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HOJ Replacement Jail – SB 1022 Application for State Criminal Justice Facilities Financing Program

October 9, 2013

SB 1022 Application for State Construction Financing Funds

Background

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Hall of Justice

- ❑ Top capital plan priority since 2006
- ❑ Constructed in 1958, it is second to SF General Hospital in total regular occupancy with over 3,000 individuals using the facility on a daily basis
- ❑ Expected structural and non-structural damage from a large earthquake would be *very severe and pose appreciable life hazards, likely require vacation of the building*
- ❑ Maximum security Jails #3 and Jail #4 containing 905 beds are on the top two floors
- ❑ *Could result in tens of million of dollars for temporary relocation of inmates until repairs are complete or a new facility is constructed*

SB 1022 Application for State Construction Financing Funds

Background

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Justice Facility Improvement Program

- ❑ 2007 Comprehensive assessment and Real Estate analysis identified the need to double the size of the current building to meet current modern standards and regulations
- ❑ Total cost of approximately \$1.5 billion program covering 15 years
- ❑ 2008 Capital Plan developed financing strategy including the relocation of various units through the Earthquake Safety and Emergency Response bond program and use of General Fund debt (C.O.Ps) within established fiscal constraints
- ❑ Subsequent Capital Plans and pre-development studies have moved the implementation strategy forward
- ❑ State Realignment and low jail population led to independent forecasts of future prison population reflected in current capital plan

SB 1022 Application for State Construction Financing Funds

Jail Replacement Project Overview

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Controller Assessment

- Forecast of future jail population shows need for a 30% smaller (from 905 to 640 beds) and a 10% reduction to overall system capacity
- Additional study currently underway could further reduce the number of beds
- Indirect Supervision or linear jail design presents safety liabilities for inmates and staff
- HOJ jails provide very little program space

Current Project

- \$290 million total project cost including purchase of property east of the Hall of Justice
- Construction starting in 2017 and completing in 2019
- New facility will be a modern direct supervision jail similar to County Jail #5 with increased program space and visibility

SB 1022 Application for State Construction Financing Funds Jail Replacement Project Overview

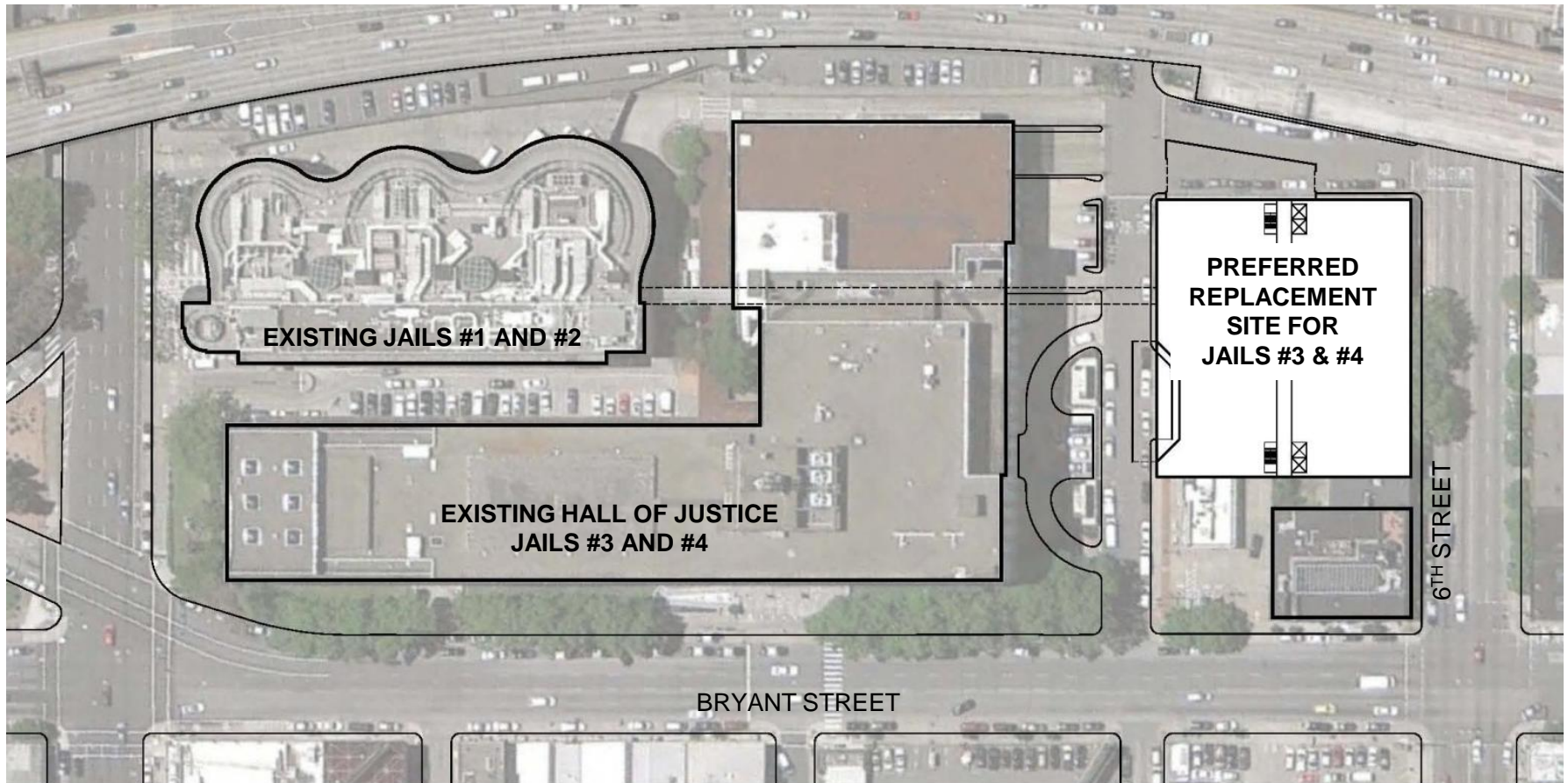
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Senate Bill 1022 Grant Opportunity

