



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: Sheriff  
Department No.: 032  
For Agenda Of: July 15, 2008  
Placement: Administrative  
Estimated Tme: 1 hour – on 8-19-08  
Continued Item:  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors  
**FROM:** Sheriff, Bill Brown, Ext. 4290  
Contact Info: Cmdr Tom Jenkins, Ext. 4249  
**SUBJECT:** County Jail-Northern Branch, AB 900 Conditional Award Compliance

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**County Counsel Concurrence**

As to form: Yes

**Recommended Actions:**

Set a hearing for August 19<sup>th</sup> to perform certain actions to meet compliance with a conditional award granted by the Corrections Standards Authority under Assembly Bill 900. At this hearing the Board will be asked to:

- a. Adopt a Resolution giving assurance of site ownership for the Santa Barbara County Main Jail-Northern Branch.
- b. Authorize the Chairman of the Board of Supervisors to sign a siting Agreement with the California Department of Corrections and Rehabilitation for a Reentry Program Facility
- c. Accept a staff report and Debt Advisory Committee (DAC) recommendations on financing options for the Santa Barbara Jail-Northern Branch.

**Summary Text:**

The scheduled hearing is set to allow the County to comply with both requirements of the Assembly Bill (AB) 900 conditional funding award of \$56.295 million from the California Department of Corrections and Rehabilitation (CDCR). The two requirements listed in the recommended actions (a) and (b) above are the conditions listed in the "Intent to Award Conditional Funding" letter received from CDCR on May 19<sup>th</sup>, 2008. The letter is the response to the County's Proposal submission under the AB 900 grant process. The hearing also allows staff to present a report on its study of the financial options available for matching the state grant, and for operation of the completed jail facility.

**Specific Background:**

The Corrections Standards Authority (CSA) Board is the approval agency for the CDCR to authorize funding of proposals submitted under the grant process.

The CSA Board is scheduled to meet on September 18, 2008, to discuss the status of siting agreements, and the results of preliminary due diligence by CDCR on proposed reentry sites in each county. The above Board actions are the steps required by the CDCR for review by the CSA Board at that meeting.

In item (a), the Board is asked to adopt a Resolution giving assurance of site ownership for the Santa Barbara County Main Jail Northern Branch. On or about the date of July 16, 2008, and before the Board of Supervisors' August 19<sup>th</sup> hearing, the County will have possession and control of the Property by means of an Order of Pre-Judgment Possession and anticipates fee simple ownership by Lawful order of the Superior Court in a pending eminent domain Court action. A Resolution assuring CSA of possession of the property is one component of compliance.

In item (b), the Board is asked to authorize the Chair to sign a siting Agreement with the California Department of Corrections and Rehabilitation for a Reentry Program Facility. On June 27<sup>th</sup>, 2008, the County received the Reentry Program Facility Siting Agreement from CDCR. County Staff is reviewing and making recommendations for editing of this document prior to County approval, and negotiating over the final terms of the agreement, and its Exhibits, with the CDCR. The Reentry Program Facility Siting Agreement will be presented to the Board for the hearing on August 19<sup>th</sup>, 2008. CDCR indicates that it will require a signed agreement from the County by the September 18, 2008, meeting of the CSA Board.

In addition, County Staff is updating options to finance capital expenditures and operational costs for construction of the Santa Barbara County Jail-Northern Branch. The report will be presented at the next DAC meeting on August 14<sup>th</sup>, 2008, for DAC review and recommendations. That staff report and DAC recommendations will be presented to the Board at the hearing and the Board will be asked to give direction to County Staff on which options to give further consideration.

**Background:**

The County of Santa Barbara has been subject to jail overcrowding since the 1980's. The County is currently under a court order to reduce overcrowding and the related 'floor sleepers' that are a symptom of overcrowding. The existing jail facilities cannot accommodate or be expanded to resolve jail overcrowding.

The State of California is faced with an overcrowding problem of its own. Consequently, Assembly Bill 900 was passed. The legislation authorized up to \$1.2 billion in funding for local jail construction and linked it to the construction of State Reentry beds in counties. The CDCR published a Request for Proposals for Construction and Expansion of County Jails on December 20, 2007.

The County of Santa Barbara submitted an application for the grants and prepared an AB 900 Grant Proposal to construct a 300 bed County jail collocated with an up to 500 bed State Secure Community Reentry Facility (SCRF) on a portion of two parcels at the corner of Black and Betteravia Roads, near the City of Santa Maria. The construction cost of that County Jail facility is estimated to be \$80.3 million, of which the AB 900 Grant would provide \$56.295 million to the County toward construction.

One of the conditions of the grant requires that the County have fee simple land title or comparable long term possession of the project site proposed for the new county jail within 90 days of Notice of Intent to Award.

On March 11, 2008, the Board authorized a Resolution of Necessity to acquire approximately 50 acres at the southwest corner of Black and Betteravia Road, near the City of Santa Maria, for the project. On April 22, 2008, the Board approved a budget revision providing funding for the acquisition in the amount of \$3,270,000. Since that date, the County has filed an Order of Pre-Judgment Order of Possession, and anticipates fee simple ownership by lawful order of the Superior Court in mid-July, 2008.

