

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Margaret E. Long 227176 Prentice Long, PC 2240 Court Street Redding, CA 96001 TELEPHONE NO.: (530) 691-0800 FAX NO.: (530) 691-0700 ATTORNEY FOR (Name): City of Susanville		FOR COURT USE ONLY	
SUPERIOR COURT OF CALIFORNIA, COUNTY OF Lassen STREET ADDRESS: 2610 Riverside Drive MAILING ADDRESS: CITY AND ZIP CODE: Susanville, CA 96130 BRANCH NAME:		CASE NUMBER: JUDGE: DEPT.:	
CASE NAME: City of Susanville v. California Department of Corrections and Rehabilitation, et al.			
CIVIL CASE COVER SHEET <input checked="" type="checkbox"/> Unlimited (Amount demanded exceeds \$25,000) <input type="checkbox"/> Limited (Amount demanded is \$25,000 or less)		Complex Case Designation <input type="checkbox"/> Counter <input type="checkbox"/> Joinder Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)	

Items 1-6 below must be completed (see instructions on page 2).

1. Check one box below for the case type that best describes this case:

Auto Tort <input type="checkbox"/> Auto (22) <input type="checkbox"/> Uninsured motorist (46) Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort <input type="checkbox"/> Asbestos (04) <input type="checkbox"/> Product liability (24) <input type="checkbox"/> Medical malpractice (45) <input type="checkbox"/> Other PI/PD/WD (23) Non-PI/PD/WD (Other) Tort <input type="checkbox"/> Business tort/unfair business practice (07) <input type="checkbox"/> Civil rights (08) <input type="checkbox"/> Defamation (13) <input type="checkbox"/> Fraud (16) <input type="checkbox"/> Intellectual property (19) <input type="checkbox"/> Professional negligence (25) <input type="checkbox"/> Other non-PI/PD/WD tort (35) Employment <input type="checkbox"/> Wrongful termination (36) <input type="checkbox"/> Other employment (15)	Contract <input type="checkbox"/> Breach of contract/warranty (06) <input type="checkbox"/> Rule 3.740 collections (09) <input type="checkbox"/> Other collections (09) <input type="checkbox"/> Insurance coverage (18) <input type="checkbox"/> Other contract (37) Real Property <input type="checkbox"/> Eminent domain/Inverse condemnation (14) <input type="checkbox"/> Wrongful eviction (33) <input type="checkbox"/> Other real property (26) Unlawful Detainer <input type="checkbox"/> Commercial (31) <input type="checkbox"/> Residential (32) <input type="checkbox"/> Drugs (38) Judicial Review <input type="checkbox"/> Asset forfeiture (05) <input type="checkbox"/> Petition re: arbitration award (11) <input checked="" type="checkbox"/> Writ of mandate (02) <input type="checkbox"/> Other judicial review (39)	Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403) <input type="checkbox"/> Antitrust/Trade regulation (03) <input type="checkbox"/> Construction defect (10) <input type="checkbox"/> Mass tort (40) <input type="checkbox"/> Securities litigation (28) <input type="checkbox"/> Environmental/Toxic tort (30) <input type="checkbox"/> Insurance coverage claims arising from the above listed provisionally complex case types (41) Enforcement of Judgment <input type="checkbox"/> Enforcement of judgment (20) Miscellaneous Civil Complaint <input type="checkbox"/> RICO (27) <input type="checkbox"/> Other complaint (not specified above) (42) Miscellaneous Civil Petition <input type="checkbox"/> Partnership and corporate governance (21) <input type="checkbox"/> Other petition (not specified above) (43)
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2. This case ☐ is ☒ is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
- | | |
|--|--|
| a. <input type="checkbox"/> Large number of separately represented parties
b. <input type="checkbox"/> Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve
c. <input type="checkbox"/> Substantial amount of documentary evidence | d. <input type="checkbox"/> Large number of witnesses
e. <input type="checkbox"/> Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court
f. <input type="checkbox"/> Substantial postjudgment judicial supervision |
|--|--|
3. Remedies sought (check all that apply): a. ☐ monetary b. ☒ nonmonetary; declaratory or injunctive relief c. ☐ punitive
4. Number of causes of action (specify): **2**
5. This case ☐ is ☒ is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: July 26, 2021

