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ECONOMIC DEVELOPMENT DEPARTMENT

CITY OF SACRAMENTO

April 24, 2001

Law and Legislative Committee
City Council
Sacramento, CA

Honorable Members in Session:

SUBJECT: AB 545 - Regarding Location of State Offices/Steinberg

RECOMMENDATION: The 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:

Assembly Member Darrel Steinberg has authored AB 545, which identifies criteria for location of state offices. The bill acknowledges that state offices can encourage the redevelopment of cities, and establishes criteria for their location. The criteria include:

1. Proximity to transit service;
2. Availability of low- and moderate-income housing;
3. Pedestrian access to retail and other services; and
4. Demonstrated need for economic revitalization.

In addition, the bill states that priority shall be given to buildings of historic, architectural or cultural significance; that the state shall consult with the local jurisdiction in identifying sites and regarding appropriate design; and that state offices should contain ground floor retail or other similar pedestrian-oriented amenities. Please see Exhibit A.

In 1993, the City, by Resolution 93-517, adopted similar site evaluation and selection criteria for state offices. The resolution identified, in summary, the following criteria:

1. Availability of public transit;
2. Appropriate zoning, surrounding land use and access;
3. Proximity of retail, restaurant, business support services and parks; and
4. Contribution to redevelopment and revitalization goals.

Assembly Member Steinberg's proposed legislation would, thus, incorporate within the state site selection process many of the same criteria already established as City policy. The staff therefore recommends City support of the bill. A draft letter of support is attached as Exhibit B.

FINANCIAL CONSIDERATIONS:

None

ENVIRONMENTAL CONSIDERATIONS:

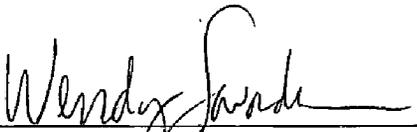
None

POLICY CONSIDERATIONS:

Described herein.

Respectfully submitted,

APPROVED:

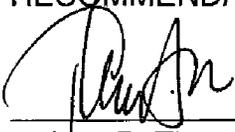


Wendy S. Saunders, Manager
Downtown Development Group
Department



Andrew J. Plescia, Director
Economic Development

RECOMMENDATION APPROVED:



f Robert P. Thomas
City Manager

CALIFORNIA LEGISLATURE—2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 545

**Introduced by Assembly Member Steinberg
(Coauthors: Assembly Members Reyes and Wiggins)
(Coauthor: Senator Costa)**

February 21, 2001

An act to add and repeal Part 11.5 (commencing with Section 15870) of Division 3 of Title 2 of the Government Code, relating to state offices.

LEGISLATIVE COUNSEL'S DIGEST

AB 545, as introduced, Steinberg. State offices: location.

Existing law prescribes the powers of the Department of General Services with respect to the acquisition of real property in the name of the state, and requires the department to consider locating buildings where state business is conducted in existing public transit corridors in specified circumstances.

This bill would make it the policy of the state, in selecting locations to lease, construct, or purchase buildings for the conduct of state business, to give consideration to the community or population to be served by the facility, the nature of the state tenant agency's programs, facility requirements, the goal of minimizing state costs, the availability of existing state-owned property suitable for the intended use, and specified locational criteria. The bill would require the department, in selecting locations for state-owned and state-leased offices, to give consideration, to the extent locating in these districts is consistent with state policy, to sites within existing mixed-use or commercial districts that have the greatest number of certain specified characteristics. The bill would also make it the policy of the state in constructing or

renovating state-owned office buildings that site plans and architectural designs be compatible with the scale and character of the neighborhood, facilitate pedestrian access, and support retail and other uses.

The bill would further require the department to report to the Legislature on its efforts to implement the policy on or before March 31, 2004, and March 31, 2006.

The bill would repeal these provisions as of January 1, 2007.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Part 11.5 (commencing with Section 15870) is
2 added to Division 3 of Title 2 of the Government Code, to read:

3

4 PART 11.5. LOCATION OF STATE OFFICES

5

6 15870. The Legislature finds and declares all of the
7 following:

8 (a) The location of state offices can strengthen and revitalize
9 California's cities and rural communities by conserving existing
10 urban and rural resources, utilizing existing infrastructure and
11 services, and encouraging the development and redevelopment of
12 cities and towns.

13 (b) Given the significant impact of the state's commercial real
14 estate investment, the state should have a policy to guide the
15 location of both leased and newly acquired state offices. That
16 policy should be designed to support sound growth patterns in
17 California's cities and towns, use existing state-owned assets, save
18 the state and its taxpayers millions of dollars annually in leases and
19 operating expenses, ensure accessibility to state services and
20 facilities for both customers and employees, reduce traffic
21 congestion, and improve air quality.

