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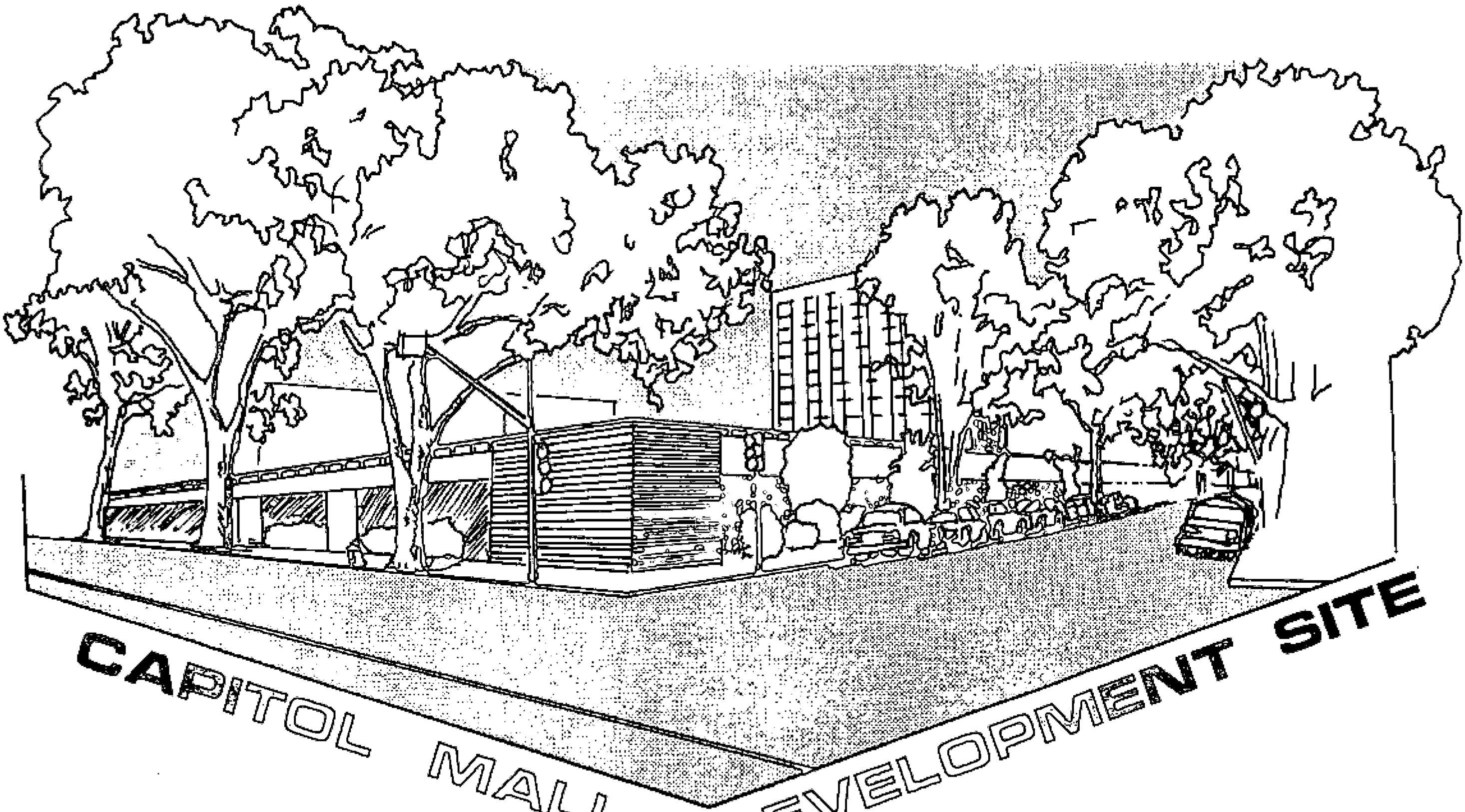


CAPITOL MALL DEVELOPMENT SITE

SACRAMENTO, CA.

Sacramento Housing & Redevelopment Agency
630 I Street
Sacramento, Ca.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

September 25, 1987

Urban Land Institute
Panel Advisory Service
1090 Vermont Avenue, NW, #300
Washington, D.C. 20005

Re: Capitol Mall
Panel Advisory Session
October 25 - 30, 1987
Sacramento, CA

Dear Panel Members:

The enclosed Capitol Mall site briefing study has been prepared by the Sacramento Housing and Redevelopment Agency for your use prior to the October 25th through October 30th panel.

The study provides an overview of the project site and the Sacramento area.

The last section of the study outlines the development concept for the project site. Since the objective of the panel is to recommend a particular development, the City expects that the panel will also outline what is possible in terms of the potential for continued City ownership and revenue generation.

We look forward to working with you on the Capitol Mall Project. If you have any questions, please call Tom Lee at (916) 440-1355.

Sincerely,

William H Edgar

WILLIAM H. EDGAR
Executive Director

WHE/CB:cmc

Enclosure

2221J

MAILING ADDRESS: P.O. BOX 1834, Sacramento, CA 95809
OFFICE LOCATION: 630 I Street, Sacramento, CA 95814 (916) 444-9210

This Advisory Panel Study

is

Sponsored by the

Sacramento Housing and Redevelopment Agency

Acting as the Development Agent for

The City of Sacramento

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
630 "I" Street
Sacramento, California 95814
(916) 440-1355

Table of Contents

CAPITOL MALL LOT "A"/FEASIBILITY STUDY

List of Figures

Introduction

I. INTRODUCTION

This briefing package has been prepared by the Sacramento Housing and Redevelopment Agency (Agency) for Urban Land Institute (ULI) Advisory Panel members participating in a five-day Panel Advisory Session in Sacramento, California, October 25th - 30th, 1987. The Agency has been designated by the City as its development agent and the Agency will, therefore, be the ULI contact during this project.

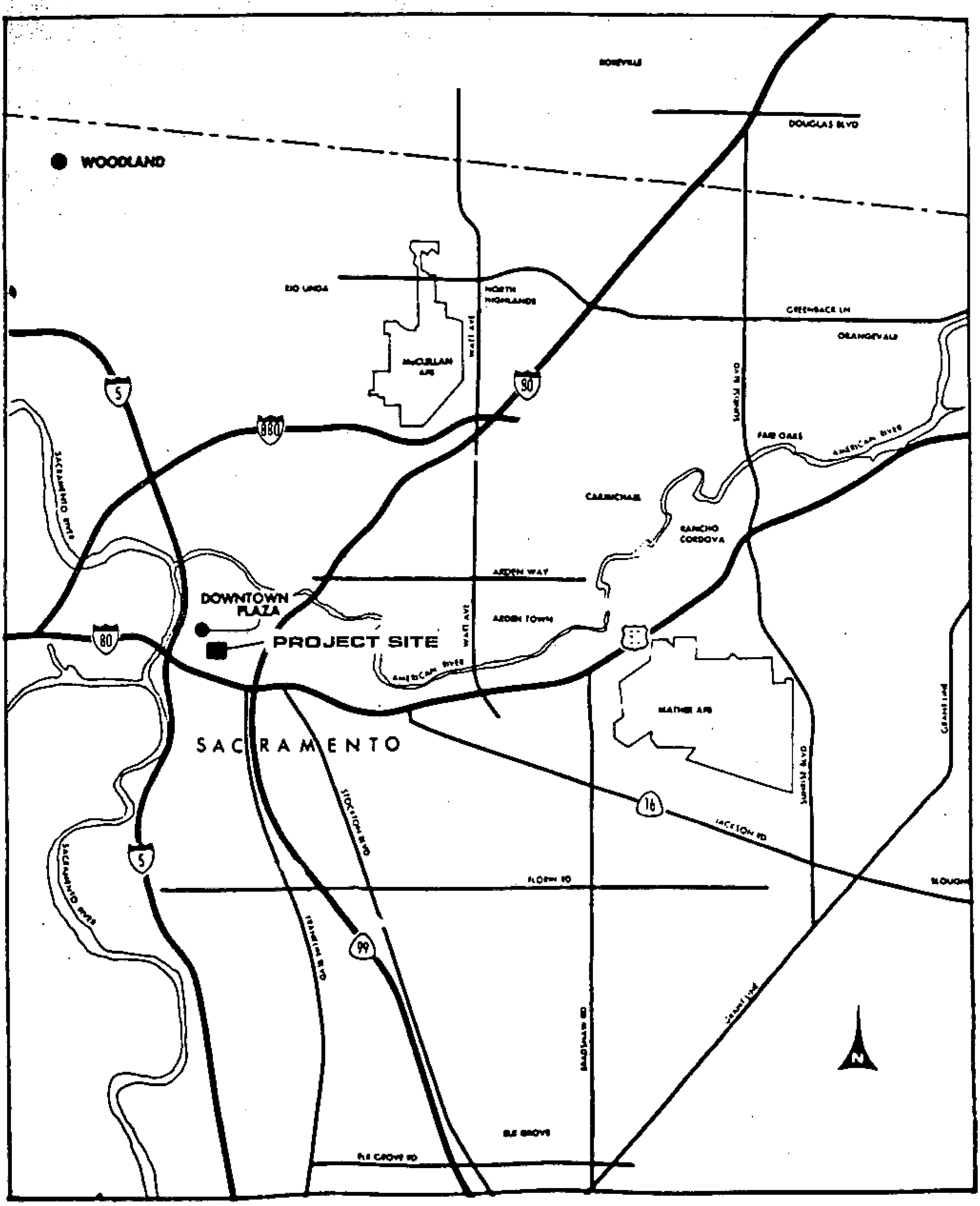
The Capitol Mall Lot "A" site, which is the subject of this ULI Panel Session, is owned by the City of Sacramento and is developed as a two story, 562-space, public parking garage. The property, which is one full city block, is 108,800 square feet or 2.5 acres. The site, located between 6th and 7th Streets on Capitol Mall, is in the center of the prime office and retail districts of the Central Business District of Sacramento.

For your convenience, the following report is organized into four sections, which are:

1) Introduction
2) Advisory Panel Objectives
3) Background Information
4) Development Context

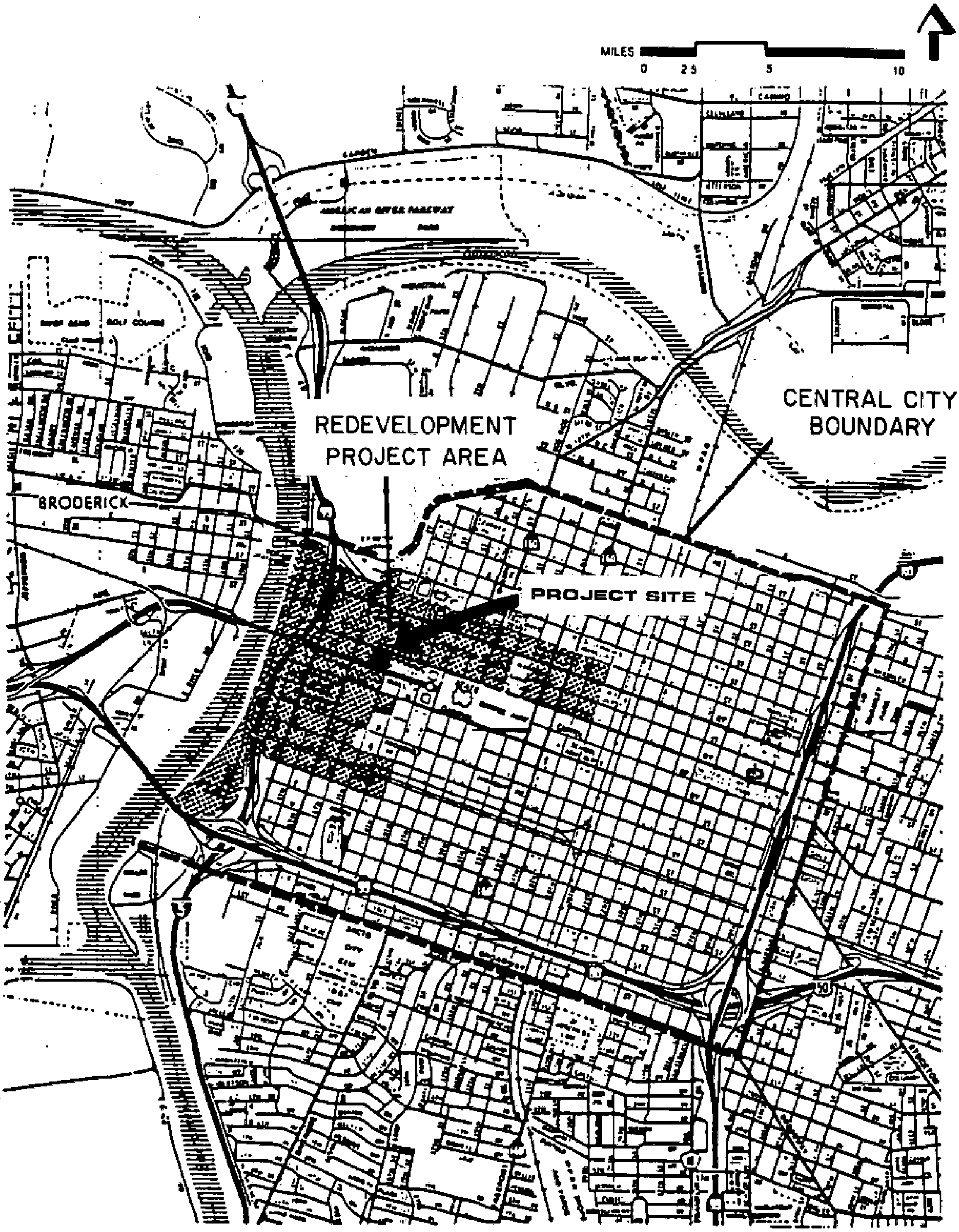
Map of Regional Location

Figure 1



Local Setting

Figure 2



Advisory Panel Objectives

II. ADVISORY PANEL OBJECTIVES

The preliminary objective of the ULI Advisory Panel Study is to propose a development, marketing and implementation strategy for the Capitol Mall site. There are a number of factors which may influence decisions made concerning this development strategy:

- The site is presently owned by the City
- The site provides excellent locational opportunitites with a full block facing onto Capitol Mall, the premiere boulevard entrance to the State Capitol.
- There is an improving absorption rate for downtown office market.
- There is a declining vacancy rate for downtown offices.
- There is the potential that the City may require replacement public parking as a part of the project.
- There is the potential that the City may require a land lease and cash flow or equity participation.
- There is the potential that 2.7 million square feet of new downtown office space will come on line within the next five years.
- There is the potential that a major retail development and revitalization project will occur at the Downtown Plaza Mall, adjacent to the development site.
- There are no height limit restrictions imposed on the site.
- The site is located within the Merged Downtown Sacramento Project Area and is, therefore, subject to all development requirements of the Redevelopment Plan. One such requirement is a 90-foot setback requirement along Capitol Mall (measured from the centerline of the street) which will affect size and design of the development.
- There are plans for the completion of a 508 room Hyatt Regency Hotel (now under construction) by April 1988.

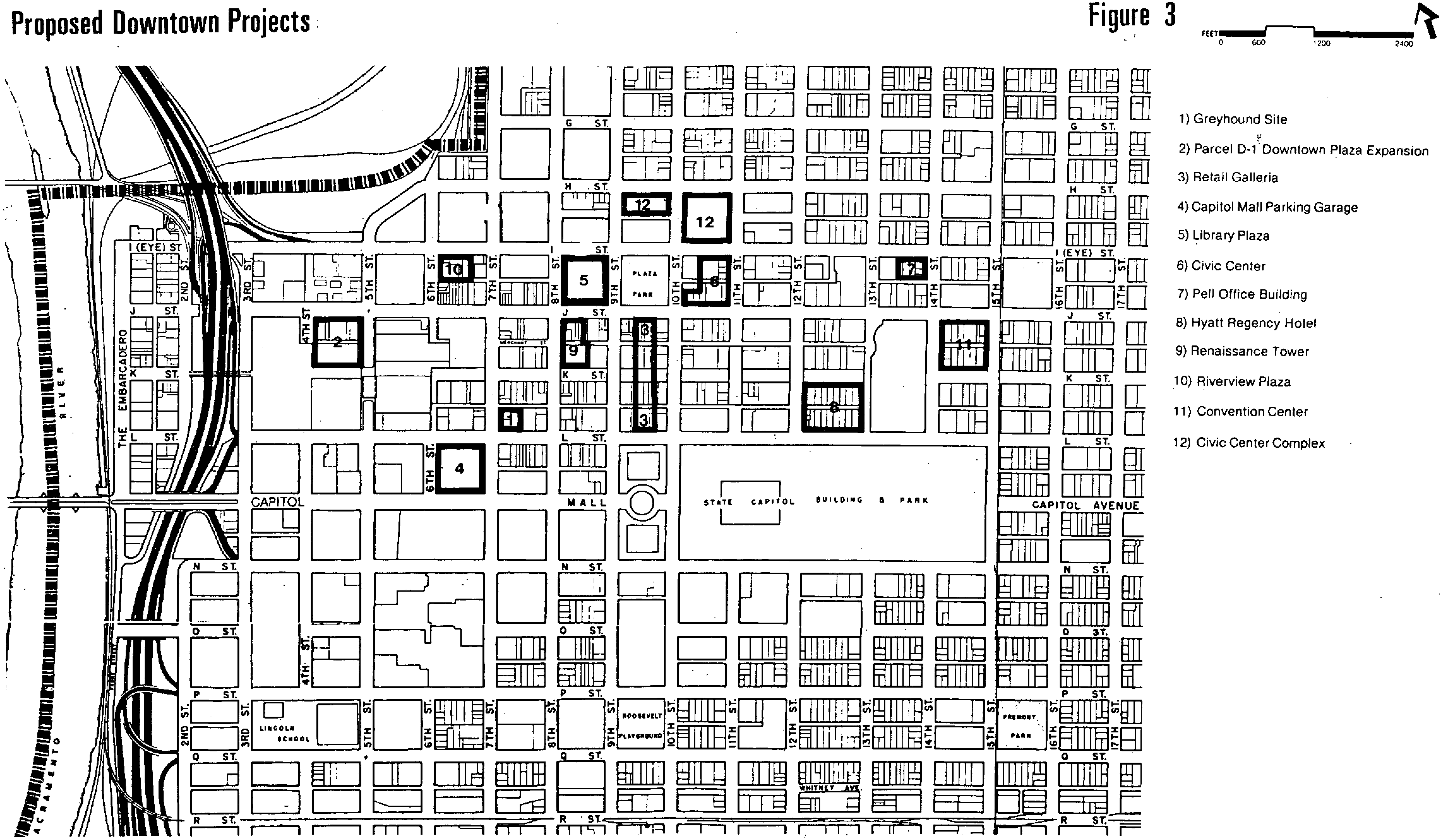
The development strategy should be compatible with surrounding development and approved planning documents. The Advisory Panel is requested to consider the following issues:

Development Potential

Given the market and economic data contained in Section III and the development parameters outlined in Section IV of this report, what is the most appropriate development program for the site? What is the impact of the the 2.7 million square feet of downtown office coming on line within the new five years? Specifically, how will this impact the site's development potential? The following page identifies sites where this 2.7 million square feet of development is proposed.