- ❑ Competitive grant program exclusively for the construction of Sheriff run criminal justice facilities with improved rehabilitation program space
- ❑ San Francisco is eligible to receive up to \$80 million and has already met local match requirements
- ❑ Application does not commit the City to a particular project and does not change environmental (CEQA), Capital Planning Committee, and Board of Supervisors approval process
- ❑ Decision to accept funds would require purchase of replacement site within 90 days
- ❑ State funds would accelerate remaining high-priority HOJ projects identified in the Capital Plan
- ❑ Grant application due to the State on October 24, 2013

SB 1022 Application for State Construction Financing Funds Capital Plan

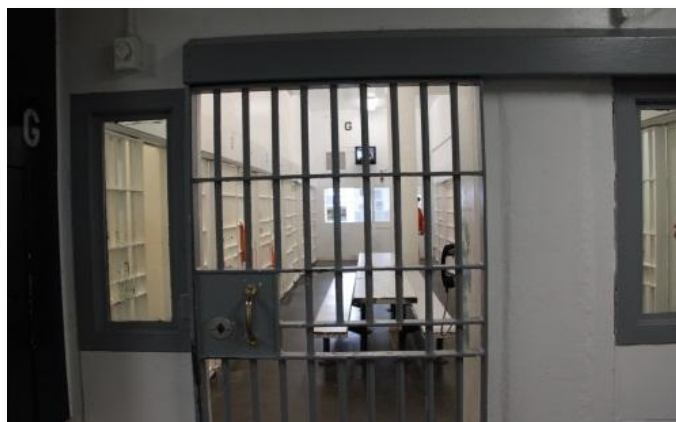
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SB 1022 Application for State Construction Financing Funds

Jail Replacement Project Safety Improvements

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CJ #3 Housing Unit – Linear Design



CJ#5 Housing Pod – Direct Supervision



CJ#4 Cell – Linear Design



CJ #5 Cell – Direct Supervision

SB 1022 Application for State Construction Financing Funds Jail Replacement Project Program Enhancements

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Program / Education Space CJ#3



Program / Education Space CJ#5



Program / Education Space CJ#4



Program / Education Space CJ#5

SB 1022 Grant Application

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Questions & Comments

Brian Strong, Capital Planning

Charles Higuera, DPW

Kyle Patterson, Controller's Office

Ellen Bryn, Under Sheriff

Hall of Justice Replacement Jail Capital Plan

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Justice Facilities Improvement Program (JFIP): A comprehensive planning effort from 2006 to 2009 that resulted in a \$1.5 billion capital program to replace the Hall of Justice (HOJ).

