



A Tradition of Stewardship
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NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Nancy Watt - County Executive Officer
County Executive Office
REPORT BY: Helene Franchi, Principal Management Analyst - 253-4820
SUBJECT: New Jail Funding and Construction

RECOMMENDATION

County Executive Officer, Director of Corrections, and Director of Housing and Intergovernmental Affairs request direction regarding funding for construction of a new correctional facility.

EXECUTIVE SUMMARY

Over the past few years, the Board of Supervisors has held numerous discussions on alternatives to replacing the current jail. The Board requested staff to evaluate construction of a new facility on the 27 acre site that had been acquired by the County adjacent to Napa State Hospital. After discussion with the County's consultants, Nacht and Lewis and various departments directly impacted, staff developed two proposals for the Board's consideration. The first proposal included a full replacement facility for the current jail with increased capacity to 366 beds. It also included a new underground court holding facility to be constructed just south of the Criminal Court Building, demolition of the existing downtown jail and Hall of Justice, and construction of a new Communication Facility on the Napa-Vallejo Highway site. The cost of this option would be approximately \$178 million. Staff also worked with Nacht and Lewis to develop a smaller alternative. This smaller alternative would consist of a new 256 bed facility and would leave the existing downtown facility intact as an annex to the main facility. This smaller facility is estimated to cost approximately \$103 million.

Staff requests direction from the Board of Supervisors as to which of these two alternatives should be further developed. In addition, staff is seeks direction on preferred financing alternatives. Specifically, staff is looking for direction from the Board as to the following questions:

1. Does the Board want to proceed with seeking outside funding for construction of a new facility at this time;
2. If the Board wishes to proceed with construction of a new facility does it wish to proceed with the full 366 bed replacement project, or the smaller 256 bed facility;

3. Does the Board want to finance a portion of this project through proposed issuance of property tax assessment increase or proposed county-wide local sales tax;
4. Does the Board want to proceed with a special use tax that would require support from 66.7% of the electorate or with a general use tax which would require a 50% majority; and
5. Does the Board wish to proceed with putting this question to the voters in June 2016 or in November 2016.

PROCEDURAL REQUIREMENTS

1. Staff reports.
2. Public comments.
3. Motion, second, discussion and vote on the item.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The need for a new jail was identified during the Adult Correctional System Master Planning. That Master Plan identified the inability of the current jail to accommodate future needs based on population projections. Since the implementation of the 2011 Public Safety Realignment Act, the issues with the current facility have grown significantly beyond what was originally contemplated. Largely as a result of State Prison Realignment, 87% of the jail population is made up of felony offenders, generally requiring a higher security classification and longer incarceration. The current jail does not have sufficient dedicated single cells to accommodate the current and future housing needs, creating operational issues and general overcrowding as Napa County Department of Corrections (NCDC) staff work to appropriately house inmates. There are concerns with the level of programming and medical/mental health treatment space available to address the needs of this changing population.

Additionally, the current facility has an antiquated design resulting in an intensive staffing model and is expensive to maintain and remain functional due to its aging infrastructure.

CURRENT STATUS OF VARIOUS INITIATIVES

Existing Jail – The 3rd Floor of the Hall of Justice sustained considerable damage in the August 2014 South Napa Earthquake. This resulted in inmates who occupied cells on that floor having to be housed in Solano County. Staff continues to work on reconstruction efforts at the Hall of Justice since the August 2014 Earthquake. Repairs to the 3rd Floor of the Jail continue and are expected to be completed by this summer that will allow for the return of some inmates currently being housed in Solano County. However, full re-occupancy of the Hall of Justice is not anticipated until the end of 2016 with Probation and the County's contractor Behavioral Intervention (BI) returning at that time. Construction of additional housing units in the basement that had been originally planned in 2014 was put on hold due to the Earthquake. Once this project is started it is anticipated to take almost one year and will require that some inmates continue to be housed in Solano County.

