



County of Santa Cruz

COUNTY ADMINISTRATIVE OFFICE

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SUSANA MAURIELLO, J.D., COUNTY ADMINISTRATIVE OFFICER

January 4, 2002

Agenda: January 15, 2002

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

PROGRESS REPORT ON WATSONVILLE COURT FACILITY PLANNING

Dear Members of the Board:

As your Board is aware, the County and the City have been working cooperatively on the development of a multi-use building and adjacent parking structure in downtown Watsonville that will include, at a minimum, the Courts, the City Library, City offices, and retail spaces on the ground floor, and residential units on the top floor of the building. Based on a conceptual plan with these multiple components, an overall building design has been completed by the City's architects, as well as a very preliminary cost estimate for the building's shell and core costs and tenant improvements.

CONCEPTUAL BUILDING DESIGN AND PRELIMINARY COST ESTIMATES

The attached drawing provides your Board with a conceptual rendering of the proposed 200 Main Street building which has been approved by the Watsonville City Council as currently proposed. The building is approximately 200,000 square feet with six stories and an adjacent parking structure. As currently proposed, the Courts would occupy portions of two floors- the ground floor for secure entrance and prisoner holding, and the third floor for courtrooms and other court related activities. Separate office areas for probation court officers, the district attorney, and the public defender are also proposed. The Courts would have a separate entrance on Second Street adjacent to the parking structure.

Based on this conceptual building design and the proposed program plans for the various uses the City's construction management firm has estimated a total building cost of \$42.5 million including tenant improvements, and a cost of approximately \$9 million for the related parking structure. The Court area is estimated at approximately \$10 million of the \$42.5 million building total. As the City staff has recently informed the Watsonville City Council, these are very preliminary numbers that are anticipated to be refined substantially. This

cost refinement of the overall building is currently underway and will be necessary before the County can determine the feasibility of the County's participation in this project. We are also continuing to work with the County's architect, the Court, and the City to finalize our program plans so that the County's tenant improvement costs can be more accurately factored in to the total County cost.

With regard to financing for the Court component, your Board has approved a total of **\$4.2** million for court facilities and the City has committed \$2 million for a total of \$6 million. Based on the current cost estimate there is a considerable shortfall in funding for the Court component although we anticipate that a refinement of the building costs and tenant improvements will reduce this shortfall. We are also exploring with the City all options to provide for the County's participation in this project due to its' multiple benefits to the County, City, and Watsonville community.

TIME LINE AND NEXT STEPS

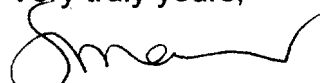
In order to meet a federal grant funding time line for the parking structure, the City has requested that the County commit to participate in the building by the end of January, 2002. To meet this goal, we are working steadfastly with the City and the various architects to complete the programming, cost estimating, and financing plan for the Court's areas. We have also requested that the City consider the possibility of "de-linking" the parking structure from the building so that the parking structure can proceed within the required federal time frame absent final plans for the multi-use structure. To the extent that the programming for the overall building and the Courts areas can be completed, the building costs refined and a financing plan developed within the next few weeks, the County is committed to meeting this time frame. All parties recognize that these cost refinements and financing strategies are necessary prior to proceeding with the next stages of building design.

County staff are also in the process of developing a Memorandum of Understanding (MOU) between the County and the City that will provide basic terms and conditions for this project that could subsequently be incorporated in a binding agreement. We are working with the real estate firm of Keyser Marston on the development of this proposed MOU. This document would be brought to your Board for approval in conjunction with a recommendation to proceed with the Court component of the Main Street project.

It is therefore Recommended that your Board:

- 1) Accept and file this progress report on Watsonville Courts facility planning; and,
- 2) Direct the County Administrative Office to report back to your Board with a further report on this matter on or before January 29, 2002.

