

**MINUTES
OF
REGULAR BOARD MEETING**

**BOARD OF DIRECTORS
CAPITOL AREA DEVELOPMENT AUTHORITY**

August 16, 2019

ITEM 1 – ROLL CALL

Chair Bailey called the Board Meeting of the CADA Board of Directors to order at 10:01 a.m. at 1522 14th Street, Sacramento, CA 95814.

Present: Avdis, Lagomarsino, Maviglio, Winston, Bailey

Absent: None

ITEM 2 – APPROVAL OF MINUTES: JUNE 21, 2019

Member Lagomarsino moved approval of the June 21, 2019 CADA Board Meeting minutes. Member Avdis seconded the motion.

AYES: Avdis, Lagomarsino, Maviglio, Winston, Bailey

NOES: None

ITEM 3 – CHAIR'S ORAL REPORT

Chair Bailey re-assigned the following Committee appointments:

Development & Construction: Nick Avdis and Randall Winston (originally on the Operations Committee)
Operations: Ann Bailey and Bob Lagomarsino (originally on the Development & Construction Committee)
Neighborhood Development: Ann Bailey and Steven Maviglio

ITEM 4 – EXECUTIVE DIRECTOR'S ORAL REPORT

Wendy Saunders reported the following:

- She attempted to arrange a tour of the 19th and J micro-unit project directly after this Board meeting but Nikki Mohanna has been too busy finalizing permits. Ms. Mohanna will try to schedule a tour after the Board meeting on September 20. That project will have 175 apartments. Staff is also arranging a tour of micro-unit projects in San Francisco at the beginning of September.
- Staff is in the process of reviewing the new rent control ordinance issued by the City. She believes that CADA is exempt from the ordinance but even if CADA isn't, there won't be much of an impact.
- Regarding the financing for 1717 S Street, she reported on a new affordable housing tax credit program at the last Board meeting. She reported that the program would be available in the first quarter of next year, but staff received word that it won't be available until the second quarter of next year, which would allow more time for staff to apply for financing for 1717 S and the proposed Courtyard site.
- Downtown Sacramento Partnership: The City has dedicated a public square at 7th and K Streets to Ali Yousseffi.
- Downtown Sacramento Revitalization Corporation: No update.
- Midtown Association: The Midtown Association Board is assisting with the lease of the building in Winn Park. They are establishing a non-profit for the dog park, and a fundraiser will be held on September 21 from 4 – 7 pm.

ITEM 5 — ANNUAL AFFIRMATION OF DELEGATION OF INVESTMENT AUTHORITY TO THE CITY TREASURER

Staff Recommendation: Staff recommends that the Board adopt a resolution affirming delegation of investment authority to the City Treasurer.

Staff Contact: Noelle Mussen, Finance Director

Board Comments: Member Lagomarsino asked about the guidelines regarding local community banks. The City Treasurer stated that the City established new guidelines to put a percentage of investments back into the community by depositing some City funds in local community banks.

Public Comments: None.

Member Avdis moved approval of Resolution 19-35, attached hereto and incorporated herein. Member Maviglio seconded the motion.

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

ITEM 6 — OMBUDSMAN REPORT PRESENTED BY: BETTY GWAIZDON, CADA OMBUDSMAN

Betty Gwiazdon, CADA's Ombudsman, provided an overview of tenant-related issues. Ms. Gwiazdon complimented CADA staff for doing an excellent job in resolving tenant issues.

ITEM 7 — THE DEAN APARTMENTS – ELECTRICAL TRANSFORMER REPLACEMENT PROJECT (1400 N STREET)

Staff Recommendation: Staff recommends that the Board adopt a resolution ratifying the Executive Director's declaration of emergency conditions, authorizing the Executive Director to enter into a construction contract for the Transformer Replacement Project at the Dean Apartments, and approving a budget amendment to the Development Capital Investment Program (CIP) budget.

Staff Contact: Tom Kigar, Special Projects Director

Board Comments: The Development & Construction Committee did not meet. Member Lagomarsino asked about the timeline for rewiring all the units; would the work be done as they come available? Tom Kigar stated that all units will be gradually rewired and staff will use a vacant unit for the temporarily displaced residents as each unit gets rewired.

Public Comments: None.

Member Winston moved approval of Resolution 19-36, attached hereto and incorporated herein. Member Lagomarsino seconded the motion.

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

Member Lagomarsino recused himself at 10:42 a.m. from participating in Agenda Item 8.

