



January 19, 2024

**TO:** CADA Board of Directors

**SUBJECT: January 26, 2024 Board Meeting  
AGENDA ITEM 6  
MID-YEAR CAPITAL IMPROVEMENTS PROGRAM (CIP) UPDATE**

**CONTACT PERSON:** Russ Juneau, Facilities Manager  
Frank Czajka, Construction Manager

**RECOMMENDATION: For review and information only.**

### **CIP STATUS REPORT**

Twice each year, in May and December, CADA staff prepares a Capital Improvement Program (CIP) Status Report and presents it to the Board. Staff delayed this report to January due to a heavy agenda in December.

The Mid-year CIP Program Status Report contains completed, current, and major maintenance, rehabilitation and construction improvements to CADA-managed properties. Work typically consists of improvements to residential, commercial, parking, landscape and infrastructure that CADA staff's field assessments and CADA strategic planning have identified as being necessary.

The report can be found in **Attachment 1**. The report is summarized below.

### **Status of Budgeted CIP Projects**

Budgeted projects are shown in the first three shaded columns of **Attachment 1**, labeled "Current Budget 2021/22, Current Budget 2022/23, and Current Budget 2023/24." CADA's multi-year capital budgeting process provides for fiscal year budgets to remain open for 3 years so, at any given time, the CIP Status Report and Needs Assessment includes fiscal year budgets for 3 years. The CIP Status Report is a working tool that enables staff to keep track of the status of the various projects and is presented to the Board to report on project status and to show the level of investment in individual buildings during those three fiscal years.

In the columns marked "Completed," the completed projects for each fiscal year starting in FY 21/22 are shown with the expenditures to date. Projects to be finished are shown in the "Open" columns. The report presents the following information about each budgeted project:

- Project Address
- Scope of Work
- Budget Spent ("Completed")
- Budget Remaining ("Open")

CADA's current CIP priorities include window replacement, roof replacement, repairing dry-rot, electrical service upgrades, exterior painting and general carpentry. These repair priorities reflect the continued aging of CADA's 51 apartment buildings and 21 commercial spaces and CADA's efforts to modernize building systems and make them more energy and water efficient.

As illustrated in Table 1 below, to date CADA has completed \$696,653.05 in CIP projects budgeted within fiscal years 21/22 through 23/24 out of a budget of \$4,909,487.00, leaving \$4,212,833.95 in open projects. As Attachment 1 shows, the three largest projects completed using FY 21/22 funds included an HVAC project at Park Mansion, dry rot repairs at 1201 P Street, and upgrades to the commercial space at 1607<sup>th</sup> Street. The largest projects using FY 22/23 funds included tenant improvements at the forthcoming Society Bistro space at 1329 O Street, tenant improvements at the Silver Lining space and the adjacent Anchor & Tree Coffee Community space, and flooring and painting at Brannan Court, a new roof at 1615 P Street and 1220 P Street and a new roof at 1619 Q Street. The largest projects using FY 23/24 funding included asbestos abatement at various apartments as part of CADA's new effort to upgrade flooring in CADA apartments as part of the turn process so that the apartments are more sustainable, have a longer life on their finishes, and are more competitive in the current rental market. Prioritizing these commercial projects had to be prioritized because the spaces became vacant and needed to be upgraded and modified for the new commercial tenants so that CADA could lease them as soon as possible and resume collecting commercial rental income.

**Table 1 – Budgeted\_CIP Projects Status Report Summary for FY 21/22 through FY 23/24\***

	FY 21/22 CIP Budget		FY 22/23 CIP Budget		FY 23/24 CIP Budget		Grand Total
	Completed	Open	Completed	Open	Completed	Open	
<b>General Fund</b>	\$230,150.08	\$794,349.92	\$376,871.97	\$1,260,628.03	\$77,428.00	\$1,631,172.00	\$4,370,600.00
<b>Special Mgt.</b>	-	-	-	-	\$12,203.00	\$526,684.00	\$538,887.00
<b>TOTAL COMPLETED</b>	\$230,150.08		\$376,871.97		\$89,631.00		\$696,653.05
<b>TOTAL OPEN</b>	-	\$794,349.92	-	\$1,260,628.03	-	\$2,157,856.00	\$4,212,833.95
<b>GRAND TOTAL (COMPLETED AND OPEN)</b>	\$1,024,500.00		\$1,637,500.00		\$2,247,487.00		\$4,909,487.00

