

**Board of Directors**

Ann Bailey, Chair  
Emily Baime Michaels, Vice-Chair  
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Jose Bodipo-Memba, Member  
Bob Lagomarsino, Member  
Tara Gandara, Board Secretary

**CADA Administration**

Danielle Foster, Executive Director  
Marc de la Vergne, Deputy Executive Director  
Noelle Mussen, Finance Director  
Todd Leon, Development Director

**Legal Counsel**

Jeff Mitchell  
Kronick, Moskovitz, Tiedemann & Girard

Phone: (916) 322-2114

Web: [www.cadanet.org](http://www.cadanet.org)

**AGENDA REGULAR MEETING**

**THE CAPITOL AREA DEVELOPMENT  
AUTHORITY  
BOARD OF DIRECTORS**

**FRIDAY, APRIL 26, 2024  
10:00 A.M.**

**CADA ADMINISTRATIVE OFFICE  
1522 14<sup>TH</sup> STREET, SACRAMENTO, CA 95814**



**Members of the Public are invited to  
participate via ZOOM or in person.**

**To join via Zoom:**

**Go to:** <https://zoom.us/join>

**Or join by phone:** (669) 900-9128 (Pacific Coast)

Find your local number:

<https://us02web.zoom.us/j/kcoHLf55h>

**Meeting ID:** 867 7429 5305

**Request Password (prior to start of meeting):**

[tgandara@cadanet.org](mailto:tgandara@cadanet.org)

- 1. Roll Call and Just Cause/Emergency Teleconference Information (if applicable)**
- 2. Approval of Minutes: March 22, 2024**
- 3. Chair’s Oral Report**
- 4. Executive Director’s Oral Report**
- 5. CADA Financial Forecast (FY 2024-2025 Through FY 2033-2034)**

*Recommended Action:* Review and Comment.

Contact: Noelle Mussen, Finance Director

- 6. 525 S Street Purchase and Sale Agreement and Sale of 701 S Street**

*Recommended Action:* Adopt a resolution authorizing the Executive Director to: execute a Purchase and Sale Agreement (PSA) with Jannie L. Chow and Edward M. Chow, the owners of 525 S Street (APNs 009-0055-018 and 009-0055-022); amend the CADA Fiscal Year 2023-2024 Budget and expend the funds necessary to purchase 525 S Street; and surplus and sell the existing CADA Warehouse property located at 701 S Street after the maintenance warehouse relocates.

Contact: Todd Leon, Development Director  
Danielle Foster, Executive Director

- 7. CADA Buildings Project Needs Assessment and CIP Planning Change Order**

*Recommended Action:* Adopt resolution authorizing the Executive Director to enter into a change order with Artemis Construction Management to complete the CADA Buildings Project Needs Assessment and CIP Planning Project.

Contact: Marc de la Vergne, Deputy Executive Director

**8. Oral Staff Reports/Updates**

- A. Downtown Sacramento Partnership
- B. Downtown Sacramento Revitalization Corporation
- C. Midtown Association
- D. O Street Streetscape (7th – 17th Streets)
- E. Energy Conservation
- F. Other Neighborhood Improvements
- G. 1322 O Street – Sonrisa
- H. 14th & N – The Cypress
- I. 1717 S Street – ARY Place
- J. 2000 16<sup>th</sup> Street/16<sup>th</sup> & T Streets
- K. 805 R Street
- L. R Street Partnership

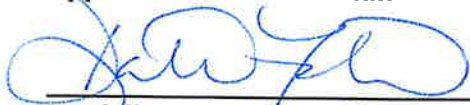
**9. Transmittals**

- A. CADA Accessibility Report
- B. Ombudsman Report: None
- C. Apartment Status Report: March 2024
- D. Affordable Housing Report: March 2024
- E. Commercial Leases/Vacancies: April 2024
- F. CADA Neighborhood Incident Report: March 2024
- G. Contracts Log: March and April 2024
- H. Financial Report: None
- I. City Treasurer Monthly Investment Report: March 2024

**10. Opportunity for the Public to Address the Board Regarding Matters Not on the Agenda**

**11. Adjournment**

**Approved for Transmittal:**



**Danielle Foster, Executive Director**

NOTE: THE BOARD MAY TAKE ACTION ON ANY MATTER LISTED ON THE AGENDA. ADDITIONALLY, THE BOARD MAY TAKE ACTION ON ANY MATTER NOT LISTED ON THE AGENDA TO THE EXTENT PERMITTED BY APPLICABLE LAW. PURSUANT TO STATE AND FEDERAL LAW, IF YOU HAVE A REQUEST FOR A DISABILITY-RELATED MODIFICATION OR ACCOMMODATION IN ORDER TO ASSIST YOU IN PARTICIPATING IN THE MEETING, PLEASE CONTACT TARA GANDARA, BOARD SECRETARY AT (916) 322-2114 TO MAKE SUCH A REQUEST. IN ORDER TO ALLOW ADEQUATE TIME TO ACCOMMODATE ANY REQUESTS, CADA ASKS THAT THE REQUEST BE MADE AT LEAST 24 HOURS PRIOR TO THE MEETING.

**MINUTES  
OF  
REGULAR BOARD MEETING**

**BOARD OF DIRECTORS  
CAPITOL AREA DEVELOPMENT AUTHORITY**

**March 22, 2024**

**ITEM 1 – ROLL CALL AND JUST CAUSE/EMERGENCY TELECONFERENCE INFORMATION (if applicable)**

Chair Bailey called the Board Meeting of the CADA Board of Directors to order at 10:02 a.m. at 1522 14<sup>th</sup> Street, Sacramento, CA 95814 and via public video conference.

Present: Avdis, Bodipo-Memba, Bailey  
Absent: Baime Michaels, Lagomarsino

**ITEM 2 – APPROVAL OF MINUTES: February 23, 2024**

Member Avdis moved approval of the February 23, 2024 CADA Board Meeting minutes. Member Bodipo-Memba seconded the motion.

AYES: Avdis, Bodipo-Memba, Bailey  
NOES: None

**ITEM 3 – CHAIR’S ORAL REPORT**

- Resolution honoring Betty Gwiazdon, CADA Ombudsperson, on her retirement.

**ITEM 4 – EXECUTIVE DIRECTOR’S ORAL REPORT/PRESIDENT’S ORAL REPORT**

Danielle Foster reported the following:

- Acknowledgement of the work of Todd Leon, Development Director, and Mutual Housing staff, our partners, on the Middle-Income Program funding application and resulting award for the Monarch project at 805 R Street. This funding lines up the project for the tax credits and bonds, the CDLAC (California Debt Limit Allocation Committee) application, and the project goes through CalHFA (California Housing Finance Agency) as the applicant. It pretty much moves Monarch to the front of the line, which gets it ready for construction early next year.
- Staff submitted the AHSC (Affordable Housing Sustainable Communities) application this week. It is a great program, but CADA and Mutual have approximately six or seven different partners for the application. This means a lot of coordination and a lot of paperwork, as you might imagine.
- For the Terraces, the City Council approved the forgiveness of the Housing Authority loan interest (\$1.3 million dollars) on the project loan, and staff will be proceeding towards repayment of the principal. With payoff of this loan, the property will have no remaining debt on it, so it will be positioned well for future investment and construction work.
- Additionally, CADA has a couple of job postings right now:
  - Development Management Manager.
  - Leasing Agent
  - Asset Management and Facility Maintenance Director

The Asset Management and Facility Maintenance Director position was recreated out of our conversations with you at the Board level and through the Strategic Plan development process, recognizing the need for this position to support the long-term investment in our assets, the sustainability work, and the replacement work for our properties. This position will help us to do more on all of our goals, and free up some of the Deputy Director’s time for streetscape, sustainability, placemaking, and other special projects. It also really helps CADA asset manage tax credit projects that are supposed to function on their own and work within the limited partnership rather than across properties, like other CADA properties that we operate collectively.

- Next week is the State of the Downtown breakfast and the Vision Awards with ULI (Urban Land Institute).
  - As a reminder, Sonrisa and the Kind Project are nominated as visionary projects for affordable housing.

**ITEM 5 — R STREET PARTNERSHIP PRESENTATION**

*Recommended Action:* Review and Comment.

Contact: Todd Leon, Development Director

Director Leon and Dion Dwyer, of MMS Strategies and on behalf of the R Street Partnership, presented updates regarding the R Street Partnership.

The Board voiced their continued support of the R Street Partnership.

No public comments.

No Board action. For information only.

**ITEM 6 — 1420 O STREET LANDSCAPE REMODEL CONTRACT**

*Recommended Action:* Adopt a resolution authorizing the Executive Director to enter into a construction contract for the Pool Removal and Patio Landscaping Project at 1420 O Street with Pro Builders in the amount of \$108,800. A two-thirds vote of the Board is required to approve this resolution, which finds that it is in CADA's best interest to suspend competitive bidding for the reasons set forth in the Staff Report.

Contact: Frank Czajka, Construction Manager  
Russ Juneau, Facilities Maintenance Manager

Member Avdis inquired about the \$50,000 contract limit for Executive Director authority and noted that \$50,000 being the threshold for the Board to approve contracts is rather low. Ms. Gandara commented that CADA is working with Agency Counsel, Jeff Mitchell and Kevin Flautt at KMTG, in order to revamp and update CADA's contracts policy, including raising this current limit.

No public comments.

Member Bodipo-Memba moved approval of Resolution 24-16 attached hereto and incorporated herein. Member Avdis seconded the motion.

AYES: Avdis, Bodipo-Memba, Bailey  
NOES: None

**ITEM 7 — FREMONT PARK RESTROOM REPLACEMENT PROJECT MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN CADA AND THE CITY OF SACRAMENTO**

*Recommended Action:* Adopt a resolution authorizing the Executive Director, or her designee, to enter into a Memorandum of Understanding (MOU) with the City of Sacramento for the Fremont Park restroom replacement project funding in the amount of \$150,000.

Contact: Marc de la Vergne, Deputy Executive Director

The Board discussed a number of design features of the new structure.

No public comments.

Member Avdis moved approval of Resolution 24-17 attached hereto and incorporated herein. Member Bodipo-Memba seconded the motion.

AYES: Avdis, Bodipo-Memba, Bailey  
NOES: None

**ITEM 8 — STRATEGIC PLAN DISCUSSION AND ADOPTION**

*Recommended Action:* Adopt a resolution approving the updated CADA Five Year Strategic Plan for implementation.

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

No Board comments.

No public comments.

Member Avdis moved approval of Resolution 24-18 attached hereto and incorporated herein. Member Bodipo-Memba seconded the motion.

AYES: Avdis, Bodipo-Memba, Bailey  
NOES: None

## **ITEM 9 - ORAL STAFF REPORTS/UPDATES**

- A. Downtown Sacramento Partnership (DSP): Reported on in Item 4.
- B. Downtown Sacramento Revitalization Corporation (DSRC): Nothing to report.
- C. Midtown Association: Nothing to report.
- D. O Street Streetscape (7th – 17th Streets): Marc de la Vergne reported that the City reviews of the 14<sup>th</sup> and O Street intersection design continue. Staff is currently focusing on the outdoor seating cafe permits. The project has been through the design review for the bulbouts and the landscaping, so now it is just a City review of the outdoor seating permits. No substantial comments have been received.

As far as O Street goes, for the coming fiscal year, staff is going to be focusing on the 1300 block and the 1400 block converting the current parkway strips to climate appropriate planting. Then, because CADA now controls the Capital Athletic Club site, this gives staff an opportunity to redo the landscape along with the Capital Athletic Club portion of the 800 block of O Street. As the State finishes renovation of the old resources building on the 800 block, this gives us a chance to mirror what they are doing on the south side of the block. This further implements the Envision O Street plan. 1200 and 1300 blocks further advance the plan and then, in the coming years, CADA will move to the 1400 and 1500 blocks. Step by step, CADA is implementing the Envision O Street Plan.

- E. Energy Conservation: Marc de la Vergne reported that he continues to develop the energy reporting to submit to the Department of General Services. The quick takeaway is that CADA gas and the electricity consumption have come down nicely at properties. CADA water consumption since 2018 is coming down, but seems to be flattening out a bit. Staff believes this is because many of the implemented measures CADA staff has been doing over the years has accomplished the most achievable results already. As CADA does more landscaping conversions, it is likely that CADA's water consumption numbers will continue to reduce.
- F. Other Neighborhood Improvements: Nothing to report.
- G. 1322 O Street – Sonrisa: Todd Leon reported that we are in the middle of trying to convert to our permanent financing loan. After that, staff will be finishing up some of the other tax credit items and reports.
- H. 14th & N – The Cypress: Todd Leon reported that there will be an update next month on this project.
- I. 1717 S Street – ARY Place: Todd Leon reported that staff is still working on one lease for the commercial spaces and is in the midst of converting to the permanent financing loan on this project as well.
- J. 2000 16<sup>th</sup> Street/16<sup>th</sup> & T Streets: Todd Leon reported that CADA and Mutual submitted the AHSC (Affordable Housing and Sustainable Communities) application and there are a number of partners in the application. Some of our partnerships include SacRT (Sacramento Regional Transit), the Ace Rail San Joaquin JPA (Joint Powers Authority), the City of Sacramento, CLTRE, and the Sacramento Employment and Training Agency (SETA). Partners will provide public and active transportation improvements, anti-displacement programming and employment training.
- K. 805 R Street: Reported on in Item 5.

L. R Street Partnership: Reported on in Item 5.

**ITEM 10 – TRANSMITTALS**

Received as transmitted.

**ITEM 11 – OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD REGARDING MATTERS NOT ON THE AGENDA**

**ITEM 12 – ADJOURNMENT**

The meeting adjourned at 10:55 a.m.

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Tara Gandara  
Secretary to the Board of Directors

**RESOLUTION NO. 24 – 16**

Adopted by the Capitol Area Development Authority

March 22, 2024

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO  
ENTER INTO A CONSTRUCTION CONTRACT FOR THE POOL REMOVAL  
AND PATIO LANDSCAPING PROJECT AT 1420 O STREET**

**WHEREAS**, CADA conducted a formal bid process for the Pool Removal and Patio Landscaping Project at 1420 O Street;

**WHEREAS**, Pro Builders is the only bidder and was found to be responsive and responsible with a bid of \$128,000 and has advised CADA of its interest in being awarded the contract and completing the work;

**WHEREAS**, Pro Builders included the purchase of furniture in the bid, which CADA intends to purchase separately;

**WHEREAS**, Pro Builders agreed to remove the purchase of furniture and reduce their bid by \$19,200;

**WHEREAS**, a 2/3 vote is required for this resolution, which finds that it is in CADA's best interest to suspend competitive bidding for the reasons set out in the staff report; and

**NOW, THEREFORE, BE IT RESOLVED**, by the Capitol Area Development Authority Board of Directors that the Executive Director is hereby authorized, on behalf of the Authority, to enter into a contract with Pro Builders in the amount of \$108,800.

  
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Ann Bailey, Chair

ATTEST:

  
\_\_\_\_\_  
Tara Gandara  
Secretary to the Board of Directors

**RESOLUTION NO. 24 – 17**

March 22, 2024

Adopted by the Capitol Area Development Authority

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO  
EXECUTE THE FREMONT PARK RESTROOM REPLACEMENT PROJECT  
MEMORANDUM OF UNDERSTANDING (MOU) WITH THE CITY OF SACRAMENTO**

**WHEREAS**, the City of Sacramento, the Midtown Association, and the Capitol Area Development Authority desire to replace the Fremont Park restroom with a new prefabricated combination restroom and storage area;

**WHEREAS**, a new restroom will provide a safer and more attractive restroom than is currently in place, will include storage space the Midtown Association will use to store supplies necessary for community events to be held in the park, and will advance the City's, CADA's and the Midtown Association's continuing efforts to upgrade the park and enable it to serve as a safe, attractive and vibrant neighborhood amenity;

**WHEREAS**, the Board has previously approved a budget that includes \$150,000 in CADA funding toward the total cost of the project and the City has designated CIP funding in the amount of \$450,000;

**WHEREAS**, the City has prepared a Memorandum of Understanding describing the project and the process by which CADA will contribute its fund to the project; and

**WHEREAS**, the City Council will consider its approval of the MOU at an April meeting and City staff are required to provide evidence to Council of the Board's approval of a resolution authorizing CADA to enter into the MOU.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Capitol Area Development Authority that:

1. The Executive Director, or her designee, is authorized to execute the Fremont Park Restroom Replacement Project Memorandum of Understanding.

  
\_\_\_\_\_  
Ann Bailey, Chair

ATTEST:

  
\_\_\_\_\_  
Tara Gandara  
Secretary to the Board of Directors

Tara Gandara  
Secretary to the Board of Directors



**RESOLUTION NO. 24 – 18**

March 22, 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;

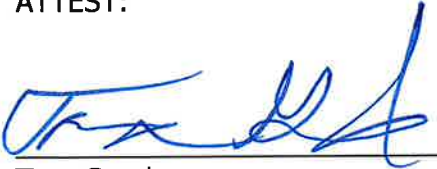
**WHEREAS**, having an updated plan will provide unified organizational values, mission and vision that will guide staff and act as a metric for accountability; and

**WHEREAS**, the plan provides a shared understanding of CADA’s goals for the next five-year period from 2024 through 2029.

**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



April 19, 2024

**TO:** CADA Board of Directors

**SUBJECT:** **April 26, 2024, Board Meeting**  
**AGENDA ITEM 5**  
**CADA FINANCIAL FORECAST (FY 2024-2025 THROUGH FY 2033-2034)**

**CONTACT:** Noelle Mussen, Finance Director

**RECOMMENDED ACTION:** For information only. This report provides CADA's annual Ten-Year Financial Forecast for discussion as CADA plans its business priorities for Fiscal Year 24-25 through Fiscal Year 33-34.

### **BACKGROUND**

Each year, CADA updates its ongoing Ten-Year Financial Forecast that analyzes and reflects changes in financial and economic conditions that affect CADA's general operations and development projects. Development projects require advance funding, and the timing of the resulting tax increment is uncertain. The Forecast analyzes the impact of all development projects on CADA's overall operations, including General Operations and Major Construction, and conservatively estimates future funding needs for development projects and resulting tax increment. The Forecast is a tool that aids in the preparation of the annual CADA budget proposal made by staff for approval by the Board in June.

### **POLICY ISSUES**

CADA is charged with implementing the residential and commercial components of the State's Capitol Area Plan and the City of Sacramento's R Street Corridor Master Plan in a manner that is fiscally, socially, and environmentally sustainable, and that results in an attractive urban neighborhood that is affordable to a diverse population.

To accomplish its mandate, CADA must ensure that its property management activities are cost-effective and that its urban development activities are fiscally prudent. As a tool for ensuring that it is pursuing its mission in a fiscally responsible manner, CADA prepares a Ten-Year Financial Forecast each year. The Forecast enables CADA to consider the needs of its aging housing stock and the implications of development and neighborhood investments on its long-term fiscal stability. The Forecast also provides the basis for CADA's annual budget, which is presented to the CADA Board of Directors each June.

Because Capitol Area tax increment (TI) cannot be used in the R Street Area without prior approval from the Department of General Services (DGS) and the two areas have different restrictions with regard to the use of 20% affordable housing set-aside funds, separate Forecasts are provided for the Capitol Area (**Attachment 1**) and the R Street Area (**Attachment 3**). **Attachment 2** provides detailed assumptions regarding planned development projects in the Capitol Area.

## **CAPITOL AREA FORECAST (ATTACHMENT 1)**

This Forecast presents CADA operations and fiscal responsibilities in the Capitol Area in three segments: General Operations, Major Construction, and Development. With regard to Tax Allocation Bond activities, CADA's ongoing bond debt service is reported as an expense within General Operations. Bond proceeds are used to reduce project expenditures. These funds are not financial sources available for General Operations. Therefore, they are only reflected in the Development project section of this Forecast.

CADA has established a threshold for the Capitol Area below which its cash reserves should not fall. This threshold represents six months of expenses, or approximately \$5.5 million. This is an increase from the \$5 million threshold in the prior Forecast. That Forecast, which was prepared in 2023, projected a gradual decline in available funds from Year 1 through Year 10, with starting reserves at \$18.9 million, ending with a projected available cash balance of \$8.7 million.

This year's Forecast has a slightly sharper decline in available funds from Year 1 through Year 4, then the decline flattens out through Year 10, with starting reserves at \$20.9 million. Similar to the prior year Forecast, the current Forecast projects a continued decrease over the 10-year period, but with less of a decline in the last 6 years and a projected available cash balance of \$11.2 million. This is an increase of \$2.5 million over the prior year Forecast.

The differences from the prior year are due to net changes in assumptions in General Operations, Major Construction, Development, project completions, economic changes, and changes in development project requirements and funding needs.

Compared to the prior year, Year 1 in the current Forecast starts with a beginning balance of approximately \$4.3 million more in available reserves. This is mostly due to assumed expenses within Major Construction and Development which was included in the prior Forecast but did not occur, along with larger increases in revenue than were anticipated.

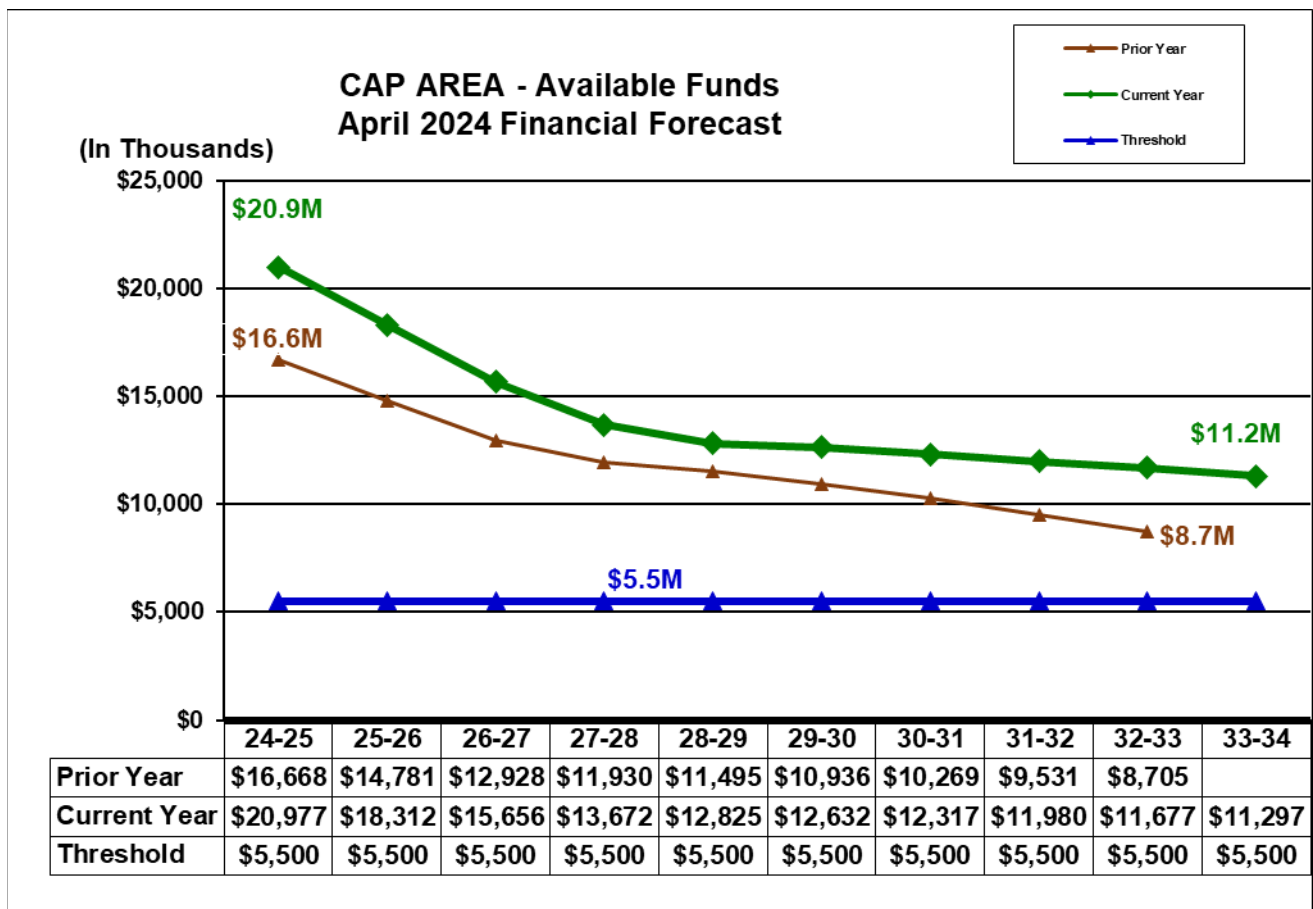
Changes in assumptions were made to General Operations in regards to revenue and expense growth. Rental Revenue has been kept to an increase of 2% per year similar to prior Forecast, but interest income has seen more growth. Interest rates have increased as compared to what was assumed in the prior year and the actual use of Bond proceeds was not as quick as assumed, so those proceeds accrued additional interest income over a longer period of time, and with the changes to development assumptions with the use of bond proceeds, the interest income in this Forecast has increased.

For Tax Increment (TI), collection has been steady, with higher growth in the past year, but in the current Forecast staff has assumed the usual 2% increase per year, which has increased the projected revenue growth over the whole ten-year period.

Changes in assumptions for expenditures for General Operations is part of the reason for the sharper decline in the first four years in the Forecast. A new debt was included for the purchase of a new Maintenance Warehouse. This debt includes a downpayment of \$750,000 and tenant improvements in Year 1, which were not in the prior Forecast. Another major change to General Operation was to the CalPERS assumptions. This change reflects the proposal presented to the Board in October which includes a large one-time payment to the pension trust but leveled out the annual expenditures into the future by removing the continual increases to the annual payments. While the Board has not officially approved this payment yet, staff included it in the projection as reference for the Board as they make a decision on this action in June with the budget consideration.

For Development, change in assumptions have led to an overall negative effect on cash flow, mostly seen in the first four years. The East End Gateway Site 5-6-7-8 project has had the largest impact to the Forecast due to major changes for additional expenditures and new gap financing that was not part of the prior Forecast. The O Street Streetscape project has also impacted the Forecast as in the prior year it was assumed expenditures would be funded by a combination of bond proceeds and grant funding. Unfortunately, grant funding was not available so assumptions to the project have removed the grant funding, reduced overall expenditures, and now include the use of some operational funding sources for the remaining expenses. Completing these projects are in keeping with CADA's mission and the Capitol Area Plan and are authorized uses of these funding sources.

While the Forecast projects a decline in available cash over the 10-year period, it still remains above the threshold throughout the Forecast period, with available funds in year 10. This is due to the previously mentioned changes within General Operations and Development, together with the \$300,000 Eviva Tax Increment (TI) pledge maturing in Year 3; the DGS East End Gateway projects' notes maturing in Year 5; fully funding the debt sinking reserve for the HCD regulatory agreement properties in Year 5; no new development projects in later years; projected additional TI from the Cypress project, and projected positive affordable housing impacts in the last half of the Forecast, offset by operational expenses increasing faster than revenue growth; and continued large expenditures for major construction in Year 1 through Year 5.



The Capitol Area Forecast covering the period of FY 24-25 (Year 1) through FY 33-34 (Year 10) is presented in **Attachment 1**. In keeping with past Forecast practices, this Forecast does not include the operation of CADA's Special Management properties. As reported in Attachment 1, the Forecast overall remains positive across the ten-year period.

Key assumptions, by segment, having a financial impact on Capitol Area cash reserves during the Forecast period of FY 24-25 through FY 33-34 are as follows:

## GENERAL OPERATIONS

General Operations consists of property management revenue and expenses (residential and commercial activity), tax increment revenue, and administrative and development support activities for the organization. General Operations can be impacted by major construction and development projects, increases or decreases in tax increment and property management revenue, and changes in the number of affordable housing units maintained within CADA-managed properties.

### Key Assumptions

- The Forecast assumes Rental Income will increase 2% per year, with the estimated rental income decreased in Year 5 reflecting the potential loss of revenue from the Terraces. This property is being considered part of the East End Gateway 5-6-7-8 project and the revenue loss reflects the time when construction commences and when demolition of the site would possibly occur. The revenue loss for the other businesses on the site have been recognized in current rental revenue.
- The Forecast assumes CADA's Low Income Subsidy Program will remain in place during the entire 10-year period, with the subsidy balance increasing 2% per year.
- Tax Increment (TI) revenue in the Capitol Area in Year 1 is increased to reflect FY 23-24 estimated levels and review of the current tax assessor's reports, followed by a 2% increase each year thereafter.

TI revenue generated by development projects that are in progress is not included in this segment of the Forecast, but is reported by project in the Development segment of the Forecast. The Eviva Midtown TI pledge payment, however, has been included in this section at \$300,000 annually until Year 2, which a small \$46,000 remaining payment in Year 3, after which the subsidy to develop with ends.

- Investment Earnings in prior Forecasts have been low, but in the current year we have seen a rise in interest rates and assume a 2.5% rate through the Forecast. Consequently, the Forecast still assumes a decrease in the anticipated annual investment earnings over the 10-year period due to the decline in projected cash reserves but is offset by an assumed higher interest rate per year. In addition to interest earned on operating reserves, the Forecast reflects investment earnings from the 2020 unspent bond proceeds to fund major construction and development needs. This also declines over the first six years with the anticipated uses of these funds.
- For Notes Receivable the \$1.5 million advance to Sonrisa from CADA has been added and is assumed to be paid off by Year 2, based on the anticipated cash flow of the remaining equity into the project. The Residual Receipt notes are not considered collectable for the purpose of the Forecast and were not included.
- The Forecast assumes Salaries will increase 4% in Year 1 and 3% per year thereafter. There is also an increase to salaries to reflect filling the Asset Management & Facility Maintenance Director position.
- Benefits forecast assumes an increase of 3% per year, with the exception of Retirement Benefits and Other Post Employment Benefit (OPEB) liabilities. Those have been adjusted

based on information from CalPERS, current actuarial reports, and CADA's consultants. The Asset Management & Facility Maintenance Director position is the only change in staffing assumed over the Forecast period.

- For retirement benefits, according to the latest CalPERS actuarial report, CalPERS is billing CADA for the normal cost, or "retirement cost", for active employees estimated to vest in a given year as a percentage of payroll, but any unfunded liability is being billed at the calculated annual dollar value, which currently is amortized over 25 years.

In this Forecast, staff has incorporated assumptions from CalPERS actuarial reports pertaining to the normal cost rates. As new staff members have come on board, the number of PEPRAs (Public Employees' Pension Reform Act) employees has increased over Classic employees, and now comprises approximately 65% of CADA staff. As a result, this Forecast considers both pools of employees. This is important because the employer normal cost rate and the unfunded accrued liabilities are different for the two classifications, with the PEPRAs employees being lower in both categories.

For Classic members, the normal cost rate assumed in the CalPERS actuarial report is 13.3% in Year 1, with an assumed increase of .5% each year thereafter. For PEPRAs members, the normal cost rate assumed in the CalPERS actuarial report is 8.2% in Year 1, with an assumed increase of .5% each year thereafter.

- For the Unfunded Liability in the prior Forecast, the amount was based on an adjusted 10-year amortization schedule from the CalPERS actuarial reports. For this Forecast staff has changed the assumption from the CalPERS reports for the Classic members to reflect a "Fresh Start" proposal as presented to the Board in October last year. This proposal will be brought to the Board for consideration and action with the budget in June. For the Unfunded liability for PEPRAs members the adjusted 10-year amortization schedule from the CalPERS actuarial report was used.

The Fresh Start proposal is to try to reduce the unfunded liability balance and to reduce and take control of the annual required payments into the future to further the goal of bringing CADA's pension trust to a fully-funded status. This would be accomplished by paying into the trust a large one-time additional discretionary payment and working with CalPERS to restructure the unfunded liability payment schedule. Action on this proposal will occur in June.

The Forecast assumes a one-time payment of \$500,000 in Year 1 and adjusting the annual payment to \$565,155 each year. This is a slightly higher payment than what CalPERS will require in the next two years but will be less than what will be required in the years thereafter.

- OPEB Liabilities are projected to continue to be fully funded in a trust fund established through CalPERS. CADA's current OPEB annual amount is calculated by using the FY 21-22 actuarial report estimated Annual Required Donation (ARD) for Year Ended 2025 and growing the liability 3% per year. The Forecast assumes CADA will continue to reimburse current retirement health benefits from the trust, starting at \$180,000 per year and increasing by 3% per year thereafter.
- The Forecast assumes all the expense categories in Year 1 will be increased by 4%, then 3% each year after. This reflects the continued decrease in inflation, which we see in the Consumer Price Index (CPI) from March 2023 to March 2024 starting at 5% and decreasing

to 3.5% in March 2024. The Forecast assumes this will continue to decrease to a 3% per year increase.

- From Year 2 through Year 10, this Forecast assumes expenses will increase 3% per year. There is one exception within Overhead for CADA's Administrative Office lease. This lease was renegotiated in 2017 as part of the renovation of the space. DGS approved tenant improvements done by CADA and they are being reimbursed through a rent reduction over 10 years totaling \$200,000. This Forecast reflects the negotiated lease terms with rent at the negotiated term of \$87,340 from Year 1, then from Year 2 to Year 5 rent will increase to \$89,600, then the Forecast assumes a 3% annual increase from Year 6 to Year 10.
- CADA Debt will increase in Year 1 from the current fiscal year reflecting the assumption of a new debt for the purchase of 525 S Street for a new Maintenance Warehouse. The proposed debt is amortized over 20 years but will be paid down in 10 years if not earlier. There will be a \$750,000 down payment reflected in FY 23-24, as well as part of the debt CADA is required to pay a prepayment of \$1,250,000 in Year 2, which funding is anticipated to be from the sale of the current Maintenance Office property, which has been included in revenue. With that prepayment it is anticipated this debt would be paid in full by Year 8.
- Thereafter, CADA's continuing debt will consist of the new debt, I-Bank loan, the 2017 private placement bond, and the land loan debt paid by CADA to DGS for the East End Gateway Sites 1- 3 projects, until Year 5 when the DGS loans will be paid off.
- Tax Allocation Bond Debt Service includes the debt service payments from the 2020 taxable bond issued in December 2020. This will be a constant expense over the whole ten year Forecast period based on the Bond debit service schedules.
- Also included in the Forecast is the debt service reserve for two Special Management properties, Somerset Parkside and Biele Place. The existing annual reserves contributions are assumed to be \$212,000 and will be set aside to pay the deferred debt CADA will owe to HCD at the end of the revised regulatory periods for these projects. The Forecast assumes the debt reserve will be fully funded to pay the total debt due including interest and estimated accrued HCD fees by FY 28-29 or Year 5.

As reported in **Attachment 1**, the net cash flow of this segment of the Forecast has negative ending balances across the ten-year period.

### MAJOR CONSTRUCTION

For Major Construction, the CADA Maintenance Department continues to review and update its needs assessment documentation for CADA's whole portfolio. These assumptions have been incorporated into this Forecast along with the assumption that the currently-budgeted Major Construction projects will be completed in Years 1 and 2.

Typically, Special Management construction projects are funded through those properties' operations or Replacement Reserves. In this case, two of CADA's Special Management buildings (Somerset Parkside and Biele Place) will use Replacement Reserves to fund anticipated capital improvements projects over the ten-year period. For 17<sup>th</sup> Street Commons there is the potential of funds needed from CADA in Year 2 of \$60,000 as the replacement reserve may be depleted due to larger than expected expenses for the apartment rehabilitation project in Year 1.

Major Construction budgets remain active and open for three years and the cash flow for these expenditures is usually expensed over a three-year period. Therefore, from Years 3 to 10, to better

reflect the cash flow of CADA's major construction projects, total estimated project expenditures in each Forecast year are expended over a three-year period, generally with 25% expended in the first year, 50% in the following year, and 25% in the 3<sup>rd</sup> year.

Two additional items were included in this Forecast that were not in the prior Forecast. First, are tenant improvements for an estimated amount of \$500,000 for a new maintenance warehouse, to be expended in the current fiscal year. Second, an additional \$1.4 million per year from Year 1 to Year 5 for rehab and upgrades to units as they turn for flooring, countertops, and cabinetry. As discussed previously, this work is necessary to update CADA housing units to current market finishes and to advance sustainability goals by using longer-lasting products.

These assumptions yield a total Major Construction outlay of \$14.2 million over the ten-year period, with \$9.7 million of these expenditures occurring between Years 1 through 5.

## DEVELOPMENT

In this Forecast, Development projects are categorized as either "Current" or "Neighborhood and Infrastructure Improvements Projects." While the Forecast includes some of the same projects as in prior years, some projects have had modifications due to various issues including timing delays, project restructuring, and restructuring of financing.

For the current Forecast, assumptions for each development project are estimates based on information received from CADA project managers as of the end of March 2024. Therefore, changes to development project assumptions that have occurred since April may not be reflected in the Forecast.

Bond proceeds are not included in the general available cash but are used to fund expenses by project in the Development segment of the Forecast. This is because they are assumed to be funds available for development projects and not funding for general operations. This Forecast also assumes all available bond proceeds will have been spent by FY 29-30.

Key assumptions for development projects (timing, revenues, and expenditures) reflected in the current Forecast are shown below. Further detail for each development project is provided in **Attachment 2**.

### Current CADA Development Projects

Current CADA Projects consist of the Cypress - Site 21 (14<sup>th</sup> & N), East End Gateway Site 5-8, and Sonrisa (Courtyard) projects.

For these projects, the Forecast projects \$2.2 million in additional cash outflow needed from CADA in Years 1 through 4; this is a \$2 million increase in cash inflow from the prior Forecast. This is mainly due to a change in assumptions for the predevelopment and gap financing expenses for the East End Gateway projects 5-6-7-8.

This is increased by \$2.7 million in the potential Tax Increment to be generated from completed projects and the positive affordable housing impact from new low-income units not managed by CADA, with almost all of this being generated in Years 5 through 10.

#### Site 21 (the Cypress)

- This Forecast assumes completion of a rental condominium project consisting of 97 market rate units with a small retail component at the northeast corner of the building, at 14<sup>th</sup> and N Streets.



- Similar to the prior Forecast, tax increment is calculated using annual Net Operating Income (NOI) multiplied by a 5% cap rate. The estimated NOI is unchanged from the prior Forecast. The assumption for the sale of 6 units has been removed, thus reducing the estimated TI.
- The Forecast assumes that construction will be completed in the summer of 2025, the same timing as in the prior Forecast, and assumes the full annual amount of tax increment will begin in FY 26-27.
- The prior Forecast assumed the developer would purchase the land at closing and would pay CADA \$2.4 million. This occurred in the prior fiscal year and the funds are incorporated in the available cash balance.
- The negative affordable housing impact resulting from construction of an all-market rate project is assumed to be 26 units, yielding an annual impact of \$118,000 per year increasing at 2% per year starting in FY 24-25. The impact reflects the cost to CADA of having to subsidize 25 market rate units elsewhere in its portfolio down to a below-market rate rental level.
- The Forecast continues to assume a \$400,000 CADA offsite subsidy to be paid in FY 24-25 to the developer from CADA as part of this project. This may not occur but was kept in the Forecast until any final decision has been made.

#### East End Gateway Site 5-6-7-8

- The Forecast for this project has changed from the prior year. It still assumes this will be an affordable tax credit financed project but there are additional expenses and gap financing which were not part of the prior Forecast.
- It is assumed this project will be a two part or phased project now, including the Terraces (Site 8). It is assumed there will be a 100-unit project on Sites 5 & 6, with construction starting in Year 2 and a 150-unit project on sites 7 & 8 with construction starting in Year 5.
- For Site 5 & 6, the Forecast now includes predevelopment expenses of \$1 million expended over Year 1 and Year 2 with Gap financing of \$4 million in Year 3. For Sites 7 & 8 it is assumed another \$1 million in predevelopment expenses will be expended over Years 3 and Year 4 with another \$5 million in gap financing in Year 5 for a total project cost of \$11 million.
- This project is assumed to be funded from a combination of bond proceeds and TI, with approximately \$9 million in bond funds to be used for the gap financing.
- There is no assumption for land acquisition as it is assumed this property would fall under the Governor's executive order and will be leased to CADA for \$1.

#### Sonrisa

- This project is now complete and in the process of conversion to permanent mortgage financing. Sonrisa is a 100% affordable housing project using tax credit financing and bond funds from CADA through the CACDC. This project will meet its own affordable housing requirement and create an additional 42 affordable units in excess of this requirement. The Forecast assumes a positive impact which will phase into revenue over the ten-year period.

