

2 - County Facilities Master Plan

1. Program Area:

CAPITAL IMPROVEMENTS

2. Identify agencies and departments involved.

County Executive Office (CEO), Health Care Agency (HCA) and Resources & Development Management Department (RDMD).

3. Is the Strategic Priority new or previously identified in earlier Strategic Financial Plan; if previously identified, what has changed and why.

This is a new Strategic Priority.

4. Provide a description of the project/program - what it is and what it will achieve.

On June 28, 2005, the Board approved consultant M. Arthur Gensler Jr. & Associates, Inc., dba Gensler, to complete a County Facilities Master Plan study to identify needs for County facilities. The study was conducted for all existing County owned and leased County facilities except facilities owned or leased by John Wayne Airport, Integrated Waste Management Department, Harbors, Beaches and Parks, Road, Flood and Sheriff. On October 17, 2006, the Board approved the County Facilities Master Plan (FMP) with 15 recommendations from RDMD/Real Estate staff requesting various studies and directives to implement critical items of the County FMP. This Strategic Priority would identify possible financial needs if the consultant's recommendations are fully implemented. The actual need and alternatives may vary from the consultant's recommendations. This Strategic Priority will address recommended, estimated cost needs in the amount of \$46.5 million for the following priority properties:

1. \$5.4 million - New, Central Storage facility at 1119 Chestnut Street, Santa Ana. (10/17/06 Agenda Staff Report Item #6)

The County Records Center is at full capacity, and there is an immediate need for additional immediate access and long term record storage. The current structures at Chestnut are deteriorated, and this parcel of land is underutilized. Construction of a new 70,000 - 80,000 square foot central storage facility at the Chestnut Avenue site would enable many of the County's storage leases to be eliminated. The Strategic Priority includes an \$8.5 million total capital project cost for the Chestnut Storage facility offset by a \$3.1 million storage rent savings, resulting in a \$5.4 million net General Fund request.

2. \$5.0 - Move Animal Control facility to County Operations Center.
(10/17/06 Agenda Staff Report Item #'s 8 & 9)

The existing Animal Control facility is deteriorated and inadequate; and there are so many unresolved variables to the existing site, including a Right-of-Way easement that bisects the site. Consequently, building a new facility at the County Operations Center is the most realistic option. The existing Animal Control facility could be demolished and the land could be recaptured for Sheriff's visitor parking/or any alternative use. The Strategic Priority includes a \$12 million total capital project cost for the Animal Control facility at County Operation Center offset by a \$2 million parking fee revenue (@\$240,000/yr) and a \$5 million transfer from Designated Special Revenue Fund, resulting in a \$5 million net General Fund request.

3. (\$17.4 million) - Move Fruit Street complex to County Operations Center
(10/17/06 Agenda Staff Report Item #9)

The Fruit Street facilities are seriously outdated and need to be replaced. The real estate potential of the Fruit Street complex is higher than its present use. This is an excellent opportunity to take advantage of a strong housing market and sell/develop for market rate housing and relocate RDMD staff to new facilities at County Operations Center. The Strategic Priority includes a \$26.1 million total capital project cost for the Fruit Street facility at County Operation Center offset by a \$43.5 million proceed from the sale of the Fruit Street property, resulting in a \$17.4 million net savings to the General Fund.

4. \$43.6 million - New Health Care Agency facility at 17th Street, Santa Ana.
(10/17/06 Agenda Staff Report Item #7)

The 17th Street facility is deteriorating, and upgrades are no longer practical. In addition, it would be problematic to find a suitable replacement site for the lab due to environmental and possible community issues. The existing, large site provides enough flexibility to construct the new clinic and lab in phased-site rebuilding while maintaining existing operations. This Strategic Priority includes a \$46.5 million capital project cost for the new Health Care facility offset by a \$2.9 million retail rental revenue on an estimated 15,000 square feet, resulting in a \$43.6 million net General Fund request.