*\*Note: Expenses are indicated as projects are initiated, rather than invoiced, and therefore the project budgets may not match the financial reports due to timing differences from the start of project to invoicing.*

CADA's Facility Maintenance Manager, Russ Juneau, Construction Manager, Frank Czajka, and the Maintenance Department are focusing on routine maintenance, and time-critical CIP projects.

In addition, staff continues to work with Tremco Roofing, who have helped us identify many leaking or aging roofs and to prioritize roofs that should be replaced in the next 5 years. CADA's top priority roofing projects currently include 1330 P, 1316 N, 1212-1214 P and 1506 13<sup>th</sup> Street, which will require approximately \$500,000 to complete. This will help reduce the Table 1 open items balances in a meaningful way.

Another area of focus is replacing all single pane windows with modern dual pane glass windows that also have UV blocking. These efforts will reduce our carbon footprint by increasing heating and cooling efficiency. As discussed in the Window Replacement FY 23/24 staff report presented elsewhere in the January Board packet, the four priority window replacement projects

include 1201 P, 1521 12<sup>TH</sup>, 1517 12<sup>TH</sup>, and 1420 O Street. These will cost approximately \$165,000 to complete, further reducing the open items balance shown in Table 1.

CADA staff is also working to identify boilers in our buildings which are nearing the end of their useful life and/or are grossly energy inefficient. An upcoming project will address this by installing energy efficient ductless mini split HVAC heat pumps which will both heat and cool the apartments, eliminating the need for the inefficient boiler system. As discussed in the HVAC replacement staff report presented elsewhere in the January Board packet, CADA will start with HVAC replacement at 1317 O Street, which will cost approximately \$89,000 to complete. We will then turn our attention to other buildings with outdated heating systems and single pane windows and plan a combined approach to those buildings that will include both window replacement and HVAC replacement. An example of where this could happen would at 1615-17 P Street. CADA will receive a SMUD rebate for a portion of its work at 1317 O Street.

In addition to the usual water and energy conservation upgrades that are made when units are vacated and turned, CADA is also utilizing this time to modernize our portfolio by installing Laminated Vinyl Plank (LVP) flooring, upgraded cabinetry, countertops and baseboards. To do this work, staff is reprioritizing selected budgeted projects to direct approximately \$400,000 to these efforts.

## **POLICY**

Staff presents the Five-Year CIP Needs Assessment to the Board bi-annually for information and discussion to ensure that these needs are appropriately and adequately addressed during the annual and mid-year budgeting processes. The Board approves the CIP budget for the upcoming fiscal year in June. This budget remains open for 3 years to allow sufficient time to prepare scopes of work, prepare and issue bid packages, obtain bids, and complete the work.

The overarching CIP strategy is to preserve, maintain, and enhance existing structures unless building obsolescence or development strategies dictate otherwise. Reinvestment decisions should be consistent with the State Capitol Area Plan and the CADA Strategic Plan. Preventative maintenance and preservation of existing structures through appropriate maintenance are also consistent with state and general public policy regarding sustainable development. To the extent possible, this type of preservation of materials and avoidance of demolition of structures reduces landfill and material waste. All CIP projects are designed and constructed in compliance with current building codes and regulations, including California energy efficiency standards and regulations.

## **FINANCIAL IMPACTS**

Current financial impacts are shown in Table 1 above.