## Neighborhood and Infrastructure Improvement Projects

Neighborhood and Infrastructure projects currently consist of Roosevelt Park, O Street Streetscape, 16<sup>th</sup> Street and Fremont Park, the Dean, and the 10<sup>th</sup> Street Streetscape projects. For these projects, approximately \$582,000 in CADA net resources will be expended during the ten-year period, which is a similar estimate to the prior Forecast.

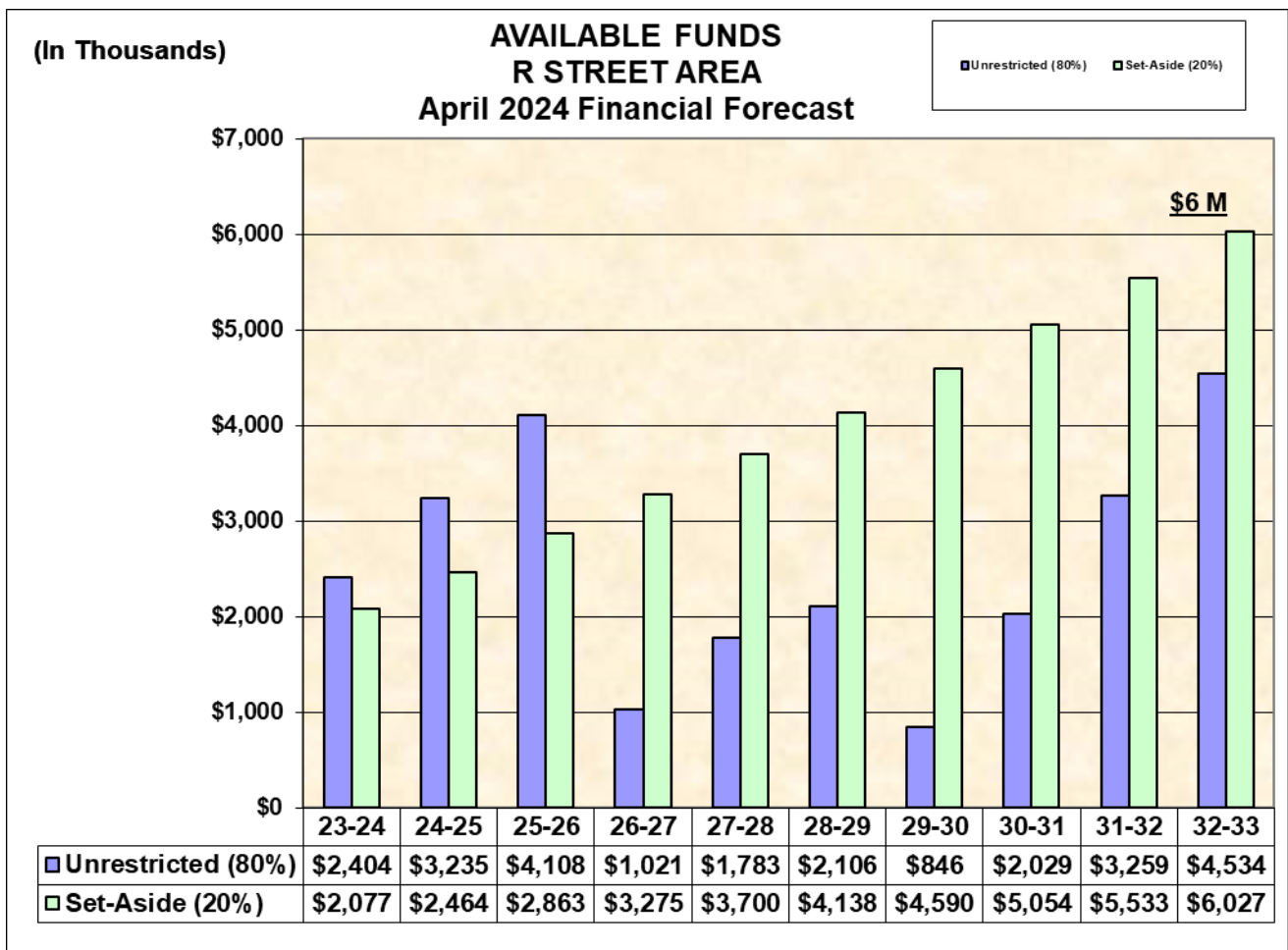
- The infrastructure improvement projects in the Capitol Area – Roosevelt Park, 16<sup>th</sup> Street and Fremont Park, and 10<sup>th</sup> Street improvement – are collectively projected to require a \$1.5 million investment for potential infrastructure and site improvement costs, expended in Year 1 through Year 4.
- The prior Forecast assumed the O Street project’s total estimated cost would be \$4.4 million, with \$2 million funded with the bond proceeds, and \$2.4 million in possible grant funding. CADA was unable to secure grand funds so the project has been reduced to \$2.6 million with \$1.8 million funded with the bond proceeds and \$830,000 remaining funds through TI.
- The project at the Dean is assumed to draw on the current budget in Year 1 for upgrades to the building’s HVAC systems.
- The 10<sup>th</sup> Street Streetscape project reflects small site improvements recently-installed landscaping on 10<sup>th</sup> Street, on the corner of 11<sup>th</sup> and P Street, to complement improvements planned within and around Roosevelt Park. This project is expected to be completed in Year 1.
- The 16<sup>th</sup> Street and Fremont Park project reflects a new restroom and site improvements along 16<sup>th</sup> street of \$200,000. This is expected to be completed in Year 1.

### **R STREET FORECAST (ATTACHMENT 4)**

Due to restrictions on CADA’s utilization of Tax Increment generated within the R Street Area, the R Street Area Forecast is presented separately from the Capitol Area Forecast. The R Street Forecast includes two segments -- Unrestricted Funds (80% of TI) and Set-Aside Funds (20% of TI).

As illustrated in the table below, the net result of the activities planned on R Street in this year’s Forecast is a positive cumulative fund balances in both the Unrestricted and the Affordable Housing Set-Aside segments throughout the ten-year period.

The R Street Forecast, presented in **Attachment 3**, provides the revenue and expenses projected for this ten-year period. Project-specific details for R Street Area Development Projects are provided in **Attachment 4**.



#### UNRESTRICTED SEGMENT ASSUMPTIONS

- For Tax Increment (TI), revenue in Year 1 is increased to reflect FY 23-24 estimated levels, followed by 2% increase each year thereafter.
- Similar to the prior Forecast, R Street Unrestricted Funds have been incorporated for streetscape improvements at the 900 Block for \$523,000 expended in Year 1.
- Tax Allocation Bond Debt Service reflects the continuing debt service payments from the 2020 taxable bond issued in December 2020 allocated to R Street’s unrestricted funds. This will be a constant expense over the whole ten year Forecast period based on the 2020 Debt Service schedules.
- In this Forecast, two pre-development projects were included in this segment. With both projects in pre-planning, it is assumed they will be funded through Bond proceeds and unrestricted TI. Because they are affordable housing projects, set-aside funds can become possible funding sources if additional funding is needed for the project.
  - With the purchase of property at 16<sup>th</sup> and T Street for the 16T project, the Forecast assumes \$900,000 in predevelopment expenses, along with a gap financing of \$4 million in Year 1. This is a change from the prior Forecast which assumed these expenditures would occur over the next two years with the gap financing needed in

FY 25-26. With the \$4 million gap financing now needed in Year 1, the assumption for funding has changed from unrestricted TI to bond proceeds for the whole project, with the exception of \$93,000 currently funded with R street TI. This \$93,000 is budgeted for the maintenance and sale of the property at the time of construction. No project revenue has been incorporated into the Forecast.

- Pending the 16T project receiving the applied for ASHC funding, there will be a new S Street Streetscape improvement project. Part of the ASHC funding requires CADA to assist the City with improvements to S Street. CADA's portion would be \$450,000 and it is assumed to be expended in Year 1.
- The 805 R Street project, in partnership with Mutual Housing, assumes \$900,000 in predevelopment expenditures will be expended during Year 1, with gap financing of \$8 million expended at the beginning of Year 2. This project continues to assume funding will be through Bond proceeds.
- The new affordable housing project proposed in the prior Forecast has change from just the purchase of a large parcel of property for a total cost of \$16.3 million, to the purchase of one property with an estimate for a possible affordable housing project. For this project it is assumed property would be purchased for \$5 million in Year 4, then over the next three years there would be a total of \$1 million of predevelopment expenditures with gap financing of \$5 million expended in Year 7. This project would use a combination of the remaining bond proceeds and R Street unrestricted TI to fund the project. This project would contribute to CADA meeting its R Street Area mandatory affordable housing requirements.
- Included in the Forecast are possible expenditures totaling \$450,000 for the middle-income housing project support funded through R Street TI over the next four years.

#### AFFORDABLE HOUSING SET-ASIDE SEGMENT ASSUMPTIONS

- Tax Increment (TI) revenue in Year 1 is increased to reflect FY 23-24 estimated levels, followed by 2% increases each year thereafter.
- Tax Allocation Bond Debt Service reflects the continuing debt service payments from the 2020 taxable bond issued in December 2020 and allocated to R Street's set-aside funds. This will be a constant expense over the whole ten-year Forecast period based on the 2020 Debt Service schedules.
- For the 1717 S Street project, the Forecast assumes no additional predevelopment or gap financing for this affordable housing project.
- Aside from the Development expenses and assumptions previously mentioned above, the Forecast assumes no other major CADA projects will be funded through the set-aside for the next ten-year period. As a result, remaining funds in the reserve should be approximately \$6 million by Year 10 and can be available to use for the other proposed projects above.

#### CONCLUSIONS

The Capitol Area Forecast indicates there will be sufficient funds to meet the projected needs of CADA's General Operations and Development Projects during the ten-year Forecast period. It is

important to note that, with the decrease in available funding over the Forecast period, available resources for larger expenditures in the near future is reduced for any new projects or additional project subsidies funded through operational sources.

However, with the current assumptions for Operations, Development, and infrastructure projects, continued major construction improvement needs for CADA's aging buildings, and no new development or infrastructure projects planned to occur during the last five years of the Forecast period, it appears that expenses are still growing faster than revenue, but at a lower rate and does appear to be leveling some in the last years of the Forecast. Even with the overall decline the available funds still remain above our required minimum reserve balance at Year 10. This is similar to what CADA has seen in prior years.

With the continued and anticipated fund balance decline throughout the Forecast period, CADA still needs to remain fiscally viable, so it is imperative that CADA continue to carefully consider its current and future commitments in both the Capitol and R Street Areas, that it secures infrastructure grants and outside development funding whenever possible, and that it undertakes actions to continue to keep revenue and expenses aligned to maintain a positive reserve balance into the future.

The R Street Area Forecast indicates the affordable housing set-aside funds will be available for additional funding to current or new projects beyond those that are assumed in this Forecast. Unrestricted funds are available, but will be reduced in Year 4 and Year 7 due to assumptions for a new affordable housing project.

With much of the current R Street Area project expenses funded through the bond proceeds, there are still funds available to assist new and current projects alike, so it is crucial that careful consideration and discussions occur regarding how the R Street Area resources should be utilized in the future.

## **STRATEGIC PLAN**

The Strategic Plan value that is most directly pertinent to this action is Objective I: Ensure Fiscal Strength and Operational Excellence. Completing and reviewing a financial Forecast gives CADA the ability to make informed decisions on operations and development projects, while continuing to maintain a strong financial position so CADA continues to have the ability to meet its goals and mission objectives in the future.

## **FINANCIAL IMPACT**

The purpose of the Financial Forecast is to provide the Board and staff with a broad understanding of the overall impact of currently envisioned projects and programs on CADA's financial well-being. As with any Forecast, the impacts will be subject to refinement as projects are finalized and conditions change. Accordingly, while this document serves as a valuable reference, the specific financial impacts of proceeding on any project or program will be analyzed at the time decisions are made.

## **ENVIRONMENTAL REVIEW**

Not applicable. The action before the Board is an administrative matter and is not a project subject to the guidelines of the California Environmental Quality Act.

## **CONTRACT AWARD CONSIDERATIONS**

Not applicable. The action before the board does not involve contract awards.

Attachments:

1. Capitol Area Forecast
2. General Fund Development Detail
3. R Street Area Forecast
4. R Street Development Projects

**Capitol Area Forecast  
2024 Financial Forecast**

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CAPITOL AREA (exclusive of Special Management Operations)	1 to 5 Year Forecast					6 to 10 Year Forecast				
	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>GENERAL OPERATIONS</b>										
Operation Revenue	\$ 8,485,754	\$ 8,655,124	\$ 8,827,876	\$ 9,004,078	\$ 9,130,531	\$ 9,312,776	\$ 9,498,659	\$ 9,688,255	\$ 9,881,637	\$ 10,078,881
Low Income Subsidy (General Fund Only)	(346,800)	(353,736)	(360,811)	(368,027)	(375,388)	(382,896)	(390,554)	(398,365)	(406,332)	(414,459)
Tax Increment Revenue	5,004,000	5,110,080	5,472,355	5,628,647	5,741,220	5,856,045	5,973,165	6,092,629	6,214,481	6,338,771
Interest Income (from operations & unspent bond proceeds)	980,034	676,280	533,916	437,742	257,150	239,587	164,182	152,837	142,452	130,137
Notes Receivable Repayment	791,985	108,354	-	-	-	-	-	-	-	-
Sale of 701 S street	-	1,250,000	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>14,914,973</b>	<b>15,446,102</b>	<b>14,473,336</b>	<b>14,702,440</b>	<b>14,753,513</b>	<b>15,025,512</b>	<b>15,245,452</b>	<b>15,535,356</b>	<b>15,832,238</b>	<b>16,133,330</b>
Operation Expense	(11,985,541)	(11,896,994)	(12,241,024)	(12,595,285)	(12,960,083)	(13,335,403)	(13,721,985)	(14,120,161)	(14,530,284)	(14,952,711)
Continuing Debt Service	(353,228)	(1,603,126)	(353,022)	(352,914)	(352,804)	(220,091)	(219,974)	(144,958)	(39,186)	(39,060)
2016 & 2017 TAB Debt Service	(784,365)	(766,532)	(758,512)	(764,855)	(765,373)	(760,246)	(774,874)	(773,051)	(731,759)	(688,977)
2020 Bond Debt Service	(458,279)	(457,050)	(458,040)	(457,105)	(456,887)	(456,069)	(456,084)	(455,744)	(456,346)	(455,178)
Special management debt reserve	(212,000)	(212,000)	(212,000)	(212,000)	(206,100)	-	-	-	-	-
<b>Total Expenses</b>	<b>(13,793,414)</b>	<b>(14,935,702)</b>	<b>(14,022,598)</b>	<b>(14,382,159)</b>	<b>(14,741,247)</b>	<b>(14,771,809)</b>	<b>(15,172,917)</b>	<b>(15,493,914)</b>	<b>(15,757,575)</b>	<b>(16,135,926)</b>
<b>Annual Net Cash Flow - General Operations</b>	<b>\$ 1,121,559</b>	<b>\$ 510,400</b>	<b>\$ 450,737</b>	<b>\$ 320,282</b>	<b>\$ 12,266</b>	<b>\$ 253,702</b>	<b>\$ 72,535</b>	<b>\$ 41,442</b>	<b>\$ 74,663</b>	<b>\$ (2,596)</b>
<b>MAJOR CONSTRUCTION</b>										
<b>Annual Net Cash Flow - Major Construction</b>	<b>\$ (2,422,097)</b>	<b>\$ (2,280,719)</b>	<b>\$ (1,918,958)</b>	<b>\$ (1,828,419)</b>	<b>\$ (1,295,122)</b>	<b>\$ (900,793)</b>	<b>\$ (858,617)</b>	<b>\$ (867,928)</b>	<b>\$ (885,479)</b>	<b>\$ (903,286)</b>
<b>Annual Net Cash Flow after Major Construction</b>	<b>\$ (1,300,538)</b>	<b>\$ (1,770,319)</b>	<b>\$ (1,468,220)</b>	<b>\$ (1,508,137)</b>	<b>\$ (1,282,855)</b>	<b>\$ (647,091)</b>	<b>\$ (786,082)</b>	<b>\$ (826,486)</b>	<b>\$ (810,816)</b>	<b>\$ (905,882)</b>
<b>DEVELOPMENT (FN 1 - includes revenue loss and/or new debt service)</b>										
<b>CADA Projects</b>										
Site 21 (14th & N)	(400,000)	(118,560)	(120,931)	376,650	384,183	391,867	399,704	407,698	415,852	424,169
East End Gateway - Site 5/6/7, Hand in Hand, Enterprise Site & Simor	(305,000)	(715,000)	(305,000)	(715,000)	-	-	-	-	-	-
Courtyard Site 16A	-	9,120	18,605	27,907	37,210	46,512	55,814	65,117	74,419	83,722
	<b>(705,000)</b>	<b>(824,440)</b>	<b>(407,326)</b>	<b>(310,443)</b>	<b>421,393</b>	<b>438,379</b>	<b>455,519</b>	<b>472,815</b>	<b>490,271</b>	<b>507,891</b>
<b>Neighborhood and Infrastructure Improvement Projects</b>										
Roosevelt Park	-	(40,000)	(60,000)	-	-	-	-	-	-	-
O Street Streetscape	-	-	(680,590)	(149,000)	-	-	-	-	-	-
16th Street Streetscape	-	-	-	-	-	-	-	-	-	-
10th Street Commerical	(5,000)	-	-	-	-	-	-	-	-	-
Infrastructure improvements	(200,000)	-	-	-	-	-	-	-	-	-
The Dean Improvement	(236,000)	-	-	-	-	-	-	-	-	-
	<b>(441,000)</b>	<b>(40,000)</b>	<b>(740,590)</b>	<b>(149,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interest Expense - Opportunity Cost</b>	<b>(40,110)</b>	<b>(30,255)</b>	<b>(40,177)</b>	<b>(16,080)</b>	<b>14,749</b>	<b>15,343</b>	<b>15,943</b>	<b>16,549</b>	<b>17,160</b>	<b>17,776</b>
	<b>(40,110)</b>	<b>(30,255)</b>	<b>(40,177)</b>	<b>(16,080)</b>	<b>14,749</b>	<b>15,343</b>	<b>15,943</b>	<b>16,549</b>	<b>17,160</b>	<b>17,776</b>
<b>Annual Net Cash Flow - Development</b>	<b>\$ (1,186,110)</b>	<b>\$ (894,695)</b>	<b>\$ (1,188,093)</b>	<b>\$ (475,523)</b>	<b>\$ 436,142</b>	<b>\$ 453,722</b>	<b>\$ 471,462</b>	<b>\$ 489,364</b>	<b>\$ 507,431</b>	<b>\$ 525,667</b>
<b>ANNUAL NET CASH FLOW</b>	<b>(2,486,648)</b>	<b>(2,665,014)</b>	<b>(2,656,314)</b>	<b>(1,983,660)</b>	<b>(846,713)</b>	<b>(193,369)</b>	<b>(314,620)</b>	<b>(337,122)</b>	<b>(303,384)</b>	<b>(380,215)</b>

Capitol Area Forecast  
2024 Financial Forecast

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CAPITOL AREA (exclusive of Special Management Operations)	1 to 5 Year Forecast					6 to 10 Year Forecast				
	24-25 Year 1	25-26 Year 2	26-27 Year 3	27-28 Year 4	28-29 Year 5	29-30 Year 6	30-31 Year 7	31-32 Year 8	32-33 Year 9	33-34 Year 10
	(IN THOUSANDS)									
ANNUAL NET CASH FLOW	-\$2,487	-\$2,665	-\$2,656	-\$1,984	-\$847	-\$193	-\$315	-\$337	-\$303	-\$380
CUMULATIVE IMPACT ON AVAILABLE OPERATING RESERVES										
Available Operating Reserves -Beginning of Forecast	\$23,464									
Available Bond Funds	\$0	\$0								
Available Operating Reserves - End of Year	\$20,977	\$18,312	\$15,656	\$13,672	\$12,825	\$12,632	\$12,317	\$11,980	\$11,677	\$11,297
Less: Operating Reserve Threshold	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500
Target Operating Reserve Excess <Shortfall>	\$15,477	\$12,812	\$10,156	\$8,172	\$7,325	\$7,132	\$6,817	\$6,480	\$6,177	\$5,797



Capitol Area Development Authority  
2024 Financial Forecast  
GENERAL FUND DEVELOPMENT DETAIL

		Current Yr.	24-25					25-26																												
		23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-24																								
<b>CADA Projects</b>																																				
<b>D223-01 - Site 21 (14th &amp; N) (D08 Project)</b>																																				
<b>FUNDING SOURCES</b>																																				
	Option Fee, \$4,500/month (debt service \$4,100/month)			-		-		-		-																										
2.00%	Affordable Hsg Negative Impact Adj -26 units @ \$380/mo.			(118,560)	(120,931)	(123,350)	(125,817)	(128,333)	(130,900)	(133,518)	(136,188)	(138,912)																								
	Tax Increment					500,000	510,000	520,200	530,604	541,216	552,040	563,081																								
	<b>TOTAL FUNDING SOURCES</b>	-	-	(118,560)	(120,931)	376,650	384,183	391,867	399,704	407,698	415,852	424,169																								
<b>USES OF FUNDS</b>																																				
	Developer Subsidy - offsite subsidy		(400,000)	-																																
	<b>TOTAL USES OF FUNDS</b>	-	(400,000)	-	-	-	-	-	-	-	-	-																								
	<b>DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses</b>	-	(400,000)	(118,560)	(120,931)	376,650	384,183	391,867	399,704	407,698	415,852	424,169																								
<ul style="list-style-type: none"> <li>- Assuming the requirements in the Capitol Area Plan, this would be a condo project with 97 unit and 6 condominiums units market rate units with no commercial income</li> <li>- Old project closed with Cerilsih, new neogated agreement with D&amp;S</li> <li>- CADA has purchased the Site and D&amp;S paid \$2.4M at closing 2023 will be</li> <li>- Construction beginning FY 12.25.22 FY 22-23, 24 month construction completed 100% in FY 12.25.2024.</li> </ul>		<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2"></td> <td colspan="2" style="text-align: center;"><b>FY</b></td> </tr> <tr> <td style="width: 30%;"><b>Const starts</b></td> <td></td> <td style="width: 20%; text-align: center;">12/25/22</td> <td style="width: 20%; text-align: center;">22-23</td> </tr> <tr> <td><b>Const Fin</b></td> <td></td> <td style="text-align: center;">12/25/24</td> <td style="text-align: center;">24-25</td> </tr> <tr> <td></td> <td></td> <td colspan="2" style="text-align: center;"><b>24 months</b></td> </tr> <tr> <td><b>TI</b></td> <td></td> <td style="text-align: center;">6/25/26</td> <td style="text-align: center;">26-27</td> </tr> <tr> <td></td> <td></td> <td colspan="2" style="text-align: center;"><b>full year in FY 26-27</b></td> </tr> </table>													<b>FY</b>		<b>Const starts</b>		12/25/22	22-23	<b>Const Fin</b>		12/25/24	24-25			<b>24 months</b>		<b>TI</b>		6/25/26	26-27			<b>full year in FY 26-27</b>	
		<b>FY</b>																																		
<b>Const starts</b>		12/25/22	22-23																																	
<b>Const Fin</b>		12/25/24	24-25																																	
		<b>24 months</b>																																		
<b>TI</b>		6/25/26	26-27																																	
		<b>full year in FY 26-27</b>																																		

Capitol Area Development Authority  
2024 Financial Forecast  
GENERAL FUND DEVELOPMENT DETAIL

		Current Yr.										
		23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34
<b>D233-02 - EEG Site 5, 6 &amp; 7 (D07 Project)</b>												
<b>FUNDING SOURCES</b>												
	Bond funds		-	-	4,000,000	-	5,000,000		-			
	<b>TOTAL FUNDING SOURCES</b>	-	-	-	4,000,000	-	5,000,000	-	-	-	-	
<b>USES OF FUNDS</b>												
4709	Funding Research & Application Cost	-	-	(75,000)	-	(75,000)						
4710	Engineering/Architecture		(150,000)	(500,000)	(150,000)	(500,000)						
4720	Environment Assessment - Soil Mgmt. Plan; Asbestos Testing & Abatement		(10,000)	(25,000)	(10,000)	(25,000)						
4751	Legal Fees		(10,000)	(25,000)	(10,000)	(25,000)	-	-	-	-		
4752	Financial Analysis (CADA Cost)		(20,000)	(25,000)	(20,000)	(25,000)	-					
4758	Other Professional Svcs-Other		(100,000)	(50,000)	(100,000)	(50,000)						
4775	Miscellaneous		(15,000)	(15,000)	(15,000)	(15,000)						
	5-6 Gap Financing - \$5M (poss \$1M reimburse				(4,000,000)			-				
	7-8 Gap Financing - \$6M (\$1M reimburse		-	-	-		(5,000,000)					
	<b>TOTAL USES OF FUNDS</b>	-	(305,000)	(715,000)	(4,305,000)	(715,000)	(5,000,000)	-	-	-	-	
	<b>DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses</b>	-	(305,000)	(715,000)	(305,000)	(715,000)	-	-	-	-	-	
<p>- A potential 100% Affordable Tax Credit project, including Site 5 (hand-in-hand), Site 6 (Enterprise/Simons) and phased in Site 7 (Mercury Cleaners site) and Site 8 (Terraces).</p> <p>- Possible tax credit project; with 100 units at 5/6 and 150 at 7/8. Do not have a project layed out, so no TI or afford housing offset.</p> <p>- Estimated timing would be 5/6 const with start in FY 26/27; 7/8 const would start FY 28/29 with estimated gap fund of \$9 million assume to be funded by the bond proceeds, predevelopment expenses paid with TI</p> <p>- Enterprise, Simons, Mercury Cleaners and Hand in Hand revenue has been removed. The Terraces revenue is estimated to be removed in FY 28/29 when const starts</p> <p>- This project assume to be a 4% tax credit may be deveopment fees and on going rental revenue, Since the project is still preliminary these revenue items are to uncertain</p> <p>- Land acq follows the excutive order there the land will be leased to CADA and not sold.</p>												
			5/6	FY	7/8	FY						
			Const starts	7/1/26 26/27	Const starts	7/1/28 28/29						
			Const Fin	1/1/28 27-28	Const Fin	1/1/30 29-30						
			TI	7/1/29 29/30	TI	7/1/31 31-32						

Capitol Area Development Authority  
 2024 Financial Forecast  
 GENERAL FUND DEVELOPMENT DETAIL

		Current Yr.	2024-2029					2029-2034				
		23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34
<b>D224-25 - Courtyard Site 16A (D19)</b>												
<b>FUNDING SOURCES</b>												
2.0%	Offset for Affordable Hsg Positive Impact Adj - 17 units @ \$380/mo. Covers it's ownen requirement with no extra		-	9,120	18,605	27,907	37,210	46,512	55,814	65,117	74,419	83,722
<b>TOTAL FUNDING SOURCES</b>		-	-	9,120	18,605	27,907	37,210	46,512	55,814	65,117	74,419	83,722
<b>USES OF FUNDS</b>												
<b>TOTAL USES OF FUNDS</b>		-	-	-	-	-	-	-	-	-	-	-
<b>DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses</b>		-	-	9,120	18,605	27,907	37,210	46,512	55,814	65,117	74,419	83,722
<ul style="list-style-type: none"> <li>- Assume CACDC would develop this project with contributions from CADA.</li> <li>- Assume this would be 100% affordable with funding from tax credits with 57 units - one manager</li> <li>- Affordable units for the building is 15 (57*25%) will create 42 additional affordable units - phase in 26 units for the affordable unites need for the Cypress project. Then will phase the remaining over mul year - 2 per year for attrition</li> <li>- The \$1.6 mil net (predev reimbursement and 1.5 mill sof loan). This is assumed to be equity or gap funding for the project - non collectable</li> <li>- There is no acq - under excutive order these will be ground leases to CADA for a \$1</li> </ul>												
<b>10th Street Commerical (D19 Proposed Project)</b>												
<b>FUNDING SOURCES</b>												
<b>TOTAL FUNDING SOURCES</b>		-	-	-	-	-	-	-	-	-	-	-
<b>USES OF FUNDS</b>												
4703	Site Improvements - new awnings	-	(5,000)									
<b>TOTAL USES OF FUNDS</b>		-	(5,000)	-	-	-	-	-	-	-	-	-
<b>DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses</b>		-	(5,000)	-	-	-	-	-	-	-	-	-
<ul style="list-style-type: none"> <li>- For improvements to CADA's commerical units along 10ths street with proposed new metal awnings and signage; and other streetscape improvments</li> </ul>												

		Current Yr.										
		23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-24
<b>Neighborhood and Infrastructure Improvement Projects</b>												
<b>D807-00 - Roosevelt Park (D15 Project)</b>												
FUNDING SOURCES												
TOTAL FUNDING SOURCES												
USES OF FUNDS												
4758	Site Improvements - Other		-	(20,000)	(60,000)	-						
4758	Other Professional Services	-	-	(20,000)								
TOTAL USES OF FUNDS												
DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses												
<ul style="list-style-type: none"> <li>- In partnership with the City assume CADA will completed baseball field improvements in FY 19-20 and additional improvements of planitngs strip on the SE edge (\$50k) and Q st (\$50k) and a new entry on the south Side (\$75)</li> <li>- Assume the City will improve the ball field lighting, sidewalks on 9th and P Stree, and new fencing along the park</li> <li>- Project improvements to the pedestrian spaces, athletic field and other improvements for signage; landscaping; and walkways</li> </ul>												
<b>D801-00 - O Street Streetscape (D09 Project)</b>												
FUNDING SOURCES												
Bond Funds												
3872	D&A Grant Proceeds - infrastructure grant		-	932,200	857,910	-	-					
TOTAL FUNDING SOURCES												
USES OF FUNDS												
4703	Site Improvements - grant funded			(712,200)	(1,387,500)	(132,000)						
4709	Fundraising	-	-	-	-	(5,000)						
4751	Legal ( Review of RT agreements	-	-	-	-	(5,000)						
4758	Other Prof. Svcs - CADA funded - Const concept and drawings	-	-	(220,000)	(24,000)	(7,000)	-					
5343	Permit & fees				(127,000)							
TOTAL USES OF FUNDS												
DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses												
<ul style="list-style-type: none"> <li>- Funded through \$2 mil in bond funds</li> <li>- Project improvements to the pedestrian spaces and other improvements for signage; landscaping; Murals, and walkways.</li> </ul>												
<b>D804-00 - 16th Street Streetscape (D10 Project)</b>												
FUNDING SOURCES												
TOTAL FUNDING SOURCES												
USES OF FUNDS												
4703	Site Improvements - other 16th street items - restroom fremont park		(180,000)		-							
4758	Other Prof Svcs	-	(20,000)	-	-							
TOTAL USES OF FUNDS												
DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses												

Capitol Area Development Authority  
 2024 Financial Forecast  
 GENERAL FUND DEVELOPMENT DETAIL

	Current Yr.										
	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34
- Funds for improvements to Fremont Park \$10k for fencing;\$50k replanting;\$150k for restroom improvements											

Capitol Area Development Authority (CADA)  
2024 Long-Range Forecast  
**R STREET AREA FORECAST**

	22-23	1 to 5 Year Forecast					6 to 10 Year Forecast				
		23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Cash Flow Projection	Cash Flow Projection	Cash Flow Projection	Cash Flow Projection	Cash Flow Projection	Cash Flow Projection	Cash Flow Projection	Cash Flow Projection	Cash Flow Projection	Cash Flow Projection	Cash Flow Projection
<b>R STREET AREA (80% Unrestricted Portion)</b>											
<b>Unrestricted (80%)</b>											
<b>Revenue</b>											
Tax Increment Revenue (2% annual increase)	2,234,000	2,278,680	2,324,254	2,370,739	2,418,153	2,466,517	2,515,847	2,566,164	2,617,487	2,669,837	2,723,234
<b>Expenses</b>											
2016 Bond Debt Service	(35,238)	(34,904)	(34,012)	(33,611)	(33,928)	(33,954)	(33,698)	(34,429)	(34,338)	(34,430)	(34,449)
2020 Bond Debt Service	(1,018,399)	(1,015,668)	(1,017,867)	(1,015,789)	(1,015,305)	(1,013,487)	(1,013,521)	(1,012,765)	(1,014,103)	(1,011,507)	(1,010,597)
1% Assistance to General Fund (Staffing Salaries & Benefits)	(216,000)	(224,640)	(231,379)	(238,321)	(245,470)	(252,834)	(260,419)	(268,232)	(276,279)	(284,567)	(293,104)
General R Street Projects	-	(110,000)	(110,000)	(110,000)	(110,000)	(110,000)	(110,000)	(110,000)	(110,000)	(110,000)	(110,000)
R Street Improvement - 900 Block	-	(523,000)	-	-	-	-	-	-	-	-	-
16th & T Street Possible Housing Project	-	(93,000)	-	-	-	-	-	-	-	-	-
16T - S Street Improvement Project	-	(450,000)	-	-	-	-	-	-	-	-	-
Middle Income Housing Project Support	-	(150,000)	(100,000)	(100,000)	(100,000)	-	-	-	-	-	-
Catalyst Affordable Housing Project	-	-	-	-	(4,000,000)	(295,000)	(775,000)	(2,400,000)	-	-	-
	(1,269,637)	(2,601,212)	(1,493,258)	(1,497,720)	(5,504,703)	(1,705,276)	(2,192,638)	(3,825,426)	(1,434,719)	(1,440,504)	(1,448,150)
<b>Cash Flow</b>	<b>964,363</b>	<b>(322,532)</b>	<b>830,995</b>	<b>873,018</b>	<b>(3,086,549)</b>	<b>761,241</b>	<b>323,208</b>	<b>(1,259,262)</b>	<b>1,182,768</b>	<b>1,229,333</b>	<b>1,275,084</b>
<b>Cash Reserves Available - July 1, 2017</b>	<b>1,761,977</b>										
<b>CUMULATIVE YEAR END FUNDS AVAILABLE</b>	<b>2,726,340</b>	<b>\$ 2,403,809</b>	<b>\$ 3,234,804</b>	<b>\$ 4,107,822</b>	<b>\$ 1,021,273</b>	<b>\$ 1,782,514</b>	<b>\$ 2,105,722</b>	<b>\$ 846,460</b>	<b>\$ 2,029,228</b>	<b>\$ 3,258,560</b>	<b>\$ 4,533,644</b>
<b>R STREET SET-ASIDE (20% Portion)</b>											
<b>Affordable Housing Related</b>											
<b>Revenue</b>											
Tax Increment Revenue (2% annual increase)	590,000	601,800	613,836	626,113	638,635	651,408	664,436	677,725	691,279	705,105	719,207
<b>Expenses</b>											
2016 Bond Debt Service	(7,047)	(6,981)	(6,803)	(6,723)	(6,786)	(6,791)	(6,740)	(6,886)	(6,868)	(6,887)	(6,890)
2020 Bond Debt Service	(220,653)	(220,061)	(220,538)	(220,088)	(219,983)	(219,589)	(219,596)	(219,432)	(219,722)	(219,160)	(218,963)
	(227,700)	(227,042)	(227,341)	(226,811)	(226,769)	(226,380)	(226,336)	(226,318)	(226,590)	(226,047)	(225,853)
<b>Cash Flow</b>	<b>362,300</b>	<b>374,758</b>	<b>386,495</b>	<b>399,302</b>	<b>411,866</b>	<b>425,028</b>	<b>438,100</b>	<b>451,406</b>	<b>464,689</b>	<b>479,058</b>	<b>493,354</b>
<b>Cash Reserves Available - July 1, 2017</b>	<b>1,340,278</b>	<b>-</b>									
<b>CUMULATIVE YEAR END FUNDS AVAILABLE</b>	<b>1,702,578</b>	<b>\$ 2,077,336</b>	<b>\$ 2,463,831</b>	<b>\$ 2,863,133</b>	<b>\$ 3,274,999</b>	<b>\$ 3,700,027</b>	<b>\$ 4,138,127</b>	<b>\$ 4,589,533</b>	<b>\$ 5,054,222</b>	<b>\$ 5,533,279</b>	<b>\$ 6,026,633</b>

**R STREET DEVELOPMENT PROJECTS**

		23-24	24-25	25-26	25-26	27-28	28-29	29-30	30-31	31-32	32-33	33-34
<b>D901-00 - R Street (D05 Project)</b>												
<b>FUNDING SOURCES</b>												
	<b>TOTAL FUNDING SOURCES</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Budgeted USES OF FUNDS</b>												
4211	Marketing & Media	-	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
4703	Site Improvements	-	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
4711	Public space improvement/ Sie Maintenance	-	-	-	-	-	-	-	-	-	-	-
4751	Legal - Dev Project Related	-	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
4752	D&A Project Financial Analysis	-	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
4758	D&A Other Professional Services - Other (Proj Dev; Envio Ass)	-	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
4758	D&A Other Professional Services - Grant Writing	-	-	-	-	-	-	-	-	-	-	-
4775	D&A Miscellaneous Expense	-	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
	<b>TOTAL USES OF FUNDS</b>	-	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>
	<b>DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses</b>	-	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>
<b>R Street Public Space Improvement - 900 Block</b>												
<b>FUNDING SOURCES</b>												
	<b>TOTAL FUNDING SOURCES</b>	-	-	-	-	-	-	-	-	-	-	-
<b>USES OF FUNDS</b>												
4703	Site Improvments	-	(450,000)	-	-	-	-	-	-	-	-	-
4758	Other profess	-	(73,000)	-	-	-	-	-	-	-	-	-
	<b>TOTAL USES OF FUNDS</b>	-	<b>(523,000)</b>	-	-	-	-	-	-	-	-	-
	<b>DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses</b>	-	<b>(523,000)</b>	-	-	-	-	-	-	-	-	-
<b>805 R Street - Possible partnership</b>												
<b>FUNDING SOURCES</b>												
	2020 bond F20 - CACDC through partnership	-	900,000	8,000,000	-	-	-	-	-	-	-	-
	<b>TOTAL FUNDING SOURCES</b>	-	<b>900,000</b>	<b>8,000,000</b>	-	-	-	-	-	-	-	-
<b>USES OF FUNDS</b>												
4703	D&A - Site Improvements	-	-	-	-	-	-	-	-	-	-	-
4710	D&A Engin/Architectural	-	(315,000)	-	-	-	-	-	-	-	-	-
4720	D&A Environmental Assessments	-	(300,000)	-	-	-	-	-	-	-	-	-

**R STREET DEVELOPMENT PROJECTS**

		23-24	24-25	25-26	25-26	27-28	28-29	29-30	30-31	31-32	32-33	33-34
4751	Legal - Dev Project Related	-	(10,000)									
4752	D&A Project Financial Analysis	-	(50,000)									
4758	D&A Other Professional Services	-	(50,000)									
4775	D&A Miscellaneous Expense	-	(25,000)									
5343	Permits and Fees	-	(150,000)									
	Joint Venture Investment			(8,000,000)	-	-						
	<b>TOTAL USES OF FUNDS</b>	-	<b>(900,000)</b>	<b>(8,000,000)</b>	-	-	-	-	-	-	-	-
	<b>DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses</b>	-	-	-	-	-	-	-	-	-	-	-
	<b>Partnership with Mutual Housing assume predevelopment expenses in FY 24-25 with Const starting in FY 25-26 and possible completion Early Spring 2027</b>											
	<b>This contplated to be a tax credit proeject with 241 units planned with aprocx \$4k SF of commercial space</b>											
	<b>This is not in the CADA or R St TI area</b>											
	<b>16T - 2000 16th Street - Possible Housing Project</b>											
	<b>FUNDING SOURCES</b>											
	F60 for the project - prob to partnership		4,850,000									
	<b>TOTAL FUNDING SOURCES</b>	-	<b>4,850,000</b>	-	-	-	-	-	-	-	-	-
	<b>USES OF FUNDS</b>											
4601	Build/Land Acquisition	-	(93,000)									
4710	D&A Engin/Architectural	-	(400,000)									
4720	D&A Environmental Assessments	-	(50,000)									
4751	Legal - Dev Project Related	-	(70,000)									
4752	D&A Project Financial Analysis	-	(50,000)									
4758	D&A Other Professional Services	-	(3,000)									
4775	D&A Miscellaneous Expense	-	(50,000)									
5343	Permits and Fees	-	(227,000)									
	Project funding	-	(4,000,000)	-		-						
	<b>TOTAL USES OF FUNDS</b>	-	<b>(4,943,000)</b>	-	-	-	-	-	-	-	-	-
	<b>DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses</b>	-	<b>(93,000)</b>	-	-	-	-	-	-	-	-	-
	<b>Assume project receives the AHSC funding and predevelopment of a project with current budgeted in the next fiscal year - FY 24-25</b>											
	<b>Const on an affordable project in FY 24-25 - use remaining \$93,000 budget funds in F10 for disposition of the property</b>											
	<b>Assume project may need \$4 mil in Financing with this funded by the 2020 bond</b>											



**R STREET DEVELOPMENT PROJECTS**

		23-24	24-25	25-26	25-26	27-28	28-29	29-30	30-31	31-32	32-33	33-34
assume completed Sumer of 2027, with 134 units and possible \$25000 SF of commercial space - this is outside of CADA & R St Area - no TI and maybe 2 for 1?												
<b>16T- S Street Project - required as part of 16T funding</b>												
<b>FUNDING SOURCES</b>												
TOTAL FUNDING SOURCES		-	-	-	-	-	-	-	-	-	-	-
<b>USES OF FUNDS</b>												
4710	D&A Engin/Architectural		(325,000)									
4758	D&A Other Professional Services		(125,000)									
TOTAL USES OF FUNDS		-	(450,000)	-	-	-	-	-	-	-	-	-
DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses		-	(450,000)	-	-	-	-	-	-	-	-	-
<b>Middle Income Housing Project Support</b>												
<b>FUNDING SOURCES</b>												
TOTAL FUNDING SOURCES		-	-	-	-	-	-	-	-	-	-	-
<b>USES OF FUNDS</b>												
	Development Loan Funding		(150,000)	(100,000)	(100,000)	(100,000)						
4775	Miscellaneous Expense											
TOTAL USES OF FUNDS		-	(150,000)	(100,000)	(100,000)	(100,000)	-	-	-	-	-	-
DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses		-	(150,000)	(100,000)	(100,000)	(100,000)	-	-	-	-	-	-
<b>Loan funding for other development projects in the Sacramento area could poss cover three loans.</b>												
<b>New/Catalyst Affordable Housing Project</b>												
<b>FUNDING SOURCES</b>												
7560	Bond funds		-	-	-	1,000,000			2600000			
TOTAL FUNDING SOURCES		-	-	-	-	1,000,000	-	-	2,600,000	-	-	-
<b>USES OF FUNDS</b>												
4601	Build/Land Acquisition	-	-	-	-	(5,000,000)						
4709	Funding esearch & App Cost	-						(100,000)				
4710	D&A Engin/Architectural	-	-	-			(150,000)	(500,000)				
4720	D&A Environmental Assessments	-	-	-			(50,000)	(25,000)				
4751	Legal - Dev Project Related	-	-	-			(10,000)	(25,000)				
4752	D&A Project Financial Analysis	-	-				(25,000)	(25,000)				

Capitol Area Development Authority (CADA)  
2024 Long-Range Forecast

**R STREET DEVELOPMENT PROJECTS**

		23-24	24-25	25-26	25-26	27-28	28-29	29-30	30-31	31-32	32-33	33-34
4758	D&A Other Professional Services	-	-	-			(10,000)	(50,000)				
4775	D&A Miscellaneous Expense	-	-	-			(50,000)	(50,000)				
	<b>Gap Financing</b>	-	-						(5,000,000)			
	<b>TOTAL USES OF FUNDS</b>	-	-	-	-	(5,000,000)	(295,000)	(775,000)	(5,000,000)	-	-	-
	<b>DEVELOPMENT CIP PROGRAM - Funding Sources, net of Uses</b>	-	-	-	-	(4,000,000)	(295,000)	(775,000)	(2,400,000)	-	-	-
	Reviewing the possibility of a site purchase, predevelopment, and subsidy in and around the R Street Area for an Affordable Housing Project. Site is assumed to be 38,400 SF at \$130 SF Assume predevelopment funds will be reimbursed at closing											



April 19, 2024

**TO:** Capitol Area Development Authority (CADA) Board of Directors

**SUBJECT: APRIL 26, 2024 Board Meeting**  
**AGENDA ITEM 6**  
**525 S Street Purchase and Sale Agreement and Sale of 701 S Street**

**CONTACTS:** Todd Leon, Development Director  
Danielle Foster, Executive Director

**RECOMMENDED ACTIONS:**

Staff recommends that the Board Adopt a resolution (Attachment 1) authorizing the Executive Director to: execute a Purchase and Sale Agreement (PSA) with Jannie L. Chow and Edward M. Chow, the owners of 525 S Street (APNs 009-0055-018 and 009-0055-022); amend the CADA Fiscal Year 2023-2024 Budget and expend the funds necessary to purchase 525 S Street; and surplus and sell the existing CADA Warehouse property located at 701 S Street after the maintenance warehouse relocates.

