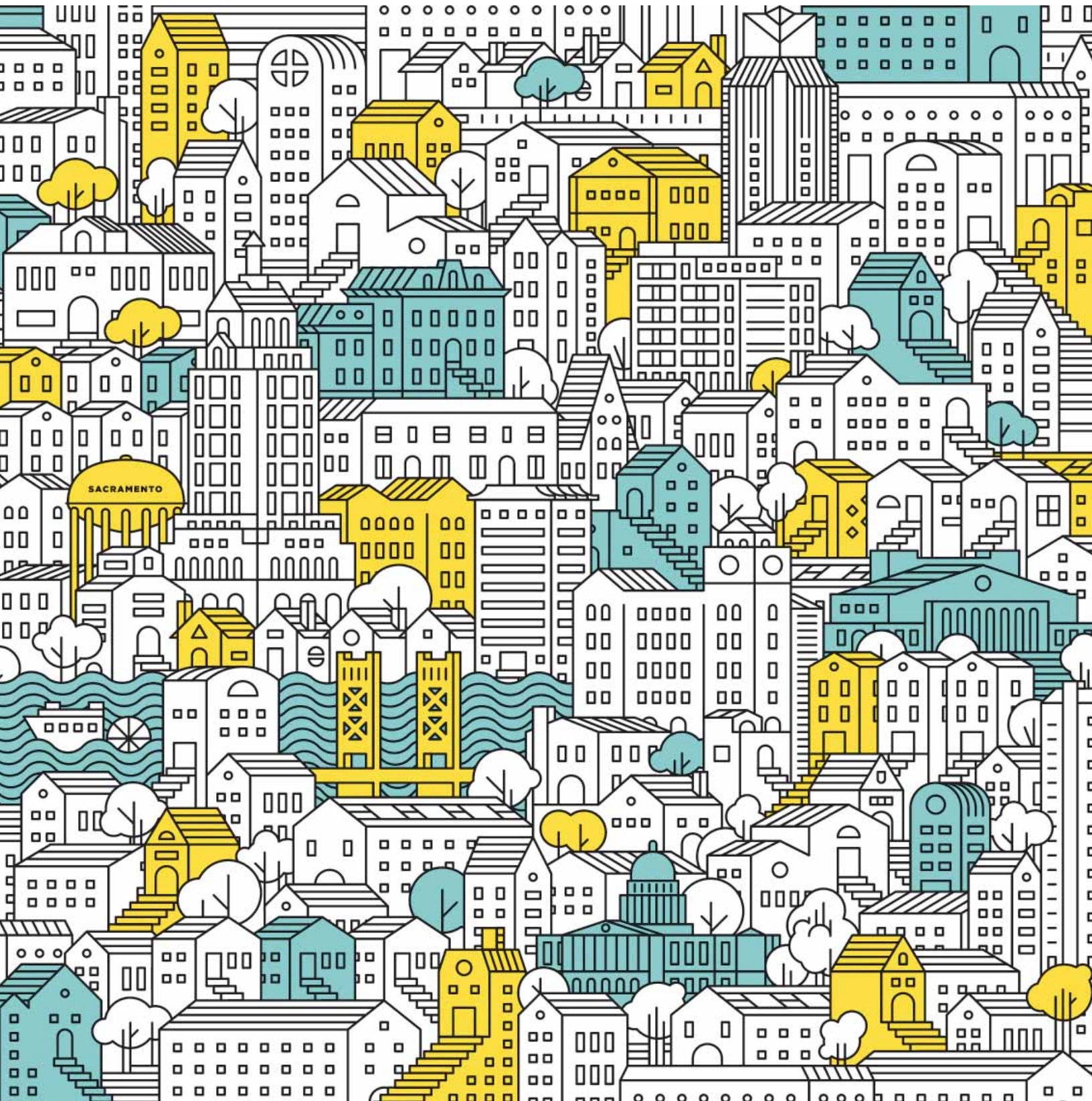


Capitol Area Development Authority

2020 ANNUAL REPORT



ABOUT US

CADA

The Capitol Area Development Authority (CADA) is a joint powers authority that the State of California and the City of Sacramento created in 1978 to implement and oversee the residential and neighborhood commercial elements of the State's Capitol Area Plan. The Capitol Area Plan is intended to build and maintain housing that is accessible for a wide range of income levels and maintain the vitality of the urban 24-hour community.

OUR MISSION

CADA provides mixed-income housing with superior property management, develops complex infill projects, builds neighborhood amenities, advances its Joint Powers Authority priorities, and facilitates the relationship between the Sacramento community and the State of California and City of Sacramento.

OUR VISION

CADA aims to continue building and serving a vibrant Capitol neighborhood. CADA is a nimble organization that maintains focus on its purpose, seeks creative solutions, and responds to opportunities.

CADA strives to foster a culture that encourages collaboration both internally and with community stakeholders.

OUR VALUES

Collaboration

Community Stewardship

Creativity

Fiscal Responsibility

Quality

Urban Development Leadership

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ADAPTATIONS AND OPTIMISM AMID A PANDEMIC

2020 CADA
Board of Directors



Ann Bailey
Chair
State Appointee

As the year 2020 began, CADA was primed to begin construction on three new development projects. Our optimism hit a brick wall with the onset of the COVID-19 pandemic. No one could have foreseen the damage the year would bring to families and businesses.

In short order, CADA enacted a series of measures to protect the health of employees and residential and commercial tenants, and also to ease the mounting financial burdens that business owners and workers began experiencing. We closed the CADA office to the public and equipped nearly all of our main office staff members to work from home. Only a few people continued to come to the office, working on staggered schedules and disinfecting it consistently. CADA's essential workers quickly adapted to wearing masks and increasing disinfection procedures in building common areas.



Bob Lagomarsino
Vice-Chair
Board Appointee

Our maintenance shop personnel shifted their focus to outdoor maintenance and projects that could be completed in basements, vacant apartments and other locations away from tenants. To further safeguard residents, all work other than emergency calls inside occupied apartments was deferred.