- ❑ Earthquake Safety and Emergency Response Bond - ESER 1 \$412.3M GO Bond approved by voters June, 2010; JFIP projects:
 - SFPD Headquarters and Southern District Station - \$243M
- ❑ Earthquake Safety and Emergency Response Bond - ESER 2 \$400M GO Bond planned for June, 2014; JFIP projects:
 - SFPD Traffic Company and Forensic Services Division - \$165M
 - Office of Chief Medical Examiner - \$65M
- ❑ Replacement Jail - \$290M GF Debt
- ❑ Relocate District Attorney and Adult Probation - \$225M GF Debt
- ❑ Relocate SFPD Investigations Unit - \$133M GF Debt*
- ❑ Demolish West Wing of HOJ to allow State to build a new Courts Building at 7th Street and Bryant Street - \$38M GF Debt*

* *Deferred from the 10-year Capital Plan*

Hall of Justice Replacement Jail

SB 1022 Grant Application

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SB1022 Construction Financing Program

- Competitive grant program to construct criminal justice facilities with improved rehabilitation program spaces
- Potential maximum grant to San Francisco: \$80M
- Total available statewide: \$500M

Benefits to San Francisco

- Award of SB1022 funds will allow reallocation of General Fund Debt Program for other high priority needs in the Ten-Year Capital Plan.

Key Dates

- Support from Capital Planning Program received, **September 9, 2013**
- Resolution to support the application to the Board of Supervisors on **October 1, 2013**
- Resolution to support at Budget and Finance Committee, **October 9, 2013**
- Resolution to support at Board of Supervisors on **October 22, 2013**
- Application due to the State by **October 24, 2013**
- Conditional Grant Announcements **January, 2014**

Hall of Justice Replacement Jail Needs Assessment

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Current Situation

- ❑ 905 jail beds on Hall of Justice 6th and 7th floors (rated and unrated)
- ❑ Linear jail design presents safety liabilities for inmates and staff
- ❑ HOJ jails provide very little program space

Forecast of Jail Population

- ❑ Based on work by 2 external consultants and reviewed and affirmed by the Controller's Office - need estimated between 481 to 688 beds
- ❑ 4 main elements
 - Baseline forecast using statistical methods
 - Estimate of realignment impacts
 - Classification factor: 5-9%
 - Peaking factor: 5-14%

Next Steps

- ❑ The Controller's Office will conduct an updated study on the overall system "need" in the winter of 2013-14.

Hall of Justice Replacement Jail

SB 1022 Grant Application

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Property Acquisition

- ❑ Real Estate Due Diligence Package Necessary for Inclusion in Grant Application
 - Title information
 - Preliminary data regarding valuations
 - Preliminary data regarding environmental condition of parcels
- ❑ Pre-Acquisition Process Underway
 - Appraisals, Brokerage Contracts, Final Title Reviews

Timeline

- ❑ Confirmation of Values, Commence Negotiations – **October 2013**
- ❑ Introduction of Authorizing Resolution for Acquisitions – **November 2013**
- ❑ Completion of Purchases – No Later Than 90 days After Grant Award
- ❑ Relocations from Site – Completed After CEQA Clearance Secured

Hall of Justice Replacement Jail Funding Source

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General Fund Debt Program

(dollars in Millions)

