



①

OFFICE OF THE
CITY MANAGER

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 101
915 I STREET
SACRAMENTO, CA
95814-2684

916-449-5704
FAX 916-449-8618

February 13, 1991

Joint Budget and Finance and
Transportation and Community Development Committee
Sacramento, CA

Honorable Members in Session:

SUBJECT: CADA ISSUES - IMPROVING COMMUNICATION AND COORDINATION

SUMMARY

At the September 24, 1990 Joint Budget and Finance/Transportation and Community Development Committee meeting several issues were discussed relative to the operation of the Capitol Area Development Authority (CADA).

Some information was provided about the relationship between CADA and the Sacramento Housing and Redevelopment Agency (SHRA). The memorandum from the SHRA Executive Director is attached. The issue of possibly expanding the CADA Governing Board to include tenant representation was also discussed and this matter will be reviewed by the City's Personnel and Public Employee's Committee.

The Joint Committee members expressed interest about exploring issues such as the City's overall relationship with CADA, mechanisms for enhanced communication between CADA and the City of Sacramento, overall mission of CADA vis-a-vis the Sacramento Housing and Redevelopment Agency, and the possible establishment of formal mechanisms for CADA to keep City Councilmembers apprised of current and future planned CADA projects.

CADA MISSION

The Capitol Area Development Authority is a Joint Powers Authority of the City of Sacramento and the State of California. It was created to carry out the recommendations of the Capitol Area Plan as it relates to non-State government facilities within the capitol area, particularly housing and parking. The City is to incur no

costs. It was created in 1978. The CADA Governing Board consists of five members which includes Brian Van Camp, Richard Rathfon, Harold Thomas, Kay Knepprath and one vacancy.

The Capitol Area Plan, as completed and adopted by the State, the City Planning Commission, and the City Council, called for the establishment of an agency to serve as "master developer" of the Capitol Area to coordinate the implementation efforts of the City and State governments, to manage State owned commercial and residential properties, and to construct parking garages.

CADA's core area is bounded on the north by L Street, on the south by R Street, on the west by S Street at 5th Street, and to the east by 17th Street.

BACKGROUND

Several activities have taken place since the September 24th Joint Committee meeting. These include the following:

- * Various meetings have been held between David Martinez and CADA officials and organized tours have been completed of CADA projects.
- * Materials have been obtained from CADA related to Board and Committee structure.
- * CADA Governing Board has acted to reinstate its Tenant Advisory Committee.
- * David Martinez has held several meetings with Mr. Max McCauley to obtain his perspective and input on the CADA organization. Mr. McCauley was subsequently elected Chair of the Tenant Advisory Committee. However, he has now resigned this position and advises staff that he is working independently with CADA tenants.
- * A legal review has been requested and obtained from the City Attorney's Office regarding the issue of tenant representation on the CADA Governing Board.
- * Human Rights/Fair Housing Commission staff attended CADA Tenant Advisory Tenant Advisory Committee organizing meeting and received feedback on process used and key issues addressed.
- * CADA Board membership item scheduled for Personnel and Public Employees Committee.
- * Ms. Kay Knepprath has been appointed by City Council to CADA Governing Board.

Through several meetings held with key CADA staff, there has been developed a closer working relationship between that organization and the City Manager's Office. There has also been expressed a commitment on the part of CADA staff to keep City Councilmembers and City staff informed of current and future activities. In this regard, it is recommended that CADA provide quarterly written reports on its activities and be invited to make quarterly presentations to the City Council similar to what is done with the Sacramento Commerce and Trade Organization (SACTO).

In addition, CADA staff will be scheduling tours of CADA projects for interested City Councilmembers.

City staff will also endeavor to actively participate in the CADA Technical Advisory Committee (Capitol Area Plan Committee) where membership is held. Any items arising from this participation that require City Council consideration will be addressed through the Transportation and Community Development Committee.

FINANCIAL DATA

Because of its role in redevelopment, CADA qualifies for and receives tax increment revenues. The City also provides administrative and fiscal support to CADA. The City of Sacramento's Finance Director serves as the CADA contracted Fiscal Officer. CADA also utilizes City purchasing and other services. The City's audit firm conducts the CADA fiscal audit. The City of Sacramento receives \$59,000.00 for services provided.

POLICY CONSIDERATION

The Joint Committee should consider as future policy that a closer relationship be developed between CADA and the City of Sacramento and that whenever possible information about projects and activities of mutual interest be shared as soon as possible.

MBE/WBE EFFORTS

MBE/WBE provisions are not applicable to this item.

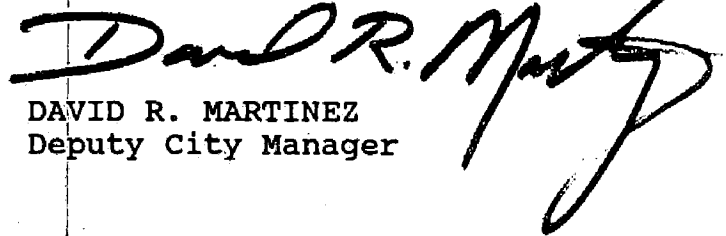
RECOMMENDATION

In order to strengthen the relationship and communication process between CADA and the City of Sacramento, the following recommendations are proposed for consideration by the Joint Committee and final action by the full City Council.

1. That the Capitol Area Development Authority be requested to provide written quarterly reports to the Sacramento City Council and that these reports be presented at City Council meetings.

2. Items from the CADA Technical Advisory Committee which impact City planning or development efforts should be brought to the attention of the City's Transportation and Community Development Committee.
3. That CADA be requested to work with City staff in scheduling formal orientation/tours of CADA projects.

