



**Capital Projects Division  
General Services Agency  
COUNTY OF TULARE  
AGENDA ITEM**

**BOARD OF SUPERVISORS**

KUYLER CROCKER  
District One  
PETE VANDER POEL  
District Two  
AMY SHUKLIAN  
District Three  
EDDIE VALERO  
District Four  
DENNIS TOWNSEND  
District Five

**AGENDA DATE:** September 17, 2019

Public Hearing Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Published Notice Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Advertised Published Notice	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Meet & Confer Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Personnel Resolution attached	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>

CONTACT PERSON: Kyle Taylor    PHONE: 559-205-1139

**SUBJECT:** South County Detention Facility and State's AB 900 Lease-Revenue Bonds 2019 Series C

**REQUEST(S):**

That the Board of Supervisors:

1. Adopt the attached Resolution authorizing the execution and delivery of a Facility Sublease for and ratifying all previous actions with respect to the South County Detention Facility and authorizing certain actions in connection therewith.
2. Authorize the Board Chairman to execute the Resolution on behalf of the Board.
3. Authorize the County Administrative Officer or designee to execute the Facility Sublease and all other documents required of the County for issuance of the State's AB 900 Lease-Revenue Bonds 2019 Series C.

**SUMMARY:**

In connection with the construction of the County's new South County Detention Facility ("SCDF"), which was mostly paid for by the State Department of Corrections and Rehabilitation ("CDCR") under the AB 900 Jail Construction Program, the State is in the process of selling lease-revenue bonds to reimburse itself for the \$60 million in AB 900 grant funds it advanced to Tulare County for the SCDF project.

Under the AB 900 program, the County previously entered into a Project Delivery and Construction Agreement with the State Public Works Board ("SPWB") and CDCR, as well as an Easement Agreement for Grants of Access, Utilities and Repairs with CDCR, and a Ground Lease under which the County leased the SCDF site to CDCR. As further parts of the AB 900 lease-revenue bond structure, CDCR will lease the SCDF site to SPWB under a Site Lease and SPWB will lease the site and completed

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SCDF back to CDCR under a Facility Lease. CDCR will make lease payments to SPWB under the Facility Lease, which will use those revenues to pay the principal and interest on the bonds. CDCR in turn will then sublease the site and completed SCDF to the County under a Facility Sublease. The County will be responsible for operating and maintaining the SCDF at the County's expense.

The Easement Agreement, Ground Lease, Site Lease, Facility Lease, and Facility Sublease will be in effect until the Lease-Revenue Bonds are paid off, which typically is 35 years from bond issuance. The Easement Agreement, Ground Lease, Site Lease, Facility Lease, and Facility Sublease are not expected to materially change the way the County operates and maintains the SCDF.

This agenda item asks the Board to adopt the attached Resolution prepared by the State's bond counsel to approve the proposed Facility Sublease, authorize the Board Chairman to sign the Resolution, and authorize the County Administrative Officer or his or her designee to execute all other documents required of the County for issuance of the State's AB 900 Lease-Revenue Bonds 2019 Series C.

**FISCAL IMPACT/FINANCING:**

There is no Net County Cost to the General Fund associated with the requested actions.

**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

The County's Strategic Business Plan includes the Safety and Security initiative to provide for the safety and security of the public. The South County Detention Facility aligns with the initiative by providing improved facilities for the protection of the public.

**ADMINISTRATIVE SIGN-OFF:**



Kyle Taylor  
Capital Projects Coordinator III

cc: County Administrative Office

Attachments:

A - Resolution Of The Board Of Supervisors Of The County Of Tulare Authorizing the Execution and Delivery of a Facility Sublease for and Ratifying All Previous Actions with Respect to The South County Detention Facility and Authorizing Certain Actions in Connection Therewith.

B - Facility Sublease.

