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Council Communication

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Criminal Justice Center Follow-Up Discussion

Purpose

In early 2022, City Council directed staff to begin the process of exploring an expansion of our current criminal justice facilities to include a new facility - either a central police headquarters or substations - in the Northern Range to help improve response times. Following that direction, staff contracted with an external consultant, HOK, to create a draft space program and rough order of magnitude for potential facilities. Staff presented those results to Council on August 1st, 2022. Council provided direction to staff to further explore substations and return with some immediate-term solutions. Tonight, staff will present further work on immediate-term issues and the draft space program for a series of two substations.

Background and Need

Commerce City has seen unprecedented growth on the Northern Range of the City. With this growth comes increased pressures on City services, particularly for public safety and the Commerce City Police Department (CCPD). Currently, nearly all of the Police Department's sworn staff utilize the Civic Center as a headquarters with limited numbers of officers using a small substation in Reunion to cover the Northern Range. Because of this distribution, CCPD has previously expressed concern over their ability to quickly and effectively respond to service calls in the Northern Range.

CCPD is currently allocated around 160 full-time sworn staff. With growth projections expecting the City to hit near 100,000 residents by the end of the decade, CCPD estimates staff needs to nearly double to more than 300 sworn staff in that timeframe. CCPD staff have expressed concern that the existing space they occupy within the Civic Center is not large enough to safely and comfortably accommodate their existing staff, let alone future staff projections.

Geography also plays a major role in the CCPD's ability to respond to service calls in the Northern Range. CCPD has seen an increase in calls in the Northern Range, requiring them to commute more than 15 minutes to cover the 6 miles from the Civic Center Police headquarters up Highway 2 to at least 96th Avenue. With traffic, their ability to respond to incidents in the Northern Range is severely limited by the commute. During the Winter,

snow drifts can make commuting up Highway 2 difficult and crossing the 96th Avenue corridor impassable.

Substations Feasibility Study

Following Council's direction on August 1st, staff began the process of exploring a series of potential substations in the Northern Range, one located in the northwest of the City and one in the northeast. Substations would have vastly different purposes than the criminal justice center, including: no municipal court space, limited administrative space, and limited vehicle and equipment storage. The obvious benefit of a smaller facility is the cost and construction time to help meet more immediate-term needs.

Space Requirements

Projected growth in staff needs also increases the additional services, resources, and spaces needed in a new facility. HOK worked closely with CCPD staff and the City Manager's Office to identify the key functions of a series of substations. Following those discussions and using their expertise constructing similar facilities, HOK outlined the size and cost of such a facility. The key functions of potential substations include:

- "Touchdown" space for patrol officers
- Limited booking and processing space, one (1) holding cell if possible
- Storage for equipment and vehicle
- Community Room/Space
- Limited support services, including some evidence and records space, investigations, victim services, and other necessary supports.

Notably, the substations would not have any space for public safety department administration nor any space for municipal court. Both of those services would remain at the Civic Center as would the remainder of the Police Department headquarters services. The number of officers or level of service would not decrease at the current headquarters.

Findings

HOK's final reports are included in your packet tonight in both the Space Program and the Rough Order of Magnitude (ROM) documents. (Note: The Space/Adjacency Concept Program is coded using numbers from 1.100 to 6.200. That number is not the square footage, merely a coded number used by HOK staff.)

Overall, HOK estimated that two new substations would require 26,307 square feet of space each. The cost estimates assume that the City would need to construct the facility from scratch; however, both Police Department leadership and HOK acknowledged that existing industrial and commercial space could be retrofitted to meet the substation

needs, if such space exists.

Cost and Financing

In the ROM document, HOK has provided both low-end and high-end cost estimates to cover the spectrum of potential material differences. In an attempt to meet both the immediate- and long-term needs of the police department, HOK assumed the first facility would begin construction in 2023 and be ready for occupancy by 2024/2025. To spread out costs, HOK assumed the second facility would begin construction in 2027 and be ready for occupancy by 2029. As a reminder, the costs presented today and on August 1st are all estimates and are subject to change based on land-costs, agreements with sellers/developers, and overall economic challenges like inflation and supply chain issues. All costs are expressed in projected 2024 dollars.