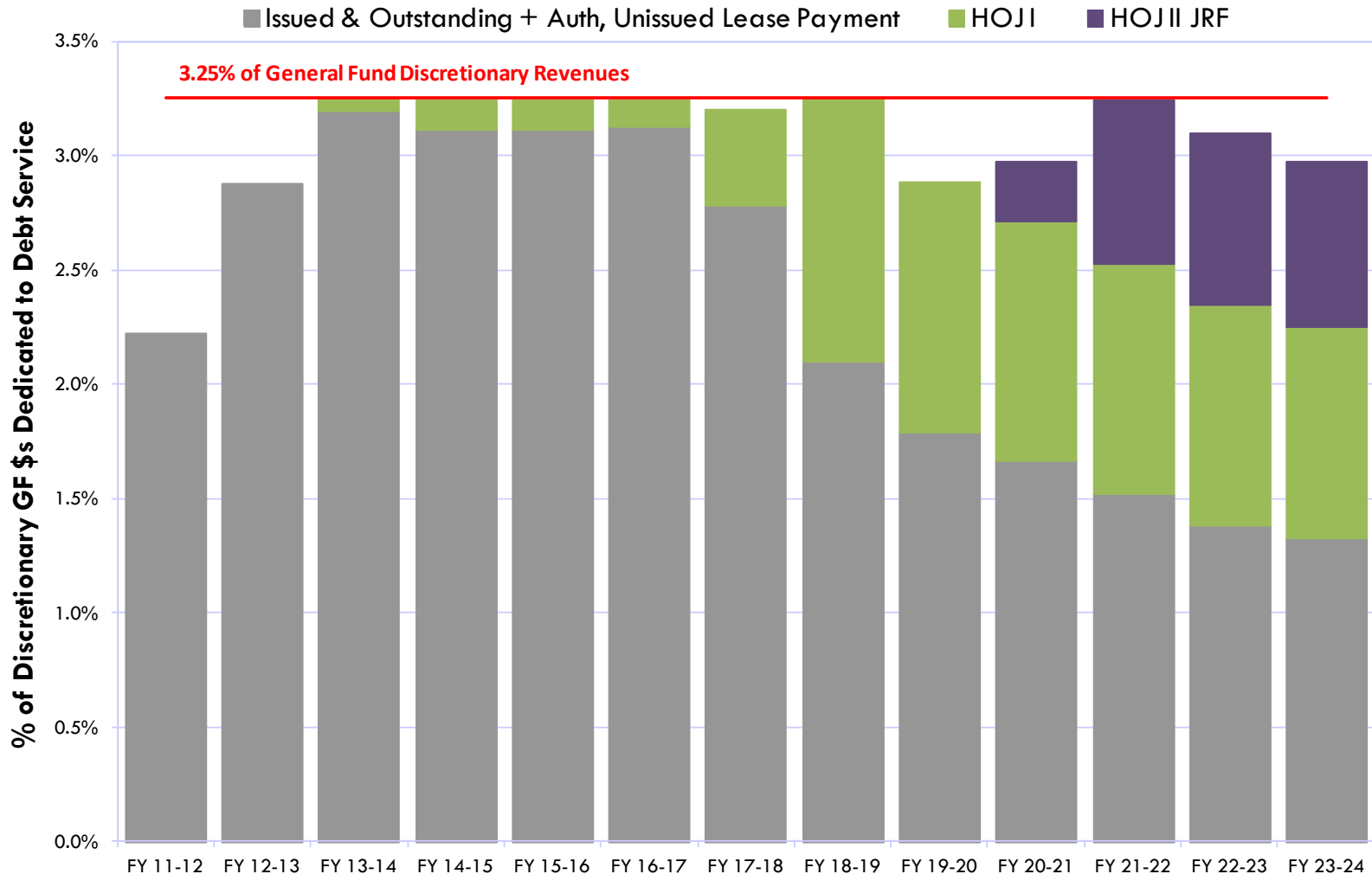
Month/yr	Proposed Debt Issuance	Total
FY 2014	HOJ* Replacement Program 1: Jails 3 & 4	\$290
FY 2020	HOJ* Replacement Program 2: Court Related Agencies	\$225
	GF Debt Subtotal	\$515

*HOJ = Hall of Justice

Hall of Justice Replacement Jail Funding Source

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**General Fund Debt Service and Long-Term Lease Obligations
FY 2012-2024**



Hall of Justice Replacement Jail COP Program Uses

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**City and County of San Francisco
General Fund Lease Obligations Per Capital Plan
Outstanding/Approved/Proposed
As of June 30, 2013**

