

COUNTY OF SANTA BARBARA  
GENERAL SERVICES

# NORTHERN BRANCH JAIL

## STATE AB900 PHASE II FUNDING

September 10, 2019



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# AB900 Phase II Funding – Northern Branch Jail



On January 15, 2013, the County entered into agreements with the following State agencies to fund a portion of the costs of construction of the Northern Branch Jail under the State's AB900 Phase II funding program:

- ✓ Board of State and Community Corrections (BSCC)
- ✓ State Public Works Board (SPWB)
- ✓ California Department of Corrections and Rehabilitation (CDCR)



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## Northern Branch Jail State Funding Award

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- ✓ The County was awarded \$80 million
- ✓ The County has received \$76 million to date
- ✓ The State is withholding the remaining \$4 million (5% of the award) as retention and will release it to the County once final completion and occupancy requirements are met.
- ✓ Currently the Northern Branch Jail is projected to be completed in December 2019.



# State Public Works Board AB900 Phase II Lease Revenue Bonds

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- ✓ SPWB intends to issue lease revenue bonds for the AB900 Phase II Financing Program in the Fall 2019.
- ✓ Concurrent with the issuance of the Bonds, the County and the SPWB will enter into a Facility Sublease.
- ✓ The County is required to operate and maintain the Northern Branch Jail Facility for the life of the bonds which is anticipated to be 25 years.



## State Public Works Board AB900 Phase II Lease Revenue Bonds – Final Steps

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- ✓ The County will be required to sign and return documents, including the Facility Sublease, for the State to complete their bond sale.
- ✓ State requires the County to delegate an Authorized Officer to sign the documents on behalf of the County to ensure the timely execution of the documents.
- ✓ It is the State's obligation to make the bond payments. The sublease does not obligate the County.
- ✓ The State's bond sale is expected to be completed in December 2019.



# Recommended Actions

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1. Approve as to form the attached Facility Sublease and authorize the Chair, the County Executive Officer or designee to sign this sublease as part of the California Department of Finance's AB900 Bond Financing.
2. Adopt the attached resolution authorizing the Chair, the County Executive Officer or their designees to execute the Facility Sublease in substantially the form attached and to do any and all things, and execute and deliver any and all documents and agreements, which they may deem necessary to consummate the execution and delivery of the Facility Sublease and the issuance the California State Public Works Board AB900 Phase II Project bonds for the financing of the Northern Branch Jail after review and approval by General Services, County Counsel, and Auditor Controller.
3. Determine that the above action is not a project as defined by the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(5), as it is an administrative activity that will not result in direct or indirect changes in the environment.



# QUESTIONS?



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# THE END