In total, HOK estimates the following:

Total Costs (hard costs + soft costs) for both facilities:

Substation 1 (2024)

- Low-End Estimate - \$15,819,384
- High-End Estimate - \$17,143,005

Substation 2 (2029)

- Low-End Estimate - \$23,549,810
- High-End Estimate - \$25,497,359

Staff has reviewed these potential costs and, at least for the first substation in 2024, and it would likely be easier to fund than a consolidated criminal justice center. If it is necessary to issue a Certificate of Participation, it would be significantly easier to fund and issue. If Council chooses to construct a second substation or a criminal justice center after the construction of the first substation, staff will need to re-engage with financial consultants to determine costs and repayment terms, if necessary.

Criminal Justice Center Feasibility Study (Comparative Analysis from August 1st, 2022)

Following Council's direction, staff began the process of exploring a potential Criminal Justice facility expansion in the Northern Range. The first step of this process is a Feasibility Study, which allows staff and Council to completely understand the needs of CCPD and Municipal Courts staff, outline the minimum space requirements for such a facility, and begin to identify potential locations and properties. A discussion of the first two components of the study, the facility size and space requirements, will occur in public;

a discussion of potential locations and properties will occur in executive session to allow Council the opportunity to give staff direction regarding potential property acquisition.

Facility Size

It was critical for HOK to begin with the needs of staff because up until this point, there was not a complete understanding of the size and scope of a potential facility. The size and scope would help inform City leadership about what type of facility should be pursued: either one (or multiple) police substations to house CCPD officers, or a larger police headquarters facility.

As HOK began engaging with staff, it became abundantly clear that staff needs far exceeded the space that multiple substations would accommodate. Pursuing a larger criminal justice center/police headquarters comes with numerous benefits.

The first benefit is that a larger facility better accommodates the growth of CCPD and Courts staff overtime. It is entirely possible that by the time substation construction is complete, staff would already have outgrown that facility.

Secondly, a criminal justice center would allow the Municipal Courts to have dedicated space for Court hearings. Currently, the use of Council Chambers for court hearings is workable, but during the exploration of needs, Courts staff identified several practical and safety concerns with the current layout of Council Chambers (such as dedicated, safe jury deliberation and attorney/client meeting spaces).

Finally, constructing a criminal justice center has the secondary benefit of freeing up additional space at the Civic Center for growing staff needs outside of the police department. Nearly every department and division working out of the Civic Center is outgrowing their current space needs. Even with remote work and hoteling of offices, staff is rapidly outgrowing this Civic Center; moving most police and courts staff to a new headquarters would free up additional room for the other growing staffing needs.

With this need explored, staff leadership and HOK elected to pursue a criminal justice center/police headquarters. With this type of facility, the existing space in the Civic Center would become a sub-headquarters for Police staff, allowing them to have a sufficient presence in the Core City.

If Council so directs, staff will work with HOK to discuss substation(s) alternatives.

Space Requirements

Projected growth in staff needs also increases the additional services, resources, and spaces needed in a new facility. HOK worked closely with CCPD staff, Courts staff, IT, and Facilities to identify the minimum requirements for a potential criminal justice center. Following those discussions and using their expertise constructing similar facilities, HOK outlined that a new facility would need the following features and spaces:

For CCPD Support, Administration, and Operations:

- A secure police-specific entrance and lobby
- Dedicated administration space
- Dedicated operations space
- A secure holding facility
- A vehicle storage garage

For CCPD Support Services:

- Dedicated administration space
- A secure records room
- A secure evidence/property room
- Dedicated training and recruitment spaces
- Dedicated space for investigations
- Dedicated victim services space
- Dedicated space for remaining support staff

For Municipal Court:

- A secure court-specific entrance and lobby
- A secure court-specific screening area
- A Municipal Courtroom
- Dedicated administration space
- Dedicated Jury deliberation space and Jury services space

Using this draft program, HOK reengaged with CCPD and Courts leadership to complete an activity called “blocking and stacking”. In this activity, HOK discussed the physical location of the different spaces to ensure that any specific geographic requirements are accommodated. An example of this activity would be that the CCPD vehicle bay would need a secure hallway to safely transport individuals from police vehicles to holding spaces. Following this activity, HOK created a draft space program that outlined minimum space requirements for a facility, including the basic footprint of a facility which allows staff to engage with developers on potential locations and sites for purchase.

Findings

HOK’s final reports are included in your packet tonight in both the Space Program and the Rough Order of Magnitude (ROM) documents. (Note: The Space/Adjacency Concept Program is coded using numbers from 1.100 to 6.200. That number is not the square footage, merely a coded number used by HOK staff.)

Overall, HOK estimated that a new facility would require 133,712 square feet of space. The facility would be no higher than two stories to avoid any airspace concerns. Details about their draft adjacency projections are included in the Space Program report.

Cost and Financing

In the ROM document, HOK has provided both low-end and high-end cost estimates to cover the spectrum of potential material differences. HOK also included an escalator in the costs to better accommodate economic changes and inflation in the Denver Metro Area for when the construction of the facility begins, represented as the (2024\$) values.

In total, HOK estimates the following:

In hard costs (construction supplies, manpower, land acquisition, etc.):

2022 Costs

- Low-End Estimate - \$47,684,919

High-End Estimate - \$51,149,469

2024 Costs (plus escalator)

- Low-End Estimate - \$55,013,601

- High-End Estimate - \$59,010,618

In soft costs (design and management, owner costs, reservations, etc.):

2022 Costs

- Low-End Estimate - \$22,033,356

- High-End Estimate - \$24,157,029

2024 Costs (plus escalator)

- Low-End Estimate - \$23,200,170

- High-End Estimate - \$25,436,307

Total Costs (hard costs + soft costs):

2022 Costs

- Low-End Estimate - \$71,112,194

- High-End Estimate - \$77,745,858

2024 Costs (plus escalator)

- Low-End Estimate - \$79,710,980

- High-End Estimate - \$87,067,039

Staff has engaged in preliminary conversations with legal counsel and securities experts to discuss potential financing options. Staff and their consultants believe that issuing a Certificate of Participation (COP) is the best course of action. A COP would allow the City to use the new facility as collateral on the loan, securing favorable interest rates and repayment terms. Preliminary estimates found the following debt service payments at around 4% interest:

\$80 Million in Bonds

\$90 Million in Bonds

20-year Repayment Term

- \$80 Million in Bonds - \$6.2 Million per year

- \$90 Million in Bonds - \$6.9 Million per year

30-year Repayment Term

- \$80 Million in Bonds - \$5.1 Million per year

- \$90 Million in Bonds - \$5.7 Million per year

There are numerous unknowns at this point regarding cost. First, staff has around \$12 million in audit revenues that Council has dedicated to this project, reducing the bond amounts by that cost. Second, staff is in discussions with various developers who all have presented different levels of interest for this project; some developers may be willing to sell the City the land with little other negotiations, while other developers have expressed interest in cost-sharing agreements that could further lower the overall bonded amount owed by the City.

Finally, it is critical to understand that a debt repayment term of this size does require deep consideration about the City's continued ability to maintain a healthy financial situation. Payment for this facility should not and cannot be exclusively out of the City's currently healthy fund balances. Further conversations will be necessary in order to understand the fiscal impact of this facility.

Next Steps

For planning purposes, staff is looking for consensus direction from Council addressing both the immediate-term and long-term solutions. Council may elect to pursue exclusively the two-substation option or exclusively the criminal justice center option; however, Council may also elect to construct one substation as an immediate-term solution and construct a criminal justice center as the long-term solution.

Dependent upon Council's approval or direction, staff anticipates the following timeline:

- Execution of Architecture and Design - Q4 2022
- Acquisition of Land - Q2 2023
- Debt is Issued - Q4 2023 to Q1 2024
- Construction Begins - Q1 2024 to Q2 2024