**BEFORE THE BOARD OF SUPERVISORS  
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF SOUTH COUNTY ) Resolution No. \_\_\_\_\_  
DETENTION FACILITY AND STATE'S ) Agreement No. \_\_\_\_\_  
AB900 LEASE-REVENUE BONDS 2019 )  
SERIES C )

UPON MOTION OF SUPERVISOR \_\_\_\_\_, SECONDED BY  
SUPERVISOR \_\_\_\_\_, THE FOLLOWING WAS ADOPTED BY THE  
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD \_\_\_\_\_  
\_\_\_\_\_, BY THE FOLLOWING VOTE:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

ATTEST: JASON T. BRITT  
COUNTY ADMINISTRATIVE OFFICER/  
CLERK, BOARD OF SUPERVISORS

BY: \_\_\_\_\_  
Deputy Clerk

\* \* \* \* \*

1. Adopted the attached Resolution authorizing the execution and delivery of a Facility Sublease for and ratifying all previous actions with respect to the South County Detention Facility and authorizing certain actions in connection therewith.
2. Authorized the Board Chairman to execute the Resolution on behalf of the Board.
3. Authorized the County Administrative Officer or designee to execute the Facility Sublease and all other documents required of the County for issuance of the State's AB 900 Lease-Revenue Bonds 2019 Series C.

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF TULARE  
AUTHORIZING THE EXECUTION AND DELIVERY OF A FACILITY SUBLEASE FOR AND  
RATIFYING ALL PREVIOUS ACTIONS WITH RESPECT TO THE SOUTH COUNTY  
DETENTION FACILITY AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION  
THEREWITH**

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**WHEREAS**, the County of Tulare (the "County"), the State Public Works Board of the State of California (the "Board"), the Department of Corrections and Rehabilitation of the State of California (the "Department") and the Board of State and Community Corrections of the State of California have previously entered into that certain Project Delivery and Construction Agreement dated as of December 13, 2013 with respect to the construction of a local jail facility, commonly known as the Tulare Jail Project described in Exhibit A hereto (the "Project"); and

**WHEREAS**, the County has leased to the Department certain real property (the "Site") described in Exhibit B to that certain Ground Lease dated as of January 20, 2016, by and between the County, as landlord, and the Department, as tenant, and consented to by the Board, and recorded on February 4, 2015 in the Official Records of the County as Document No. 2016-0006653 (the "Ground Lease") on which the Project has been constructed; and

**WHEREAS**, the Board intends to provide long-term financing for the Project through the issuance and sale of lease revenue bonds of the Board (the "Bonds") as authorized by the State Building Construction Act of 1955 (being Part 10b of Division 3 of Title 2 of the California Government Code commencing at Section 15800) (the "Act"), which Bonds will be secured, in part, by the Base Rental payments to be made under a Facility Lease to be entered into by and between the Department and the Board (the "Facility Lease"); and

**WHEREAS**, in connection with the issuance of the Bonds, the Department intends to lease the Site to the Board pursuant to the terms of a Site Lease between the Board and the Department (the "Site Lease") and the Board intends to lease the Site and the Project (together, the "Facility") to the Department pursuant to the terms of the Facility Lease; and

**WHEREAS**, upon the issuance of the Bonds, the County and the Department intend to enter into a Facility Sublease (the "Facility Sublease"), the form of which has been presented to the Board of Supervisors for approval at the meeting at which this resolution is being adopted;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Tulare that:

**Section 1.** Each of the foregoing recitals is true and correct.

**Section 2.** The form of the Facility Sublease presented at this meeting is hereby approved. The County Administrative Officer or his or her designee (collectively, the "Authorized Officers"), acting alone, is hereby authorized for and in the name of the County to execute, and the Clerk of the Board of Supervisors is authorized to attest, the Facility Sublease, in substantially the form hereby approved, with such additions thereto and changes therein as are required by the Department or the Board as conditions to the issuance of the Bonds. Approval of such changes shall be conclusively evidenced by the execution and delivery thereof by any one of the