Respectfully submitted,



DAVID R. MARTINEZ
Deputy City Manager

Recommendation Approved:



Jack Crist
Deputy City Manager

Contact Person: David R. Martinez, Deputy City Manager - 449-5704

All Districts
March 5, 1991



OFFICE OF THE
CITY MANAGER

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 101
915 I STREET
SACRAMENTO, CA
95814-2684

916-449-5704

October 15, 1990

MEMORANDUM:

TO: Ted Kobey, Assistant City Attorney

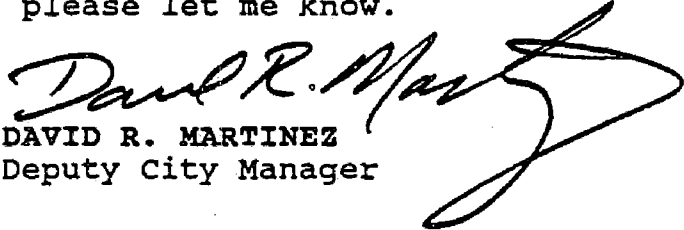
SUBJECT: CADA BOARD MEMBERSHIP

I would appreciate it if you could advise me on whether it is legally permissible to add two additional board members to the CADA Governing Board. Also, is it legally permissible for one or more of the CADA Governing Board members to be tenants?

I would also appreciate receiving any information you might have on the legislation that created CADA and the legislative intent. Is there any timeline for the legislation to expire or is it the intent for CADA to exist indefinitely?

Attached is a letter from Nancy Miller to Anne Rudin regarding this question. Do you agree with her comments?

Thank you for your cooperation and assistance in this matter. Should you have any questions, please let me know.


DAVID R. MARTINEZ
Deputy City Manager

HYDE, MILLER & SAVAGE

A PROFESSIONAL CORPORATION

ATTORNEYS

428 J STREET, SUITE 400

SACRAMENTO, CALIFORNIA 95814

TELEPHONE (916) 447-7933

FACSIMILE (916) 447-5195

PAUL J. CHRISMAN
M. HOLLY GILCHRIST
RICHARD H. HYDE
NANCY C. MILLER
LEE SAVAGE

August 29, 1990

Honorable Anne Rudin
Mayor of the City of Sacramento
915 I Street, Room 215
Sacramento, Ca 95814

Re: CADA

Dear Mayor Rudin:

In answer to your questions, Ron Rule, Executive Director of Capitol Area Development Authority, has asked me to forward to you a letter explaining the CADA Board's policies with regard to tenant participation.

CADA as a Joint Powers Development Authority and lessee of State owned property provides housing subsidies to low-moderate income people. These subsidies are not funded by the State or Federal government and are carried as a business expense by CADA. The CADA Board has authorized the creation of a tenant advisory council as well as a tenant review committee of the low income program.

CADA also provides housing to middle income persons as well as leasing commercial spaces and these tenants must, by law, pay market rate rent. Because of our proximity to the Capitol, many of these middle income renters include state legislators, legislative and government staff, media personnel and government officials.

Because of potential conflicts of interest we provide tenant advisory committees for our low-moderate income tenant's only. This "advisory" committee is similar in creation to the redevelopment agency's redevelopment commission and the Project Area Committees which are advisory to the City Council. This request to expand the CADA Board would be similar to a request to expand the City Council to add a tenant, when acting as the Redevelopment Agency.

Page 2
Mayor Rudin
August 29, 1990

The CADA Board welcomes tenant input but in my opinion it is not legally appropriate for tenants to sit on the CADA Board.

Very Truly Yours,

HYDE, MILLER & SAVAGE
A Professional Corporation

By: 
Nancy C. Miller

NCM/tdb



**OFFICE OF THE
CITY ATTORNEY**

JAMES P. JACKSON
CITY ATTORNEY

THEODORE H. KOBAY, JR.
ASSISTANT CITY ATTORNEY

SR. DEPUTY CITY ATTORNEYS:
SAMUEL L. JACKSON
WILLIAM P. CARNAZZO

**CITY OF SACRAMENTO
CALIFORNIA**

November 8, 1990

921 TENTH STREET
SUITE 700
SACRAMENTO, CA
95814-2717

PH. 916-449-5346
FAX 916-449-6755

DEPUTY CITY ATTORNEYS:
LAWRENCE M. LUNARDINI
EVELYN M. MATTEUCCI
DIANE B. BALTER
RICHARD F. ANTOINE
TAMARA MILLIGAN-HARMON
RICHARD E. ARCHIBALD
TIMOTHY N. WASHBURN
SABRINA M. THOMPSON
JOSEPH McINERNEY
JOE ROBINSON

MEMORANDUM

TO: David Martinez, Deputy City Manager

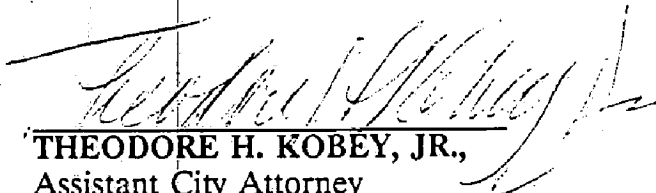
FROM: Theodore H. Kobey, Jr., Assistant City Attorney

RE: CADA BOARD

I have reviewed the CADA Joint Powers Agreement and Government Code Sections 8160 *et seq.* relating to CADA, and I believe it would be possible to add one or more tenant members to the CADA Board. This would require an amendment to the Joint Powers Agreement which currently specifies how Board members are appointed.

While it would be legally permissible to add one or more tenant members (assuming an amendment to the Joint Powers Agreement), I believe this might lead to difficulties with those tenant members in terms of conflicts of interest on matters which would relate to the tenants' financial interests.

I have discussed this matter briefly with counsel for CADA, and she concurs with the foregoing. Please let me know if you have any further questions regarding this matter.


THEODORE H. KOBAY, JR.,
Assistant City Attorney

THK/jms

CURRENT CADA BOARD OF DIRECTORS
(2/13/91)

Brian Van Camp, Chairperson
(State Appointee)

Richard Rathfon
(State Appointee)

Harold Thomas
(City Appointee)

Kay Kneprath
(City Appointee)

Vacant Position
(Board Appointee)

NOTE: In December Board Member Ray Kwong resigned for health reasons. The Board is in the process of filling this position following a public process, patterned after that used by the City to make its appointments. This vacancy was announced at the December 21st Board Meeting. Announcements were subsequently posted at the CADA Offices and City Hall and an advertisement run in the Sacramento Bee and the Sacramento Union.

The filing deadline is February 14th, 12 noon. Subsequent to this deadline a board committee composed of Richard Rathfon and Harold Thomas will interview applicants and make a recommendation to the Board at its April 15th meeting.