## **STRATEGIC PLAN**

Preparation of the CIP Status Report and the CIP Needs Assessment advances the Strategic Plan goal of “Providing Mixed-Income housing with Superior Property Management” and the Key Priorities of Improving Environmentally Sustainable Practices, Community Stewardship and Fiscal Responsibility

Attachments:

1. CIP Mid-year Report (Jan 2024) - Status Report

Attachment 1

PROPERTY CODE	CONSTR CODE	Project Address   Building Name * = Future Development Site	PROP TYPE	SCOPE OF WORK	Current Budget C22 FY 21/22		Current Budget C22 FY 22/23		Current Budget C23 FY 23/24	
					Completed	Open	Completed	Open	Completed	Open
<b>GL Acct 5820</b>										
C172-14	015.7	1325 15th St, Park Mansion	Res	HVAC Equipment	19,960.12	5,039.88				
C222-09	010.30	1228 O St, Gibson Arms	Res	Stairways/Decking/Walkways	8,700.25	-				
C222-22	006.3	1201 P St, Del Capri	Res	Wood-Dry Rot	49,900.00	-				
C223-09A	019.6	1428 - 14th St., Metropol	Res	Structural Rehabilitation	-	25,500.00				
C223-12	009.5	1327/1317 O St	Res	Finishes-Ceilings	-	17,000.00				
C173-15A	013.3	1327/1317 O St	Res	Sp Constr - Boiler	-	130,000.00				
C226-07	008.5	1420 O St	Res	Windows	4,902.00	33,098.00				
C232-18B	006.3	1506 O St, Johnston House	Res	Wood-Dry Rot	1,818.31	(1,818.31)				
C232-18B	010.30	1506 O St, Johnston House	Res	Stairways/Decking/Walkways	-	10,000.00				
C233-14	006.3	1625 O St	Res	Wood-Dry Rot	591.44	11,908.56				
C234-24	019.6	1615 P St, Lanai	Res	Structural Rehabilitation	-	4,000.00				
C330-07	019.5	Bagel Time - 1607 10th St.	Com	Commercial Tenant Improvements	110,876.22	-				
C330-14	019.5	OB 2000 - 1603 10th St.	Com	Commercial Tenant Improvements	-	17,000.00				
C172-14	002.8	1325 - 15th St., Park Mansion	Res	Sitework-Improvements/Amenities				4,000.00		
C172-15A	002.8	1317 - 15th St., Lombard	Res	Sitework-Improvements/Amenities				8,000.00		
C172-15A	009.6	1317 - 15th St., Lombard	Res	Finishes-Flooring				6,000.00		
C222-09	019.6	1228 O St, Gibson Arms	Res	Structural Rehabilitation				7,000.00		
C222-20A	002.9	1209 P St., Wing Manor	Res	Sitework-Planting/Rehab, etc.			287.54	7,712.46		
C222-22	008.5	1201 P St., Del Capri	Res	Windows			6,278.00	(6,278.00)		
C222-23	008.5	1521 12th St	Res	Windows				45,000.00		
	010.10	1521 12th St	Res	Awnings				12,000.00		