Proposed Downtown Projects

Figure 3



1) Greyhound Site
2) Parcel D-1 Downtown Plaza Expansion
3) Retail Galleria
4) Capitol Mall Parking Garage
5) Library Plaza
6) Civic Center
7) Pell Office Building
8) Hyatt Regency Hotel
9) Renaissance Tower
10) Riverview Plaza
11) Convention Center
12) Civic Center Complex

Design

The City has spent the last three years studying design issues and development patterns in the downtown area. As a result, the City recently adopted the Urban Design Plan. Two major concerns surrounding the development of the Capitol Mall site are: 1) The design of the development; and 2) How will it relate to surrounding designs/uses? Table 4 illustrates the surrounding uses and the following pages contain key design elements from the Urban Design Plan which specifically apply to the project site. These elements are:

- Massing Districts
- Capitol Mall District
- Major Project Massing Guidelines
- Major Project Design Elements
- Sidewalk Cafes
- Off Street Landscaping Guidelines
- Parking Structure Guidelines
- Protected Views and Vistas
- Required Retail Frontage
- Storefront Design Guidelines

Square Footage Table

Figure 3 (cont.)

CUMULATIVE PROJECT LIST
IN 1,000 SQUARE FEET *

	Project			Commercial			Parking
Project	Status	Location	Office	Residential	Hotel	Other	Spaces
Greyhound	Hypothetical	7th & L Sts	400	180			1,000
D-1 Parcel	Hypothetical	4-5/J-K	187	90			850
Retail Galleria	Hypothetical	9-10/J-L	426	118			1,525
Existing City Parking Lot	Hypothetical	6-7/L-Capitol	500				750-1,200
Library Expansion	Application pending approval	8-9/I-J	284	16.5		136	935
Civic Center Admin. & Parking	Hypothetical	10-11/I-J	450				650
Pell Office Bldg	Hypothetical	I btwn 13&14	271				678
Renaissance Tower	Approved pending construction	SW cnr K/8th	297	10			492
Hyatt Regency	Under construction	SE cnr, 11/L		80	325		631
Riverview Tower	Under construction	SE cnr, 6/I		31		92	76
Convention Ctr Exp.	Hypothetical	14-15/J-K				100	
Civic Center Complex	Hypothetical	9-11/H-I	620				1,449
Totals			2,802	526	325	303	7,554-8,004

* DATA BY EIP FOR SHRA

Surrounding Uses

Figure 4

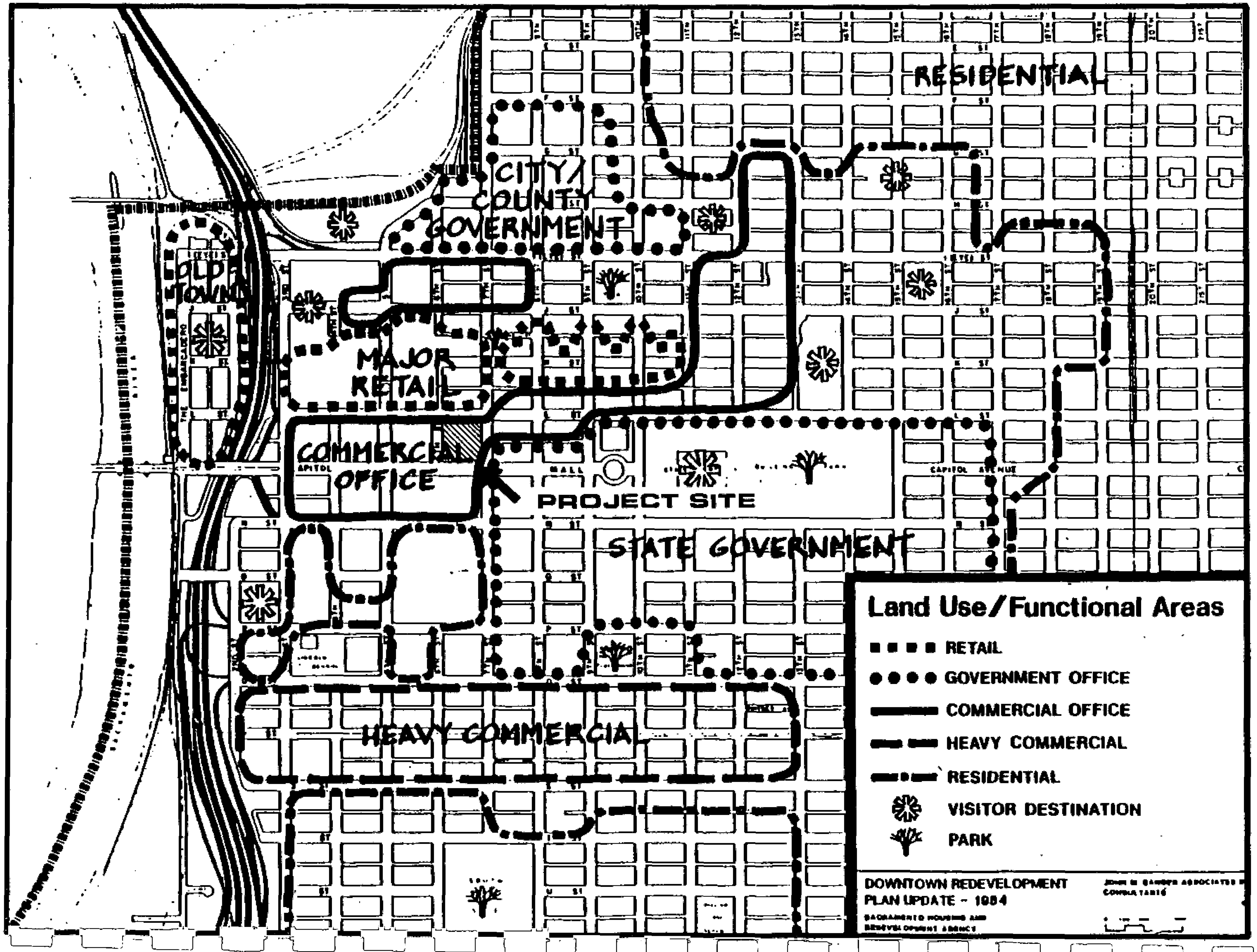
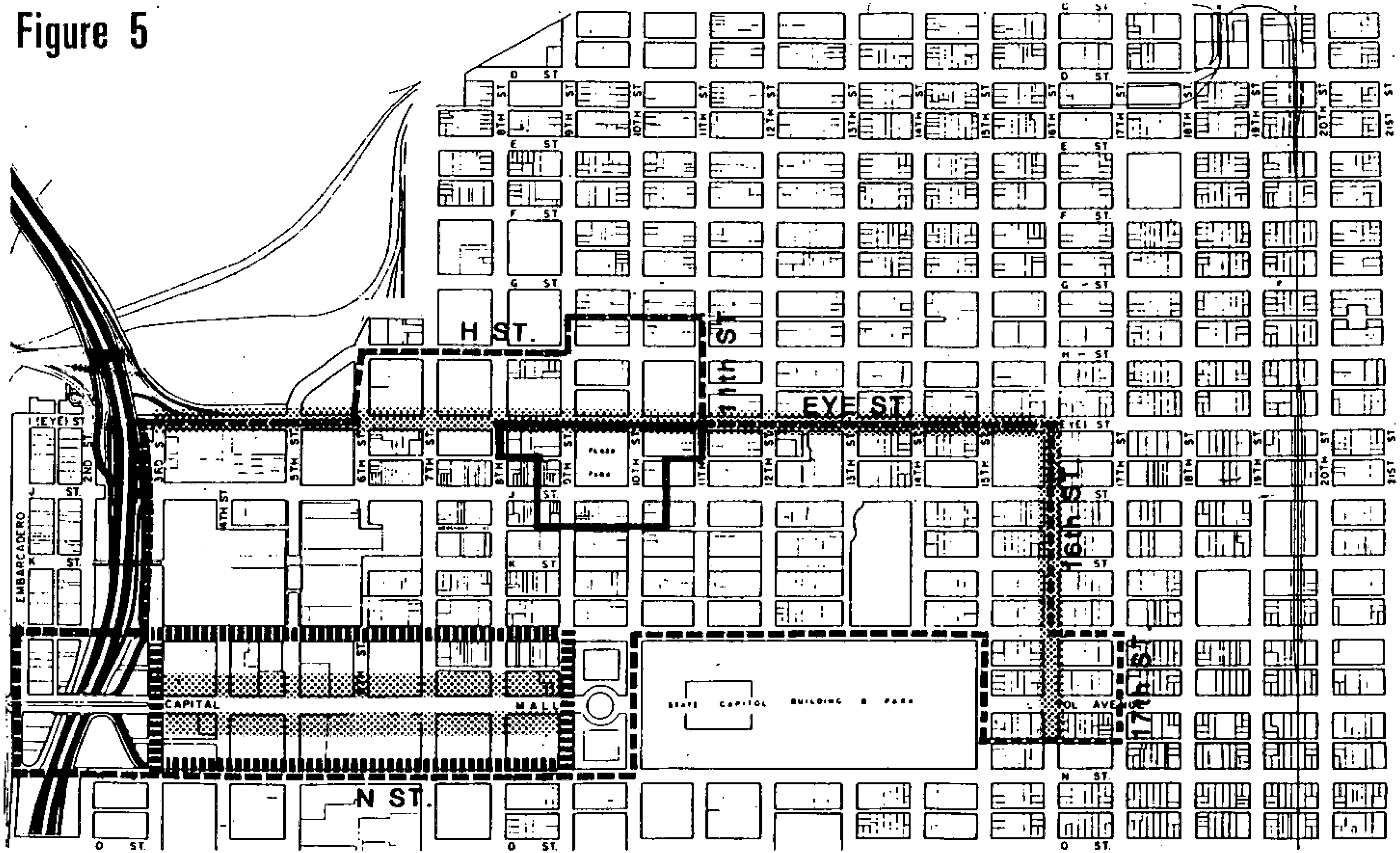


Figure 5



SACRAMENTO URBAN DESIGN PLAN

Sacramento Housing & Redevelopment Agency
Sacramento Department of City Planning

MASSING DISTRICTS

- LANDSCAPE SETBACKS
- CAPITOL MALL DISTRICT
- PLAZA PARK DISTRICT
- CENTRAL BUSINESS DISTRICT

Capitol Mall District

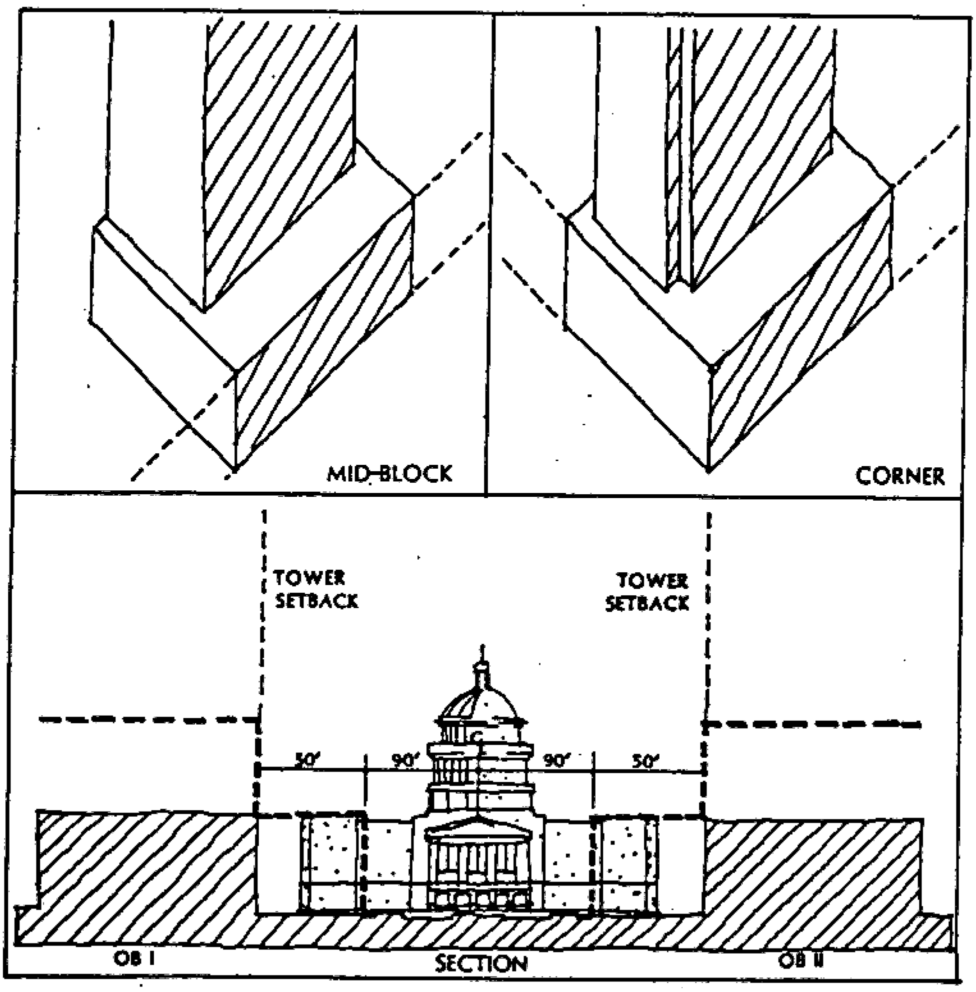
Figure 6

MASSING GUIDELINES

Setbacks – Front: 90' from center line of Capitol Mall,
140' at tower

Side: 15' at street wall
Back: NA
Maximum Tower Diagonal - NA

CAPITOL MASSING DISTRICT



COMMERCIAL/OFFICE CORE (C-3 ZONE) MASSING GUIDELINES - MAJOR PROJECTS (>75,000 GROSS SQUARE FEET)

Setbacks:

Front (includes Street-Side Fronts):

Street Wall or Base:	Minimum 0'/maximum 10'-recessed pedestrianway or equivalent pedestrian protection design element encouraged
Lower Tower:	Minimum 15' above 60' or above cornice line of historic buildings (whichever is lower) from street grade
Upper Tower:	min. 20' above 150' from street grade

Interior Side:

Base:	None required
Lower Tower:	Minimum 5' above base
Upper Tower:	Minimum 10' above base

Back or Rear Wall:

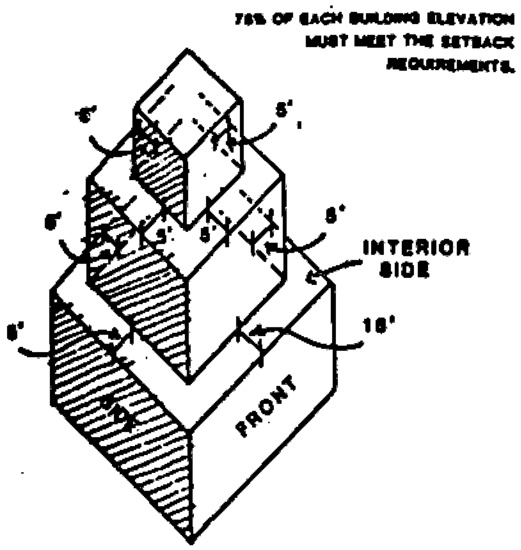
Base:	0' if rear wall protected; or 2' if rear wall unprotected 4' when located on designated alley pedestrianway
Lower Tower:	Minimum 5' above base
Upper Tower:	Minimum 10' above base

Maximum Tower Diagonals:

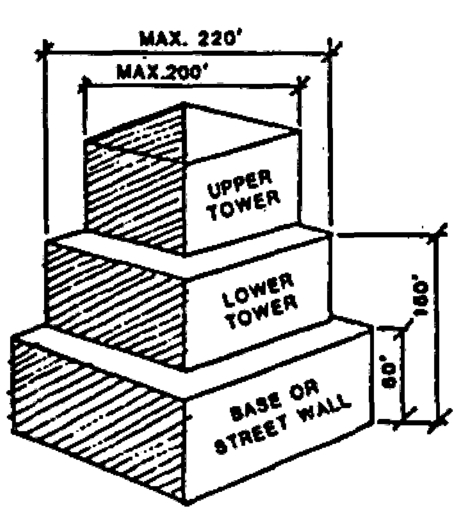
Lower Tower:	220'
Upper Tower:	200'

MAJOR PROJECTS > 75,000 SQ. FT.

BUILDING ELEVATION SETBACKS



MAXIMUM TOWER DAGONIALS



C-3 ZONE BUILDING FORM - MAJOR PROJECTS
(DEVELOPMENT >75,000 GROSS SQUARE FEET)

Setbacks: No building setbacks from property lines are required unless specified in the Urban Design Plan, but major projects should incorporate the following design features.

Ground-Level:

- Recessed pedestrianway of equivalent pedestrian protection design elements should be incorporated along a major portion of the building base parallel to public streets to provide pedestrian shelter during summer and winter months.

- Recessed pedestrianways should be wide enough to allow for efficient pedestrian movement and provide sufficient space for potential outdoor cafe dining and vendors.

- Height of recessed pedestrianways and arcades should support and enhance pedestrian scale.

- Open plazas, recessed or notched building setbacks are encouraged at street corners.

Street-Wall:

- Unless otherwise specified in the Urban Design Plan, the height of a building street wall should correspond to the existing cornice height of adjacent historic buildings on the same block or 60', whichever is lower.

Streetside-Tower:

- The building tower should be stepped back above the street wall pursuant to the massing guidelines provided in Section 5.2.1.

Back or Rear-Side Tower:

- A stepped-back building tower should be incorporated above the rear-wall building base pursuant to the massing guidelines provided in Section 5.2.1.

- All elevations of a building should have compatible design character so that no wall of a building shall receive no less than equal treatment.

Building Tops:

- The design of building tops may be approached in one of two ways for new developments and projects exceeding 150' in height.

  1) The structure may have a flat building top to accommodate an emergency helicopter.

  2) A three dimensionally designed building top such as stepped-back, pyramidal, towered, domed, etc., may be provided.

- Either design alternative should provide a decorative and distinctive cap to the building.

