



Board Summary Report

Date: August 23, 2019

To: Board of County Commissioners

From: Michelle Halstead, director of communication and administrative services, Ron Carl, county attorney, Janet Kennedy, director of finance, Shannon Carter, director of intergovernmental relations and open spaces, Vince Line, bureau chief, Arapahoe County Sheriff's Office

Subject: Resolution No. 190___, Referring Measure 1A, Authorizing a Property Tax Increase to Improve Public Safety in Arapahoe County to the November Ballot

Request and Recommendation

Based on direction from the Board of County Commissioners, staff prepared a draft resolution for consideration that would refer to the voters in 2019 a property tax increase dedicated to improving public safety in Arapahoe County. Staff will provide an overview of the fiscal realities facing the county and the associated long range planning activities to address those challenges.

Background

Arapahoe County has a reputation for being an efficiently run, fiscally responsible government. The county also is one of the fastest growing in the state of Colorado. By 2030, more than 800,000 residents are expected to call Arapahoe County home, surpassing Denver as the largest county in the metro area. Despite a growing population, associated revenue is not keeping pace with the additional needs that such growth is creating.

The Arapahoe County Board of Commissioners, acting on the concerns of the Sheriff and Chief Judge that the jail and courthouse were running out of space, convened the Judicial Facility Review Committee in 2002. Comprised of high-level stakeholders (mayors, business leaders and others), the committee oversaw a top-to-bottom analysis of the entire county judicial system, the results of which recommended a 25-year process to address jail overcrowding and accommodating more judges. The study also recommended several ideas to reduce the jail population, which were implemented by the county.

As a short-term solution to address a lack of courtrooms, the County used \$25 million of existing fund balance to convert an administration building into a courthouse and move the district attorney and probation to another county building. The County also purchased additional property to expand the jail, purchasing 11-acres adjacent to the existing site. None of the preceding actions required going to the voters for additional funds.

In 2016, the Board of County Commissioners began analyzing the long-term needs of the county and developing an overall long-range plan. The work evaluated budget trends and fiscal issues, identifying more than 240 county programs and associated levels of service, as well as the funding needed to achieve those desired levels of service. These planning efforts prioritized spending identified in a 10-year capital improvement master plan for the jail, courthouse and district attorney offices; improvements to County road infrastructure as well as eliminating a backlog of deferred maintenance; and reducing the strain on the general fund operating budget to fund these and other needs. These planning efforts also identified the need to directly engage and educate the community on the challenges facing Arapahoe County.

The Arapahoe County Jail's aging and deteriorating infrastructure rose above the rest of these issues in terms of urgency. The reasons why are described below.

The jail was constructed to house 386 individuals in 1986. Today, it regularly houses over 1,100 inmates. While the County has addressed housing shortages through triple bunking inmates, the facility's design precludes expansion of core services such as mental health, medical, laundry and kitchen, the capacity of which remains at 386. This overcrowding has continued to exist, despite aggressively implementing alternative sentencing and jail population reduction measures.

Challenges also remain with the booking and release center. Designed to handle 29 individuals, the center routinely holds as many as 80, which means inadequate holding space to separate inmates, increasing risks to staff, and long processing delays for municipal police officers, taking them away from their assigned duties.

In addition to space constraints, the inmate population is changing, affecting the safety of sheriff's deputies and staff. Approximately 40 percent of inmates are experiencing mental health needs at any given time and only 20 cells are available to address severe medical and mental health needs. In addition, substance abuse is on the rise, as is the severity of crimes with which individuals are charged. The sheriff's office has seen a steady rise in inmate assaults on staff, a 120 percent increase in the last two years alone.

Data demonstrates that providing programs to address mental health and substance abuse issues, as well as education, life skills, and job training courses help lower the rate of repeat offenders and improve community safety. There is only one classroom and four small, multipurpose rooms currently within the jail to provide limited programming, which is inadequate given the 1,100 annual daily population.

Arapahoe County has spent significant resources on technology upgrades, infrastructure repairs, purchase of new property, reconfiguring and consolidating office space at the justice center and other county facilities. The county has stayed compliant with federal and state mandates, keeping our jail employees safe and managing the population to the best of our ability. Over the last decade, the county has spent 20 percent of the capital budget it has to invest in the numerous facilities it manages, simply to keep the jail going. That's a cost the county can no longer afford.

The Board of County Commissioners also established the Long Range Planning Committee in 2019, a citizen advisory taskforce comprised of 25 volunteers, to look at overall county needs

and budget realities, making a recommendation about the best path forward. The committee unanimously confirmed the need for a new jail and additional programming, acknowledging additional revenue is needed to address these critical public safety needs. The committee also stressed the importance of operating and maintaining facilities to avoid disrepair and accommodate future growth.

Concurrent with the long range planning committee, the Board solicited public input on the proposed needs facing the county and potential proposals. Approximately 313,000 impressions were achieved on social media (Facebook, NextDoor, Twitter) each month, while print engagement reached 45,000 households weekly and digital engagement yielded 80,000 individuals weekly. The county partnered with the sheriff's office to hold in-person and virtual tours of the jail, which generated more than 30,000 views. In person and telephonic town hall meetings generated more than 5,200 interactions. Input also was obtained from the county's nearly 3,000 employees.

Links to Align Arapahoe

This resolution is in direct alignment with the Align Arapahoe principles of Service First, Fiscal Responsibility, and Quality of Life.

Discussion

During the August 13, 2019, study session, the Board of County Commissioners recognized that the magnitude of these challenges required a multi-year and systemic approach, continuing the conversation with residents to plan the county's future together. The Board also indicated the need for Arapahoe County to take the first step in addressing urgent safety concerns within the jail. Providing a safe and modern jail, which improves deputy safety as well as expands programs that reduce the likelihood of re-offending by the more than 16,000 inmates released annually back into the community is of utmost importance.

Staff proposes to use certificates of participation – known as COPs – to finance capital construction of a new jail, which allows investors to buy a share of the annual debt payment of pledged collateral by a local government.

To address capital construction, operations costs, and ongoing maintenance needs, a 3.4 mill property tax increase is required to fund these critical public safety issues. Staff proposes 1.1 mills would sunset following the completion of debt service payments for capital construction, while the remaining mill levy would pay for ongoing public safety operations and maintenance.

The Board also discussed appointing a citizen committee to monitor and review expenditures from the property tax increase to ensure compliance with the purposes for which the funds were intended.

Alternatives

Staff has identified three options for the Board to consider during this special meeting:

- Adopt the resolution as presented.
- Adopt a modified resolution.
- Decline to adopt a resolution.

Fiscal Impact

Arapahoe County’s fiscal reality is that without additional revenue streams, the county will not be able to pay for the critical public safety, transportation, and other important programs that contribute to the high quality of life residents expect.

The proposed ballot measure seeks a 3.4 mill property tax increase – which translates to \$1.50 per \$100,000 in value – dedicated to public safety needs. The county budget is already struggling to keep pace with current needs and, without a property tax increase, the amount of funding needed to construct and operate new facilities would require significant reductions to existing programs and services.

With the current economic uncertainty, property tax revenue growth is expected to slow from prior years. Other revenue streams may experience a similar trend. Regardless of the Board of County Commissioner’s decision on this proposed resolution, Arapahoe County will still need to exercise fiscal discipline to balance the 2020 budget.