C222-24	008.50	1517 - 12th St.	Res	Windows				80,000.00		
C223-02	007.3	1316 N. St., Le Chateau	Res	Shingles, Roof Tiles, etc				40,000.00		
C223-09B	002.1	Mud Pie Stand - 1329/1331 O St	Res	Sitework - Site remediation			37,319.74	(34,684.74)		
	019.2	Mud Pie Stand - 1329/1331 O St	Res	Accessibility				59,365.00		
C226-08	009.6	1500 15th St-Auslander	Res	Finishes-Flooring				10,000.00		
C226-09	010.30	1510 15th St.	Res	Stairways/Decking/Walkways				32,000.00		
C226-24	010.30	1400-04 O St, Greentree/Carr Path	Res	Stairways/Decking/Walkways				7,000.00		
C231-07	008.5	1522 N St, Judith Manor	Res	Windows				90,000.00		
	009.6	1522 N St, Judith Manor	Res	Finishes-Flooring				27,000.00		
	009.9	1522 N St, Judith Manor	Res	Finishes-Paint/Coatings				21,000.00		
C231-23B	002.1	Luna's - 1414 16th St.	Com	Sitework - Site remediation			65,692.47	(3,692.47)		
C231-23C	019.6	1412 16th - Urban Yoga	Com	Structural Rehabilitation			31,030.00	(11,030.00)		
C231-24	009.6	1500 N St., Brannan Court	Res	Finishes-Flooring			48,375.00	58,625.00		
	009.9	1500 N St., Brannan Court	Res	Finishes-Paint/Coatings			9,700.00	1,300.00		
C232-16	002.9	16th Street Commerical	Com	Sitework-Planting/Rehab, etc.			3,667.50	37,332.50		
	009.5	16th Street Commerical	Com	Finishes-Ceilings				23,000.00		
C232-18B	006.3	1506 O, Johnston House	Res	Wood-Dry Rot				127,000.00		
	009.9	1506 O, Johnston House	Res	Finishes-Paint/Coatings				56,000.00		
	010.30	1506 O, Johnston House	Res	Stairways/Decking/Walkways				10,000.00		
C233-27	002.10	Enterprise 1401 16th	Com	Sitework - Site remediation			391.46	14,608.54		
C234-24	006.3	1615 P St, Lanai	Res	Wood-Dry Rot				17,000.00		
	007.3	1615 P St, Lanai	Res	Shingles, Roof Tiles, etc			72,882.61	2,117.39		
	010.10	1615 P St, Lanai	Res	Awnings				12,000.00		
C281-07	007.3	1220 P St, Deus	Res	Shingles, Roof Tiles, etc			9,500.00	17,500.00		
	008.5	1220 P St, Deus	Res	Windows				26,000.00		
	010.30	1220 P St, Deus	Res	Stairways/Decking/Walkways				17,500.00		
C284-10	007.3	1330 P St, Palm Manor	Res	Shingles, Roof Tiles, etc				220,000.00		
C293-18	007.3	1619 Q-Rooming House	Res	Shingles, Roof Tiles, etc			61,998.78	12,001.22		
	009.9	1619 Q-Rooming House	Res	Finishes-Paint/Coatings				21,000.00		
C333-11	002.1	Le Croissant - 1036 P St.	Com	Sitework - Site remediation				5,000.00		

