



February 15, 2024

TO: CADA Board of Directors

SUBJECT: **February 23, 2024, Board Meeting**
AGENDA ITEM 5
STRATEGIC PLAN DISCUSSION AND ADOPTION

CONTACT: Danielle Foster, Executive Director
Kim Tucker, Facilitator/Consultant, Impact Foundry

RECOMMENDED ACTION:

Staff is recommending the CADA Board approve the attached resolution (Attachment 1), adopting the updated CADA Five Year Strategic Plan for implementation (Attachment 2).

STRATEGIC PLAN UPDATE

Staff has continued work with the plan consultant, Kim Tucker, including holding additional staff leadership team meetings on this topic, as well as Ms. Tucker holding one on one meetings with staff and finishing Board outreach. Staff is also close to completing the tenant survey as an additional source of feedback that will guide tasks and next steps within the framework of the plan. Each of these components, with the attorney's organizational background memo, community partner conversations (summarized in Attachment 3), the all-staff organizational values vote, and regular Board discussions have informed and strengthened the final plan.

The final plan provides the structure to unify organizational culture and vision, uniting staff under common values and mission, while also providing the accountability necessary to carry out organizational goals with established metrics. This structure is done in a way that allows for staff autonomy and nimbleness to quickly respond to organizational issues and opportunities creatively through the responsible use of resources.

BACKGROUND: CADA 2023 STRATEGIC PLAN UPDATE PROCESS OVERVIEW AND STEPS TO DATE

Overview: Multi-prong approach that incorporates input from the City and State, CADA Board, CADA Staff, CADA Community Partners, and CADA Commercial and Residential Tenants.

Goals of Plan Update Process:

1. A Thoughtful Plan: Ensure key community stakeholder and Board of Directors input into the strategic plan, along with staff.
2. Accountability of the Plan: Align staff work plans and personnel evaluation criteria with key objectives of strategic plan.
3. Build Organizational Culture: Engage staff in establishing organizational values and link these values to staff performance reviews and elements of the business plan.
4. Tell a Compelling Story & Engage Our Community: Update and ensure consistency in use of CADA's branding assets: logo, mission, vision, values, tag line.

Timeline and Process:

City and State, CADA Board, and Community Partners: At the August 18th Board Meeting, Board members, representatives of the City and State, and representatives of Community Partners discussed the following questions:

- 1) What do you value most about CADA and its work?
- 2) How can we best partner with you and your organization over the next five years?

The subject areas of these comments are summarized in the attached (Attachment 3) for review and discussion.

Invited Community Partners included:

- State DGS representatives
- City Mayor and D4 representatives, City staff Office of Innovation and Economic Development and Planning Division representatives
- Sacramento Regional Transit representative
- SMUD representative
- Sacramento Downtown Partnership (DSP), Midtown Association, R Street Partnership representatives
- Artist representative
- CFY representative, Anthem Housing representative, Pacific Housing representative, Habitat for Humanity representative, Urban Capital representative
- Step Up representative
- Former Executive Directors

Written comments were also requested from Atlas Lab, Friends of Fremont Park, Fulcrum Properties, Miridae, Mogavero Architects, Ravel Rasmussen Properties, SKK, Tricorp, Urban Elements, Vrilakas Groen architects, and others.

CADA Staff: All CADA staff received a Values Survey to vote on CADA's top organizational values in this update. Surveys are continuing to be received and information will be shared at the meeting. Kim Tucker also facilitated a brief conversation with the Leadership Team on August 29th and another focused discussion at the September 12th Leadership Team meeting. Values statements are in draft form and staff was provided an ice cream party for its survey responsiveness. Kim Tucker conducted one on one conversations with CADA leadership staff and others upon request. Kim is also attended the December 5th and February 6th Leadership Team meetings for additional conversation and follow-up to the values statements and other aspects of the plan, including the draft plan. The values statements were also circulated to the leadership team in January for additional comments and edits.

CADA Commercial and Residential Tenants: Survey questions will be sent to tenants to provide them opportunity to comment on what is working and what they would like CADA to consider as part of our priorities over the next five years. CADA is working with a consultant to complete this survey of CADA tenants.