Emily Baime
Michaels
City Appointee

To enable our tenants to remain in contact with us, we installed a drop box in front of the administrative office and activated a telecommunication system called CallMax through which tenants and remote-working CADA personnel can interact by phone and voice and text messaging. We can use it, for example, to alert residents about a planned electrical power or water shutoff.

We developed a COVID relief program to lessen the burden on residents who lost income due to the pandemic and connected tenants with the Sacramento Housing and Redevelopment Agency's rent assistance program. We simultaneously reduced or waived rent for qualified commercial and ground-lease tenants who demonstrated pandemic-related catastrophic business losses and shared information about pertinent COVID-related rent relief programs.



Nicholas Avdis
State Appointee

Amid all this, construction of 1717 S Street began, and we were awarded funding to build the 1322 O Street affordable apartment project. Our planned condominium project at 14th and N was scuttled due to the pandemic as the developer was unable to obtain adequate financing.

We thanked termed-out board member, Steve Maviglio, for his service and welcomed Sacramento Midtown Association Executive Director Emily Baime Michaels to the CADA Board. I correspondingly serve on the Midtown Association's Board, so this presents good opportunities for symmetry between our two organizations with similar interests.



Randall Winston
City Appointee

We are proud to be able to provide new affordable housing options and jobs despite this tumultuous year. We look forward to better times ahead for all of us.



Wendy Saunders
Wendy Saunders
Executive Director

DEPARTMENT UPDATES

ADMINISTRATION

PROPERTY MANAGEMENT

Popularity of residential properties within CADA's area remains high, with 96% average occupancy during 2020, a percentage point less than the average in 2019.

The CADA leasing staff welcomed 86 new households to the CADA community, 38% fewer than in 2019. The COVID-19 pandemic not only slowed rental activity but also reduced move-outs by 15%. CADA also experienced some changes among its commercial tenants in 2020. Hand in Hand Child Development Center, a neighborhood child care institution and long-term CADA tenant at 1614 N Street, closed its doors on April 30. Owner Linnea Hathaway cited the pandemic and staffing difficulties as factors in her decision to close the business, but paused to acknowledge CADA's role in supporting her business throughout its years in the neighborhood. She said, "For 25 years our landlord, the Capitol Area Development Authority — CADA — has been a fantastic partner. They had the foresight decades ago to envision child care as a key change agent in the redevelopment of a neighborhood. I am proud of Hand in Hand's strong and stable role in the renaissance of downtown and midtown Sacramento. CADA has been a creative and thoughtful steward of their properties — both commercial and residential." Linnea and Shelly, her long-time manager, will be greatly missed.

In late August, Nubia Sanchez-Murrillo, the owner of Cap City Squeeze, expanded her popular juice business into the adjacent space occupied by another one of her business ventures, Toasted. With this expansion, Sanchez-Murrillo closed Toasted, explaining that its business concept needed some revisions while Cap City Squeeze could use the extra room.

RESIDENT SERVICES

The average length of occupancy for CADA residents who vacated during 2020 was 5 years, just a little higher than the reported 2019 average of 4.9 years. In contrast, the nationwide average length of stay for a renter in a multifamily building is 27.5 months, according to research conducted in 2019 by ResidentRated, a renter satisfaction survey program. Yardi Matrix, a rental and property management analytical firm, reported in October that Sacramento remains popular among renters, and was listed as Number 2 in the nation for rent growth. CADA's low turnover rates are a reflection of both the low supply of new housing in Sacramento and of CADA's



Renée Funston

abundance of modest Class C apartments, with lower rents to match.

CADA's resident service manager and representatives attentively respond to the questions and needs of residents, continually monitoring buildings for any needed repair or other maintenance work needed. (See "Maintenance" in the "Effective Teamwork" section for details.) Resident service representatives maintain both the exterior and interior building areas and alert CADA's maintenance staff about any areas that need their attention.

HUMAN RESOURCES



Keysha Davis and Theresa Olivares

CADA welcomed 2020 with the hiring of Renée Funston as Development Manager and Keysha Davis as CADA's Affordable Housing Leasing Agent. After CADA Contracts and Office Manager Rachel Mercurio left in March, Human Resources Manager Jill Bagley Azevedo and Deputy Executive Director Marc de la Vergne split Rachel's duties for what was expected to be a short



period of time — but which became extended due to the COVID-19 crisis. Tara Gandara in the Accounting Department was promoted to the contracts and office manager position in December.

When the Sacramento County public health officer issued a countywide order last March for residents to shelter in place to slow down the spread of coronavirus, CADA took immediate measures to limit in-person interactions. Beginning March 16, CADA closed its administrative office to the public. The Maintenance Department's separate facility has remained open to handle emergency and essential health and safety building improvement projects.

ADMINISTRATIVE DEPARTMENT

In order to keep operations running smoothly with these new safety measures in place, CADA has operated with all hands on deck — but separated for safety. Every department experienced changes in operating procedures and protocol. Administrative staff members were asked to work from home, and to stagger any in-office shifts in order to limit the number of people in the office on any given day. Administrative departments implemented new strategies and technology enabling staff members to perform their duties remotely from their homes.

MAINTENANCE DEPARTMENT

The Maintenance Department shifted its focus to outdoor and common-area projects, such as the new fence installed at 17th Street Commons. To help accommodate the workload, the Maintenance Department added five new staff members: Maintenance Specialist Nico Ramirez, Painter Henry Ayin, Electrical Journeyman Sammy Jamaledin, Lead Renovation and Rehabilitation Specialist Chris Thomas, and Maintenance Specialist Kevin Hollman. To review



Maintenance staff preparing fencing for 17th Street Commons

specific projects the department tackled in 2020, see page 7.

RESIDENT SERVICES REPRESENTATIVES

Newly hired Resident Services Representatives (RSRs) LaTasha Carrie and Iryna Caloca, joined other Resident Services Department personnel in posting COVID-related notices and increased the schedules for disinfecting and sanitizing of all building common areas.