- All mechanical equipment should be screened by means of an enclosed penthouse or equivalent design solution. The design and materials of the penthouse must be integral to the main building.

- Tele-communication transmission and receiving equipment cannot be located on the exterior of a building roof-top. Incorporate tele-communication equipment in an integrated manner into the architectural design of the roof-top or penthouse.

Interior Side-Base:

- No building setback is required on the interior property line for the building base.

- The extension of large surfaces of fire wall above the tops of adjacent buildings should be avoided.

- The above guidelines do not preclude the setback of the building base interior side-wall if the setback is a part of the proposed design concept.

Interior Side-Tower:

- A stepped-back building tower should be incorporated above interior side-wall building base pursuant to the massing guidelines provided in Section 5.2.1.

Back or Rear-Wall:

- Unless otherwise stated in the Urban Design Plan, no building setback is required along the rear property line for the building base.

- Protective design treatment/devices and setbacks (minimum 2') should be incorporated between rear wall base and alley to prevent damage to building rear-wall by vehicles.

- On designated alley pedestrianways the project should incorporate a minimum four foot building setback between alley and building base with sidewalk (refer to Section 15.1 for Designated Pedestrianway Map).

- On designated alley pedestrianways the project should incorporate retail storefronts, more decorative facade treatments, and landscaping along alley frontage.

SIDEWALK CAFES

In order to encourage outdoor eating in particular areas in the downtown and ensure that cafe design is functionally compatible with other needs, these guidelines provide for minimum dimensional and performance requirements.

- Sidewalk cafes must not obstruct sidewalk traffic. An 8'0" minimim clear dimension is required between the outside edge of the sidewalk cafe and any other fixed element within the sidewalk.

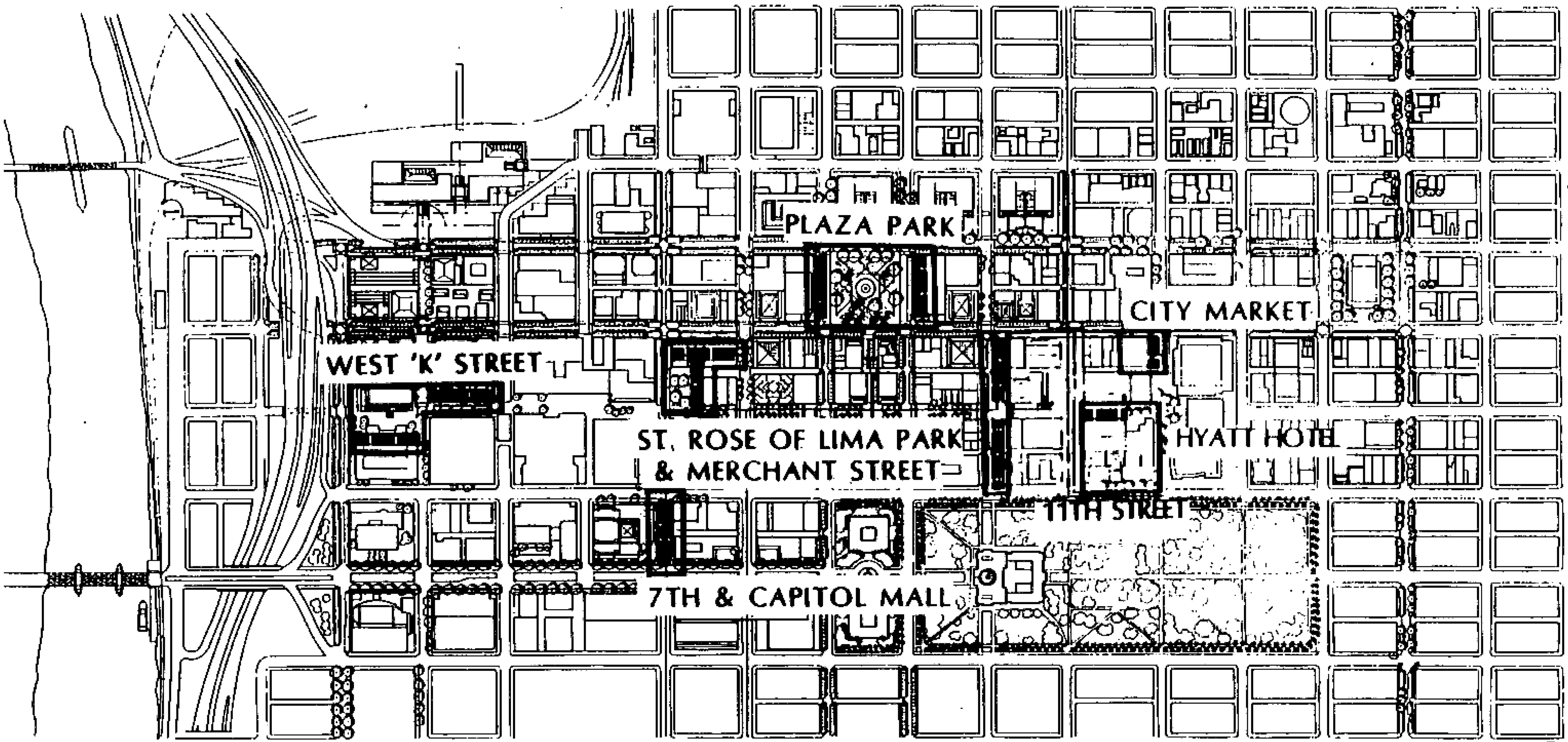
- Enclosed cafes must be used only as seating areas. Storage, kitchens or restroom uses are not allowed. The seating must be movable.

- Enclosed cafes must be transparent. Glass must be clear, not tinted or mirrored. Base walls cannot be greater than 12" in height. The outside window height cannot be less than 8'0". Materials must be lightweight and allowed by local building and fire codes.

- All outdoor and enclosed sidewalk cafes must be level with sidewalks and handicap accessible.

In order to encourage outdoor eating in particular areas in the downtown, special designation has been given to these areas. Outdoor eating in three areas complement the Urban Design Plan's goals to provide programmed active areas in the downtown. The following map designates special locations for outdoor cafes.

Figure 7



SIDEWALK CAFE AREAS

SACRAMENTO URBAN DESIGN PLAN

Sacramento Housing & Redevelopment Agency
Sacramento Department of City Planning

LANDSCAPING

Implementation of the Streetscape Plan will involve preparation of a detailed streetscape plan for the Central Business District. This plan will include reconstruction or rehabilitation of hollow sidewalks, sidewalk paving treatment, street lights, specific types of street trees, tree grates and vertical tree protective devices, street furniture and signage.

All new major developments should incorporate the City's streetscape improvements into the project's landscape plan. In addition, the following guidelines for landscaping the public right-of-way are provided.

- Incorporate interlocking pavers six to eight feet in width between the sidewalk and curb along the I Street-Civic Center Boulevard designated in the Streetscape Plan and low-growing ground cover between sidewalk and buildings.

- Incorporate interlocking pavers six to eight feet in width between sidewalk and curb along 15th and 16th Streets between H and N Streets and low-growing ground cover between sidewalk and building.

- All landscape areas should have automatic watering systems to minimize maintenance.

PARKING STRUCTURES

The design of public or private parking structures should conform to the following Design Guidelines:

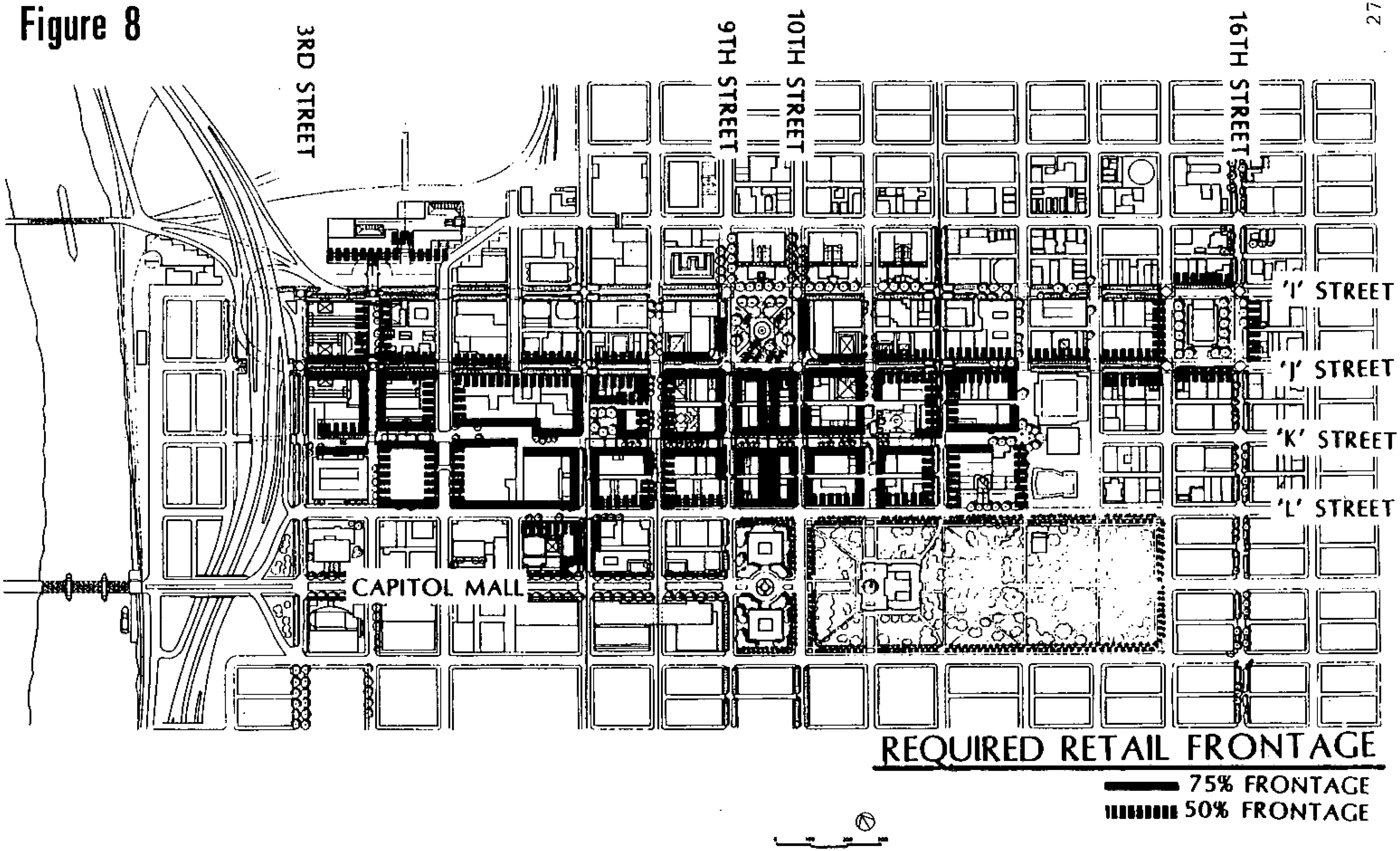
GROUND-LEVEL:

- Incorporate retail space on facades fronting public streets.
- Incorporate ground level landscaping when not in conflict with retail entry and windows.

UPPER LEVEL:

- Apply decorative treatment to upper level facades and panels and/or railings. The overall architectural design and quality of parking facilities should be treated in the same manner as other major projects.

Figure 8

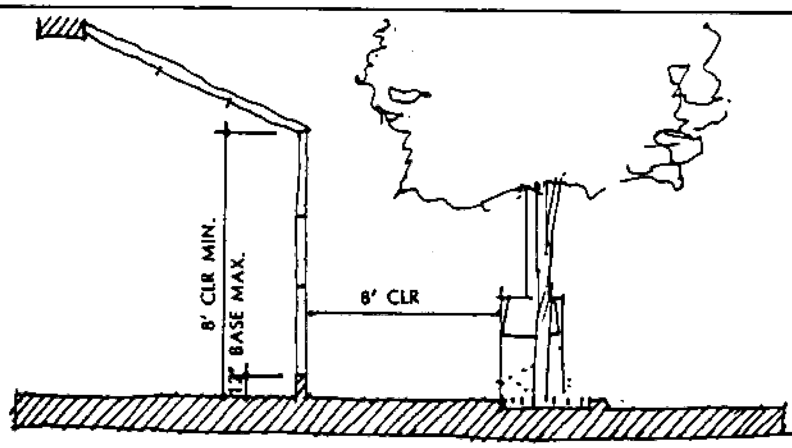


SACRAMENTO URBAN DESIGN PLAN

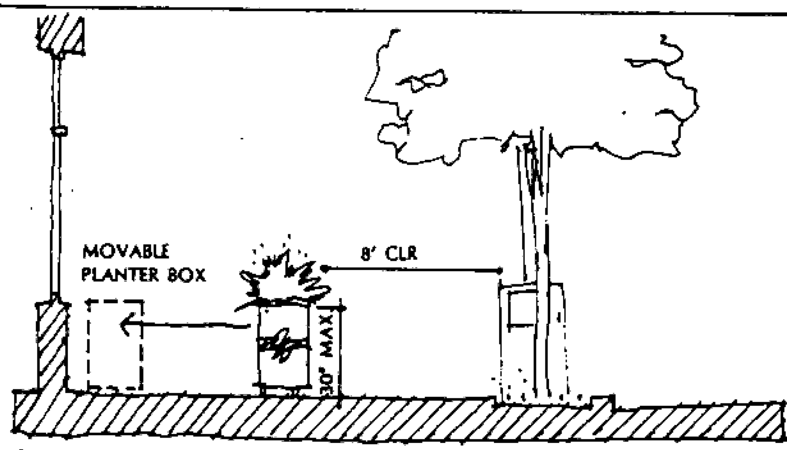
Sacramento Housing & Redevelopment Agency
Sacramento Department of City Planning

Figure 9

SIDEWALK CAFES

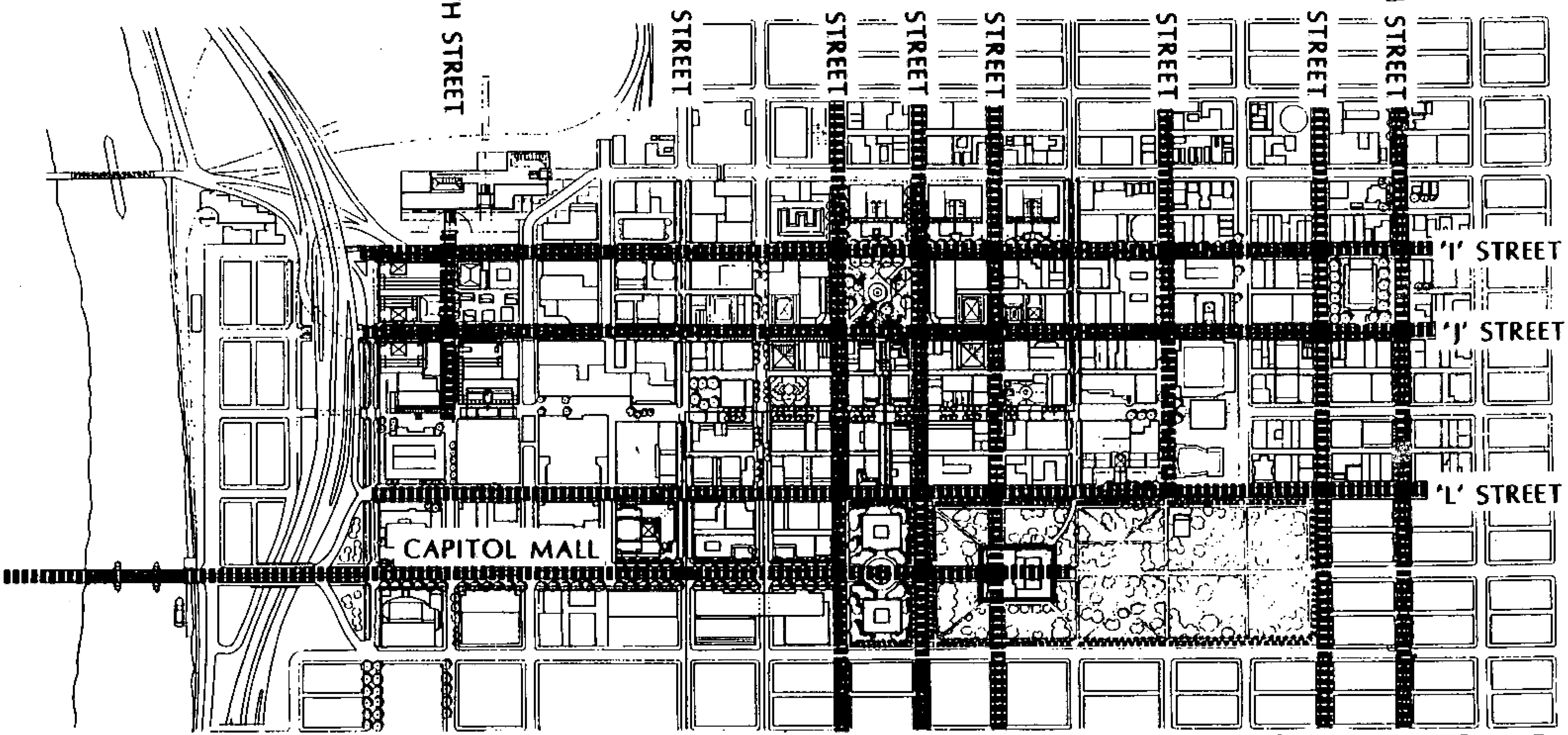


ENCLOSED SIDEWALK CAFES



OPEN SIDEWALK CAFES

Figure 10



PROTECTED VIEWS AND VISTAS

SACRAMENTO URBAN DESIGN PLAN

Sacramento Housing & Redevelopment Agency
Sacramento Department of City Planning

Development and Marketing/Implementation Strategy

Based upon the recommended development, should the project be phased?

How should the project be marketed? Should the Agency issue a Request for Proposals or a Request for Qualifications?

What are the recommended steps for implementation?

Background Information

III. BACKGROUND INFORMATION

Overview

- Size of the Metropolitan Area

  The Greater Sacramento Metropolitan Area encompasses the counties of Sacramento, Yolo, El Dorado and Placer with a combined total of 5,141 square miles and a population of 1.25 million.

  The City of Sacramento is California's State Capital. It is the seventh largest city in California, with a population of 325,000. The City is located at the confluence of two major waterways, the Sacramento and American Rivers. The American River runs east to west, from the Sierra Mountains through Sacramento's downtown, while the Sacramento River runs north to south, nourishing some of the richest and most diverse agricultural lands in the United States.