**BACKGROUND**

The current CADA Maintenance Facility is located at 701 S Street, a property and building that CADA purchased in July 2009. Prior to that purchase, CADA leased warehouse space for five years at 800 R Street and prior to that it utilized a DGS-owned warehouse space at 1108 R Street, which is now the Warehouse Artist Lofts. In each instance, the maintenance warehouse was moved to accommodate changes or needs to CADA operations and provide more accommodating facilities for staff.

The 701 S Street Maintenance Warehouse has served CADA well for the past 15 years. However, within the last several years the growth in the maintenance staff, additions to CADA's housing portfolio, and changes to operations have made the existing facility too small and obsolete. With existing and future needs in mind, staff began looking within or nearby CADA's boundaries to acquire a larger building to replace the existing Maintenance facility.

In May of 2023, staff identified a property and building at 525 S Street as a possible new warehouse location. Staff contacted the sellers and inquired about property details and a sales price. After carefully reviewing the 525 S Street property, staff determined its size, location, and price provided CADA the opportunity to address the inadequacies of the existing maintenance facility. A property summary, including a comparison of the CADA's 701 S Street Maintenance Facility and the 525 S Street property, can be found as **Attachment 2**.

**SUMMARY**

The entirety of the 525 S Street property consists of two parcels. The primary parcel is approximately 26,660 square feet (SF) and consists of a large parking lot and a 10,700 SF commercial warehouse building. The smaller parcel along the Rice Alley is approximately 575 SF and is leased to Verizon for a cell tower. The Verizon cell tower lease term runs to 2039. The current annual rent for that lease is \$34,480 with 2.5% annual increases.

CADA staff has negotiated a purchase price for \$3,000,000 for the 525 S Street property. The sellers, Jannie L. Chow and Edward M. Chow, are represented by David Herrera and Trevor Jackson of Colliers International. The owner has agreed to provide CADA the option of purchasing the property through seller carryback financing. The financing terms offered by the seller are better than CADA staff has been able to find in the banking market. The proposed Purchase and Sales Agreement is provided as **Attachment 3** and the proposed Promissory Note can be found as **Attachment 4**.

The 701 S Street building will need building improvements before the maintenance department can occupy it. Building improvements will cost an estimated \$675,000, which includes a new roof and HVAC unit, reconfiguration of the floorplan, finishes, and moving costs. The new roof will be needed immediately at an estimated cost of \$275,000.

With the purchase of the building, CADA will inherit commercial tenants and will need to provide notices to the tenants and complete the work outlined above before moving into the building. Given this, the transition period will likely take into fall with the PSA due diligence period, tenant noticing, CADA improvements, and maintenance facility relocation.

Once CADA purchases 525 S Street and after moving the current maintenance facility, CADA would look to sell 701 S Street. CADA will follow the relevant requirements of the State Surplus Land Act, requiring an open period for Letters of Interest on the property. CADA hopes to identify a buyer of the property for future housing development. Proceeds from selling 701 S Street would be used to pay down the seller-financed loan at 525 S Street.

### **STRATEGIC PLAN**

The proposed action addresses the current Strategic Plan's objectives to "ensure fiscal strength and operational excellence" and be an "employer of choice".

### **FINANCIAL IMPACTS**

The initial deposit of \$750,000 for this transaction is proposed to be drawn down from CADA's Acquisition Reserve fund. Annual loan payments and funding for the building improvements will be included in the 2024-2025 Operating Budget and Capital Improvement Projects Budget that will be presented at the June CADA Board meeting.

The financial impacts of taking this action are reflected in the FY 2024-2025 Operating Budget and Capital Improvement Projects Budget.

### **ENVIRONMENTAL REVIEW**

The recommended action does not require CEQA review or certification

Attachment 1: Resolution 24-19

Attachment 2: 525 S Street and 701 S Street Property Summary and Comparison

Attachment 3: 525 S Street – Draft Purchase and Sale Agreement

Attachment 4: 525 S Street – Draft Promissory Note

**RESOLUTION NO. 24 – 19**

Adopted by the Capitol Area Development Authority

April 26, 2024

**STAFF RECOMMENDS THAT THE BOARD ADOPT A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PURCHASE AND SALE AGREEMENT (PSA) WITH JANNIE L. CHOW AND EDWARD M. CHOW, OWNERS OF 525 S STREET, TO AMEND THE CADA FISCAL YEAR 2023-2024 BUDGET, EXPEND THE FUNDS NECESSARY TO PURCHASE 525 S STREET (APNS 009-0055-018, 009-0055-022), AND DEEM THE 701 S STREET PROPERTY AS SURPLUS AND AVAILABLE FOR SALE**

**WHEREAS**, Jannie L. Chow and Edward M. Chow ("Seller") has agreed to the sale of 525 S Street to the Capitol Area Development Authority ("Purchaser") in the amount of \$3,000,000;

**WHEREAS**, this property offers CADA the opportunity to increase the size of its maintenance warehouse and maintenance office and provide more efficient operations and service to CADA-managed properties, now and in the future; and

**WHEREAS**, with this purchase and the transition of the maintenance facility to 525 S Street, CADA will no longer need the property at 701 S Street.

**NOW, THEREFORE, BE IT RESOLVED by the Board of Directors**, that the Executive Director is hereby authorized to:

1. Execute a Purchase and Sale Agreement (PSA) for 525 S Street, in substantial conformance with the attached document and to which the Seller and Purchaser are parties, in an amount not to exceed \$3,000,000 plus reasonable closing costs;
2. Amend the FY 2023-2024 Budget and expend CADA funds necessary to purchase the property at 525 S Street for CADA maintenance and warehouse operations; and
3. Deem the existing CADA maintenance property at 701 S Street as surplus and sell the property in accordance with all legal requirements once the maintenance department completes its move to 525 S Street.

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Ann Bailey, Chair

ATTEST:

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Tara Gandara  
Secretary to the Board of Directors

## Attachment 2

### 525 S Street Property Summary



#### **Property Overview and Comparison with Current Location at 701 S Street**

525 S Street is approximately 10,700 SF on a 0.69-acre lot with 50+ parking spaces

Initially Asking: \$3.3 million Needs work costing around \$300,000 and office improvements of approximately \$375,000

	701 S Street	525 S Street
Outside parking for CADA	10 employees 1 temp truck 1 dumpster	25, plus space for two dumpsters
Inside parking available	11 routinely, daily	13 max
Outside rentable parking	0	16
Offices	3	7
Office square footage	2,153	2,080 – first floor 2,000 – on 2 <sup>nd</sup> floor, likely to lease separately when ready
Restrooms	1	2 downstairs, one upstairs
Room for all needed double-racks	No	Yes
Warehouse space first floor	2,480	5,500
Warehouse space second floor or mezzanine	1,527	2,200
Room for all parts and appliances	No	Yes

## Attachment 2

### Property Opportunities

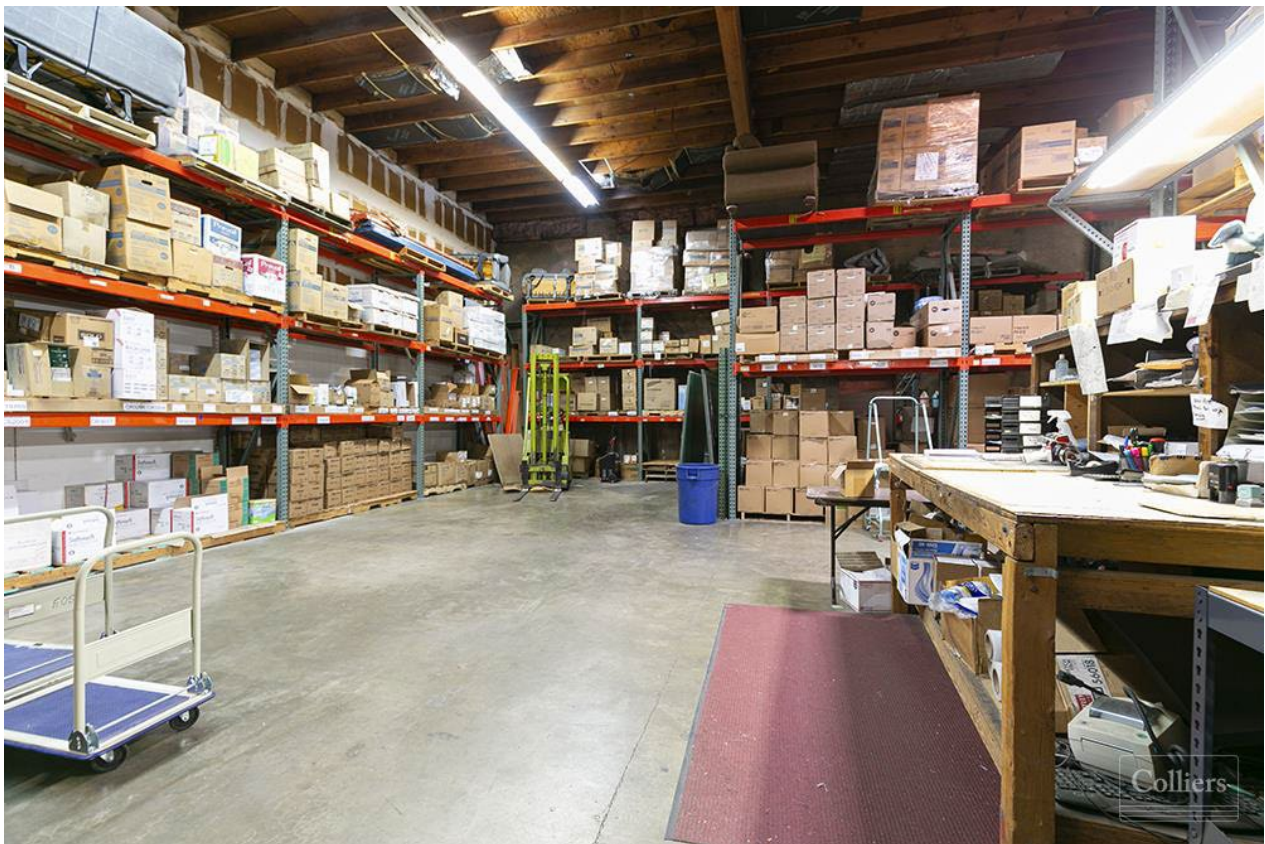
- Adequate and secure parking for all maintenance staff (15-18 staff at a time- currently 12 spaces) and maintenance vehicles (parking at current location takes an hour a day to complete)
- Large enough conference room for maintenance staff to meet together
- Warehouse space to inventory everything at a single location and have additional materials on hand (doubles warehouse space)
- Warehouse and parking lot area for project work (e.g. painting baseboards)
- Cellphone tower rent (\$34,480 per year) and possible adjacent 16 parking spaces for-rent (maybe \$5,000-\$10,000 per year)
- Seller carryback loan, keeping more liquidity
- Adequate office space, including a “floating office” for executive staff to rotate
- Secure locksmithing room
- Potential to lease the second floor of the office space (private entrance)
- Saves about 15 hours per week in employee trips to Home Depot by having more supplies available

### Seller Carryback Financing:

- Final Price: \$3,000,000 (considering work needed on the roof, etc)
- \$750,000 down payment, \$1,250,000 by end of year two of the loan (resale of 701 S Street), remaining over time
- Term: 20-year fixed amortized seller-financed loan with a 4% interest rate, 10 year required balloon payment with no prepayment penalties



## Attachment 2





**PURCHASE AND SALE AGREEMENT**  
(525 S Street)

This Purchase And Sale Agreement (this "Agreement") is made as of April \_\_, 2024 (the "Effective Date"), by and between the **Waterstone Support Foundation, Inc.**, a Colorado corporation, and **Jannie L. Chow** and **Edward M. Chow** [**NEED TO INSERT ALL OF THE SELLERS NAMES**] (collectively, "Seller"), and **Capitol Area Development Authority**, a California joint powers agency ("Purchaser").

**RECITALS**

A. Seller is the owner of two parcels of real property located at 525 S Street, and on 6<sup>th</sup> Street, in Sacramento, California, 95811, APN No.s 009-0055-018 and 009-0055-022, which property contains a commercial office building.

B. Purchaser desires to purchase the Property from Seller, and Seller is willing to sell the Property to Purchaser, on the terms and conditions set forth herein.

**NOW, THEREFORE**, in consideration of the mutual promises and agreements set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

**AGREEMENT**

1. Purchase and Sale; Property Included and Excluded. Subject to the terms and conditions of this Agreement, Seller hereby agrees to sell and convey to Purchaser, and Purchaser hereby agrees to purchase from Seller, all of Seller's right, title and interest in and to the following Property, to be effective as of the Closing Date (as defined in Section 4 herein), subject to the terms set forth herein. The term "Property," as used herein, means:

1.1 That certain commercial property located at 525 S Street, and parking lot parcel on 6<sup>th</sup> Street, in Sacramento, California, 95811, APN No.'s 009-0055-018 and 009-0055-022, consisting of (a) approximately 29,272 square feet of land, as legally described in **Exhibit A** attached hereto (the "Land"), (b) a commercial building and parking lot, together with fixtures and other improvements located on the Land (collectively, the "Improvements") (the Land and the Improvements being sometimes collectively referred to herein as the "Real Property"), and (c) all rights, privileges and easements appurtenant to the Land, including, without limitation, all minerals, oil, gas and other hydrocarbon substances under the Land (to the extent owned by Seller) as well as all development rights, air rights, water, water rights and water stock relating to the Land and any other easements, rights-of-way or appurtenances, used in connection with the beneficial use and enjoyment of the Land (the "Appurtenances");

1.2 All right, title and interest of Seller, as landlord, under all leases, tenancies or other occupancy arrangements affecting any portion of the Real Property, as amended (the "Leases"), and all deposits and prepaid rents related thereto;

1.3 All right, title and interest of Seller in and to all contracts for the repair or maintenance of, the provision of services to, or otherwise relating to or affecting the Real Property, including but not limited to construction contracts, subcontracts and purchase orders, utility contracts, water and sewer service contracts of any nature, maintenance contracts, management contracts, mortgage documents, certificates of occupancy, permits, soils reports, insurance

policies, and other contracts or documents of any nature relating to the Property which Purchaser approves and elects to assume and to the extent assignable and agreed to herein (the "Contracts");

1.4 All right, title and interest of Seller in and to all unexpired assignable warranties and guaranties relating to the Real Property (the "Warranties");

1.5 All right, title and interest of Seller in and to all assignable governmental permits, licenses, certificates and authorizations relating to the use, occupancy or operation of the Real Property (the "Permits"); and

1.6 All intangible property now owned or hereafter acquired by Seller in connection with the Real Property, the Improvements owned by Seller and used in the use and operation of the Improvements including, without limitation, all warranties or guarantees received by Seller from any contractors, subcontractors, suppliers or materialmen in connection with any construction, repairs or alteration of the Improvements, all of Seller's right, title, and interest in all plans, specifications, construction drawings, project files, architect's agreements, consulting agreements, service agreements, maintenance agreements, permits, licenses, entitlements, development rights, and other similar rights relating to the use and operation of the Property (but excluding all trade names, trademarks, logos, copyrights relating to the ownership or operation of Seller's business) (collectively, the "Intangible Personal Property").

Except as specifically provided for herein, Purchaser is not purchasing from Seller and Seller is not selling to Purchaser any cash, deposit accounts, accounts receivable, checks or drafts in collection, or accrued rights to payment, claims, causes of action or settlements owed to Seller as of the Closing, or to be credited to Seller, at Closing as hereinafter provided, nor to any of Seller's rights to proceeds of the foregoing.

## 2. Purchase Price and Deposit.

2.1 Deposits. Within three (3) business days after execution of the Purchase Agreement, an initial deposit of Twenty-Five Thousand Dollars (\$25,000) shall be delivered by Purchaser to Escrow Holder (as defined in Section 3 herein) (the "Initial Deposit"). The Initial Deposit shall be refundable during the Feasibility Period (as defined in Section 6.2 herein) in accordance with Section 6.5 herein. If Purchaser extends the Feasibility Period in accordance with Section 6.5 herein, Purchaser shall make an additional Twenty-Five Thousand Dollar (\$25,000) deposit with Escrow Holder (the "Extension Deposit"). The Extension Deposit shall be refundable from the date made through the date of termination of the extended Feasibility Period in accordance with Section 6.5 herein. The Initial Deposit and the Extension Deposit shall be collectively referred to as the "Deposits". If Purchaser has not terminated this Agreement in accordance with Section 6.5, as the case may be, the Deposits shall remain in Escrow and shall be applied to the Cash Component (as defined below) of the Purchase Price at Closing, or in the event of a default or breach of this Agreement by Purchaser, shall constitute liquidated damages and Seller's sole remedy as provided in Section 14.2; provided, however, that if this Agreement is terminated prior to Closing due to a Seller default of this Agreement, the Deposits shall be returned to Purchaser.

2.2 Purchase Price and Seller Loan. The purchase price for the Property shall be Three Million Dollars (\$3,000,000) (the "Purchase Price"), and shall be comprised of a cash component in the amount of Seven Hundred Fifty Thousand Dollars (\$750,000) (the "Cash Component"), payable in immediately available cash funds to Escrow Holder, and plus or minus

any adjustment for prorations in accordance with this Agreement (the "Closing Balance"), and a seller financed carry-back loan in the amount of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000) (the "Loan"). The Loan shall be evidenced by a Promissory Note Secured by Deed of Trust ("Promissory Note"), which shall have a ten (10)-year term to be amortized over a period of twenty (20) years, at an annual interest rate of five percent (5.00%), with payments to be made in accordance with the form of Promissory Note attached hereto as **Exhibit C**. The Promissory Note is to be secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing ("Deed of Trust") to be recorded against the Property, in the form attached hereto as **Exhibit D**. The Promissory Note and Deed of Trust are to be executed by Purchaser and submitted to Escrow Holder prior to Closing.

3. Escrow. Within one (1) business day following the full execution of this Agreement, an Escrow shall be opened with Chicago Title Company, located at 2220 Douglas Blvd., Suite 190, Roseville, CA 95661 ("Escrow Holder"), by Seller delivering a copy of this fully executed Agreement to Escrow Holder. This Agreement shall, to the extent possible, act as Escrow instructions. The Parties agree to execute all further Escrow instructions required by Escrow holder, which further instructions shall be consistent with this Agreement. Escrow holder, by acceptance of any funds deposited by Purchaser hereunder, agrees to hold such funds and disburse the same only in accordance with the terms and conditions of this Agreement.

4. Closing.

4.1 Closing. The "Closing Date" is defined to be the date that the Grant Deed, in the form attached hereto and incorporated herein as **Exhibit B**, from Seller to Purchaser, in recorded in the Office of the Sacramento County Recorder (the "Grant Deed"), which subject to the terms of this Agreement, shall occur within ten (10) business days after the end of the Feasibility Period (as defined in Section 6.2 herein), or other date mutually agreed by the Parties in writing. "Closing" is defined to be the recordation of the Grant Deed.

4.2 Possession and Removal of Personal Property. Upon Closing, Seller shall turn over possession of the Property to Purchaser and remove all of Seller's personal property. Personal property of the lessee's may remain pursuant to the terms of the Leases.

5. Title. Within five (5) calendar days after the opening of Escrow, Seller shall provide Purchaser with a preliminary title report covering the legal parcel(s) containing the Property issued by Escrow Holder (the "Preliminary Report"), along with legible copies or links thereto of all recorded documents shown as exceptions to title in the Preliminary Report and a map containing any easement, rights-of-way, license, or other real property rights encumbering the Property to the extent available. Purchaser shall approve or disapprove any exceptions to title shown on the Preliminary Report in writing within fifteen (15) days after receipt by Purchaser of the Preliminary Report and copies of the recorded documents. Seller shall notify Purchaser in writing of whether Seller is willing to remove the items disapproved by Purchaser within thirty (30) days after receipt of Purchaser's title objections; provided, however, that Seller shall remove, by or at the Closing, all monetary liens, if any (excluding only the lien for non-delinquent real property taxes and assessments). If Seller does not agree to remove any one or more of such disapproved exceptions prior to the expiration of the 15-day period, Purchaser shall have the choice of: (i) terminating this Agreement and the Escrow, in which event Purchaser's Initial Deposit shall be returned and neither Seller nor Purchaser shall have any further rights or obligations under this Agreement except for those expressly surviving such termination; or (ii) waiving such objection and completing the purchase called for in this Agreement with such disapproved exception(s) listed as exceptions on the title policy to be issued to Purchaser at Closing. If after expiration of

the Feasibility Period any additional items appear which would show as exceptions to title insurance in the title policy, and Seller fails to agree to remove the same within (5) days after Purchaser's notification to Seller of the same, Purchaser may terminate this Agreement, upon which: (i) the Seller and Purchaser shall execute and deliver to Escrow Holder cancellation instructions and all other documents that are reasonably required by Escrow Holder and/or the Seller in order to cancel this Escrow and release any interest of Purchaser in and to the Property; (ii) the Escrow Holder shall release any Deposits to Purchaser; (iii) Escrow Holder shall return all documents to the applicable Party, and (iv) neither Party shall have any rights or obligations arising out of this Agreement, except as otherwise set forth in this Agreement.

## 6. Property Inspection and Contingency Periods.

6.1 Property Documents. Within five (5) days following the execution of the Purchase Agreement, Seller shall deliver or have delivered to Purchaser, at Seller's sole cost, copies of the following documents in Seller's possession concerning the Property (collectively, the "Property Documents"):

a. relevant studies, documents, land surveys, soils reports, licenses, maintenance contracts, utility contracts, management contracts, service contracts, warranties, ADA compliance, Field Act compliance, plans and specifications for the Improvements, copies of all building permits, certificates of occupancy and all other governmental licenses and permits for the Improvements in the possession of Seller, and other documents and/or contracts pertaining to the Property, together with any amendments or modifications;

b. any and all information that Seller has regarding environmental matters affecting the Property and regarding the condition of the Property, including, but not limited to, Phase I and/or Phase II Environmental Assessments, wetlands, structural, mechanical and soils conditions, the presence and location of asbestos, PCB transformers, other toxic, hazardous or contaminated substances, and underground storage tanks in, on, or about the Property;

c. copies of any current leases or other agreements with tenants;

d. a schedule, certified by Seller, of all Leases (the "Rent Roll") setting forth the commencement date of each Lease, the tenant thereunder, the premises demised by the Leases, the number of square feet demised by the Leases, tenant deposit amount, the monthly rental, any rights to renew or extend, whether the tenant is in possession, whether the tenant is current in its payment of rental or is otherwise in default, the name of any broker entitled to any commission under the Leases, the expiration date of the term and the amount of the security deposit, if any, and the nature of any unfulfilled construction or other obligations to construct tenant improvements or for concessions including free rent;

e. maintenance records of the building and equipment (to include elevator, HVAC, plumbing, electrical, drainage system, etc.);

f. any Property condition/assessment reports; and

g. any and all other documents and matters relative to the Property.

Notwithstanding the foregoing, the Seller shall have no obligation to cause any of the Property Documents to be created or produced if such document does not already exist. All such Property Documents are being provided for the convenience of Purchaser, and Seller makes no

representation or warranty as to the accuracy, reliability or completeness of any of such Property Documents, except as expressly set forth herein.

## 6.2 Feasibility Period.

a. Feasibility Period. For a period of up to thirty (30) days from the Effective Date (the "Feasibility Period"), Purchaser may undertake, at Purchaser's expense, inspection and review of the Property. Purchaser may extend the Feasibility Period for an additional thirty (30) days upon payment of an additional Twenty-Five Thousand Dollar (\$25,000) deposit to Escrow Holder prior to the end of the initial 30-day period. Purchaser's review of the Property may include, but not be limited to, reasonable non-destructive inspections, investigations, tests, copies, verifications, assessments, surveys and studies as Purchaser considers reasonably necessary or desirable under the circumstances regarding the Property and its condition, which may include, without limitation, inspections regarding zoning, building codes and other governmental regulations; imposition of governmental obligations and assessments; architectural inspections; engineering tests; economic feasibility and marketing studies; availability of sewer, water, storm drain and other utilities; availability of roads, access and services; soils, seismic, engineering and geologic reports; non-destructive environmental assessments, studies, tests and reports; structural and mechanical systems inspections; and availability of permits, land use entitlements, development rights and approvals and other governmental approvals. Purchaser shall not perform any invasive testing for Hazardous Materials without Seller's advance written consent, which shall not be unreasonably withheld. All inspections shall be made at Purchaser's sole cost and expense.

b. Contracts. During the Feasibility Period, Seller and Purchaser agree to complete a list of any Contracts to be assigned to Purchaser upon Closing, which list shall be attached to the general assignment in the form attached hereto and incorporated herein as **Exhibit E** (the "General Assignment"), to be executed by the parties at Closing. Under the General Assignment, Seller shall assign to Purchaser all of Seller's right, title and interest in and to the Contracts, the Warranties, the Permits and the Intangible Personal Property.

c. Leases. During the Feasibility Period, Seller and Purchaser agree to complete a list of the Leases to be assigned to Purchaser upon Closing, if any, which list shall be attached to an assignment and assumption agreement in the form attached hereto and incorporated herein as **Exhibit F** (the "Assignment and Assumption of Leases"), to be executed by the parties at Closing. The Parties acknowledge that there are two (2) leases with tenants occupying the building that will be assigned to Purchaser at Closing and terminated sixty (60) days thereafter. Seller agrees to defend, indemnify, and hold harmless Purchaser for any and all claims by tenants that arise prior to or at Closing. The Seller will notice the tenants of this transaction. This Section 6.2(c) shall survive Closing.

6.3 Access. Access to the Property from the Effective Date through the Closing Date (or earlier termination of this Agreement) shall be given to Purchaser, its agents, employees, consultants, or contractors during normal business hours at reasonable times upon at least one (1) business days' notice to the Seller, at Purchaser's own cost and risk, for the purpose of conducting its due diligence investigation of the Property as set forth in Section 6.2(a). Purchaser shall restore the Property as a result of such investigations, and return the affected portion of the Property to its condition immediately prior to such investigation. Purchaser shall repair any damage to the Property caused by any of its inspections. Purchaser shall indemnify and defend the Seller against and hold the Seller harmless from all losses, costs, damages, liabilities, and expenses arising out of gross negligent or willful acts by Purchaser or its agents, employees,

consultants, or contractors on the Property in connection with Purchaser's entry onto the Property or any activity thereon prior to Closing except to the extent any such losses, costs, damages, liabilities, and expenses arise out of any negligent or willful act of the Seller or the Seller's agents, employees or contractors; provided however, Purchaser's mere discovery of or impact on an adverse condition or defect on or affecting the Property shall not trigger Purchaser's indemnification obligations. Purchaser's obligation to indemnify and defend the Seller shall survive Closing or any other termination of this Agreement.

6.4 Insurance. Prior to its first entry onto the Property and at all times thereafter until Closing date, Purchaser shall maintain commercial general liability insurance covering the activities of Purchaser on the Property. Such insurance shall have a per occurrence limit of at least One Million Dollars (\$1,000,000) and an aggregate limit of at least Two Million Dollars (\$2,000,000), shall name the Seller as additional insured, shall be primary and noncontributing with any other insurance available to Purchaser, and shall be issued on an occurrence basis. Prior to any entry onto the Property by Purchaser or its agents, employees, consultants, or contractors, Purchaser shall furnish the Seller with a certificate of such insurance in form and substance reasonably acceptable to the Seller.

6.5 Feasibility Notice and Termination. Purchaser may give the Seller written notice that Purchaser either: (i) approves the condition and suitability of the Property (the "Feasibility Approval Notice"), or (ii) disapproves the condition or suitability of the Property for any reason or no reason, which notice must be received by the Seller no later than 5:00 p.m. on the last day of the Feasibility Period, as extended. In the event that Purchaser fails to timely approve the condition and suitability of the Property pursuant to (i) above prior to the expiration of the Feasibility Period, such failure shall be deemed to be a disapproval of the condition and suitability of the Property in accordance with (ii) above. In the event Purchaser disapproves the condition and suitability of the Property, or is deemed to have disapproved the condition and suitability of the Property, as applicable pursuant to this Section 6.5, this Agreement shall terminate automatically, and: (i) Seller and Purchaser shall execute and deliver to Escrow Holder cancellation instructions and all other documents that are reasonably required by Escrow Holder and/or the Seller in order to cancel this Escrow and release any interest of Purchaser in and to the Property; (ii) Escrow Holder shall release the Initial Deposit to Purchaser; (iii) Escrow Holder shall return all documents to the applicable Party, and (iv) neither Party shall have any rights or obligations arising out of this Agreement, except as otherwise set forth in this Agreement.

7. As-Is Property Condition. Purchaser has conducted its own inspection of the Property prior to Close of Escrow. Except for the express representations and warranties made by Seller in this Agreement, Purchaser is relying upon its own investigation and inspection in acquiring the Property and acknowledges and agrees that Seller has not made, does not make and specifically negates and disclaims any representations, warranties or guaranties of any kind of character whatsoever, whether express or implied, oral or written, past, present, future or otherwise, of, as to, concerning or with respect to, the Property. If Purchaser proceeds to the Close of Escrow, Purchaser acquires the Property on an "as-is" basis and assumes the risks and adverse physical conditions that may not have been revealed by its own investigations and inspections. Notwithstanding anything to the contrary in this Agreement, Purchaser shall be entitled to rely upon the express representations and warranties made by Seller in this Agreement.

8. Seller's Representations and Warranties. Seller represents, warrants and covenants to Purchaser as follows:

8.1 Authority. Waterstone Support Foundation, Inc. is Colorado corporation, duly organized, validly existing and in good standing under the laws of the State of California. Seller has the full right and authority to enter into this Agreement and consummate the transactions contemplated by this Agreement. This Agreement and all documents executed by Seller which are to be delivered to Purchaser at Closing are, or at the time of Closing, will be duly authorized, executed and delivered by Seller.

8.2 Marketable Title. Seller has fully disclosed to Purchaser the existence of all outstanding material obligations of Seller with respect to the Property and Seller is the sole owner of (and Purchaser will acquire hereunder) the entire right, title and interest in and to the Property. To Seller's knowledge, there are no other agreements or understandings written or otherwise relating to the Property or title to the Property that are not reflected in the Preliminary Report or that were not disclosed by Seller to Purchaser.

8.3 Binding Obligations. This Agreement and all documents required hereby to be executed by Seller are and shall be valid, legally binding obligations of and enforceable against Seller in accordance with their terms.

8.4 Litigation. There is no litigation or other proceeding, including condemnation proceedings, by or before any court, arbitrator or governmental or regulatory official, body or authority which is pending or threatened against or relating to the Property.

8.5 Property Rights. Seller has not granted any options, rights of first refusal, rights of first offer, or other pre-emptive rights to acquire the Property to any other person so as to impair the title of the Property for this transaction.

8.6 Covenant Notices. To Seller's knowledge, Seller has not received any written notice that there is any violation of any restriction, condition or agreement contained in any easement, restrictive covenant or any similar instrument or agreement affecting the Property or any portion thereof.

8.7 Leases. Each of the tenant Leases is unmodified and is in full force and effect.

8.8 No Violations. Seller has not received any written notice that there is, and to of Seller's knowledge, there does not now exist, any violation of any restriction, condition or agreement contained in an easement, restrictive covenant or any similar instrument or agreement affecting the Property or any portion thereof.

8.9 Documents True and Correct. All of the copies of the Property Documents delivered to Purchaser pursuant to Section 6.1 hereof are true and complete copies of such documents. Seller makes no representations or warranties as to the accuracy or reliability of such documents.

8.10 No Defects. Seller has received no notice of any latent or patent defect affecting the Property or any Improvements, and Seller has no knowledge of a need for mold remediation at the Property.

8.11 Utilities. There are public utilities serving the Property including water, gas, electric, and sewers and they are in functioning and orderly condition.

8.12 Insurance. Seller has not received any written notice from any insurance company or board of fire underwriters of any defects or inadequacies in or on the Property or any part or component thereof that would materially and adversely affect the insurability of the Property or that have not been cured or repaired. There are no pending claims for insurance reimbursement respecting any damage to the Property except as disclosed in writing to Purchaser.

8.13 OFAC Compliance. Seller is not, and, after making due inquiry, no person who owns a controlling interest in or otherwise controls Seller is, (a) listed on the Specially Designated Nationals and Blocked Persons List (the "SDN List") maintained by the Office of Foreign Assets Control ("OFAC"), Department of the Treasury, and/or on any other similar list ("Other Lists" and, collectively with the SDN List, the "Lists") maintained by the OFAC pursuant to any authorizing statute, Executive Order or regulation (collectively, "OFAC Laws and Regulations"); or (b) a person (a "Designated Person") either (i) included within the term "designated national" as defined in the Cuban Assets Control Regulations, 31 C.F.R. Part 515, or (ii) designated under Sections 1(a), 1(b), 1(c) or 1(d) of Executive Order No. 13224, 66 Fed. Reg. 49079 (published September 25, 2001) or similarly designated under any related enabling legislation or any other similar Executive Orders (collectively, the "Executive Orders"). Neither Seller nor any of its principals or affiliates (x) is a person or entity with which Seller is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law or (y) is a person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Orders or (z) is affiliated or associated with a person or entity listed in the preceding clause (x) or clause (y). Neither Seller nor any of its principals or affiliates, nor any brokers or other agents acting in any capacity in connection with the transactions contemplated herein (I) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Orders or (II) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law. As used herein, "Anti-Terrorism Law" means the OFAC Laws and Regulations, the Executive Orders and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56, 115 Stat. 272 (2001), as amended.

8.14 Environmental Compliance. To Seller's best knowledge, (i) except as otherwise disclosed by the Property Documents, there has been no other production, storage or disposal at the Property of any Hazardous Materials (as defined below) by Seller or by any previous owner or occupant of the Property; (ii) Hazardous Materials have not been dumped, buried, leaked, or otherwise released upon, in, or under the Property or allowed to pass on, under or through the Property at any time during or prior to Seller's ownership of the Property; (iii) Seller has not violated any laws, regulations, and ordinances relating to the use of all Hazardous Materials used on the Property; and (iv) there is no proceeding or inquiry by any federal, state or local governmental agency with respect to any Hazardous Materials on the Property.

As used in this Agreement, "Hazardous Materials" includes, but is not limited to, any hazardous or toxic substance, material or waste that is (i) regulated by any local governmental authority, the State of California or the United States Government, (ii) defined as an "acutely hazardous waste", "extremely hazardous waste", "hazardous waste", or "waste" under Sections 25110.02, 25115, 25117 or 25124 or listed pursuant to Sections 25141 and 25141.5 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control); (iii) defined as a "hazardous material", "hazardous substance", or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground



Storage of Hazardous Substances); (v) petroleum; (vi) asbestos; (vii) listed under Chapter 10 of Division 4.5 of Title 22 or defined as hazardous or extremely hazardous pursuant to Division 21.5 of Title 26 of the California Code of Regulations; (viii) designated as a "hazardous waste" pursuant to Section 6903 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; (ix) defined as a "hazardous substance" pursuant to Section 9601 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq.; (x) any flammable substances or explosive; or (xi) any radioactive material.

9. Purchaser's Representations and Warranties. Purchaser represents and warrants to Seller as follows:

9.1 Authority. Purchaser is a California joint powers agency, duly organized, validly existing and in good standing under the laws of the State of California. Purchaser has the full right and authority to enter into this Agreement and consummate the transactions contemplated by this Agreement. This Agreement and all documents executed by Purchaser which are to be delivered to Seller at Closing are, or at the time of Closing, will be duly authorized, executed and delivered by Purchaser.

9.2 Consents; Binding Obligations. No third party approval or consent is required for Purchaser to enter into this Agreement or to consummate the transactions contemplated hereby. This Agreement and all documents required hereby to be executed by Purchaser are and shall be valid, legally binding obligations of and enforceable against Purchaser in accordance with their terms.

