NOTICE OF PREPARATION

Date:	March 3, 2026
To:	Responsible Agencies, Interested Parties, and Organizations
Subject:	Notice of Preparation of an Environmental Impact Report for the Capitol Mall Office Buildings Demolition Project
Lead Agency:	State of California Department of General Services
Contact:	Stephanie Coleman, Senior Project Planner Department of General Services, Real Estate Services Division, Project Management and Development Branch Mailing Address: P.O. Box 989052, West Sacramento, CA 95798 Street Address: 707 3rd Street, 4th Floor, MS-509, West Sacramento, CA 95605 Phone: (916) 376-1602
Comment Period:	March 3, 2026 to April 2, 2026

PURPOSE OF NOTICE

The California Department of General Services (DGS) is the lead agency responsible for preparation of an Environmental Impact Report (EIR) for the proposed Capitol Mall Office Buildings Demolition Project (proposed project), located in downtown Sacramento on Capitol Mall and N Street.

Pursuant to provisions of the California Environmental Quality Act (CEQA), DGS has prepared this Notice of Preparation (NOP) for the proposed project. Once a decision is made to prepare an EIR, the lead agency must prepare a NOP to inform all responsible and trustee agencies (agencies) that an EIR will be prepared (CEQA Guidelines Section 15082). The purpose of this NOP is to provide agencies, interested parties, and organizations with sufficient information describing the proposed project and the potential environmental effects to enable meaningful input related to the scope and content of information to be included in the EIR.

PROJECT LOCATION

The proposed project involves demolition of three state-owned office buildings in downtown Sacramento located on Capitol Mall and N Street; the Employee Development Department (EDD) Headquarters at 800 Capitol Mall (this building has structures on both the 700 and 800 blocks of Capitol Mall but the address is 800 Capitol Mall); the EDD "Solar Building" Annex at 751 N Street; and the State Personnel Board Building at 801 Capitol Mall (see Exhibits 1 and 2, below). Locations for project support facilities that may be needed outside these parcels, such as for equipment parking or staging areas, have not yet been identified. The EIR will also consider, at a programmatic level consistent with Section 15168 of the State CEQA Guidelines, a potential future development scenario at the building demolition sites.

PROJECT DESCRIPTION

The project would involve the demolition of three state-owned office buildings that have a combined gross floor area of approximately 729,700 square feet (sf), including approximately 479,300 sf at the EDD Headquarters at 800 Capitol Mall, approximately 166,000 sf at the EDD Solar Building Annex at 751 N Street, and approximately 84,400 sf at the State Personnel Board Building at 801 Capitol Mall. The total project area is approximately 5.5 acres. The purpose of the demolition is for DGS to remove underutilized office space and allow for the future development of other uses within these parcels.

Upon completion of the demolition, the site is intended to be ready for construction of future uses. DGS has been in discussions with California State University, Sacramento (hereinafter referred to as Sacramento State or University) for the potential reuse of the site. DGS has granted Sacramento State a period of exclusivity to evaluate the redevelopment potential of the site and DGS may, but has not guaranteed to, ultimately transfer the site to the California State University (CSU) system for use by Sacramento State. The intent of the proposed project is to demolish the subject properties regardless of whether a transfer to Sacramento State occurs.

The University is in early stages of developing a program for the site and intends to eventually prepare a master plan development proposal. The current vision is a Downtown Sacramento campus of Sacramento State, with various uses being considered, including but not limited to a school of public affairs, student housing, event center, Artificial Intelligence (AI) center, hotel, indoor performing arts and music venue, market rate housing, ground floor retail, and structured parking, along with interim uses of the site (e.g., surface parking, temporary/modular construction). The Downtown Sacramento campus could include up to 6,000,000 sf of building space. Any future buildings would be subject to height limits, setbacks and other constraints prescribed by the Capitol View Protection Act.

Because the University has only identified a preliminary range of possible uses for the project site but has not yet developed specific plans, there is insufficient detail at this time to analyze future uses at a project level of detail in the EIR (see CEQA Guidelines Section 15161). Accordingly, as identified above, the EIR will evaluate the site's future development at a programmatic level consistent with CEQA Guidelines Section 15168. Once the future land recipient is confirmed and a more detailed development scenario is identified, the CSU or other appropriate lead agency is expected to prepare a separate CEQA analysis for that scenario.