Board of Directors Engagement:

- Kim Tucker reached out to Board members to invite their reflections on the priorities of CADA.
- September 29th, October 27th, and December 8th were strategy sessions with the Board of Directors.
- The Board received additional background information on CADA's authority and resources.
- The results of Board input will be incorporated into a draft strategic plan to be presented for Board discussion in February 2024.

Follow-up interviews, focus groups, and/or other steps were completed to gain staff input and partner input.

This information was combined and aligned with the current CADA Business Plan, and is drafted to provide an organizational vision for the next five years. This vision will be further incorporated into staff incentives, evaluations, board reports, and other organizational documents.

POLICY ISSUES

CADA works to update its Strategic Plan every five years. Due to COVID and staff retirements, this process has been delayed. This process is critical to prioritizing current goals and future policy and program areas and in continuing to be a good partner, landlord, and community agency.

STRATEGIC PLAN

This item is to work on the update of the existing, expired Strategic Plan, receiving input from partners, tenants, staff, and Board.

FINANCIAL IMPACT

The facilitator contract does not require Board authorization because it is less than \$50,000. The Strategic Plan will guide use of CADA resources.

ENVIRONMENTAL REVIEW

Not applicable. This is an administrative action and is not a project subject to the requirements of the California Environmental Quality Act (CEQA).

Attachments:

- 1) Resolution 24-13
- 2) CADA Five Year Strategic Plan
- 3) Strategic Plan Community Listening Session Summary – August 18, 2023, with written comments from community partners (updated October 2023)

RESOLUTION NO. 24 – 13

February 23, 2024

Adopted by the Capitol Area Development Authority

RESOLUTION APPROVING THE CADA FIVE YEAR STRATEGIC PLAN

WHEREAS, staff and its consultant have engaged CADA partners and stakeholders, the Board, and organizational staff in this update to the organization’s strategic plan;

WHEREAS, staff is also gathering feedback from CADA residential and commercial tenants in how to carryout the goals and mission of the plan;

WHEREAS, having an updated plan will provide unified organizational values, mission and vision that will guide staff and act as a metric for accountability; and

WHEREAS, the plan provides a shared understanding of CADA’s goals for the next five-year period.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Capitol Area Development Authority that the attached CADA Five Year Strategic Plan is approved.

Ann Bailey, Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors

Attachment:
CADA Five Year Strategic Plan

CADA Strategic Plan

February 23, 2024

Goals of Plan Update Process:

1. **A Thoughtful Plan:** Ensure key community stakeholder and Board of Directors input to the strategic business plan along with staff.
2. **Accountability of the Plan:** Align staff work plans, recognition, and personnel evaluation criteria with key objectives of strategic business plan.
3. **Build Organizational Culture:** Engage staff in establishing organizational values and link these values to staff performance reviews and elements of the business plan.
4. **Tell a Compelling Story & Engage Our Community:** Update and ensure consistency in use of CADA's branding assets: logo, mission, vision, values, tag line, and organizational partnerships and work outcomes grounded in these assets.

Organizational Description: CADA is a city-state joint powers authority formed in 1978 by the City of Sacramento and the State of California through the Department of General Services (DGS) pursuant to joint powers law, Govt Code section 6500 et seq., and created with the core mission to implement the objectives of the Capitol Area Plan, specifically those objectives related to the upkeep and provision of a variety of housing types and thriving retail.

CADA receives two primary types of revenue: (1) rent proceeds from CADA-managed rental properties, and (2) property tax revenues collected within CADA's neighborhoods.

Vision Statement: [The CADA vision is that] Through innovative partnerships and creative community development solutions, businesses and residents thrive.

Mission Statement: [Our mission is to] Build and maintain vibrant, sustainable, mixed-use neighborhoods that support California's capital city.

Tag Line: CADA Cultivates Community

Values: The CADA team focuses on our priorities and on each other in the delivery of our mission.

1. **Accountability:** We live our ethics as innovative community development leaders, transparently working to achieve excellence in construction, property management, placemaking, and sustainability, while responsibly utilizing our resources.
2. **Customer Service:** We are committed to creating and managing quality spaces in which people live, work, and thrive. Our customer service is responsive and reliable for clients, partners, and co-workers.
3. **Teamwork:** We collaborate and demonstrate empathy, utilizing our diversity of talents and perspectives as our strength while supporting each other in our daily tasks and professional growth, making CADA an employer of choice.