10. Seller's Undertakings Pending Closing. Seller covenants with Purchaser that, so long as this Agreement remains in effect:

10.1 Operation. From and after the Effective Date, Seller will operate, manage and maintain the Property in the same manner as prior to the Effective Date.

10.2 Contracts. From and after the expiration of the Effective Date, Seller shall not enter into any leases, contracts or other new agreements which will survive the Closing or otherwise affect the use, operation or enjoyment of the Property after the Closing without Purchaser's prior written consent.

11. Conditions to Closing.

11.1 Purchaser's Conditions to Closing. The obligations of Purchaser under this Agreement to purchase the Property and accept title from Seller are subject to satisfaction of all of the conditions set forth in this Section 11.1. Purchaser may waive any or all of such conditions in whole or in part, but any such waiver shall be effective only if made in writing. No such waiver shall constitute a waiver by Purchaser of any of its rights or remedies if Seller defaults in the performance of any covenant or agreement to be performed by Seller under this Agreement or if Seller breaches any representation or warranty made by Seller in this Agreement. If any condition set forth in this Section 11.1 is not fully satisfied or waived in writing by Purchaser, then Purchaser shall be released from all obligations to Seller under this Agreement.

a. Performance of Obligations. Seller shall have performed all covenants, agreements and obligations required to be performed by it under this Agreement.

b. Delivery into Escrow. Seller delivered into Escrow all documents or instruments required by this Agreement.

c. Title Policy. The Escrow holder shall have agreed to issue to Purchaser a CLTA standard form, or, at Purchaser's option if Purchaser obtains any required updated or new survey, an ALTA extended coverage form, owner's policy of title insurance, insuring title to the Real Property in Purchaser in the amount of the Purchase Price ("Title Policy"), subject only to the applicable preprinted form exceptions and the title exceptions approved by Purchaser in accordance with Section 5 herein (the "Permitted Exceptions").

d. No Material Adverse Change. There shall not have occurred any material adverse change in the physical condition or title to the Property.

e. Accuracy of Representations and Warranties. On the Closing Date, all representations and warranties made by Seller in this Agreement shall be true and correct in all material respects as if made on and as of the Closing Date.

11.2 Seller's Conditions to Closing. The obligations of Seller under this Agreement to close the sale and convey the Property to Purchaser are subject to satisfaction of all of the conditions set forth in this Section 11.2. Seller may waive any or all of such conditions in whole or in part, but any such waiver shall be effective only if made in writing. No such waiver shall constitute a waiver by Seller of any of its rights or remedies if Purchaser defaults in the performance of any covenant or agreement to be performed by Purchaser under this Agreement or if Purchaser breaches any representation or warranty made by Purchaser in this Agreement. If any condition set forth in this Section 11.2 is not fully satisfied or waived in writing by Seller, then Seller shall be released from all obligations to Purchaser under this Agreement.

a. Loan Documents. Purchaser's delivery into Escrow of the original Promissory Note and Deed of Trust, together with all escrow and title costs and fees apportioned to Purchaser.

b. Performance of Obligations. Purchaser shall have performed all covenants, agreements and obligations required to be performed by it under this Agreement.

c. Delivery into Escrow. Purchaser delivered into Escrow all documents or instruments required by this Agreement.

d. Accuracy of Representations and Warranties. On the Closing Date, all representations and warranties made by Purchaser in this Agreement shall be true and correct in all material respects as if made on and as of the Closing Date.

## 12. Close of Escrow.

12.1 Deliveries. On or before the Closing Date, the following shall occur (either directly or through escrow with the Escrow holder, as is customary for transactions of this type in the State of California):

a. Seller shall execute and deliver to Purchaser the Grant Deed conveying to Purchaser all of Seller's right, title and interest in and to the Real Property.

b. Seller and Purchaser shall execute and deliver two duplicate originals of the General Assignment.

c. Seller and Purchaser shall execute and deliver two duplicate originals of the Assignment and Assumption of Leases, pursuant to which Seller shall assign all of its right, title and interest in and to the Leases to Purchaser.

d. Seller shall execute and deliver to Purchaser and Escrow holder a Certification of Non-Foreign Status that evidences that Seller is exempt from the withholding requirements of Section 1445 of the Internal Revenue Code, in the form provided by Escrow Holder.

e. If requested by the Escrow holder, an Owner's Affidavit reasonably acceptable to Seller.

f. Seller shall execute and deliver to Purchaser an estoppel certificate signed by Seller acknowledging and agreeing that: (i) each tenant Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that the Lease, as so modified, is in full force and effect), and the date to which the rent and other charges under each Lease is paid in advance, if any, and (ii) acknowledging that there are not, to Seller's knowledge, any uncured defaults on the part of Seller or tenant under any Lease, or if any defaults are claimed, specifying the nature and any amount of any such default.

g. Seller shall execute and deliver to Purchaser a signed notice, in the form of a Tenant Notice, attached hereto as **Exhibit G**, to be sent to the tenants under the Leases after Closing, advising the tenants that the Property has been transferred to Purchaser and providing them with sixty (60) days to vacate.

h. Seller and Purchaser shall execute and deliver any applicable transfer tax, transfer declarations, ownership information or other disclosure forms or reports required under the laws of the State of California.

i. Purchaser shall pay to Seller the Closing Balance, subject to the adjustments described in Section 12.2 below.

j. Purchaser shall execute and deliver an original Promissory Note and Deed of Trust.

**12.2 Closing Adjustments and Prorations.** The Closing Balance due at Closing shall be subject to adjustment as of the Closing Date in accordance with the following provisions:

a. Income. All rents, charges and revenues of any kind payable under the Leases and actually collected by Seller prior to Closing shall be prorated as of 11:59 p.m. on the day preceding the Closing Date. No proration will be made at Closing for amounts payable under the Leases that have not actually been collected by Seller. Following the Closing, Purchaser shall be entitled to collect all amounts payable under the Leases for the month in which the Closing occurs that have not previously been collected by Seller; provided, however, that Purchaser shall remit to Seller a prorated portion of all such amounts collected by Purchaser within thirty (30) days after collecting the same. Purchaser shall include delinquent rents for periods prior to the month in which the Closing takes place on all bills for rent submitted to tenants for six (6) months after the Closing Date, and all amounts collected by Purchaser after the Closing Date relating to such

delinquent rents shall be promptly remitted to Seller; provided, however, that all rents received by Purchaser after the Closing Date shall be deemed to be applied first to the current rental period and to any rent after Closing which is delinquent. Seller shall retain all ownership rights relating to any such delinquent rents, and if Purchaser has not collected the same within six (6) months from Closing, Seller may take such action as it deems necessary to collect such delinquent rents, including the commencement of an action against the tenants under the Leases or any other person liable for such delinquent rents, but Seller shall not have the right to cause the tenancy of such tenants to be terminated.

b. Deposits. The unapplied portion of all security deposits under the Leases shall be transferred to Purchaser in accordance with applicable law.

c. Taxes. All real estate taxes attributable to the Property shall be prorated at Closing. Seller shall pay all such taxes attributable to the Property for any period prior to the Closing Date. If the applicable tax rate and assessed valuation for the Property have not been established for the tax year in which Closing occurs, the proration of real estate taxes shall be based upon the most recent tax statement for the Property, with such proration to be adjusted in cash between Seller and Purchaser promptly after presentation of written evidence that the actual taxes payable for the year in which Closing occurs differ from the amounts used for proration purposes at Closing. Seller shall have no obligation to discharge any special assessments or similar impositions levied or imposed against the Real Property. The current installments under any such assessments or impositions shall be prorated as of the Closing Date, and Purchaser shall acquire the Real Property subject to the remaining balances of such assessments and impositions.

d. Operating Expenses. Seller and Purchaser shall attempt to have all Contracts and any other agreements that affect the Property and for which the charges are based upon usage (including utilities) billed or read as of the date as close to the Closing Date as is reasonably possible. Charges for any of the same which are not read on the Closing Date shall be prorated between Purchaser and Seller based on the number of days during the period covered by the statement therefor during which each party owned the Property, allocating the Closing Date to Purchaser. Seller shall be entitled to a credit at Closing for the amount of any deposits that Seller has made with any of the utility services or companies servicing the Property to be conveyed by Seller, to the extent said deposits are not returned to Seller and are credited to Purchaser's account. Purchaser shall arrange with all utility services and companies servicing the Property to have new accounts started in the name of Purchaser beginning at 12:01 a.m. local time on the Closing Date.

e. Insurance. No insurance policies of Seller are to be transferred to Purchaser, and no apportionment of the premiums therefor shall be made. Purchaser acknowledges that it shall be responsible for securing its own insurance for the Property.

f. Closing Costs. Seller shall pay all County and City transfer taxes, the CLTA premium for the Title Policy, and one-half (1/2) of the cost of any closing or escrow fees and recording fees charged by the Escrow holder. Purchaser shall pay the cost of recording Seller's Grant Deed, one-half (1/2) of the cost of any closing or escrow fees and recording fees charged by the Escrow holder, all premiums for upgrading the Title Policy to an ALTA policy with extended coverage and the premiums for all endorsements required by Purchaser. All other closing costs shall be paid in accordance with the custom in Sacramento County. Each party shall pay its own attorneys' fees.

12.3 Settlement Statements. At Closing, Seller and Purchaser shall execute settlement statements to reflect the credits, prorations and adjustments contemplated by or specifically provided for in this Agreement.

12.4 Post-Closing Adjustments. In general, Seller shall be entitled to all income, and shall pay all expenses, relating to the operation of the Property for the period prior to the Closing Date, and Purchaser shall be entitled to all income, and shall pay all expenses, relating to the operation of the Property for the period commencing on the Closing Date. Purchaser and Seller shall undertake, within sixty (60) days following Closing, to adjust between themselves, as of the Closing Date, any income or expenses of the Property that are not adjusted on the settlement statement or that are based upon estimates on the settlement statement and require re-proration following the Closing based upon actual income, costs or expenses.

13. Risk of Loss.

13.1 Condemnation. If, prior to the Closing, action is initiated to take any of the Property by eminent domain proceedings or by deed in lieu thereof, Seller shall promptly notify Purchaser of the same and Purchaser may either at or prior to Closing (i) terminate this Agreement, or (ii) consummate the Closing, in which latter event all of Seller's assignable right title and interest in and to the award of the condemning authority shall be assigned to Purchaser at the Closing and there shall be no reduction in the Purchase Price.

13.2 Casualty. Except as otherwise provided in this Agreement, Seller assumes all risks and liability for damage to or injury occurring to the Property by fire, storm, accident, or any other casualty or cause until the Closing has been consummated. If the Property, or any part thereof, suffers any damage in excess of \$50,000.00 prior to the Closing from fire or other casualty, Seller shall promptly notify Purchaser and provide Purchaser with all relevant information relating to the casualty, the extent and probable costs of repair (to the extent known by Seller) and the available insurance proceeds, and if Seller, at its sole option, does not elect to repair, Seller shall promptly notify Purchaser of such determination prior to the Closing ("Casualty Notice"). If the Casualty Notice is issued within ten (10) Business Days of the scheduled Closing Date, then the Closing Date shall be deferred to a date that is fifteen (15) days after the Casualty Notice, and not more than ten (10) Business Days after the Casualty Notice, Purchaser shall elect by notice to either (a) terminate this Agreement, or (b) consummate the Closing. If Purchaser elects to terminate the transaction, it shall be treated as a failure of Purchaser's Closing Condition, and Purchaser shall be entitled to a return of the Deposits. If Purchaser elects to proceed with the purchase of the Property, then all of Seller's right, title and interest in and to the proceeds of any insurance covering such damage shall be assigned to Purchaser at the Closing (less an amount equal to (i) any expenses and costs incurred in good faith by Seller to repair or restore the Property and (ii) any separate portion of such proceeds paid or to be paid on account of the loss of rents or other income from the Property for the period prior to and including the Closing Date, all of which shall be payable to Seller) but only to the extent the amount of such insurance does not exceed the Purchase Price. If the Property, or any part thereof, suffers any damage of less than \$50,000.00 prior to the Closing, and such casualty does not materially impair the ability of the Building to remain open for business, the Parties agree that Purchaser will complete the purchase, but the Purchase Price shall be reduced by the costs of repair for such casualty.

14. Remedies Upon Default.

14.1 Default by Seller. In the event Seller defaults in the performance of any of Seller's obligations under this Agreement, Purchaser's sole and exclusive remedies shall be either

(i) terminate this Agreement and receive a return of its Deposits, or (ii) pursue an action for specific performance. Seller shall not be in default under this Agreement unless Purchaser first provides to Seller written notice of default and Seller thereafter fails within five (5) days after receipt of such notice of default to either cure such default or, if such default cannot reasonably be cured within said 5-day period, diligently commence such actions reasonably necessary to cure such default within such five (5) day period, and thereafter, cures such default not later than ten (10) days after receipt of such notice of default.

14.2 Breach by Purchaser. IN THE EVENT ESCROW FAILS TO CLOSE SOLELY DUE TO A DEFAULT UNDER THIS AGREEMENT BY PURCHASER, SELLER SHALL BE ENTITLED, AS SELLER'S SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT, TO RETAIN THE DEPOSITS. PURCHASER SHALL NOT BE IN DEFAULT UNDER THIS AGREEMENT UNLESS SELLER FIRST PROVIDES TO PURCHASER WRITTEN NOTICE OF DEFAULT AND PURCHASER, THEREAFTER, FAILS WITHIN FIVE (5) DAYS AFTER RECEIPT OF SUCH NOTICE OF DEFAULT TO EITHER CURE SUCH DEFAULT OR DILIGENTLY COMMENCE SUCH ACTIONS REASONABLY NECESSARY TO CURE SUCH DEFAULT WITHIN SUCH 5-DAY PERIOD, AND THEREAFTER, CURES SUCH DEFAULT NOT LATER THAN TEN (10) DAYS AFTER RECEIPT OF SUCH NOTICE OF DEFAULT. THE PARTIES HAVE AGREED THAT SELLER'S ACTUAL DAMAGES, IN THE EVENT ESCROW FAILS TO CLOSE SOLELY DUE TO PURCHASER'S DEFAULT, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. THEREFORE, BY PLACING THEIR INITIALS BELOW, THE PARTIES ACKNOWLEDGE THAT THE TOTAL AMOUNT OF THE DEPOSITS HAVE BEEN AGREED UPON, AFTER NEGOTIATION, AS THE PARTIES' REASONABLE ESTIMATE OF SELLER'S DAMAGES AND AS SELLER'S EXCLUSIVE REMEDY AGAINST PURCHASER, AND NO PART OF SUCH DEPOSITS ARE INTENDED AS A PENALTY AMOUNT.

\_\_\_\_\_  
Seller's Initials

\_\_\_\_\_  
Purchaser's Initials

14.3 No Additional Damages. In no event shall either Party be liable to the other for any loss of bargain, loss profit, or any special, punitive, compensatory or consequential damages in connection with any claim or suit by either Party against the other for any reason.

15. Brokers. Seller and Purchaser each represent and warrant to the other that it has not negotiated or dealt with any real estate broker, salesperson or agent in connection with the making of this Agreement or the transaction contemplated hereby, or incurred any liability for the payment of any brokerage fee, commission or compensation to any such broker, salesperson or agent. Seller and Purchaser agree to save and hold each other, and their respective shareholders, directors, officers, members, managers, partners, employees, agents, successors and assigns, free, clear and harmless from any claim, cost or expense, including reasonable attorneys' fees, for or in connection with any breach of the representation and warranty made by each respective party in this Section and any claim for commissions or compensation claimed or asserted by or through each respective party in connection with the transaction contemplated herein. The provisions of this Section 15 shall survive any termination of this Agreement.

16. Miscellaneous.

16.1 Entire Agreement. No change or modification of this Agreement shall be valid unless the same is in writing and signed by the parties hereto. No waiver of any of the provisions of this Agreement shall be valid unless in writing and signed by the party against whom it is sought to be enforced. This Agreement contains the entire agreement between the parties

relating to the purchase and sale of the Property and supersedes all prior understandings and agreements between the parties. There are no promises, agreements, conditions, undertakings, warranties or representations, oral or written, express or implied, between the parties other than as herein set forth.

16.2 Severability. If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to either Party. Upon such determination that any term or provision illegal or incapable of being enforced, the Parties hereto, shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the greatest extent possible.

16.3 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16.4 Attorneys' Fees. Should either party employ attorneys to enforce any of the provisions hereof, or should any action or proceeding involving the parties arise that is in any way related to this Agreement and/or the Property, the prevailing party in any such action or proceeding shall be entitled to receive from the other party all of the prevailing party's reasonable costs, charges and expenses, including attorneys' fees and expenses and court costs, expended or incurred in connection therewith. The provisions of this Section 16.4 shall survive the Closing and any termination of this Agreement.

16.5 Time. Time is of the essence of this Agreement. In computing any period of time herein, the date of the act or event from which the designated period of time begins to run shall not be included.

16.6 Notices. All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this section, shall be addressed to the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered and received by the receiving party (a) upon receipt when hand delivered, (b) upon receipt when sent by email to the address set forth below (with written confirmation of receipt from the sender), (c) upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that, the sender has in its possession the return receipt to prove actual delivery), or (d) upon actual delivery if deposited with any commercially-recognized overnight carrier that routinely issues receipts (provided that, the sending party receives a confirmation of actual delivery from the courier). The addresses of the parties to receive notices are as follows:

If to Seller:

Jannie Chow and Edward Chow  
525 S Street  
Sacramento, CA 95814  
Attention: Jannie Chow and Edward Chow  
Email: Jan Chow: ejchow5@hotmail.com

AND

Waterstone Support Foundation, Inc.

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Attention: Josh Enger  
Email: joshe@waterstone.org

If to Purchaser:

Capitol Area Development Authority  
1522 14<sup>th</sup> Street  
Sacramento, CA 95814  
Attention: Danielle Foster  
Email: dfoster@cadanet.org

with a copy to:

Kronick Moskovitz Tiedemann & Girard  
1331 Garden Hwy, 2<sup>nd</sup> Floor  
Sacramento, CA 95833  
Attn: Amara Harrell  
Email: aharrell@kmtg.com

If any notice is refused, the notice shall be deemed to have been delivered upon such refusal. Any notice delivered after 5:00 p.m. (recipient's time) or on a non-business day shall be deemed delivered on the next business day. A Party may change or supplement the addresses given above, or designate additional addressees, for purposes of this section by delivering to the other Party written notice in the manner set forth above.

16.7 Headings. The paragraph headings which appear in some of the Sections of this Agreement are for purposes of convenience and reference and are not in any sense to be construed as modifying the Sections in which they appear.

16.8 Assignment. This Agreement shall not be assignable by Purchaser without the prior written consent of Seller, which may be withheld in Seller's reasonable discretion; provided, however, Purchaser may assign its rights under this Agreement to an affiliated party upon written notice to Seller.

16.9 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

16.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed a duplicate original, but all of which when taken together shall constitute one and the same agreement.

*[The remainder of this page has been intentionally left blank.]*



**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed on the date(s) set forth below.

**SELLER:**

By: \_\_\_\_\_  
Name: Jannie L. Chow

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: Edward M. Chow  
**Waterstone Support Foundation Inc.**,  
a Colorado corporation

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

**PURCHASER:**

**Capitol Area Development Authority**,  
a California joint powers agency

By: \_\_\_\_\_  
Danielle Foster  
Executive Director

Date: \_\_\_\_\_

The undersigned joins in the execution of this Agreement in order to acknowledge its agreement to act as escrow agent under the terms of this Agreement.

**ESCROW HOLDER:**

CHICAGO TITLE COMPANY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2024

**EXHIBIT A**

(Legal Description)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**EXHIBIT B**

(See attached Form of Grant Deed)

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO AND  
MAIL TAX STATEMENT TO:

Capitol Area Development Authority  
1522 14<sup>th</sup> Street  
Sacramento, CA 95814  
Attention: Executive Director

---

(Space Above Line for Recorder's Use Only)

**GRANT DEED**

**THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX  
PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE.  
THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION  
27383 OF THE CALIFORNIA GOVERNMENT CODE**

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

---

hereby GRANT(s) to

**Capitol Area Development Authority**, a California joint powers agency,

the following described real property in the City of Sacramento, County of Sacramento, State of California:

[See **Exhibit A** Attached]

Dated: \_\_\_\_\_, 2024

\_\_\_\_\_,  
a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A TO GRANT DEED**

(Legal Description)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**CERTIFICATE OF ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California                    )  
                                                          )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public,  
personally appeared \_\_\_\_\_, who proved to me on  
the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the  
within instrument and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),  
or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

**EXHIBIT C**

(See attached Promissory Note)



**Exhibit D**

(See attached Deed of Trust)

**EXHIBIT E**

(See attached Form General Assignment)

## GENERAL ASSIGNMENT

THIS GENERAL ASSIGNMENT (this "Assignment") is made as of \_\_\_\_\_, 2024, by and between \_\_\_\_\_, ("Assignor") and **Capitol Area Development Authority**, a California joint powers agency ("Assignee").

### Recitals

This Assignment is made with respect to the following facts:

A. Assignor has this date conveyed to Assignee the real property legally described in **Exhibit A**, attached hereto and incorporated herein (the "Real Property").

B. In connection with its conveyance of the Real Property to Assignee, Assignor has agreed to assign to Assignee all of Assignor's right, title and interest in and to certain property and contract rights and other matters more fully described below.

### Assignment

**NOW, THEREFORE**, for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignment. Assignor hereby transfers, grants, conveys and assigns to Assignee all of Assignor's right, title and interest in and to the following:

(a) The contracts and contract rights specified on **Exhibit B**, attached hereto and incorporated herein (the "Contracts"), to the extent such rights are assignable;

(b) Any and all unexpired warranties, guaranties and sureties relating to the Real Property, to the extent the same are assignable;

(c) Any and all governmental permits, licenses, certificates and authorizations, relating to the use or operation of the Real Property, to the extent that they are assignable and only to the extent that they relate to the Real Property; and

(d) Any and all other rights, privileges and appurtenances owned by Assignor and in any way related to, or used in connection with the operation of the Real Property.

3. Assumption. Assignee hereby assumes all liability and obligations of Assignor under the Contracts which relate to the periods from and after the date hereof and agrees to perform all obligations of Assignor under the Contracts which are to be performed or which become due on or after the date hereof.

5. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the parties' respective successors and assigns.

6. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed a duplicate original.

**IN WITNESS WHEREOF**, the parties have executed this Assignment as of the date first set forth above.

**ASSIGNOR:**

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ASSIGNEE:**

**Capitol Area Development Authority,**  
a California joint powers agency

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A TO GENERAL ASSIGNMENT**

(Legal Description)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**EXHIBIT B TO GENERAL ASSIGNMENT**

(List of Contracts)

[TO BE ATTACHED PRIOR TO CLOSING]

**EXHIBIT F**

(See attached Form of Assignment and Assumption of Leases)

## ASSIGNMENT AND ASSUMPTION OF LEASES

THIS ASSIGNMENT AND ASSUMPTION OF LEASES (this "Assignment") is made and entered into effective as of \_\_\_\_\_, 2024, by and between \_\_\_\_\_ ("Assignor") and **Capitol Area Development Authority**, a California joint powers agency ("Assignee").

### Recitals

This Assignment is made with respect to the following facts:

A. Assignor has as of the date hereof conveyed to Assignee the real property described on **Exhibit A**, attached hereto and incorporated herein (the "Real Property") pursuant to that certain Purchase and Sale Agreement dated \_\_\_\_\_, 2024 (the "Agreement"), pursuant to which Assignor has agreed, among other things, to sell, assign, transfer and convey to Assignee the Real Property.

B. The Real Property is subject to certain lease agreements delivered to Assignee by Assignor as of the date hereof (such lease agreements, together with all other leases, tenancies or occupancy arrangements now or hereafter affecting any portion of the Real Property and all rent, income and proceeds arising therefrom being hereinafter referred to as the "Leases").

C. In connection with the conveyance of the Real Property, Assignor has agreed to assign all of its right, title and interest in and to the Leases to Assignee, and Assignee has agreed to assume and perform all of Assignor's liabilities and obligations arising under the Leases from and after the date hereof.

### Assignment

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

2. Assignment. Assignor hereby assigns, transfers and conveys to Assignee all of Assignor's right, title and interest as landlord or lessor in, to and under the Leases set forth in **Exhibit B**, attached hereto and incorporated herein; provided, that Assignor reserves the right to receive and collect any rents due from the tenants under the Leases prior to the date hereof, in accordance with Section 12.2(a) of the Purchase Agreement.

3. Assumption. Assignee hereby assumes all liabilities and obligations of Assignor under the Leases which relate to the periods from and after the date hereof and agrees (a) to perform all obligations of Assignor under the Leases which are to be performed or which become due on or after the date hereof; and (b) to repay or account for all security deposits paid by the tenants under the Leases.

4. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the parties' respective successors and assigns.

5. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed a duplicate original.



**IN WITNESS WHEREOF**, the parties have executed this Assignment as of the date set forth above.

**ASSIGNOR:**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ASSIGNEE:**

**Capitol Area Development Authority,**  
a California joint powers agency

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A TO ASSIGNMENT AND ASSUMPTION OF LEASES**

(Legal Description)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SACRAMENTO,  
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**EXHIBIT B TO ASSIGNMENT AND ASSUMPTION OF LEASES**

(List of Leases)

[TO BE ATTACHED PRIOR TO CLOSING]

**EXHIBIT G**

(Form Tenant Notice)

\_\_\_\_\_, 2024

TO: ALL TENANTS OF \_\_\_\_\_

Dear Tenant:

You are hereby notified that the ownership of the real property located at 525 S Street, Sacramento, CA 95811 (the "Property") was transferred to Capitol Area Development Authority (the "New Landlord"), as of \_\_\_\_\_, 2024.

In connection with this transfer of ownership, you are hereby notified that the obligation for your security deposit pursuant to the terms of your lease (the "Lease") has been assumed by the New Landlord. This is also notice pursuant to Section [23/24] of your Lease that Landlord is terminating the Lease sixty (60) days from the date of this letter. Tenant shall vacate the Property by the termination date in accordance with the terms of the Lease.

Should any issues arise with regard to your security deposit, or should you be entitled to a refund of all or a portion of your security deposit under the terms of the Lease, you are to look solely to the New Landlord with regard to such issues or for such refund.

Should you need to contact the New Landlord with regard to any matter pertaining to the Property and/or your security deposit, you may contact \_\_\_\_\_ either in writing at \_\_\_\_\_, or by telephone at \_\_\_\_\_.

**Capitol Area Development Authority,**  
a California joint powers agency

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PROMISSORY NOTE SECURED BY DEED OF TRUST**

\$2,250,000.00

Sacramento, California  
\_\_\_\_\_, 2024

FOR VALUE RECEIVED, **Capitol Area Development Authority**, a California joint powers agency ("Borrower"), whose address is 1522 14<sup>th</sup> Street, Sacramento, CA 95814, hereby promises to pay to the order of \_\_\_\_\_ ("Lender"), whose address is \_\_\_\_\_, the principal sum of TWO MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$2,250,000.00), together with interest thereon from and after the date of disbursement according to the terms hereunder, to be paid in lawful money of the United States of America, as set forth below (the "Loan"):

1. Interest Rate. Interest will be charged on unpaid principal until the full amount of Loan has been paid in accordance with the terms herein. The interest rate shall be five percent (5.0%) simple annual interest. Under no circumstances shall the interest rate on this Note be more than the maximum rate allowed by applicable law.

2. Maturity. The Loan shall mature on \_\_\_\_\_, 2034 (the "Maturity Date").

3. Payments. Principal and interest payments under this Note shall be paid as follows:

3.1 Place of Payment. Payments shall be made to Lender's address above.

3.2 Principal and Interest Payments. The Loan payments will be amortized over a twenty (20) year term and paid as follows:

(a) Beginning on \_\_\_\_\_, 2024, and annually thereafter until the Maturity Date, Borrower shall make fixed annual principal and interest payments as shown in the table attached hereto as **Exhibit A**.

(b) By \_\_\_\_\_, 202\_\_, Borrower shall make an additional principal payment of \$1,500,000.

(c) On the Maturity Date, the entire outstanding principal balance, and all accrued, but unpaid interest on this Note, shall be due and payable in full.

3.3 Application of Payments. Unless otherwise agreed to, in writing, or otherwise required by applicable law, all payments and prepayments received by Lenders hereof, shall be applied in the following manner: first, to accrued, but unpaid interest; second, to the payment of all unpaid collection costs and late charges and fees, if any; and third, to the payment of principal.

3.4 Late Charge. If any payment is not received within ten (10) days after the same becomes due and payable, without notice and at the option of Lender, without prejudice to the right of the Lender to collect any other amounts provided to be paid hereunder, or to declare a default hereunder, Borrowers shall pay Lender a "late charge" in the amount of ten percent (10%) of the monthly payment amount to cover the extra expense incurred in handling delinquent payments. The parties agree that this sum is reasonable and represents a fair and reasonable estimate of the costs related to the collecting and accounting for late payments, and the

deprivation of the use of such payments from their due date, and the other costs, expenses and deprivations which Lender will incur by reason of said late payments.

3.5 Collateral. This Note is secured by a Long Form Deed of Trust and Assignment of Rents (Individual) of even date herewith by Borrowers, as trustor, for the benefit of Lender, as beneficiary, covering real property situated in Sacramento, California, as more specifically described therein ("Property").

3.6 Prepayment. Borrowers may prepay the outstanding principal balance of the Loan, in whole or in part, at any time and from time-to-time, without any fee or penalty. Prepayments shall first be applied to reduce the principal balance of the Balloon Loan portion of this Note and, in the event of any such prepayment, the interest shall be recalculated at that time based on the remaining principal balance through maturity.

3.7 Default and Remedies.

(a) Defaults. Each of the following shall constitute an event of default ("Event of Default") under this Note:

(i) Payment Default. Borrowers fail to make any payment within five (5) days when due under this Note.

(ii) Other Defaults. Borrowers fail to comply with or to perform any other term, obligation, covenant or condition contained in this Note or to comply with or to perform any term, obligation, covenant or condition contained in the Deed of Trust.

(b) Acceleration. In the event of: (i) any Event of Default by Borrowers in the payment of any installment when due hereunder, or in the performance of Borrowers' obligations as set forth above, (ii) the breach of any representation or warranty contained in this Note or any other instrument securing repayment of this Note, (iii) the sale, conveyance or transfer of title to the Property, or any part thereof, or any right, title or interest therein, or agreement to do so without the prior written consent of Lender, whether voluntary or involuntary and whether legal or equitable, including a sale, conveyance or transfer by outright sale, installment sale contract, or any other method of conveyance of personal property interests, (iv) the filing of any petition by or against Borrowers in any court, whether or not pursuant to any statute of the United States or of any state, in any bankruptcy, reorganization, composition, extension, arrangement or insolvency proceedings, and Borrowers shall thereafter be adjudicated bankrupt, or such petition be approved by the court, or the court assumes jurisdiction of the subject matter, and such proceedings not be dismissed within ninety (90) days after the institution of the same, (v) the appointment of a receiver or trustee in any proceeding for all or any portion of the Property, or property owned by Borrowers, and such receivership or trusteeship not be vacated within ninety (90) days after the appointment of the same, (vi) an assignment by Borrowers for the benefit of their creditors, or (vii) the foreclosure upon all or any portion of the Property, or property owned by Borrowers, or the condemnation, seizure, attachment or appropriation thereof, then in such event the entire indebtedness hereunder shall be immediately due and payable at the option of Lender.

4. Default Rate. Upon the occurrence and during the continuation of an Event of Default that remains uncured for more than thirty (30) days, including the failure to pay all outstanding amounts on the first to occur of the Maturity Date, the interest rate on this Note shall be increased by five (5.0) percentage points on the outstanding principal balance and all accrued, but unpaid interest thereon.

5. Notices. Notices provided for herein may be given by delivery personally or by sending them by mail or overnight delivery, with postage charged prepaid, to the mailing addresses provided in the first paragraph of this Note, or to any other mailing address of which written notice is given, and notices shall be deemed given upon actual receipt or refusal thereof.

6. Miscellaneous.

6.1 No Waiver. Lender's acceptance of interest at the Default Rate shall not have the effect of curing any Event of Default and shall not prejudice the right of Lender to collect any other amounts required to be paid or to declare a default hereunder. No waiver of any default or failure, or delay to exercise any right or remedy by Lender shall operate as a waiver of any other default, or of the same default in the future, or as a waiver of any right or remedy with respect to the same, or any other occurrence.

6.2 Assignment. Borrower shall not assign or transfer their rights or obligations under this Note or the Deed of Trust without the prior written consent of Lender, which consent may be given or denied in Lender's sole and absolute discretion.

6.3 Binding on Heirs, Successors and Assigns. Subject to the restrictions on assignment and transfer contained herein, this Note shall be binding on and inure to the benefit of the legal representatives, heirs, successors and assigns of Lender and Borrowers.

6.4 Entire Agreement. This Note and the Deed of Trust (i) integrate all the terms and conditions mentioned in or incidental to this Note; (ii) supersedes all oral negotiations and prior writings with respect to its subject matter; and (iii) is intended by Borrowers and Lender as the final expression of the agreement with respect to the terms and conditions set forth in this Note and the Deed of Trust and as the complete and exclusive statement of the terms agreed to by the Borrowers and Lender. No representation, understanding, promise, or condition shall be enforceable against any party hereto unless it is contained in this Note or the Deed of Trust. This Note may not be modified except in a written agreement signed by both Lender and Borrowers.

6.5 Severability. Every provision of this Note is intended to be severable. In the event any term or provision hereof is declared by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such illegality, invalidity or unenforceability shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable, and this Note shall be construed as if such illegal, invalid or unenforceable provision had not been contained herein.

6.6 Choice of Law; Venue. This Note shall be governed by and construed in accordance with the substantive and procedural laws of the State of California. This Note is entered into and is to be performed in Sacramento, California, with venue in the County of Sacramento.

6.7 Amendments. Neither this Note nor any provision hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

6.8 Enforcement Costs. In the event of: (a) any action or proceeding that involves the protection, preservation or enforcement of Lender's rights or Borrowers' obligations under this Note (including, but not limited to, Lender's defense of any action by Borrowers in connection with the Loan), (b) Lender's collection or enforcement without institution of litigation proceedings, or

(c) Lender's participation in any proceeding which is authorized under the terms of this Note, the prevailing party shall be entitled to payment, upon demand, from the non-prevailing party of all costs and expenses associated therewith, including reasonable attorneys' fees and litigation expenses. Borrowers will pay Lender, upon demand, all reasonable attorneys' fees and expenses incurred in the representation of Lender in any aspect of any bankruptcy or insolvency proceeding initiated by or on behalf of Borrowers that concerns any of its obligations to Lenders under this Note.

IN WITNESS WHEREOF, Borrower have executed this Note as of the year and date first set forth above.

BORROWER:

**Capitol Area Development Authority,**  
a California joint powers agency

By: \_\_\_\_\_  
Danielle Foster, Executive Director





April 19, 2024

**TO:** CADA Board of Directors

**SUBJECT:** **April 26, 2024, Board Meeting**  
**AGENDA ITEM 7**  
**CADA Buildings Project Needs Assessment and CIP Planning Change Order**

**CONTACT:** Marc de la Vergne, Deputy Executive Director and Sustainability Director

**RECOMMENDED ACTION:**

Staff is recommending the CADA Board approve the attached resolution (**Attachment 1**), authorizing the Executive Director to enter into a change order with Artemis Construction Management to complete the CADA Buildings Project Needs Assessment and Capital Improvement Projects (CIP) Planning Project.

**BACKGROUND**

Annually, CADA updates its CIP Budget to reflect Maintenance Department priorities for building repairs and major improvements. Staff prepares and presents the CIP Budget to the Board for approval at the June meeting each year. The CIP Budget then funds the recommended capital improvements for the year. Typically, the Maintenance Manager prepares the list of maintenance CIP projects and works with senior staff to refine it before the budget is presented to the Board.

CADA staff have identified a need to make CADA's CIP planning more strategic, with a long-term perspective of the building systems, and to link it more directly to the CADA Strategic Plan objectives, as discussed in the Strategic Plan section below. Staff identified a consultant with specific expertise in construction management, CIP needs assessment preparation, and CIP planning to help CADA staff identify CIP priorities for each of its 52 buildings, with corresponding estimate costs and a recommended phasing strategy. In March 2024, the Executive Director entered into a \$34,596 contract with Artemis Construction Management to assess the first of three building groups – Group 1. That contract (C24-096) was within the Executive Director's contract \$50,000 authority amount. This contract was initiated with the goal of gaining the first phase of information in time to inform the upcoming budget process.

Group 1 included 22 buildings. Artemis has completed the inspections for these buildings and is preparing the inspection reports, estimates and CIP phasing strategy. Phase I of the Group 1 buildings work includes evaluating the needs of the portfolio. Key deliverables include a comprehensive report detailing each building system's current condition assessment, a life-cycle analysis, energy efficient options and a 20-year reserve study. Further details can be found in the attachment. Artemis will provide a short summary of Group 1 findings at the Board meeting.

Phase II of the Group 1 buildings' work includes capital needs planning. Key deliverables include an updated CIP plan, including immediate and short-term repairs, cost estimates, and other

proposed energy and security improvements. The CIP plan will include a master schedule and correlate with the current CADA CIP plan and any financing timelines affecting the plan. The plan will span up to 5 years.

To ensure work can continue with the 30 buildings in Groups 2 and 3 immediately upon completion of the Group 1 work, staff is recommending the Board approve a resolution at this time authorizing the Executive Director to enter into a change order with Artemis to fund the additional work. The consultant's proposal is included with this staff report as **Attachment 2**. Artemis's scope of work and deliverables for Groups 2 and 3 are identical to the scope for the Group 1 buildings. The work will take approximately 9 weeks.

## **POLICY ISSUES**

The Executive Director's contract approval authority is capped at \$50,000. The proposed change order is for \$55,944. Therefore, Board authorization of the change order is required before the Executive Director may sign it. Consistent with Board discussion at the March meeting, staff will be coming before the Board at a future meeting to recommend an increase to the Executive Director's contracting signing authority threshold.

## **STRATEGIC PLAN**

The CADA Board approved a revised strategic plan for 2024-2029 at the March Board meeting. The proposed action advances the following strategic plan objective, strategy, key performance indicator and activities and timelines:

***Objective:** II. Deliver Community Development Leadership*

***Strategies:** C. Sequence Capital Improvement Projects (CIPs) and prioritize projects that are sustainable and functional for CADA's residential and commercial tenants;*

***Key Performance Indicator:** Sequence and Completion of CIPs*

***Activities and Timelines Tracked in Operational Business Plan:** 7. Conduct a comprehensive needs assessment of all CADA buildings to inform long term planning. (2024-2025)*

Completing project needs assessments for each of CADA's residential and commercial buildings will allow CADA to develop a comprehensive and detailed strategy to meet the capital improvement needs of its buildings, which will result in buildings that are more livable for tenants, more energy efficient, more resilient in the face of expected climate change impacts over the coming decades, and with systems that are better-prepared to continue to serve CADA's tenants. This work will also inform our responsible use of resources, including with preventative maintenance that will lower long-term costs and the overall effective management of CADA's assets.

## **FINANCIAL IMPACT**

The proposed change order will be funded from the Asset and Other Professional Services budget and will total \$55,944, funded through remaining funds and supplemented by a transfer of funds from an account originally intended to pay for rental of a supplemental warehouse space. Since CADA is purchasing its own larger warehouse, renting the additional space is no longer necessary. In combination with the \$34,596 for the Group 1 buildings contract, the project total will be \$90,540.

## **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 24-20
- 2) Artemis Construction Management Fee Proposal (dated 4/11/24)

**RESOLUTION NO. 24 – 20**

April 26, 2024

Adopted by the Capitol Area Development Authority

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CHANGE ORDER WITH ARTEMIS CONSTRUCTION MANAGEMENT**

**WHEREAS**, the CADA 2024-29 Strategic Plan calls for CADA to sequence Capital Improvement Projects and prioritize projects that are sustainable and functional for CADA’s residential and commercial tenants and directs staff to conduct a comprehensive needs assessment of all CADA buildings to inform long-term planning;

**WHEREAS**, CADA and Artemis Construction Management entered into a \$34,596 contract in March 2024 to conduct the necessary needs assessment for 22 of 52 of CADA’s building, referred to as Group 1, in order to inform budget creation for Fiscal Year 2024-2025;

**WHEREAS**, Artemis is nearing completion of its work on Group 1 and staff would like work on Groups 2 and 3 to commence as soon as Group 1 work has concluded;

**WHEREAS**, Artemis has submitted a \$55,950 change order to undertake the Group 2 and 3 work; and

**WHEREAS**, Board authorization is required to approve contracts in excess of \$50,000.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Capitol Area Development Authority that:

1. The Board of Directors hereby authorizes the Executive Director to execute a change order in the amount of \$55,944 with Artemis Construction Management.

