



**SAN BENITO COUNTY
AGENDA ITEM
TRANSMITTAL FORM**

Dom Zanger
District No. 1
Vice-Chair

Kollin Kosmicki
District No. 2
Chair

Mindy Sotelo
District No. 3

Angela Curro
District No. 4

Ignacio Velazquez
District No. 5

Item Number: 1.15

MEETING DATE: 06/24/2025

DEPARTMENT: COUNTY ADMINISTRATION OFFICE

AGENDA ITEM PREPARER: Dulce Alonso

DEPT HEAD/DIRECTOR: Esperanza Colio Warren

SUBJECT:

COUNTY ADMINISTRATIVE OFFICE - E. COLIO WARREN

Approve budget appropriations of \$159,398.00 for Jail Certification of Participation (COP) semiannual payment from Detention Facility Impact. (4/5 vote required).
SBC FILE NUMBER: 119

AGENDA SECTION:

CONSENT AGENDA

BACKGROUND/SUMMARY:

Jail Facility Project Financing Overview

The County funded the jail project—totaling approximately \$26.6 million—through a combination of AB900 State funding and other financing mechanisms. Of this total, \$9 million required additional financing. The County allocated \$1.5 million from reserves, while the remaining \$7.5 million was funded through Certificates of Participation (COPs) issued in 2019.

In February 2019, the County Board of Supervisors and the San Benito County Finance Corporation (SBCFC) approved a Financing Plan authorizing the issuance of COPs in an amount not to exceed \$8.5 million. The purpose of this financing was to provide capital for the construction of the new jail facility, reimburse the County for prior eligible expenses, and cover costs associated with the issuance of the financing instruments.

2019 Certificates of Participation (COPs)

The 2019 COPs served as a key funding mechanism for the jail project. COPs are a commonly used form of lease-based financing among California counties for capital improvement projects. These were structured as fixed-rate lease obligations with a 30-year term, paying principal annually and interest semi-annually.

The COP financing was structured through a series of lease agreements between San Benito County and the San Benito County Financing Corporation (SBCFC):

- The Sheriff's Administration/County Permit Center was leased to the SBCFC under a Site Lease.
- The County then subleased the facility back under a Lease Agreement.
- The base rental payments made under the lease were assigned by SBCFC to the Trustee, as specified in an Assignment Agreement.

Plan of Finance and Repayment Structure

To service the debt, the county established the following repayment plan:

- An annual contribution of \$250,000 from AB109 realignment funds.
- The balance of debt service payments would be covered by Detention Facilities Impact Fees.

This diversified funding approach supports the County's commitment to maintaining fiscal responsibility while addressing critical infrastructure needs.

The portion coming from detention facilities was not included in the current budget. Attached is an increase of appropriations of \$159,397.76 for the board's consideration.

RESOLUTION OR ORDINANCE NEEDED FOR THIS ITEM:

N/A

CONTRACT NEEDED FOR THIS ITEM:

N/A

RFP AND BID HISTORY:

N/A

LAST CONTRACT AMOUNT OR N/A:

N/A

CONTRACT HISTORY (Describe all amendments and previous contracts):

N/A

STRATEGIC PLAN GOALS: 1. Operational Development & Excellence

Yes

STRATEGIC PLAN GOALS: 2. Planning And Sustainable Growth

Yes

STRATEGIC PLAN GOALS: 3. Technology

Yes

STRATEGIC PLAN GOALS: 4. Community Engagement

Yes

STRATEGIC PLAN GOALS: 5. Health & Safe Community

Yes

BUDGETED:

No

BUDGET ADJUSTMENT NEEDED:

Yes

SOURCE OF FUNDING:

Non-general Fund

UNFUNDED MANDATE:

N/A

SBC BUDGET LINE ITEM NUMBER:

282.70.3285.1000.670.000

CURRENT FY COST:

\$421,418.00

STAFF RECOMMENDATION:

Approve budget appropriations of \$159,398.00 for Jail Certification of Participation (COP) semiannual payment from Detention Facility Impact. (4/5 vote required).

BOARD ACTION RESULTS:

ATTACHMENTS:

Budget Adjustment - Jail