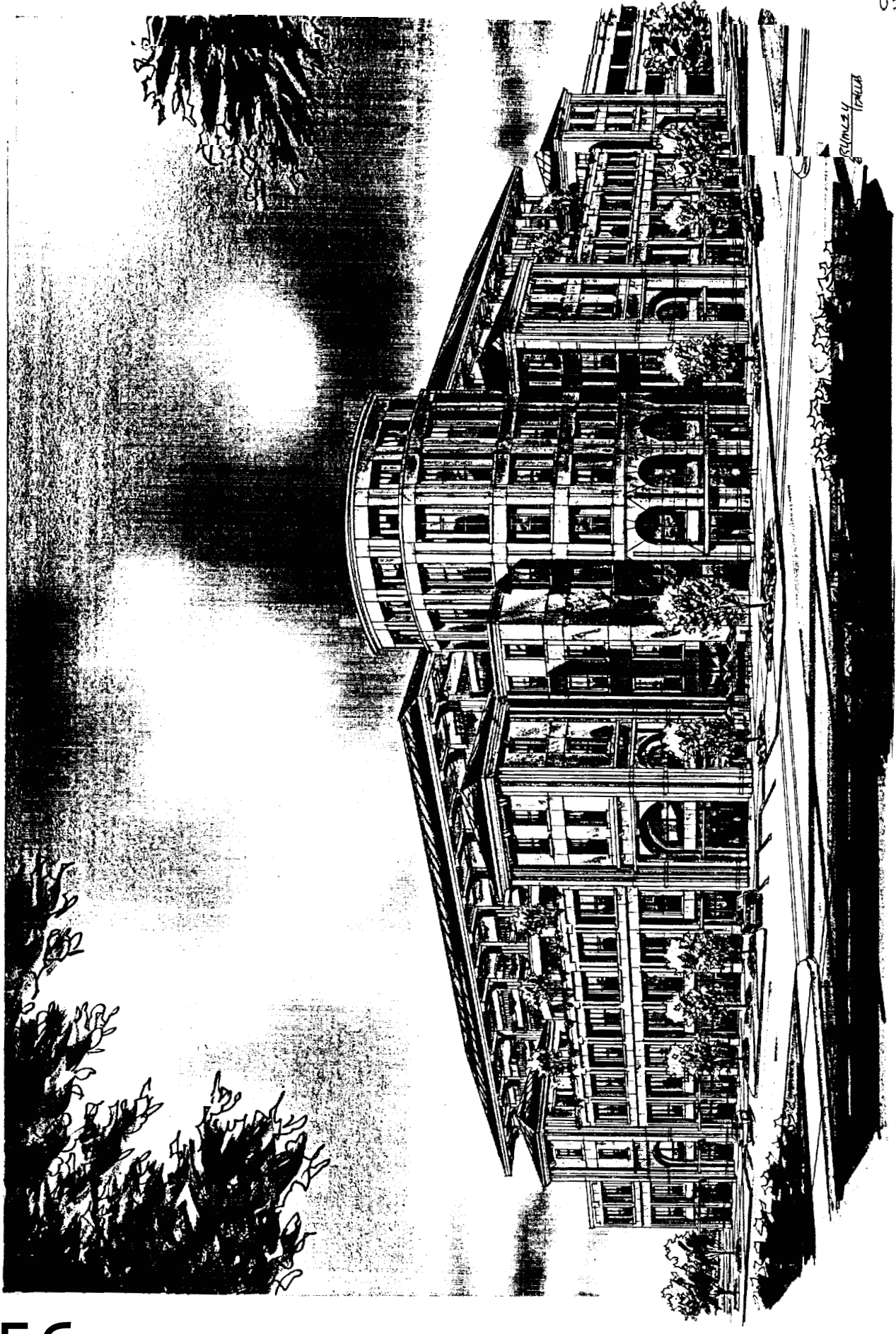
Very truly yours,



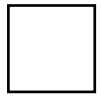
Susan A. Mauriello
County Administrative Officer

cc. Superior Court
Carlos Palacios, City Manager, City of Watsonville
Jan Davison, Director, City of Watsonville Housing and Econ. Develop. Director
Sheriff-Coroner
District Attorney
Public Defender
Probation
General Services
Peter Kasavan, Architect
Steve Fust, Swinerton Construction Management

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WATSONVILLE 200 PROJECT

HQELL & ASSOCIATES ARCHITECTS