Margaret Long
(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Page 1 of 2

INSTRUCTIONS ON HOW TO COMPLETE THE COVER SHEET

To Plaintiffs and Others Filing First Papers. If you are filing a first paper (for example, a complaint) in a civil case, you **must** complete and file, along with your first paper, the *Civil Case Cover Sheet* contained on page 1. This information will be used to compile statistics about the types and numbers of cases filed. You must complete items 1 through 6 on the sheet. In item 1, you must check **one** box for the case type that best describes the case. If the case fits both a general and a more specific type of case listed in item 1, check the more specific one. If the case has multiple causes of action, check the box that best indicates the **primary** cause of action. To assist you in completing the sheet, examples of the cases that belong under each case type in item 1 are provided below. A cover sheet must be filed only with your initial paper. Failure to file a cover sheet with the first paper filed in a civil case may subject a party, its counsel, or both to sanctions under rules 2.30 and 3.220 of the California Rules of Court.

To Parties in Rule 3.740 Collections Cases. A "collections case" under rule 3.740 is defined as an action for recovery of money owed in a sum stated to be certain that is not more than \$25,000, exclusive of interest and attorney's fees, arising from a transaction in which property, services, or money was acquired on credit. A collections case does not include an action seeking the following: (1) tort damages, (2) punitive damages, (3) recovery of real property, (4) recovery of personal property, or (5) a prejudgment writ of attachment. The identification of a case as a rule 3.740 collections case on this form means that it will be exempt from the general time-for-service requirements and case management rules, unless a defendant files a responsive pleading. A rule 3.740 collections case will be subject to the requirements for service and obtaining a judgment in rule 3.740.

To Parties in Complex Cases. In complex cases only, parties must also use the *Civil Case Cover Sheet* to designate whether the case is complex. If a plaintiff believes the case is complex under rule 3.400 of the California Rules of Court, this must be indicated by completing the appropriate boxes in items 1 and 2. If a plaintiff designates a case as complex, the cover sheet must be served with the complaint on all parties to the action. A defendant may file and serve no later than the time of its first appearance a joinder in the plaintiff's designation, a counter-designation that the case is not complex, or, if the plaintiff has made no designation, a designation that the case is complex.

CASE TYPES AND EXAMPLES

Auto Tort

Auto (22)-Personal Injury/Property Damage/Wrongful Death
Uninsured Motorist (46) *(if the case involves an uninsured motorist claim subject to arbitration, check this item instead of Auto)*

Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort

Asbestos (04)
Asbestos Property Damage
Asbestos Personal Injury/Wrongful Death
Product Liability *(not asbestos or toxic/environmental)* (24)
Medical Malpractice (45)
Medical Malpractice-Physicians & Surgeons
Other Professional Health Care Malpractice
Other PI/PD/WD (23)
Premises Liability (e.g., slip and fall)
Intentional Bodily Injury/PD/WD (e.g., assault, vandalism)
Intentional Infliction of Emotional Distress
Negligent Infliction of Emotional Distress
Other PI/PD/WD

Non-PI/PD/WD (Other) Tort

Business Tort/Unfair Business Practice (07)
Civil Rights (e.g., discrimination, false arrest) *(not civil harassment)* (08)
Defamation (e.g., slander, libel) (13)
Fraud (16)
Intellectual Property (19)
Professional Negligence (25)
Legal Malpractice
Other Professional Malpractice *(not medical or legal)*
Other Non-PI/PD/WD Tort (35)

Employment

Wrongful Termination (36)
Other Employment (15)

Contract

Breach of Contract/Warranty (06)
Breach of Rental/Lease
Contract *(not unlawful detainer or wrongful eviction)*
Contract/Warranty Breach-Seller Plaintiff *(not fraud or negligence)*
Negligent Breach of Contract/Warranty
Other Breach of Contract/Warranty
Collections (e.g., money owed, open book accounts) (09)
Collection Case-Seller Plaintiff
Other Promissory Note/Collections Case
Insurance Coverage *(not provisionally complex)* (18)
Auto Subrogation
Other Coverage
Other Contract (37)
Contractual Fraud
Other Contract Dispute

Real Property

Eminent Domain/Inverse Condemnation (14)
Wrongful Eviction (33)
Other Real Property (e.g., quiet title) (26)
Writ of Possession of Real Property
Mortgage Foreclosure
Quiet Title
Other Real Property *(not eminent domain, landlord/tenant, or foreclosure)*

Unlawful Detainer

Commercial (31)
Residential (32)
Drugs (38) *(if the case involves illegal drugs, check this item; otherwise, report as Commercial or Residential)*

Judicial Review

Asset Forfeiture (05)
Petition Re: Arbitration Award (11)
Writ of Mandate (02)
Writ-Administrative Mandamus
Writ-Mandamus on Limited Court Case Matter
Writ-Other Limited Court Case Review
Other Judicial Review (39)
Review of Health Officer Order
Notice of Appeal-Labor
Commissioner Appeals

Provisionally Complex Civil Litigation (Cal. Rules of Court Rules 3.400-3.403)

Antitrust/Trade Regulation (03)
Construction Defect (10)
Claims Involving Mass Tort (40)
Securities Litigation (28)
Environmental/Toxic Tort (30)
Insurance Coverage Claims *(arising from provisionally complex case type listed above)* (41)

Enforcement of Judgment

Enforcement of Judgment (20)
Abstract of Judgment (Out of County)
Confession of Judgment *(non-domestic relations)*
Sister State Judgment
Administrative Agency Award *(not unpaid taxes)*
Petition/Certification of Entry of Judgment on Unpaid Taxes
Other Enforcement of Judgment Case

Miscellaneous Civil Complaint

RICO (27)
Other Complaint *(not specified above)* (42)
Declaratory Relief Only
Injunctive Relief Only *(non-harassment)*
Mechanics Lien
Other Commercial Complaint Case *(non-tort/non-complex)*
Other Civil Complaint *(non-tort/non-complex)*

Miscellaneous Civil Petition

Partnership and Corporate Governance (21)
Other Petition *(not specified above)* (43)
Civil Harassment
Workplace Violence
Elder/Dependent Adult Abuse
Election Contest
Petition for Name Change
Petition for Relief from Late Claim
Other Civil Petition

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8
9 Attorneys for Petitioner
10 CITY OF SUSANVILLE

11
12 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

13
14 IN AND FOR THE COUNTY OF LASSEN

15 CITY OF SUSANVILLE, a California
16 municipal corporation,

17 Petitioner,

18 vs.

19 CALIFORNIA DEPARTMENT OF
20 CORRECTIONS AND
21 REHABILITATION, a California state
22 agency; KATHLEEN ALLISON,
23 SECRETARY OF THE CALIFORNIA
24 DEPARTMENT OF CORRECTIONS AND
25 REHABILITATION, in her official
26 capacity; GAVIN NEWSOM, in his official
27 capacity, and DOES 1 through 50, inclusive,

28 Respondents.

CASE NO.

**PETITION FOR WRIT OF MANDATE
AND COMPLAINT FOR INJUNCTION
AND DECLARATORY RELIEF**

**CEQA-California Environmental Quality
Act (Pub. Res. Code §21168.5); Code Civ.
Proc., §1085**

Petitioner City of Susanville alleges as follows:

PARTIES

1. Respondent California Department of Corrections and Rehabilitation (the "Department") is a state agency of the State of California. The Department is in charge of the California prison system and provides services to inmates from the time of arrest until reintegration into society. The

1 Department is also the lead agency for purposes of building and developing prisons under the
2 California Environmental Quality Act ("CEQA").

3 2. Respondent Kathleen Allison is named in her official capacity as the Department's
4 Secretary. Ms. Allison is responsible for the actions undertaken by the Department.

5 3. Respondent Gavin Newson is named in his official capacity as the Governor of
6 California.

7 4. Petitioner City of Susanville ("City") is a political subdivision of the State of
8 California, located in Lassen County.

9 5. Petitioner is informed and believes and thereon alleges that each respondent acted as
10 the agent of, with the consent of, or in participation with each of the other respondents, and thereby
11 proximately caused the injuries to the petitioner as alleged below.

12 JURISDICTION AND VENUE

13 6. This Court has jurisdiction over this action pursuant to Code of Civil Procedure
14 sections 1085, 1094.5 and 187 and Public Resources Code sections 21168 and 21168.5.

15 7. Venue is proper in this County under Government Code section 955.3, as actions by
16 cities against the State may be brought in the city or county where the governmental plaintiff is
17 situated.

18 8. The City complied with the requirements of California Public Resources Code section
19 21167.5 by sending a Notice of Commencement of Action to respondents. A true and correct copy of
20 such notice, along with proof of mailing, is attached as Exhibit A and incorporated by reference.