22 15871. (a) The Department of General Services, in selecting
23 locations for the lease, construction, or purchase of buildings for
24 the conduct of state business, shall give consideration to the
25 community or population to be served by the facility, the nature of
26 the state tenant agency's programs, facility requirements, the goal
27 of minimizing cost to the state, availability of existing state-owned

1 property suitable for the intended use, and the locational criteria
2 set forth in subdivision (b).

3 (b) The Department of General Services, in selecting locations
4 for state-owned and state-leased offices, shall give consideration,
5 to the extent locating in these districts is consistent with
6 subdivision (a), to sites within existing mixed-use or commercial
7 districts with the goal of achieving the greatest number of the
8 following characteristics:

9 (1) Availability and proximity of high quality, frequent transit
10 service, including, but not limited to, light rail facilities and
11 regularly operated buslines or other comparable systems, which
12 will be operational at the time a state agency occupies the facility.
13 This provision shall be in addition to the policies set forth in
14 Sections 14660 and 15808.1.

15 (2) Availability and proximity of low- and moderate-income
16 housing.

17 (3) Pedestrian access to retail and other services for both
18 employees and customers of the state agency.

19 (4) Demonstrable need for economic revitalization, as
20 evidenced by factors such as high commercial vacancy rates, high
21 unemployment rates, and high poverty rates.

22 (c) Within these districts, priority shall be given to the use of
23 buildings of historical, architectural, or cultural significance.

24 (d) For purposes of subdivision (b), "consideration" shall, at
25 a minimum, consist of a good faith, diligent effort by the state to
26 lease, acquire, or construct office space within the districts
27 described in subdivision (b). That effort shall include outreach to
28 the local jurisdiction. Local jurisdictions are encouraged to
29 provide the department with potential sites.

30 (e) With regard to leased properties, this section shall apply
31 only to leases for space of at least 10,000 square feet or for a period
32 of at least three years.

33 15872. (a) In constructing state-owned office buildings,
34 including exterior renovations, it shall be the policy of the state
35 that site plans and architectural designs be compatible with the
36 scale and character of the surrounding neighborhood, facilitate
37 pedestrian access, and support other uses such as retail businesses
38 in the surrounding neighborhood. To the extent feasible and
39 economically prudent, state-owned offices shall include ground
40 floor retail or other uses and amenities that enhance the streetscape

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1 for pedestrians. Consideration also shall be given to including a
2 mix of uses within the development of state-owned offices.

3 (b) With respect to the construction of state-owned office
4 buildings, the state shall consult with the affected local jurisdiction
5 and the community regarding the location, design, and scale of
6 those offices.

7 15873. Nothing in this part shall be construed to supersede
8 Article 1 (commencing with Section 8160) of Chapter 2.8 of
9 Division 1, including Chapter 193 of the Statutes of 1996.

10 15874. The department shall not be found to have violated this
11 part unless the department's actions constitute an abuse of
12 discretion.

13 15875. On or before March 31, 2004, and March 31, 2006, the
14 department shall report to the Legislature on its efforts to
15 implement this part with specific reference to the locational
16 criteria in subdivisions (b) and (c) of Section 15871.

17 15876. This part shall remain in effect only until January 1,
18 2007, and as of that date is repealed, unless a later enacted statute,
19 that is enacted before January 1, 2007, deletes or extends that date.

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DRAFT

The Honorable Darrell Steinberg
State Capitol
Sacramento, CA 95814

RE: AB 545 – Location of State Offices

Dear Mr. Steinberg:

The City of Sacramento supports passage of **AB 545** as introduced by you. As you correctly declare in the proposed legislation, the location of State of California offices can play a critical role in revitalizing cities and discouraging urban sprawl. The impact on the City of Sacramento of State decisions regarding office locations cannot be emphasized enough.

The criteria that you identify in AB 545 for making State office location decisions are consistent with our own criteria for supporting state occupancy, underscoring that State offices should be located in proximity to public transit, affordable housing, and retail activities. We agree wholeheartedly that State office decisions should embrace local redevelopment goals. We are also pleased that the bill encourages renovation of historic structures for State occupancy; requires that State-constructed projects be compatible with the scale and character of the surrounding area; and that State-owned facilities, where possible, contain ground floor retail. We are pleased that the legislation would also require State consultation with cities regarding location and design of State-owned offices.

As demonstrated by the controversy surrounding the State Trade and Commerce Agency's plan to relocate outside our Central Business District, decisions regarding location of State offices are of utmost importance to the City of Sacramento. No other city in California is affected as dramatically as Sacramento when it comes to State location decisions. We very much appreciate your recognition of the critical nature of this issue and offer our unqualified support for your proposed bill.

Yours truly,

Steve Cohn,
Chair, Law and Legislation Committee
Sacramento City Council

cc: Ken Emanuels