Capitol Area Development Authority

MEMORANDUM

TO: CADA BOARD OF DIRECTORS

FROM: RONALD G. RULE

SUBJECT: AGENDA ITEM 11
REPORT ON TENANT COMMUNICATIONS

INTRODUCTION

At its August 17th meeting, the CADA Board of Directors heard a request to add two tenants to the board. Because the board does not have the authority to alter its composition, it requested staff report back on alternate methods of achieving good tenant communications.

The balance of this report presents background on the management of the properties and discusses these alternate methods.

MANAGEMENT OF THE PROPERTIES PRIOR TO CADA

Before CADA was created, the State of California had divided management of the residential properties between a private property management firm and the Downtown Neighborhood Association (DNA). DNA's membership consisted of CADA tenants and other members of the community.

This self-management experiment began when the Capitol Area Plan was approaching adoption. Prior to the adoption of the Plan public policy on the future of these apartment buildings was unclear for almost 15 years. In great part, this was responsible for much of the deferred maintenance which still existed at the time that CADA assumed management. Because no one knew whether the structures would be retained, neither the State or its private master tenants could justify the necessary improvements to these aging properties. This lead to skewed rents as various accommodations were made by discounting rents due to the condition of individual units. Rent levels were additionally erratic because the buildings were managed by several master tenants who set their own rental rates and policies.

DIRECT MANAGEMENT OF PROPERTIES BY CADA

When CADA was created, the initial plan was to allow daily management of half of the apartments to continue to be by a private property management company and the other half by DNA. In the first six months of CADA's existence it became apparent that this organizational structure did not provide consistent service to tenants and also siphoned off dollars needed for maintenance to multiple levels of overhead. During a series of public board meetings, it was therefore decided to have CADA assume direct management.

The primary factor in the Board deciding to assume direct management was that they wished to provide a high level of service and communication with the tenants. Accordingly, Walter Edwards (who has been CADA's Chief Property Manager since CADA started) placed the following management practices into effect:

- a. Central rental of all units to assure fair and equitable treatment of applications for both market rate and subsidized units.
- b. Training and monitoring of resident managers by having regular performance evaluations and monthly group meetings.
- c. Establishment of a central maintenance log to assure maintenance issues are resolved effectively within budget constraints.
- d. Promptly addressing tenant disturbance issues to minimize disruptions to other tenants.
- e. Regular health/life safety inspections and preventative maintenance.
- f. Upgrading the exterior appearance of CADA buildings in order to obtain highest achievable market rate rents. (This is critically important, as market rate rents are the primary funding source for building maintenance and low income subsidies.)

Given its self-sustaining financial structure, CADA directly feels the impact of job performance. Put simply, if units are not rented and tenants are not satisfied, the income stops. Long ago it was recognized that the only way these properties can compete is through marketing location and service. It is significant to note that CADA's vacancy is at the lowest it ever been and that the majority of people who rent from CADA have either rented from CADA before or have been referred by current tenants.

METHODS OF ASSURING OPEN TENANT COMMUNICATION

Because the landlord/tenant relationship by its nature could place the tenants in a position where they may not feel open to express grievances, it may be desirable to have additional methods of tenant communication in place. During the twelve years that CADA has managed these properties, many if not all of the following additional methods of tenant communication have been utilized.

- Formation of Tenant Advisory Council
- Placement of Suggestion Boxes in CADA Buildings
- Periodic Tenant Surveys
- Meetings of the Board of Directors in the neighborhood
- Staff/Tenant meetings in the neighborhood
- Establishment of Property Management Sub-committee of the Board.
- Notice of Rights to Appeal.

Following is a discussion of how each of these methods has operated in the past and how they may be put into effect, should the Board so desire.

Formation of Tenant Advisory Council

In 1980 the Board of Directors established a tenant advisory council. The purpose of the tenant advisory council was to provide input to the CADA Board of Directors on issues that directly affect tenants' living conditions. The council consisted of six (6) members with three at large members selected by lot and three (3) members representing neighborhood organizations.

When the Tenant Advisory Council was established, creation of an ombudsman position was discussed. At that time tenants raised the concerns that a tenant advisory council was preferable to a paid ombudsman. The reason was that it was felt that volunteer members of a tenant advisory council would be less influenced by CADA.

The tenant advisory council held regularly scheduled monthly meetings in the neighborhood during the following two years. CADA Staff attended these meetings. All meetings were publicly noticed in accordance with the requirements of the Brown Act. In addition to landlord/tenant matters, issues addressed during this period included neighborhood security, the installation of the street light program and the qualification criteria used for the low income program, and proposed CADA development projects. The neighborhood organizations

represented during this period included DNA, the Capitol Park Renters Fund and the Westminster Presbyterian Church. The three members at large were selected by lot from letters received from tenants interested in serving on the council.

After two years, the meetings of the tenant advisory council stopped due to lack of tenant interest.

Recently, at the request of the Executive Director, DNA and CADA sent out a notice to all tenants to see if there was interest in reconstituting the Tenant Advisory Council (attachment 1). This notice invited all interested tenants to attend a meeting on Saturday, October 6th at 10:00 a.m. The meeting was held in Westminster Church and was chaired by members of DNA and Bill Mahan of the 17th Street Commons. Walter Edwards and Jackie Whitelam briefly spoke and answered questions at the start of the meeting. They then left so as not to influence tenant discussion.

The October 6th meeting was well attended and it is our understanding that a seven member tenant advisory council was elected by the group. The seven selected consist of one commercial tenant, one homeowner and five renters. We believe it is the intent of the seven to meet prior to the CADA Board meeting and that they may wish to address the board during discussion of this item. Additionally, Anna Lee Moore of DNA has informed us that she may be available to report further on what occurred at the October 6th meeting.

NOTE: In addition to the October 6th meeting being well attended, several tenants have responded directly to our office that they wish to participate on the council, but were unable to attend this meeting.

Placement of Suggestion Boxes in all CADA Buildings

In 1982 suggestion boxes were placed in 12 trial locations throughout the neighborhood. These suggestion boxes were locked and were to be opened in the presence of tenant representatives. Suggestions were received from these boxes on a very slight and sporadic basis for about nine (9) months.