  A 1985 study by the Bureau of Economic Analysis of the Department of Commerce predicts that the Sacramento Metropolitan Area will be one of the 10 fastest growing metropolitan areas in the nation, with a population increase of 34 percent by the year 2000.

- Population, Age, Income & Employment

  The population of the Sacramento Metropolitan Statistical Area (SMSA) is well educated, relatively young and affluent. Sixty-one percent of the adults are under 45 years old. Over half of them have attended college and 25 percent have bachelor's degrees or better. Nearly one-third have household incomes of $35,000 per year or more. Half of the adults are employed as professionals, managers, in other white collar positions, or as foremen or skilled craftsmen. More than one-third of the women work full-time.

  Homeowners comprise 63 percent of the population, and renters 37 percent.

Figure 11

1980 POPULATION, HOUSING AND EMPLOYMENT PROFILE[1]

	SMSA[2]	County	City[3]
Population (total)	1,014,022	783,381	275,741
Race (percent)			
White	82.5%	80.8%	67.6%
Black	6.0	7.5	13.4
Other	11.5	11.7	19.0
Median Age (years)	29.7	29.8	31.5
Persons Per Household (pph)	2.41	2.42	2.39
School (persons over 25 years old)[4]			
High School Graduates	77.4%	78.0%	71.6%
1-3 Years College	23.7	24.5	22.3
4+ Years College	19.7	19.2	18.7
Total Civilian Employed (persons)	437,230	338,891	113,333
Women in Labor Force	40.2%	40.8%	40.6%
Total Unemployment	9.0	9.0	10.3
Workers/Family			
None	14.1%	14.9%	20.0%
One	33.5	33.7	34.0
Two or More	52.4	52.0	46.0
Income (1980 dollars)			
Household Median	$ 17,318	$17,390	$14,604
Family Median	$ 20,994	$20,949	$18,844
Families Below Poverty Level (%)	8.7%	8.9%	11.7%
Housing			
Total Units	421,321	323,702	123,284
Owner-Occupied	55.6%	55.9%	52.0%
Renter-Occupied	35.5	36.7	40.0
Vacant	8.9	7.4	8.0
Median Home Value (1980 dollars)	$ 64,800	$63,300	$56,800
Median Monthly Rent (1980 dollars)	$ 215	$ 215	$ 179

[1] US Census, 1980 Neighborhood Statistical Program.

[2] Standard Metropolitan Statistical Area (SMSA). Includes Placer, Sacramento, and Yolo Counties. (El Dorado was added to the SMSA folowing the 1980 Census.)

[3] The City of Sacramento covers 76 Neighborhood Statistical Area (NSAs) of which the three communities of North Natomas, South Natomas, and North Sacramento represent 18 NSAs. (Fourteen of those NSAs are located within the North Sacramento Community Plan Area.) Considerable variation exists between individual NSAs and between the City-designated Community Plan areas. Data summarized in this exhibit show general characteristics representing median or average conditions.

Figure 12

PROVISIONAL ESTIMATES OF THE TOTAL POPULATION
JULY 1, 1985 AND COMPONENTS OF CHANGE SINCE APRIL 1, 1980

	Total Population			Components of Change			
	4/1/80	7/1/85	Change	Births	Deaths	Natural Increase	Net Migration
El Dorado	85,812	104,700	18,888	7,385	3,235	4,150	14,738
Placer	117,247	138,400	21,153	9,540	5,314	4,226	16,927
Sacramento	783,381	893,800	110,419	74,852	33,218	41,635	68,785
Sutter	52,246	58,500	6,254	5,173	2,391	2,782	3,472
Yolo	113,374	124,000	10,626	9,650	4,576	5,074	5,552
Yuba	49,733	54,300	4,567	5,612	2,082	3,530	1,037
California	23,668,049	26,365,100	2,697,051	2,264,313	1,002,827	1,261,486	1,435,565

Source: Report 85 E-2, Department of Finance, Population Research Unit.

- ## Governmental Structure

The 58 counties in California are subdivisions of state government. With the exception of the City and County of San Francisco, they vary little from one another in structure and function.

Each has a board of supervisors whose five members are elected for four-year terms to represent districts of equal population. Members usually take turns serving as chairman. The board appoints an executive officer to carry out its directives and oversee the day-to-day operation of county government.

All of the counties also have other elected officials, but their number and responsibilities vary somewhat from county to county. Sacramento County elects an assessor, auditor-controller, county clerk, district attorney, sheriff and superintendent of schools.

Superior, municipal and justice court judges also are elected. However, the governor appoints judges when there are vacancies or new courts are established, so a large number of judges initially enter office by appointment.

County planning commission members are appointed by the board of supervisors. The county planning director is appointed by the county administrator with the concurrence of the supervisors. Commission decisions are advisory and final land use decisions are made by the board of supervisors.

Sacramento County, which has a number of unincorporated communities that are city-like in character, has community planning advisory commissions. They provide non-binding advice on land use matters within their communities.

Each county contains a number of special districts. They provide services that include fire protection, utilities and parks and recreation. Some districts are governed by elected boards of directors, while others are governed by the board of supervisors, sitting as a board of directors.

Sacramento is governed by charters which can be amended by the voters. All of the other municipalities in the SMSA were incorporated under state statutes and are referred to as "general law" cities.

The City of Sacramento has nine council members, elected by district, and a separately elected mayor. However, as in most California cities, the mayor's position is largely ceremonial.

Sacramento's City Manager, City Treasurer, City Clerk and City Attorney are appointed by the council.

The process which will be used to review and approve the ULI study is as follows: The Agency, acting as agent for the City, will review the study at the staff level and then forward it to the Sacramento Housing and Redevelopment Commission for review and approval. The study, with the Commission's recommendation, will then go on to the City Council for final approval.

City planning commission members are nominated by council members and mayors and are appointed by the councils. The commission's actions are advisory and all final land use decisions are made by the council.

California has a bicameral legislature, comprised of an assembly of 80 members who serve two-year terms and a senate of 80 members who serve four-year terms. Officials elected by statewide vote are the governor, lieutenant governor, attorney general, secretary of state, controller, treasurer and superintendent of public instruction. All but the latter are partisan offices.

All justices of the California Supreme Court and state courts of appeal are nominated for election or appointed by the governor, subject to approval of the Commission on Judicial Appointments. They serve terms of 12 years. If a justice is appointed to fill a vacancy, the appointment must be placed before the voters at the next gubernatorial election.

o **Taxation**

Property taxes are the principal source of revenue for the general operations of local government in California. The source has been under constraint since 1978 when voters approved Proposition 13.

That initiative measure amended the California Constitution to limit taxation. The rate for all property subject to local taxation was limited to 1 percent of market value. Assessed valuations can be increased only 2 percent per year for property which has not been transferred. Upon transfer, the assessed value is reappraised to reflect market value, but the 2 percent cap remains in effect each year thereafter.

Proposition 13 also requires a two-thirds favorable popular vote for any increase in non-property taxes by a local government. Two thirds favorable votes by both houses of the legislature are required to increase any state tax.

It should be noted that repayment of general obligation indebtedness incurred prior to June 1978 is not subject to the 1 percent limit, so the property tax rates in some areas can be as high as 1.25 percent.

Most retail sales in California are subject to a sales tax of 6 percent. The tax also is levied on taxable items brought in from outside the state. Cities and counties share 1 percent of total sales taxes. Local jurisdictions can add half a percent to the sales tax for certain specified purposes.

A portion of the state gasoline tax also is shared with local governments for highway and transit purposes.

California has a tax on personal income. The rate ranges from 1 to 11 percent depending on income level.

Taxes on firms doing business in California are computed on net income. The tax rate for general corporations is 9.6 percent. Taxes for banks and other financial corporations are computed by a statutory formula with a maximum rate of 11.6 percent.

- ## Growth

Sacramento is California's largest inland metropolitan area. It is growing at a rate significantly faster than the state as a whole and California leads the nation in population growth. Two trends are largely responsible for the remarkable growth of the SMSA: 1) a shift away from the increasingly crowded and expensive coastal metropolitan areas to inland regions such as Sacramento; and 2) the SMSA's marked shift from an economy based on government and agriculture to one in which manufacturing, wholesale and retail trade, and services play a major role.

- ## Market Positions

Sacramento ranks sixth nationally in terms of economic growth. Its effective buying income (EBI) is greater than any of 15 states. The per capita EBI here ranks Sacramento fourth among metropolitan areas in California, and the state's large metropolitan areas are among the richest in the nation.

Sales and Marketing Management, Inc. predicts Sacramento's EBI, which jumped from $7.2 billion in 1978 to $13.2 billion in 1983, will reach $21.5 billion by 1988.

The most recent study of total personal income in Sacramento showed that one out of every five dollars was a return on investment. That means Sacramentans have money to save as well as money to spend.

A Bank of America analysis of major economic indicators shows Sacramento growing faster in 1986 than the state as a whole in every category: employment, personal and household income, housing starts and sales, taxable sales and population.

The state Employment Development Department (EDD) reported that the Sacramento area civilian labor force was 626,800 in January 1986 and 587,200 of these individuals were employed. The labor force increased by 8,000 from the previous January, while employment rose by 21,800.

Economic data for the Sacramento area prior to 1984 and thereafter are not directly comparable because El Dorado County was added to the SMSA in that year. Although El Dorado has less than 5 percent of the total population in the SMSA, its economy and growth patterns are sufficiently different to make pre- and post-1984 comparisons risky.

Keeping that caveat in mind, the distribution of employment in the Sacramento area since 1970 has showed marked changes. The big shifts have been in government, which has decreased by 13.5 percent, and the service sector, which has grown by almost 10 percent.

Health care, the largest employer, provided the greatest number of new jobs in 1985, although its rate of growth slowed. The much smaller personal services and hotel service categories grew most rapidly.

EDD reported that employment in retail trade also grew substantially during 1985. Eating and drinking establishments remained the dominant category, providing nearly 80 percent of all new jobs in the retail sector.

EDD also reported that construction had by far the largest rate of job growth and, despite its relatively small size, generated nearly as many new jobs as retail trade. Growth was strong in all categories, but residential building and closely related specialty trades showed particular strength.

As the dominant economic and population center, Sacramento County's individual statistics very closely parallel those quoted for the SMSA.

Site Analysis

o **Location Size and Surrounding Land Uses**

The Capitol Mall site is located in the heart of Sacramento's Central Business District. Four blocks from the State Capitol Building, the one block site currently houses a two-story public parking facility. The prestigious Plaza Towers office complex lies directly west of the site and the Federal Building lies to the south. On the north, the site faces Weinstock's, one of the Downtown Plaza's three major department stores, and on the east are located the new One City Center office complex of 13 stories and a state office building. Sacramento's new light rail system runs along the 7th Street perimeter of the site and stops directly across the street.

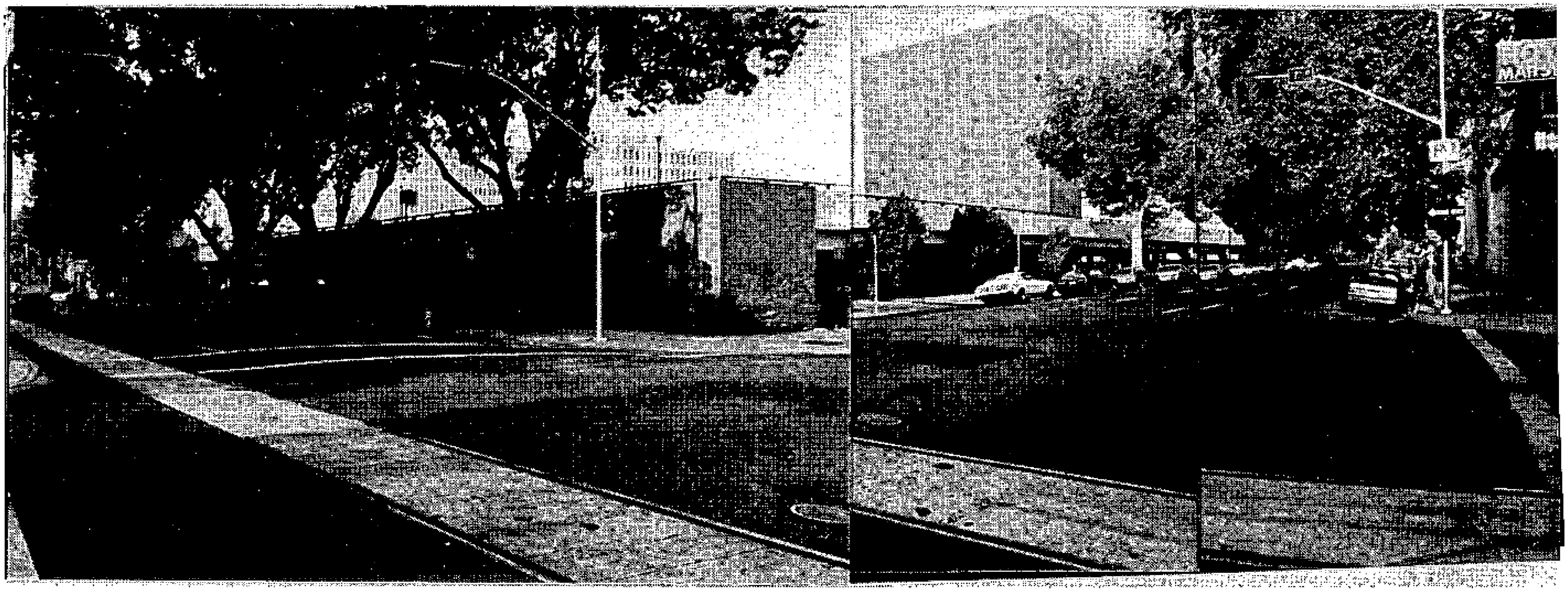
The Central Business District (CBD) totals 67 square blocks. Within the CBD is located 5.35 million square feet of office space. Recent development projects in the business core include the 19-story Capitol Bank of Commerce at 300 Capitol Mall, and One City Center at 770 "L" Street, both of which opened in 1984.

Currently under construction is the 28-story Renaissance Towers project on the K Street Mall, which will supplant the Capitol Bank of Commerce as the tallest building in the CBD. Renaissance Towers will contain 11,400 square feet of retail space and 316,417 square feet of office space, with seven levels of parking. Also under construction is Capitol Place at 915 "L" Street, which will provide 213,000 square feet of new office space. The Redevelopment Agency's recently approved Library Expansion Project, located at 9th and J Streets, will include 250,000 square feet of office space, 12,000 square feet of retail space, seven levels parking along with the remodel and expansion of Sacramento's existing historic library.

The Downtown Plaza contains three major department stores, Weinstock's, Macy's and I. Magnin, and 50 retail shops, for a total of 750,000 square feet. Retail use extends up the K Street Mall from the Downtown Plaza to the Sacramento Community/Convention Center at 13th Street. The new light rail system runs through the K Street Mall. Public improvements such as Spanish tiles, park benches and flower pots grace the right-of-way.

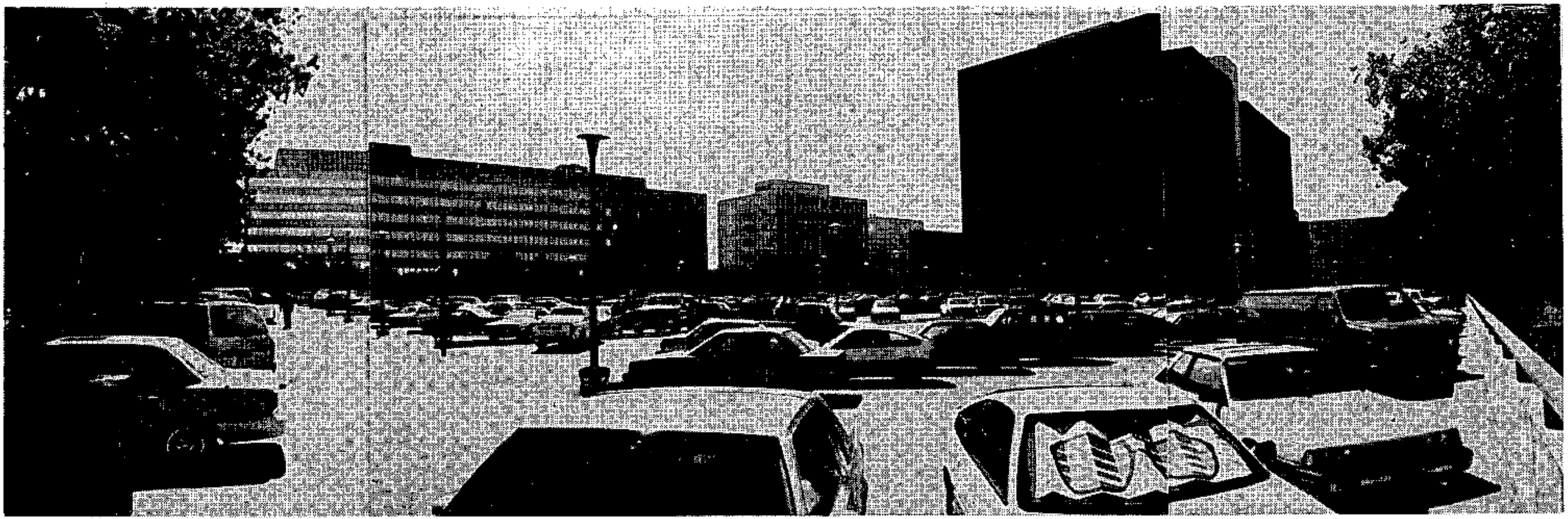
A new Hyatt Regency Hotel at 12th and L Streets faces the Capitol Building on the south and the K Street Mall on the north. The 63 million dollar hotel project will offer 28,000 square feet of retail space, 508 hotel rooms with an upscale restaurant and coffee shop, 25,000 square feet of public meeting space, and a 631 space parking garage (305 spaces are public.)