RSR LaTasha Carrie sanitizing common area

LEASING DEPARTMENT

Leasing Department staff members made adjustments to ensure that they could still perform their essential tasks of welcoming new residential and commercial tenants while working remotely and with as little face-to-face contact as possible. Changes included installing a new leasing document



CADA apartment video on YouTube

drop box to enable contactless delivery of important recertification and leasing documents, conducting virtual tours using Apple FaceTime, and creating video tours of available units that are viewable on YouTube.

The Leasing Department also began offering a new COVID-19 hardship request form to help existing residents and commercial tenants affected by the pandemic. Property Manager Diana Rutley began contacting commercial tenants to let them know about small-business COVID relief resources, and helped them shift to takeout and outdoor dining operations. For example, Rutley made provisions for CADA commercial tenant Urban Yogi to use the outdoor patio at one of CADA's buildings for classes when outdoor socially distanced gatherings were permitted.

EXECUTIVE STAFF

Creative Services and Marketing Manager Karen Ulep is serving on the art panel for two new state office buildings under construction on O and P Streets. The California Department of General Services anticipates completion during 2021.

EFFECTIVE TEAMWORK

COVID-19 RESPONSE

In early April, Sacramento County ordered everyone to wear cloth or disposable masks in public, in order to ensure the availability of N95 masks for healthcare workers. CADA staff members, including Tom Van Syoc, Merri Stutes, Karen Ulep and Jill Azevedo, shone in their response to provide masks, disinfectant and other personal protective equipment for staff members. Because these items were almost impossible to find at conventional outlets, they devised resourceful solutions to obtain supplies, such as ordering hand sanitizer and disinfectant from a brewery in Fairfield and purchasing masks from T-shirt companies. Karen sewed more than 50 masks for CADA staff members to help protect them until the online orders were fulfilled. Staff members have continued to adapt and creatively improvise in order to maintain the ability to safely provide needed housing and services.



Finished masks and Mask templates

MAINTENANCE

During this pandemic, CADA's Maintenance Department staff members have been hard at work attending to emergency service requests and tackling projects that involve building exteriors, basements, vacant apartment interiors and other projects that

are needed to protect the safety of CADA residents, our buildings or our equipment. We appreciate residents' cooperation with the social distancing and mask requirements intended to help everyone to remain safe while staff members are at work on properties.

Repairs needed at our buildings often can't be postponed — even during a pandemic. The CADA Maintenance Department staff was dispatched to respond to numerous emergencies this year. CADA maintenance workers completed an emergency gas pipe replacement at 1327 O Street, while calling in a contractor for another gas re-pipe project at 1420 O Street. Maintenance personnel repaired a significant number of leaks and replaced tub spouts in all apartments at Park Mansion; replaced fencing at Somerset Parkside; and completed an extensive siding replacement project at 17th Street Commons. The remaining fencing portion of the project at 17th Street Commons is being postponed until spring 2021.

At the Dean Apartments, the Maintenance Department is overseeing planned relocation of an electrical transformer to a better location, as well as major electrical rewiring in currently vacant apartments. Work on both projects is expected to begin in the spring, along with sprucing up the Dean Apartments courtyard.

As cold weather set in, the Maintenance Department scheduled inspections of the boiler systems at all CADA properties to ensure that they are

safe and functioning well. CADA contracted with Oliveira Consulting, which specializes in inspecting overhanging elements at residential properties, in compliance with a new state law.

Another major responsibility of the Maintenance Department is to prepare apartments for new residents. After apartments have been occupied for many years, as they commonly are, preparation can be extensive, sometimes requiring an almost total gutting of the apartment. Removal of smoke odors embedded in an apartment in which a prior resident smoked for many years can be laborious and costly. The Maintenance Department rehabilitated several such apartments during the past year.

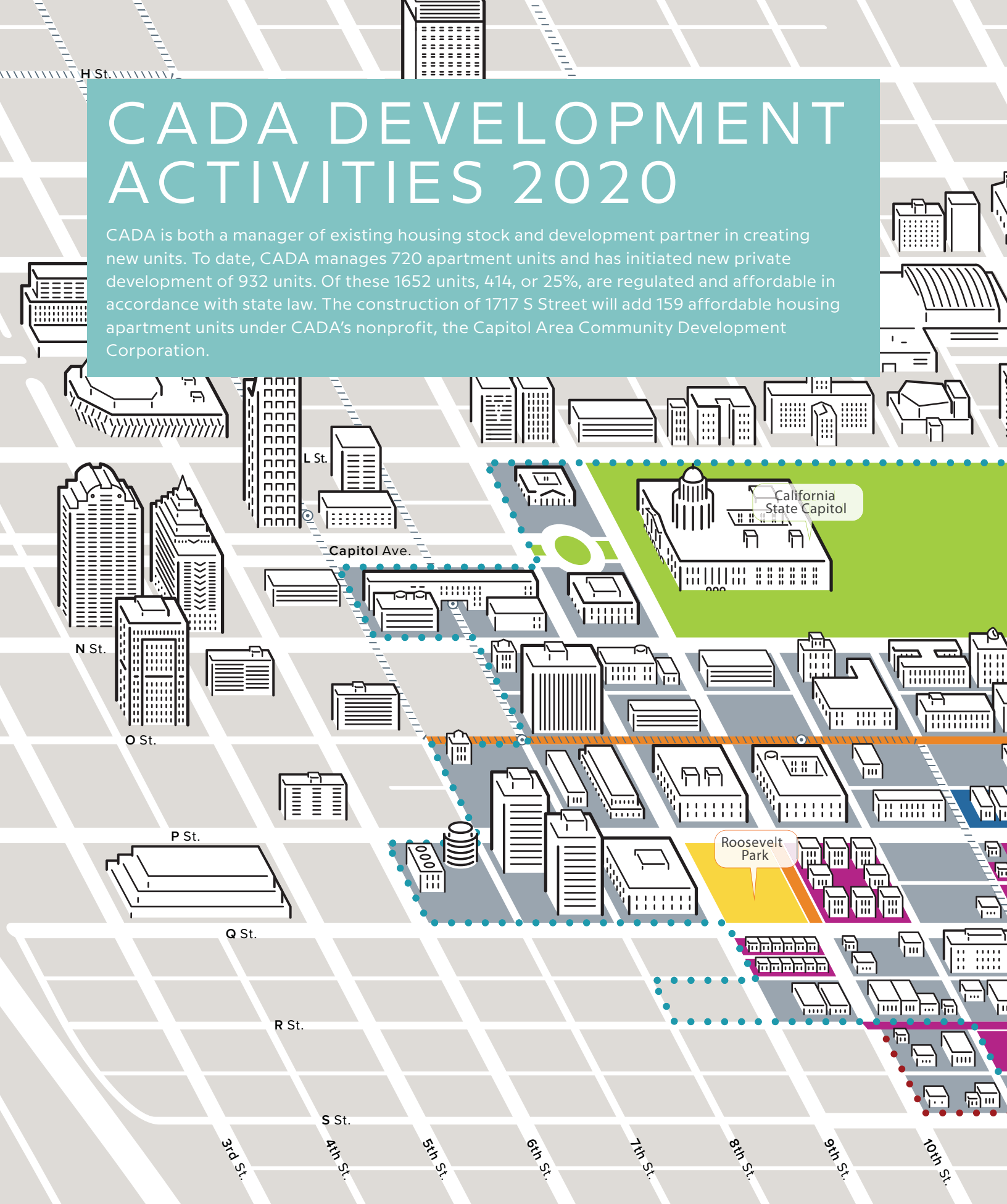
The long list of projects that kept our maintenance staff busy this year included:

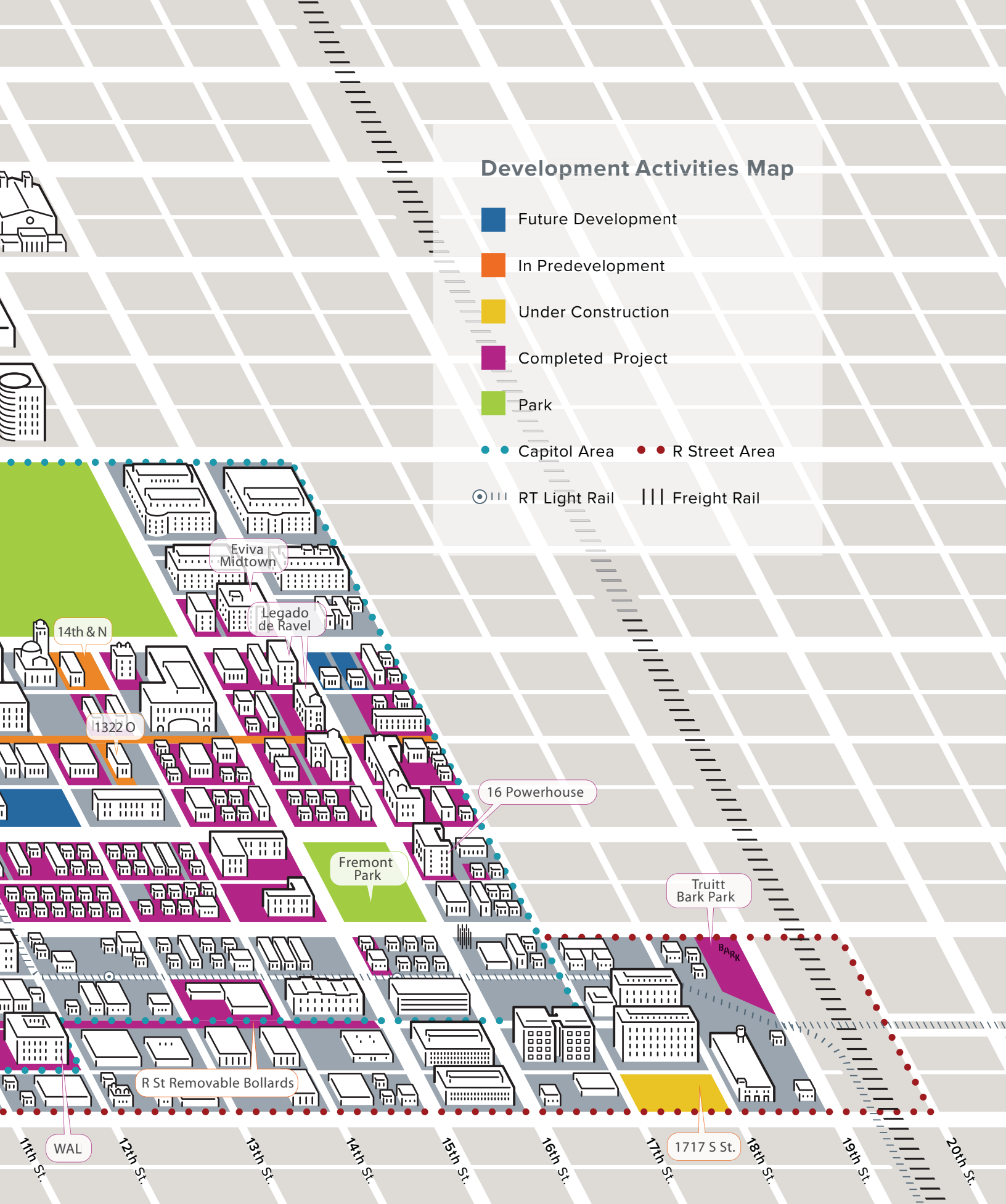
- Replacement of all exterior siding at 17th Street Commons due to extensive dry rot
- Replacement of the fence at Somerset Parkside condominiums
- Installation of a new security system at the Maintenance Department facility
- Replacement of carpet at the Park Mansion and Brannan Court apartment buildings

Although CADA's maintenance staff have been deeply involved in these and other projects, they remain ready to respond if something at a CADA property needs attention.