SB 863 Funding for New Jail - In August 2015, the Board approved the submittal of an application to the State under the SB 863 competitive grant program for lease-revenue bonds in the amount of \$20 million. It was anticipated that if this application was successful it would have been used as the first phase of a multi-phase new correctional facility at the County-owned property on the Napa-Vallejo Highway adjacent to Napa State Hospital. Under this plan, if the County had been successful in receiving the full award, it would have continued to operate the existing downtown correctional facility. The new facility would be designed to house medium and maximum security inmates, create inmate programming spaces, operate a modern medical/mental health unit and provide the ability to discontinue use of some of the most antiquated cells in the existing jail. In addition, this new facility would have become the first phase of an ultimate buildout for a new correctional facility as funds became available. The full cost of this type of facility was estimated to be \$66 million with the additional funds generated from the Accumulated Capital Outlay fund (ACO) and the sale of surplus real estate assets. Under this scenario the County would still have to operate two facilities with significant additional operating costs. The County received only a partial award of \$2,821,000 under the SB 863 grant program. The County has been granted an extension until mid-summer of 2016 to notify the State as to whether or not it will accept this partial award. Staff is not recommending acceptance of this award at this time, but rather determine whether or not other counties decline previously awarded grants that would provide the opportunity for additional funding for Napa.

SB 1022 Funding for Re-entry Facility - In March, 2014, the Board of State and Community Corrections (BSCC) granted the County of Napa a conditional award of up to \$13,474,000 for the Re-entry (Minimum Custody) Facility. The funding comes from Senate Bill 1022, Chapter 42, Statutes of 2012, also known as the Adult Local Criminal Justice Facilities Construction Financing Program. Design and engineering work on this new facility is well under way with project bidding in the fall of 2016 and construction scheduled in spring of 2017. The facility will provide housing for 72 inmates.

Financing Options - Staff has identified construction costs for a 256 bed facility at approximately \$103 million and for a 366 bed facility at approximately \$178 million. The smaller 256 bed facility would be partially financed by using \$35 million in available County funds, the sale of surplus property and other resources. The larger 366 bed facility would be partially financed with the \$35 million but an additional \$6 million is estimated due to the sale of the downtown property bringing the total funding to \$41 million. Because the availability of State funding is unknown and because it will not provide the entire amount needed, staff assumes the difference could come from revenue generated by a ballot measure in 2016 that would provide a stable funding source to pay for annual debt service.

Staff conducted two polls in 2015 and 2016 to gauge the public support for a ballot measure that would raise funds through either an increase in property tax or sales tax. Approval for additional funding for a specific project or program requires approval of 66.7% of the electorate. Approval for a general tax (sales or property tax) requires only 50% of the electorate to support the proposal. The initial polling was conducted in the summer of 2015. It demonstrated that while there was support for the construction of a new correctional facility, polling showed that the (55%) that support the new facility construction was less than the 66.7% necessary to garner approval. After testing certain messages, including the fact that a new correctional facility could provide additional services for mental health, substance abuse, vocational and job training and better prepare inmates for life after jail, backing for the measure rose but not sufficiently to achieve the 66.7% of the electorate necessary to generate support for a special purpose tax.

Board members and staff embarked on an education campaign between November and February. In total, twenty-nine presentations were made to various organizations educating the community about the need for a new correctional facility. Overall the feedback that the elected officials and County staff received was a positive response as to the need for a new facility. In addition the public seemed particularly impressed with the need for additional treatment and job training at a newly constructed facility.

Based upon this feedback, the County's consultants conducted a follow up survey in February 2016. The follow up survey showed support for a new jail, however there was not sufficient support for a ballot measure that specified that funding could only be used to construct a new jail. As with the previous survey, the results show that more than 50% (approximately 55%) support the new facility, even before the public receives positive messaging.