RESPONSIBLE AGENCIES

For the purposes of CEQA, the term "Responsible Agency" includes all public agencies other than the Lead Agency that have discretionary approval power over the project (CEQA Guidelines Section 15381). Discretionary approval power may include such actions as issuance of a permit, authorization, or easement needed to complete some element(s) of the proposed project. It is anticipated that approval from various City of Sacramento departments will be required to complete planned building demolition, removal of demolished building materials, utility modification or abandonment in City streets, and similar activities. Where City approval may constitute a discretionary decision, it is expected that the City will use the EIR for the Capitol Mall Office Buildings Demolition Project to support these decisions. It is anticipated that building demolition will also require consultation with and concurrence from the State Historic Preservation Officer regarding historical significance and impacts of proposed redevelopment. Other agencies whose approval may be required for the project include but may not be limited to the Central Valley Regional Water Quality Control Board, California Department of Transportation, Sacramento Metropolitan Air Quality Management District, and Sacramento Municipal Utility District.

POTENTIAL ENVIRONMENTAL EFFECTS

The EIR will describe the direct and indirect environmental impacts of the Capitol Mall Office Buildings Demolition Project. It is anticipated that the EIR will address potential impacts associated with the proposed project for the issue areas described below. In addition, the EIR will evaluate cumulative impacts, growth-inducing impacts, and project alternatives. The EIR would evaluate the site's future development at a programmatic level as described above.

Land Use

The project site is located in downtown Sacramento; the demolition of the existing office buildings and future development of the site would not physically divide this community. The demolition project would not include development of new roadways/freeways/arterials, lengthy walls or fences, or other physical impediments to cross-community access. Although the project site is located in the City of Sacramento, the site is under the jurisdiction of the State; therefore, the project is not subject to city land use plans or zoning. Nonetheless, in addition to evaluating

consistency with the State's Capitol Area Plan, the EIR will discuss the project consistency with relevant City of Sacramento planning policies. There are no habitat conservation plans or natural community conservation plans applicable to the project area.

Population, Employment, and Housing

The EDD Headquarters building is in the process of being decommissioned and will be vacated in Spring 2026. The EDD Solar Building Annex is currently vacant. The State Personnel Board Building is currently occupied, and staff will be relocated to other existing DGS office buildings or commercially leased space. Removal of the office buildings would bring new demolition workers into the downtown area until demolition is complete. Given the proposed possible future uses of the site, including housing, site development could bring new employees and residents. Therefore, the EIR will include a programmatic analysis of the existing population and housing characteristics of the region and downtown area and potential effects of the project on population and housing, including the need for additional housing, effects on existing housing in the Capitol Area, and the effect on the local housing inventory.

Transportation and Circulation

The EIR will evaluate the project's demolition-period AM and PM peak hour trip generation and how the project may affect roadway, bicycle, pedestrian, and transit systems. Vehicle miles traveled (VMT) and access to the project will also be assessed. A programmatic analysis will be conducted for the future development of the site.

Utilities and Infrastructure

The EIR will identify and assess any utility modifications resulting from demolition of the buildings. For example, the three buildings proposed to be demolished would be disconnected from the Central Plant, which provides heating and cooling to multiple State-owned buildings in the Capitol Area. In addition, the EIR will evaluate the project-related impacts to infrastructure and capacity of water supply and treatment, sewer and wastewater treatment, drainage and stormwater, electricity, and natural gas at a programmatic level for the potential future use of the site. Wastewater treatment and disposal for the proposed project would be provided by the Sacramento Area Sewer District's Sacramento Regional Wastewater Treatment Plant (SRWTP). Under existing conditions, wastewater generated in the project area is conveyed to the SRWTP by the City's combined stormwater runoff and sanitary sewer system. The City of Sacramento is the water supplier for the project site. The EIR will programmatically evaluate the environmental effects of any new or modified utility infrastructure associated with the potential future development of the project site.

