



# STAFF ANALYSIS

## STATE PUBLIC WORKS BOARD

Friday, March 22, 2024, at 9:00 a.m.

Oak Room, 915 L Street, Sacramento, California

This meeting can also be accessed by the public through the following zoom link or phone number:

<https://us06web.zoom.us/j/85175630968?pwd=Oz7EpeZgJDbcyOb62hviLk1YXwJQgf.1>

Meeting ID: 851 7563 0968

Passcode: Z9bJpUH.

By Phone:

1 669 219 2599

Meeting ID: 851 7563 0968

Passcode: 07648366

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Members of the Board will attend the meeting at the physical location identified above. The public may observe the meeting and address the Board in person, through the Zoom link, or via the telephone number identified above. If using the Zoom platform, please install the Zoom application and enter the virtual conference room prior to the meeting start time. Members of the public may also submit comments in advance of the meeting. If members of the public wish to submit comments, the Board asks members of the public to provide written comments to [Raghda.Nassar@dof.ca.gov](mailto:Raghda.Nassar@dof.ca.gov) prior to the meeting. To the extent possible, all written comments will be distributed to the members of the Board prior to the meeting.

Pursuant to section 11125 of the Government Code, notice of all Board meetings will be given at least ten days in advance and such notice must include a copy of the agenda. Members of the public may address the Board prior to it taking action on any matter in the agenda. This notice and the Board agenda for the current month are available on the State Public Works Board website. [Please click here to view.](#) The full Board member briefing package is available upon request. Please send an email to [Raghda.Nassar@dof.ca.gov](mailto:Raghda.Nassar@dof.ca.gov). Individuals who need disability-related accommodation, including auxiliary aids for effective participation at this public meeting are invited to make their requests and preferences known to Sally Lukenbill at (916) 445-9694 or e-mail to [Raghda.Nassar@dof.ca.gov](mailto:Raghda.Nassar@dof.ca.gov), five days prior to the meeting.

# **BOND ITEMS**

## **BOND ITEM—1**

**DEPARTMENT OF GENERAL SERVICES (7760)**

**2024 SERIES A (TAX EXEMPT) AND B (TAXABLE), LEASE REVENUE BONDS**

**SACRAMENTO REGION: NEW RICHARDS BOULEVARD OFFICE COMPLEX, ALSO KNOWN AS THE MAY LEE STATE OFFICE COMPLEX**

Project: Sacramento Region: New Richards Boulevard Office Complex, also known as the May Lee State Office Complex

Location: 651 Bannon Street, Sacramento, CA 95811  
201 N 6th Street, Sacramento, CA 95811

Authority: 2019 Budget Act

**Consider adoption of a resolution to:**

- 1) Authorize the sale of the State Public Works Board lease revenue bonds to finance and refinance costs related to the Sacramento Region: New Richards Boulevard Office Complex, also known as the May Lee State Office Complex for the Department of General Services.**
- 2) Approve the form of various documents related to and approve and authorize other related actions in connection with, the authorization, issuance, sale, and delivery of said lease revenue bonds.**

**Estimated Project Costs to be Financed**

**\$1,025,000,000**

## **STAFF ANALYSIS ITEM—1**

Department Of General Services (7760)

2024 Series A (Tax Exempt) And B (Taxable), Lease Revenue Bonds

Sacramento Region: New Richards Boulevard Office Complex, also known as the May Lee State Office Complex

### Action Requested

**If approved, the requested action would authorize the sale of the 2024 Series A and B lease revenue bonds and approve the form of various documents related to and approve and authorize other related actions in connection with, the issuance, sale, and delivery of said revenue bonds.**

### Background

The Budget Act of 2019 authorized the Board to issue bonds to fund the design-build phase of the Department of General Services, Sacramento Region: New Richards Boulevard Office Complex, also known as the May Lee State Office Complex.

Concurrent with the issuance of the bonds, the department will enter into a site lease with the Board for the project, under which the Board will lease the site at which the project is

located from the department. The Board will lease the respective facility to the department. The rental payments under these facility lease secure the payment of the principal and interest on the Board's bonds. The lease is scheduled to terminate in 25 years.

The 2024 Series A bonds will be sold as tax exempt, and the Series B bonds will be sold as taxable, through a negotiated sale as described in the Purchase Contract. The estimated total project costs to be financed are \$1,025,000,000, and the estimated "Not to Exceed" par amount of the 2024 Series A bonds is \$886,370,000, and the estimated "Not to Exceed" par amount of the 2024 Series B bonds is \$267,890,000.

Project

The 2024 Series A and B bonds will finance the Sacramento Region: New Richards Boulevard Office Complex, also known as the May Lee State Office Complex, which includes a new office campus on state property at the corner of Richards Boulevard and North Seventh Street in the City of Sacramento. The office complex consists of four, 7-story to 11-story office buildings with a multi-floor podium as the base for the buildings, a 7-level parking garage with 1,020 spaces and an additional surface parking lot with 400 spaces. The project also includes space for a cafeteria, auditorium, retail, café, training center and childcare. The complex will be Zero Net Energy, Zero Net Carbon and achieve a LEED Gold certification. Construction is expected to be completed by April 2024. Tenants will include the California Department of Tax and Fee Administration, the Department of Housing and Community Development, the Civil Rights Department, the Commission on Teacher Credentialing, the Department of Financial Protection and Innovation, the Department of Real Estate, and the Department of Health Care Access and Information.

**Staff Recommendation:**                      **Adopt the resolution.**

**MINUTES**

**NONE**

**CONSENT ITEMS**

**NONE**

**ACTION ITEMS**

**NONE**

**OTHER BUSINESS**

NONE

**GENERAL PUBLIC COMMENT**

**REPORTABLES**

NONE