---

Ann Bailey, Chair

ATTEST:

---

Tara Gandara  
Secretary to the Board of Directors



# Artemis Construction Management Fee Proposal

## CADA Capital Improvement Planning (CIP) Consulting ASR 001

Contract #C24-096  
04/11/24

Artemis’s Additional Services Request (ASR) Fee Proposal is based on continuing the Conditional Needs Assessment and Capital Improvement Plan into Groups #2 and #3. See the enclosed spreadsheet for a breakdown of fees, the buildings that have been completed, and buildings in the remaining groups. For these additional services, Artemis proposes the following Not to Exceed Fee:

Phase #1 – Group #2 & #3	\$38,640.00
Phase #2 – Group #2 & #3	\$17,304.00
<b>Total</b>	<b>\$55,944.00</b>

## Scope of Work

### Phase 1: Evaluating Needs of Portfolio

**Tasks:**

- I. Request and collect the following:
  - 1. Contact information for each Property Manager
  - 2. Any available plans or construction specifications (As-Builts preferred); Any written bids and estimates for incomplete repairs
  - 3. Unit Mix of each property
  - 4. List of proposed repairs/maintenance logs
  - 5. Phase 1 reports or other studies completed
- ii. Meet with the Property Manager / Maintenance Team and survey staff to understand reoccurring issues
- iii. Conduct a visual inspection of the project site, building exteriors, roof, common areas, lobby, parking areas, mechanical/electrical/plumbing systems, outdoor spaces, and at least one unit per floor, per building, per unit type or 25%, whichever is larger. The inspection will assess the age of the equipment, finish condition, regulatory compliance (fire inspections, ADA, etc.), visual water damage, structural issues, and assessment of the likelihood that hazardous materials are present.

### Phase 1: Deliverables

After evaluating the needs of the portfolio, Artemis will create a comprehensive report detailing each system's current condition assessment, life-cycle analysis, relevant photos, proposed energy-efficient options, and a 20-year Replacement Reserve Study. The report will be based on ASTM E2018-15 – Standard Guide for Property Conditions Assessment: Baseline Property Condition Assessment Process and ASHRAE Standard 211-2018 for Energy Audits - Level 1. Each report will be sorted to highlight immediate, short-term, and long-term needs for all 52 buildings individual buildings (for financing purposes). Items for immediate repair or replacement will be detailed in an actionable and biddable way.

## Phase 2: Capital Needs Planning

This phase will outline the portfolio strategy and financial plan for developing, funding, and maintaining your communities.

### Tasks:

- i. Facilitate up to five meetings with the client staff and stakeholders to review priorities and funding availability.
- ii. Create a custom, web-based dashboard that can be viewable by stakeholders (included for the first year) and updated by the client.

### Deliverables:

- i. Working with the client, Artemis will prepare an updated capital improvement plan, including immediate and short-term repairs, cost estimates, and other proposed energy and security improvements. This plan will include a master schedule and correlate with the current Capital Improvement Plan (CIP) and any financing timelines affecting the plan. It will span up to 5 years.

## Terms and Conditions

- Work shall be completed within 4 months from receipt of deposit and commencement of work (with the exception of one week between May 27 and 31).
- Includes overhead, profits, taxes, and benefits
- Excludes:
  - Mileage and parking fees; Mileage billed at current IRS rate
  - Printing and shipping costs (billed at cost)
  - Permit handling (additional service available)
  - Performing construction work
  - Producing design or contract drawings
  - Destructive or penetrative testing
  - Engineering
  - Hazardous Material Testing
- Payment of 50% of the contract amount (\$19,320) for Phase 1 is due once the contract for CNA services has been executed. The final payment for Phase 1 is due within 30 days of receipt and acceptance of the final report. For other phases, billings will be submitted the second week of each month for time and expenses provided during the preceding month. Payment will be due within 30 days of receipt of the invoice. A reprocessing fee of 1.5% will be assessed on balances outstanding after 45 days.

CADA Capital Needs Assessment Fee Proposal - 30 Bldgs.	Rate	# of Hrs.	Cost
Phase 1: Assessment (3 months)			\$ 38,640.00
Building Group #2 (secondary and age specific CIP needs)	6 weeks		\$ 22,632.00
Bldg 21, 23, 25, 26, 28, 33, 38, 40, 56, 61-64, 66-68 (1/2 day onsite + 4 hours for prep & reporting each)	\$ 138.00	128	\$ 17,664.00
Bldgs 51, 52, 69 (full day onsite + 4 hours for prep and reporting each)	\$ 138.00	36	\$ 4,968.00
Building Group #3 (remaining buildings)	5 weeks		\$ 16,008.00
Bldgs 30, 34, 37, 41, 42, 47-48, 54, 57, 58 (1/2 day onsite + 4 hours for prep & reporting each)	\$ 138.00	80	\$ 11,040.00
Bldgs 29, 35, 59 (full day onsite + 4 hours for prep and reporting each)	\$ 138.00	36	\$ 4,968.00
Phase 2: Planning for Group #2 & #3 (1 month)			\$ 17,304.00
Two Meetings with Staff and Stakeholders (incl. prep)	\$ 138.00	8	\$ 1,104.00
Timeline, Sequencing, and Integration with current CIP	\$ 135.00	80	\$ 10,800.00
Optional: Dashboard for viewing data and future updates	\$ 135.00	40	\$ 5,400.00
<i>Total Not to Exceed Estimate for Group #2 &amp; #3</i>			<i>\$ 55,944.00</i>

*Hourly rate includes mileage and parking*

*See Attached Spreadsheet and Map for Corresponding Building Numbers*

*All groups include site assessment, survey of staff, and individual reports per building with a comprehensive database for the portfolio*

*50% of Phase 1 fee is due before starting the Capital Needs Assessment*

*Phase 3 proposal will be presented upon the completion of Phase 2*

Group #	Map ID	Bldg Name	Street Address	Status
1	17	Somerset	1001-35 Q St	In Progress
1	20	Del Capri	1201 P St	In Progress
1	24	1212 P	1212 P St	In Progress
1	22	1214 P	1214 P St	In Progress
1	49	Lombard	1317 15th St	In Progress
1	50	Park Mansion	1325 - 15th St	In Progress
1	32	Capri	1327 O St	In Progress
1	31	The Valencia	1327/1317 O St	In Progress
1	36	Palm Mansion	1330 P St	In Progress
1	39	The Dean	1400 N St	In Progress
1	43	Stateman	1420 O St	In Progress
1	44	Auslander	1500 15th St	In Progress
1	51	Brannan Court	1500 N St	In Progress
1	27	McCafferty	1506 13th St	In Progress
1	55	Johnston House	1506 O St	In Progress
1	45	Victorian I	1510 15th St.	In Progress
1	18	1517 12th Street	1517 - 12th St.	In Progress
1	19	1521 12th	1521 12th St	In Progress
1	53	Judith Manor	1522 N St	In Progress
1	65	Rooming House	1619 Q St	In Progress
1	60	1625 O	1625 O St	In Progress
1	46	Victorian II	48 15th St	In Progress
2	68	Wing Manor	1209 P St	Not Started
2	21	Gibb Arms	1215 P St	Not Started
2	23	1216 to 1218 P	1216-18 P St.	Not Started
2	25	Deus	1220 P St	Not Started
2	26	Gibson Arms	1228 O St	Not Started
2	38	Culjis Duplex	1321-23 Q St	Not Started
2	66	Above Sam's Market	1330 O St	Not Started
2	40	Greentree Commons	1400-04 O St	Not Started
2	67	Above Luna's Café	1412 1/2 16th St	Not Started
2	33	Metropol	1428 - 14th St	Not Started
2	61	17 Street Commons I	1506-1522 17th, 1524 17th, 1614 O St	Not Started
2	56	Don Carlos	1510 O St	Not Started
2	28	1512 13th	1512 13th	In Progress
2	52	Biele Place	1522 N St	Not Started
2	69	Terraces	1609 O St	Not Started
2	62	Lanai Apts 1	1615 P St	Not Started
2	63	Lanai Apts 2	1623 P St	Not Started
2	64	17th Street Commons II	1631 P St	Not Started
3	30	Le Chateau	1316 N. St.	Not Started



Group #	Map ID	Bldg Name	Street Address	Status
3	34	1316 O	1316 O St	Not Started
3	29	The Cypress	1320 N St	Not Started
3	35	Sonris	1322 O St	Not Started
3	37	Mi Casa	1326 P St	Not Started
3	41	Carriage Path Way	1401-15 St	Not Started
3	42	Moore Manor	1414 O St	Not Started
3	47	Fremont Apartments	1424 P St	Not Started
3	57	Dauger	1501 15th St	Not Started
3	54	Morganson Manor	1515 O	Not Started
3	58	Grantwood Manor	1616 N St	Not Started
3	59	Shelly Arms	1622 N St	Not Started

# CHECK OUT CADA RESTAURANTS, SERVICES & PUBLIC ART!



## RESTAURANTS & COFFEE

1. Yummy Choice - 1601 10th \*
2. Ace's Gyro Shack - 1603 10th \*
3. Café Xocolatl - 1607 10th \*
4. Le Croissant - 1036 P
5. Cap City Squeeze - 1331 O, 1426 14th \*
6. Sam's Market - 1330 O
7. TableVine - 1501 14th
8. Luna's Cafe - 1414 16th \*
9. 1412 16th
- 10a. Simon's Bar & Grill - 1413 16th \*
- 10b. CLTRE Club Market & Food - 1401 16th \*
11. Karma Brew - 1530 16th Ste A

## NEIGHBORHOOD SERVICES

12. Goodyear Cobbler & Cleaners - 1623-25 10th \*
13. Forever Young Daycare - 1209 P
14. Capital Dry Clean (see #6 Sam's Market)
15. Legado de Ravel Leasing Office - 1520 16th #B
16. CADA Maintenance Office - 701 S \*

## PUBLIC ART

16. CNRA temporary sidewalk mural (new image every 3-4 months)

★ Capitol Box Art Traffic Utility Wrap

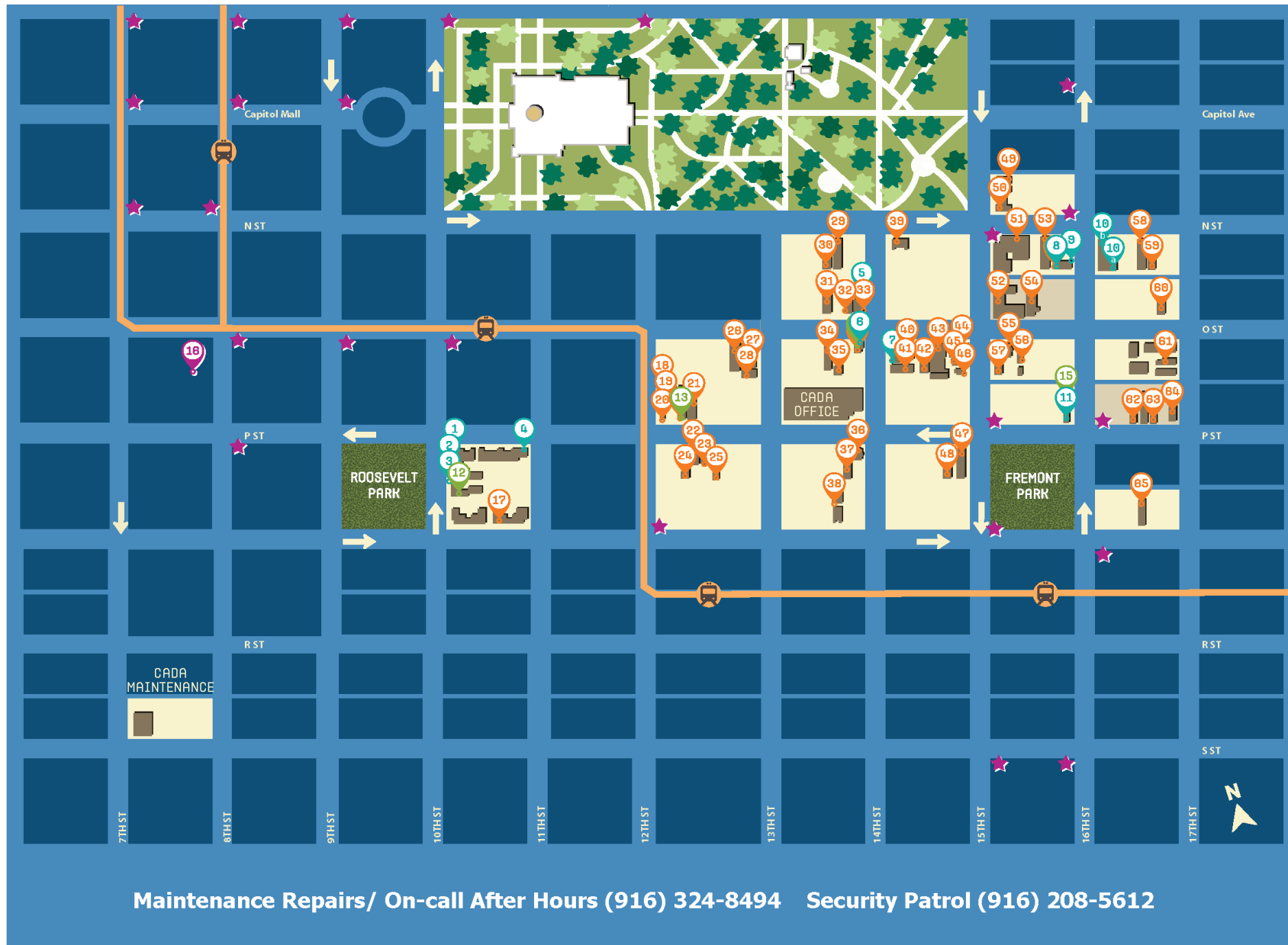
\* Denotes a mural location

Light Rail Station



**CADA Leasing Office**  
 1522 14th Street  
 Sacramento, CA 95814  
 (916) 322-2114

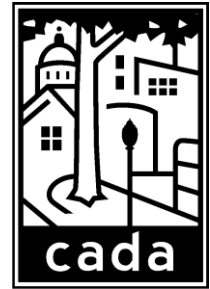
[www.cada.org](http://www.cada.org)



## APARTMENT BUILDINGS

17. 1001 to 1035 Q - Somerset Parkside\*
18. 1517 12th
19. 1521 12th
20. 1201 P - Del Capri
21. 1215 P - Gibbs Arms
22. 1214 P
23. 1216 to 1218 P
24. 1212 P
25. 1220 P - Deus
26. 1228 O - Gibson Arms
27. 1506 13th - McCafferty Manor
28. 1512 13th \*
29. 1320 N - The Cypress
30. 1316 N - Le Chateau
31. 1317 O - The Valencia
32. 1327 O - Capri
33. 1428 14th - Metropoli \*
34. 1316 O
35. 1322 O - Sonrisa \*
36. 1330 P - Palm Mansion
37. 1326 P - Mi Casa
38. 1321 to 1323 Q - Culjis Duplex
39. 1400 N - The Dean
40. 1400 to 1402 O - Greentree Commons
41. 1401 to 1415 - Carriage Path Way
42. 1414 O - Moore Manor
43. 1420 - Statesman
44. 1500 15th - Auslander
45. 1510 15th - Victorian
46. 1514 15th - Victorian
47. 1606 15th - Fremont Apartments
48. 1424 P - Fremont Wllshire
49. 1317 15th - Lombard
50. 1325 15th - Park Mansion
51. 1500 N - Brannan Court \*
52. 1421 15th - Biele Place
53. 1522 N - Judith Manor
54. 1515 O - Morgenson Manor
55. 1506 O - Johnston House
56. 1510 O - Don Carlos
57. 1501 15th - Dauger
58. 1616 N - Grantwood Manor
59. 1622 N - Shelly Arms
60. 1625 O
61. 1506 - 1522 17th, 1524 17th, 1614 O (17th Street Commons)
62. 1615 to 1617 P - Lanai Apts 1 \*(off alley)
63. 1623 P - Lanai Apts 2 \*(off alley)
64. 1631 17th - 17th Street Commons
65. 1619 Q - Rooming House
66. 1330 O - Above Sam's Market (see #6)
67. 1412 1/2 16th (see #8 above Luna's Cafe)
68. 1209 P - Wing Manor (see #13)

Maintenance Repairs/ On-call After Hours (916) 324-8494 Security Patrol (916) 208-5612



April 19, 2024

**TO:** Board of Directors

**SUBJECT: April 26, 2024, Board Meeting  
AGENDA ITEM 9 (A)  
CADA ACCESSIBILITY PROGRAM**

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

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

The purpose of this report is to provide information on CADA's efforts to improve the accessibility of existing properties managed by CADA. The following are commonly used terms involving accessibility.

- Reasonable Accommodation: A change in rules, policies, practices, or services so that a person with a disability will have an equal opportunity to use and enjoy a dwelling unit or common space. Reasonable Accommodations are made at CADA's expense as long as such accommodations do not amount to an undue financial and/or administrative burden.
- Reasonable Modification: A physical modification that is made to allow persons with disabilities the full enjoyment of the housing and related facilities. Reasonable modifications are usually made at the resident's expense, except in the case of federally-assisted housing.

**BACKGROUND**

Given the age of many of the apartment properties CADA manages, accessibility presents a challenge. Nevertheless, CADA continues to invest time and resources into making accessible improvements in our buildings. CADA takes a multi-faceted approach in its efforts to improve the accessibility of its housing inventory consisting of the following:

1. Responding to resident requests
2. Incorporating accessibility improvements into CADA's routine maintenance operations
3. Including an Accessibility Improvements budget line item in the CADA Capital Improvements Major Construction Budget

**Resident Requests**

The Community Policies section of CADA's Rental Agreement includes a description of the process residents are to follow in requesting a Reasonable Accommodation.

Depending on the nature of the request, the appropriate staff researches the requested accommodation/modification and assesses reasonableness. Each request is reviewed on a case-by-

case basis in an objective and timely manner, with the goal of assisting our residents to the best of our ability. Some of the requests are referred to CADA's Maintenance Department or scheduled as a Capital Improvement Project, as appropriate.

### Maintenance Operations

Whenever possible, CADA Maintenance incorporates improving accessibility into routine maintenance operations. For example, as units vacate and are prepared for market, it is standard practice to automatically replace round knob-style door handles and plumbing fixtures with new lever-style handles and fixtures, for easier and more accessible operation.

### Capital Improvements

Accessibility work performed by outside contractors is charged to an Accessibility Improvements Line Item in the Capital Improvements Major Construction Budget. Improvements executed with these funds have included the designation of handicapped parking spaces, the fabrication and installation of handrails, and the construction of accessibility upgrades like ramps and walkways. Installations of this kind will increase accessibility overall and allow residents to age-in-place and remain in our buildings longer than might otherwise be possible.

## **POLICY**

CADA has placed a long-standing priority on improving the accessibility of its apartments. CADA's approach to accessibility improvements will continue to consist of both responding to resident requests on a case-by-case basis and initiating accessibility improvements to its structures. To assure CADA continues to make progress, biennially staff presents a report to the Board that summarizes the activities and the achievements of the CADA Accessibility Program.

## **STRATEGIC PLAN**

The efforts that CADA has made over the years to improve the accessibility of its apartments supports CADA's objectives of "Ensure Fiscal Strength and Operational Excellence" and "Deliver Community Development Leadership" as well as supporting the Core Values of Accountability and Customer Service. Formalizing these efforts into a CADA Accessibility Program that includes regular reporting on our progress is in keeping with our efforts to maintain measurable criteria to measure our performance.

## **FINANCIAL IMPACTS**

CADA currently budgets approximately \$10,000 annually for accessibility improvements and upgrades in the Annual Capital Improvements Program Major Construction Budget. Improvements during routine maintenance operations are taken from the overall annual maintenance budget.

## **CONTRACT AWARD CONSIDERATIONS**

Construction contracts that will be executed to make accessibility improvements will be bid and awarded in accordance with CADA's Contract Policy and Outreach Procedures.

Attachment 1: Community Policies - Reasonable Accommodation  
Attachment 2: Accessibility Improvements

## ATTACHMENT 1

### COMMUNITY POLICIES- Reasonable Accommodation

#### **CADA Reasonable Accommodation Policy**

CADA follows the direction of the Federal Fair Housing Act, the Americans With Disabilities Act, and the California Fair Employment and Housing Act, as applicable, when responding to resident requests for reasonable accommodation. These acts are briefly summarized below.

**Federal Fair Housing Act:** This act requires housing providers to provide reasonable accommodations to persons with disabilities in rules, policies, practices, or services, when such accommodations may be necessary to afford such person(s) equal opportunity to use and enjoy a dwelling. Reasonable accommodations may be made at the housing provider's expense, so long as such accommodations do not amount to an undue financial and/or administrative burden. However, modifications (e.g. physical changes to the resident's living space) are usually made at the resident's expense, except in the case of federally-funded housing.

**Americans with Disabilities Act:** This act, in most cases, does not apply to residential housing. Title III of the ADA covers public and common use areas at housing developments when these areas are open to the general public (such as a rental office) or when they are available for use by the general public (such as a community room that is rented to non-residents).

**California Fair Housing and Employment Act:** This act provides similar protections and provisions for reasonable accommodation for persons with disabilities as does the Federal Fair Housing Act.

#### **Requesting Reasonable Accommodation**

There is no specific format for how a resident should make a request for a reasonable accommodation or modification, though it is helpful if these requests are in writing, so there will be documentation of the request. The request should describe what type of accommodation is needed and explain the relationship between the requested accommodation and the disability.

#### **CADA Response to Request for Reasonable Accommodation**

Once a request for reasonable accommodation is received by CADA, CADA Property Management staff will review the request, and in some cases may require that the resident provide us written verification from the resident's healthcare or mental health provider that the resident has a disability and needs the accommodation or modification. Staff may require proof that the resident is disabled, but may not require the resident to provide specific information or records about the disability.

Whether or not a requested accommodation/modification is "reasonable" depends on several factors and must be decided on a case-by-case basis. In addition to any other relevant matter, the following factors are to be considered in making this determination:

- The requested accommodation or modification must be necessary. There must be an identifiable relationship between the individual's disability and the requested accommodation or modification.
- The request should not impose an undue financial and administrative burden on the housing provider.
- The requested accommodation or modification should not require the housing provider to make a fundamental alteration in the nature of its operations.

## ATTACHMENT 2

### Accessibility Improvements

#### **Recent Accessibility Improvements include:**

The following building doors were replaced with ADA accessible doors:

- 1428 14<sup>th</sup> Street -- all of the store front doors of the building, (6) in total
- 1317 15<sup>th</sup> Street -- front door
- 1325 15<sup>th</sup> Street – front doors (2)
- 1421 15<sup>th</sup> Street -- north side alley entry door
- 1412 ½ 16<sup>th</sup> Street – front door
- 1414 16<sup>th</sup> Street – front door
- 1500 N Street – front door

The front door at 1522 N Street is in the process of being replaced with an ADA-accessible door. CADA is planning on replacing several other doors at various properties in the coming year to make them ADA accessible. They include 1616 N, 1622 N, and 1625 O Street.

Upon an apartment turn, and also when requested by existing tenants, CADA continues to replace round door knobs to the lever type.

Due to a medically-diagnosed allergy issue, one tenant at 1630 O Street requested to have the carpets removed from the entire apartment. The carpet was replaced with LVP (luxury vinyl plank) flooring, which is now the CADA standard flooring that is installed when apartments turn. This flooring was replaced prior to turnover to accommodate the tenant.

Several wheelchair-bound tenants requested threshold ramps to make it easier to get into their apartments.

Tenants have requested grab bars for the shower(s) and restroom(s) in their apartments. CADA installs grab bars as they are requested.

A tenant in Sonrisa requested that CADA install ADA blinds in their apartment because they were unable to open and close the blinds due to a disability.

In buildings where there are no elevators, when requested by a tenant and when there is an available apartment, CADA continues to relocate tenants who can no longer negotiate the stairs from units on upper floors to units on the ground floor or to other buildings that are equipped with elevators.

This is a snapshot of some of the accessibility improvements that have been made recently.

<b>APARTMENT STATUS REPORT (Month-ending March 31, 2024)</b>	<b>Current Month-End</b>	<b>Previous Month-End</b>	<b>Previous Year Month-End</b>	<b>Current Year</b>	<b>Previous Year</b>	<b>Previous Year</b>
<b>CURRENT MONTH STATUS - OCCUPIED UNITS</b>	<b>3/29/24</b>	<b>2/23/24</b>	<b>3/31/23</b>	<b>2024 Monthly Average</b>	<b>2023 Monthly Average</b>	<b>2022 Monthly Average</b>
Total Units	779	779	779	779	769	721
Occupied	698	705	722	703	707	668
Percentage Occupied	90%	91%	93%	90%	92%	93%
Percentage Leased*	98%	98%	96%	98%	96%	96%
* adjusted for Unrentable units						
<b>CURRENT MONTH STATUS - VACANT UNITS</b>	<b>3/29/24</b>	<b>2/23/24</b>	<b>3/31/23</b>	<b>2024 Monthly Average</b>	<b>2023 Monthly Average</b>	<b>2022 Monthly Average</b>
Vacant	81	74	57	76	62	54
Vacant: Pre-leased Units	9	11	3	10	8	10
Vacant: Unrentable Units (repairs, temp tsf's,etc.)	55	50	19	48	21	14
Vacant: Units Available to Rent	17	13	35	18	33	29
<b>CURRENT MONTH STATUS - ON NOTICE UNITS</b>	<b>3/29/24</b>	<b>2/23/24</b>	<b>3/31/23</b>	<b>2024 Monthly Average</b>	<b>2023 Monthly Average</b>	<b>2022 Monthly Average</b>
On-Notice: Units to vacate within 30 days	13	8	5	10	6	10
On-Notice: Pre-leased Units	0	0	0	0	0	0
On-Notice: Unrentable Units (repairs, rehab, etc.)	13	0	0	5	0	1
On Notice: Units Available to Rent	0	8	5	6	6	9
Total Units Available to rent (Vacant & On Notice)	17	21	40	23	38	38
<b>CURRENT MONTH ACTIVITY - TOTAL</b>	<b>3/29/24</b>	<b>2/23/24</b>	<b>3/31/23</b>	<b>2024 YTD</b>	<b>2023 YTD</b>	<b>2022 YTD</b>
# of Move-Outs / % of Total Units	15	11	17	5%	16%	16%
# of Move-Ins / % of Total Units	8	9	72	4%	25%	16%
# of New Rentals	9	12	61	40	204	170
# of 30-Day Notices Received / % of Total Units	20	9	12	7%	17%	18%
# of Units brought to market / % of Move-Outs	6	1	18	37%	97%	94%
# of Rentals Canceled or Denied / % of Rentals	5	1	2	38%	17%	38%
# of Notices Canceled / % of Notices Received	0	0	1	0%	3%	5%
<b>CURRENT MONTH ACTIVITY - MOVE OUT REASONS</b>	<b>3/29/24</b>	<b>2/23/24</b>	<b>3/31/23</b>	<b>2024 YTD %</b>	<b>2023 YTD %</b>	<b>2022 YTD %</b>
Asked to move by CADA	2	1	1	15%	4%	9%
Bought a house	0	0	0	0%	5%	6%
Deceased	2	0	0	5%	4%	10%
Dissatisfied (unable to resolve)	0	0	1	0%	3%	1%
Employment/education related	0	0	3	2%	4%	2%
Financial	0	2	1	7%	7%	4%
Illness/ health/ personal	2	0	1	5%	12%	14%
Moving out of the area	1	2	0	15%	11%	18%
Desire larger/smaller apt or house (incl. change in hh size)	4	4	5	24%	10%	8%
Need amenity not offered / not currently available	0	0	0	0%	0%	1%
Moved with no notice/Unknown	0	1	4	7%	16%	14%
Transferred to another CADA apartment	4	1	1	17%	23%	14%
Other / ("Covid-related" as of Aug 2020)	0	0	0	0%	0%	0%
Unaccounted for (Not incl. in occupancy length) - Adj.	0	0	0	2%	1%	0%
<b>TOTAL</b>	<b>15</b>	<b>11</b>	<b>17</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Average length (years) of Occupancy (YTD):</b>				<b>4.1</b>	<b>4.6</b>	<b>5.0</b>

<b>CADA AFFORDABLE HOUSING STATISTICS: March 31, 2024</b>	<b>CADA Rent-Assisted</b>	<b>Other / Additional Assisted Units</b>	<b>Total Assisted Units</b>	<b>Market-Rate Units</b>	<b>Total Units</b>
<b>Scattered Site Units:</b>	<b>31</b>	<b>50</b>	<b>81</b>	<b>502</b>	<b>583</b>
<b>Special Management Units:</b>	<b>156</b>	<b>0</b>	<b>156</b>	<b>40</b>	<b>196</b>
17th Street Commons	12	0	12	17	29
Somerset Parkside	26	0	26	0	26
Biele Place	34	0	34	1	35
Fremont/Wilshire	12	0	12	20	32
1619 Q Rooming House	15	0	15	1	16
Sonrisa/1322 O St Investors LP	57	0	57	1	58
<b>TOTAL CADA-MANAGED UNITS:</b>	<b>187</b>	<b>50</b>	<b>237</b>	<b>542</b>	<b>779</b>
<b>MANAGED AFFORDABLE/MARKET %:</b>			<b>30%</b>		
<b>CADA-DEVELOPED RENT ASSISTED UNITS</b>	<b>Tax Credit</b>	<b>Other</b>	<b>Total Affordable Units</b>	<b>Market Units</b>	<b>Total Units</b>
Stanford Park Townhomes	0	0	0	50	50
1500 Q Street	0	2	2	4	6
17th & O Streets	0	0	0	3	3
The Terraces	0	60	60	0	60
17th and N Streets	0	0	0	18	18
Delta Victorians	0	0	0	8	8
Wiese Townhomes	0	0	0	3	3
Admail Express Building	0	0	0	7	7
Governor's Terrace	0	0	0	44	44
Somerset Parkside Condominiums	0	0	0	75	75
Saratoga Townhomes	0	0	0	36	36
Fremont Building	0	11	11	58	69
Capitol Park Homes	0	9	9	55	64
Fremont Mews	49	0	49	70	119
Legado de Ravel	0	0	0	84	84
Site 9B Duplex	0	0	0	2	2
Warehouse Artist Lofts (WAL)	0	86	86	30	116
16Powerhouse	0	0	0	50	50
The Eviva	0	0	0	118	118
<b>TOTAL CADA-DEVELOPED UNITS:</b>	<b>49</b>	<b>168</b>	<b>217</b>	<b>715</b>	<b>932</b>
<b>DEVELOPED AFFORDABLE/MARKET%</b>			<b>23%</b>	<b>77%</b>	<b>100%</b>
<b>TOTAL CADA-MANAGED &amp; DEVELOPED AFFORDABLE HOUSING UNITS</b>					
<b>CADA-MANAGED UNITS:</b>	<b>187</b>	<b>50</b>	<b>237</b>	<b>542</b>	<b>779</b>
<b>CADA-DEVELOPED UNITS:</b>	<b>49</b>	<b>168</b>	<b>217</b>	<b>715</b>	<b>932</b>
<b>TOTAL CADA UNITS:</b>	<b>236</b>	<b>218</b>	<b>454</b>	<b>1257</b>	<b>1711</b>
<b>TOTAL AFFORDABLE/MARKET%</b>			<b>26.53%</b>	<b>73%</b>	<b>100%</b>



**CAPITOL AREA DEVELOPMENT AUTHORITY**

**Commercial Listings (Current Vacancies)**

**April 2024**

**Address:** **1329-31 O Street**  
 Current Tenant: Society Bistro  
 Square Feet: 1,842

CADA has completed all of its planned tenant improvements except final installation of the roll-up door on O Street and installation of the new flooring material. The door itself has been installed and requires only the installation of exterior door trim. The new floor surface has been installed. The tenant's tenant improvements are moving quickly with many of the front-of-house upgrades (lighting, painting, flooring and cabinets) having been completed. Work on back-of-house improvements is underway. The tenant is securing County health department's final review of her tenant improvements.

**Address:** **1413-15 16<sup>th</sup> Street**  
 Current Tenant: Simon's Bar and Grill

Staff continues to explore leasing the space to a new business that has been incubated by The Alchemist Community Development Corporation and is ready to start operations on its own. Lease discussions are continuing pending the prospective tenant's review of environmental reports and completion of air tests in the space.

**Address:** **1520 16<sup>th</sup> Street, Suite D**  
 Current Tenant: Former University of Beer Business Office

Staff continues to seek tenants for this space.

**Capitol Area Development Authority  
CADA Neighborhood Incident Report  
March 2024:**

**Residential break-ins, vandalism, theft, disturbances:**

- **3/01/24:** 1522 14<sup>th</sup> St: Courtesy patrol found an individual loitering on the property. Patrol asked the individual to leave the area which he did without incident.
- **3/02/24:** 1522 14<sup>th</sup> St: Courtesy patrol found an individual loitering on the property. Patrol asked the individual to leave the property which he did without incident.
- **3/02/24:** 1625 O St: Courtesy patrol found the mailboxes left open.
- **3/02/24:** 1322 O St: Courtesy patrol found an individual loitering on the property. Patrol asked the individual to leave the property which he did without incident.
- **3/06/24:** 1001-35 Q St: Courtesy patrol found two individuals squatting in a vacant apartment. He was able to get them to leave and then contacted on-call staff to come and lock up the apartment.
- **3/11/24:** 1317 O St: Courtesy patrol found an individual sleeping on the property. Patrol asked the individual to leave the area which he did without incident.
- **3/11/24:** 1428 14<sup>th</sup> St: Courtesy patrol found an individual sleeping on the property. Patrol asked the individual to leave the area which he did without incident.
- **3/12/24:** 1330 O St: Courtesy patrol found two individuals sleeping on the property. Patrol asked them to leave the area but they refused. Patrol phoned police.
- **3/14/24:** 1500 N St: Courtesy patrol found an individual sleeping on the property. Patrol asked the individual to gather belongings and leave the property which she did without incident.
- **3/29/24:** 1322 O St: Courtesy patrol found an individual inside the lobby, sleeping on the couch. The man stated someone let him into the building. Courtesy patrol asked him to leave the property which he did without incident.
- **3/29/24:** 1500 15<sup>th</sup> St: Courtesy patrol found an individual on a bicycle checking cars in the area. When patrol approached, the man took off and left the area.
- **3/30/24:** 1317 15<sup>th</sup> St: Courtesy patrol found an individual sleeping on the front steps of the building. Patrol asked the individual to leave the property which he did without incident.
- **3/31/24:** 1214 P St: Courtesy patrol found an individual sleeping in the carport area. Patrol asked the individual to leave the property which he did without incident.

**Commercial break in's, vandalism, theft, disturbances:**

- **3/03/24:** 1329 O St: Wild Flower Café: Courtesy patrol found an individual loitering on the property and yelling at a resident in the attached building. Patrol asked the individual to please leave the area and he refused. He continued to yell. Patrol phoned the police. When the individual saw the police arrive, he ran from the area.
- **3/15/24:** 1515 8<sup>th</sup> St: Capitol Athletic Club: Courtesy patrol found an individual sleeping on the property. Patrol asked the individual to gather belongings and leave the property which he did without incident.

**Recap of Phone Calls to Lyons Security Service during the month of March 2024:**

There were 25 calls during the month of March:

- 8 calls were to report noise.
- 6 calls were to report someone loitering on a property.
- 4 calls were to report a suspicious person on a property.
- 1 call was to report someone sleeping on a property.
- 2 calls were to report damage to a vehicle.
- 1 call was to report heat not working in an apartment. (Advised to contact after-hours maintenance)
- 1 call was to report an elevator stuck in a building.
- 1 call was to request a garage door be checked.

**CAPITOL AREA DEVELOPMENT AUTHORITY**

**FY 2023 - 2024**

**Contract Log as of 4/19/2024**

Item 9 (G)



DATE	CONTRACT NUMBER	Type of Service	CONTRACTOR	PROJECT	LOCATION	AMOUNT	ACCOUNT
2/23/2024	C24-067.1	Maintenance	Dos Amigos Construction (Dos Amigos Design Industries/Jacob Senna)	Demo & Prep for New Tenant (Society Bistro) - Change Order #1	1329 O Street	\$13,056.32	10-C23-5820-C223-09B-002.1
3/28/2024	C24-100	Major Const	Pro Builders	Pool Removal & Patio Landscaping	1420 O Street	\$108,800.00	10-C24-5820-C226-07-002.9
3/28/2024	C24-101	Maintenance	Elite Service Experts, Inc.	Plumbing Eval & Repair	1606 15th Street #4	\$13,000.00	41-002-5287-R541-01
3/28/2024	C24-102	Maintenance	Elite Service Experts, Inc.	Postal Boxes	1401 Carriage Path Way	\$9,495.00	10-003-5287-R533-17
3/29/2024	C24-081.1	Consulting	Chris Oliveira	Building Structural Review (Change Order #1)	1500 15th Street	\$2,500.00	10-003-4505-R533-09
4/3/2024	C24-103	Maintenance	Dos Amigos Construction (Dos Amigos Design Industries/Jacob Senna)	FY Plumbing	Various Locations	\$25,000.00	10-003-5287
4/5/2024	C24-104	Maintenance	Dos Amigos Construction (Dos Amigos Design Industries/Jacob Senna)	Ceiling Repair from Leak	1515 8th Street (Capital Athletic Club)	\$8,149.00	10-002-5287-B333-515
4/10/2024	C24-105	Consulting	Brass Rose LLC (Jessica Rose Marshall)	Design Services	1400 N Street	\$13,500.00	10-001-4267-R533-20
4/12/2024	C24-107	Major Const	Anchor Singh Painting, Inc.	Exterior Painting Project	1228 O Street	\$21,333.00	10-C24-5820-C222-09-009.9
4/12/2024	C24-106	Consulting	GHD Services Inc.	Indoor Air Sampling	1413-1415 16th Street	\$9,876.00	10-C23-5820-C888-88-019.5
4/12/2024	C24-067.2	Maintenance	Dos Amigos Construction (Dos Amigos Design Industries/Jacob Senna)	Demo & Prep for New Tenant (Society Bistro) - Change Order #1	1329 O Street	\$4,429.45	10-C23-5820-C223-09B-002.1
4/15/2024	C24-109	Maintenance	Villara Building Systems (Villara Corp/Villara Mechanical)	Install New Split HVAC System	1412 16th Street	\$12,804.00	10-C22-5820-C231-23C-015.7



# Investment Report

## MARCH 2024



John Colville, City Treasurer

*Office of the City Treasurer - City of Sacramento*

City of  
**SACRAMENTO**  
Office of the City Treasurer

Historic City Hall

915 I Street, 3rd Floor

Sacramento, CA 95814

916-808-5168

**Quarterly Investment  
Committee Meeting**

Thursday, April 25, 2024

10:00AM-11:00AM

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# INVESTMENT COMMITTEE MEETING

**April 25, 2024**  
**10:00 AM to 11:00 AM**  
**City Treasurer’s Office**  
**915 I Street, HCH 3rd Floor**  
**(916) 808-5168**

Meeting called by: John Colville, City Treasurer  
 Stacy Hussey, Chief Investment Officer  
 Patrick Zalasky, Senior Investment Officer

Invitees: Peter Coletto, Finance Director  
 Mirthala Santizo, Budget Manager  
 Susana Jackson (Sacramento Housing & Redevelopment Agency- SHRA)  
 Tim Kerr (American River Flood Control District - ARFCD)  
 Noelle Mussen (Capitol Area Development Authority- CADA)  
 Kevin King (Reclamation District No. 1000)  
 Peter Coyl and Johnny Ea (Sacramento Public Library Authority- SPLA)  
 Kimberli S. Burns (The Natomas Basin Conservancy- TNBC)  
 Mike Testa, Daniel Santucci (Visit Sacramento)  
 City Treasurer’s Office Staff

Please read: **January 25, 2024 Minutes of Meeting**

## Agenda

Economic Commentary and Market Conditions	Patrick Zalasky
Monthly Yield Curve Analysis	Patrick Zalasky
Cash Flow Analysis	Patrick Zalasky
Pooled Funds Analysis - City Pool A and SHRA Investment Pool	Patrick Zalasky
Miscellaneous Topics	All

## Additional Information

Special notes: If unable to attend, please feel free to call with any questions or comments.

This report has been reviewed and approved by:

JColville@cityof  
 sacramento.org Digitally signed by  
 JColville@cityofsacramento.org  
 Date: 2024.04.16 14:13:31 -0700

City Treasurer

**TO:** Investment Committee Members  
**FROM:** Patrick Zalasky  
**RE:** **Minutes of Quarterly Investment Meeting held via Zoom on January 25, 2024**

**Attendees Present:** Stacy Hussey, Shirley Tupaz, Katy Nguyen, Osvaldo Lopez, Noelle Mussen, Pete Colletto, Mirthala Santizo, John Colville, Jason Bader, and Patrick Zalasky

*This meeting was held via Zoom, as will all subsequent meetings until further notice.*

**1) Cash Positions/Liquidity**

The projected Pool A cash flow is adequate to meet expected obligations over the next six and twelve-month periods. If all non-City Pool A participants withdraw funds, the analysis shows an approximate \$470 million in excess cash for the next 6-months and an approximate \$485 million for the next 12-month period. Hence, cash availability to all pool participants is adequately addressed for the coming six and twelve months.

In compliance with the City's Investment Policy, investment staff continues to maintain a great deal of liquidity to pay the City's bills, including payroll and debt service, representing the bulk of the City's budget. Such liquidity is largely reflected in investments whose maturity dates match payroll and debt service liability due dates going 9 months into the future, plus the maintenance of substantial liquid reserves. The liability-matching strategy and liquid reserves provide a solid liquidity cushion to meet unexpected large expenditures and to provide the basis to make advantageous investments in longer term securities. As of the date of the investment committee meeting, the major payroll and debt service liabilities are funded with sufficient cash in pooled cash accounts, expected property and sales tax receipts, and cash generated by the maturity of specific investments through the end of September 2024.

After consulting with their colleagues in the Finance department, investment staff will be building a group of investments that are labeled Targeted Ladder Assets. These investments will line up maturity dates to cover significant cash needs that are outside of normal recurring expenditures. The most prominent of these is the City's annual payment to CalPERS. For the last few years, this payment was made in a lump sum at the end of July, which took advantage of the 3.2% discount offered by the state for paying in a single installment. Over the next fiscal year (July 2024-June 2025), these payments will be made monthly, since investment staff is confident it will be able to match maturing assets with yields in excess of the 3.2% discount to the payment dates. At the time of this meeting, half of the payment dates had been covered, with yields exceeding what would have been saved with a lump sum payment.

**2) Performance of the Pools**

Investment staff updated the attendees on the performance of Pool A during the second quarter of fiscal year 2023/2024. The earned interest yield of Pool A for October, November, and December was 2.69%, 2.51% and 2.60%, respectively. Monthly Pool A yields currently trail the 3.93% yield earned by the State Treasurer's Local Agency Investment Fund (LAIF) and the 3.86% yield earned by the Medium-Term Fund managed by the Investment Trust of California (CalTRUST). This is due mainly to the fact that those funds are able to maintain a much shorter duration than Pool A, which invested large amounts of excess cash (mainly COVID stimulus funds) in assets maturing in 2025 and 2026 while market yields were at historic lows. At the time these investments were made, rates across the Yield Curve were near zero and there was some discussion that very short-term yields could go negative. Revenue streams will increase over the first half of the calendar

year, giving investment staff more excess cash that can be used to purchase assets that will help boost the yield of the portfolio.

Pool A performance compared favorably to the yields realized by the investment pools of various California Cities (See, Pool A -- Relative Performance), which reflects publicly available information as of January 24, 2023.

Pool A investments in cash and other short-term liquid issues represented 28% of the pool at the end of the quarter, down from normal pool construction. This is because the final quarter of the calendar year is one with large amounts of cash flowing out (due mostly to debt service), without much revenue to offset those expenses. That will change some over the first few months of 2024, as the City will receive the majority of its property tax revenue for the year. A portion of these funds will be invested in short-term, liquid assets that target cash outflows anywhere from six to twelve months down the line. The Yield Curve remains severely inverted, so there is a lot of value on the short end and in liquid investments. Targeting these assets will not only help match maturities to known cash needs, but it should also help boost the yield of the pool.

Some longer-term issues with high coupons (in excess of 5.50%) and call features have been purchased recently, matching the call dates to City cash obligations. Should the issue(s) be called, the cash will go toward paying the obligation. If not called, then the pool will retain a high coupon asset for a longer period of time. As usual, investment staff is working to fortify the structure of Pool A with assets that meet the liquidity needs for all pool participants, while using high quality names to add yield when opportunities present themselves. Major banking names are being targeted again as the economy, and financial sector specifically, are beginning to show improvement and stability. Regional banks, which are much more volatile, won't be considered as investment options until they begin to show more broad based strength, no matter their ratings.

Staff monitors markets and news feeds to gather as much information as possible, primarily regarding the actions of The Federal Reserve Board and of Congress, whose policies and actions have the biggest impact on domestic fixed income markets. The largest impact on markets currently is action taken by The Fed. Their policies and guidance are analyzed when planning for both current and future investment strategies. This analysis is influential when action is taken to accomplish all of the investment goals: Liquidity to meet the needs of all pool participants; Investment in highly rated issues that maintain a high level of safety; and, when available, healthy yields on issues that also meet one or both of the previous goals.

### 3) **Bond Market Report; Economic Considerations**

Economic data for the quarter showed that interest rates could be higher for longer. GDP (3.3%) for the quarter exceeded all expectations. The labor market also showed more strength than projected, which could lead to inflation taking longer to return to the Fed's 2.0% target. As usual, consumers are the drivers of economic growth. Holiday spending was robust, even though Americans put a significant portion of their purchases on credit cards. There could be a tipping point on the horizon, if prices don't come down, where these increased credit card balances could lead to Americans cutting back on their consumption. It is very possible that the Federal Funds Rate stays at 5.50% for a good portion of 2024. It will be very difficult for the Fed to cut without data that shows overwhelmingly that the economy is slowing and inflation is decreasing. Factor in 2024 being an election year and it makes it unlikely that the Fed will take much action unless market conditions force them to do so.



Short-term yields on Treasuries (less than 12-months until maturity) came down, but still exceed 5.0%. Yields further out on the curve steadied a bit on hopes that there will be multiple rate cuts in 2024. The Yield Curve remains inverted and may stay that way through the election and into 2025.

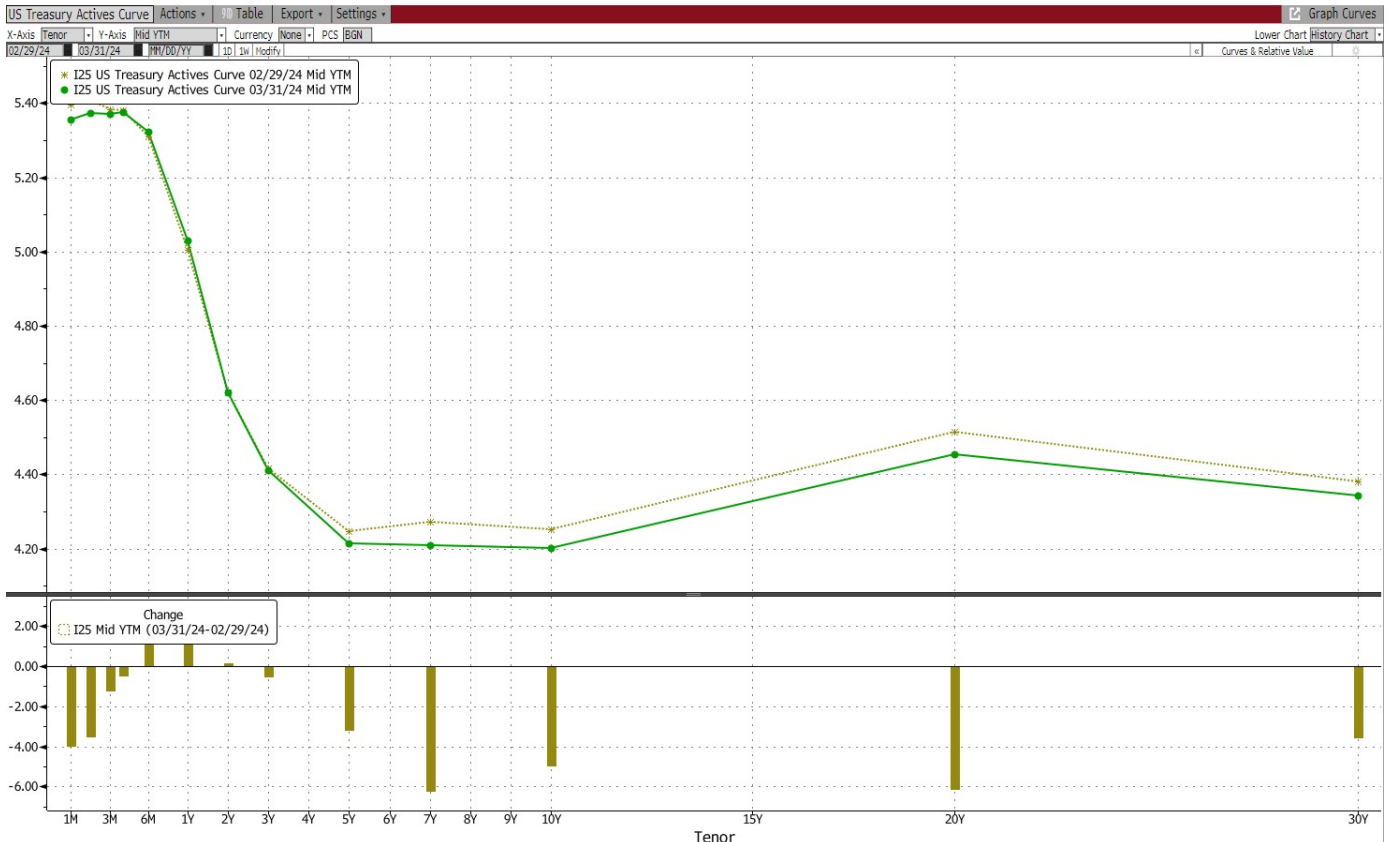
Equity markets had a fabulous quarter as all major U.S. indexes experienced solid gains. This can partially be explained by a general consensus that interest rates would steady and soon begin to fall (as discussed above, this is not as likely as once believed). Another reason U.S. equity markets steadily increase is because they are the best option in a world of uncertainty. It has never been truer that the backbone of world economics is the United States and that American markets are the best and safest places to invest.

Global economies were thrown into more turmoil and uncertainty during the quarter. The conflicts between Ukraine and Russia and Israel and Hamas raged on, while Iran began stepping up attacks against Western interests. Meanwhile, there are major signs emerging that China's economy is in very bad shape. Although accurate information is scarce when coming from the Chinese, there is clearly a real estate crisis and high unemployment among young males. Should economic problems spread to manufacturing there, we could see it affect the whole world because the whole Western world currently depends on the Chinese for many of the goods they consume every day. This puts the world in a very tenuous spot should the Chinese economy really falter over the next year or two.

The upcoming year promises to be exciting and uncertain. Such is the case in nearly every presidential election year in the United States. When economic conditions that haven't been seen in decades are factored in, along with massive global uncertainty, it is anyone's guess how things will go between now and the beginning of 2025.

**4) Other business:** None

**Next Meeting:** The next quarterly meeting is scheduled for **Thursday, April 25, 2024, at 10:00 a.m.** via Zoom.



Tenor SN 3838546 EDT GMT-4:00 H979-871-169 11-Apr-2024 15:26:29

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I25 Mid YTM US Treasury Actives Curve 03/29/24		I25 Mid YTM US Treasury Actives Curve 02/29/24		I25 Mid YTM (Change) 03/29/24-02/29/24	
Tenor	Description	Price	Yield	Price	Yield
1M	0 04/30/24 Govt	5.246	5.356B	5.289	5.397
3M	0 05/28/24 Govt	5.241	5.373B	5.279	5.409
6M	0 06/27/24 Govt	5.216	5.371B	5.226	5.384
1Y	0 07/30/24 Govt	5.210	5.375B	5.215	5.380
2Y	0 09/26/24 Govt	5.118	5.323B	5.104	5.311
3Y	0 03/20/25 Govt	4.785	5.029B	4.748	5.004
5Y	2 1/2 03/31/26 Govt	99-24 1/4	4.621T	100-00 1/4	4.620
7Y	4 1/4 03/15/27 Govt	99-17 1/2	4.410T	99-06 1/2	4.416
10Y	5 1/8 03/15/29 Govt	99-19 1/2	4.213T	100-00 1/4	4.246
20Y	7 1/8 03/31/31 Govt	99-15 1/2	4.210T	99-27 1/2	4.272
30Y	4 02/15/34 Govt	98-12 1/2	4.201Same	97-31 1/2	4.251
	4 1/2 02/15/44 Govt	100-19+	4.453Same	99-25 1/2	4.515
	4 1/4 02/15/54 Govt	98-14	4.344Same	97-27	4.380

SN 3838546 EDT GMT-4:00 H979-871-169 11-Apr-2024 15:27:04

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hona Kona 852 2977 6000 Japan 81 3 4565 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2024 Bloomberg Finance L.P.

**CITY OF SACRAMENTO - INVESTMENT POOL A**  
**6-MONTH CASH FLOW ANALYSIS**  
**April 1, 2024 - September 30, 2024**

*In millions*

<b>Cash Balances:</b>	
CalTRUST	120.951
Fidelity Fund	6.072
Five Star Bank Community Fund	30.128
JP Morgan Chase	13.789
LAIF	0.357
Overnight Sweep	5.294
River City Bank Community Fund	15.083
Less: Required bank balance by policy	(0.500)
<b><i>Cash available at beginning of period:</i></b>	<b>191.174</b>
<b>Projected net cash flow:</b>	
April-24	54.843
May-24	108.732
June-24	36.570
July-24	14.169
August-24	38.183
September-24	27.569
<b><i>Net cash flow during period:</i></b>	<b>280.066</b>
<b><i>Cash in excess of policy: <sub>1</sub></i></b>	<b>471.240</b>
<b>Cash Balances of non-City and/or Pool A Participants:</b>	
<b>SCERS Cash:</b>	
Fixed Bonds	0.233
Large Cap Growth	0.162
International	(0.008)
Equity Income	(0.061)
Retirement Trust Operating Fund	(1.184)
Ann Land/Bertha Henschel Endowment Fund	(0.034)
Ethel Hart Mutual Endowment Fund	(0.484)
George H. Clark Memorial Scholarship Fund	(0.100)
Capitol Area Development Authority (CADA)	(50.336)
American River Flood Control District (ARFCD)	(9.202)
The Natomas Basin Conservancy (TNBC)	(0.191)
Sacramento Public Library Authority (SPLA)	(52.286)
Reclamation District No. 1000	(2.251)
SPLA Hurst Trust	(0.161)
Gifts to Share	(0.676)
Visit Sacramento	(9.569)
Other Misc Non-City Funds (CARES Act, ARP, CalEPA, City/County Office-Water Planning, etc)	3.807
<b><i>Total cash balances of non-City and/or Pool A participants: <sub>2</sub></i></b>	<b>(122.341)</b>
<b><i>Excess or (Shortfall) if all Pool A participants withdraw all funds within 6 months: <sub>3</sub></i></b>	<b>348.899</b>

<sup>1</sup>The City will be able to meet its cash flow needs for the next six months, with \$471 mm to cover on going expenditures

<sup>2</sup> Non-City and/or Pool A participants have \$122 mm invested in Pool A

<sup>3</sup> If all non-City and/or Pool A participants withdraw the entire \$122 mm within the next twelve months, the City will have \$349 mm to cover on going expenditures

**CITY OF SACRAMENTO - INVESTMENT POOL A**  
**12-MONTH CASH FLOW ANALYSIS**  
**April 1, 2024 - March 31, 2025**

*In millions*

<b>Cash Balances:</b>	
CalTRUST	120.951
Fidelity Fund	6.072
Five Star Bank Community Fund	30.128
JP Morgan Chase	13.789
LAIF	0.357
Overnight Sweep	5.294
River City Bank Community Fund	15.083
Less: Required bank balance by policy	(0.500)
<b><i>Cash available at beginning of period:</i></b>	<b>191.174</b>
<b>Projected net cash flow:</b>	
April-24	54.843
May-24	108.732
June-24	36.570
July-24	14.169
August-24	38.183
September-24	27.569
October-24	15.504
November-24	(35.491)
December-24	85.174
January-25	(14.648)
February-25	104.559
March-25	(3.549)
<b><i>Net cash flow during period:</i></b>	<b>431.615</b>
<b><i>Cash in excess of policy: <sub>1</sub></i></b>	<b>622.789</b>
<b>Cash Balances of non-City and/or Pool A Participants:</b>	
SCERS Cash:	
Fixed Bonds	0.233
Large Cap Growth	0.162
International	(0.008)
Equity Income	(0.061)
Retirement Trust Operating Fund	(1.184)
Ann Land/Bertha Henschel Endowment Fund	(0.034)
Ethel Hart Mutual Endowment Fund	(0.484)
George H. Clark Memorial Scholarship Fund	(0.100)
Capitol Area Development Authority (CADA)	(50.336)
American River Flood Control District (ARFCD)	(9.202)
The Natomas Basin Conservancy (TNBC)	(0.191)
Sacramento Public Library Authority (SPLA)	(52.286)
Reclamation District No. 1000	(2.251)
SPLA Hurst Trust	(0.161)
Gifts to Share	(0.676)
Visit Sacramento	(9.569)
Other Misc Non-City Funds (CARES Act, ARP, CalEPA, City/County Office-Water Planning, etc)	3.807
<b><i>Total cash balances of non-City and/or Pool A participants: <sub>2</sub></i></b>	<b>(122.341)</b>
<b><i>Excess or (Shortfall) if all Pool A participants withdraw all funds within 12 months: <sub>3</sub></i></b>	<b>500.448</b>

<sup>1</sup>The City will be able to meet its cash flow needs for the next twelve months, with \$623 mm to cover on going expenditures

<sup>2</sup> Non-City and/or Pool A participants have \$122 mm invested in Pool A

<sup>3</sup> If all non-City and/or Pool A participants withdraw the entire \$122 mm within the next twelve months, the City will have \$501 mm to cover on going expenditures

**City of Sacramento**  
**Investment**  
**Pool A**

# CITY OF SACRAMENTO INVESTMENT POOL A

## MONTHLY REVIEW – MARCH 2024

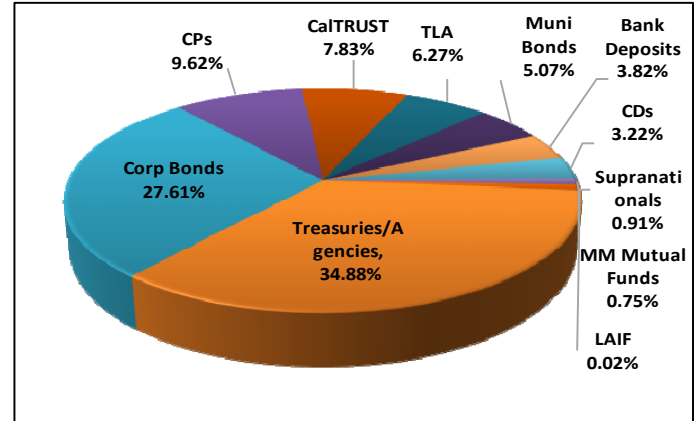
### STRATEGY

The Fund is invested pursuant to the objectives and requirements set forth in the City’s investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City’s investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

### PORTFOLIO STATISTICS

Beginning Market Value	1,563,120,122
Month's Yield or RoR	2.76%
Weighted Average Maturity (Yrs)	1.42
Weighted Average Duration (Yrs)	1.36
Ending Book Value	1,602,038,402
Ending Market Value	1,548,854,042
Percent of Market to Book Value	96.68%
Month's Investment Earnings	3,721,215
Fiscal YTD Investment Earnings	31,969,006

### PORTFOLIO COMPOSITION



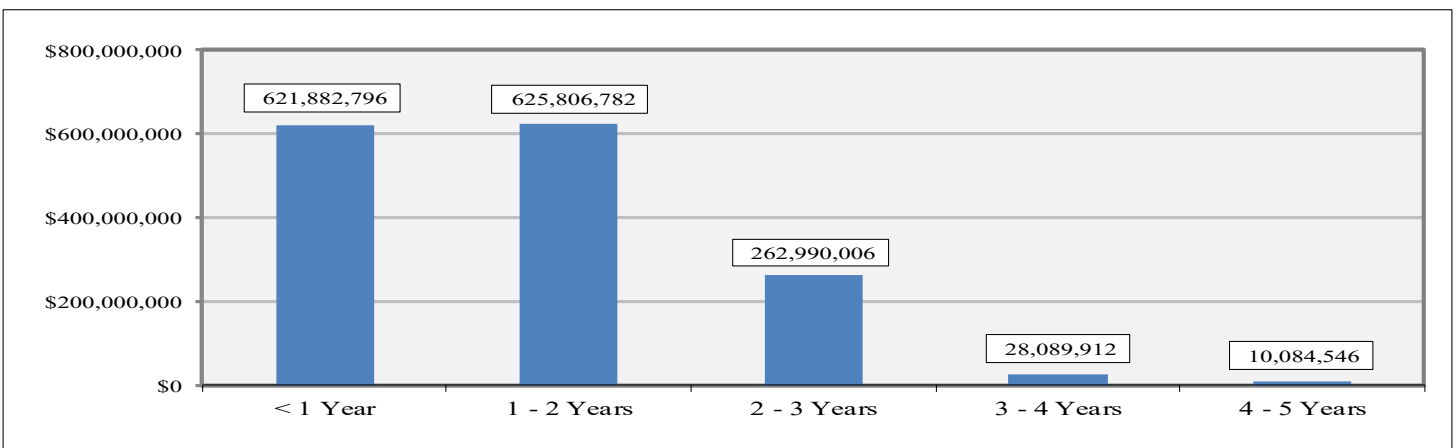
#### External Third-Party Investment Manager

CalTRUST	120,951,220
LAIF	357,293

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	34.88%	1.96%
Corp Bonds	27.61%	2.08%
CPs	9.62%	5.50%
CalTRUST	7.83%	4.62%
TLA	6.27%	5.07%
Muni Bonds	5.07%	2.31%
Bank Deposits	3.82%	4.05%
CDs	3.22%	2.32%
Supranationals	0.91%	0.55%
MM Mutual Funds	0.75%	5.00%
LAIF	0.02%	4.23%

### MATURITY SCHEDULE

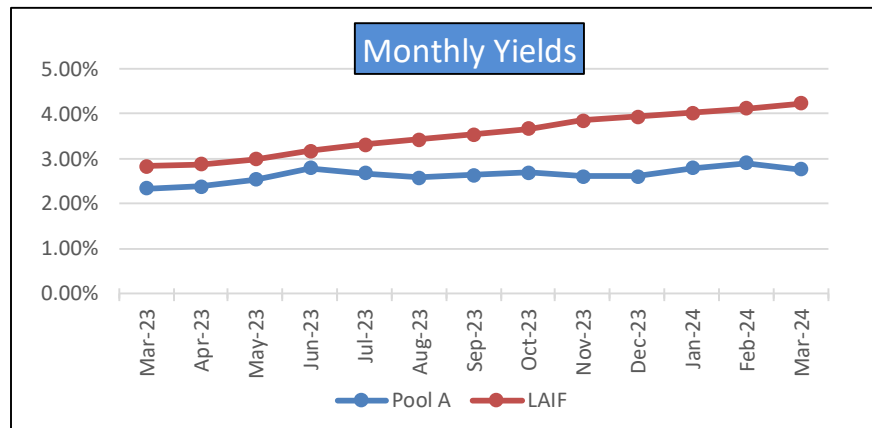
Maturity	Market Value	Pct. Holdings
< 1 Year	621,882,796	40.16%
1 - 2 Years	625,806,782	40.40%
2 - 3 Years	262,990,006	16.98%
3 - 4 Years	28,089,912	1.81%
4 - 5 Years	10,084,546	0.65%
Total	1,548,854,042	100.00%



## INTEREST RATE ENVIRONMENT

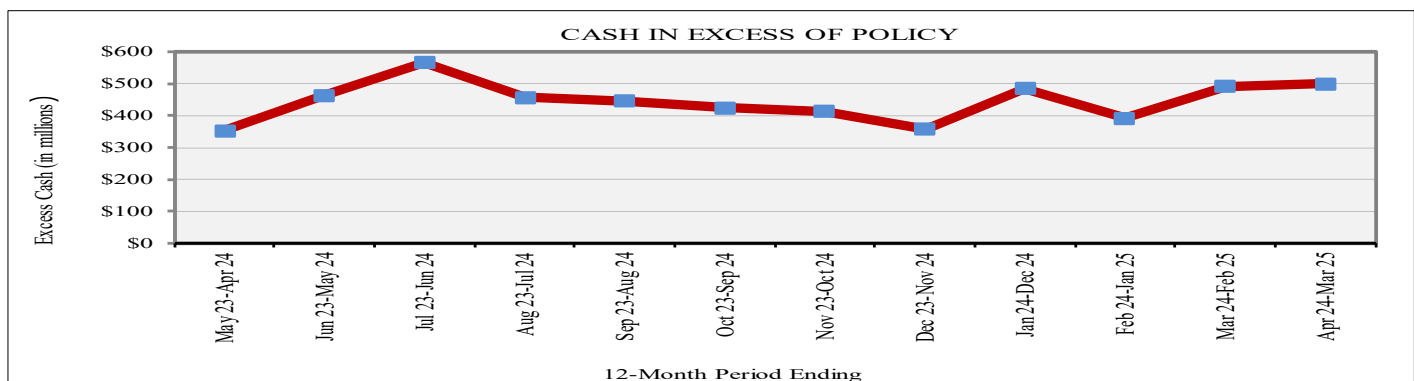
The United States economy and interest rate environment saw little change in March. Rates remained steady, near 40-year highs on news that inflation was not abating. Other data also indicated that prices could continue to rise at rates higher than the 2.0% target set by The Fed for much longer than government economists have been projecting. CPI (inflation) increased year-over-year by 3.5%, well above estimates. Some analysts attributed February's higher than expected CPI to the lingering effects of holiday spending, however the elevated March reading signifies more of a trend. The labor market added 303,000 jobs, keeping the unemployment rate under 4.0%. The Fed has been looking for the right time to begin cutting the Federal Funds Rate for months, with the middle of 2024 emerging as a popular target for those cuts to begin. Following the latest releases of data, however, there is strong speculation that a rate cut now won't come until late in the year, if it happens at all. In fact, leaders of both Bank of America and JP Morgan are predicting that the Fed's next policy move will be to increase the Federal Funds Rate. Uncertainty like this isn't good, especially in an election year. President Biden's approval ratings on the economy drop daily. If the old adage of voters casting ballots based on their financial situation holds true in 2024, there will be a third change in the executive branch over the last eight years. Although, this wouldn't be a completely fresh change. Short-term yields on Treasuries are holding steady as The Fed ponders its next move, with 90-day Treasuries holding between 5.35% and 5.40%. They will likely remain in that range until the next policy change from The Fed. Longer-term yields, meanwhile, have been affected much more by recent news. Yields on 5-year treasuries were practically unchanged during March, opening the month at 4.25% and closing it at 4.21%. They rose significantly upon release of March CPI data and sit at 4.60% as of this writing. Unless CPI data dramatically changes, we are likely going to see interest rates and bond yields at elevated levels well into 2025. The investment team will remain focused on maintaining a portfolio built with high level names that will be stable no matter what domestic and global markets do over the next couple of years. As usual, extra emphasis will be placed on investing only in the companies that have the infrastructure and leadership to navigate through even the most unstable economic environments.

Monthly Yields		
Month	Pool A	LAIF
Mar-23	2.33%	2.83%
Apr-23	2.38%	2.87%
May-23	2.53%	2.99%
Jun-23	2.79%	3.17%
Jul-23	2.67%	3.31%
Aug-23	2.57%	3.43%
Sep-23	2.64%	3.53%
Oct-23	2.69%	3.67%
Nov-23	2.61%	3.84%
Dec-23	2.60%	3.93%
Jan-24	2.79%	4.01%
Feb-24	2.90%	4.12%
Mar-24	2.76%	4.23%
FYTD	2.69%	3.79%



## CASH IN EXCESS OF POLICY (IN MILLIONS)

12 Months Cash Flow	May 23- Apr 24	Jun 23- May 24	Jul 23- Jun 24	Aug 23- Jul 24	Sep 23- Aug 24	Oct 23- Sep 24	Nov 23- Oct 24	Dec 23- Nov 24	Jan 24- Dec 24	Feb 24- Jan 25	Mar 24- Feb 25	Apr 24- Mar 25
Excess Cash	\$ 354	\$ 464	\$ 568	\$ 458	\$ 446	\$ 426	\$ 414	\$ 359	\$ 485	\$ 392	\$ 493	\$ 501



City of Sacramento  
**PORTFOLIO APPRAISAL**  
*City Investment Pool A*  
 March 31, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
<b>CASH AND EQUIVALENTS</b>															
	caltrust-lf	Caltrust Liquidity Fund		26,155,336		26,155,336		26,155,336	1.69	5.410	1,415,004	5.41			
	caltrust-mt	Caltrust Medium-Term		60,090,131		60,090,131		60,090,131	3.89	3.950	2,373,560	3.95			
	caltrust-st	Caltrust Short-Term		34,705,753		34,705,753		34,705,753	2.25	5.200	1,804,699	5.20			
	fidfund	Fidelity Fund		6,072,455		6,072,455		6,072,455	0.39	4.940	299,979	4.94			
	fivestar	Five Star Bank Community Fund		30,127,659		30,127,659		30,127,659	1.95	5.000	1,506,383	5.00			
	cashjpm	JP Morgan Chase Cash		13,788,510		13,788,510		13,788,510	0.89	1.840	253,709	1.84			
	laifa	Local Agency Investment Fund, Pool A		357,293		357,293		357,293	0.02	4.232	15,121	4.23			
	miscintrec	Misc Interest Receivable		297,606		297,606		297,606	0.02	4.940	14,702	4.94			
	sweep	Overnight Sweep		5,294,016		5,294,016		5,294,016	0.34	5.070	268,407	5.07			
	rivercity	River City Bank Community Fund		15,083,030		15,083,030		15,083,030	0.98	4.160	627,454	4.16			
				191,971,789		191,971,789		191,971,789	12.44		8,579,017	4.47			
<b>TARGETED LADDER ASSETS</b>															
9,000,000	313384zw2	Federal Home Loan Bank Disc 4.930% Due 07-26-24	97.08	8,737,477	98.30	8,846,572	0	8,846,572	0.57	4.930	443,700	5.14	AA+		
9,000,000	06741fhs9	Barclays Us Fdg 5.150% Due 08-26-24	96.90	8,720,612	97.79	8,801,370	0	8,801,370	0.57	5.150	463,500	5.38	A1+		
9,000,000	62479lj10	MUFG Bank Ltd/NY CP 5.170% Due 09-20-24	96.15	8,653,610	97.43	8,768,469	0	8,768,469	0.57	5.170	465,300	5.45	A1		
9,000,000	883556cs9	Thermo Fisher Scientific Inc 1.215% Due 10-18-24	97.24	8,751,600	97.69	8,792,104	49,511	8,841,615	0.57	1.215	109,350	5.18	A-		04-15-24
9,000,000	912797hp5	U. S. Treasury Bill 4.665% Due 11-29-24	96.15	8,653,624	96.72	8,704,579	0	8,704,579	0.56	4.665	419,850	4.88	AA+		
9,000,000	912796zv4	U. S. Treasury Bill 4.548% Due 12-26-24	95.40	8,586,102	96.38	8,674,308	0	8,674,308	0.56	4.548	409,350	4.79	AA+		
9,000,000	3133enlu2	Federal Farm Credit Bank 1.320% Due 01-21-25	96.73	8,705,610	97.05	8,734,411	23,100	8,757,511	0.57	1.320	118,800	4.85	AA+		
9,000,000	606822bn3	MUFG 2.193% Due 02-25-25	96.97	8,727,480	97.07	8,736,683	19,737	8,756,420	0.57	2.193	197,370	5.37	A-		
9,000,000	808513bb0	Schwab Charles Corp 4.200% Due 03-24-25	99.01	8,910,990	98.82	8,893,901	7,350	8,901,251	0.58	4.200	378,000	5.04	A-		02-24-25
9,000,000	02665wef4	American Honda Finance 4.600% Due 04-17-25	99.73	8,975,610	99.22	8,929,501	188,600	9,118,101	0.58	4.600	414,000	4.81	A-		
9,000,000	742651dw9	Private Export Funding Corp 3.250% Due 06-15-25	98.00	8,820,000	98.00	8,819,701	86,125	8,905,826	0.57	3.250	292,500	4.83			
				96,242,716		96,701,599	374,423	97,076,022	6.27		3,711,720	5.07			
<b>NON-NEGOTIABLE CERTIFICATES OF DEPOSIT</b>															
30,000,000	3420042541902	Safe Credit Union CD 2.974% Due 06-24-25	100.00	30,000,000	100.00	30,000,000	75,776	30,075,776	1.94	2.974	892,200	2.99			
<b>CERTIFICATES OF DEPOSIT</b>															
5,000,000	90348j3m0	US Bank CD 3.000% Due 11-25-24	100.00	5,000,000	98.55	4,927,313	2,877	4,930,190	0.32	3.000	150,000	3.02	AA-		
6,000,000	90348jb66	US Bank CD 0.600% Due 01-27-26	100.00	6,000,000	92.51	5,550,474	493	5,550,968	0.36	0.600	36,000	0.60	AA-		04-27-24
5,000,000	05600xcf5	BMO Harris Bank 0.750% Due 02-26-26	100.00	5,000,000	92.55	4,627,477	3,596	4,631,073	0.30	0.750	37,500	0.75			05-26-24
5,000,000	90348jm72	UBS Bank CD 0.850% Due 06-16-26	100.00	5,000,000	91.71	4,585,473	1,863	4,587,336	0.30	0.850	42,500	0.85	AA-		06-16-24
				21,000,000		19,690,737	8,829	19,699,566	1.28		266,000	1.30			



City of Sacramento  
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<b>COMMERCIAL PAPER</b>															
10,000,000	89232ld11	Toyota Industries Comm 5.540% Due 04-01-24	97.20	9,719,922	99.94	9,994,127	0	9,994,127	0.65	5.540	554,000	5.80	A1		
5,000,000	63763pdg1	Natl Sec Clearing Corp 5.450% Due 04-16-24	97.06	4,853,153	99.72	4,985,934	0	4,985,934	0.32	5.450	272,500	5.70	A1+		
10,000,000	89233gdg8	Toyota Motor Credit Corp 5.630% Due 04-16-24	96.37	9,637,178	99.72	9,972,026	0	9,972,026	0.65	5.630	563,000	5.92	A1+		
5,000,000	59157teu3	Metlife Short Term Fund 5.520% Due 05-28-24	96.70	4,835,167	99.11	4,955,284	0	4,955,284	0.32	5.520	276,000	5.77	A1+		
5,000,000	89233geu6	Toyota Motor Credit Corp 5.520% Due 05-28-24	96.89	4,844,367	99.10	4,954,925	0	4,954,925	0.32	5.520	276,000	5.74	A1+		
7,000,000	71708efa8	Pfizer Inc 5.350% Due 06-10-24	97.31	6,811,710	98.90	6,923,231	0	6,923,231	0.45	5.350	374,500	5.59	A1		
10,000,000	59515mfb6	Microsoft Corp 5.340% Due 06-11-24	97.21	9,721,133	98.90	9,889,896	0	9,889,896	0.64	5.340	534,000	5.58	A1+		
8,000,000	47816fg96	Johnson & Johnson 5.080% Due 07-09-24	97.45	7,795,671	98.49	7,879,543	0	7,879,543	0.51	5.080	406,400	5.27	A1+		
10,000,000	62479lgp4	MUFG Union Bank 5.180% Due 07-23-24	97.08	9,707,906	98.27	9,826,957	0	9,826,957	0.64	5.180	518,000	5.38	A1		
10,000,000	71708eh57	Pfizer Inc 5.000% Due 08-05-24	97.43	9,743,056	98.10	9,809,694	0	9,809,694	0.64	5.000	500,000	5.19	A1		
8,000,000	17277ahd2	Cisco Systems Inc. 5.160% Due 08-13-24	97.32	7,785,573	97.99	7,838,816	0	7,838,816	0.51	5.160	412,800	5.36	A1+		
7,000,000	71344thl9	Pepsico Inc 5.170% Due 08-20-24	97.49	6,824,076	97.91	6,853,436	0	6,853,436	0.44	5.170	361,900	5.36	A1		
1,000,000	06741fhs9	Barclays Us Fdg 5.150% Due 08-26-24	96.90	968,957	97.79	977,930	0	977,930	0.06	5.150	51,500	5.38	A1+		
10,000,000	59157ths5	Metlife Short Term Fund 5.150% Due 08-26-24	97.42	9,742,500	97.83	9,782,616	0	9,782,616	0.63	5.150	515,000	5.35	A1+		
6,000,000	17277aj32	Cisco Systems Inc. 5.200% Due 09-03-24	97.27	5,836,200	97.69	5,861,140	0	5,861,140	0.38	5.200	312,000	5.43	A-1+		
10,000,000	47816fjh5	Johnson & Johnson 5.120% Due 09-17-24	97.20	9,719,822	97.52	9,752,177	0	9,752,177	0.63	5.120	512,000	5.37	A1+		
5,000,000	64106gfw4	Nestle Finance Intl Ltd 5.190% Due 09-30-24	97.32	4,865,925	97.34	4,866,994	0	4,866,994	0.32	5.190	259,500	5.45	A1+		
5,000,000	89233gk13	Toyota Motor Credit Corp 5.270% Due 10-01-24	97.22	4,860,931	97.31	4,865,489	0	4,865,489	0.32	5.270	263,500	5.53	A1+		
10,000,000	06741fkf3	Barclays Us Fdg 5.210% Due 10-15-24	97.00	9,700,425	97.05	9,704,664	0	9,704,664	0.63	5.210	521,000	5.47	A1+		
9,000,000	45685qkr9	Ing US Funding LLC 5.250% Due 10-25-24	96.88	8,719,125	96.91	8,721,515	0	8,721,515	0.57	5.250	472,500	5.51	A1		
				146,692,796		148,416,394	0	148,416,394	9.62		7,956,100	5.50			
<b>GOVT AGENCY DISCOUNT PAPER</b>															
5,000,000	313384c72	Federal Home Loan Bank 4.990% Due 08-20-24	97.27	4,863,468	97.95	4,897,594	0	4,897,594	0.32	4.990	249,500	5.13	AA+		
<b>U.S. GOVERNMENT BONDS</b>															
5,000,000	91282cbh3	U.S. Treasury Note 0.375% Due 01-31-26	98.83	4,941,406	92.46	4,622,852	3,142	4,625,994	0.30	0.375	18,750	0.62	AA+		
15,000,000	91282cbq3	U.S. Treasury Note 0.500% Due 02-28-26	98.75	14,812,891	92.43	13,863,867	6,522	13,870,389	0.90	0.500	75,000	0.75	AA+		
				19,754,297		18,486,719	9,664	18,496,383	1.20		93,750	0.72			

City of Sacramento  
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Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
<b>FEDERAL HOME LOAN BANK</b>															
5,000,000	3130avll4	Federal Home Loan Bank 5.050% Due 10-21-24	100.00	5,000,000	99.79	4,989,489	112,222	5,101,712	0.32	5.050	252,500	5.05	AA+		04-21-24
5,000,000	3130ajla5	Federal Home Loan Bank 0.750% Due 05-19-25	100.00	5,000,000	95.26	4,762,843	13,750	4,776,593	0.31	0.750	37,500	0.75	AA+		04-10-24
5,000,000	3130asm97	Federal Home Loan Bank 4.000% Due 07-24-25	100.00	5,000,000	98.80	4,940,070	37,222	4,977,293	0.32	4.000	200,000	4.00	AA+		04-24-24
5,000,000	3130ak6h4	Federal Home Loan Bank 0.500% Due 09-22-25	99.90	4,995,000	93.73	4,686,369	625	4,686,994	0.30	0.500	25,000	0.52	AA+		04-10-24
5,000,000	3130akjw7	Federal Home Loan Bank 0.600% Due 12-15-25	100.00	5,000,000	92.92	4,646,040	8,833	4,654,873	0.30	0.600	30,000	0.60	AA+		04-10-24
5,000,000	3130akje7	Federal Home Loan Bank 0.560% Due 12-30-25	99.97	4,998,750	92.70	4,634,857	7,078	4,641,934	0.30	0.560	28,000	0.57	AA+		04-10-24
5,000,000	3130akn85	Federal Home Loan Bank 0.550% Due 01-20-26	99.80	4,990,000	92.62	4,630,913	5,424	4,636,336	0.30	0.550	27,500	0.59	AA+		04-20-24
10,000,000	3130akq74	Federal Home Loan Bank 0.625% Due 01-22-26	100.00	10,000,000	92.73	9,272,766	11,979	9,284,745	0.60	0.625	62,500	0.62	AA+		04-22-24
5,000,000	3130akng7	Federal Home Loan Bank 0.550% Due 01-28-26	100.00	5,000,000	92.54	4,627,075	4,812	4,631,887	0.30	0.550	27,500	0.55	AA+		04-28-24
5,000,000	3130akpc4	Federal Home Loan Bank 0.600% Due 01-28-26	100.00	5,000,000	92.63	4,631,399	5,250	4,636,649	0.30	0.600	30,000	0.60	AA+		04-28-24
5,000,000	3130akpq3	Federal Home Loan Bank 0.580% Due 01-28-26	100.00	5,000,000	92.59	4,629,669	5,075	4,634,744	0.30	0.580	29,000	0.58	AA+		04-28-24
5,000,000	3130akvr4	Federal Home Loan Bank 0.550% Due 02-12-26	100.00	5,000,000	92.55	4,627,477	3,743	4,631,220	0.30	0.550	27,500	0.55	AA+		05-12-24
5,000,000	3130al5x8	Federal Home Loan Bank 0.650% Due 02-24-26	100.00	5,000,000	92.51	4,625,706	3,340	4,629,047	0.30	0.650	32,500	0.65	AA+		05-24-24
5,000,000	3130al6j8	Federal Home Loan Bank 0.625% Due 02-24-26	100.00	5,000,000	92.42	4,621,233	3,212	4,624,445	0.30	0.625	31,250	0.62	AA+		05-24-24
5,000,000	3130al7m0	Federal Home Loan Bank 0.625% Due 02-24-26	100.00	5,000,000	92.39	4,619,474	3,212	4,622,686	0.30	0.625	31,250	0.62	AA+		05-24-24
5,000,000	3130alae4	Federal Home Loan Bank 0.580% Due 02-25-26	100.00	5,000,000	92.30	4,614,955	2,900	4,617,855	0.30	0.580	29,000	0.58	AA+		02-25-25
5,000,000	3130algs7	Federal Home Loan Bank 0.850% Due 03-10-26	100.00	5,000,000	92.72	4,635,897	2,479	4,638,376	0.30	0.850	42,500	0.85	AA+		06-10-24
5,000,000	3130aleh3	Federal Home Loan Bank 0.700% Due 03-16-26	100.00	5,000,000	92.39	4,619,464	1,458	4,620,922	0.30	0.700	35,000	0.70	AA+		06-16-24
5,000,000	3130almv3	Federal Home Loan Bank 1.000% Due 03-30-26	100.00	5,000,000	92.74	4,637,092	139	4,637,230	0.30	1.000	50,000	1.00	AA+		06-30-24
5,000,000	3130alxp4	Federal Home Loan Bank 1.200% Due 04-28-26	100.00	5,000,000	93.00	4,650,044	25,500	4,675,544	0.30	1.200	60,000	1.20	AA+		04-28-24
5,000,000	3130am2f8	Federal Home Loan Bank 1.125% Due 04-29-26	100.00	5,000,000	92.84	4,642,237	23,750	4,665,987	0.30	1.125	56,250	1.12	AA+		04-29-24
5,000,000	3130amcl4	Federal Home Loan Bank 1.020% Due 05-19-26	100.00	5,000,000	92.55	4,627,362	18,700	4,646,062	0.30	1.020	51,000	1.02	AA+		05-19-24
1,750,000	3130amcb6	Federal Home Loan Bank 1.000% Due 05-22-26	100.00	1,750,000	92.48	1,618,395	6,271	1,624,666	0.10	1.000	17,500	1.00	AA+		05-22-24
5,000,000	3130amjc7	Federal Home Loan Bank 1.000% Due 05-26-26	100.00	5,000,000	92.44	4,622,135	17,361	4,639,496	0.30	1.000	50,000	1.00	AA+		05-26-24
5,000,000	3130amjn3	Federal Home Loan Bank 1.030% Due 05-26-26	100.00	5,000,000	92.50	4,625,178	17,882	4,643,060	0.30	1.030	51,500	1.03	AA+		05-26-24
3,000,000	3130ampt3	Federal Home Loan Bank 1.030% Due 06-23-26	100.00	3,000,000	92.26	2,767,660	8,412	2,776,071	0.18	1.030	30,900	1.03	AA+		06-23-24
5,000,000	3130anyn4	Federal Home Loan Bank 1.000% Due 09-30-26	100.00	5,000,000	91.41	4,570,587	139	4,570,726	0.30	1.000	50,000	1.00	AA+		06-30-24

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5,000,000	3130aprp2	Federal Home Loan Bank 1.570% Due 11-23-26	100.00	5,000,000	92.65	4,632,377	27,911	4,660,289	0.30	1.570	78,500	1.57	AA+		04-23-24
5,000,000	3130ash44	Federal Home Loan Bank 4.700% Due 06-30-27	100.00	5,000,000	99.42	4,970,878	59,403	5,030,281	0.32	4.700	235,000	4.70	AA+		06-30-24
				144,733,750		135,179,642	438,082	135,617,725	8.76		1,709,150	1.21			
<b>FEDERAL NATIONAL MORTGAGE ASSN. (FNMA)</b>															
5,000,000	3135g07b3	Fannie Mae 5.220% Due 05-03-24	100.00	5,000,000	100.00	4,999,852	107,300	5,107,152	0.32	5.220	261,000	5.22	AA+		
5,000,000	3135gal41	Fannie Mae 5.280% Due 01-03-25	100.00	5,000,000	100.09	5,004,521	63,067	5,067,588	0.32	5.280	264,000	5.28	AA+		04-03-24
5,000,000	3135gace7	Fannie Mae 5.060% Due 02-07-25	100.00	5,000,000	99.89	4,994,549	37,950	5,032,499	0.32	5.060	253,000	5.06	AA+		05-07-24
5,000,000	3136g4d75	Fannie Mae 0.600% Due 07-29-25	100.00	5,000,000	94.38	4,719,168	5,167	4,724,334	0.31	0.600	30,000	0.60	AA+		04-29-24
5,000,000	3136g4g23	Fannie Mae 0.600% Due 07-29-25	100.00	5,000,000	94.38	4,718,927	5,167	4,724,094	0.31	0.600	30,000	0.60	AA+		04-29-24
5,000,000	3136g4c76	Fannie Mae 0.700% Due 08-12-25	100.00	5,000,000	94.48	4,723,765	4,764	4,728,529	0.31	0.700	35,000	0.70	AA+		05-12-24
5,000,000	3136g4c43	Fannie Mae 0.650% Due 08-14-25	100.00	5,000,000	94.38	4,718,879	4,243	4,723,123	0.31	0.650	32,500	0.65	AA+		05-14-24
5,000,000	3136g4x40	Fannie Mae 0.600% Due 08-26-25	99.96	4,998,000	94.18	4,709,014	2,917	4,711,931	0.31	0.600	30,000	0.61	AA+		05-26-24
5,000,000	3135g06v0	Fannie Mae 4.125% Due 08-28-25	100.00	5,000,000	98.84	4,941,899	18,906	4,960,806	0.32	4.125	206,250	4.13	AA+		05-28-24
3,000,000	3136g43q4	Fannie Mae 0.600% Due 09-16-25	100.00	3,000,000	93.89	2,816,810	750	2,817,560	0.18	0.600	18,000	0.60	AA+		06-16-24
5,000,000	3135g06a6	Fannie Mae 0.580% Due 10-20-25	100.00	5,000,000	93.75	4,687,404	12,969	4,700,374	0.30	0.580	29,000	0.58	AA+		04-20-24
4,000,000	3136g45c3	Fannie Mae 0.540% Due 10-27-25	99.81	3,992,280	93.24	3,729,765	9,240	3,739,005	0.24	0.540	21,600	0.58	AA+		10-27-24
5,000,000	3136g45p4	Fannie Mae 0.550% Due 10-27-25	100.00	5,000,000	93.30	4,665,150	11,764	4,676,914	0.30	0.550	27,500	0.55	AA+		04-27-24
3,000,000	3136g46s7	Fannie Mae 0.560% Due 10-28-25	100.00	3,000,000	93.26	2,797,881	7,140	2,805,021	0.18	0.560	16,800	0.56	AA+		10-28-24
5,000,000	3136g45h2	Fannie Mae 0.500% Due 10-29-25	99.90	4,995,000	93.31	4,665,444	10,556	4,676,000	0.30	0.500	25,000	0.52	AA+		
5,000,000	3135ga4v0	Fannie Mae 0.625% Due 11-25-25	100.00	5,000,000	93.01	4,650,577	10,937	4,661,515	0.30	0.625	31,250	0.62	AA+		05-25-24
5,000,000	3135g06n8	Fannie Mae 0.650% Due 12-17-25	100.00	5,000,000	92.78	4,638,835	9,389	4,648,223	0.30	0.650	32,500	0.65	AA+		06-17-24
5,000,000	3135g06r9	Fannie Mae 0.550% Due 01-28-26	100.00	5,000,000	92.54	4,627,075	4,812	4,631,887	0.30	0.550	27,500	0.55	AA+		04-28-24
				84,985,280		80,809,517	327,038	81,136,555	5.24		1,370,900	1.67			
<b>FEDERAL HOME LOAN MORTGAGE CORP. (FHLMC)</b>															
5,000,000	3134gxuw2	Freddie Mac 3.000% Due 06-14-24	100.00	5,000,000	99.50	4,974,905	44,583	5,019,489	0.32	3.000	150,000	3.00	AA+		04-14-24
5,000,000	3134gyc34	Freddie Mac 5.100% Due 12-30-24	100.00	5,000,000	99.95	4,997,662	64,458	5,062,120	0.32	5.100	255,000	5.10	AA+		06-30-24
5,000,000	3134gxmh4	Freddie Mac 2.050% Due 03-24-25	100.00	5,000,000	96.99	4,849,584	1,993	4,851,577	0.31	2.050	102,500	2.05	AA+		06-24-24
5,000,000	3134gxrs5	Freddie Mac 3.100% Due 04-29-25	100.00	5,000,000	98.06	4,902,851	65,444	4,968,296	0.32	3.100	155,000	3.10	AA+		04-29-24
5,000,000	3134gysa1	Freddie Mac 5.200% Due 05-16-25	99.82	4,991,250	99.87	4,993,518	97,500	5,091,018	0.32	5.200	260,000	5.29	AA+		05-16-24

City of Sacramento  
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 March 31, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
3,000,000	3134gvr2	Freddie Mac 0.750% Due 05-27-25	100.00	3,000,000	95.25	2,857,636	7,750	2,865,386	0.19	0.750	22,500	0.75	AA+		05-27-24
5,000,000	3134gvb31	Freddie Mac 0.750% Due 05-28-25	99.76	4,987,900	95.24	4,762,175	12,812	4,774,987	0.31	0.750	37,500	0.80	AA+		05-28-24
5,000,000	3134gvz68	Freddie Mac 0.700% Due 06-23-25	99.95	4,997,500	94.87	4,743,482	9,528	4,753,010	0.31	0.700	35,000	0.71	AA+		06-23-24
3,000,000	3134gwk6	Freddie Mac 0.625% Due 08-12-25	100.00	3,000,000	94.31	2,829,390	2,552	2,831,942	0.18	0.625	18,750	0.62	AA+		05-12-24
5,000,000	3134gwh82	Freddie Mac 0.625% Due 09-08-25	100.00	5,000,000	94.03	4,701,736	1,997	4,703,732	0.30	0.625	31,250	0.62	AA+		06-08-24
5,000,000	3134gwa55	Freddie Mac 0.650% Due 09-09-25	100.00	5,000,000	94.06	4,703,000	1,986	4,704,987	0.30	0.650	32,500	0.65	AA+		06-09-24
5,000,000	3134gwwt9	Freddie Mac 0.550% Due 09-30-25	100.00	5,000,000	93.77	4,688,391	76	4,688,467	0.30	0.550	27,500	0.55	AA+		06-30-24
5,000,000	3134gwy26	Freddie Mac 0.570% Due 10-08-25	100.00	5,000,000	93.60	4,680,248	13,696	4,693,944	0.30	0.570	28,500	0.57	AA+		04-08-24
5,000,000	3134gwys9	Freddie Mac 0.600% Due 10-15-25	100.00	5,000,000	93.68	4,684,109	13,833	4,697,943	0.30	0.600	30,000	0.60	AA+		04-15-24
10,000,000	3134gxbm5	Freddie Mac 0.600% Due 11-12-25	99.98	9,998,500	93.36	9,336,178	23,167	9,359,345	0.60	0.600	60,000	0.60	AA+		05-12-24
5,000,000	3134gxfv1	Freddie Mac 0.625% Due 12-17-25	100.00	5,000,000	93.04	4,651,804	9,028	4,660,832	0.30	0.625	31,250	0.62	AA+		06-17-24
5,000,000	3134gxf9	Freddie Mac 0.550% Due 02-12-26	100.00	5,000,000	92.37	4,618,577	3,743	4,622,320	0.30	0.550	27,500	0.55	AA+		05-12-24
5,000,000	3134gyjc7	Freddie Mac 5.400% Due 02-24-26	100.00	5,000,000	99.91	4,995,654	27,750	5,023,404	0.32	5.400	270,000	5.40	AA+		05-24-24
5,000,000	3134gyjb9	Freddie Mac 5.300% Due 02-27-26	100.00	5,000,000	99.57	4,978,310	25,028	5,003,338	0.32	5.300	265,000	5.29	AA+		05-27-24
5,000,000	3134gyp55	Freddie Mac 5.200% Due 04-27-26	100.00	5,000,000	99.77	4,988,604	111,222	5,099,826	0.32	5.200	260,000	5.20	AA+		04-27-24
5,000,000	3134h1mk6	Freddie Mac 5.400% Due 12-21-26	100.00	5,000,000	99.87	4,993,501	75,000	5,068,501	0.32	5.400	270,000	5.40	AA+		06-21-24
5,000,000	3134h1re5	Freddie Mac 5.375% Due 02-08-27	100.00	5,000,000	99.90	4,995,164	39,566	5,034,730	0.32	5.375	268,750	5.37	AA+		08-08-24
5,000,000	3134gx2x1	Freddie Mac 5.000% Due 09-30-27	100.00	5,000,000	99.46	4,973,031	694	4,973,725	0.32	5.000	250,000	5.00	AA+		06-30-24
6,000,000	3134h1ga5	Freddie Mac 6.060% Due 10-26-27	100.00	6,000,000	99.87	5,992,030	155,540	6,147,570	0.39	6.060	363,600	6.06	AA+		04-26-24
5,000,000	3134h1tg8	Freddie Mac 5.500% Due 02-21-29	100.00	5,000,000	99.98	4,999,101	30,556	5,029,657	0.32	5.500	275,000	5.50	AA+		11-21-24
				126,975,150		122,890,643	839,503	123,730,146	7.96		3,527,100	2.85			
<b>FEDERAL AGRICULTURAL MORTGAGE CORP.</b>															
Not Classified															
3,000,000	31422xbt8	Farmer Mac 0.700% Due 12-17-25	100.00	3,000,000	93.29	2,798,732	6,067	2,804,799	0.18	0.700	21,000	0.70			
3,000,000	31422xbn1	Farmer Mac 0.690% Due 02-25-26	100.00	3,000,000	92.50	2,774,909	2,070	2,776,979	0.18	0.690	20,700	0.69			08-25-24
5,000,000	31422xpe6	Farmer Mac 1.300% Due 11-23-26	100.00	5,000,000	91.31	4,565,722	23,111	4,588,833	0.30	1.300	65,000	1.30			05-23-24
				11,000,000		10,139,363	31,248	10,170,611	0.66		106,700	0.97			
				11,000,000		10,139,363	31,248	10,170,611	0.66		106,700	0.97			

City of Sacramento  
**PORTFOLIO APPRAISAL**  
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 March 31, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
<b>FEDERAL FARM CREDIT BANK - FRMMT</b>															
Not Classified															
5,000,000	3133elc28	Federal Farm Credit Bank 0.730% Due 05-27-25	100.00	5,000,000	95.23	4,761,553	12,572	4,774,125	0.31	0.730	36,500	0.73	AA+		04-10-24
5,000,000	3133el2s2	Federal Farm Credit Bank 0.670% Due 08-04-25	100.00	5,000,000	94.48	4,723,794	5,304	4,729,099	0.31	0.670	33,500	0.67	AA+		04-10-24
5,000,000	3133el4w1	Federal Farm Credit Bank 0.610% Due 08-25-25	99.92	4,996,250	94.14	4,707,207	3,050	4,710,257	0.31	0.610	30,500	0.63	AA+		04-10-24
5,000,000	3133epuk9	Federal Farm Credit Bank 5.540% Due 08-28-25	100.00	5,000,000	99.98	4,998,842	25,392	5,024,233	0.32	5.540	277,000	5.54	AA+		08-28-24
5,000,000	3133embh4	Federal Farm Credit Bank 0.530% Due 09-29-25	100.00	5,000,000	93.69	4,684,617	147	4,684,764	0.30	0.530	26,500	0.53	AA+		04-10-24
5,000,000	3133enuz1	Federal Farm Credit Bank 3.090% Due 10-20-25	100.00	5,000,000	97.34	4,867,108	69,096	4,936,204	0.32	3.090	154,500	3.09	AA+		04-10-24
5,000,000	3133emd2	Federal Farm Credit Bank 0.520% Due 10-21-25	99.76	4,987,950	93.53	4,676,519	11,556	4,688,075	0.30	0.520	26,000	0.57	AA+		04-10-24
5,000,000	3133emf8	Federal Farm Credit Bank 0.540% Due 11-03-25	99.94	4,997,000	93.43	4,671,254	11,100	4,682,354	0.30	0.540	27,000	0.55	AA+		04-10-24
5,000,000	3133emqx3	Federal Farm Credit Bank 0.590% Due 02-17-26	100.00	5,000,000	92.39	4,619,408	3,606	4,623,014	0.30	0.590	29,500	0.59	AA+		04-10-24
5,000,000	3133emsk9	Federal Farm Credit Bank 0.840% Due 03-02-26	99.92	4,996,250	92.69	4,634,270	3,383	4,637,654	0.30	0.840	42,000	0.86	AA+		04-10-24
5,000,000	3133emsh6	Federal Farm Credit Bank 0.790% Due 03-03-26	100.00	5,000,000	92.59	4,629,281	3,072	4,632,353	0.30	0.790	39,500	0.79	AA+		04-10-24
5,000,000	3133emsu7	Federal Farm Credit Bank 0.800% Due 03-09-26	100.00	5,000,000	92.55	4,627,568	2,444	4,630,012	0.30	0.800	40,000	0.80	AA+		04-10-24
5,000,000	3133emuk6	Federal Farm Credit Bank 1.050% Due 03-25-26	100.00	5,000,000	92.88	4,643,997	875	4,644,872	0.30	1.050	52,500	1.05	AA+		04-10-24
5,000,000	3133epgl3	Federal Farm Credit Bank 5.290% Due 04-21-26	99.90	4,995,000	98.92	4,946,206	117,556	5,063,762	0.32	5.290	264,500	5.33	AA+		04-10-24
5,000,000	3133emh21	Federal Farm Credit Bank 0.900% Due 06-15-26	100.00	5,000,000	91.87	4,593,428	13,250	4,606,678	0.30	0.900	45,000	0.90	AA+		04-10-24
5,000,000	3133emh54	Federal Farm Credit Bank 0.960% Due 06-15-26	100.00	5,000,000	92.00	4,600,232	14,133	4,614,366	0.30	0.960	48,000	0.96	AA+		04-10-24
3,000,000	3133eml67	Federal Farm Credit Bank 0.800% Due 06-22-26	100.00	3,000,000	91.61	2,748,175	6,600	2,754,775	0.18	0.800	24,000	0.80	AA+		04-10-24
3,000,000	3133enzf0	Federal Farm Credit Bank 4.400% Due 06-22-26	100.00	3,000,000	99.18	2,975,471	36,300	3,011,771	0.19	4.400	132,000	4.40	AA+		04-10-24
5,000,000	3133emq62	Federal Farm Credit Bank 0.990% Due 07-13-26	100.00	5,000,000	92.15	4,607,463	10,725	4,618,188	0.30	0.990	49,500	0.99	AA+		04-10-24
5,000,000	3133em4s8	Federal Farm Credit Bank 0.870% Due 09-08-26	99.82	4,991,250	91.00	4,550,021	2,779	4,552,801	0.29	0.870	43,500	0.91	AA+		04-10-24
5,000,000	3133em6e7	Federal Farm Credit Bank 0.940% Due 09-28-26	100.00	5,000,000	91.14	4,556,771	392	4,557,162	0.30	0.940	47,000	0.94	AA+		04-10-24
3,000,000	3133ende1	Federal Farm Credit Bank 1.330% Due 11-03-26	100.00	3,000,000	91.56	2,746,807	16,403	2,763,210	0.18	1.330	39,900	1.33	AA+		04-10-24
5,000,000	3133epkz7	Federal Farm Credit Bank 5.540% Due 12-01-26	100.00	5,000,000	99.78	4,988,851	92,333	5,081,185	0.32	5.540	277,000	5.54	AA+		04-10-24
3,000,000	3133enjv3	Federal Farm Credit Bank 1.390% Due 12-29-26	100.00	3,000,000	91.27	2,738,041	10,657	2,748,698	0.18	1.390	41,700	1.39	AA+		04-10-24
5,000,000	3133envv9	Federal Farm Credit Bank 3.630% Due 05-03-27	100.00	5,000,000	96.67	4,833,310	74,617	4,907,927	0.31	3.630	181,500	3.63	AA+		04-10-24
5,000,000	3133en4l1	Federal Farm Credit Bank 5.500% Due 12-20-27	100.00	5,000,000	99.54	4,977,214	77,153	5,054,366	0.32	5.500	275,000	5.50	AA+		04-10-24
5,000,000	3133epxa8	Federal Farm Credit Bank 6.000% Due 10-02-28	100.00	5,000,000	100.00	5,000,156	149,167	5,149,322	0.32	6.000	300,000	6.00	AA+ c		04-02-24

City of Sacramento  
**PORTFOLIO APPRAISAL**  
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Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
5,000,000	3133epu29	Federal Farm Credit Bank 5.440% Due 01-09-29	100.00	5,000,000	99.86	4,992,934	61,956	5,054,889	0.32	5.440	272,000	5.44	AA+		07-09-24
				131,963,700		125,100,498	835,617	125,936,115	8.11		2,855,600	2.23			
				131,963,700		125,100,498	835,617	125,936,115	8.11		2,855,600	2.23			
<b>MUNICIPAL BONDS</b>															
Not Classified															
2,000,000.00	92812vb70	Virginia Housing Development Authority 1.906% Due 04-01-24	100.00	2,000,000	100.00	2,000,000	19,060	2,019,060	0.13	1.906	38,120	1.91	AA+		
250,000.00	91412hfl2	University Calif Revenue Bonds 0.833% Due 05-15-24	100.00	250,000	99.44	248,605	787	249,392	0.02	0.833	2,082	0.83	AA		
1,500,000.00	91412hjk0	University Calif Revenue Bonds 0.367% Due 05-15-24	100.00	1,500,000	99.51	1,492,635	2,080	1,494,715	0.10	0.367	5,505	0.37	AA		
2,500,000.00	13032uvb1	California Health Facs Fing Auth Revenue 2.020% Due 06-01-24	100.00	2,500,000	99.43	2,485,850	16,833	2,502,683	0.16	2.020	50,500	2.02	AA-		
750,000.00	13032uxl7	California Health Facs Fing Auth Revenue 0.752% Due 06-01-24	100.00	750,000	99.23	744,240	1,880	746,120	0.05	0.752	5,640	0.75	AA-		
5,000,000.00	13017han6	California Earthquake Auth Rev 5.493% Due 07-01-24	99.98	4,998,900	99.99	4,999,600	68,662	5,068,262	0.32	5.493	274,650	5.51			
1,000,000.00	365298y51	Garden Grove California Unified School District 1.966% Due 08-01-24	100.00	1,000,000	98.86	988,580	3,277	991,857	0.06	1.966	19,660	1.97	AA-		
2,500,000.00	54438czs4	Los Angeles Calif Cmnty College 5.500% Due 08-01-24	100.23	2,505,650	100.10	2,502,575	22,917	2,525,492	0.16	5.500	137,500	5.04	AA+		
850,000.00	13034al57	California Infrastructure & Ec 0.645% Due 10-01-24	100.00	850,000	97.80	831,342	2,741	834,084	0.05	0.645	5,482	0.65	AAA		
5,000,000.00	419792l79	Hawaii St 5.101% Due 10-01-24	100.00	5,000,000	99.88	4,994,150	72,264	5,066,414	0.32	5.101	255,050	5.11	AA+		
4,000,000.00	882724v38	Texas St 5.616% Due 10-01-24	100.00	4,000,000	100.13	4,005,120	84,864	4,089,984	0.26	5.616	224,640	5.62	AAA		
1,150,000.00	605581mz7	Mississippi St 0.565% Due 11-01-24	100.00	1,150,000	97.38	1,119,858	2,707	1,122,566	0.07	0.565	6,497	0.57	AA		
3,000,000.00	576004gy5	Massachusetts St Spl Oblig Rev 3.660% Due 01-15-25	100.00	3,000,000	98.94	2,968,140	23,180	2,991,320	0.19	3.660	109,800	3.66			
750,000.00	13080szl1	California Statewide Cmnty De 0.732% Due 02-01-25	100.00	750,000	96.32	722,415	915	723,330	0.05	0.732	5,490	0.73	A+		
1,250,000.00	64990fa95	New York St Dorm Auth St Pers 1.062% Due 03-15-25	100.00	1,250,000	95.88	1,198,537	590	1,199,127	0.08	1.062	13,275	1.06	AA+		
1,650,000.00	64990fd43	New York St Dorm Auth St Pers 0.887% Due 03-15-25	100.00	1,650,000	96.54	1,592,893	650	1,593,544	0.10	0.887	14,635	0.89	AA+		
1,000,000.00	68607v3j2	Oregon St Dept of Admin Svcs Lottery Rev 2.915% Due 04-01-25	100.00	1,000,000	97.97	979,680	14,575	994,255	0.06	2.915	29,150	2.92	AAA		
3,000,000.00	92812vb88	Virginia Housing Development Authority 2.056% Due 04-01-25	100.00	3,000,000	96.86	2,905,770	30,840	2,936,610	0.19	2.056	61,680	2.06	AA+		
700,000.00	91412hfm0	University Calif Revenue Bonds 0.933% Due 05-15-25	100.00	700,000	95.53	668,717	2,467	671,184	0.04	0.933	6,531	0.93	AA		
3,500,000.00	91412hge7	University Calif Revenue Bonds 0.883% Due 05-15-25	100.88	3,530,660	95.58	3,345,370	11,675	3,357,045	0.22	0.883	30,905	0.70	AA		04-15-25
1,000,000.00	91412hjl8	University Calif Revenue Bonds 0.670% Due 05-15-25	100.00	1,000,000	95.95	959,460	2,531	961,991	0.06	0.670	6,700	0.67	AA		

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1,250,000.00	13032uxm5	California Health Facs Fing Auth Revenue 0.952% Due 06-01-25	100.00	1,250,000	95.36	1,192,050	3,967	1,196,017	0.08	0.952	11,900	0.95	AA-		
5,000,000.00	34153qud6	Florida State Board of Education Public Education 0.550% Due 06-01-25	99.68	4,984,150	94.93	4,746,700	9,167	4,755,867	0.31	0.550	27,500	0.62	AAA		
1,000,000.00	546417dq6	Louisiana State 0.840% Due 06-01-25	100.00	1,000,000	95.30	953,040	2,800	955,840	0.06	0.840	8,400	0.84	AA		
500,000.00	546486bv2	Louisiana St Hwy Impt Rev 0.697% Due 06-15-25	100.00	500,000	95.18	475,910	1,026	476,936	0.03	0.697	3,485	0.70	AA		
5,000,000.00	341271ad6	Florida St Brd Admin Fin Corp 1.258% Due 07-01-25	101.66	5,083,250	95.34	4,766,843	15,725	4,782,568	0.31	1.258	62,900	0.90	AA		
4,000,000.00	91412gu94	University Calif Revs For Prev 3.063% Due 07-01-25	99.96	3,998,360	97.77	3,910,760	30,630	3,941,390	0.25	3.063	122,520	3.08	AA		04-01-25
940,000.00	13034al65	California Infrastructure & Ec 0.765% Due 10-01-25	100.00	940,000	94.05	884,079	3,595	887,675	0.06	0.765	7,191	0.77	AAA		
4,000,000.00	13077dqd7	California St Univ Rev 0.862% Due 11-01-25	100.00	4,000,000	94.06	3,762,320	14,367	3,776,687	0.24	0.862	34,480	0.86	AA-		
1,865,000.00	880558nu1	Tennessee St Sch Bd Auth 0.627% Due 11-01-25	100.00	1,865,000	93.64	1,746,349	4,872	1,751,221	0.11	0.627	11,694	0.63	AA+		
5,000,000.00	64990fb29	New York St Dorm Auth St Pers 1.262% Due 03-15-26	100.00	5,000,000	93.00	4,649,800	2,804	4,652,604	0.30	1.262	63,100	1.26	AA+		
1,000,000.00	64990fd50	New York St Dorm Auth St Pers 1.187% Due 03-15-26	100.00	1,000,000	93.25	932,510	528	933,038	0.06	1.187	11,870	1.19	AA+		
1,000,000.00	68607v3k9	Oregon St Dept of Admin Svcs Lottery Rev 3.131% Due 04-01-26	100.00	1,000,000	97.12	971,210	15,655	986,865	0.06	3.131	31,310	3.13	AAA		
1,000,000.00	697511fu2	Palomar Calif Cmnty College Di 1.031% Due 08-01-26	100.00	1,000,000	92.02	920,240	1,718	921,958	0.06	1.031	10,310	1.03	AA		
3,000,000.00	79770gjc1	San Francisco Calif City & Cnt 1.861% Due 08-01-26	101.35	3,040,470	93.24	2,797,110	9,305	2,806,415	0.18	1.861	55,830	1.55	AA		
1,975,000.00	798306wq5	San Juan Calif Uni Sch Dist Sa 1.201% Due 08-01-26	96.06	1,897,224	92.50	1,826,934	3,953	1,830,888	0.12	1.201	23,720	2.13			
2,000,000.00	20772kqk8	Connecticut State 3.631% Due 06-15-27	99.57	1,991,480	97.73	1,954,660	21,383	1,976,043	0.13	3.631	72,620	3.73	AA-		
				<u>80,935,144</u>		<u>78,244,054</u>	<u>526,991</u>	<u>78,771,046</u>	<u>5.07</u>		<u>1,862,323</u>	<u>2.31</u>			
				80,935,144		78,244,054	526,991	78,771,046	5.07		1,862,323	2.31			
<b>CORPORATE BONDS</b>															
<b>INDUSTRIALS</b>															
4,245,000	88579ybh3	3M Company 2.000% Due 02-14-25	100.58	4,269,791	96.96	4,116,060	11,084	4,127,144	0.27	2.000	84,900	1.88	BBB+		01-14-25
2,567,000	438516cb0	Honeywell Intl Inc 1.350% Due 06-01-25	101.90	2,615,773	95.83	2,459,979	11,551	2,471,530	0.16	1.350	34,654	0.96	A		05-01-25
10,000,000	24422evk2	John Deere Capital Corp 0.700% Due 01-15-26	99.06	9,905,536	92.86	9,285,681	14,778	9,300,458	0.60	0.700	70,000	0.90	A		
				<u>16,791,100</u>		<u>15,861,719</u>	<u>37,413</u>	<u>15,899,133</u>	<u>1.03</u>		<u>189,554</u>	<u>1.16</u>			
<b>COMMUNICATION SERVICES</b>															
8,000,000	254687fk7	Disney Walt Co 1.750% Due 08-30-24	98.42	7,873,400	98.49	7,879,103	12,833	7,891,936	0.51	1.750	140,000	2.11	A-		07-30-24
<b>CONSUMER DISCRETIONARY</b>															
5,000,000	904764ax5	Unilever Cap Corp 2.600% Due 05-05-24	97.59	4,879,550	99.70	4,985,126	52,722	5,037,848	0.32	2.600	130,000	5.35	A+		05-05-24

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3,015,000	233851dx9	Mercedes-Benz Finance NA 2.700% Due 06-14-24	98.17	2,959,886	99.38	2,996,226	24,195	3,020,421	0.19	2.700	81,405	5.81	A		
2,000,000	468491tk7	Jackson National Life Global 2.650% Due 06-21-24	104.11	2,082,240	99.22	1,984,384	14,722	1,999,106	0.13	2.650	53,000	1.60	A		
5,000,000	57629weg3	Massmutual Global Funding 2.950% Due 01-11-25	99.16	4,958,250	98.05	4,902,257	32,778	4,935,035	0.32	2.950	147,500	3.29	AA+		
5,000,000	384802ae4	WW Grainger Inc 1.850% Due 02-15-25	103.11	5,155,700	97.03	4,851,716	11,819	4,863,535	0.31	1.850	92,500	1.17	A+		01-15-25
2,500,000	141781bu7	Cargill Inc 3.500% Due 04-22-25	98.48	2,462,100	98.19	2,454,817	38,646	2,493,463	0.16	3.500	87,500	4.07	A		03-31-24
5,000,000	023135bq8	Amazon Com Inc 0.800% Due 06-03-25	101.16	5,057,900	95.29	4,764,691	13,111	4,777,802	0.31	0.800	40,000	0.53	AA		05-03-25
3,000,000	751212ac5	Ralph Lauren Corp 3.750% Due 09-15-25	99.68	2,990,280	97.79	2,933,820	5,000	2,938,820	0.19	3.750	112,500	3.86	A-		07-15-25
1,850,000	641062ar5	Nestle Holdings Inc 0.625% Due 01-15-26	99.41	1,839,122	92.71	1,715,055	2,441	1,717,496	0.11	0.625	11,562	0.75	AA-		12-15-25
5,000,000	141781bn3	Cargill Inc 0.750% Due 02-02-26	99.68	4,984,150	92.65	4,632,711	6,146	4,638,857	0.30	0.750	37,500	0.82	A		01-02-26
5,000,000	74460waa5	Public Storage 0.875% Due 02-15-26	100.27	5,013,300	92.40	4,619,937	5,590	4,625,527	0.30	0.875	43,750	0.82	A		01-15-26
5,000,000	023135bx3	Amazon Com Inc 1.000% Due 05-12-26	99.68	4,984,250	92.34	4,617,164	19,306	4,636,470	0.30	1.000	50,000	1.06	AA		04-12-26
5,000,000	571676aj4	Mars Inc 0.875% Due 07-16-26	97.32	4,865,950	90.96	4,547,811	9,115	4,556,926	0.29	0.875	43,750	1.49	A+		06-16-26
4,500,000	74460dag4	Public Storage 1.500% Due 11-09-26	98.14	4,416,255	91.78	4,130,066	26,625	4,156,691	0.27	1.500	67,500	1.91	A		10-09-26
5,000,000	742718fv6	Procter & Gamble Co 1.900% Due 02-01-27	99.53	4,976,400	92.99	4,649,738	15,833	4,665,571	0.30	1.900	95,000	2.00	AA-		
2,000,000	742718fg9	Procter & Gamble Co 2.800% Due 03-25-27	97.94	1,958,740	95.15	1,902,932	933	1,903,865	0.12	2.800	56,000	3.26	AA-		
				63,584,073		60,688,450	278,983	60,967,433	3.93		1,149,467	2.25			
CONSUMER STAPLES															
2,000,000	440452ag5	Hormel Foods Corp 0.650% Due 06-03-24	100.15	2,002,920	99.13	1,982,682	4,261	1,986,943	0.13	0.650	13,000	0.60	A-		04-20-24
5,000,000	37331naj0	Georgia Pacific Corp 1.750% Due 09-30-25	104.38	5,219,150	94.91	4,745,640	243	4,745,883	0.31	1.750	87,500	0.82	A+		08-30-25
				7,222,070		6,728,322	4,504	6,732,826	0.44		100,500	0.76			
ENERGY															
5,000,000	637432ng6	National Rural Utils Coop Fin 3.250% Due 11-01-25	99.15	4,957,600	97.05	4,852,745	67,708	4,920,453	0.31	3.250	162,500	3.51	A-		08-01-25
4,000,000	63743hew8	National Rural Utils Coop Fin 1.000% Due 06-15-26	97.79	3,911,520	91.62	3,664,613	11,778	3,676,391	0.24	1.000	40,000	1.51	A-		05-15-26
5,000,000	291011bp8	Emerson Elec Co 0.875% Due 10-15-26	96.04	4,802,200	90.73	4,536,457	20,174	4,556,630	0.29	0.875	43,750	1.74	A		09-15-26
				13,671,320		13,053,815	99,660	13,153,474	0.85		246,250	2.34			
FINANCIAL															
5,000,000	48133de55	JP Morgan Chase Financial Co LLC 3.125% Due 04-29-24	100.00	5,000,000	99.64	4,982,161	65,972	5,048,133	0.32	3.125	156,250	3.12	A-		
5,000,000	05971kam1	Banco Santander S.A. 3.892% Due 05-24-24	99.67	4,983,600	99.76	4,987,825	68,651	5,056,475	0.32	3.892	194,600	4.07	A+		
4,955,000	742561eq8	Principal Life Global Fdg Li 0.750% Due 08-23-24	97.46	4,829,242	98.07	4,859,467	3,923	4,863,390	0.31	0.750	37,162	5.20	A+		