Figure 13A



LOOKING AT GARAGE FROM CORNER OF 7th and L STREETS

Figure 13B

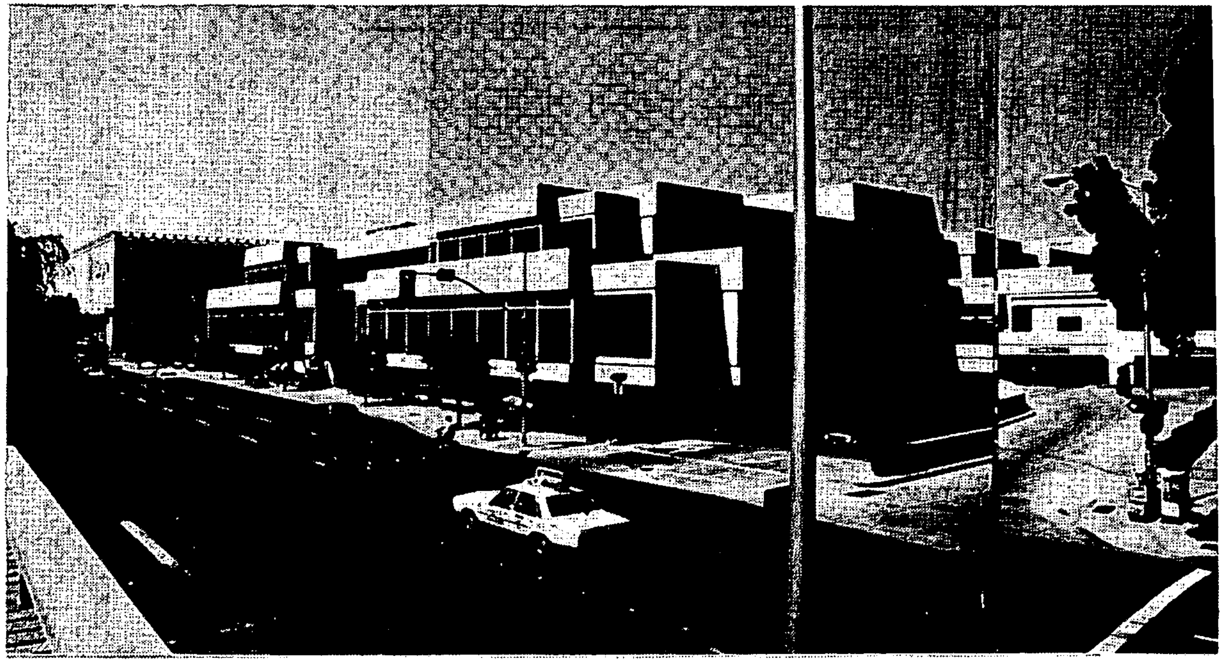


TOP OF GARAGE-LOOKING SOUTHWEST

Figure 13C

CAPITOL MALL VIEW OF GARAGE-LOOKING NORTHWEST

Figure 13D



NORTHWEST SIDE OF L STREET (OPPOSITE GARAGE)

Figure 13E

VIEW TO NORTH OF GARAGE-L STREET

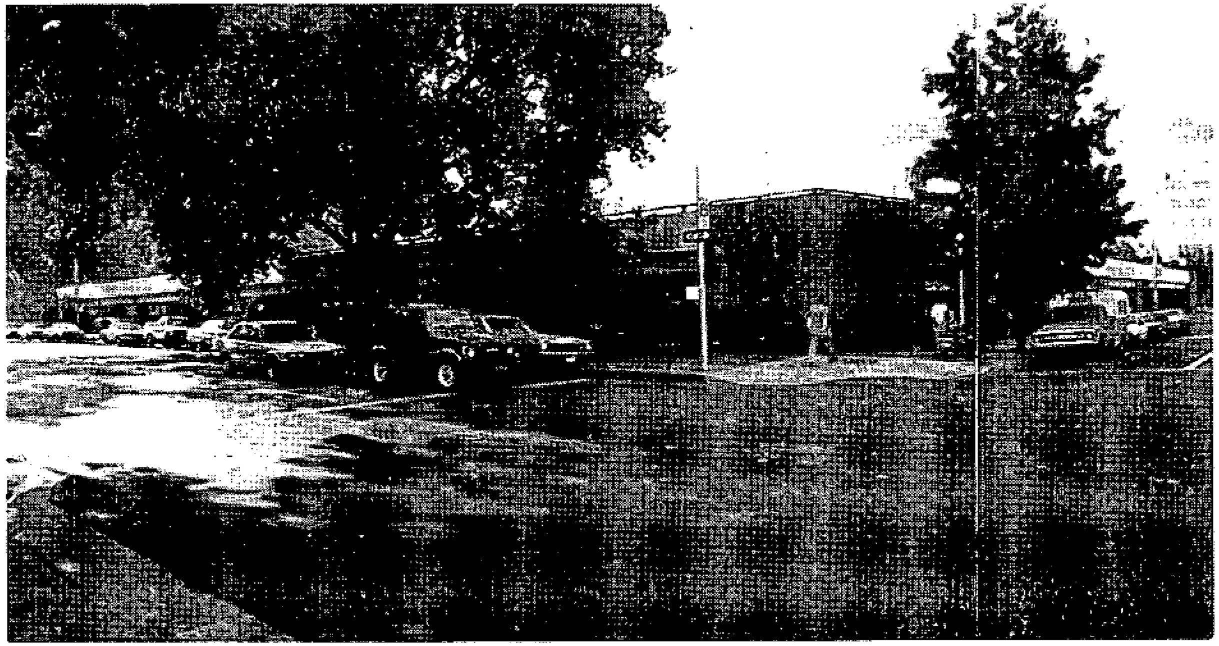
Figure 13F

VIEW LOOKING EAST ALONG L STREET FROM GARAGE

Figure 13G

VIEW LOOKING EAST FROM GARAGE - ALONG 7th STREET

Figure 13H



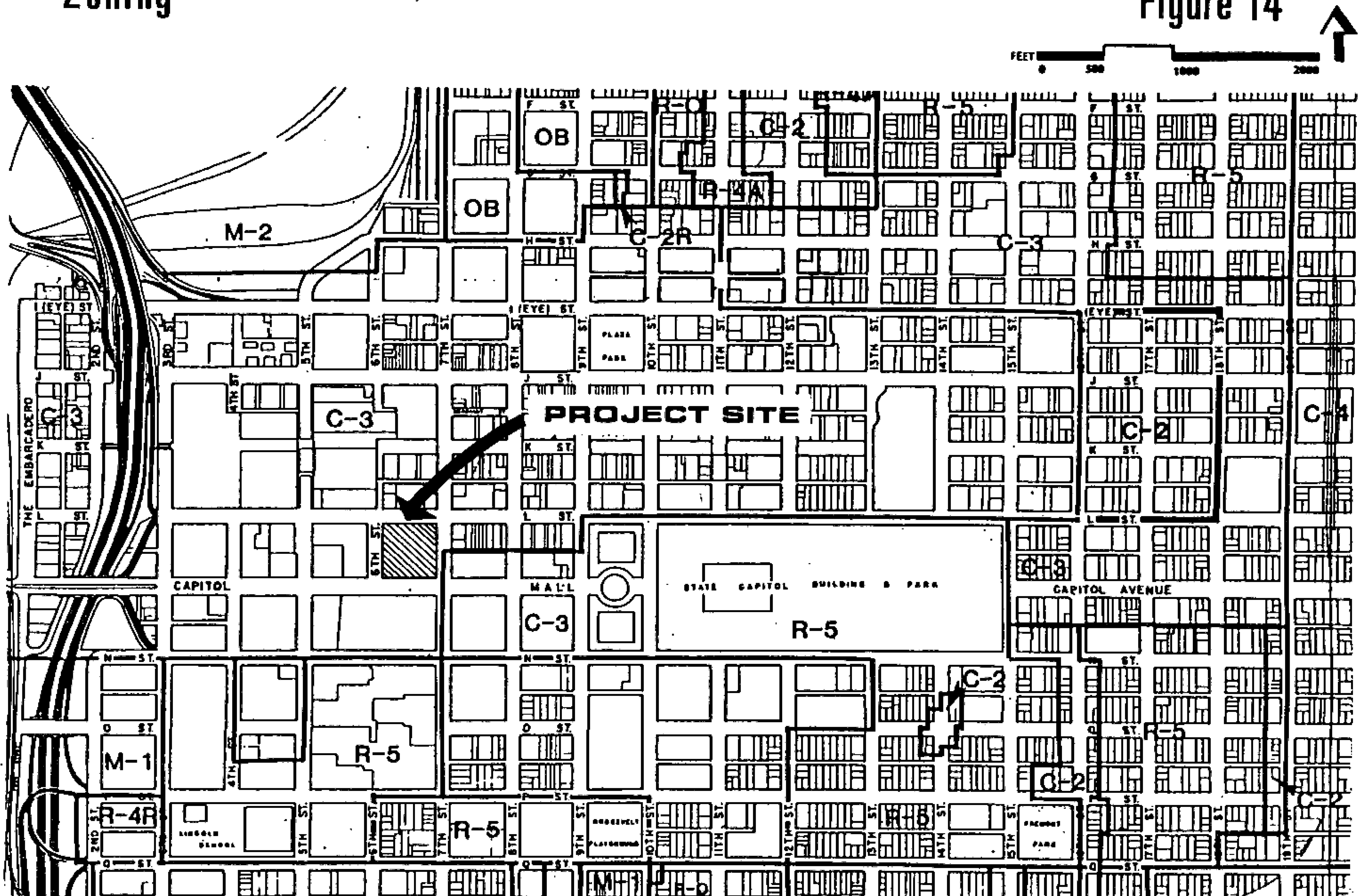
VIEW OF GARAGE FROM CORNER OF 6th and L STREETS

Zoning

The subject parcel is located within the C-3 zone and is, therefore, not subject to height restrictions. Parking requirements for office buildings in excess of 20,000 square feet are one space for each 600 square feet. Retail use requires one space for each 250 square feet for buildings in excess of 9,600 square feet, and hotels require one space for every two guest rooms.

Zoning

Figure 14



SOURCE: SACRAMENTO ZONING ORDINANCE

Transportation

- ### Air

Sacramento Metropolitan Airport is the principal passenger air cargo facility for the SMSA. It is located beside I-5 northwest of the city, about 12 minutes from the Central Business District.

The Metropolitan Airport ranks eighth in size among air-carrier facilities in California and 58th in the nation. Passenger traffic for the 12 months ending in February, 1986, was more than 2.9 million.

Major airlines serving the Metropolitan Airport include United, American, PSA, Western, Republic, Frontier and America West.

o Freeways

Two of the most important highways in North America intersect in Sacramento: I-5, a part of the Pan-American Highway, and I-80, which extends from ocean to ocean across the United States. I-5 passes through downtown Sacramento near the Sacramento River, while Business 80 extends along the southern and eastern borders of the midtown area and merges with I-80 in West Sacramento.

U.S. Highway 50 and State Highway 99 also intersect with each other and with I-80 and I-5 in Sacramento. Highway 50 extends northeast to some of the region's most intense development in Rancho Cordova, Folsom, and El Dorado Hills. Highway 99 runs south through Elk Grove, another rapidly growing residential area.

The Capitol Mall site is situated near access points for all major highways. Ingress to I-5 is located off Capitol Mall four blocks from the project site. Access to I-80 west is likewise located on Capitol Mall. Highway 99, I-80 east, and Highway 50 can be reached from N Street, one block south of Capitol, which runs easterly one-way.

o **Mass Transit**

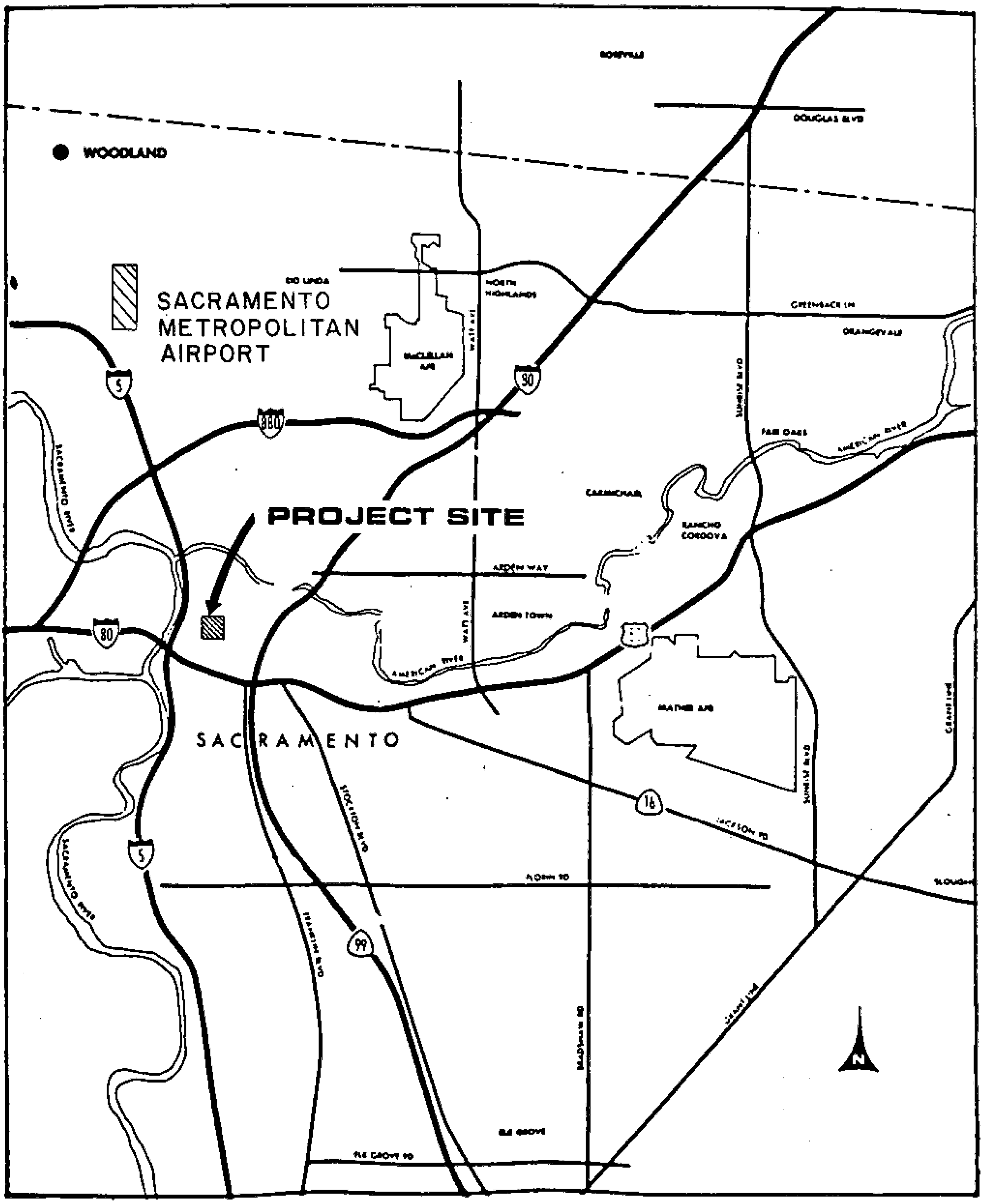
Sacramento's light rail system began operation this year. The RT Metro helps meet the transportation needs of the central city, the Highway 50 corridor and the northeast area.

Downtown sections run along the K Street Mall, O Street, 7th Street past the project site, and 8th and 12th Streets. The southern arm of the RT Metro runs along R Street and Folsom Boulevard to Butterfield Way, near Bradshaw Road. The northeast arm extends along 12th Street, Del Paso Boulevard, Arden Way, and I-80 to Watt Avenue.

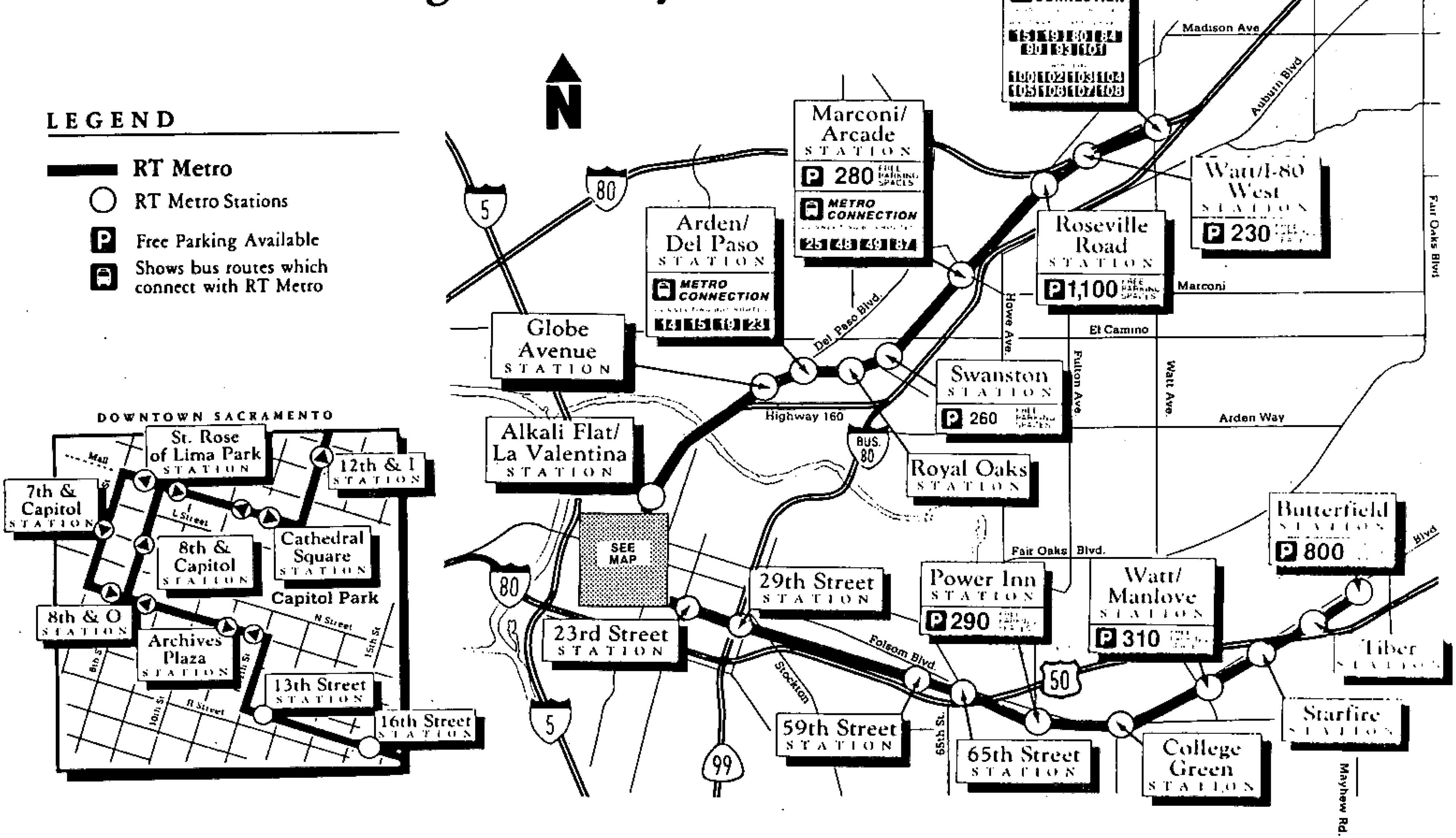
The RT Metro was developed by Regional Transit, a district governed jointly by Sacramento City and Sacramento County, and operates in concert with the district's fleet of buses, which cover some 340 miles. Bus service extends from Rio Linda and North Highlands at the north end of the urban area, to Elk Grove in the south, and east from the central city to Rancho Cordova, Fair Oaks, Citrus Heights and Orangevale.