21 9. For the initial Petition in this matter, the City complied with the requirements of
22 California Public Resources Code section 21167.7 and Code of Civil Procedure section 388 by
23 mailing a copy of the Petition to the California Attorney General. A true and correct copy of such
24 notice is attached an Exhibit B and incorporated by reference.

25 STATEMENT OF FACTS

26 10. On April 13, 2021, California Department of Corrections and Rehabilitation
27 (CDCR) and California Correctional Health Care Services (CCHCS) have announced the closure of
28

1 two state prisons. (Declaration of Newton (“*Newton*”) ¶ 2 and Declaration of Long (“*Long*”) ¶ 2)
2 The first prison, Deuel Vocational Institution (DVI), is on schedule to close by September 30, 2021.
3 (*Id.*) The second prison, California Correctional Center (CCC), is projected to close by June 30,
4 2022. (*Id.*)

5
6 11. CCC, which is located in the City of Susanville, is comprised of four facilities and
7 “serves as a hub for incarcerated firefighters,” who are trained for placement into one of 14
8 Conservation (Fire) Camps in Northern California. (*Id.* ¶4.) As of February 5, 2021, there were
9 approximately 4,081 incarcerated people housed at CCC and 1,080 staff at the institution. (*See*
10 Declaration of Margaret Long, (*Long*) ¶ 2.)

11
12 12. The City of Susanville received no advance notice prior to the closure. (*Newton*
13 ¶ 3.) Immediately following the announcement, City observed a dramatic increase in sales of
14 housing stock in Susanville, as staff and family of individuals housed at CCC began moving out of
15 the area and seeking other job opportunities out of Lassen County. (*Id.* ¶ 6.)

16
17 13. Also following the announcement of the closure, the State started relocating and
18 transferring CCC staff. As part of the process, the State has announced the key dates for staff
19 reduction, including as follows:

20 SENIORITY SCORE VERIFICATION:

21 Communication will be released and HR staff will be onsite at CCC/HDSP to
22 discuss how Seniority Scores are calculated, how they are used through this
23 process, and the upcoming “Challenge Period” if staff wish to appeal their score
24 on file. **July 2021**

25 A Seniority Score Listing will be posted for Lassen County. **September 2021**

26 The VTP is an opportunity for CCC/HDSP to potentially avoid layoff by
27 voluntarily transferring to another work location.

28 Statewide Viable Position Listing will be posted to inform staff of the
opportunities that exist by location as voluntary transfer destinations.
Informational sessions will be hosted for CCC/HDSP staff to become more

familiar with the process and other work locations prior to the VTP. **September 2021**

CCC/HDSP staff will be notified of the results of the VTP. Those with successful VTP award will be removed from the remaining process as these staff have a future permanent position outside the county of layoff. **November 2021**

HR staff will meet with local leadership at CCC/HDSP to determine physical report dates for staff who were placed at a new work location via the VTP based on operational need and labor agreements. CCC/HDSP staff who were unsuccessful in being placed through the VTP or elected not to participate, will be provided information regarding next steps. **December 2021**

SROA/Surplus Notices will be issued to CCC/HDSP staff. **February 2022**

CCC/HDSP staff layoff effective date for the remaining staff unsuccessful in Employee Options process. **June 30, 2022.**

13. As staff is reduced, the prison population will also be reduced. (*Long* ¶ 6.)

14. There has been no announcement as to how the CCC facility will be repurposed, or even if there are any plans to repurpose the facility. It appears that the current plans are for it to remain vacant. (*Newton* ¶ 5.)

15. Like the City and other agencies in Lassen County, the Assembly Member and Senators for the areas have expressed concerns regarding the closure of the CCC. (*Long* ¶ 7.) On April 13, 2021, a statement was issued by Assemblywoman Megan Dahle and Senator Brian Dahle, which states in part:

As the two elected state representatives for Lassen County, we were shocked and appalled by CDCR's announcement to close CCC.

We received no prior notice regarding the decision by CDCR. The lack of transparency and opportunity for public input in making such a significant decision is abhorrent. This decision completely undermines the little trust our constituents had left in this administration and proves yet again that the leaders of our state agencies couldn't care less about the livelihood of residents of the North State.