Suggestions received generally concerned common area building maintenance issues, but also included requests to have the city put signs in the alley warning drivers to drive slower, to have cable installed and to have pay phones placed in the lobbies.

Collections from the suggestion boxes were discontinued because of lack of use. CADA has however continued to receive and respond to suggestions transmitted through either the Resident Managers or directly to our office.

Periodic Tenant Surveys

From time to time, CADA has surveyed tenants in particular buildings as to the performance of their resident managers. In addition CADA ran an areawide survey of all its tenants in 1984 which asked tenants to rate the service provided by their manager, the maintenance office, the marketing staff and CADA in general. In order not to influence tenant response, tenants were informed that the surveys could be submitted anonymously should they so desire. The responses to this survey were generally favorable and were seriously considered by staff in formulating tenant management and building maintenance programs.

In order to facilitate the return of the surveys, self addressed stamped envelopes were mailed directly to every tenant. This is a practice we would recommend be continued in all future surveys.

Meetings of the Board of Directors in the Neighborhood

In the past the CADA Board has held meetings once a quarter in the neighborhood. At the request of CADA tenants these meetings were held on weekday evenings.

Recently we have not had requests for such meetings. Should the Board decide to hold meetings in the neighborhood again staff recommends that the Westminster Presbyterian Church be used for the meeting place due to its central location. (Historically the church meeting rooms have been used by both CADA and DNA for meetings. Should we require regular use of these facilities in off hours, it is our understanding that a reasonable fee may be assessed by the church to cover the costs of keeping the room open.)

Establishment of Property Management Sub-Committee of the Board

For several years two members of the Board were assigned to a Development Sub-committee and two members were assigned to a Property management Sub-committee by the Chairperson. During the early years many property management actions were before the board. The Property management Sub-committee generally met with staff prior to the board meetings and provided input on the development of the Staff Recommendations to be made to the full Board.

Additionally, this Sub-committee, upon request by the Chairperson of the Board investigated specific tenant complaints about staff actions made to the Board.

Staff/Tenant Meetings in the Neighborhood

Over the past 12 years meetings have been held by staff with tenants after work hours to gather comments as specific issues have arisen. These issues have covered such topics as pending CADA development projects, the installation of the street lights, appearances at homeowner association general meetings and CADA's low income program. With regard to the last item, this involved a CADA executive staff member attending meetings at every CADA apartment building prior to the start of the low income program to explain to the tenants what the criteria would be to qualify for the program and how their rent would be affected if they qualified and if they did not.

Notice of Rights of Appeal

Tenants have always been encouraged to appeal to the Executive Director or designee should they be dissatisfied with actions of our property management or maintenance staff. Failing resolution at this level tenants are further informed of their rights to appeal to the Board of Directors. This right to appeal is printed on legal notices served to tenants.

Over the past twelve (12) years, the Executive Director, the Chief Deputy Director and the Deputy Director for Administration, have all served in this appellate capacity.

cadamemo

date 8/30/90

to: All Tenants & Residents of
CADA Properties

subject: Open Meeting to
Re-establish a Tenant

Advisory Council (TAC)

from: Downtown Neighborhood Assoc. *Q. Moore*
(DNA) & CADA Executive Director

Ronald G. Rule *W. R. R.*

WHERE: Westminster Presbyterian Church, 13th & N Streets
WHEN: Saturday, October 6, 1990, at 10:00 a.m.

CADA and the DNA are cooperating to re-establish a Tenant Advisory Council to function within the CADA area. Some of the purposes of the TAC would be to:

- A. Provide an open forum for suggestions for neighborhood improvements as well as the airing of tenant dissatisfaction.
- B. Maintain a liaison and improve communications among tenants/residents, CADA staff and CADA Board of Directors.
- C. Encourage constructive neighborhood activities such as neighborhood watch groups, block parties, etc.
- D. Advise both CADA and the tenant(s) as to what actions seem proper under the circumstances.
- E. Make periodic reports to CADA Board of Directors relating the findings of TAC and other neighborhood concerns.

Be sure to attend the meeting and voice your opinion. We hope some of you will come prepared to volunteer as members of the TAC and help get things going. DNA and CADA will help you get started. There are no dues to pay, and no salary either! Persons who work in the CADA area are also welcome to attend. We hope for a big turn-out on October 6th.

If you think a TAC is a good idea, come and support it. If you have other ideas, let's hear them, too! See you Saturday, October 6th at 10:00 a.m.

MEMORANDUM

September 26, 1990

TO: David Martinez, Assistant City Manager
FROM: Bob Smith, Executive Director
SUBJECT: Outline of Sacramento Housing and Redevelopment Agency (SHRA)
Relationship with and to the Capitol Area Development Authority (CADA)

Pursuant to your request, I have prepared the following information relative to SHRA and CADA.

Currently, there are a number of areas in which SHRA relates to or may be compared with CADA. These can be categorized, for the sake of discussion, into the following groupings:

- A) Similarities in Functional Charge
 - B) Legal/Administrative/Organizational Comparisons
 - C) Geographical Layout
 - D) Role in Downtown Planning
 - E) Financial Relationships
- 1). Functionally, CADA and SHRA have very similar charges in that both organizations have housing development, housing management and redevelopment functions.

CADA, as manager of housing units on state (and CADA) owned property within their area of jurisdiction (see map and lists - attached), fulfills a *housing authority like* role in that area. Unlike SHRA, however, its units are not "public housing" in the sense of housing developed and operated under the federal "public housing" program. In CADA's case, no federal public housing operating subsidies are tied to the units. Rather, CADA attempts to maximize affordability by employing an income mix within their projects whereby market rate units subsidize low-income units. CADA is mandated by the Capitol Area Plan, its governing document, to provide 20-25% low income units within the projects it develops or rehabilitates. Additionally,

CADA is required to maintain a minimum of 176 low-income housing units which existed at the time CADA was established. In some instances, Section 8 (federal) rent subsidies may be employed. (Thirty-three Section 8 certificate recipients currently reside in CADA units.)

CADA has participated in numerous privately developed housing projects as well. This role is very similar to the one SHRA has played in many of its public/private housing partnerships.