Figure 15

Freeways and Airport Map



The RT Metro Light Rail System



Environmental Issues*

o Public Services

Public services provided to the project site are described below.

+ Water. The Sacramento Water Division supplies water to the project site. The maximum pumping capacity of city facilities is adequate for future development.

  Replacement of the many existing one to two story office buildings with larger structures, as well as other residential and commercial development at buildout, would increase the demand for water service in the downtown area. However, since city water supply facilities are presently operating at less than 50 percent of capacity, and since a majority of the water supply is from the Sacramento and American Rivers, water supplies are expected to be more than adequate to meet any increased demand in the downtown.

+ Solid Waste Disposal. The City of Sacramento provides solid waste disposal services to the downtown area and vicinity. Refuse is taken to a landfill located at 28th and A Streets. This landfill has a limited capacity remaining. The city is currently examining a variety of options for solid waste disposal following closure of the existing facility, including a transfer station, a waste to energy plant or a standard landfill.

+ Sewer Service. Wastewater treatment is provided by the Sacramento County Regional Sanitation District. The capacity of the secondary wastewater treatment plants in Sacramento County totals 136 million gallons per day. This is considered more than adequate to meet proposed development needs in the downtown area.

* Data provided by EIP for SHRA.

+ Storm Drains. As the project site is located in a fully developed urban area, development of the site would not be expected to have any effect on storm drainage infrastructure.

Storm drains within the downtown area are maintained by the City of Sacramento. The storm drain system is currently in very good condition, with minimal local gutter flooding occurring only during large storms. The City of Sacramento has a combined sewage and storm water system, and is currently in the process of building a primary treatment plant to treat storm water exceeding the capacity of the existing secondary sewage treatment plant system.

o Soils and Geology

+ Seismicity. There are no known active faults within the City of Sacramento. The Midland Fault, approximately 20 miles west of Sacramento, is believed to the potentially active because of suspected motion on one segment in 1892. There is also a possible surface fault located approximately 25 miles west of Sacramento, at the Sacramento/Placer County line, but its activity is unknown.

The City of Sacramento has not suffered severe damage from earthquak activity in California. Based on records of earthquake related ground shaking in the Sacramento area, buildings in the downtown area could experience ground shaking on a Modified Mercalli intensity of VII or VIII. At these levels, shaking would be felt by all residents, furniture would be displaced and broken, and poorly anchored parapets, chimneys and architectural ornaments would be dislodged.

+ Soils. According to the U.S. Department of Agriculture Soils Survey (1954), the surface soils in the downtown area are almost entirely of the Columbia silt loam series, typical of soils developed on recent and young floodplains and alluvial fans. The Columbia soil type is characterized as nearly level, with a zero to one percent slope; thus landslides and erosion are not of major concern for the project site. The Columbia silt loam is generally friable and 18 to 60 inches deep, underlain by fine textured soil material of the Sacramento series, only slightly less permeable to water than the overlying Columbia series.

+ <u>Liquefaction</u>. Potential problems for liquefaction do exist within the downtown area, where unconsolidated, water saturated sediments can be at the ground surface. Liquefaction would occur during ground motion as a result of earthquake activity, when unconsolidated materials tend to flow and lose strength, potentially resulting in large scale ground deformation and subsequent damage to overlying structures. The potential problem of damage from liquefaction has been reduced in past construction in the City of Sacramento by means of strengthening the foundations. Soil testings on projects located within three to six blocks of the project site have required pile driving to a depth of 85 to 90 feet.

+ <u>Subsidence</u>. Subsidence, the sinking of land, can present a major hazard if a sufficient quantity of groundwater is withdrawn during construction activities, especially in those areas underlain by alluvial soils, such as those present at the project site. State and federal programs require groundwater replacement during construction in project areas where depletion would be substantial.

+ <u>Flooding</u>. The entire downtown area, except for a portion of the proposed Docks Area development, lies outside of the 100 year flood zone, according to the Flood Insurance Rate Map for the area. An extensive system of levees along the Sacramento River controls river water during high water levels, preventing inundation of the downtown area.

o Microwave Communications Paths

The National Weather Service has weather radar and a hydrological telemetry reviewer located on top of 1416 9th Street. Although there have been discussions about moving this equipment to another site, for the present time any construction in the downtown area that is higher than 250' may constitute a radio obstacle to this communications system. This particular concern would have to be addressed during both the cost estimating and design phases of the project.

Economic and Market Analysis*

- Office

The demand for office space in the Sacramento area is a function of the growth in the businesses and government operations which require an office setting for the employees to carry out their work assignments. Businesses (and government agencies) need additional office space when they expand their operations, or seek new quarters to consolidate their operations. New firms moving into the area obviously require new space. However, most of the new office space is taken by existing firms (and government agencies) in the region, which for a variety of reasons decide to relocate their work force.

The State Employment Development Department (EDD) provides estimates of the current and projected regional employment. The Sacramento Area Council of Governments make periodic forecasts of population in the region (see Figure 17). These sources (although there are other sources, these are the most relevent for the purpose) are the basis for estimating the future employment levels which determine the demand for office space.

According to EDD, in the Sacramento Region approximately half the population is in the labor force. The precise figure for 1986 is 50.4%. According to SACOG, by the year 2000 the population in the region would grow to about 1.6 million, an increase of one third. Assuming again that half the population is in the labor force, that population increase would represent almost 200,000 new potential workers. Some fraction of the potential workers, approximately seven or eight percent, might be unemployed, but still in the labor force.

According to EDD figures, about 45% of the persons employed in the Sacramento Area work in an office environment. For example, most government workers in Sacramento are in offices, as are persons engaged in finance, insurance, and real estate and in business services, such as lawyers, accountants and lobbyists. Given the composition of Sacramento employment, as shown in Figure 18, an educated estimate of the office workers would be approximately 45% of all workers.

* Analysis prepared by EIP for SHRA.

The amount of square feet of office space per worker depends on the kind of working environment. Intensive clerical functions require less space per worker, but sometimes require considerable space for special equipment such as computers and data processing equipment. The most commonly used figures for estimating space per worker range between 200 and 275 square feet per person.

Since 1980, the labor force in the Sacramento Area (SACOG area) increased by approximately 100,000 persons. Approximately 45% of the workers in the Sacramento area work in offices. Assuming each worker occupied 225 square feet, then the accommodation of the new workers required nine million square feet of office space. This can be reconciled with the fact that since 1980, 8.7 million square feet of office space was absorbed in the Sacramento area.

In the future, the absorption of office space will be a function of the increased office employment in the region. Between 1985 and 2000 the region's labor force should increase by approximately 200,000 potential workers. Given that approximately 45% would be in offices, then the demand for that period would be an additional 16,000,000 square feet of office space in the region.

Absorption of Office Space by the State

The latest available figures for the leasing activities of the state show that the State of California occupies more than one million square feet of privately-leased space in the downtown and more than three million square feet in the region. For the past decade, the state has tended to lease space rather than build new government-owned facilities. Leased space now accounts for more than 40% of state occupied office space. The distribution of leased State offices is shown in Figure 19.

As an example of the continuing trend of leasing state facilities, the recently completed Capitol Bank of Commerce Center has leased 167,000 of its 347,100 square feet leased to the State Controller's Office.

Absorption Rates. Office absorption has been steadily increasing in both the downtown and suburban centers. Although the overall vacancy rate has been high, that has been caused by over-building rather from a lack of demand. Historically, downtown has tended to account for slightly less than one-third of the office space absorbed. The amount of space absorbed in downtown has increased from 131,750 square feet in 1980 to 715,296 square feet in 1986.

Downtown's share of office space has been approximately 25% over the past few years. Maintaining that share would result in an increase in office space of 4.8 million square feet from 1985 to 2000. Since 1.4 million square feet were built since 1985, and since an additional 2.7 million is planned or under construction, then the downtown's traditional share of 30% would be obtained with only an additional 700,000 square feet of space in addition to what is already underway or planned.

Since 1980, the amount of new office space absorbed in the Sacramento Area has gone from approximately 500,000 square feet per annum to more than 2 million square feet in 1986. Three particular areas have been the focus of the building: Downtown Sacramento, the Highway 50 corridor and Natomas. In 1986, 32.1% of the office growth was in downtown 31.4% in the Highway 50 corridor and 10.3% in Natomas. Figure 20 shows development activity in the Downtown Core area.

The growth in downtown has been fueled by the needs of the State government and the increase in the number of firms that seek to be near the seat of government (lawyers, lobbyists and advocates). Figure 21 shows the leased state office space throughout the City.

The Supply of Office Space

Downtown Sacramento is a major component of the region's office supply. At year end 1986 there were 20,599,874 square feet of office space (in major office concentrations) (see Figures 22, 23, 24). Figure 24 shows 5,293,932 square feet of office space currently in downtown Sacramento, accounting for 25.7% of the region's total. Should all the developments currently proposed come to fruition, then downtown Sacramento would actually increase its current share of the region's office space.

The most recent vacancy rate figures show that the vacancy rate is declining slightly in the downtown, although remaining at high levels in the suburbs. The steady decline in downtown vacancies, in spite of continued downtown construction, is partly explained by the activities of the state, which continues to lease on the private market rather than build new state-owned facilities.

In the opinions of many real estate professionals, the vacancy rate in downtown Sacramento will continue to decline into 1987.

Vacancy

In 1984, the vacancy rate in downtown Sacramento was 17.0% and 25.9% in the suburbs. Since then the vacancy rate has fallen in the downtown to 11.3%, but remained at 27.2% in the suburbs.

Excessive vacancies have hit most cities during the past 3 years, because of the overbuilding during the past decade. Sacramento can be compared with other cities in California and the nation. Based on current rates of absorption, it would take two years to eliminate the abnormal vacancies.

The recent years of over building had caused the overall vacancy rate to rise 26% for the region in 1985. However, the vacancy rate has been decreasing, in spite of new buildings coming on stream. The vacancy rate is now estimated to be approximately 11.3% in downtown although it is 27.2% in the suburbs.

Equating Supply with Demand

Office building development has traditionally been a cyclical endeavor with periods of heavy building followed by periods of high vacancy. Because of the lead time involved in major projects, it has not always been possible for developers to fine tune their responses to market signals. As a result, there have been wide cyclical swings, which describes the situation today. Because of the over-building since 1980 when the vacancy rate was 3.1%, the glut of office space has produced a vacancy rate of 25% in the region.

There is a current oversupply of office space in the region and in the downtown area. The market oversupply is more severe in the suburbs than it is in downtown. Vacancies in downtown at year end 1986 were 11.3%, which, although high by historical standards, are on a downward trend. The suburban market has not yet begun to work off its oversupply, as new projects coming on stream have exceeded that demand. Figure 25 shows absorption and vacancy rates in the downtown and total metropolitan area.

At current absorption levels, the downtown vacancy would be extinguished in one year, if there were no other buildings coming on line. For the suburbs, a comparable figure would be almost three years. However, new buildings continue to be developed, so that it will take much more time for the vacancy rates to subside to the 5% range. According to real estate professionals in the Sacramento area, the development of new buildings has slowed. Given the current demand, the amount of new office space planned in the region, 4.4 million square feet, is but 2 year's absorption at the current rate, which is not inordinate given the demand.

Figure 17

SACRAMENTO POPULATION, EMPLOYMENT & HOUSING PROJECTIONS

Sacramento County	1985	1990	1995	2000	2005
Population	889,800	993,300	1,092,600	1,186,600	1,269,500
Labor Force	448,459	506,583	557,226	605,166	647,445
Employment	412,000	466,851	518,985	563,635	603,013
Housing	346,165	395,349	440,463	485,569	524,955
Single-Family	219,604	249,287	276,517	303,736	327,470
%	63.4%	63.1%	62.8%	62.6%	62.4%
Multi-Family	112,843	130,709	147,102	163,480	177,768
%	32.6%	33.1%	33.4%	33.7%	33.9%
Mobile Homes	13,718	15,353	16,844	18,353	19,717
%	4.0%	3.9%	3.8%	3.8%	3.8%
Sacramento Region (SACOG Boundaries)					
Population	1,168,563	1,304,814	1,436,744	1,565,472	1,687,145
Labor Force	588,956	665,455	732,739	798,391	860,444
Employment	549,225	613,263	675,270	735,772	792,958
Housing	449,447	501,852	552,594	602,105	648,902
Single-Family	285,125	316,442	346,911	376,632	404,789
%	63.4%	63.1%	62.8%	62.6%	62.4%
Multi-Family	146,511	165,921	184,550	202,715	219,741
%	32.6%	33.1%	33.4%	33.7%	33.9%
Mobile Homes	17.811	19,489	21,132	22,758	24,372
	4.0%	3.9%	3.8%	3.8%	3.8%

Source: SACOG, EDD, McDonald Associates and EIP.

Figure 18

DISTRIBUTION OF EMPLOYMENT
SACRAMENTO SMSA 1986

	Percent Distribution
Government	30.5
Finance, Insurance Real Estate	5.5
Business Services	11.0
Estimated Office Employment	47.0
Other Services	10.2
Construction	5.4
Manufacturing	7.4
Utilities	4.9
Wholesale Trade	4.8
Retail Trade	20.3
Estimated Non-Office Development	53.0

Source: Employment Development Department, State of California and EIP estimates.

Figure 19

STATE OFFICE EMPLOYEE POPULATIONS IN
SACRAMENTO: CURRENT AND PROJECTED DATA

Planning Area	1984	1989	1994
Core Area	25,650	28,168	32,448
Central City	4,500	5,533	2,028
Metropolitan Area	14,850	16,599	16,224
Totals	45,000	50,300	50,700

Source: Sacramento Facilities Plan, Department of General Services, October 1984, page 38.

Figure 20

PROJECTED DEVELOPMENT ACTIVITY WITHIN DOWNTOWN CORE AREA

Projects Private	Office	Retail	Other	Completion Date
Library Plaza Project	284,000	16,500	136,000	1991
Greyhound Site	400,000	120,000		1991
Parcel D-1	187,500	50,000		1987
Galleria	426,000	118,100		1991
6-7 L-Capitol	400,000	0		1991
Pell Office Bldg	271,000	0		1986
Renaissance Tower	287,000	10,000		
#9 DowntownPlaza		10,000		
Hyatt Regency Hotel			508 hotel rooms	
Convention Center			100,000	
Subtotal	2,242,500	308,100	236,000	
Total Private	2,741,500	338,100	236,000	
Public				
Library Expansion	133,000			
Civic Center Admin.	450,000			
Riverview Plaza		31,000	92,000[1]	
		31,000	92,000	
Grand Total	3,336,500	338,100	328,000	

[1] 124 elderly housing units for the Riverview Plaza project.

Source: Department of City Planning, City of Sacramento.

LEASED STATE OFFICE SPACE

Location	State Leased Office Space (Sq.Ft.)
Core Area	1,080,000
Central City	840,000
Metropolitan Area	1,400,000
Total	3,320,000

Source: EIP Associates.

Figure 21

FOURTH QUARTER 1986 DOWNTOWN & SUBURBAN
OFFICE ABSORPTION

Area	1st Qtr (SqFt)	Percent of 1st Qtr Total	2nd Qtr (SqFt)	Percent of 2nd Qtr Total	3rd Qtr (SqFt)	Percent of 3rd Qtr Total	4th Qtr (SqFt)	Percen of 4th Qtr Total	Total (SqFt)	Percent of Total
Downtown	18,387	4.9	182,794	35.5	403,906	40.5	110,209	27.8	715,296	31.4
Suburban:										
Midtown	3,177	0.9	5,792	1.1	25,972	2.6	5,400	1.4	40,341	1.8
Natomas/Northgate	22,001	5.9	48,847	9.5	123,160	12.3	93,995	23.7	288,003	12.6
Campus Commons	2,400	0.6	0	0.0	1,628	0.2	11,055	2.8	15,083	0.7
Point West	30,312	8.2	55,309	10.7	92,501	9.3	8,101	2.0	186,223	8.2
Howe/Ethan	10,700	2.9	739	0.1	8,916	0.8	11,500	2.9	31,855	1.4
Watt Avenue	13,300	3.6	5,300	1.0	15,500	1.6	1,315	0.3	35,415	1.6
Highway 50 Cor.	231,126	62.2	110,400	21.4	251,238	25.2	118,441	29.9	711,205	31.1
Carmichael/ Fair Oaks	11,700	3.1	9,943	1.9	–	0.0	1,950	0.5	23,593	1.0
Citrus Heights/ Orangevale	16,866	4.5	20,805	4.0	24,420	2.4	5,855	1.5	67,946	3.0
Roseville	10,907	2.9	4,367	0.8	50,801	5.1	25,143	6.4	91,218	4.0
South Sacramento	771	0.2	27,000	5.2	–	0.0	2,985	0.8	30,756	1.3
West Sacramento	0	0.0	44,096	8.6	–	0.0	0	0	44,096	1.9
Suburban Total	353,260	95.1	332,598	64.5	594,136	59.5	285,740	72.2	1,565,734	68.6
Metropolitan Total	371,647	100.0	515,392	100.0	998,042	100.0	395,949	100.0	2,281,030	100.0

Source: Coldwell Banker.

Figure 22

MAJOR OFFICE CONCENTRATIONS, SACRAMENTO AREA
FOURTH QUARTER, 1986[1]

Established Office Concentration	Total Net Rentable (SqFt)	Vacant (SqFt)	Percent Vacant	Under Construction (SqFt)
Downtown	5,293,932	600,089	11.34%	727,000
Suburban				
Highway 50 Corridor	4,458,477	1,534,004	34.41	306,500
Point West	1,632,145	395,253	24.22	144,000
Howe/Ethan	1,570,637	229,471	14.61	0
Midtown	1,161,830	227,829	19.61	45,500
Citrus Heights	1,045,958	238,710	22.82	138,000
Campus Commons	1,039,308	241,690	23.25	31,000
Watt Avenue	965,881	198,507	20.55	0
Natomas	897,370	358,369	39.94	489,579
South Sacramento	844,214	200,351	23.73	17,000
Folsom	695,819	278,533	40.03	0
Carmichael	362,453	85,220	23.51	14,500
Roseville	326,896	76,297	23.34	111,166
West Sacramento	154,954	19,190	12.38	12,000
East Sacramento	150,000	80,000	53.00	0
Suburban Total	15,305,942	4,163,424	27.20%	1,309,245
Metropolitan Total	20,599,874	4,763,513	23.12%	2,036,245

[1] Includes competitive, non-government owned and occupied buildings over 4,800 square feet.