CADA DEVELOPMENT ACTIVITIES 2020

CADA is both a manager of existing housing stock and development partner in creating new units. To date, CADA manages 720 apartment units and has initiated new private development of 932 units. Of these 1652 units, 414, or 25%, are regulated and affordable in accordance with state law. The construction of 1717 S Street will add 159 affordable housing apartment units under CADA's nonprofit, the Capitol Area Community Development Corporation.

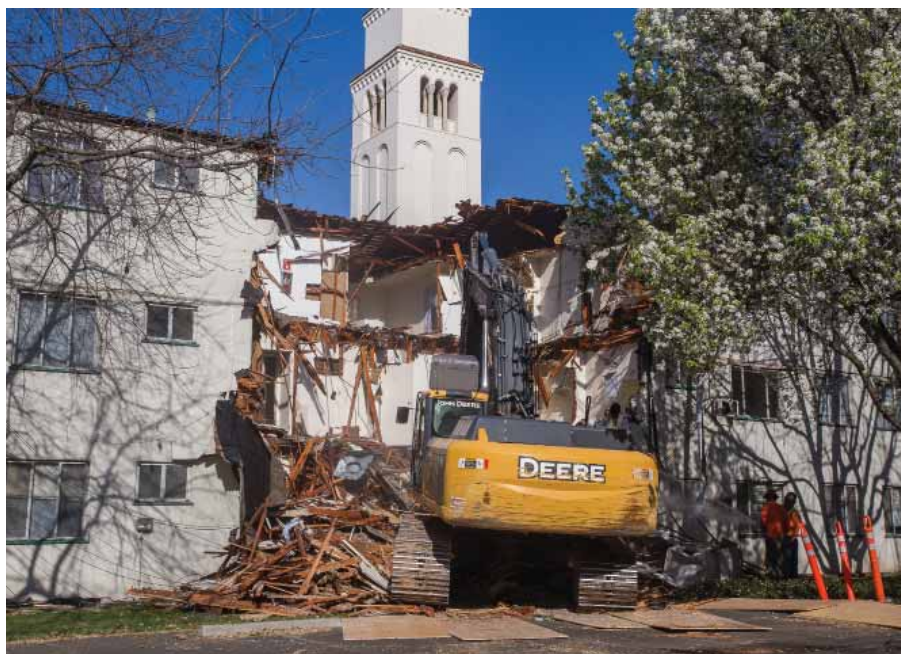




NEIGHBORHOOD BUILDING

DEVELOPMENT

In addition to managing properties, CADA partners with real estate development companies to build new housing and retail properties in the neighborhood, and partners with others on projects that enhance the quality of life for residents of the area. Information on CADA development projects is available on the CADA website at www.cadanet.org or www.Rstreet.info. Explore this overview of planned or in-progress projects that will enhance the CADA community.



Both images above are of the demolition of 1320 N Street in preparation for the Vantage groundbreaking

14th & N Street

CADA has been working with various experts and prospective partners on a vision for a high-quality for-sale mixed-use condominium project at the southwest corner of 14th and N streets (formerly known as CADA Site 21). Despite the best efforts of Cresleigh Homes, financing remained elusive for the project, called the Vantage, because of impacts from the COVID-19 pandemic. The 1320 N Street apartment building on the site was demolished in March to make way for the Vantage, the design for

which envisioned 87 residential units and a café with outdoor seating. CADA remains intent on identifying another qualified developer once the market stabilizes.

1717 S Street

Good news greeted CADA's nonprofit entity, the Capitol Area Community Development Corporation (CACDC), which in partnership with CFY Development, closed financing in October for a project located at 17th and S streets. Construction is already under way on this seven-story project, which

will help further rejuvenate the R Street corridor. The new structure consisting of four modules of three, four and five stories will include ground floor retail space, 159 affordable housing units, a podium-level courtyard, rooftop deck, community lounge, fitness center and secure indoor bicycle parking. The studio, one-, and two-bedroom units are intended for residents with incomes between 50% and 80% of the area's median income. KeyBank Community Development Lending and Investment and KeyBank Real Estate Capital provided a construction loan in the amount

of approximately \$54.5 million for the project, with \$30 million in federal and state tax credit equity proceeds from Alliant Capital and Sugar Creek Capital. The California Housing Finance Agency (CalHFA) and CADA contributed \$11 million in additional funding. Construction began in November, and the building is projected for completion in early spring 2023.

1322 O Street

CADA has secured nearly all of the financing for a 58-unit, 100% affordable apartment project at 1322 O Street, scheduled to begin construction in 2021 on the former CADA Courtyard event space next to Sam's Market. The underutilized site has exceptional public transit accessibility, walkability, and proximity to jobs and services. This is one of the first projects under Gov. Gavin Newsom's Executive Order (EO) N-06-19 for Affordable Housing Development, which prioritizes affordable housing development on excess state-owned property and favors sustainable, innovative, and cost-effective construction methods. The zero net energy (ZNE) envelop will be constructed using cross-laminated timber (CLT) for the horizontal components of the building. CLT has lower carbon footprint compared to standard building materials, such as steel and concrete, because wood products store carbon. CLT is also manufactured to precise tolerances and the panel joints fit tighter resulting in little potential for airflow and much lower thermal conductivity, thereby insulating to high standards. Construction is expected to begin in summer 2021.

16th Street Streetscape Improvements

The CADA Board of Directors in January authorized major re-landscaping of the parkway strip in front of the Stanford Park commercial spaces at 16th



1717 S Street rendering



1322 O Street rendering

& P Streets by spring 2021. The project, which had been postponed due to the COVID-19 pandemic, is a prominent element of the comprehensive CADA 16th Street Streetscape Plan.

