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August 25, 1999

City Council
Sacramento, California

Honorable Members in Session

SUBJECT: CAPITAL AREA EAST END PROJECT

LOCATION AND COUNCIL DISTRICT: All Districts


RECOMMENDATION: The attached report is an update of the State of California's Capital Area East End project and will be on the August 31, 1999 afternoon Council meeting agenda. This report is provided for information only, and no City Council action is requested on the item.

A representative of the State Department of General Services will attend the meeting and will present information regarding the status of the East End Project and respond to questions of the City Council on this matter.

CONTACT PERSONS: Kristan Otto, Manager, 267-7948
Economic / Neighborhood Commercial Development Division

FOR COUNCIL MEETING OF: August 31, 1999

Respectively submitted,


Kristan Otto, Manager
Economic / Neighborhood
Commercial Development Division

Approved


Andrew J. Plescia
Economic Development Director

RECOMMENDATION APPROVED


ROBERT P. THOMAS
City Manager

**CAPITOL AREA EAST END COMPLEX
REPORT TO SACRAMENTO CITY COUNCIL**

August 31, 1999

Construction:

The Department of General Services (DGS) issued a Request for Proposals (RFP) for the design and construction of the \$392 million dollar East End Project. Two separate RFPs were issued for the project: one for the large area bounded by 15th to 17th and L to N Streets (Blocks 171-174); the second for the area bounded by 14th to 15th and N to O Streets (Block 225). Attached is Exhibit I which identifies the subject areas.

Two separate RFPs were issued by DGS as a means to encourage participation by local firms. As a result many of the teams responding to the RFPs included participation by local firms.

The design build team submitting proposals for the Block 225 include:

- Rudolph and Sletten Construction with Erlich-Rominger Architects.
- J.R. Roberts Construction with Nacht and Lewis Architects and McCuen Properties.
- Hensel Phelps Construction with Fentress Bradburn Architects and Dreyfuss & Blackford Architects.

The design build teams submitting proposals for Blocks 171-174 include:

- Clark Construction with Gruen Architects
- DPR Construction with McCuen Properties and Gensler Architects
- Dinwiddie Construction with DMJM Architects.

Each prospective design build team will now prepare the design and construction proposals to be submitted to DGS in late September 1999 with final selections by DGS scheduled for November 1999. The proposals are required to include environmentally appropriate and sustainable construction measures and to make the East End Project a model of energy efficiency and "green" building design. The selected design build team must certify that it can complete the construction within the established budget limits and offer further amenities to complement the project.

Start of construction on the East End Project is scheduled to begin in spring 2000, with construction planned to be completed by March 2003.

Francis House

DGS, Capitol Area Development Authority (CADA), and the City of Sacramento are working very closely with the Francis House to assist in its relocation from 17th and L Streets. The City has formed a committee consisting of representatives of the City

Manager's Office, Neighborhoods Planning and Development Services Department, Economic Development Department, and Councilmember Steve Cohn's office to assist in finding a new suitable location and facilitating the City approval process for relocating to such a new location.

Memorandum of Understanding (MOU)

The following is an update on the status of each of the provisions of the Memorandum of Understanding between DGS and the City of Sacramento for the East End Project dated December 11, 1998.

- Housing Mitigation (\$1,500,000) and Preservation Mitigation (\$925,000) Funds

Although most of the funds will be held and used after the completion of construction the East End Project, CADA has issued a Request for Proposals for the development of the DGS owned property at 17th & N Streets which included the relocation of the existing apartment 1311 15th Street apartment building. The amount of mitigation funds tentatively identified for this project is \$440,000. Removal of the existing structures on the East End Project site are projected for early 2000, therefore it is important to have the existing historical 1311 15th Street apartment building relocated to the 17th and N Street project site prior to that point in time. In August 1999 the CADA Board of Directors awarded an Exclusive Negotiation Agreement to a development team consisting of Hank Fisher and Herb Krumpe.

The remaining housing and preservation funds will be dispersed through CADA's standard RFP process. Other potential housing and/or preservation that have been tentatively identified by the CADA Board of Directors are rehabilitation/adaptive reuse of the Sacramento City Unified School District Administration Building (1619 N Street) and rehabilitation of the existing historic building at 1500 Q Street.