Figure 23

MAJOR DEVELOPMENT PROJECTS IN THE DOWNTOWN AREA

	Total Region	Downtown	Percent
Existing Buildings	20,599,874	5,293,932	25.7
Buildings Under Construction	1,663,703	683,000	41.0
Buildings Planned	2,781,948	778,896	28.0
Total of Existing and Pipeline	25,045,525	6,755,828	26.9

Source: Coldwell Banker.

DOWNTOWN SHARE OF OFFICE SPACE

	1984	1985	1986
Downtown Region	3,870,002	4,664,997	5,293,932
Region	13,564,177	18,017,243	20,599,874
Downtown as Percent of Region	28.5	25.9	25.7

Source: EIP Associates.

Figure 24

RENTS IN COMPARABLE BUILDINGS

Building	Space in Building	Rent per Month (Sq.Ft.)
Benvenuti Plaza	400,000	1.50
Lincoln Plaza	480,000	1.75-2.00
Plaza Towers	325,000	1.55-2.25

Source: The Business Journal, Leasing Guide, November 24, 1986.

AMOUNT OF VACANT OFFICE SPACE

Year	Downtown Sq.Ft.	Downtown Percentage	Suburbs Sq.Ft.	Suburbs Percentage	National Average
1984	657,645	17.0%	2,508,805	25.9%	14.2
1985	750,128	16.1%	3,921,461	29.4%	16.5

[1] Coldwell Banker, The Commercal Real Estate Market in Sacramento 1987, Sacramento, California, January 1987.

Figure 25

ABSORPTION AND VACANCY RATES
Absorption Rates

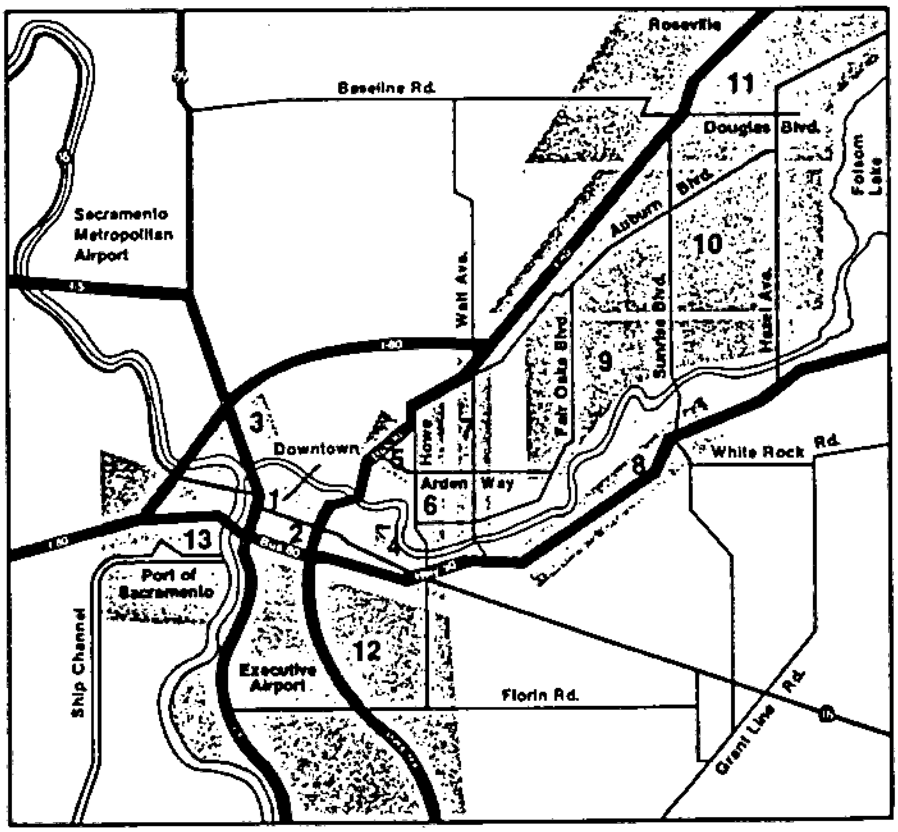
Year	Absorption Downtown Sq.Ft.	%	Total for Metro
1980	131,750	31	425,000
1981	209,250	31	675,000
1982	271,250	31	875,000
1983	341,000	31	1,100,000
1984	488,000	30.5	1,600,000
Total	1,441,250	30.9avg	4,675,000

VACANCY RATES

Year	Total Rental Space	Vacancy Rate	Vacant Space
1980	1,940,000	3.1%	60,140
1981	2,285,000	9.1%	207,935
1982	2,821,000	18.3%	486,728
1983	3,509,764	19.3%	677,384
1984	3,868,500	17.0%	657,645
1985	4,664,997	16.1%	750,128
1986	5,293,932	11.3%	600,089

Source: Coldwell Banker.

Major Office Concentrations



* SOURCE: COLDWELL BANKER

MAJOR OFFICE CONCENTRATIONS, SACRAMENTO AREA
FOURTH QUARTER 1985*

Map Key	Established Office Concentration	Total Rentable (Sq.Ft.)	Vacant (Sq.Ft.)	Percent Vacant
1	Downtown	4,664,997	750,128	16.08%
	Suburban			
2	Midtown	1,135,409	233,662	20.58%
3	Natomas/ Northgate	543,364	232,930	42.87%
4	Campus Commons	1,040,668	158,305	15.21%
5	Point West	1,570,119	500,402	31.87%
6	Howe Avenue	1,570,637	262,097	16.69%
7	Watt	939,809	176,946	18.83%
8	Highway 50 Corridor	3,981,545	1,736,660	43.62%
9	Carmichael/ Fair Oaks	324,842	86,244	26.55%
10	Citrus Heights/ Orangevale	988,919	211,582	21.40%
11	Roseville	315,896	92,059	29.14%
12	South Sacramento	802,490	185,544	23.12%
13	West Sacramento	138,548	45,030	32.50%
	Suburban Total	13,352,246	3,921,461	29.37%
	Metropolitan Total	18,017,243	4,671,589	25.93%

*Includes competitive, non-government owned and occupied buildings over 4,800 square feet. Source: Coldwell Banker Commercial Real Estate, Sacramento, California

MARKET OVERVIEW

HOTEL

Year	Tourist Count*	Convention Delegate Count
1984	10,500,000	185,000
1985	11,200,000	200,571
1986	12,200,000	211,242
1987	13,100,000 estimated	242,800 estimated

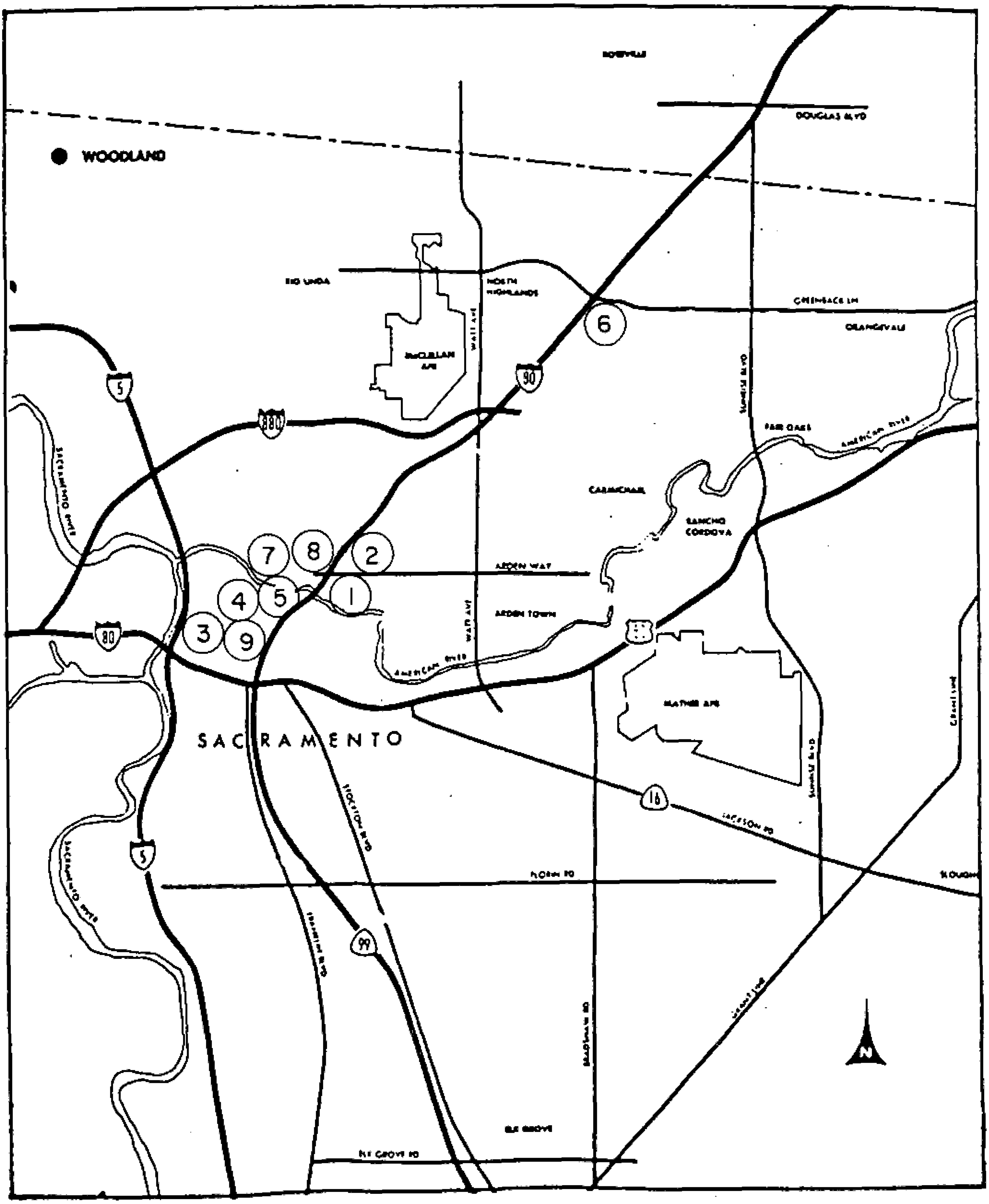
*Sacramento Visitor's Bureau

COMPETITIVE LODGING SUPPLY

	Number of				
	Rooms	Food Facilities	Beverage Facilities	Meeting Rooms	Meeting Room Square Feet
1. Red Lion	450	2	2	19	29,000
2. Sacramento Inn	387	2	1	12	10,000
3. Holiday Inn Capitol Plaza	371	2	1	8	9,600
4. Clarion	239	1	1	4	5,500
5. Woodlake Inn	319	1	1	13	19,200
6. Holiday Inn Holidome	235	2	1	8	9,000
7. Beverly Garland	207	2	1	6	7,900
8. Sheraton	265	2	2	9	10,000
9. Hyatt Regency (under constr.)	508	2	2	-	25,000

Figure 27

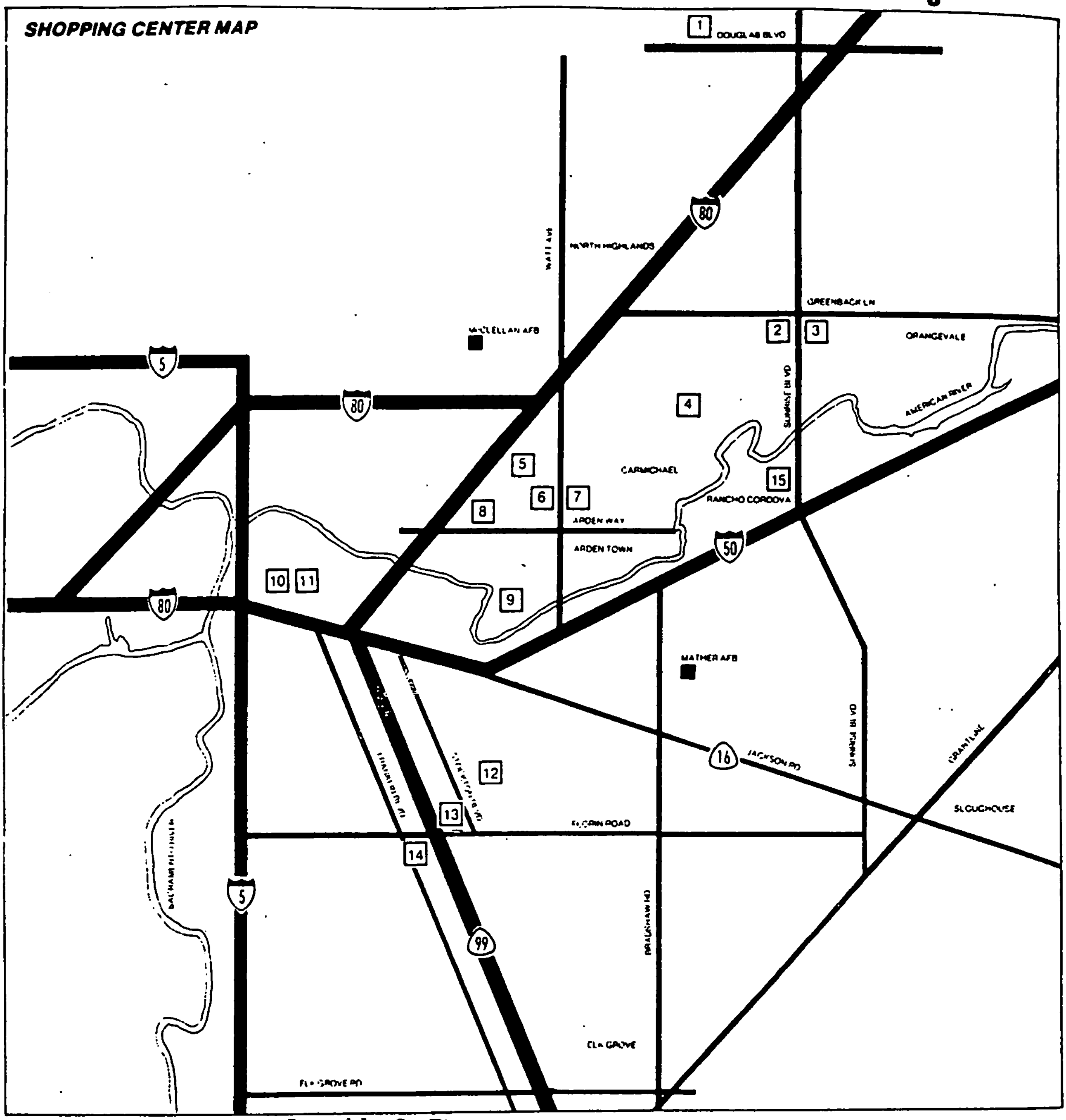
Hotel Map



Retail

The following statistics on shopping centers throughout the Sacramento Area were compiled from a 1984/1985 Sacramento Continuing Market Study conducted by Belden Associates and published by the Sacramento Bee. The statistics are based upon the results of 632 questionnaires.

Figure 28



		Leasable Sq.Ft.
1	ROSEVILLE SQUARE	228,890
2	BIRDCAGE WALK	Not Available
3	SUNRISE MALL	
4	CRESTVIEW VILLAGE	16 acres
5	TOWN AND COUNTRY VILLAGE	133,000
6	COUNTRY CLUB CENTRE	790,000
7	COUNTRY CLUB PLAZA	527,000

8	ARDEN FAIR	850,000
9	UNIVERSITY VILLAGE	82,830
10	DOWNTOWN PLAZA	740,000
11	DOWNTOWN K STREET MALL	various small shops
12	FRUITRIDGE SHOPPING CENTER	594,472
13	FLORIN MALL	1,050,000
14	SOUTHGATE	Not available
15	CORDOVA VILLAGE SHOPPING CENTER	Not available

SHOPPING CENTER SHOPPERS & PURCHASERS

	Major Department Store Location					Shopped in past 30 days Adults	Purchased in past 30 days Adults	
Total Adults						876,000 100%	876,000 100%	
Sunrise Mall	P	S	WN	M		33	27	P=JC Penney
Arden Fair		S	WN			24	16	S=Sears
Florin Mall	P	S	WN		MW	23	19	WN=Weinstock's
Country Club Plaza	P		WN			19	14	M=Macys
Birdcage Walk				M	MW	17	12	MW=Montgomery Ward
Downtown Plaza			WN	M		17	12	
Country Club Centre					MW	15	9	
Roseville Square						10	8	
Town and Country Village						7	6	
Fruitridge						6	5	
Southgate						6	3	
Downtown K Street Mall						6	4	
Cordova Village / Mills						6	5	
Crestview						3	3	
University Village						2	2	
Other Shopping Center						18	16	
Any Shopping Center						87	79	

Source: Belden Assoc[i]ates, Sacramento Continuing Market Study, 1984 / 1985

Percentages are read vertically. For example, 33% of all adults in the market shop at Sunrise Mall during a 30-day period. Twenty-seven percent make a purchase at Sunrise Mall during the same period.

FREQUENCY OF SHOPPING

	Total Shoppers	Number of Visits Past 30 Days* 1	2	3
Sunrise Mall	286,800	27%	31%	43%
Arden Fair	209,200	44	32	25
Florin Mall	202,700	27	33	41
Country Club Plaza	168,900	30	39	31
Birdcage Walk	152,500	38	43	19
Downtown Plaza	150,000	41	27	33
Country Club Centre	134,500	27	48	25
Roseville Square	85,800	38	36	27
Town and Country Village	64,600	62	29	8
Fruitridge	52,500	28	27	45
Southgate	51,800	42	31	27
Downtown K Street Mall	50,900	60	11	30
Cordova Village / Mills	48,900	34	21	45
Crestview	27,000	45	--	55
University Village	19,900	19	35	47

*Excludes don't know and no answer responses
Source: Belden Associates, Sacramento Continuing Market Study, 1984 / 1985

Percentages are read horizontally. For example, 27% of the adults who shopped at Sunrise Mall during a 30-day period shopped at the center once.

SEX AND MARITAL STATUS

COVERAGE

Percentages are read vertically. For example, 33% of all adults in the market shop at Sunrise Mall during a 30-day period.