10th Street Commercial Streetscape

CADA has made upgrades to Roosevelt Park and the façade along the 10th Street commercial spaces, including adding the basketball courts and softball field, replacing the awnings above the commercial entrances, and commissioning its wildlife mural. To complement this work, CADA

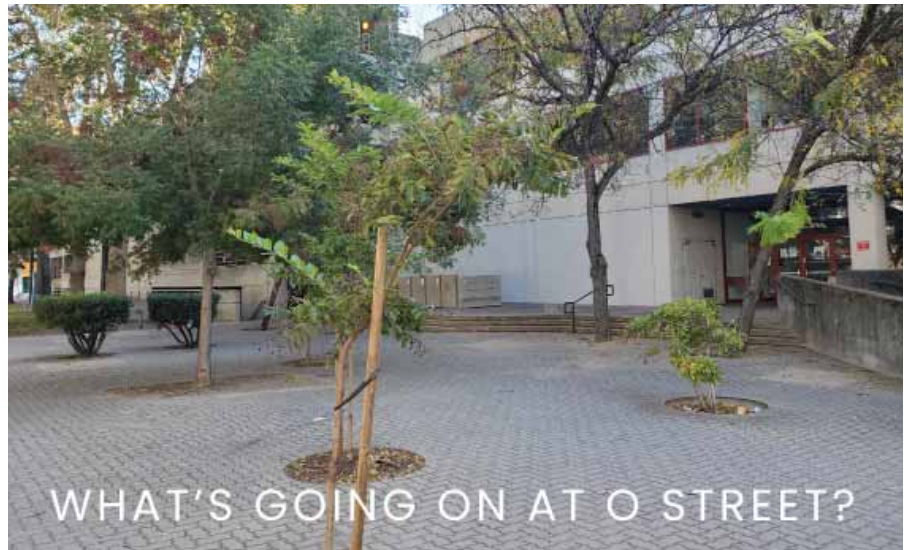
is now focusing on improving the parkway strip along the 10th Street commercial spaces facing Roosevelt Park and the parkway strip associated with Le Croissant at 11th and P streets. CADA hired Sacramento landscape architecture and urban design firm Atlas Lab Inc. to redesign the streetscape. The project, which is intended to help enliven underutilized spaces, includes improved landscaping, art pieces, replacement of the paving and vegetation between the sidewalk and the curb, and other improvements. CADA sought these improvements to encourage pedestrian and bicycle

activity, assist existing commercial tenants, and enhance the overall livability of the neighborhood by making the pedestrian connection between R Street and the Capitol Park-O Street district more attractive. Construction on these improvements is expected to occur during 2021.

O Street Redesign Underway

CADA is preparing to re-landscape portions of the 900 block of O Street as the first phase of the Envision O Street Concept Plan that was finalized in April. The climate-appropriate concept includes development of an arts plaza for that block. Miridae and Atlas Lab Inc. are the consulting landscape architects. CADA also is working with Sacramento Regional Transit on upgrades for the area, including art and enhanced illumination at light rail stations.

Additionally, the City has developed draft creative crosswalk guidelines that are under circulation for public review, in anticipation of review and approval by the Sacramento City Council. The Envision O Street Concept Plan is available for viewing and download as a PDF document on the O Street page on the CADA website (<http://cadanet.org/projects/o-street-improvements-project>).



900 block of O Street plaza



Temporary creative crosswalk at 9th & O



Drawing of 9th & O proposed landscape and plaza improvements

A NEIGHBORHOOD FOR ALL

AFFORDABLE HOUSING

In the Capitol Area, 25 percent of the units on property that CADA leases from the State — or on property that CADA purchased, improved and subsequently sold to private developers — must be affordable to low-income households that earn no more than 80 percent of the area median income (AMI). CADA meets this requirement by providing rent assistance to qualified residents occupying apartments it manages, and by assuring inclusion of affordable units in privately owned projects that CADA initiates. The accompanying table demonstrates CADA's compliance with this statutory mandate.

CADA AFFORDABLE HOUSING SUBSIDY for FYE 2020: \$820,172

While CADA is required to rent 25 percent of its housing at affordable rates, the number of affordable CADA units greatly exceeds the statutory mandate, many at deep levels of affordability. This is the case for two reasons. First, CADA's housing portfolio consists of older units with rental rates notably lower than many other rental properties in the residential marketplace. Second, due to restrictions related to affordable housing construction financing (e.g., tax credits and affordable housing loans), most of the CADA-managed and CADA-initiated units are rented at rates that are affordable to occupants whose income is at or even below the statutory required 80 percent AMI level. The accompanying table illustrates the actual affordability of the CADA-managed and initiated units.

Affordability of CADA Managed & Initiated Units

	At or below 30% AMI	Between 31 and 50% AMI	Between 51 and 80% AMI	Greater than 80% AMI	Total
CADA Regulated Units	33	115	45		193
CADA Non-Regulated Units			436	91	527
CADA Initiated/Private Regulated Units	9	139	72	6	226
CADA Initiated/Private Non-Regulated Units				706	706
Total	42	254	553	803	1652
Percent of Total	3%	15%	33%	49%	100%

R Street Regulated Affordable Housing

Dwelling Units	Total	Regulated
Produced since 2002	164	0
Projected in 2032*	797	119

* Assumes all units built in the R Street area are developed by entities other than CADA.



FINANCIALS

STATEMENT OF REVENUES & EXPENSES

The balance sheet indicates positive net results. In fact, CADA has achieved positive net results throughout each of the past six years.

CADA receives no operational financial support from either the State of California or the City of Sacramento, and develops and manages its own budget. CADA's primary revenue stream is the rental income it receives for the apartments, commercial properties and parking spaces that it manages.

The low-income rent assistance component encompasses the CADA Scattered Site Program (CSSP), which is CADA's internal affordable housing program, the majority of which CADA funds from its own revenue streams. Established in 1982, CSSP is structured to assist households at the very low and extremely low-income levels. Tenants who qualify for the CSSP rent assistance program pay a fluctuating rent based on 30 percent of household income (or up to 40 percent of income for Housing Choice Voucher Program households), less a utility allowance. Funding affordable housing within our operational expenses has been a core function of CADA throughout the past four decades.

In addition to preserving critically needed affordable rental units, CADA's rehabilitation, maintenance and management of the housing stock that it has overseen since 1978 maintains the neighborhood stability necessary to attract private investment.