ITEM 8 — AUTHORIZATION TO COMMENCE THE SCHEMATIC DESIGN PHASE AND THE DESIGN DEVELOPMENT PHASE FOR THE 1320 O MIXED USE AFFORDABLE APARTMENT COMMUNITY

Staff Recommendation: Staff recommends the Board adopt a resolution authorizing the Executive Director to authorize Williams + Paddon, Architects + Planners to proceed with the Schematic Design Phase (Phase 2) and the Design Development Phase (Phase 3) of the architectural services Consultant Agreement with CADA (W+P) for the proposed mixed use affordable apartment community at 1320 O Street (Southwest Corner of 14th and O Streets)

Staff Contact: Tom Kigar, Special Projects Director

Board Comments: The Development & Construction Committee did not meet. Board member Winston asked if staff is considering other key parameters from the yield study such as energy efficiency. Tom Kigar stated that staff is working with the consultant to maximize that site in terms of density and energy efficiency and any other incentive programs, in addition to tax credits. Wendy Saunders stated that the primary focus is on the tax credit program because that is the key to making the project happen, and if there are more incentive programs to layer on top of the tax credit program, then staff is interested. Staff will be soliciting a design-assist approach much like the Westminster project.

Public Comments: None.

Member Avdis moved approval of Resolution 19-37, attached hereto and incorporated herein. Member Winston seconded the motion.

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

Member Lagomarsino returned to the meeting at 10:57 a.m.

ITEM 9 – FLEX PLAN AND CALPERS HEALTH EMPLOYER CONTRIBUTIONS

Staff Recommendation: Staff recommends that the Board adopt resolutions that:

1. Set the CADA Flex Plan Employer Contribution for the 2020 calendar year, and
2. Set the CADA CalPERS Medical Contribution for the 2020 calendar year

Staff Contact: Jill Azevedo, Human Resources Manager

Board Comments: The Operations Committee did not meet. Chair Bailey stated that she would support the increase, but commented that at some point staff might want to consider splitting the cafeteria allowance and putting a portion of it toward CADA's unfunded liability.

Public Comments: None.

Member Lagomarsino moved approval of Resolutions 19-38 and 19-39, attached hereto and incorporated herein. Member Winston seconded the motion.

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

Chair Bailey moved to Agenda Item 13.

ITEM 13 – OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD REGARDING MATTERS NOT ON THE AGENDA

None.

Chair Bailey moved to Agenda Item 10.

ITEM 10 – CLOSED SESSION

A. CONFERENCE WITH REAL ESTATE NEGOTIATORS (Pursuant to Government Code Section 54957.6 (a))

Properties: 006-0223-003; 006-0223-004; 006-0223-005; 006-0223-006; and 006-0223-007
Under negotiation: Price and terms of sale

Chair Bailey reported that there was Board discussion on the properties listed. No action was taken.

ITEM 11 – ORAL STAFF REPORTS/UPDATES

- A. Downtown Sacramento Partnership: This item was reported on in 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): No update.
- E. Roosevelt Park Streetlights (1619 9th Street): Marc de la Vergne reported that bids for the project will go out next week.
- F. O Street Streetscape (7th – 17th Streets): Marc de la Vergne reported that staff is awaiting a draft concept plan from the consultant and will be presenting it to the Board at the October Board meeting. Meanwhile, staff is commenting on landscape designs for the three DGS projects on O Street and is offering suggestions consistent with the emerging landscape design approach contained in the O Street Plan.
- G. Other Neighborhood Improvements: Marc de la Vergne reported that new awnings are being installed along 10th Street at each commercial business. There are new roofs at three CADA buildings, and maintenance staff is converting a former commercial space into a residential unit. Staff is finalizing the 16th Street Streetscape improvements at 16th and P Street, including Karma Brew and the Legado de Ravel leasing office.
- H. HCD LPR Application for Biele Place (1421 15th Street): Marc de la Vergne reported that staff is working on a draft regulatory agreement, and hope to come back to the Board in October for approval.
 - Leasing Department News: Leasing Department Manager Tama Harville is continuing to put into place a more modern system to recertify incomes and rents for participants in CADA and 3rd party-regulated affordable housing programs. Staff is also working to balance out when move-ins take place so the work is not concentrated on one day each week.
- I. The Vantage (Site 21 - 14th and N Streets): This item was reported on in Agenda Item 10.
- J. CADA Courtyard Site (1322 O Street): This item was reported on in Agenda Item 8.
- K. R Street PBID: No update.
- L. R Street Affordable Housing (1717 S Street): This item was reported on in Agenda Item 4.
- M. R Street Parking Structure (8th/9th Streets): Todd Leon reported that staff is working with DGS on finalizing documents for the lease, and staff is hoping to get the Request for Proposals for a general contractor and architect completed very soon.

ITEM 12 – TRANSMITTALS

Received as transmitted.

Chair Bailey moved to Agenda Item 14.

ITEM 14 – ADJOURNMENT

The meeting adjourned at 12:11 p.m.



Rachel Mercurio
Secretary to the Board of Directors