	Adults	Male	Female	Married	Single	Divorced/ Separated
Total Adults	876,000 100%	422,200 100%	453,800 100%	500,000 100%	181,800 100%	125,600 100%
Sunrise Mall	33	32	34	36	32	27
Arden Fair	24	24	24	24	25	31
Florin Mall	23	25	22	25	18	23
Country Club Plaza	19	19	19	20	22	16
Birdcage Walk	17	18	17	21	15	12
Downtown Plaza	17	17	17	17	17	18
Country Club Centre	15	15	15	15	18	17
Roseville Square	10	10	10	11	8	8
Town and Country Village	7	8	7	8	6	9
Fruitridge	6	6	6	6	6	6
Southgate	6	6	6	6	5	7
Downtown K Street Mall	6	7	5	5	8	5
Cordova Village/Mills	6	6	5	7	6	2
Crestview	3	2	4	4	3	--
University Village	2	2	2	1	3	4
Other Shopping Center	18	16	20	20	17	16
Shopped Any Center	87	88	86	89	84	89

Source: Belden Associates, Sacramento Continuing Market Study, 1984/1985.

PROFILE

Percentages are read horizontally. For example, 46% of the shoppers at Sunrise Mall are men.

	Adults (100%)	Male	Female	Married	Single	Divorced/ Separated
Total Adults	876,000	48%	50%	57%	21%	14%
Sunrise Mall	286,800	46	54	62	20	12
Arden Fair	209,200	48	52	56	22	19
Florin Mall	202,700	52	48	61	16	14
Country Club Plaza	168,900	49	52	58	24	12
Birdcage Walk	152,500	50	50	69	18	10
Downtown Plaza	150,000	47	53	56	20	15
Country Club Centre	134,500	48	52	54	24	16
Roseville Square	85,800	50	50	64	18	12
Town and Country Village	64,600	54	46	64	16	18
Fruitridge	52,500	49	51	53	20	14
Southgate	51,800	49	51	57	19	18
Downtown K Street Mall	50,900	58	42	49	30	13
Cordova Village/Mills	48,900	51	49	70	23	5
Crestview	27,000	38	62	82	17	--
University Village	19,900	47	53	35	26	22
Other Shopping Center	156,800	42	58	64	20	12
Shopped Any Center	760,500	49	51	58	20	15

Source. Belden Associates. Sacramento Continuing Market Study, 1984/1985.

COVERAGE

Percentages are read vertically. For example, 35% of adults 18-24 shop at Sunrise Mall.

	Adults	18-24	25-34	35-44	45-54	55-64	65+
Total Adults	876,000 100%	146,700 100%	225,600 100%	157,900 100%	112,600 100%	112,500 100%	118,600 100%
Sunrise Mall	33	35	30	37	31	41	24
Arden Fair	24	22	28	29	24	23	14
Florin Mall	23	18	20	17	28	26	36
Country Club Plaza	19	16	19	21	21	23	18
Birdcage Walk	17	14	17	23	24	20	7
Downtown Plaza	17	15	16	17	20	23	15
Country Club Centre	15	14	16	19	14	14	15
Roseville Square	10	8	8	13	9	14	9
Town and Country Village	7	5	3	8	14	12	7
Fruitridge	6	4	6	3	5	6	14
Southgate	6	6	6	3	10	9	2
Downtown K Street Mall	6	7	7	6	3	7	4
Cordova Village/Mills	6	9	5	5	5	9	3
Crestview	3	3	3	3	8	4	1
University Village	2	1	1	3	7	3	1
Other Shopping Center	18	15	20	24	18	15	13
Shopped Any Center	87	83	89	89	88	89	82

Source: Belden Associates, Sacramento Continuing Market Study, 1984/1985.

PROFILE

Percentages are read horizontally. For example, 18% of the shoppers at Sunrise Mall are 18-24.

	Adults (100%)	18-24	25-34	35-44	45-54	55-64	65+
Total Adults	876,000	17%	26%	18%	13%	13%	14%
Sunrise Mall	286,800	18	24	20	12	16	10
Arden Fair	209,200	15	31	22	13	12	8
Florin Mall	202,700	13	22	14.	15	15	21
Country Club Plaza	168,900	14	25	19	14	15	13
Birdcage Walk	152,500	14	25	24	18	15	5
Downtown Plaza	150,000	15	23	18	15	18	12
Country Club Centre	134,500	15	26	22	12	11	13
Roseville Square	85,800	14	20	23	12	19	12
Town and Country Village	64,600	11	11	19	25	21	13
Fruitridge	52,500	11	24	10	11	12	31
Southgate	51,800	16	27	10	23	19	5
Downtown K Street Mall	50,900	19	31	19	6	15	10
Cordova Village/Mills	48,900	26	21	15	11	20	7
Crestview	27,000	14	21	15	32	16	3
University Village	19,900	7	13	23	37	14	6
Other Shopping Center	156,800	14	28	24	13	11	10
Shopped Any Center	760,500	16	26	19	13	13	13

Source: Belden Associates, Sacramento Continuing Market Study, 1984/1985

CROSS SHOPPING PATTERNS

Percentages are read vertically. For example, 13% of those who shop at Arden Fair also shop at Birdcage Walk during a 30-day period

	Arden Fair	Birdcage Walk	Cordova Village/Mills*	Country Club Centre	Country Club Plaza	Crestview*	Downtown Plaza	Downtown K Street Mall*	Florin Mall	Fruitridge*	Roseville Square*	Southgate*	Sunrise Mall	Town And Country Village*	University Village*
Arden Fair	100%	18%	27%	59%	55%	56%	33%	49%	23%	31%	6%	23%	23%	53%	45%
Birdcage Walk	13	100	40	13	18	35	7	17	6	5	38	28	43	24	25
Cordova Village/Mills	6	13	100	9	6	2	4	8	5	1	2	1	12	8	12
Country Club Centre	38	12	25	100	57	20	12	15	11	15	4	15	15	35	33
Country Club Plaza	44	19	22	71	100	65	24	32	15	15	1	18	23	52	29
Crestview	7	6	1	4	10	100	9	10	1	1	7	1	7	19	12
Downtown Plaza	24	7	12	13	21	50	100	70	30	14	5	16	10	43	26
Downtown K Street Mall	12	6	8	6	10	19	24	100	10	19	2	9	4	13	5
Florin Mall	22	7	19	17	17	7	41	41	100	68	5	71	8	12	34
Fruitridge	8	2	1	6	5	45	5	19	18	100	1	15	2	5	3
Roseville Square	3	21	4	3	1	21	3	4	2	1	100	11	22	6	10
Southgate	6	10	1	6	6	2	6	9	18	14	7	100	3	1	3
Sunrise Mall	32	81	70	32	39	70	19	25	12	9	72	17	100	42	38
Town And Country Village	16	10	10	17	20	46	19	17	4	6	4	1	10	100	19
University Village	4	3	5	5	3	9	3	2	3	1	2	1	3	6	100

*Results in this column relatively unstable because of small sample base

Source: Belden Associates, Sacramento Continuing Market Study, 1984/1985

HOUSEHOLD INCOME

COVERAGE

Percentages are read vertically. For example, 40% of adults with annual household incomes of $35,000 or more shop at Sunrise Mall.

	Total Adults	$35,000+	$25,000-34,999	$20,000-24,999	$10,000-19,999	Under $10,000
Total Adults	876,000 100%	262,100 100%	140,600 100%	126,800 100%	222,600 100%	123,900 100%
Sunrise Mall	33	40	32	34	30	24
Arden Fair	24	23	36	27	22	12
Florin Mall	23	22	20	23	24	29
Country Club Plaza	19	24	25	15	19	10
Birdcage Walk	17	26	16	13	16	7
Downtown Plaza	17	24	23	18	5	16
Country Club Centre	15	14	20	9	20	10
Roseville Square	10	10	17	8	4	13
Town and Country Village	7	8	13	6	6	3
Fruitridge	6	2	8	1	10	11
Southgate	6	8	7	6	4	6
Downtown K Street Mall	6	8	8	5	4	3
Cordova Village/Mills	6	5	7	4	8	4
Crestview	3	5	6	1	1	--
University Village	2	3	--	4	2	3
Other Shopping Center	18	18	24	22	14	15
Shopped Any Center	87	91	91	91	82	79

Source: Belden Associates, Sacramento Continuing Market Study 1984/1985.

PROFILE

Percentages are read horizontally. For example, 37% of the shoppers at Sunrise Mall have annual household incomes of $35,000 or more.

	Adults (100%)	$35,000+	$25,000-34,999	$20,000-24,999	$10,000-19,999	Under $10,000
Total Adults	876,000	30%	16%	15%	25%	14%
Sunrise Mall	286,800	37	16	15	23	10
Arden Fair	209,200	28	24	16	24	7
Florin Mall	202,700	28	14	14	26	18
Country Club Plaza	168,900	37	20	11	25	7
Birdcage Walk	152,500	45	15	11	24	6
Downtown Plaza	150,000	42	22	15	8	13
Country Club Centre	134,500	28	21	8	33	9
Roseville Square	85,800	32	27	11	11	19
Town and Country Village	64,600	33	28	11	21	6
Fruitridge	52,500	8	20	1	44	27
Southgate	51,800	39	18	14	16	14
Downtown K Street Mall	50,900	42	23	12	15	8
Cordova Village/Mills	48,900	25	21	9	35	10
Crestview	27,000	51	29	6	12	2
University Village	19,900	40	--	25	17	19
Other Shopping Center	156,800	30	21	18	19	12
Shopped Any Center	760,500	31	17	15	24	13

Source: Belden Associates, Sacramento Continuing Market Study 1984/1985

	Adults	College Graduate or More	Part College	High School Graduate
Total Adults	876,000 100%	221,400 100%	262,400 100%	300,300 100%
Sunrise Mall	33	33	33	37
Arden Fair	24	28	26	20
Florin Mall	23	25	24	19
Country Club Plaza	19	20	23	18
Birdcage Walk	17	18	20	19
Downtown Plaza	17	26	17	15
Country Club Centre	15	18	20	11
Roseville Square	10	9	9	14
Town and Country Village	7	9	8	7
Fruitridge	6	8	4	5
Southgate	6	5	7	5
Downtown K Street Mall	6	7	5	6
Cordova Village/Mills	6	5	6	6
Crestview	3	3	4	4
University Village	2	5	2	2
Other Shopping Center	18	19	21	15
Shopped Any Center	87	93	90	84

Source: Belden Associates. Sacramento Continuing Market Study. 1984/1985.

COVERAGE

Percentages are read vertically. For example, 33% of college graduates shop at Sunrise Mall.

	Adults (100%)	College Graduate or More	Part College	High School Graduate
Total Adults	876,000	25%	30%	34%
Sunrise Mall	286,800	26	31	38
Arden Fair	209,200	29	33	29
Florin Mall	202,700	28	31	28
Country Club Plaza	168,900	26	35	32
Birdcage Walk	152,500	26	34	36
Downtown Plaza	150,000	39	29	29
Country Club Centre	134,500	30	39	25
Roseville Square	85,800	23	27	48
Town and Country Village	64,600	32	33	33
Fruitridge	52,500	35	20	27
Southgate	51,800	23	36	31
Downtown K Street Mall	50,900	31	24	36
Cordova Village/Mills	48,900	24	30	34
Crestview	27,000	24	36	40
University Village	19,900	50	22	23
Other Shopping Center	156,800	27	34	29
Shopped Any Center	760,500	27	31	33

Source: Belden Associates. Sacramento Continuing Market Study. 1984/1985.

PROFILE

Percentages are read horizontally. For example, 26% of the shoppers at Sunrise Mall are college graduates.

OCCUPATION

COVERAGE

Percentages are read vertically. For example, 34% of the adults employed as professionals, managers or officials shop at Sunrise Mall.

	Adults	Prof./ Mgr./ Official	Other White Collar	Crafts-man/ Fore-man	Other Blue Collar	Retired/ Disabled
Total Adults	876,000 100%	164,400 100%	180,700 100%	90,700 100%	116,000 100%	161,700 100%
Sunrise Mall	33	34	26	34	30	31
Arden Fair	24	24	29	30	21	18
Florin Mall	23	22	25	11	25	34
Country Club Plaza	19	19	21	18	21	17
Birdcage Walk	17	20	20	21	9	10
Downtown Plaza	17	23	22	9	17	15
Country Club Centre	15	13	21	17	15	15
Roseville Square	10	11	6	17	3	14
Town and Country Village	7	9	4	6	9	8
Fruitridge	6	5	6	5	7	10
Southgate	6	9	9	3	4	6
Downtown K Street Mall	6	5	9	10	9	3
Cordova Village / Mills	6	6	5	2	9	4
Crestview	3	4	2	--	6	1
University Village	2	6	2	1	--	1
Other Shopping Center	18	22	18	15	15	18
Shopped Any Center	87	91	90	88	78	85

Source: Belden Associates, Sacramento Continuing Market Study, 1984/1985.

PROFILE

Percentages are read horizontally. For example, 19% of the shoppers at Sunrise Mall are employed as professionals, managers or officials.

	Adults (100%)	Prof./ Mgr./ Official	Other White Collar	Crafts-man/ Fore-man	Other Blue Collar	Retired/ Disabled
Total Adults	876,000	19%	21%	10%	13%	19%
Sunrise Mall	286,800	19	17	11	12	17
Arden Fair	209,200	19	25	13	12	14
Florin Mall	202,700	18	22	5	14	27
Country Club Plaza	168,900	18	22	10	14	16
Birdcage Walk	152,500	22	24	13	7	10
Downtown Plaza	150,000	26	26	6	13	16
Country Club Centre	134,500	16	28	11	13	18
Roseville Square	85,800	22	14	18	4	25
Town and Country Village	64,600	24	11	8	16	20
Fruitridge	52,500	15	21	9	15	31
Southgate	51,800	21	27	31	5	18
Downtown K Street Mall	50,900	16	31	18	20	9
Cordova Village / Mills	48,900	20	17	4	22	12
Crestview	27,000	26	16	1	24	4
University Village	19,900	49	19	3	--	9
Other Shopping Center	156,800	23	21	9	11	18
Shopped Any Center	760,500	20	22	11	12	18

Source: Belden Associates, Sacramento Continuing Market Study, 1984/1985.

*WOMEN, SELECTED CHARACTERISTICS**

COVERAGE

Percentages are read vertically. For example, 32 % of adult women shop at Sunrise Mall.

	Total Adults	Women	Home-maker	Employed Full-time
Total Adults	876,000 100 %	453,800 100 %	93,500 100 %	169,900 100 %
Sunrise Mall	33	32	47	29
Arden Fair	24	24	25	28
Florin Mall	23	22	14	25
Country Club Plaza	19	19	26	19
Birdcage Walk	17	17	27	14
Downtown Plaza	17	17	15	26
Country Club Centre	15	15	12	16
Roseville Square	10	10	13	8
Town and Country Village	7	7	11	5
Fruitridge	6	6	--	7
Southgate	6	6	2	6
Downtown K Street Mall	6	5	1	9
Cordova Village/M[illegible]	6	5	6	5
Crestview	3	4	8	4
University Village	2	2	3	3
Other Shopping Center	18	20	13	24
Shopped Any Center	87	86	87	90

*Other categories would include student, part-time employed, retired, and unemployed.

Source: Belden Associates, Sacramento Continuing Market Study, 1984/1985.

PROFILE

Percentages are read horizontally. For example, 54 % of the shoppers at Sunrise Mall are women.

	Adults (100%)	Women	Home-maker	Employed Full-time
Total Adults	876,000	52 %	11 %	19 %
Sunrise Mall	286,800	54	15	17
Arden Fair	209,200	52	11	23
Florin Mall	202,700	48	6	21
Country Club Plaza	168,900	52	14	19
Birdcage Walk	152,500	50	16	16
Downtown Plaza	150,000	53	9	29
Country Club Centre	134,500	52	8	20
Roseville Square	85,800	50	14	15
Town and Country Village	64,600	46	16	13
Fruitridge	52,500	51	--	22
Southgate	51,800	51	3	21
Downtown K Street Mall	50,900	42	2	29
Cordova Village/Mills	48,900	49	11	18
Crestview	27,000	62	28	27
University Village	19,900	52	13	27
Other Shopping Center	156,800	58	7	26
Shopped Any Center	760,500	51	11	20

*Other categories would include student, part-time employed, retired, and unemployed

Source: Belden Associates, Sacramento Continuing Market Study, 1984/1985

DISTANCE WILLING TO TRAVEL TO SHOP

TABLE READS:

Seven percent of Sunrise Mall shoppers are willing to travel more than 25 miles to shop at a center.

It is apparent that shopping malls in the Sacramento Metro are attracting a number of adults that could be living in areas as far away as Placerville, Galt and Davis. Sacramentans are willing to travel to find the right selection and price in Sacramento's regional and community malls.

Percent of Adults Willing To Travel

	25 miles or more	16 to 24 miles	11 to 15 miles	6 to 10 miles	4 to 5 miles	3 miles or less
Sunrise Mall	7%	8%	13%	31%	25%	17%
Arden Fair	14	14	17	27	15	13
Florin Mall	12	13	22	20	15	15
Country Club Plaza	10	10	19	26	21	14
Birdcage Walk	13	6	24	27	14	14
Downtown Plaza	15	18	24	19	17	8
Country Club Centre	7	8	13	31	25	17
Roseville Square	11	13	20	32	16	5
Town and Country Village	12	9	21	38	14	6
Fruitridge	3	15	20	25	15	23
Southgate	24	9	17	26	19	3
Downtown K Street Mall	21	26	13	16	15	6
Cordova Village/Mills	4	9	25	37	6	19
Crestview	17	2	1	50	21	8
University Village	7	3	38	40	10	4
Other Shopping Center	17	20	19	23	12	10

THE BEE IS SACRAMENTO'S SOURCE OF SHOPPING INFORMATION

7 OUT OF 10 ADULTS TURN TO THE BEE

It is clear to see that consumers turn to The Bee for shopping information. For clothing, 74% of all adults in the Sacramento MSA rely on advertising in The Bee for shopping information, and among Bee readers the number is even higher (90%). Also, over a quarter of the Union's readers report that they rely on advertising in The Bee for their clothes shopping information.

Rely on Advertising in The Bee for Shopping Information about*	Percent of Total Adults	Percent of Bee Readers	Percent of Union Readers Who Rely on The Bee
Clothing	74%	90%	28%
Furniture	74	90	28
Household Appliances	73	91	28
Theatre/ Entertainment	72	89	22

*Percentaged without respondents who answered neither or don't know.

Development Context

IV. DEVELOPMENT CONTEXT

City Requirements

The City of Sacramento owns and operates a 562-space public parking garage on the Capitol Mall site. The City presently receives parking revenue from the garage.

The City would like the Advisory Panel to consider development for the site with the following concerns in mind:

1) Can replacement public parking be provided as a part of the development?

2) Can ownership of the Capitol Mall site remain with the City under land lease agreement?

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