1 The impact of this decision on our North State communities will be devastating.
2 Our communities have already suffered a dramatic increase in unemployment
3 due to the COVID-19 pandemic. We have one of the highest unemployment
4 rates in the nation. Now, without warning or notice to the public, the state has
5 arbitrarily dictated that it will be upending the livelihood of over 1,000
6 employees and their families. Constituents of the North State deserve better
7 from their government. The fact employees were notified of the closure through
8 a press release is unacceptable.

9 This gross misstep by a state agency is a slap in the face to hardworking
10 employees, and correctional officers and their families, who have served on the
11 frontlines during this pandemic and sacrificed a great deal to ensure our
12 communities remain safe. (*Id.*, ¶ 7.)

13 16. Senator Dahle also published the following announcement on June 8, 2021: “Since
14 the announcement of the closure of California Correctional Center (CCC) and the inmate firefighter
15 training camps in Susanville, we have met with the Secretary of the Department of Corrections and
16 Rehabilitation (CDCR) and the Governor’s staff demanding answers to how this decision was made
17 and why. We continue to believe that closing the camps in the midst of these unprecedented fire
18 seasons and the process used to make this decision is a flawed course of action. It also does not
19 follow the plan CDCR had originally published.” (*Id.*, ¶ 7.)

20 17. As part of the closure, as openly admitted by the State representatives, no CEQA
21 review was conducted. (*Newton* ¶ 8.)

22 FIRST CAUSE OF ACTION

23 Violation of California Environmental Quality Act (CEQA):

24 Error in Claim of “No Project” and Abuse of Discretion in Claim of Exemption

25 18. Petitioner hereby incorporates by reference each and every allegation contained in
26 Paragraphs 1 – 17, as set forth above.

27 19. The Department is the lead agency responsible under CEQA for evaluating the
28 environmental impacts of any closure of CCC.

1 20. A closure of CCC is a discretionary act that constitutes a “project” under CEQA and
2 requires environmental review.

3 21. As set forth above, Petitioner is informed and believes, and thereon alleges, that the
4 Department is proceeding to close CCC, though it has failed to undertake a CEQA review other than
5 as alleged herein.
6

7 22. The Department’s determination that the closure of the prison is not a “project” under
8 CEQA is an incorrect application of the law, subject to this Court’s review as a question of law.

9 23. The Department’s determination that the prison closure is exempt from the
10 application of CEQA is not supported by substantial evidence, is in error, and is prejudicial abuse of
11 discretion subject to this Court’s review.
12

13 24. The Department failed to recognize an exception, under the CEQA Guidelines
14 Section 15300.2(c), to its claim of an exemption, that being that there is a reasonable possibility that
15 the activity will have a significant effect on the environment due to unusual circumstances, applied,
16 when a fair argument exists that the project may have a significant effect on the environment.
17

18 25. The Department’s refusal to recognize an exception under the CEQA Guidelines
19 Section 15300.2(b), to its claim of an exemption, that being that there is a cumulative impact of
20 successive projects of the same type in the same place over time being significant, was not supported
21 by substantial evidence and ignored numerous potential effects on the environment.
22

23 26. Petitioner is informed and believes that Respondents are proceeding with the closure
24 of the prison without compliance with the environmental impact review required by CEQA, based on
25 Respondents’ erroneous conclusion that the closure is not an activity that is subject to CEQA, or
26 alternatively, is exempt from the application of CEQA.
27
28

1 27. Since the closure does not qualify for an exemption, or alternatively, qualifies under
2 an exception to the claimed exemption, the Department has erred by not undertaking an
3 environmental review, by not preparing an Initial Study to determine the extent of the closure's
4 potential environmental impacts, and otherwise not complying with the requirements of CEQA.
5

6 28. Any closure of the prison will have significant adverse impacts, as well as cumulative
7 impacts, on the environment, and will have a significant effect on the environment due to unusual
8 circumstances. These impacts include, but are not limited to:

9 1. *Septic System*

10 First, CCC and High Desert State Prison share a septic system. In 2015, the Lassen County
11 Air Pollution Control District received several complaints regarding odors emanating from the
12 sewer ponds at CCC. The plant operations manager explained that the prison recently began using
13 low flow plumbing fixtures, which created inadequate flow to properly operate the sewer ponds. It
14 took several months for the system to stabilize and additional aeration had to be introduced. Closing
15 CCC will result in a decrease in water volume to the sewer ponds, which will likely result in an
16 imbalance within the septic system, which will once again lead to significant odors emanating from
17 the sewer ponds. Mitigation measures will need to be identified and implemented.
18