Air Quality

The proposed project site is located within the Sacramento Valley Air Basin (SVAB), within the jurisdiction of the Sacramento Metropolitan Air Quality Management District (SMAQMD), which administers local, state, and federal air quality management programs for Sacramento County. As is typical of construction and demolition projects, movement of equipment and wind over demolition debris and bare soils could generate airborne dust. Heavy equipment and vehicles would emit exhaust, including ozone precursors, particulate matter, and air toxics. The air quality analysis in the EIR will analyze air quality effects from the demolition activities and provide a programmatic assessment of potential future development consistent with SMAQMD's air quality screening criteria.

Greenhouse Gas Emissions and Climate Change

Demolition of the office buildings and future development of the site would generate greenhouse gas (GHG) emissions. Therefore, the EIR will quantify GHG emissions from building demolition and, programmatically, for future construction and operational activities (i.e., building energy, vehicle trips) associated with potential future

development. The GHG analysis will also include a qualitative discussion of any potential for the project to exacerbate the adverse effects of climate change, including increased risk of flooding associated with changes to precipitation patterns.

Energy

Demolition of the office buildings and future development of the site would require energy use. The EIR will estimate energy use and evaluate where implementation of the project could result in the inefficient, wasteful, or unnecessary consumption of energy during demolition and, at a programmatic level, operation of potential future development.

Noise

Implementing the proposed project would result in short-term and long-term increases in ambient noise levels. The EIR will include a description of the existing noise environment, including noise sources and sensitive receptors in the project area. The EIR will assess potential short-term (i.e., demolition/construction) and, programmatically, long-term (i.e., operational) noise impacts to sensitive receptors. Operational noise changes may be generated by proposed stationary sources such as ground floor commercial uses, emergency backup generators, HVAC equipment, and parking facilities, as well as mobile sources such as vehicle trips. Because future uses are as yet conceptual, operational noise will be evaluated at a programmatic level in the EIR.

Geology and Soils

No known faults or Alquist-Priolo special studies zones are located in or adjacent to the City of Sacramento; therefore, the proposed project site would not be subject to fault rupture. Project design for the future use of the site will be required to comply with applicable seismic building codes. Although future development would adhere to these construction standards, and the seismic risk in Sacramento is low, the risk associated with constructing future development at the site will be assessed programmatically in the EIR, including geologic and soils hazards such as liquefaction, expansive soils, and lateral spread. Soils exposed during demolition, construction, and grading can be susceptible to erosion and erosion potential will also be evaluated in the EIR.

Hydrology and Water Quality

It is anticipated that the project's principal water quality concerns will be related to demolition and construction activities, which could result in increased erosion and sedimentation associated with stormwater runoff. Urban contaminants such as oil, grease, heavy metals, and pesticides and herbicides from proposed development could also be present in runoff. The project would need to comply with the requirements of the National Pollutant Discharge Elimination System General Permit for Construction Activities, including preparation and implementation of a Storm Water Pollution Prevention Plan and site-specific erosion control measures and Best Management Practices. Because the project site is currently developed with impervious surfaces of various types (e.g., buildings, driveways, sidewalks), the project would not result in a substantial increase in impervious surfaces such that interference with groundwater recharge would occur.

Hazardous Materials and Public Health

Evaluations of the potential presence of hazardous materials are being prepared for the project and additional contaminant testing is being conducted, which will identify any known hazardous materials or sources of potential hazards (e.g., contaminated soil or groundwater, asbestos, lead paint) on the project site or vicinity. If present, hazardous materials could be released during demolition of the existing buildings and grading/earth moving during demolition and construction. The future use of the project site would not involve activities such as industrial or manufacturing uses that could generate hazardous emissions. However future uses at the site would involve the use

and storage of small quantities of hazardous materials, such as cleaning materials, commonly used at office and commercial locations. The routine transport, use, and disposal of such materials would be limited. Federal, state, and local laws regulate every aspect of hazardous materials transport, use, and storage. These regulations are designed to avoid significant hazards to the public and environment. Nonetheless, these issues will be analyzed further in the EIR.

Historical, Archaeological, and Tribal Cultural Resources

The project would demolish three buildings, two of which are known to be contributors to a historic district (EDD Headquarters and the State Personnel Board Building); the third, the Solar Building, will be evaluated for potential historical significance. The demolition and future redevelopment could also affect off-site historically significant buildings, including the adjacent Sutter Club and nearby Stanford Mansion. The EIR will use the results of a historical resources analysis to determine potential impacts to the existing buildings and the historic setting, and facilitate consultation with the State Historic Preservation Officer per Public Resources Code Section 5024/5024.5 addressing the treatment of State-owned resources. In addition, outreach to the Native American community will be conducted to solicit information on tribal cultural resources concerns or issues. There is potential for buried precontact and historic-era resources within much of downtown Sacramento, and potential impacts to these resources during project activities will be considered in the EIR.

Biological Resources

Sensitive biological resources are those protected by federal, state, or local resource conservation agencies and organizations. The project site is developed with urban uses and is not anticipated to support sensitive habitats or habitat for any special-status species. The EIR will disclose the common biological resources in the area, including vegetation and wildlife, and if identified, the EIR will evaluate the project's potential to impact common and sensitive biological resources.

Public Services

The Sacramento City Fire Department (SCFD) provides fire protection and emergency medical services to the project area, including state-owned office buildings. Demolition of the buildings will not require the need for additional services to the site, and it is assumed that any future development of the project site will be designed and constructed in compliance with all applicable fire protection regulations. The EIR will programmatically evaluate the potential impact of future development to the provision of police and fire protection services. Although it is anticipated that existing police services and facilities would be adequate to serve the future use of the site, the EIR will programmatically evaluate the future uses impact to law enforcement. The potential net increase in population in downtown Sacramento associated with the potential future use of the site will also be considered in programmatically evaluating the project's potential impacts to the provision of parks and recreation facilities and schools.

Aesthetics/Light and Glare

The proposed project site and areas that may be considered for related facilities are located in downtown Sacramento and are currently developed with urban uses. Demolition of the office buildings would be a temporary change to the visual character of the project area and will be evaluated in the EIR. The EIR will also programmatically evaluate the potential impacts of the future development of the site to the visual character of the developed downtown environment, including building heights, mass, and setbacks; tree removal; potential obstruction of important view corridors; any increase in light and glare or shadow effects; and compliance as applicable with the Capitol View Protection Act (Section 8162.5 et seq. of the Government Code).

Cumulative Impacts

Implementation of the proposed project could potentially result in significant impacts to the above resource areas. When considered together with the effects of past approved projects, other current projects, and probable future projects, the project's contribution to the cumulative effect of all these activities could be considerable. These conditions will be evaluated in the EIR.

Alternatives

In accordance with the State CEQA Guidelines (14 CCR Section 15126.6), the EIR will describe a range of reasonable alternatives to the proposed project that are capable of meeting most of the project's objectives, and that would avoid or substantially lessen any of the significant effects of the project. The EIR will also identify any alternatives that were considered but rejected by the lead agency as infeasible and briefly explain the reasons why. The EIR will provide an analysis of the No-Project Alternative and will also identify the environmentally superior alternative.