Also on March 11, 2008, the County of Santa Barbara authorized the Sheriff to submit the Application for Local Jail Construction Grant funds, pursuant to AB 900. The scoring of the proposals authorized additional jail construction funding preference scoring points for County agreement to site a State Secure Community Reentry. This request required that the County submit a resolution agreeing to fully cooperate with the State in siting a reentry facility (Resolution 08-073). The Board passed the Resolution at the March 11<sup>th</sup> hearing and requested these preference points. The application was submitted prior to the deadline of March 19, 2008.

On May 19, 2008, the County of Santa Barbara received a mail notice of conditional award of \$56.3 million. The award has two conditions upon which final award will be granted;

1. Signing of a Siting Agreement for a Secure Reentry Program Facility, and
2. The adoption of a Resolution for Site Assurance of possession and control of the selected property for construction of the County Jail beds.

Both items are required to be completed within 90 days of notice of the conditional award.

The Executive Steering Committee of the Corrections Standards Authority will meet on September 18, 2008. The CSA Board will discuss the results of CDCR's preliminary due diligence on proposed reentry sites, and the status of the siting agreements. The CSA Board is then expected to finalize the list of counties receiving conditional award.

On or about the date of July 16, 2008, the County will have possession and control of the Property by means of an Order of Pre-Judgment Possession and anticipates fee simple ownership by Lawful order of the Superior Court in a pending eminent domain Court action. This event provides the method to provide compliance with site ownership assurance to adopt the resolution and to comply with one requirement of the conditional award.

The California Department of Corrections and Rehabilitation (CDCR) reported to all submitting Counties that a Final Reentry Program Facility Siting Agreement would be given to the County shortly following the Executive Steering Committee Hearing held on May 8, 2008, at which the order of Hearing Setting Board Letter: County Jail-Northern Branch, AB 900 Conditional Compliance

Conditional Award was announced. However, that document was not received by the County until June 27<sup>th</sup>, 2008. After negotiation with the State, an edited Siting Agreement will be presented at the August 19<sup>th</sup> hearing for County approval. Approval of this document would provide compliance with the second requirement of the conditional award.

The Siting Agreement allows placement of a State Secure Community Reentry Facility on a portion of the property, collocated with the Santa Barbara County Jail-Northern Branch. The Reentry Facility would house State Prison inmates, serving the last year of their commitment, who are already scheduled to parole to Santa Barbara County. During that time, these inmates would receive intensive programming to better prepare them for release into the community.

A road map for financing the project and meeting the conditions of the award will be defined in the August 19<sup>th</sup> Board letter and presented to the Board at the Hearing. This road map will include future steps for consideration by the Board. The Board will then have the opportunity to provide direction on options for financing the County construction match and for operations of the New County Jail.

On August 19<sup>th</sup>, the Board will be presented with a staff report on financing options which will have been presented to the DAC on August 14<sup>th</sup>, 2008, prior to the Board Hearing. The Board will also be presented the with DAC's recommendations.

The requested Hearing on August 19<sup>th</sup> will present the obligations of commitment to the Reentry Program Facility Siting Agreement and acceptance of the award. It will also present the legal analysis of the County's ability to abandon the AB 900 Grant money, and associated costs, at various steps of the process. Finally, a list of future agreements necessary to ultimately acquire the AB 900 funding will be provided.

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund	\$ 2,400,000.00		\$ 23,900,000.00
State			\$ 56,295,000.00
Federal			
Fees			
Other:			
<b>Total</b>	<b>\$ 2,400,000.00</b>	<b>\$ -</b>	<b>\$ 80,195,000.00</b>

Narrative: Adoption of the current recommendations will fulfill the conditions for acceptance of the AB 900 award in the amount of \$56.295 million. Given that the project is continued as planned, the estimated cash flow needed in FY2008-09 is \$2.4 million. The total construction cost of the jail project is estimated to be \$80.2 million; \$56.295 of which will come from the State if all conditions are met. Per conditions of the grant, the County will be reimbursed on a quarterly basis. The estimated cash flow by fiscal year is shown below, where the total net construction cost to the County is \$23.9 million, not including potential Certificates of Participation (COP) issuance costs, should the COP option of funding be chosen for the construction match.

	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13
Total Cash Spent less Payments Received from the State	\$ (3,300,000)	\$ (2,400,000)	\$ (2,500,000)	\$ (6,700,000)	\$ (11,000,000)	\$2,000,000

The annual operation of the jail facility is estimated to be between approximately \$13.5 million and 16.5 million in FY2012-13 when the facility is expected to begin its operations, depending on the level of efficiencies realized by combining operations with the State Reentry facility. An appropriate financial analysis will be provided in the August 19<sup>th</sup> hearing.

**Special Instructions:**

**Attachments:**

**Authored by:**

Thomas L. Jenkins, Commander Sheriff's Department