

1 [Accept and Expend State Bond Financing - State Public Works Board - Construction of  
2 Rehabilitation and Detention Facility - \$80,000,000]

3 **Resolution authorizing the Sheriff’s Department to accept and expend \$80,000,000 of**  
4 **lease revenue bond financing from the State Public Works Board to fund the**  
5 **construction of the Rehabilitation and Detention Facility project to replace County Jail**  
6 **No. 3 and County Jail No. 4.**

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8 WHEREAS, Under Senate Bill 863, Chapter 37, Statutes of 2015 ("SB 863"), the State  
9 of California authorized the Board of State and Community Corrections ("BSCC"), the  
10 California State Public Works Board ("SPWB"), and participating counties to acquire, design  
11 and construct adult local criminal justice facilities approved by the BSCC; and

12 WHEREAS, SB 863 authorized the SPWB to issue up to \$500,000,000 in lease  
13 revenue bonds to finance the acquisition, design, renovation, and construction of approved  
14 adult local criminal justice facilities; and

15 WHEREAS, In 1992, the City and County of San Francisco ("City") developed Seismic  
16 Hazard Ratings for over 200 of its public buildings on a scale from one to four, with four  
17 representing the most seismically deficient, and City’s Hall of Justice building at 850 Bryant  
18 Street ("HOJ") is a seismically deficient building that received a rating of three; and

19 WHEREAS, If the HOJ sustains significant damage due to a major seismic event, the  
20 estimated cost to relocate and transport inmates housed in County Jail No. 3 and County Jail  
21 No. 4 is estimated to be tens of millions of dollars, and replacing County Jail No. 3 and County  
22 Jail No. 4 has been a high priority of the City’s Ten-Year Capital Plan since its inception in  
23 2006; and

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1           WHEREAS, This Board of Supervisors adopted a FYs 2016-2025 Ten-Year Capital  
2 Plan on April 21, 2015, showing that the City could fully fund a replacement jail facility in an  
3 amount equal to \$278,000,000 with General Fund supported certificates of participation; and

4           WHEREAS, The replacement of County Jail No. 3 and County Jail No. 4 with a new  
5 Rehabilitation and Detention Facility adjacent to HOJ (the “Proposed Facility”) is currently  
6 estimated to cost \$240,000,000; and

7           WHEREAS, On July 21, 2015, this Board of Supervisors adopted Resolution No. 261-  
8 15, a copy of which is on file with the Clerk of the Board of Supervisors in File No. 150701 and  
9 is incorporated herein by reference, to adopt the Mitigated Negative Declaration and  
10 Mitigation Monitoring & Reporting Program and to authorize the City to submit an application  
11 for \$80,000,000 of SB 863 funds for the Proposed Facility; and

12           WHEREAS, On November 12, 2015, the BSCC delivered a conditional intent to award  
13 \$80,000,000 in SB 863 funds to City for the Proposed Facility (the “State Funds”), a copy of  
14 which is on file with the Clerk of the Board of Supervisors in File No. 151187 and is  
15 incorporated herein by reference, which award amount requires a matching City contribution  
16 of \$24,000,000 (“City’s Cash Contribution”) that is compatible with the lease revenue financing  
17 that comprises the State Funds; and

18           WHEREAS, Under budgets adopted by this Board of Supervisors for FYs 2012-2016,  
19 \$12,690,000 was appropriated to the City’s Sheriff’s Department through the capital budget  
20 for the Proposed Facility, which amount could partially fund City’s Cash Contribution; and

21           WHEREAS, Under companion legislation on file with the Clerk of the Board of  
22 Supervisors in File No. 151174 (the “Companion Resolution”), which is incorporated herein by  
23 reference, this Board of Supervisors would authorize the issuance of commercial paper to  
24 fund the remaining portion of the City’s Cash Contribution; now, therefore, be it  
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1           RESOLVED, That if this Board of Supervisors adopts the Companion Resolution, the  
2 City's Sheriff's Department is authorized to accept and expend \$80,000,000 of lease revenue  
3 bond financing from the SPWB to fund the construction of the Proposed Project.

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6 RECOMMENDED:

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9 Ross Mirkarimi  
10 Sheriff

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13 APPROVED:

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16 Mayor Edwin Lee

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18 Ben Rosenfield, Controller

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