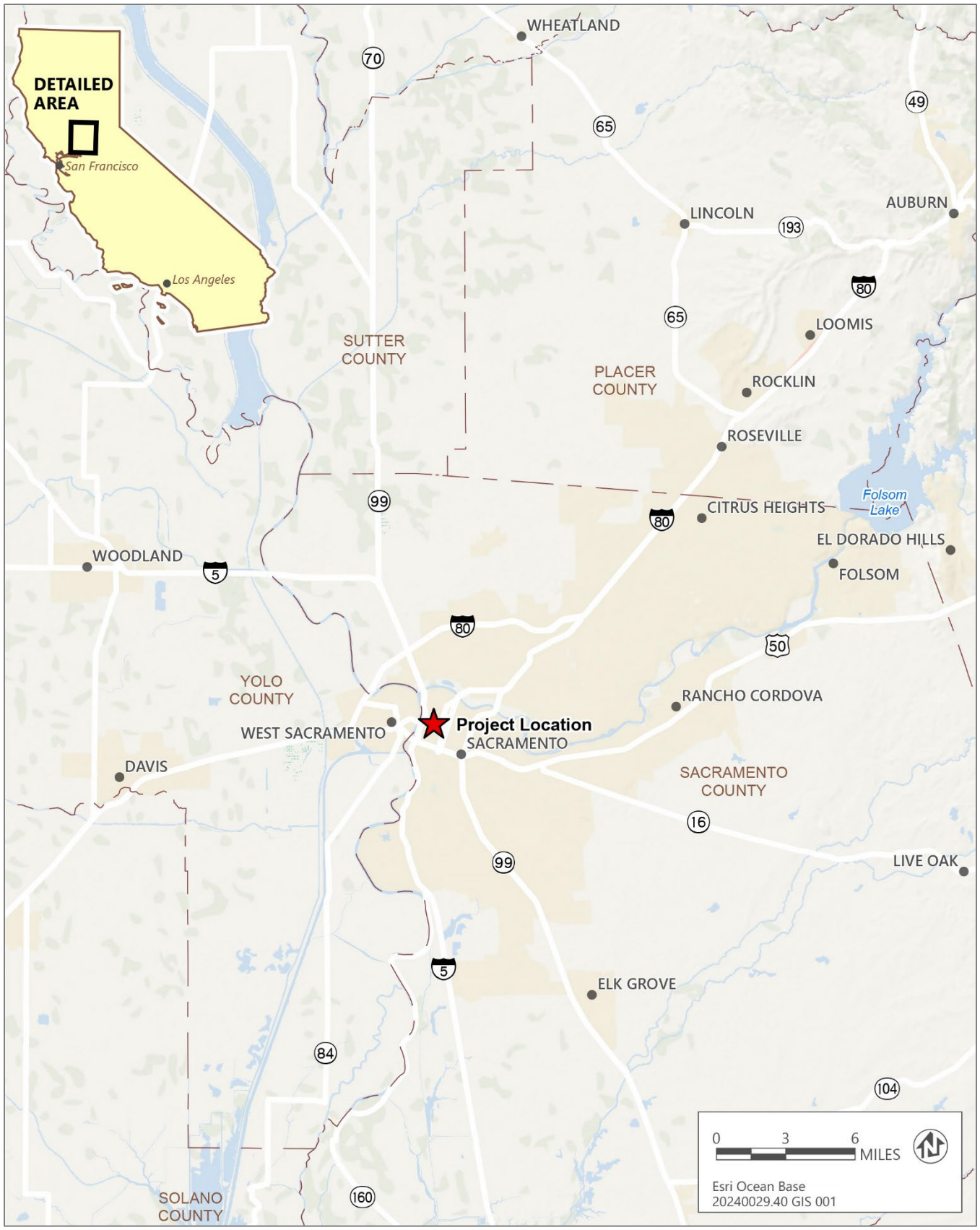
PUBLIC REVIEW PERIOD

This Notice of Preparation is being circulated for public review and comment for a period of 30 days beginning March 3, 2026. A scoping meeting will be held from 4:30 PM to 5:30 PM on March 17, 2026 at the Sacramento Central Library, 828 I Street, West Meeting Room. Agencies and individuals are invited to attend the scoping meeting to obtain information about the project, ask questions of project team members, and provide comments. Written comments will be accepted by DGS through 5:00 PM on April 2, 2026. Comments must be delivered or mailed to Ms. Stephanie Coleman at the address listed above.