All told, CADA is landlord for approximately 750 \pm units while SHRA owns around 3,500 \pm and administers Section 8 contracts on another 5,000 \pm .

CADA and SHRA also have functional similarities on the redevelopment side. Both receive tax increment funds from growth of property taxes within their areas. SHRA is much more heavily involved in commercial/office development than CADA, however, CADA does some commercial/office development as well. (For example, the Capitol Athletic Club and restaurant is a CADA project.) Nevertheless, much of CADA's tax increment funding is used to subsidize their housing developments. For example, maintenance of the pre-existing low-income units costs \$300,000 \pm annually. As noted above, CADA has developed housing itself and worked with private developers to develop housing. A summary of CADA's projects is attached. A similar list of Agency projects is available but is very lengthy and probably beyond the scope of this memorandum.

2). Legal/Administrative/Organizational Issues

Legally, CADA is established as a Joint Powers Authority between the City of Sacramento and the State of California. The governing board is a five member board, two of whom are appointed by the City, two by the State, and one by the other four. CADA is authorized by Government Code Section 8182 to act as both a redevelopment agency and as a housing authority. Currently, the Board members are: Richard Rathfon, Chairman (State); Raymond Kwong (Board Appointee); David McMurtry (City); Brian Van Kamp (State); and Harold Thomas (City).

The scope of SHRA operations encompasses those which CADA typically performs in its area. CADA's development and management functions are organized beneath a single Executive Director, just as with SHRA except that SHRA also has a substantial social services component which it administers.

As you know, SHRA is a combination of four legal entities: The City Housing Authority, City Redevelopment Agency, County Housing Authority, and County Redevelopment Agency. The City Council and Board of Supervisors serve as governing boards on matters under their respective jurisdiction. An eleven member advisory Commission oversees the joint operations. There are many similarities between the function of the Commission, our Boards, and the CADA Board. A similar joint powers agreement or shared commission appointments would certainly be feasible should SHRA increase its involvement with the state or other jurisdictions such as newly incorporating cities.

3). **Geographical Layout**

CADA's geographical area is contiguous with the Downtown Redevelopment Area in many places. (See attached map).

4). **Role in Downtown Planning**

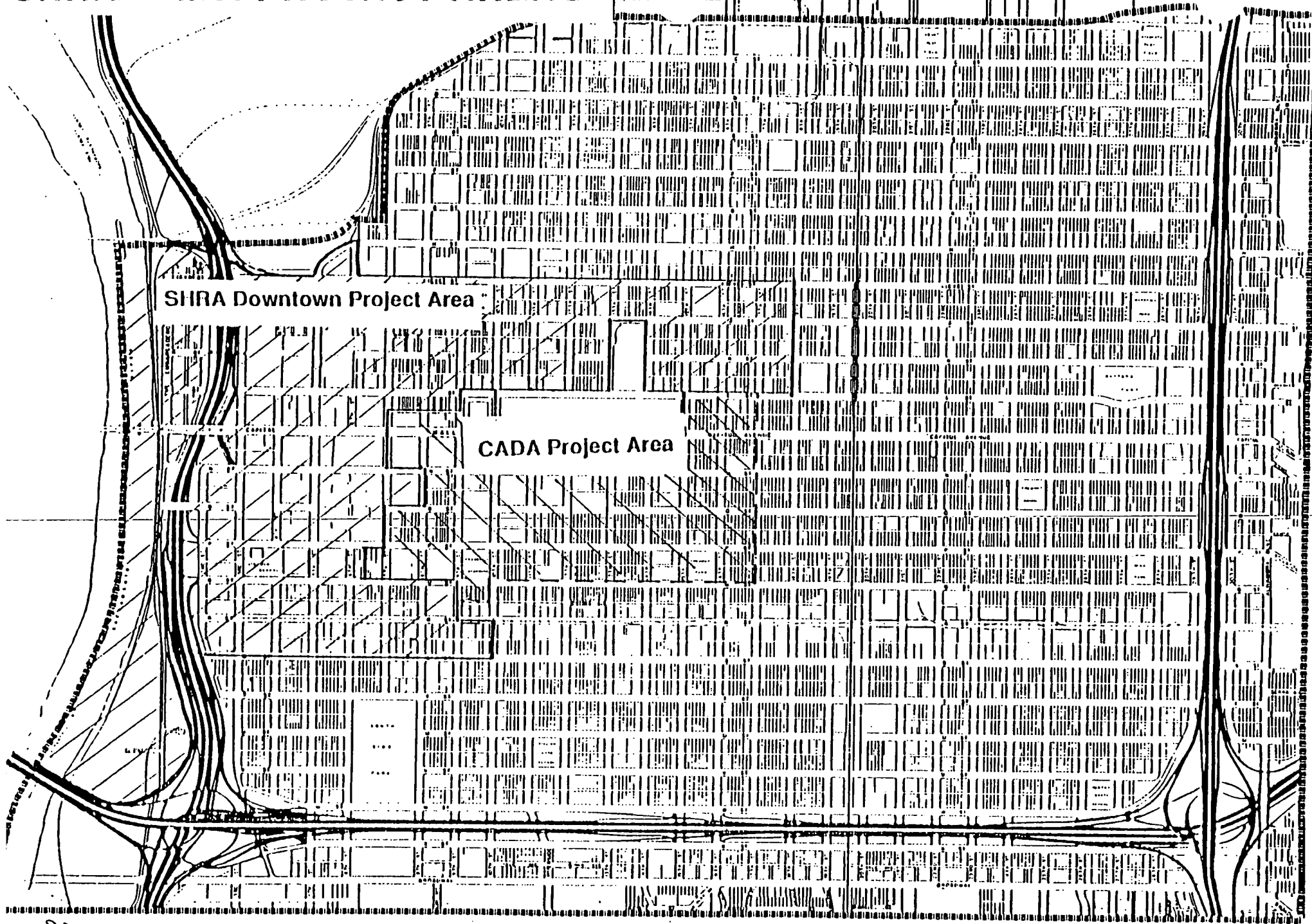
From a planning perspective, CADA and SHRA share many common interests. CADA has participated in the Housing Finance Tax Force, the "R" Street Corridor Committee and figures to be an important player in the formulation of the Downtown Housing Strategy currently being developed jointly by the Agency and City Planning Department. Both agencies are interested in furthering housing development in Downtown. CADA's jurisdiction, however, includes proportionately more suitable housing development area than SHRA's Downtown Redevelopment Project Area, which is heavily commercial. SHRA conversly has more financial capability to implement housing objectives than CADA.