Strategic Plan Strategies & Activities (Informing staff business plan and work plans)

Objective 1: Fiscal Strength

Description: Maintain a strong financial footing that allows CADA the flexibility to initiate new development projects, increase neighborhood activation, attract and retain a high-quality team, and deliver on our mission imperatives.

Strategies and Activities

- A. Implement comprehensive software solutions that streamline work processes and further organizational coordination and efficiency.
 - 1) Increase information sharing and communication between departments.
 - 2) Coordinate staff onboarding and training to ensure full adoption of systems, processes, and values.
 - 3) Implement digital communications and services for tenants.

 - B. Maximize existing sources of revenue in balance with CADA's mission and public policy objectives.
 - 1) Create more efficiency in the turnover of vacant units and commercial spaces, including timely and fairly charging back to deposits for CADA expenses.
 - 2) Update policies to streamline contracting and leasing processes.
 - 3) Pursue opportunities for additional revenue within existing resident rental assistance and related programs.

 - C. Pursue new forms of revenue to support expansion of CADA's impact.
 - 1) Consider new grant funding opportunities.
 - 2) Seek financial partnerships that further CADA's mission.
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Objective 2: Community Development Leader

Description: Fulfill CADA's mission by being a leader in construction, property management, environmental sustainability, and placemaking.

Strategies and Activities

- A. Increase housing availability by reducing vacancies and expanding projects.
 - 1) Reduce average residential unit turnover time by 50% and reduce Maintenance holds on units [current turnover goal is 3 to 15 days, with 30 days most common].
 - 2) Streamline the move-out inspections and referrals to the Maintenance Department to speed up work orders and reduce repeat work in units to ready them for leasing.
 - 3) Job share and cross-training for Maintenance staff to help with needed back-up skills and succession planning.
 - 4) Define an organizational "housing unit standard" amongst Maintenance, Leasing, and Marketing team members to ensure consistency in unit inspections and sign-off for marketing and leasing units.
 - 5) Streamline and plan vendor assignments to reduce wait time for outside contract work orders and materials.
 - 6) Implement a digital materials inventory tracking system.
 - 7) Acquire and renovate a new warehouse building to ensure more materials storage capacity to increase the efficiency of CADA's materials acquisition process by reducing vehicle miles traveled (VMT).

- B. Conduct a Comprehensive Needs Assessment (CNA) of all CADA buildings to inform our long-term planning.
 - 1) Plan and budget for the sequencing of Capital Improvement Program projects that thoughtfully invest in environmental sustainability and resiliency and in the continued ability of our buildings to function well for CADA's residential and commercial tenants.

- C. Develop a variety of housing types.
 - 1) Identify opportunities to bring more housing online that addresses local needs.
 - i. Work with partners to further strategic projects.
 - ii. Engage in a minimum of two active development projects per year.
 - iii. Identify and acquire catalyst sites that support CADA's mission and can inspire neighborhood or corridor revitalization.

 - 2) Preserve and rehabilitate existing housing, corridors, and neighborhoods through thoughtful acquisition and assistance.
 - i. Continue to engage our community partners in identifying development opportunities, while maintaining our existing properties and ensuring innovation in our development efforts.

- D. Invest in climate resiliency, water conservation, and carbon footprint strategies that demonstrate our commitment to environmentally-sustainable practices.
 - 1) Set goals for energy usage reduction in existing buildings and a commitment to sustainable development in future projects.
 - 2) Reduce paper usage throughout the organization.
 - 3) Implement water systems that replace the use of bottled water.
 - 4) Install sustainability upgrades in existing CADA residential buildings, such as gutterguards, dual-pane windows, cool roofs, turf replacement, and more efficient HVAC and water heating.
 - 5) Institute Maintenance Department training in new building heating, cooling, power generation, and lighting systems and technologies that support climate resiliency that CADA installs in its buildings.
 - 6) Investigate efficacy of possible CADA vehicle fleet conversion to all-electric.
 - 7) Implement streetscape upgrades that reduce water consumption and maintenance needs.

- E. Identify and fund placemaking that activates and strengthens neighborhoods.
 - 1) Seize opportunities to improve public spaces and/or incorporate events, public art, mini museums, and Sacramento's culture and history into a neighborhood.