Statement of Revenues & Expenses 2020

Revenues:

Rental of property and equipment	\$8,920,315
Less: low-income rent assistance	(\$820,172)
	\$8,100,143
Property tax revenue	\$6,772,791
Interest on investment	\$444,972
Development revenue and grants	\$84,419
Other	\$23,628
Total revenues	\$15,425,953

Expenses:

Employee services and benefits	\$4,336,031
Services and supplies	\$2,438,297
Development projects	\$1,565,254
Repairs and maintenance	\$1,922,081
Bad debt expense	\$19,650
Depreciation	\$825,849
Interest expenses	\$1,517,653
Total expenses	\$12,624,815
Net results	\$2,801,138





Property Tax Sources & Uses During
Fiscal Year Ending 2020

Capitol Area Property Tax:

Revenues: **Unrestricted** **For affordable housing**

Source		
Current year	\$3,146,351	\$786,588
Prior year (unexpended)	\$1,106,831	\$92,879
Total	\$4, 253,182	\$879,467

Use		
Bond debt service	\$528,962	\$133,802
I-Bank note debt service	\$39,114	-
Direct expenditures	\$2,940,010	\$708,925
Reserves	\$745,095	\$36,740
Contribution to fund balance	-	-
Total	\$4,253,182	\$879,467

R Street Area Property Tax: **Unrestricted** **For affordable housing**

Source		
Current year	\$2,271,882	\$567,970
Prior year (unexpended)	-	-
Total	\$2,271,882	\$567,970

Use		
Bond debt service	\$35,211	\$7,042
Direct expenditures	\$836,250	-
Reserves	\$1,400,421	\$560,928
Total	\$2,271,882	\$2,271,882

Property taxes are used to help fund affordable housing, building maintenance, and neighborhood improvements. Bond debt service, which CADA repays over time, is a means through which CADA secures funds to underwrite new development projects.



1717 S Street soil remediation



1717 S Street soil remediation



1400 block of R Street outdoor dining due to Covid-19

CADA HIGHLIGHTS

2020



RSR Mike Orr

January Internal medicine physician and radio talk show host Dr. Drew Pinsky was the keynote speaker Jan. 21 at the State of Downtown breakfast, hosted by the Downtown Sacramento Partnership. In his talk, the addiction specialist focused on homelessness and the housing crisis.

CADA held a celebration of life on January 7 for long-time CADA Resident Services Manager Mike Orr (pictured top left). Mike was a highly valuable and respected member of the CADA team. In his over twenty years of service, there were a number of years at CADA where Mike did not miss a single day of work, either from illness or vacation, due to his hard work ethic. He is greatly missed.

February CADA held a workshop on Feb. 27 to create a new vision that integrates public art into a reimagined, climate-appropriate landscape for the 900 block of O Street. The workshop attracted more than 30 attendees who reviewed a draft landscaping plan and collaborated in developing an art master plan for the block.

In recognition of CADA's history of progressive infill development of affordable housing in Sacramento's core, the Sacramento City Council voted in favor

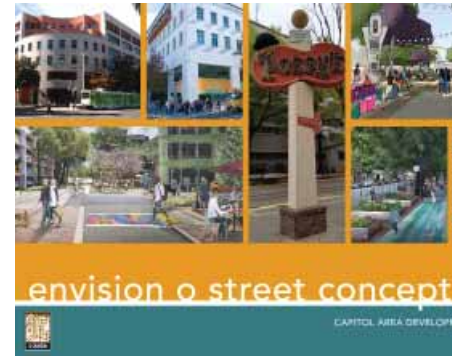


Wendy Saunders's feature in Comstock's

of extending CADA's joint powers agreement with the State of California. The Council extended the expiration date of the agreement by 13 years, to July 1, 2055. The former 2042 expiration date had begun to constrain CADA's ability to undertake financing of affordable housing projects with bonds, which customarily are issued for 30-year terms. Underwriters typically look five years beyond the bond maturation date when making lending decisions — hence, the 2055 sunset date. The California Department of General Services has indicated its support of the City's action. Continuation of CADA's mission is consistent with the City's 2035 General Plan, which states that the City "shall facilitate infill development through active leadership and the strategic provision of infrastructure and services and supporting land uses."

March Comstock's magazine commemorated the 100th anniversary of the passage of the 19th Amendment with its annual "Women in Leadership" issue in March. The issue's main feature article shone a spotlight on 19 women leaders in our region — including CADA Executive Director Wendy Saunders.

The stay-at-home orders that Gov. Newsom issued in response to the



Cover of Envision O Street Concept Plan

COVID-19 pandemic prompted closure of the CADA office beginning March 16 for what was initially anticipated as a three-week hiatus. We had no idea then of the impending magnitude of the pandemic.

CADA began distributing a COVID hardship form to residents who were struggling to pay full rent as a result of the pandemic. CADA reduced or waived monthly payments for qualified financially stressed renters while keeping their rental accounts in good standing. CADA subsequently extended similar flexibility to some commercial tenants that experienced catastrophic declines in revenue.

April The CADA Board accepted the final Envision O Street Concept Plan, which describes streetscape design strategies that will increase the safety and comfort of all travel modes. The improvements will constitute a network of welcoming public spaces that will help establish O Street as a premier pedestrian-scale corridor. CADA staff members developed the plan in collaboration with consulting firm MIG. The impending implementation phase will have several components: re-landscaping portions of the 900 block to be more climate-appropriate; developing an arts vision for that block; partnering with Sacramento Regional Transit on funding applications



Former Board Member Kristan Otto

seeking grants for upgrades to O Street light rail stations; constructing an affordable housing project with climate-appropriate plantings on the 1300 block; planning for re-landscaping on the 1400 block; and focusing on improving the pedestrian crossing at 15th and O streets.

Former CADA Board Member Kristan Otto died at age 75 on April 1 following a long illness. Kristan, who was manager of the City of Sacramento's Economic Development Department, had a long list of accomplishments, including establishment of The Ross Company real estate development firm, and the Kristan Otto Group, a landscape design and contracting business. She left an indelible imprint as a member of the CADA Board's Development and Construction Committee. CADA donated \$200 in her honor to the nonprofit Northern California Construction Training, Inc.