5) **Financial Relationships**

SHRA has participated financially in several CADA projects over the years. A list is attached.

If I may be of further assistance, please let me know

SHRA / ADA PROJECT AREAS



SHRA Downtown Project Area

CADA Project Area

EXHIBIT
CAPITOL AREA DEVELOPMENT AUTHORITY PROJECTS 62

SITE	ACTIVITY	STATUS
1	Capitol Commons 92 Condominiums	Pending Resolution of Governor's Mansion/Legislative Office Building issue.
2	Somerset Parkside 75 Condominiums 26 Apartments	Condominiums sold and apartments occupied Apartments funded by Housing and Community Development loan. Commercial space purchased by CADA with private financing 1984. Tenant improvements include base/shop, laundromat, florist.

SITE	ACTIVITY	STATUS
7B	14th and Q Streets 9 apartment units	Historic Row, completed 1984.
7C	Development Site	Future development site.
8A	Von Stohl Manor 4 units	Victorian building will be moved to a Sacramento Housing and Redevelopment Area site outside the Capitol Area.
8B	Single Family	Completed, 1988. Rehabilitation conversion to 3 apartments.
8C	Residential Infill	Developer selected for 60-unit 80% elderly/20% low income apartments. Construction to begin Spring 1989.
9	16 units (Manager's apartment unit, plus 15 rooms)	Completed in 1982. Development by CADA with equity participation by the Sacramento Housing and Redevelopment Agency, community development block grant funds and below mark interest rate construction loans from savings and loan association, SHRA, and from builder.
10	Future residential development	Pending
11	Now State Office Site 4	Exchanged for increased size of Site 17.
12	Future residential development	Pending
13	Exchanged for increased size of Sites 15 and 19.	Scheduled for future development.
14A	12 apartment units	Relocated from 1020 P Street. Completed and occupied in early 1983.
14B,C	Future development site	Must be purchased from Department of Veteran's Affairs.
15A	Greentree Commons 18 units, 3,000 square feet of commercial space	Purchased by CADA in 1986 and converted from condominiums to apartments.

9

ACTIVITY

STATUS

Stanford Park, 16
Townhouse condominiums

Completed, 1986.

Admail Express, Inc.
7 apartments, 3,000 square
feet commercial

Completed, 1984.

Admail Express, Phase II
9 apartments, 4,500 square
feet commercial

Project will be readvertised Spring, 1989.

Future residential
development

Pending.

B,C Development Sites

Delayed for development, pending garage program. Currently used for parking.

B Rehabilitation of
14 apartment units.

Developed by CADA using Department of Housing and Community Development low interest loan (SB 966 financing) and matching funds from savings and loan association; construction completed.

Stanford Park
34 condominium units

Completed, 1986. Recipient of Pacific Coast Builder's Conference Gold Nugget Award, 1988. Includes 3,000 square feet of commercial space.

Now garage site

Site exchanged for increased size of Site 18.

New residential project
mid-rise at 14th and N.

Project being readvertised, Spring, 1989.

Major rehabilitation
of 16 apartment units.

Completed, 1980.

Major rehabilitation
of 42 apartment units,
"Park Mansion".

Completed, 1980.

23
10

SITE	ACTIVITY	STATUS
24	Major rehabilitation of 12 apartment units, "The Lombard".	Completed, 1980.
25	Major rehabilitation of 8 apartment units.	Completed, 1980.
26	Major rehabilitation of 2 apartment units with ground floor market.	Completed, 1979.
27	Major rehabilitation of 5 apartment units "The Victorians".	Completed, 1980.
28	OB2000, 1001 P Street, temporary structure demolished. Business moved to Site 2.	Completed, 1985.
29	Major rehabilitation and adaptive reuse of 26 alternative living units, "The Elmwood".	Completed, 1979.
30	New "Pocket Park"	Completed, 1982.
31	Golden 1 Credit Union modular teller facility.	Completed, 1984.
32	Existing commercial space. Future development site.	Unscheduled.
33	Minor rehabilitation	Completed, 1979.
34	Rehabilitation - new roof	Completed, 1980.
35	Rehabilitation - new roof	Completed, 1980.

11
84

16

ACTIVITY

STATUS

Street Light Program for
Capitol Area

Completed, 1982. (CADA and Capitol Park Renter's Fund)

Relocation of hazardous
structure (1979). Miscel-
laneous exterior painting
roof replacement and re-
pair of several existing
buildings (1984).

Completed

Relocation of 1509-
11 - 16th Street for
Rehabilitation in Alkali
Flat.