C172-14	002.8	1325 - 15th St., Park Mansion	Res	Sitework-Improvements/Amenities						-	55,000.00
C222-09	009.9	1228 O St, Gibson Arms	Res	Finishes-Paint/Coatings						-	85,000.00
C222-10	008.50	1506 13th St, McCafferty	Res	Windows						-	186,000.00
	009.6	1506 13th St, McCafferty	Res	Finishes-Flooring						-	22,500.00
C222-22	002.9	1201 P St., Del Capri	Res	Sitework-Planting/Rehab, etc.						-	135,000.00
	009.6	1201 P St., Del Capri	Res	Finishes-Flooring						-	23,000.00
C222-23	013.3	1521 12th St	Res	Sp Constr - Boilers						-	160,000.00
C223-10	008.50	1327 O St., Capri	Res	Windows						-	106,000.00
C225-01	010.1	1400 N St, The Dean	Res	Awnings						-	12,000.00
C226-07	002.9	1420 O St	Res	Sitework-Planting/Rehab, etc.						-	95,000.00
	008.5	1420 O St	Res	Windows						-	106,000.00
C226-08	008.5	1500 15th St-Auslander	Res	Windows						-	155,000.00
C226-10	010.3	1514 - 15th St.	Res	Stairways/Decking/Walkways						-	11,600.00
C232-18C	010.30	1510 O St, Don Carlos Apts	Res	Stairways/Decking/Walkways						-	80,000.00
C233-14	008.50	1625 O St	Res	Windows						-	158,000.00
C233-27	007.0	Enterprise 1401 16th	Com	Thermal & Moisture Protection - Roof						-	25,000.00
C281-06	002.9	1216-18 P St.	Res	Sitework-Planting/Rehab, etc.						-	27,000.00
C360-01	002.1	701 S Street - Maintenance		Sitework - Site remediation						4,925.00	118,575.00
<b>Various Address Budget Line Items</b>				<b>C888-88</b>	<b>General Major Construction</b>	<b>Completed</b>	<b>Open</b>	<b>Completed</b>	<b>Open</b>	<b>Completed</b>	<b>Open</b>
Various	001.6	Various		Energy Reduction/Sustainability	-	15,000.00	-	15,000.00	-	15,000.00	
Various	002.7	Various		Sitework-Pavement, Bases, etc	-	20,000.00	-	20,000.00	-	20,000.00	
Various	009.6	Various		Finishes-Flooring	-	408,000.00	-		-		
Various	019.1	Various		Contingency	-	3,023.53	-	106,000.00	-	50,000.00	
Various	019.2	Various		Accessibility	-	10,000.00	-	10,000.00	-	10,000.00	
Various	019.3	Various		Fire & Safety	-	-	-	21,000.00	-	8,000.00	
Various	019.4	Various		Toxic Abatement	19,992.74	100,007.26	19,729.86	270.14	72,503.00	(52,503.00)	
Various	019.5	Various		Commercial Tenant Improvements	13,409.00	(13,409.00)	10,019.01	9,980.99	-	20,000.00	
<b>GRAND TOTAL MAJOR CONSTRUCTION - GENERAL FUND:</b>						<b>\$ 230,150.08</b>	<b>\$ 794,349.92</b>	<b>\$ 376,871.97</b>	<b>\$ 1,260,628.03</b>	<b>\$ 77,428.00</b>	<b>\$ 1,631,172.00</b>
						<b>C21 GF Total</b>	<b>\$ 1,024,500.00</b>	<b>C22 GF Total</b>	<b>\$ 1,637,500.00</b>	<b>C23 GF Total</b>	<b>\$ 1,708,600.00</b>
<b>Special Management Properties</b>											
										<b>C23 - FY 22/23</b>	
										<b>Completed</b>	<b>Open</b>
<b>36 Somerset Parkside</b>											
<b>Special Management Account</b>											
C330-00	010.8	Somerset	Res	Bath, kitchen & Laundry							66,500.00
<b>SUBTOTAL:</b>											<b>66,500.00</b>
<b>37 Biele Place</b>											
<b>Special Management Account</b>											
C231-19	002.9	Biele Place	Res	Sitework-Planting/Rehab, etc.						12,203.00	38,797.00
<b>SUBTOTAL:</b>										<b>12,203.00</b>	<b>38,797.00</b>
<b>38 17th Street Commons</b>											
<b>Special Management Account</b>											
C234-27	006.3	17th Street Commons	Res	Awnings							50,000.00
<b>SUBTOTAL:</b>											<b>50,000.00</b>
<b>41 Fremont/Wilshire Apts</b>											
<b>Special Management Account</b>											
C-286-00	007.3	Fremont/Wilshire Apts	Res	Shingles, Roof Tiles, etc						-	104,227.00
C-286-00	009.9	Fremont/Wilshire Apts	Res	Finishes-Paint/Coatings						-	82,160.00
C-286-00	001.30	Fremont/Wilshire Apts	Res	Stairways/Decking/Walkways						-	185,000.00
<b>SUBTOTAL:</b>											<b>371,387.00</b>
<b>TOTAL SPECIAL MANAGEMENT FUNDS:</b>										<b>12,203.00</b>	<b>526,684.00</b>

<b>GRAND TOTAL ALL FUNDS (GENERAL + SPECIAL MGMT)*:</b>	<b>230,150.08</b>	<b>794,349.92</b>	<b>376,871.97</b>	<b>1,260,628.03</b>	<b>89,631.00</b>	<b>2,157,856.00</b>
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4,909,487.00

Completed	1,024,500.00 22%	Completed	1,637,500.00 23%	Completed	2,247,487.00 4%
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