May The new owner of the Admail Express Building at 1510 14th Street bought out the ground lease, thereby gaining full ownership of the entire site, both the land and building. Key to the sale was the crafting of an agreement with CADA that would allow the business owner to continue renting parking behind the building until commencement of the development of the Courtyard site, and thereafter at nearby parking lots. The site originally was developed by Phil Schott in 1983 and had been rented as a CADA ground lease site since then.

In response to the difficulties faced by restaurants during the pandemic, the City of Sacramento, in partnership with Midtown Association and



Protesters gathered at California Capitol

Downtown Sacramento Partnership (DSP) announced a program on May 13 called "Farm-to-Fork Al Fresco." It was designed to promote outdoor dining in existing patios, public space, and off-street parking areas to help restaurants retain customers while keeping diners far enough apart. Councilman Steve Hansen, the driver behind this program, said in a news release, "Outdoor dining is a hallmark of the Sacramento food experience... Expanding the space available for people to enjoy our food scene helps us meet distancing rules while bringing life back to our neighborhood restaurants and commercial corridors." Later in May, the City announced a grant program that would provide up to \$3,000 per participating restaurant for expenses related to the new or expanded outdoor dining service.

On May 15, CADA's Board of Directors agreed to suspend rent increases for CADA residential tenants who sign a 1-year lease in FY 20-21, as a means of helping them cope with COVID-related hardships.

June CADA kicked off the 10th Street commercial facades and streetscape improvements project with Atlas Lab Inc. The project focuses on modernizing the streetscape directly fronting CADA commercial tenants on 10th Street between O and P streets across from Roosevelt Park (Yummy Choice, OB 2000 restaurant, Bagel Time, and Goodyear Cobbler & Cleaners), and at 11th and P Street (Le Croissant). On June 1 downtown Sacramento prepared for a second night of rioting and looting in protest of the unjustified death of George Floyd. CADA commercial



Leasing document dropbox

tenants boarded up windows to protect their businesses. An 8 p.m. City-mandated curfew and a heavy National Guard presence in the area were intended to help diminish violence and damage.



Two National Guard soldiers patrolling outside park mansion

Closure of the CADA office posed a problem for residents seeking to return bulky lease and Affordable Housing Recertification packets. To assist with submission of large documents and all non-rent correspondence, CADA installed a colorful new document dropbox to the left of the office entrance at the corner of 14th and P streets.

Gov. Newsom issued an order on June 18 requiring face masks to be worn in most public settings. That superseded a health order that the County



1322 O Street rendering



1717 S Street soil remediation



10th Street improvements rendering

of Sacramento instituted on May 22 requiring masks to be worn at all times “when (6 feet of) social distancing is not possible” whether indoors or outdoors. To help local businesses staggering under the financial strain caused by the COVID-19 pandemic, CADA Executive Director Wendy Saunders extended full rent abatement an additional month for most of CADA’s commercial tenants through July, along with a 50% rent abatement for the remainder of the year through December.

July CADA submitted a Transit-Oriented Development (TOD) Housing Program loan application for \$10 million, through the California Department of Housing and Community Development, to finance construction of the 58-unit, 100% affordable apartment project at 1322 O Street. The TOD Program focuses on increasing public transit ridership by funding higher-density affordable housing developments within one-quarter mile of transit stations, along with infrastructure improvements necessary for the development of specified housing developments. CADA worked closely with Sacramento Regional Transit on a companion TOD application for low-floor platforms as part of the Light Rail Modernization Project.

CADA held interviews with the 10th and P Street and 11th and P Street commercial tenants to identify their needs and vision as part of the 10th Street Commercial project.

August The CADA Connections newsletter distributed to residents on August 3 contained a mandatory

Proposition 65 Annual Warning Notice regarding the presence of chemicals and toxins at CADA’s properties. This issue of Connections also notified residents of CADA’s decision to make all properties smoke-free by the end of 2021 (effective August 1, 2020, for new tenants wishing to move in; January 1, 2021, for residents on month-to-month terms; and throughout 2021 as the leases of continuing residents expire). The newsletter also described the soon-to-be implemented CADA CallMax phone system that will enable staff members to reach CADA residents quickly by email or text with important messages, such as building maintenance updates or COVID-19 related information.

September Karma Brew installed additional outdoor seating on a new deck on the grass strip along P Street, at 16th Street. The cozy bar and restaurant thus became CADA’s first commercial tenant to add new outdoor seating as part of the City’s Farm to Fork Al Fresco outdoor dining program.

October CFY Development, in partnership with the Capitol Area Community Development Corporation, closed construction financing for 1717 S, a 159-unit affordable housing project.

November Ground was broken for construction of the 1717 S project. Work at the site began with soil remediation to ensure the health and safety of its future residents.

CADA commercial tenants along 10th

Street between P and Q streets reviewed CADA’s final plans for streetscape improvements on the block, conceived as part of the overall plan to revitalize Roosevelt Park and neighboring CADA properties. Nearly complete improvements to the park include reconstruction of the baseball facility with new benches, bleachers, fences, lighting, a new backstop and infield, as well as new picnic areas and a fitness court. CADA anticipates that those and other improvements will encourage more pedestrian and bicycle activity, attract clientele to the existing commercial tenants, and enhance the overall livability of the neighborhood by making the pedestrian connection between R Street and the Capitol Park-O Street district more attractive. CADA plans to collaborate with the City to refresh the perimeter fencing of Roosevelt park along 9th and P streets.

After enduring closure due to the pandemic, Simon’s Bar & Café at 1415 16th Street staged a soft re-opening in November, becoming CADA’s second commercial tenant to install additional outdoor dining space. Owner Simon Chan set up tables in the yard of the adjacent commercial property formerly occupied by the Hand in Hand Child Development Center. He and his loyal customers are hopeful that the outdoor space and take-out business will help sustain the restaurant.

December The 1322 O Street affordable housing project was awarded Transit-Oriented Development funds from the California Department of Housing and Community Development, along with federal tax credits, and bonds providing critical gap financing.



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