OPTION A

366 Bed Facility - Constructing a new facility on the site where the Re-entry facility is located and demolishing the current jail would provide for a continuum of care from secure jail custody to the Re-entry facility to supervision under Probation and finally full integration back into the community improving public safety and reducing recidivism. Costs to operate this type of facility are estimated to be \$21.7 Million as compared to an estimated operating cost in FY 2016-17 of the current jail at \$16.4 Million. Annual debt service for this option is estimated to be \$8.1 million.

The 366 bed facility provides the operational advantage of having a single facility without having to staff two locations. There would be easier access for all inmates to programs, support services, medical and mental health care. Receiving and release would be handled at the same location and a newer building would address concerns related to the existing jail's conditions due to its age and damage from the earthquake. Whereas there are advantages from housing all inmates at the jail in a single location, there would be a need to continue to transport inmates to and from court during the week, which would require the continued operation of a holding facility downtown. Staff would be needed to supervise inmates during the week and there would be costs associated with transportation.

This option would require a ballot measure requesting approximately \$137 million.

OPTION B

256 Bed Facility - Construct a new facility on the County-owned property that would provide for adequate housing of the current inmate population as well as much needed single cells for inmates with medical or mental health issues. It would also provide core jail functions such as kitchen, laundry, medical, central control and intake. In addition, it will allow Napa County Department of Corrections (NCDC) to improve program offerings that will complete the continuum of care mentioned in Option A. Because the inmate population can fluctuate day-to-day, it would be important to keep the Downtown Annex (current jail facility) open to provide flexibility in housing based on gender and classification needs. The Downtown Annex would house up to 55 inmates in the newer portion of the current facility. Operational costs to run the Downtown Annex and the new 256 Bed facility would be approximately \$21.3 million. Currently operational costs are partially offset by revenue received from the State (Realignment and Proposition 172) of up to \$6 million and could be further offset by additional revenue if some beds in the Downtown Annex could be rented to other counties. This compares to projected operating costs in FY 2016-17 of approximately \$16.4 million with offsetting revenue of \$5.6 million.

A 256 bed facility at the new jail site would include receiving and release and have all of the core functions. The facility would provide programming, support services, medical and mental health care but would also need to consider bringing some of these services to the downtown annex. The smaller downtown annex would also require staff although the number of staff and the size of support services at the downtown annex would be significantly reduced. The annex would be used to manage population spikes and to also house inmates who may need to be separated due to classification issues. Inmates could be transferred ahead of time if they are scheduled for court leading to a reduction in total transportation functions. Releases and booking would be conducted at the new main jail and only inmates that have been classified to be at the annex may be placed in the downtown location. Food service would need to be brought in from an outside location and the downtown annex would use reheating ovens to heat and serve food. At this time, staff anticipates the use of a culinary vendor to provide meals at the new jail as well as the downtown annex facility. Inmates may be brought in from the Re-entry

facility to work in the laundry and to provide general support with cleaning and maintenance. With a majority of staff at the new main jail, the downtown annex would need sufficient number of staff to respond to emergencies. The proposal is to use a corporal position on each of the teams to provide on-site lead function for correctional staff. One advantage that could come from having an annex is that there are areas of the current jail that may be suitable for renting beds to outside agencies. This space may also be advantageous in addressing population growth and if changes in the future lead to higher population without having to rent beds in other counties.

This option would require a ballot measure requesting approximately \$68 million.

In either case, facilities would be built with the ability to expand as resources become available and the need arises because of increased population projections. Operational costs in both options assume completion in FY 2019-20. It is also important to note that absent new outside funding for increased operating costs, the Board would need to plan for those costs, likely phased in over a multi-year period.

Staff recommends the Board consider Option B with funding from a 1/4 cent sales tax placed on either the June or November 2016 ballot. Staff is aware of one local funding measure from Napa Valley Unified School District on the June 2016 ballot and four local funding proposals for the November ballot including the Parks and Open Space District, the City of St. Helena, the San Francisco Bay Restoration Committee and possibly the Community College District. In addition, in November there is the possibility of as many as 8 statewide funding initiatives that could be added to the ballot.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi