



State Agency Wants Troubled HQ Building Sold

By: George Warren

SACRAMENTO, CA - Longtime Board of Equalization workers say their headquarters building has been a dog from day one. On Wednesday, the board took formal steps that could lead to the sale of the 24-story building.

The building at 450 N Street has been plagued by construction defects since it opened in 1993. Employees complain of broken elevators, leaky windows and mold in the walls. Four entire floors are sealed off because of potential health concerns.

At the tax agency's Wednesday meeting, the board approved language of proposed legislation directing the Department of General Services to sell or lease the headquarters building. If the legislature approves, the 2,700 BOE employees assigned to 450 N Street would be moved to other locations.

Employees greeted the board vote with enthusiasm. "It's about time we get out of this building," said BOE analyst September Hope, who said she suffers breathing problems at work.

The 610,000 square foot high-rise originally cost \$79 million and has racked up nearly \$29 million in repair costs in just the past three years, according to BOE spokeswoman Anita Gore. The BOE pays the Department of General Services roughly \$10 million per year in rent.

No estimate has been given on the value of the high-rise, but the proposed legislation assumes a sale would cover the \$88 million still owed on the building to the state's Pooled Money Investment Account.

The proposed legislation that could lead to the sale of the BOE building also directs the state's three taxing agencies to identify functions that could be consolidated for greater efficiency. The study by the Board of Equalization, the Franchise Tax Board and the Employment Development Department would be presented to the legislature before the end of this year.