roosevelt Park.

Member Lagomarsino stated that while he understands that improvements are a part of CADA's mission and overall this project is good for the neighborhood, he concurs with Members Winston and Maviglio that CADA needs to be cautious about its contributions.

Public Comments: None.

Member Winston moved approval of Resolution 19-14, attached hereto and incorporated herein. Member Maviglio seconded the motion.

AYES: Maviglio, Winston, Lagomarsino  
NOES: None

**ITEM 7 — FISCAL YEAR 2019-2020 MARKET RATE APARTMENT RENT SCHEDULE; RENT INCREASE/LEASE METHODOLOGY**

*Staff Recommendation:*

Staff recommends that the Board adopt a resolution approving:

1. FY 2019-20 Market-Rate Apartment Rent Schedule
2. Lease Term Rent Premiums
3. Rent increase Methodology

Staff Contact: Diana Rutley, Property Manager

Board Comments: Member Winston asked how the increase compares to other cities. Diana Rutley said that last year Sacramento was ranked #1 for rent growth and vacancy is currently at 2%. Wendy Saunders stated that most private property management companies do what is called "dynamic pricing," a process where they make rent adjustments daily on a case by case basis and by demand, and CADA never has followed this model. CADA evaluates the rents only once a year. Therefore, CADA will always be behind which is a benefit to residents. Marc de la Vergne said that CADA's portfolio consist primarily of class B and C properties so CADA will not raise the rents the same way as class A properties. Member Lagomarsino stated that CADA's increases in rent is not to exploit the market, but the increases come so CADA can maintain operations.

Public Comments: None.

Member Winston moved approval of Resolution 19-15, attached hereto and incorporated herein. Member Maviglio seconded the motion.

AYES: Maviglio, Winston, Lagomarsino

NOES: None

### **ITEM 8 – 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 has submitted its first semi-annual report for 2019 in March. It will submit the next report later this summer.
- E. Roosevelt Park Streetlights (1619 9<sup>th</sup> Street): This item was reported on in Agenda Item 6.
- F. O Street Streetscape (7<sup>th</sup> – 17<sup>th</sup> Streets): Marc de la Vergne reported that the draft plan is complete and the last Steering Committee meeting will be in July. Staff is working with the City on 30% drawings. In June, CADA will complete the first installment of the plan—a monumental mural at 1428 O Street. CADA is in discussions with RT, DGS, and the City on removing the art piece at 9<sup>th</sup> and O for safety reasons.
- G. Other Neighborhood Improvements: No update.
- H. HCD LPR Application for Biele Place (1421 15<sup>th</sup> 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 by late August.
- I. Vantage (Site 21 - 14<sup>th</sup> and N Streets): Tom Kigar reported that staff and the developer have executed contracts with the architect and the general contractor, and a preliminary marketing plan will follow. The developer has been on track with the DDA Schedule of Performance.
- J. R Street PBID: Todd Leon reported that like all PBIDs, homelessness is at the top of the agenda. Dollar Tree needs to be more responsible for their property. The PBID is hosting another series of pop-up events with artists and vendors.
- K. R Street Affordable Housing (1717 S Street): Todd Leon reported that the project is currently in permit review. Bid results for the construction drawings will come in next week.
- L. R Street Parking Structure (8<sup>th</sup>/9<sup>th</sup> Streets): Todd Leon reported that staff is working with DGS on an alternative approach to the project.

### **ITEM 9 – TRANSMITTALS**

Received as transmitted.

**ITEM 10 – OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD REGARDING MATTERS NOT ON THE AGENDA**

None.

**ITEM 11 – ADJOURNMENT**

The meeting adjourned at 11:14 a.m.



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Rachel Mercurio  
Secretary to the Board of Directors