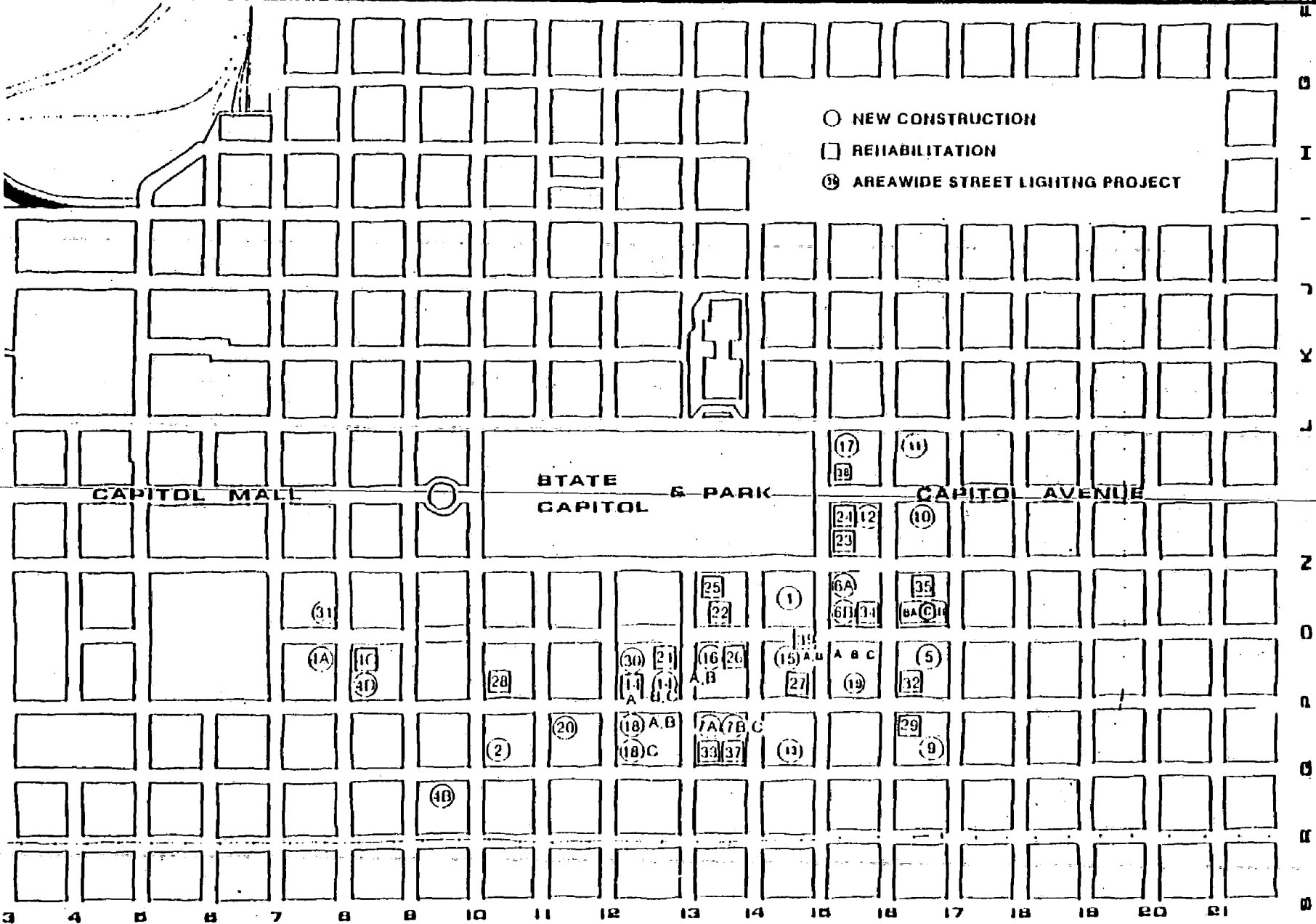
Completed

Major rehabilitation
of 25 apartment units,
"The Austender."

Completed, 1986

25
12

Map 4
CADA PROJECTS



26
1

AGENCY LOANS TO
CAPITAL AREA DEVELOPMENT AUTHORITY
(CADA)

1. Project: Biele Place - 1415 15th Street
Original Amount: \$75,000
Loan Balance: \$59,793
Terms: 15 years, 5%, loan fully amortized between 1985 and 1998
Status: Payment requirements suspended from July 1990 to February 1998. Interest at 7.5% will accrue, with all principal and interest due in 1988.

2. Project: 1619 "Q" Street
Original Amount: \$39,000
Loan Balance: \$36,317
Terms: 30 years, 9%
Status: Current

This loan was provided to supplement CADA funds used to construct a 16 unit SRO complex.

3. Project: 17th Street Commons
Original Amount: \$445,000
Loan Balance: \$445,000
Terms: Payment period 1/1989 - 1/2016. Structured payment schedule, no interest charged

This project is a 19-unit cooperative located on CADA property at 1524 17th Street. The Agency provided a zero-interest, deferred loan to 17th Street Commons in the amount of \$445,000 to supplement funds loaned by the National Cooperative Bank (NCB). In 1987, the Agency re-structured its loan payment schedule in order to provide requested relief to the project. NCB likewise provided relief by decreasing the interest rate charged on its loan. CADA continues to receive ground lease payments of approximately \$4,000 from the cooperative. CADA would not agree to reduce its ground lease payments as a part of the relief package provided in 1987.

4. Project: Minor Rehabilitation of Existing Units
Original Amount: \$108,000
Loan Balance: \$0
Terms: 4 years, 0%

CADA employed this loan to repair the sub-standard conditions of several of its housing units. The loan was approved concurrently with the Biele Place loan and has been retired. State and Federal funds loaned to CADA have been passed through the Agency on several occasions. The Agency may monitor regulatory provisions of the agreements governing these loans. These loans have, therefore, been excluded from this summary.

**Capitol Area
Development
Authority**

October 26, 1990

David R. Martinez
Deputy City Manager
City Hall
Room 109
915 I Street
Sacramento, CA 95814-2684

Dear Mr. Martinez:

I enjoyed meeting you on Wednesday, October 23, 1990 and hope that the memorandum to the Board on Tenant Communications is useful.

As we discussed, I am also transmitting background information on the Capitol Area Plan Committee (CAP), the Technical Advisory Committee (which serves the CAP) and the Tenant Advisory Committee. Attached for your reference is a copy of a diagram depicting the relationship of the organizations which coordinate the development of the Capitol Area Plan; the current members of the CAP and; the current members of the Technical Advisory Committee.

According to the legislation creating the CAP, "the purpose of the Committee is to independently review the reports of the Department of General Services to the Legislature and counsel and advise the Department in the carrying out of its responsibilities related to the Capitol Area Plan".

The Committee consists of nine members--four appointed by the Governor, two by the Speaker of the Assembly, two by the Senate Rules Committee, and one by the Director of General Services. Two of the gubernatorial appointments must be appointed from lists submitted by the City of Sacramento and the County of Sacramento. One Assemblymember and one Senator may be appointed by their respective chambers.

The CAP has appointed a Technical Advisory Committee to provide staff support and ongoing coordination for planning in the area. This committee (which includes representatives of state and local government, as well as public members) reviews plans and proposals in the Capitol Area at the request of the CAP.