Authorized Officers each of whom, acting alone, is authorized to approve such changes. Each of the Authorized Officers is further authorized to execute, acknowledge and deliver any and all documents required to consummate the transactions contemplated by the Facility Sublease. The County hereby consents to the terms of the Site Lease and the Facility Lease and acknowledges that the County's right to occupy the Facility pursuant to the Facility Sublease may be terminated in accordance with Section 10 of the Facility Sublease, including (i) in the event of a default under the Facility Lease, as a result of the Board exercising its rights to re-enter and re-let the Facility in accordance with the Facility Lease, and (ii) in the event of a default under the Facility Sublease as a result of the Department exercising its rights to re-enter and re-let the Facility in accordance with the Facility Sublease.

**Section 3.** All actions heretofore taken by any officer of the County with respect to the execution and delivery of the Ground Lease are hereby ratified, approved and confirmed and the County affirms that the Ground Lease remains in full force and effect and enforceable against the County in accordance with its terms.

**Section 4.** Each of the Authorized Officers and the other officers of the County, acting alone, is hereby authorized to do any and all things and to execute and deliver any and all documents, certificates (including tax certificates) and agreements which they may deem necessary and advisable in order to consummate the execution and delivery of the Facility Sublease and the issuance of the Bonds and otherwise effectuate the purposes of this Resolution. In the event that the Clerk of the Board of Supervisors is unavailable or unable to execute and deliver any of the above-referenced documents, any deputy clerk may validly execute and deliver such document.

**Section 5.** This Resolution shall take effect from and after its date of adoption.

Passed and adopted by the Tulare County Board of Supervisors at its regular meeting on \_\_\_\_\_, 2019, by the following vote:

AYES: SUPERVISORS \_\_\_\_\_

NOES: SUPERVISORS \_\_\_\_\_

EXCUSED: SUPERVISORS \_\_\_\_\_

\_\_\_\_\_  
Kuyler Crocker, Chairman  
Tulare County Board of Supervisors

ATTEST:

JASON T. BRITT, COUNTY ADMINISTRATIVE OFFICER/CLERK  
OF THE TULARE COUNTY BOARD OF SUPERVISORS

By: \_\_\_\_\_  
Deputy

Approved as to Form:  
COUNTY COUNSEL

By: \_\_\_\_\_  
Deputy

Matter No.2012655

## **EXHIBIT A**

### **DESCRIPTION OF PROJECT TULARE JAIL PROJECT 1960 WEST SCRANTON AVENUE, PORTERVILLE, CA 93257**

The County of Tulare ("County") Jail Project includes the design and construction of a new County jail/correctional facility on approximately 15 acres of a greater 76± acres of County-owned land located in the City of Porterville ("Tulare Project"). The new building provides approximately 100,519 square feet of housing, program, and support space and is constructed of steel and concrete for long-term durability.

The housing space includes approximately 494 beds, dayrooms, exercise yards, multipurpose space for programs, housing unit control, storage space, interview rooms, and video visitation space. In addition, the Tulare Project includes a centralized control room, a kitchen, a warehouse, space for intake and release, transportation, laundry, administration, staff support, and medical and mental health services, maintenance, a central plant, and 16 special use beds and 9 medical/infirmarary beds.

The Tulare Project also includes, but is not limited to, electrical, plumbing, mechanical, heating, ventilation, air conditioning, security, fire protection systems, and other appurtenances for building operations. In addition, the Tulare Project includes parking spaces for both staff and visitors and a secure perimeter including vehicular and pedestrian sally ports.

The Tulare Project is complete and became available for occupancy in June 2019. The total cost of the Tulare Project is approximately \$70.8 million, of which approximately \$60 million was advanced to the County by the State of California under the AB 900 Jail Construction Program. It is expected that the State will reimburse itself for those funds with part of the proceeds from the State's Lease-Revenue Bonds 2019 Series C, with the balance funded from other sources.

The issuance of the State's Lease-Revenue Bonds 2019 Series C for the Tulare Project has been authorized by sections 15820.91 through 15820.917 of the Government Code.