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2,150,000	64952wew9	New York Life Global 3.855% Due 08-26-24	99.25	2,133,875	99.34	2,135,870	8,058	2,143,928	0.14	3.855	82,882	5.15	AA+		
5,000,000	06406ral1	Bank New York Mellon Corp 2.100% Due 10-24-24	101.18	5,059,100	98.07	4,903,551	45,792	4,949,343	0.32	2.100	105,000	1.84	A		
5,000,000	78015k7c2	Royal Bank of Canada 2.250% Due 11-01-24	102.36	5,118,100	98.11	4,905,716	46,875	4,952,591	0.32	2.250	112,500	1.70	A		
2,500,000	64952wdl4	New York Life Global 2.000% Due 01-22-25	100.73	2,518,225	97.43	2,435,772	9,583	2,445,356	0.16	2.000	50,000	1.85	AA+		
5,005,000	064159tf3	Bank Nova Scotia B C 2.200% Due 02-03-25	101.85	5,097,643	97.29	4,869,455	17,740	4,887,195	0.32	2.200	110,110	1.79	A-		
3,000,000	89236tqx7	Toyota Motor Credit Corp 3.000% Due 04-01-25	99.83	2,994,960	97.84	2,935,267	45,000	2,980,267	0.19	3.000	90,000	3.06	A+		
5,000,000	06747pkv0	Barclays Bank Plc 3.250% Due 04-08-25	100.00	5,000,000	97.11	4,855,353	78,090	4,933,443	0.31	3.250	162,500	3.25	A+		04-08-24
4,000,000	06406ran7	Bank New York Mellon Corp 1.600% Due 04-24-25	102.41	4,096,520	96.18	3,847,212	27,911	3,875,123	0.25	1.600	64,000	1.10	A		03-24-25
5,000,000	17330fvu2	Citigroup Global Markets 4.050% Due 05-27-25	100.00	5,000,000	97.64	4,881,985	69,750	4,951,735	0.32	4.050	202,500	4.05	A		05-27-24
3,000,000	78015k7h1	Royal Bank of Canada 1.150% Due 06-10-25	100.27	3,008,130	95.39	2,861,655	10,637	2,872,292	0.19	1.150	34,500	1.09	A		
5,000,000	064159v17	Bank Nova Scotia B C 1.300% Due 06-11-25	100.96	5,048,100	95.35	4,767,656	19,861	4,787,517	0.31	1.300	65,000	1.10	A-		
3,000,000	48130uuq6	JP Morgan Chase Financial Co LLC 1.000% Due 06-23-25	100.00	3,000,000	93.85	2,815,450	8,167	2,823,617	0.18	1.000	30,000	1.00	A-		06-23-24
5,000,000	17330pfq7	Citigroup Global Markets 4.700% Due 07-21-25	100.00	5,000,000	97.44	4,872,033	45,694	4,917,727	0.32	4.700	235,000	4.70	A		04-21-24
5,000,000	00138can8	AIG Global Funding 0.900% Due 09-22-25	99.82	4,991,000	93.51	4,675,486	1,125	4,676,611	0.30	0.900	45,000	0.94	A+		
5,000,000	14913r2h9	Caterpillar Financial Services Corp 0.800% Due 11-13-25	100.27	5,013,700	93.58	4,678,815	15,333	4,694,148	0.30	0.800	40,000	0.74	A		
4,000,000	637639ae5	National Secs Clearing Corp 0.750% Due 12-07-25	100.34	4,013,460	93.09	3,723,638	9,500	3,733,138	0.24	0.750	30,000	0.68	AA+		11-07-25
5,000,000	48128gy53	JP Morgan Chase & Co 0.825% Due 12-22-25	100.00	5,000,000	92.08	4,603,770	11,344	4,615,113	0.30	0.825	41,250	0.82	A-		06-22-24
5,000,000	064159f84	Bank Nova Scotia B C 0.800% Due 12-30-25	100.00	5,000,000	92.07	4,603,369	111	4,603,480	0.30	0.800	40,000	0.80	A-		06-30-24
5,000,000	14913r3b1	Caterpillar Financial Services Corp 4.800% Due 01-06-26	100.71	5,035,650	99.82	4,990,798	56,667	5,047,465	0.32	4.800	240,000	4.54	A		
3,000,000	89114qcp1	Toronto Dominion Bank 0.750% Due 01-06-26	99.85	2,995,590	92.80	2,783,891	5,312	2,789,204	0.18	0.750	22,500	0.78	A		
5,000,000	78016ezm2	Royal Bank of Canada 0.875% Due 01-20-26	100.00	5,000,000	92.98	4,649,003	8,628	4,657,631	0.30	0.875	43,750	0.87	A		
3,000,000	22533ad53	Credit Agricole Cib Sa 0.900% Due 01-21-26	100.00	3,000,000	91.03	2,730,983	5,250	2,736,233	0.18	0.900	27,000	0.90	A+		04-21-24
5,000,000	06749nfm9	Barclays Bank Plc 5.550% Due 01-23-26	100.00	5,000,000	98.04	4,901,867	52,417	4,954,284	0.32	5.550	277,500	5.55	A+		07-23-24
5,000,000	48128g2y5	JP Morgan Chase & Co 1.000% Due 02-26-26	100.00	5,000,000	91.06	4,552,781	4,861	4,557,642	0.30	1.000	50,000	1.00	A-		02-26-25
5,000,000	0641593u8	Bank Nova Scotia B C 1.050% Due 03-02-26	99.40	4,970,000	92.48	4,624,076	4,229	4,628,305	0.30	1.050	52,500	1.18	A-		
5,000,000	14913r2k2	Caterpillar Financial Services Corp 0.900% Due 03-02-26	99.00	4,950,000	92.58	4,628,957	3,625	4,632,582	0.30	0.900	45,000	1.11	A		
5,000,000	78016ezq3	Royal Bank of Canada 1.200% Due 04-27-26	100.56	5,028,000	92.43	4,621,359	25,667	4,647,025	0.30	1.200	60,000	1.08	A		

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5,000,000	48128g3g3	JP Morgan Chase & Co 1.200% Due 04-30-26	100.00	5,000,000	91.53	4,576,394	25,167	4,601,561	0.30	1.200	60,000	1.20	A-		04-30-24
5,000,000	06048wv56	Bank of America Corporation 4.000% Due 05-05-26	100.00	5,000,000	96.85	4,842,630	81,111	4,923,741	0.31	4.000	200,000	4.00	A-		05-05-24
5,000,000	808513br5	Charles Schwab Corp 1.150% Due 05-13-26	99.74	4,986,950	92.19	4,609,462	22,042	4,631,504	0.30	1.150	57,500	1.20	A-		04-13-26
5,000,000	40139lbd4	Guardian Life Global Funding 1.250% Due 05-13-26	99.98	4,999,050	92.00	4,600,111	23,958	4,624,070	0.30	1.250	62,500	1.25	AA+		
5,000,000	06048wi99	Bank of America Corporation 1.400% Due 05-14-26	100.00	5,000,000	91.84	4,591,998	26,639	4,618,637	0.30	1.400	70,000	1.40	A-		05-14-24
5,000,000	06048wm31	Bank of America Corporation 1.250% Due 05-28-26	100.00	5,000,000	90.89	4,544,359	21,354	4,565,713	0.29	1.250	62,500	1.25	A-		05-28-24
5,000,000	902674zz6	UBS Ag London Branch 1.250% Due 06-01-26	99.80	4,990,200	92.06	4,603,160	20,833	4,623,993	0.30	1.250	62,500	1.30	A+		
10,000,000	89114tzd7	Toronto Dominion Bank 1.200% Due 06-03-26	100.17	10,016,850	91.97	9,197,281	39,333	9,236,614	0.60	1.200	120,000	1.17	A		
5,000,000	89236tjk2	Toyota Motor Credit Corp 1.125% Due 06-18-26	99.80	4,990,050	92.04	4,602,139	16,094	4,618,233	0.30	1.125	56,250	1.17	A+		
5,000,000	06051gjd2	Bank of America Corp 1.319% Due 06-19-26	100.97	5,048,400	95.06	4,752,803	18,686	4,771,489	0.31	1.319	65,950	1.12	A-		06-19-25
5,000,000	78016ezt7	Royal Bank of Canada 1.150% Due 07-14-26	99.97	4,998,550	91.58	4,579,130	12,299	4,591,429	0.30	1.150	57,500	1.16	A		
3,000,000	22550l2g5	Credit Suisse Ag New York 1.250% Due 08-07-26	97.69	2,930,670	91.11	2,733,250	5,625	2,738,875	0.18	1.250	37,500	1.77	A+		
3,000,000	06048wn63	Bank of America Corporation 1.150% Due 09-10-26	99.00	2,970,000	89.63	2,688,922	2,012	2,690,935	0.17	1.150	34,500	1.36	A-		09-10-24
5,000,000	0641598k5	Bank Nova Scotia B C 1.300% Due 09-15-26	97.99	4,899,650	91.30	4,565,075	2,889	4,567,963	0.30	1.300	65,000	1.75	A-		06-15-26
3,000,000	06368gc54	Bank Of Montreal 2.000% Due 12-22-26	100.00	3,000,000	90.21	2,706,155	16,500	2,722,655	0.18	2.000	60,000	2.00	A-		06-22-24
5,000,000	59217ger6	Metropolitan Life Global Fdg I 1.875% Due 01-11-27	98.68	4,934,000	91.85	4,592,623	20,833	4,613,457	0.30	1.875	93,750	2.16	AA-		
5,000,000	06417xad3	Bank Nova Scotia B C 1.950% Due 02-02-27	98.46	4,923,100	92.11	4,605,564	15,979	4,621,544	0.30	1.950	97,500	2.28	A-		
5,500,000	808513by0	Schwab Charles Corp 2.450% Due 03-03-27	100.00	5,500,000	93.19	5,125,386	10,481	5,135,866	0.33	2.450	134,750	2.45	A-		02-03-27
				222,072,365		209,201,663	1,157,609	210,359,273	13.56		4,144,205	2.00			
<b>HEALTHCARE</b>															
7,000,000	91324peb4	Unitedhealth Group Inc 0.550% Due 05-15-24	96.54	6,758,010	99.41	6,958,777	14,544	6,973,322	0.45	0.550	38,500	5.59	A+		04-15-24
5,000,000	717081ex7	Pfizer Inc 0.800% Due 05-28-25	99.85	4,992,700	95.28	4,764,238	13,667	4,777,905	0.31	0.800	40,000	0.83	A		04-28-25
5,000,000	532457bh0	Eli Lilly & Co 2.750% Due 06-01-25	98.97	4,948,400	97.37	4,868,657	45,833	4,914,490	0.32	2.750	137,500	3.10	A+		03-01-25
4,000,000	478160cn2	Johnson & Johnson 0.550% Due 09-01-25	99.75	3,989,960	94.06	3,762,257	1,833	3,764,090	0.24	0.550	22,000	0.61	AAA		08-01-25
5,000,000	58933yay1	Merck & Co. Inc 0.750% Due 02-24-26	99.75	4,987,750	92.73	4,636,712	3,854	4,640,566	0.30	0.750	37,500	0.80	A+		01-24-26
2,500,000	771196bk7	Roche Holdings Inc 2.625% Due 05-15-26	97.15	2,428,875	95.48	2,386,887	24,792	2,411,679	0.15	2.625	65,625	3.40	AA		02-15-26
5,000,000	91324pec2	Unitedhealth Group Inc 1.150% Due 05-15-26	100.00	5,000,000	92.49	4,624,744	21,722	4,646,466	0.30	1.150	57,500	1.15	A+		04-15-26
				33,105,695		32,002,272	126,246	32,128,518	2.07		398,625	2.42			

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*City Investment Pool A*  
 March 31, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
<b>INFORMATION TECHNOLOGY</b>															
5,000,000	459200jy8	IBM Corporation 3.000% Due 05-15-24	97.80	4,890,050	99.65	4,982,717	56,667	5,039,384	0.32	3.000	150,000	5.42	A-		
4,000,000	67066gal8	Nvidia Corporation 0.584% Due 06-14-24	96.46	3,858,440	99.01	3,960,262	6,943	3,967,206	0.26	0.584	23,360	5.54	A+		04-15-24
5,000,000	037833dm9	Apple Inc 1.800% Due 09-11-24	99.50	4,975,150	98.43	4,921,737	5,000	4,926,737	0.32	1.800	90,000	1.91	AA+		08-11-24
4,000,000	882508bh6	Texas Instruments Inc 1.375% Due 03-12-25	101.15	4,046,080	96.49	3,859,631	2,903	3,862,533	0.25	1.375	55,000	1.13	A+		02-12-25
5,000,000	037833dt4	Apple Inc 1.125% Due 05-11-25	101.06	5,052,940	95.75	4,787,432	21,875	4,809,307	0.31	1.125	56,250	0.90	AA+		04-11-25
5,000,000	037833eb2	Apple Inc 0.700% Due 02-08-26	99.96	4,998,040	92.77	4,638,685	5,153	4,643,838	0.30	0.700	35,000	0.71	AA+		01-08-26
5,000,000	459200km2	IBM Corporation 2.200% Due 02-09-27	99.00	4,950,000	92.91	4,645,740	15,889	4,661,629	0.30	2.200	110,000	2.41	A-		01-09-27
				<u>32,770,700</u>		<u>31,796,206</u>	<u>114,429</u>	<u>31,910,635</u>	<u>2.06</u>		<u>519,610</u>	<u>2.56</u>			
<b>TRANSPORTATION</b>															
5,000,000	12189lat8	Burlington Northn Santa Fe 3.400% Due 09-01-24	98.02	4,900,800	99.14	4,956,942	14,167	4,971,109	0.32	3.400	170,000	5.66	AA-		06-01-24
4,000,000	911312bt2	United Parcel Service Inc 2.200% Due 09-01-24	100.93	4,037,080	98.60	3,943,848	7,333	3,951,181	0.26	2.200	88,000	2.00	A		08-01-24
5,000,000	12189lay7	Burlington Northn Santa Fe 3.650% Due 09-01-25	99.85	4,992,340	97.92	4,895,927	15,208	4,911,135	0.32	3.650	182,500	3.70	AA-		06-01-25
				<u>13,930,220</u>		<u>13,796,717</u>	<u>36,708</u>	<u>13,833,425</u>	<u>0.89</u>		<u>440,500</u>	<u>3.92</u>			
				<u>411,020,942</u>		<u>391,008,268</u>	<u>1,868,386</u>	<u>392,876,654</u>	<u>25.34</u>		<u>7,328,712</u>	<u>2.14</u>			
<b>OTHER GOVERNMENT AGENCY BONDS</b>															
Not Classified															
3,387,000	880591er9	Tennessee Valley Auth 2.875% Due 09-15-24	98.54	3,337,648	98.85	3,348,096	4,328	3,352,424	0.22	2.875	97,376	5.03	AA+		
				<u>3,337,648</u>		<u>3,348,096</u>	<u>4,328</u>	<u>3,352,424</u>	<u>0.22</u>		<u>97,376</u>	<u>5.03</u>			
<b>SUPRANATIONALS</b>															
Not Classified															
5,000,000	459058je4	International Bk Recon & Develop 0.375% Due 07-28-25	99.37	4,968,615	94.16	4,708,239	3,281	4,711,520	0.31	0.375	18,750	0.51	AAA		
5,000,000	459058jl8	International Bk Recon & Develop 0.500% Due 10-28-25	99.89	4,994,350	93.44	4,671,815	10,625	4,682,440	0.30	0.500	25,000	0.52	AAA		
5,000,000	45905u5y6	International Bk Recon & Develop 0.600% Due 02-18-26	100.00	5,000,000	92.55	4,627,426	3,583	4,631,010	0.30	0.600	30,000	0.60	AAA		
				<u>14,962,965</u>		<u>14,007,480</u>	<u>17,490</u>	<u>14,024,970</u>	<u>0.91</u>		<u>73,750</u>	<u>0.55</u>			
				<u>14,962,965</u>		<u>14,007,480</u>	<u>17,490</u>	<u>14,024,970</u>	<u>0.91</u>		<u>73,750</u>	<u>0.55</u>			
<b>TREASURY BILLS</b>															
Not Classified															
9,000,000	912797fs1	U. S. Treasury Bill 5.110% Due 06-13-24	98.28	8,845,422	98.94	8,904,817	0	8,904,817	0.58	5.110	459,900	5.20	AA+		
				<u>8,845,422</u>		<u>8,904,817</u>	<u>0</u>	<u>8,904,817</u>	<u>0.58</u>		<u>459,900</u>	<u>5.20</u>			
<b>VARIABLE RATE SECURITIES</b>															
Not Classified															
5,000,000	78014rch1	Royal Bank of Canada 2.200% Due 02-27-25	100.00	5,000,000	96.76	4,837,842	10,389	4,848,231	0.31	2.200	110,000	2.05	A		08-27-24

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*City Investment Pool A*  
 March 31, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
5,000,000	3134gxqr8	Freddie Mac 3.500% Due 04-28-25	100.00	5,000,000	99.03	4,951,303	74,375	5,025,678	0.32	3.500	175,000	3.43	AA+		04-28-24
5,000,000	3130akln4	Federal Home Loan Bank 0.500% Due 10-14-25	100.00	5,000,000	94.78	4,739,244	5,347	4,744,591	0.31	0.500	25,000	0.67	AA+		04-14-24
2,708,000	06048wk25	Bank of America Corp 1.000% Due 10-30-25	99.95	2,706,646	93.12	2,521,670	4,589	2,526,259	0.16	1.000	27,080	0.86	A-		04-30-24
5,000,000	06048wk41	Bank of America Corp 0.850% Due 11-25-25	99.85	4,992,500	92.40	4,620,185	4,250	4,624,435	0.30	0.850	42,500	0.83	A-		05-25-24
5,000,000	06048wk66	Bank of America Corp 0.850% Due 12-23-25	100.00	5,000,000	92.36	4,617,765	944	4,618,710	0.30	0.850	42,500	0.80	A-		06-23-24
5,000,000	06048wk82	Bank of America Corp 0.750% Due 01-26-26	99.42	4,971,250	92.27	4,613,349	6,771	4,620,120	0.30	0.750	37,500	0.86	A-		04-26-24
5,000,000	3130aktt3	Federal Home Loan Bank 0.750% Due 01-29-26	100.00	5,000,000	93.11	4,655,667	6,458	4,662,125	0.30	0.750	37,500	0.59	AA+		04-29-24
5,000,000	3130aljk1	Federal Home Loan Bank 1.000% Due 03-23-26	100.00	5,000,000	93.11	4,655,661	1,111	4,656,772	0.30	1.000	50,000	0.89	AA+		
5,000,000	3130amej7	Federal Home Loan Bank 1.125% Due 05-26-26	100.00	5,000,000	92.89	4,644,270	19,531	4,663,802	0.30	1.125	56,250	1.00	AA+		
5,000,000	3130anxc9	Federal Home Loan Bank 0.875% Due 09-29-26	100.00	5,000,000	92.60	4,630,197	243	4,630,440	0.30	0.875	43,750	1.14	AA+		06-29-24
5,000,000	459058kb8	International Bk Recon & Develop 2.250% Due 11-06-26	99.95	4,997,450	94.33	4,716,337	45,312	4,761,650	0.31	2.250	112,500	1.63	AAA		
5,000,000	46647pbt2	JP Morgan Chase Bank Na 1.045% Due 11-19-26	95.03	4,751,600	93.24	4,661,972	19,158	4,681,131	0.30	1.045	52,250	2.10	A-		11-19-25
5,000,000	46647pbw5	JP Morgan Chase Bank Na 1.040% Due 02-04-27	95.40	4,769,800	92.55	4,627,280	8,233	4,635,513	0.30	1.040	52,000	1.94	A-		02-04-26
				67,189,246		63,492,743	206,713	63,699,455	4.11		863,830	1.37			
				67,189,246		63,492,743	206,713	63,699,455	4.11		863,830	1.37			
<b>TOTAL PORTFOLIO</b>				<b>1,596,474,314</b>		<b>1,543,289,954</b>	<b>5,564,088</b>	<b>1,548,854,042</b>	<b>100.00</b>		<b>42,003,628</b>	<b>2.87</b>			

City of Sacramento  
**PURCHASE AND SALE**  
**City Investment Pool A**  
*From 03-01-24 To 03-31-24*

Trade Date	Settle Date	Sec Type Code	Security Symbol	Cusip	Quantity	Security	S & P	Unit Price	Amount
<b>PURCHASES</b>									
03-01-24	03-04-24	cpus	47816fjh5	47816FJH5	10,000,000	Johnson & Johnson 5.120% Due 09-17-24	A1+	97	9,719,822
03-22-24	03-22-24	cpus	06741fkf3	06741FKF3	10,000,000	Barclays Us Fdg 5.210% Due 10-15-24	A1+	97	9,700,425
03-25-24	03-25-24	cpus	89233gk13	89233GK13	5,000,000	Toyota Motor Credit Corp 5.270% Due 10-01-24	A1+	97	4,860,931
03-25-24	03-25-24	cpus	45685qkr9	45685QKR9	9,000,000	Ing US Funding LLC 5.250% Due 10-25-24	A1	97	8,719,125
03-26-24	03-27-24	fhus	3134h1tg8	3134H1TG8	5,000,000	Freddie Mac 5.500% Due 02-21-29	AA+	100	5,000,000
03-27-24	03-28-24	cpus	64106gju4	64106GJU4	5,000,000	Nestle Finance Intl Ltd 5.190% Due 09-30-24	A1+	97	4,865,925
									42,866,228
<b>SALES</b>									
03-01-24	03-01-24	mbus	13063d3m8	13063D3M8	2,500,000.00	California St 5.222% Due 03-01-24	AA-	100	2,500,000
03-05-24	03-05-24	cpus	59157tc50	59157TC50	10,000,000	Metlife Short Term Fund 5.440% Due 03-05-24	A1+	97	9,714,400
03-15-24	03-15-24	mbus	64985tay7	64985TAY7	5,000,000.00	New York St Urban Dev Corp Sales Tax Rev 2.020% Due 03-15-24		100	5,000,000
03-18-24	03-18-24	feus	31422x7f3	31422X7F3	5,000,000	Farmer Mac 5.720% Due 09-18-25		100	5,000,000
03-19-24	03-19-24	cpus	71344tck6	71344TCK6	11,000,000	Pepsico Inc 5.400% Due 03-19-24	A1	97	10,655,150
03-20-24	03-20-24	cpus	63763pcl1	63763PCL1	10,000,000	Natl Sec Clearing Corp 5.450% Due 03-20-24	A1+	97	9,712,361
03-22-24	03-22-24	cbus	89236tjx4	89236TJX4	5,000,000	Toyota Motor Credit Corp 2.500% Due 03-22-24	A+	100	5,000,000
									47,581,911

**Capitol Area  
Development  
Authority**

# CAPITOL AREA DEVELOPMENT AUTHORITY

## MONTHLY REVIEW – MARCH 2024

### STRATEGY

The CADA funds are invested in the City of Sacramento’s Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City’s investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City’s investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

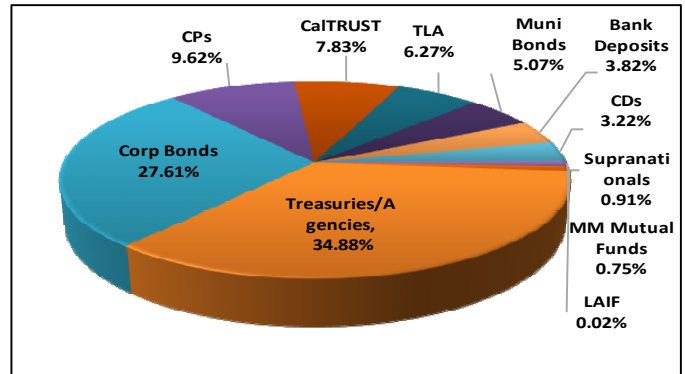
### PORTFOLIO STATISTICS

Beginning Balance	20,719,653
Contributions	0
Withdrawals	0
Interest Earned	48,535
Ending Balance	20,768,188

### PERFORMANCE COMPARISON

City Pool A	2.76%
LAIF	4.23%
90 Day T-Bill	5.37%
Federal Funds	5.33%

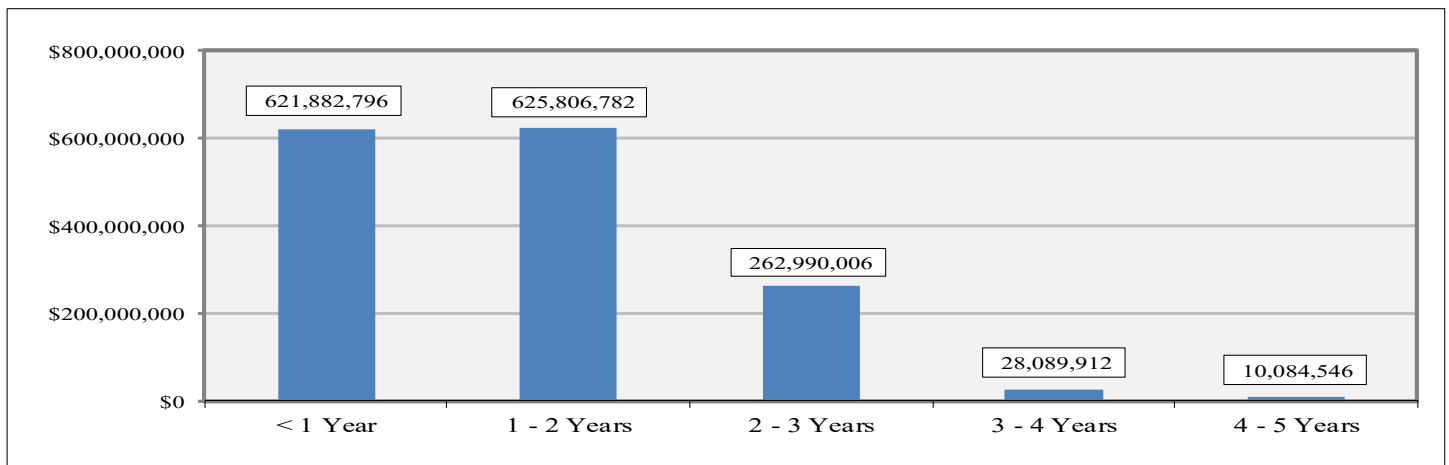
### CITY POOL A PORTFOLIO COMPOSITION



Asset Type	Pct. Assets	YTM
Treasuries/Agencies	34.88%	1.96%
Corp Bonds	27.61%	2.08%
CPs	9.62%	5.50%
CalTRUST	7.83%	4.62%
TLA	6.27%	5.07%
Muni Bonds	5.07%	2.31%
Bank Deposits	3.82%	4.05%
CDs	3.22%	2.32%
Supranationals	0.91%	0.55%
MM Mutual Funds	0.75%	5.00%
LAIF	0.02%	4.23%

### CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	621,882,796	40.16%
1 - 2 Years	625,806,782	40.40%
2 - 3 Years	262,990,006	16.98%
3 - 4 Years	28,089,912	1.81%
4 - 5 Years	10,084,546	0.65%
Total	1,548,854,042	100.00%



City of Sacramento  
 CASH LEDGER  
*Capitol Area Development Authority - Banking*  
 From 03-01-24 To 03-31-24

**All Cash Accounts**

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
<b>Pool A Interest Receivable</b>						
03-01-24				Beginning Balance		380,925.58
03-31-24	03-31-24	in		Pool A Cash	48,534.93	429,460.51
				Mar 2024 estimated Pool A interest		
					<b>48,534.93</b>	
<b>03-31-24</b>				<b>Ending Balance</b>		<b>429,460.51</b>
<b>Pool A Cash</b>						
03-01-24				Beginning Balance		20,338,727.25
<b>03-31-24</b>				<b>Ending Balance</b>		<b>20,338,727.25</b>



# CAPITOL AREA DEVELOPMENT AUTHORITY – TAX EXEMPT

## MONTHLY REVIEW – MARCH 2024

### STRATEGY

The CADA funds are invested in the City of Sacramento’s Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City’s investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City’s investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

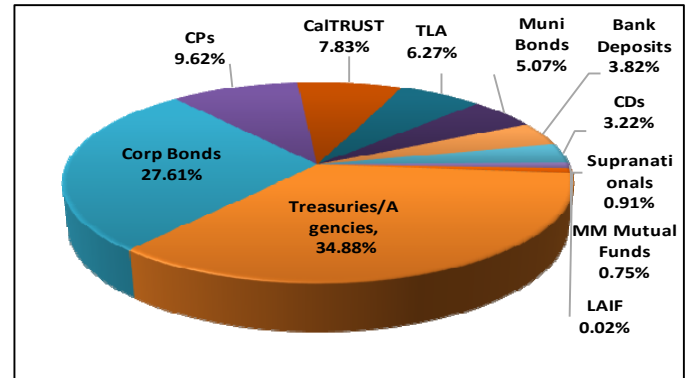
### PORTFOLIO STATISTICS

Beginning Balance	41,034
Contributions	0
Withdrawals	0
Interest Earned	96
Ending Balance	41,130

### PERFORMANCE COMPARISON

City Pool A	2.76%
LAIF	4.23%
90 Day T-Bill	5.37%
Federal Funds	5.33%

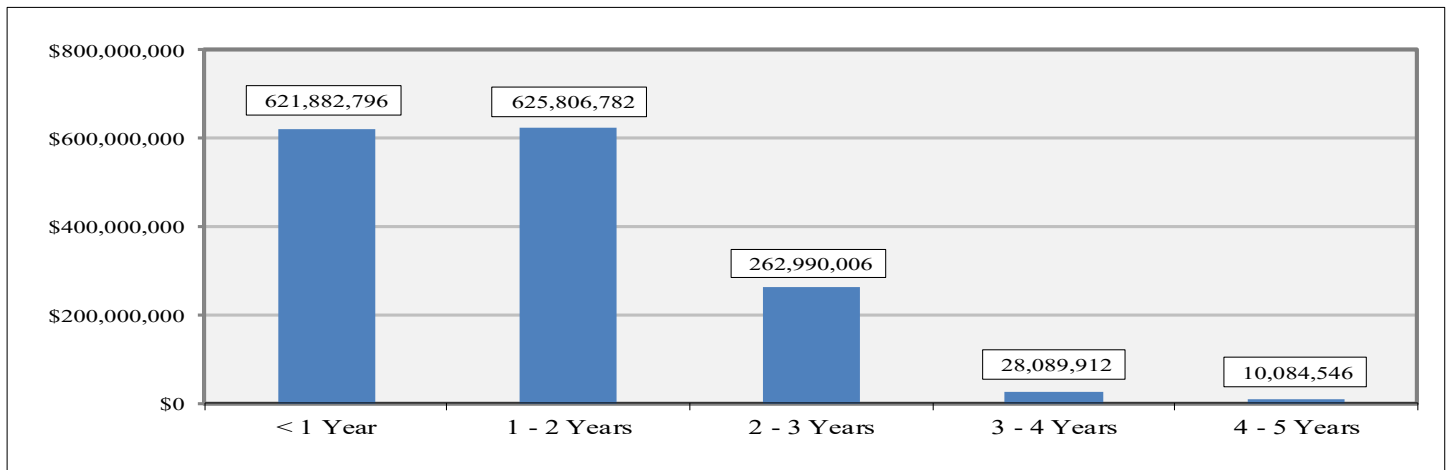
### CITY POOL A PORTFOLIO COMPOSITION



Asset Type	Pct. Assets	YTM
Treasuries/Agencies	34.88%	1.96%
Corp Bonds	27.61%	2.08%
CPs	9.62%	5.50%
CalTRUST	7.83%	4.62%
TLA	6.27%	5.07%
Muni Bonds	5.07%	2.31%
Bank Deposits	3.82%	4.05%
CDs	3.22%	2.32%
Supranationals	0.91%	0.55%
MM Mutual Funds	0.75%	5.00%
LAIF	0.02%	4.23%

### CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	621,882,796	40.16%
1 - 2 Years	625,806,782	40.40%
2 - 3 Years	262,990,006	16.98%
3 - 4 Years	28,089,912	1.81%
4 - 5 Years	10,084,546	0.65%
Total	1,548,854,042	100.00%



City of Sacramento  
 CASH LEDGER  
*Capitol Area Development Authority - Tax Exempt*  
*From 03-01-24 To 03-31-24*

**All Cash Accounts**

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
<b>Pool A Interest Receivable</b>						
03-01-24				Beginning Balance		728.58
03-31-24	03-31-24	in		Pool A Cash	96.12	824.70
				Mar 2024 estimated Pool A interest		
					<b>96.12</b>	
<b>03-31-24</b>				<b>Ending Balance</b>		<b>824.70</b>
<b>Pool A Cash</b>						
03-01-24				Beginning Balance		40,305.14
<b>03-31-24</b>				<b>Ending Balance</b>		<b>40,305.14</b>

# CAPITOL AREA DEVELOPMENT AUTHORITY – TAXABLE

## MONTHLY REVIEW – MARCH 2024

### STRATEGY

The CADA funds are invested in the City of Sacramento’s Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City’s investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City’s investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

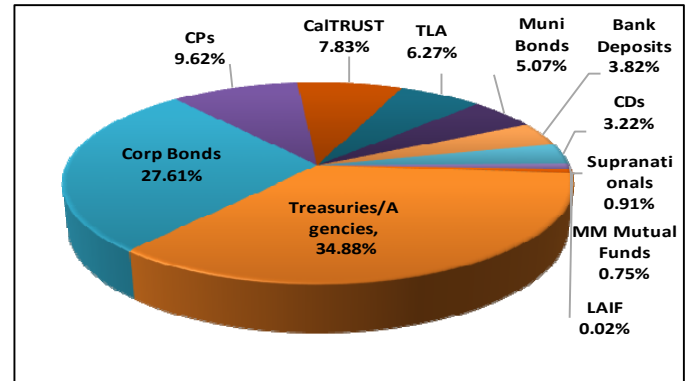
### PORTFOLIO STATISTICS

Beginning Balance	279,736
Contributions	0
Withdrawals	0
Interest Earned	655
Ending Balance	280,391

### PERFORMANCE COMPARISON

City Pool A	2.76%
LAIF	4.23%
90 Day T-Bill	5.37%
Federal Funds	5.33%

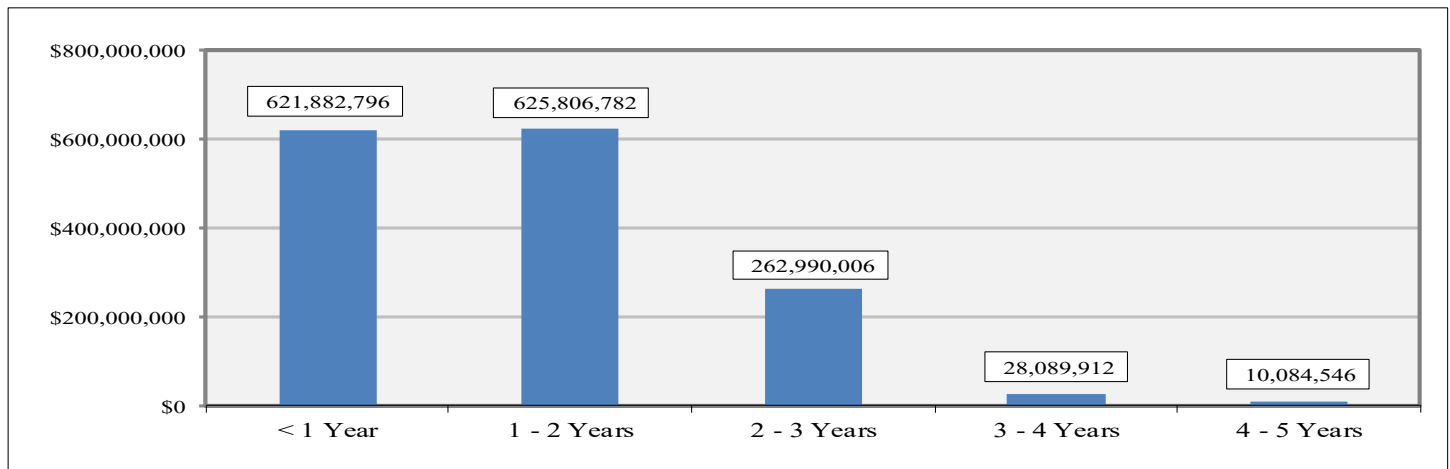
### CITY POOL A PORTFOLIO COMPOSITION



Asset Type	Pct. Assets	YTM
Treasuries/Agencies	34.88%	1.96%
Corp Bonds	27.61%	2.08%
CPs	9.62%	5.50%
CalTRUST	7.83%	4.62%
TLA	6.27%	5.07%
Muni Bonds	5.07%	2.31%
Bank Deposits	3.82%	4.05%
CDs	3.22%	2.32%
Supranationals	0.91%	0.55%
MM Mutual Funds	0.75%	5.00%
LAIF	0.02%	4.23%

### CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	621,882,796	40.16%
1 - 2 Years	625,806,782	40.40%
2 - 3 Years	262,990,006	16.98%
3 - 4 Years	28,089,912	1.81%
4 - 5 Years	10,084,546	0.65%
<b>Total</b>	<b>1,548,854,042</b>	<b>100.00%</b>



City of Sacramento  
 CASH LEDGER  
*Capitol Area Development Authority - Taxable*  
 From 03-01-24 To 03-31-24

**All Cash Accounts**

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
<b>Pool A Interest Receivable</b>						
03-01-24				Beginning Balance		4,966.80
03-31-24	03-31-24	in		Pool A Cash	655.27	5,622.07
				Mar 2024 estimated Pool A interest		
					<b>655.27</b>	
<b>03-31-24</b>				<b>Ending Balance</b>		<b>5,622.07</b>
<b>Pool A Cash</b>						
03-01-24				Beginning Balance		274,768.83
<b>03-31-24</b>				<b>Ending Balance</b>		<b>274,768.83</b>

# CAPITOL AREA DEVELOPMENT AUTHORITY – 2020 TAXABLE BOND PROCEEDS

## MONTHLY REVIEW – MARCH 2024

### STRATEGY

The CADA funds are invested in the City of Sacramento’s Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City’s investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City’s investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

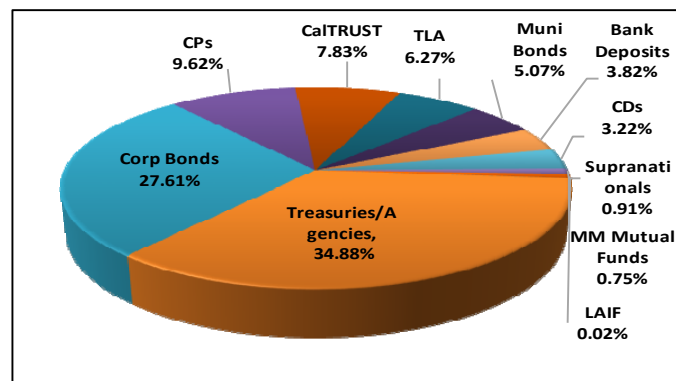
### PORTFOLIO STATISTICS

Beginning Balance	30,218,285
Contributions	0
Withdrawals	0
Interest Earned	70,785
Ending Balance	30,289,070

### PERFORMANCE COMPARISON

City Pool A	2.76%
LAIF	4.23%
90 Day T-Bill	5.37%
Federal Funds	5.33%

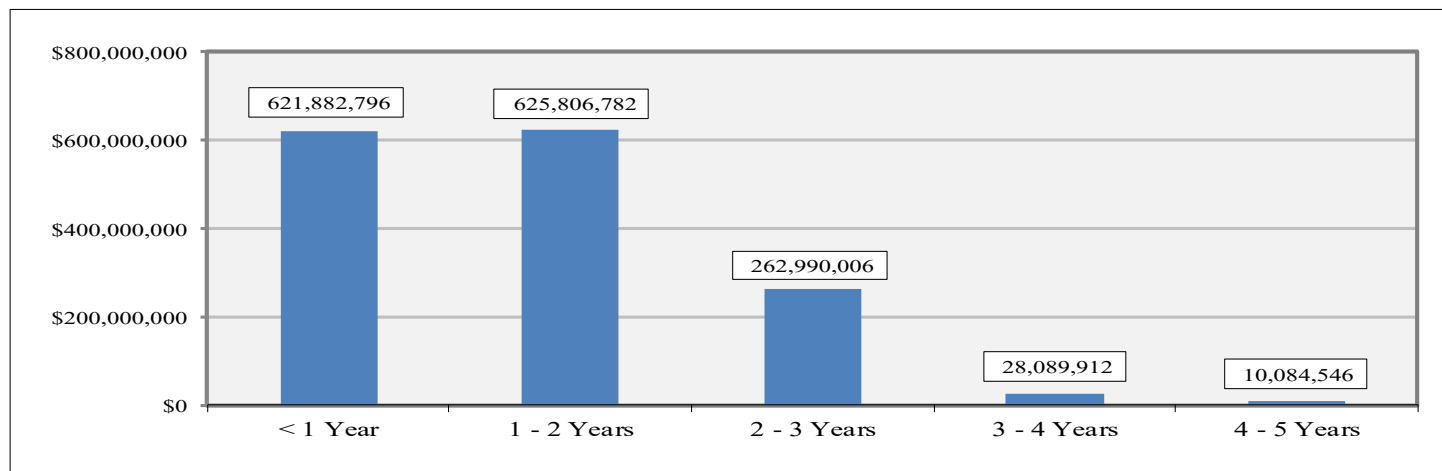
### CITY POOL A PORTFOLIO COMPOSITION



### CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	621,882,796	40.16%
1 - 2 Years	625,806,782	40.40%
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Total	1,548,854,042	100.00%

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	34.88%	1.96%
Corp Bonds	27.61%	2.08%
CPs	9.62%	5.50%
CalTRUST	7.83%	4.62%
TLA	6.27%	5.07%
Muni Bonds	5.07%	2.31%
Bank Deposits	3.82%	4.05%
CDs	3.22%	2.32%
Supranationals	0.91%	0.55%
MM Mutual Funds	0.75%	5.00%
LAIF	0.02%	4.23%



City of Sacramento  
 CASH LEDGER  
**CADA 2020 Taxable Bond Proceeds**  
*From 03-01-24 To 03-31-24*

**All Cash Accounts**

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
<b>Pool A Interest Receivable</b>						
03-01-24				Beginning Balance		536,535.86
03-31-24	03-31-24	in		Pool A Cash	70,785.08	607,320.94
				Mar 2024 estimated Pool A interest		
					<b>70,785.08</b>	
<b>03-31-24</b>				<b>Ending Balance</b>		<b>607,320.94</b>
<b>Pool A Cash</b>						
03-01-24				Beginning Balance		29,681,749.08
<b>03-31-24</b>				<b>Ending Balance</b>		<b>29,681,749.08</b>