

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

September 12, 2023

FROM

LUTHER SNOKE, Interim Chief Executive Officer, County Administrative Office

SUBJECT

Amendment to Facility Sublease with the Department of Corrections and Rehabilitation for the High Desert Detention Center

RECOMMENDATION(S)

1. Approve the Form of the **First Amendment to Facility Sublease Agreement No. 23-1089**, including a non-standard term, to refer to new bonds the State Public Works Board intends to issue, between the Department of Corrections and Rehabilitation of the State of California, as sublessor, and San Bernardino County, as sublessee, for the San Bernardino Jail Facility located at 9438 Commerce Way in the City of Adelanto, in substantially the form attached hereto with such changes as may be required by the Department of Corrections and Rehabilitation or the State Public Works Board, or as may be deemed necessary to accomplish the intent of this action.
2. Adopt **Resolution No. 2023-164** authorizing the Chair of the Board of Supervisors, the Chief Executive Officer, the County Chief Financial Officer, or their designees, in consultation with County Counsel, to execute and deliver the First Amendment to Facility Sublease for the San Bernardino Jail Facility between the Department of Corrections and Rehabilitation of the State of California and the County, and to execute and submit to the State of California any and all documents, certificates, including tax certificates, opinions and agreements necessary to consummate the execution and delivery of the First Amendment to Facility Sublease and the issuance of refunding Bonds by the State.
3. Direct the County Chief Financial Officer to transmit the Amendment to Facility Sublease to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Luther Snoke, Interim Chief Executive Officer, 387-4811)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Provide for the Safety, Health and Social Service Needs of County Residents.

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

This item does not require additional Discretionary General Funding (Net County Cost). The expansion of the High Desert Detention Center was partially funded by state bonds under the Public Safety and Offender Rehabilitation Services Act of 2007, also known as Assembly Bill (AB) 900. Under existing agreements with the State, the County is responsible for the maintenance and operating costs for the High Desert Detention Center until the bonds are repaid by the State. The costs to operate the High Desert Detention Center are included in the Sheriff/Coroner/Public Administrator's (Department) approved 2023-24 budget and will be included in future Department budgets.

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September 12, 2023**

BACKGROUND INFORMATION

On May 3, 2007, AB 900 became law and authorized the State Public Works Board (SPWB) and the California Department of Corrections and Rehabilitation (CDCR) to enter into agreements with participating counties for the acquisition, design, and construction of local jail facilities projects.

On July 13, 2010 (Item No. 28), the Board of Supervisors (Board) approved the Project Delivery and Construction Agreement, which established the various obligations of the County, SPWB, CDCR and the Board of State and Community Corrections with regard to the expansion of the High Desert Detention Center, previously referred to as the Adelanto Detention Center (jail facility). The expansion project was completed in January 2014 and consisted of approximately 281,000 square feet and included three housing units, contained in a single housing building, a one-story support building and associated administration, security, health care treatment, programs, and support services space.

The SPWB issued lease-revenue bonds in 2013. This financing mechanism required the SPWB, on behalf of the State, to hold an ownership interest in the jail facilities, subject to the State paying off the bonds. The SPWB leased the jail facilities to CDCR, who subleased the jail facilities to the County for the County's use and operation of the jail facility. Once the bonds are paid in full by the State, the State will then return facility ownership back to the County.

On September 10, 2013 (Item No. 21), the Board approved the form of the Facility Sublease between the County, as Sublessee, and CDCR, as Sublessor, for the property jail facility.

The SPWB intends to refinance the 2013 bonds by issuing 2023 Lease Revenue Refunding Bonds, which requires an Amendment to the Facility Sublease. The Resolution will authorize the Chair of the Board, Chief Executive Officer, the County Chief Financial Officer, or their designees to execute the Amendment to the Facility Sublease and any other documents required for the issuance of the 2023 bonds.

The proposed First Amendment to facility Sublease includes a non-standard term that differs from the prior sublease and County standard terms as follows:

The sublease limits state the County may not sublet, assign, or allow any third party, including the federal government, to use any portion of the jail facility without obtaining prior written consent and approval of CDCR and SPWB.

- The County does not generally agree to limit its ability to sublease its facilities.
- Potential Impact: The County must seek written approval from the state agencies in order to sublet or allow use of portions of the High Desert Detention Center covered by the sublease by other agencies or entities.

Staff recommends approval of the First Amendment to Facility Sublease, including the non-standard term, as it is a requirement connected to the funding the County received under AB 900 for the expansion of the jail facility.

PROCUREMENT

Not applicable.

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REVIEW BY OTHERS

This item has been reviewed by County Counsel (Julie Surber, Principal Assistant County Counsel, and Rick Luczak, Deputy County Counsel, 387-5455) on August 23, 2023; Sheriff/Coroner/Public Administrator (Kelly Welty, Chief Deputy Director, 387-3649) on August 25, 2023; Finance (Erika Rodarte, Administrative Analyst, 387-4919, and Amanda Trussell, Principal Administrative Analyst, 387-4773) on August 25, 2023; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on August 28, 2023.

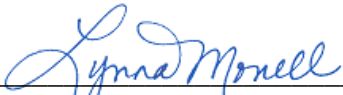
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: September 12, 2023



cc: File – w/ agree
CCM 09/12/2023