- F. Influence public policy that advances CADA's mission.
 - 1) Ensure CADA representation in public discussions of community development policy and practices that relate to or directly impact CADA's work.

- G. Tell an effective story that proves CADA's community value. Identified audiences include: current residential and commercial tenants, State and City elected and agency leadership, developers, vendors and contractors, business and neighborhood associations, grant funders, CADA staff and prospective staff.
Our story will:
 - 1) Include our value-add rationale in all external communications; and our business plan will document our resource management strategy and how we evaluate our success.

- 2) Ensure professional and effective external communications through use of an annual content calendar, training, and an internal review process.
- 3) Launch and maintain an internal communications strategy that prepares all staff to speak to who we are and why we're here.

Objective 3: Employer of Choice

Description: Continue to invest in our team members and support a culture of excellence and accountability in all the work we do.

Strategies and Activities

- A. Review organizational structure, make upgrades to increase efficiencies and expand teamwork.
 - 1) Ensure CADA's hiring practices, pay levels, and benefits are competitive.
 - 2) Organize teams to streamline management duties.
 - 3) Consider new positions and/or reorganization of existing roles that increase efficiencies.

 - B. Demonstrate a culture of accountability within CADA at all levels of the organization.
 - 1) Tie values and elements of the strategic plan to periodic and annual performance reviews.
 - 2) Reward demonstrated adaptability and problem-solving that leads to efficiencies.
 - 3) Increase cross-training opportunities and interdepartmental coordination to build team synergy, reduce errors, and a shared understanding of each division's role.
 - 4) Strengthen staff onboarding
 - 5) Increase communications regarding employee benefits to ensure all staff understand available benefits and how to participate in them.

 - C. Provide opportunities for staff training and growth.
 - 1) Offer continuous training opportunities including, but not limited to, topics of supervisory and management skills, customer service, time management, project management, Fair Housing rules, Brown Act requirements, and Diversity, Equity and Inclusion principles.

 - D. Support long-term planning and leadership succession at the staff and Board level.
 - 1) Support leadership staff to build "design time" into their schedules to ensure attention to long-term priorities and strategies.
 - 2) Create a leadership pipeline for key positions as a way to prepare for retirements and ensure continuity of CADA priorities and services.
 - 3) Establish regular meetings between Board members and offer outside trainings to support leadership development and succession.

 - E. Prioritize organizational culture as part of strategic plan adoption.
 - 1) Host employee engagement activities to assess company culture and proactively look for ways to improve our employees' experience.
 - 2) Conduct retention and exit interviews as part of Human Resource's continuous improvement efforts.
 - 3) Commit to efficient internal meetings, establishing meeting agreements and objectives.
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Strategic Plan Community Listening Session Summary- August 18, 2023 (WAL) and Written Comments from Community Partners

Subject	Comments/Concerns
Support for the selection of Danielle Foster as the ED of CADA (CITY)	<ul style="list-style-type: none"> • "loss for the City but a great visionary for CADA" (CITY) • "no one better for this work" (CITY)
Support for CADA expanding its role within the CITY, doing creative things to better the community, like CLTRE Club, considering all the aspects of community development and being nimble (CITY)	<ul style="list-style-type: none"> • CADA looks at the neighborhood as a community, not just one use or another, partnerships and events (R Street PBID) • Agreement for CADA to consider expanding its boundaries and finding opportunity parcels- (DSP) • Look at expanding across downtown (CITY) • Supportive of concept with a desire to consider CADA's overall role as a housing organization across the region compared with other organizations (BOARD) • Don't let expansion distract from the community development components- grocery store, child care, etc., supportive of downtown focus (CITY) • Supports expansion so long as it is balanced with hitting existing objectives (R Street PBID) • Wouldn't want expansion to impact ability to be nimble, resourced (Board Member) • "a bigger geographic area is a good idea" (SacRT) • Supportive of expanded boundaries (Urban Capital) • Don't dilute a great thing (Local Artist) • Supportive of keeping a sense of place in CADA's work (BOARD)
CADA has been instrumental in how the downtown city looks today (STATE)	<ul style="list-style-type: none"> • Agreement from Urban Capital- "great buildings from CADA" • Agreement from SacRT- "enjoyed the transformation of the City under CADA" • Agreement from R Street PBID- "the impact of CADA has been great" • Agreement from DSP- "appreciates CADA's looking forward focus" • Agreement from CITY- "and how do we partner in the downtown and make up for the loss of state workers?" • Agreement from CFY- "CADA has been CFY's favorite development partner"
CADA ensures wrap around services to CADA tenants who need it in order to ensure their successful integration into the community (SERVICE PROVIDER- Step Up)	<ul style="list-style-type: none"> • Continue to grow supportive services to ensure adequate resources for tenants (Step Up) • Continue using partnerships to provide services