5. \$2.2 million - Renovation of Civic Center Building 16.
(10/17/06 Agenda Staff Report Item #4)

The building is in good condition structurally, but the interior must be rehabilitated. The renovation of this building for use by the Alternate & Associate Public Defender would save \$500,000 in annual rent by eliminating the Public Defender leases at 600 W. Santa Ana Blvd. In addition, the Public Defender would gain operational efficiency since they already occupy the adjacent Building 14 and could more efficiently utilize their space in both buildings. There may be other

alternatives which will be identified after conducting a comprehensive study. This Strategic Priority includes recommendations made by the consultants. RDMD/Real Estate staff estimate rehabilitation costs at \$6.7 million, although the consultant's estimate is \$4.1 million. RDMD/Real Estate's estimate includes 140 parking spaces and cost escalation to 2007. The Strategic Priority includes a \$6.7 million total capital project cost for the Building 16 rehabilitation offset by a \$4.5 million total lease cost savings to Public Defender (@\$500,000/yr), resulting in a \$2.2 million net General Fund request.

6. \$7.7 million - Minor rehabilitation of Buildings B & C and addition of parking at County Operations Center.

(10/17/06 Agenda Staff Report #9)

There is significant opportunity to expand the role of 1300 S. Grand as an operational and regional hub. Upon completion of a Master Plan for this site, minor renovation and re-planning of Buildings B & C will allow for reconfiguration of existing space to enhance space utilization and ultimately reduce occupancy costs. The FMP suggests evaluating the benefits of consolidating and relocating the Clerk Recorder to this location, as well as configuring the site to accommodate the relocated functions such as the Animal Control facility and RDMD Facilities Operations group from the Fruit Street complex.

This Strategic Priority includes only priority properties that were referred to in the 10/17/06 Agenda Staff Report (ASR) for Board recommendation. Additional priority properties that were mentioned in the 10/17/06 Agenda Staff Report that have not been addressed in this Strategic Priority include: Katella Yard, Probation Facility (Santa Ana), South County Justice Center, Santa Ana Blvd., Tustin Marine Corps Air Station and El Toro Marine Corps Air Station. In addition, there are other recommendations in the FMP Report which would require additional financial resources. Additional funds related to the FMP would be identified in a future Strategic Priority. RDMD and CEO staff will work together with other departments to address the remaining needs of the FMP.

In FY 06/07, the Board approved \$2.5 million for the FMP, which would be used to address other directives mentioned in the 10/17/06 ASR.

5. Identify personnel - will the program/project require additional staffing? If so, estimate number of positions by classification.

N/A

6. Identify one-time costs (e.g. equipment purchase).

Please refer to the attached spreadsheet for cost information.

- 7. Identify potential funding sources (e.g., State, Federal, General Fund, fees).**
General Fund 100%

Please refer to the attached spreadsheet for funding information.

- 8. Identify community awareness (stakeholders).**
Orange County residents, Health Care Agency and Resources & Development Management Department.

- 9. Is this program/project mandated or discretionary?**
Discretionary.

- 10. Identify implementation period if funding were available.**
FY 07/08 through FY 11/12.

| 2 - County Facilities Master Plan | | | | | | | | | | | |
|--|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | FY 06-07 | FY 07-08 | FY 08-09 | FY 09-10 | FY 10-11 | FY 11-12 | FY 12-13 | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 |
| I. Cost | | | | | | | | | | | |
| One-Time Costs | | | | | | | | | | | |
| Fixed Assets | 2,500,000 | 27,200,000 | 80,300,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Agency One-Time Cost Total | 2,500,000 | 27,200,000 | 80,300,000 | 0 |
| Total Cost | | | | | | | | | | | |
| Fixed Assets | 0 | 27,200,000 | 80,300,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Agency Ongoing Cost Total | 0 | 27,200,000 | 80,300,000 | 0 |
| Agency Cost Total | 0 | 27,200,000 | 80,300,000 | 0 |
| II. Non-General Fund Revenue | | | | | | | | | | | |
| Rev. From Use of Money and Property | 0 | 0 | 960,000 | 1,445,000 | 1,445,000 | 1,445,000 | 1,445,000 | 1,445,000 | 1,445,000 | 1,445,000 | 1,445,000 |
| Miscellaneous Revenue | 0 | 5,000,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Financing Sources | 0 | 0 | 43,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Agency Revenue Total | 0 | 5,000,000 | 44,460,000 | 1,445,000 |
| III. General Fund Requirement | 0 | 22,200,000 | 35,840,000 | -1,445,000 |
| IV. Staffing | | | | | | | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Recommend \$20 million in FY 07-08 and FY 08-09 for a total of \$40 million NCC to partially fund this Strategic Priority.