- Retail (Type/Location/Management) and Joint Use of Parking, Open Space and Auditorium Space

DGS and the City of Sacramento have formed a working group to develop plans for joint use of certain facilities identified in the MOU. Additionally, the working group will address the retail issues and potential impacts of such actions on the surrounding neighborhoods. To date meetings of the working group have been held resulting in establishment of goals and the overall process for addressing the identified issues. The City of Sacramento, CADA, and DGS will be contacting downtown neighborhood and business organizations to provide an opportunity for their respective participation in the planning process. Attached as Exhibit 2 are the goals of the working group, listing of identified issues and a listing of the working group members.

- Parking/Traffic Access (\$100,000)

The identified parking and traffic access mitigation measures will begin to be implemented once the project is complete and fully occupied.

- Street Lighting Improvements and Light Rail Transit Pedestrian Linkages (\$164,480)
DGS and the City of Sacramento Public Works Department have been discussing these plans for installation of these improvements. DGS may contract with the City to complete all the on-street lighting improvements as well as the two pedestrian linkages along both 15th and 16th Streets to existing light rail transit stations.

- Fremont Park Improvements (\$150,000)

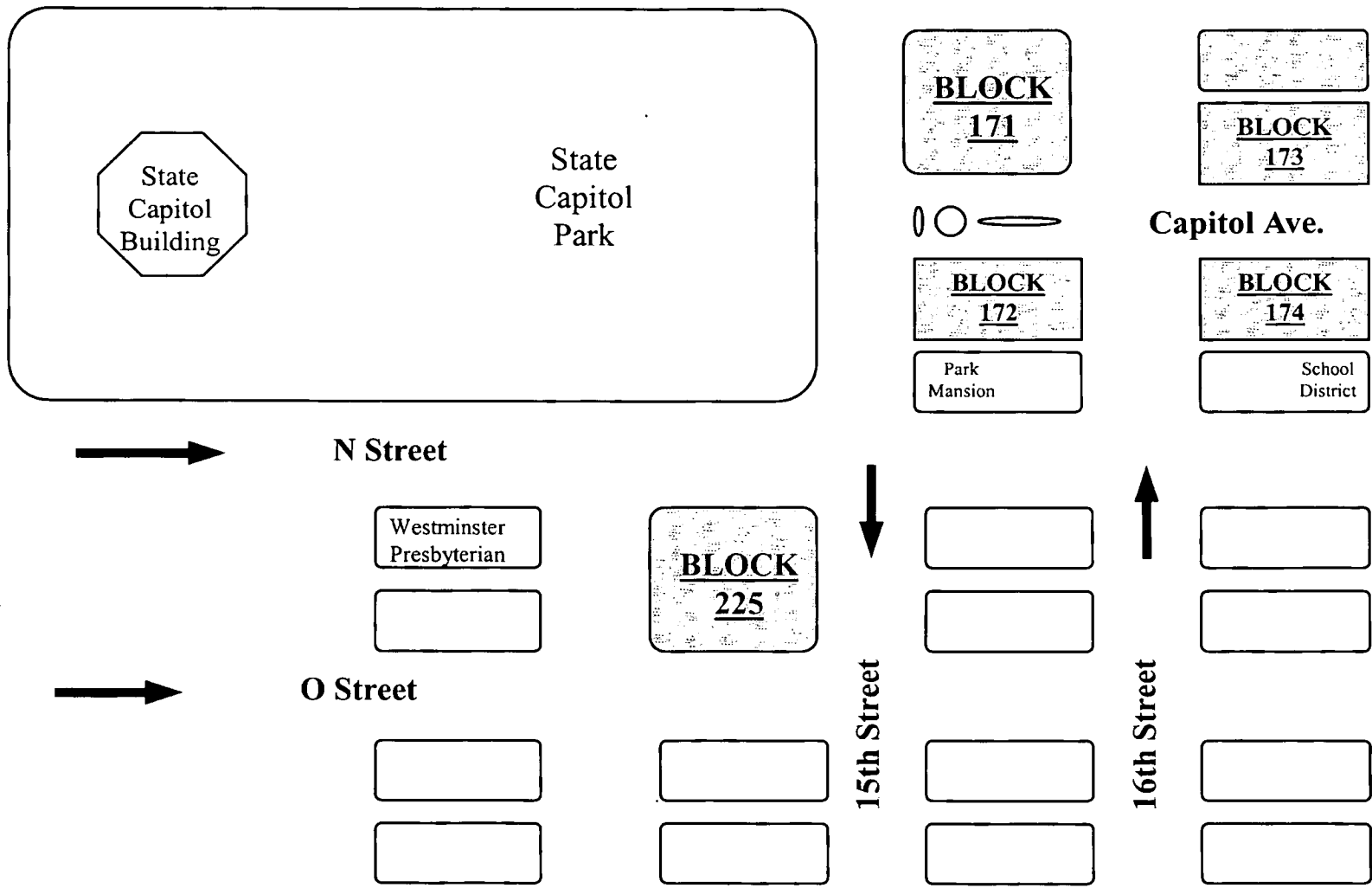
The improvements to Fremont Park financed with funds from the East End Project are currently under construction and are planned to be complete by this fall.