Copies of the full Notice of Preparation may be reviewed at the following locations:

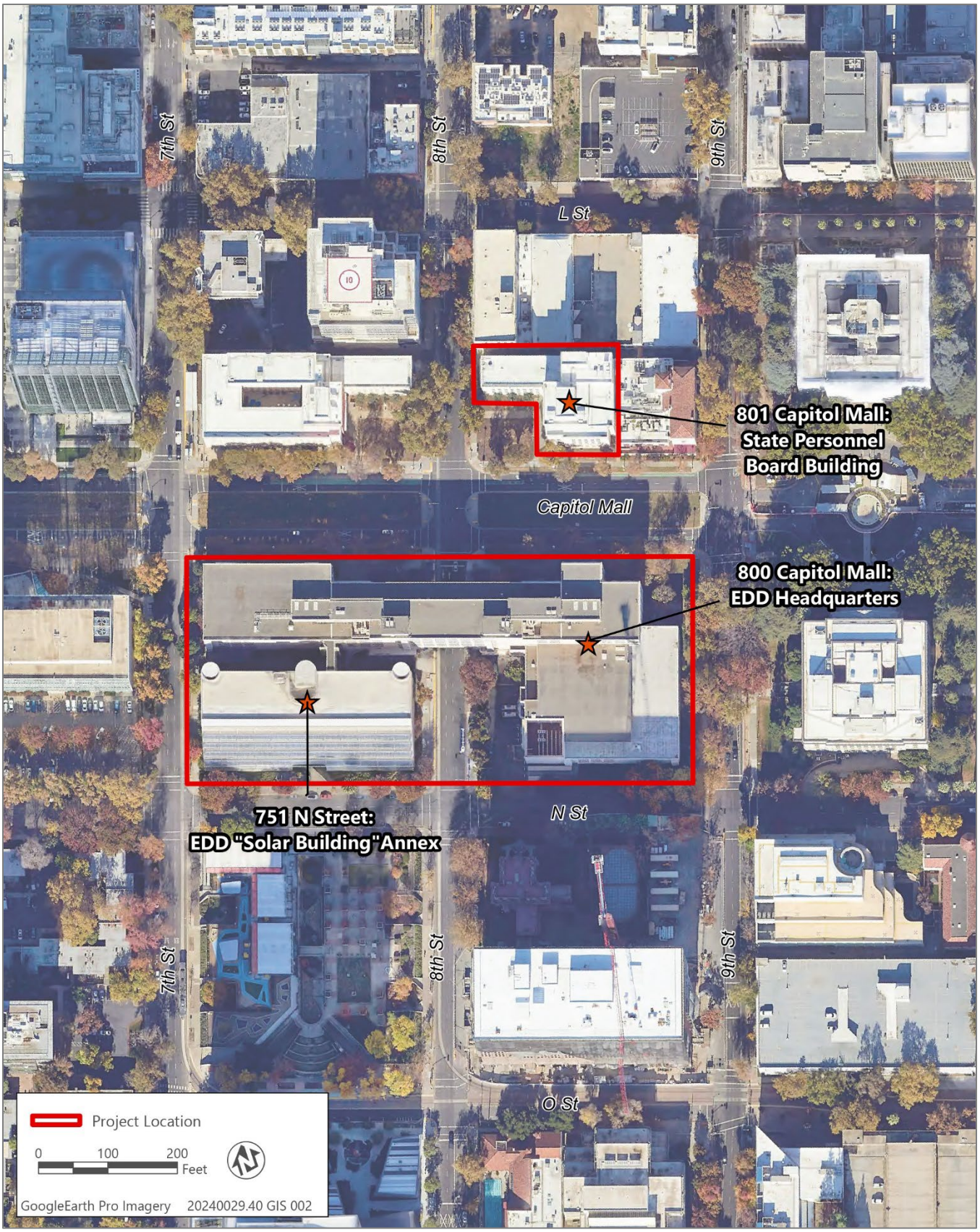
- The DGS website at https://www.dgs.ca.gov/RESD/Resources/Page-Content/Real-Estate-Services-Division-Resources-List-Folder/Notices-Information-Resources-for-CEQA
- Sacramento Central Library at 828 I Street during library hours;
- Department of General Services, Environmental Services Section, between 8:00 AM and 4:30 PM; or
- Request a copy by email at environmental@dgs.ca.gov.

Your views and comments on how the project may affect the environment are welcomed. Please contact Ms. Stephanie Coleman if you have any questions about the environmental review process for the Capitol Mall Office Buildings Demolition Project.



Source: adapted by Ascent in 2026.

Exhibit 1 Regional Location



Source: adapted by Ascent in 2026.

Exhibit 2 Project Location