David Martinez


October 26, 1990
Page 2

With regard to the members of the Tenant Advisory Committee, I have enclosed a list of the names and addresses of the members presently known to us.

As I mentioned to you, CADA staff did not remain present at the October 6th tenant meeting, in order not to influence the tenants and their selection. We have been informed that a seven member committee was elected with one member representing the commercial tenants, one member representing the homeowners and five representing renters.

We have requested a meeting with this committee and a written list of their members (see attached letter). Additional material on this committee will be transmitted when it is available.

Sincerely,



JACQUELINE WHITELAM
Deputy Director, Administration

JW:dl

attachments

CAPITOL AREA PLAN COMMITTEE

Members

Albert M. Dreyfuss, Chairman
Phil Isenberg, Assemblymember
Anna Lee Moore
John Doolittle, Senate member
Sandra Smoley, County Supervisor
Kenneth K. Wang
Sherri Welles
Jeff Wallack
W. J. Anthony, Director

Appointing Power

Assembly Speaker's Office
Assembly Speaker's Office
Senate Rules Committee
Senate Rules Committee
Governor's Office/County
Governor's Office/City
Governor's Office
Governor's Office
Dept. of General Services

TECHNICAL ADVISORY COMMITTEE
(Capitol Area Plan Committee)

- | | | | |
|----|--|-----|---|
| 1. | Paul Neel, Chairman
Office of the State Architect
400 P St., 5th Floor
Sacramento, CA 95814
445-4167 | 9. | Marty Van Duyn
Sacramento City Planning Dept.
1231 I St., Suite 300
Sacramento, CA 95814
449-5381 |
| 2. | Howard Evanson
Sacramento Downtown Assoc.
200 P St., Suite D21
Sacramento, CA 95814
442-3631 | 10. | Joel Willis
Ofc. of Fleet Administration
1111 P Street
Sacramento, CA 95814
445-7529 |
| 3. | Christy Marks
Downtown Neighborhood Assoc.
2009 15th St.
Sacramento, CA 95818
446-7273 | 11. | Grant Miller
Senate Budget & Fiscal Review
State Capitol, Room 5013
Sacramento, CA 95814
445-5202 |
| 4. | Valerie Rosenkrantz
Sacramento Regional Transit
P.O. Box 2110
Sacramento, CA 95810
732-2235 | 12. | John Brooks
Ofc. of Real Estate & Design
400 P St., Suite 3110
Sacramento, CA 95814
445-3509 |
| 5. | Mark Morgan
Parking Division
City of Sacramento
1023 J St., Suite 202
Sacramento, CA 95814
449-5354 | 13. | Gerry Toop
Dept. of Transportation
1120 N St., Room 1525
Sacramento, CA 95814
445-5309 |
| 6. | Gene Masuda
SHRA
630 I Street
Sacramento, CA 95814
323-1278 | 14. | Mike Smith (Christal Waters)
Ofc. of Proj. Devel. & Mgmt.
400 P St., Suite 3460
Sacramento, CA 95814
445-0780 |
| 7. | Paul Schmidt, A.I.A.
CADA
1230 N St., Suite 200
Sacramento, CA 95814
322-2114 | 15. | Tim Hill
Ofc. of State Police
815 S St., 1st Floor
Sacramento, CA 95814
322-3337 |
| 8. | Margery C. Brooks
Homeowners (Capitol Area)
1524 17th St., Suite C
Sacramento, CA 95814 | | |

**Capitol Area
Development
Authority**

October 26, 1990

Dear Tenant Advisory Committee Members:

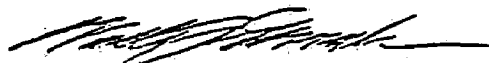
Congratulations on being elected to the Tenant Advisory Committee. I look forward to working with you and would like to meet with the committee 5:00 p.m. on Thursday, November 1, 1990 in the CADA Offices to review operating procedures if this is convenient. As we have verbally received conflicting names for the members, I would also appreciate receiving a written list of the members and the way we may contact you.

I understand that you have assigned specific buildings to members of the committee and that you wish to meet with the resident managers. Prior to your contacting them, I believe it would be helpful for me to personally let them know the name of the member who has been assigned their building(s).

Without first hearing from me, the resident managers have no way of knowing who your representatives are and that your purposes are legitimate. Because security is an issue in the neighborhood, many of our managers are very protective of residents and of the premises, and they might be concerned about the presence of a person unknown to them. This would especially be true in some of our security buildings.

Thank you again for volunteering your time to serve on this committee. I look forward to meeting you all.

Sincerely,



WALTER J. EDWARDS
Deputy Director for
Property Management

ch

CADA TENANTS COUNCIL

2/11/91

CYNTHIA BORISKIN
Commercial Tenant Representative
Bagful of Bagels, Inc.
1607 10th Street
Sacramento, CA 95814
(916) 446-6010 work
(916) 446 5571 home

TERRY CALDWELL, CO-CHAIR
Tenant Representative
1522 N Street, #302
Sacramento, CA 95814
(916) 446-4691

MARGUERITE CROUSE
Condominium Representative
902 P Street
Sacramento, CA 95814
(916) 442-5568 home
(916) 323-0695 work

CARL FAIRWEATHER
Tenant Representative
1209 P Street, #11
Sacramento, CA 95814
No Phone

CHARLES JOHNSON, CO-CHAIR
Tenant Representative
1522 N Street, #103
Sacramento, CA 95814
(916) 442-8026

MAC LAKHANI
1522 N Street, #202
Sacramento, CA 95814
(916) 448-8270

NOTE: There is presently one vacant tenant representative position.

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION ADOPTING CAPITOL AREA DEVELOPMENT AUTHORITY (CADA) IMPROVED COMMUNICATION AND COORDINATION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO THAT
THE FOLLOWING RECOMMENDATIONS BE ADOPTED:

1. That the Capitol Area Development Authority be requested to provide written quarterly reports to the Sacramento City Council and that these reports be presented at City Council meetings.
2. Items from the CADA Technical Advisory Committee which impact City planning or development efforts should be brought to the attention of the City's Transportation and Community Development Committee.
3. That CADA be requested to work with City staff in scheduling formal orientation/tours of CADA projects.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____