- Residential Alley Improvements

The design of the alleyway improvements between the East End Project and the existing buildings along N Street (between 15th and 17th Streets) will begin once DGS selects the design build team for Blocks 171-174.

EAST END COMPLEX

Exhibit 1



WORKING GROUP

EAST END JOINT USE

Task Force Issues & Members

Task Force	Issues	Members
Office & Building Space	<ol style="list-style-type: none"> 1. Teleconference 2. Library Computer Access 3. After hours Child Care 4. Community Meeting Place 5. Small Performance Venues 6. Employee Programs 7. Night Classes 	<ul style="list-style-type: none"> • <i>Rosamond Bolden, Chair</i> • Johnnie Hayward • Ronald Neal • Michael Ross • Kristan Otto • Jim Derby • Paul Schmidt
Parking & Transportation	<ol style="list-style-type: none"> 1. Parking Validation 2. Standardized Parking Gates 3. Parking Lot Shuttles 4. Night Parking 5. Bus Parking 	<ul style="list-style-type: none"> • <i>Richard Ching, Chair</i> • Tim Bow • Anne Garbeff • Bonnie Oliver, Cal Trans • Clint Clinton, County of Sacramento • Taiwo Jaicoba, Regional Transit • Matthew Hawkes, CADA (Integrate existing parking committee)
BEP Coordination	<ol style="list-style-type: none"> 1. All Food Service Issues 2. Statute Review 3. Education 	<ul style="list-style-type: none"> • <i>John Lambeth, Chair</i> • Mike Courtney, Dept. of Rehabilitation • Michael Ault • Rosamond Bolden • Ronald Neal • Richard Teramota
Management Structure	<ol style="list-style-type: none"> 1. Recommend construct of management team – Oversight Management <ul style="list-style-type: none"> • State • CADA • Downtown Partnership 2. Consistent Signage 3. Lighting and Electrical 4. Long Term Use Opportunities 5. Joint Reservation System 6. Consistent, Fair Fee Structure 7. Security 8. Insurance 9. Events Coordination 10. Operations and Maintenance 	<ul style="list-style-type: none"> • <i>Rosamond Bolden, Chair</i> • Richard Ching • Michael Ault • Kristan Otto • John Lambeth, CAC • Paul Schmidt, CADA • Peg Hudson • Jim Derby • Richard Teramoto • Dennis Williams, CHP • Michael Ross

EXHIBIT 2

<p>Retail</p> <p>This retail and plaza task force will rely on the BEP. Issue task force recommendations for the retail use options. It will begin as a consolidated task force for both retail and plaza.</p> <p>Plaza</p>	<p><u>Retail Use:</u></p> <ol style="list-style-type: none"> 1. Galleries 2. Cyber Café 3. Ticket Outlet 4. Other retail 5. Food service <p><u>Services Use:</u></p> <ol style="list-style-type: none"> 1. Incubator Kiosks 2. City Permits 3. Regional Transit Services 4. DMV Services 5. Tourist Center 6. Concierge <ol style="list-style-type: none"> 1. Graduation 2. Water Feature Use 3. Parks & Rec. Programs 4. Performance Venue 5. Downtown exhibit overflow 6. Edge Land Use 7. Near-by Retail 8. State Art Placement 9. Public Art 10. Fremont Neighbor Center 11. Photo Opportunities 	<ul style="list-style-type: none"> • <i>Michael Ault, Chair</i> • John Lambeth • Paul Schmidt • Zach Miller, APE • Kristan Otto • Michael Ross • Johnnie Hayward, BPE • Jim DeJournett, BPM • Ryan Luffburrow • Dan Pskowski • Real Estate Broker (John Leonard) • Diana Rutley, CADA • Representative from NAAG • Community Business representative (Julie Virga?)
<p>Community</p>	<ol style="list-style-type: none"> 1. Community Input 2. Near-by Residential 	<ul style="list-style-type: none"> • <i>Kristan Otto, Chair</i> • CAC staff person • CADA staff person