Subject	Comments/Concerns
Support for CADA prioritizing the Middle-Income Housing Program (DEVELOPER-Urban Capital, CITY, DEVELOPER-CFY)	<ul style="list-style-type: none"> • Need for middle-income housing is quite apparent in the affordable housing application process, most recently at ARY Place (CFY) • Supportive of CADA "scaling up more housing solutions"- (Urban Capital) • The City is interested in providing "seed money" to match CADA on the Middle-Income Housing Program (CITY) • Supportive of CADA providing other models to ensure downtown occupancy and culture (DSP)
CADA prioritizes public art and esthetic, a sense of place and supports local artists, compensating them appropriately (LOCAL ARTIST)	<ul style="list-style-type: none"> • CADA provides access to opportunity (LOCAL ARTIST/TENANT) • Supportive of maintaining this value (BOARD)
Support for CADA prioritizing homeownership in urban neighborhoods. (DSP)	<ul style="list-style-type: none"> • Supportive of homeownership options downtown, has been looking at lease to own models (Urban Capital) • Supportive of CADA providing other models to ensure downtown occupancy and culture (DSP)
Support for CADA partnering on technical assistance and legislative work on reforming Condominium Defect Liability (CDL) legislation. (DSP)	<ul style="list-style-type: none"> • Supportive of reform and options for ownership housing (Urban Capital) • Supportive of looking at other models that work (DSP)
Support for CADA prioritizing sustainability, all-electric, green features, etc. (SMUD)	<ul style="list-style-type: none"> • Supportive of advanced warning for development of new construction projects (SMUD) • Supportive of housing and transit connection and CADA's work as a streetscape partner (SacRT)
Support for evaluating opportunity to update the Capitol Area Plan (BOARD)	<ul style="list-style-type: none"> • "serves as our North Star." (BOARD) • "encouraged by these ideas" (STATE)

Written comments:

Former Director-

- strengths- fiscal stability, skilled in affordable housing production, good community relations, non-profit arm, respected Board
- weaknesses- length of land leases, age of building stock, lack of media presence/recognition for successes
- opportunities- development sites, transit-oriented sites that could allow for development in Sacramento and Yolo and the metropolitan area, non-profit arm for affordable housing and workforce housing- can establish CADA as a leader for Sacramento and the capitol area and surrounds, media partnerships to expand CADA reputation, assist with State reuse work, pursue available affordable housing funding, a vision for success and means to accomplish it
- threats- state budget deficit

Metro Chamber-

- value your commitment to finding creative solutions to housing challenges, which is going to continue to be key
- CADA is moving quickly on both small, hyper-local projects that building community and on large scale projects that build housing, and community
- Chamber is happy to support CADA's work and partner on creative solutions

Urban Elements-

- Need ED furthers innovation and builds consensus around the mission
- Continue to be focused and clear on your role and responsibilities, work with partners who understand what they contribute and why
- We are committed to explore creative ways to partner in housing innovation
- Let's continue to innovate and create strategic partnerships
- Be willing to make mistakes in the process of innovating and getting things right

SKK Development-

- CADA is a great asset/tool for the City of Sacramento
- CADA has played and will continue to play a vital role in the physical development of the Capitol area
- Response to the City and local neighborhood
- CADA's willingness to pursue innovation solutions working with the private sector to provide workforce housing is something we encourage.
- SKK is interested in partnering with CADA on development of new mixed-use projects, particularly new ownership housing which has not occurred since our development project more than 20 years ago.
- SKK would also like to work with CADA to acquire recently constructed apartments for long-term operation as affordable workforce housing, both within and outside the Capitol Area.