

2.5

ECONOMIC DEVELOPMENT DEPARTMENT

CITY OF SACRAMENTO

April 26, 2001

Law and Legislative Committee
City Council
Sacramento, CA

Honorable Members in Session:

SUBJECT: SB 809 - State Public Works, Ortiz

RECOMMENDATION: Staff recommends the City support the subject bill, which is consistent with City policy concerning location of State office buildings.

CONTACT PERSON: Wendy Saunders, Downtown Development Group,
264-8196

FOR THE COMMITTEE MEETING OF: May 3, 2001

BACKGROUND:

State Senator Deborah Ortiz has authored SB 809, which addresses authorization for the Director of General Services to purchase, exchange, or otherwise acquire real property and construct facilities, including any improvements, betterments, and related facilities within the jurisdiction of the Capitol Area Plan in the City of Sacramento.

The total authorized scope of the project is proposed to consist of 1.4 million square feet of office space on state-owned land on block 204 (bounded by 7th, 8th, O, and P Streets) or Block 203 (bounded by 7th, 8th, N, and O Streets, or both of those blocks). The project will include associated parking onsite and in a parking garage to be constructed on Block 206 (bounded by 8th, 9th, Q, and R Streets).

The project cost shall include the cost of restoration of the Heilbron House currently located on Block 204, and the project cost may include the cost of relocation of the Heilbron House. Other pertinent details of SB 809 are as follows:

1. The Department of General Services (DGS) may contract for the lease, lease-purchase, lease with the option to purchase, acquisition, design-build, construction, construction management, and other services related to the design and construction of the office and parking facilities.
2. The State Public Works Board may issue revenue bonds, negotiable notes, or negotiable bonds anticipation notes to finance all costs associated with acquisition, design, and construction of the office and parking facilities.
3. The net present value of the cost to acquire and operate the facilities authorized may not exceed the present net value of the cost to lease and operate an equivalent amount of comparable consolidated office space over the same time period.

FINANCIAL CONSIDERATIONS:

None

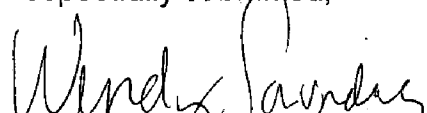
ENVIRONMENTAL CONSIDERATIONS:

None


POLICY CONSIDERATIONS:

The bill, as proposed, is consistent with the City's policy to locate state office building within the city limits. In addition, the bill is consistent with the policy and planning of the Capitol Area Plan.


Respectfully submitted,

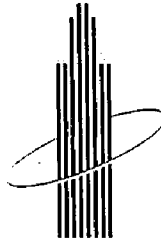

Wendy S. Saunders, Manager
Downtown Development Group

APPROVED:


Andrew J. Plescia, Director
Economic Develop. Department

RECOMMENDATION APPROVED:


Robert P. Thomas
City Manager



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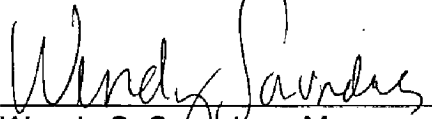
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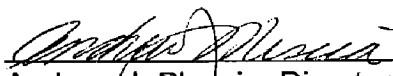
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