Lease Revenue Bonds (LRBs) and Certificates of Participation (COPs)	Outstanding Amount
Refunding COPs Series 2011AB (Moscone North and South)	\$86,195,000
COPs, Series 2003 (Juvenile Hall Replacement Project)	34,850,000
COPs, Series 2009B Multiple Capital Improvement Projects (Street Improvement Project)	35,200,000
COPs, Series 2012A Multiple Capital Improvement Projects (Street Improvement Project)	41,860,000
COPs, Series 2013A (Moscone Center Improvement)	35,575,000
Refunding COPs, Series 2010A (San Bruno Jail)	127,735,000
Finance Corporation Refunding LRBs, Series 2010-R1 (911 Center and Emergency System)	17,050,000
Finance Corporation LRBs, Series 2008-1, 2008-2 (Moscone West)	120,820,000
Finance Corporation LRBs, Series 2008A, 2010A, 2011A, 2012A, and 2013A (Equipment Program)	35,235,000
<u>San Francisco Redevelopment Agency LRBs, Series 1992 (Moscone Convention Center)</u>	<u>4,347,301</u>
Subtotal	\$538,867,301
Approved and Unissued COPs	Expected Issuance Amount
War Memorial Veterans Building	\$168,115,000
<u>HOPE SF</u>	<u>35,110,000</u>
Subtotal	\$203,225,000
Subtotal Outstanding/Approved/Unissued	\$742,092,301
Proposed COPs	Proposed Amount
Hall of Justice Replacement Program (FY2014 - FY2017)	\$292,611,067
<u>HOJ Local Justice Agencies & SFPD Investigations (FY 2020)</u>	<u>226,000,000</u>
Subtotal	\$518,611,067
Total - Outstanding, Approved/Unissued, Proposed	\$1,260,703,368

Note:
General Fund Lease Obligations Curve excludes self supporting obligations.

Hall of Justice Replacement Jail Project Overview – System Capacity

Status Quo:

Jails	Location	Jail Type	Current Capacity
CJ 1 & 2	7th Street	Intake and women's jail; program space; pod style.	466
CJ 3 & 4	HOJ	Max security; court appearances; no program space; dormitory style.	905
CJ 5	San Bruno	Min and max security jail; extensive programs; pod style.	772
CJ 6	San Bruno	Minimum security facility; dormitory style; minimum programs.	372
TOTAL CAPACITY - Status Quo			2,515

Capital Plan Proposal:

Jails	Location	Jail Type	Recommended Capacity w/ Jail Replacement
CJ 1 & 2	7th Street	Intake and women's jail; program space; pod style.	466
New Jail	6th Street	Max security; pod style, extensive programs. Jail size reduced by 30%.	640
CJ 5	San Bruno	Min and max security jail; extensive programs; pod style.	772
CJ 6	San Bruno	Minimum security facility; dormitory style; minimum programs.	372
TOTAL CAPACITY - with Jail Replacement			2,250

Do Not Replace CJ 3 and 4:

Jails	Location	Jail Type	Capacity with No Jail Replacement
CJ 1 & 2	7th Street	Intake and women's jail; program space; pod style.	466
N/A			-
CJ 5	San Bruno	Min and max security jail; extensive programs; pod style.	772
CJ 6	San Bruno	Minimum security facility; dormitory style; minimum programs.	372
TOTAL CAPACITY - No Jail Replacement			1,610

Jail Replacement Project

Site Comparison: HOJ site results in savings

	Low Savings Est.	High Savings Est.
Year 1		
HOJ Site Purchase & Construction - Annual Debt Service	(9,426,000)	(7,786,000)
San Bruno Site		
Capital - Vehicles & HOJ Improv. - Annual Debt Service	1,220,000	1,220,000
Operations One Time	1,870,000	5,607,000
Operations On-going - 3% Annual Escalation	7,767,000	7,767,000
Year 1 Savings	1,431,000	6,808,000
Year 20		
HOJ Site Purchase & Construction - Annual Debt Service	(9,426,000)	(7,786,000)
San Bruno Site		
Capital - Vehicles & HOJ Improv. - Annual Debt Service	1,222,000	1,222,000
Operations On-going - 3% Annual Escalation	14,028,000	14,028,000
Year 20 Savings	5,820,000	7,460,000
Year 21 And Beyond		
HOJ Site Purchase & Construction - Annual Debt Service	-	-
San Bruno Site		
Capital - Vehicles Only - Annual Debt Service	320,000	320,000
Operations On-going - 3% Annual Escalation	14,450,000	14,450,000
Year 21 Savings	14,770,000	14,770,000

Jail Replacement Project

Scope: Full Replacement - 903 Beds

- Replace existing HOJ jails with a facility conforming to state standards.
- Minor jail system integration projects, including medical & food services improvements, to adapt system to new jail.

Project Budget

- \$435M
- Special Equipment, FFE budget TBD

Funding

- General Fund: Planning, preliminary design, and site options
 - Previous Approp. = \$6.3M
 - FY12-13 Request = \$3.7M
- COPs: Site purchase, design, construction \$425M

Schedule

- Construction Start Summer 2016 – Completion Spring 2019