19 2. *Plumas Sierra Rural Electric Cooperative-Air Pollutants*

20 Second, Plumas Sierra Rural Electric Cooperative is currently providing electricity and hot
21 water to CCC and HDSP through the operation of a cogeneration power plant. Reduction in power
22 needs will also result in a reduction of hot water from the cogeneration plant, which will require the
23 use of less efficient boilers that are older and emit higher volumes of criteria pollutants and
24 hazardous air pollutants. The closure of CCC could result in significant increases of hazardous air
25
26
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1 pollutants and or criteria pollutants. Mitigation measures will need to be identified and
2 implemented.

3 3. *Blight on Community Conditions*

4 Third, the closure of CCC will lead to blighted community conditions. Although CEQA
5 generally does not require analysis of socioeconomic impacts associated with a proposed action, it
6 does require such analysis to the extent such impacts could cause blighted conditions in the
7 community. Cal. Code Regs., tit. 14, §§ 15064(e), 15131(a). In the City's situation, the elimination
8 of a 4,081-inmate population and 1,080 prison employees, plus their families, from the community
9 of 15,064 (Susanville) and 30,573 (Lassen County) would cause the City of Susanville to suffer
10 massive economic loss and lead to closure of businesses, vacant real-estate and the shuttering of
11 schools. (Newton ¶ 6; Long ¶ 4.) City staff is already reporting that houses are being put on the
12 market in record numbers. (*Id.*) Further, Center for Economic Development at California State
13 University Chico prepared a report regarding the economic impact of the closure of CCC on the
14 City. (Newton ¶ 7.) The study found that the closure of the CCC would result in a total loss of
15 \$120.89 million on the County's GDP. (*Id.*) Ultimately, with this type of mass exodus from a
16 community and loss of economy causes blight, including increased drug and criminal activity.

17 4. *Firefighter Training Camp*

18 Fourth, the CCC is the training camp for firefighters, who are then utilized in fighting wild
19 fires that often dramatically affect Susanville and the surrounding areas. As of the date of the filing
20 of this action, the Dixie Fire is over 143,000-acre, and has over 4,000 firefighters working to put
21 out this fire which started in the Lassen National Forest.

22 There has been no study done on how the loss of these trained firefighters will impact the
23 potential destruction of Susanville and Lassen County. In *California Building Industry*

1 *Association v. Bay Area Air Quality Management District* (2015) 62 Cal. 4th 369, the court
2 accepted review to address: “[u]nder what circumstances, if any, does [CEQA] require an analysis
3 of how existing environmental conditions will impact future residents or users of a proposed
4 project?” (*Id.* at 377.) The Court specifically held that “[W]hen a proposed project risks
5 exacerbating those environmental hazards or conditions that already exist, an agency must analyze
6 the potential impact of such hazards on future residents or users. In those specific instances, it is the
7 project’s impact on the environment — and not the environment’s impact on the project — that
8 compels an evaluation of how future residents or users could be affected by exacerbated
9 conditions.” *Id.* at 377-378 (emphasis in original).

11 29. Because the closure of the CCC meets all the characteristics of a CEQA project, it
12 cannot be sanctioned absent appropriate CEQA review. Because the State has not undertaken such
13 review, the Court should find that the City has amply established a likelihood of success on the
14 merits and grant the injunctive relief requested.

16 30. Petitioner has no plain, speedy, or adequate remedy in the course of ordinary law unless
17 this Court grants a writ to require respondents to comply with the requirements of CEQA. In the
18 absence of such remedies, respondents’ actions will continue to violate state law and petitioner will be
19 irreparably harmed. No money damages or legal remedy could adequately compensate petitioner for
20 that harm.

22 SECOND CAUSE OF ACTION

24 CCP Section 1085

25 Violation of Penal Codes §§ 2067 and 5003.7

26 31. Petitioner hereby incorporates by reference each and every allegation contained in
27 Paragraphs 1 – 30, as set forth above.
28

1 32. In order for relief to be granted pursuant to CCP Section 1085, the petitioner must
2 demonstrate (1) a clear and present duty on the part of respondent(s) and (2) a clear, present, and
3 beneficial right in petitioner to performance of the duty. *City of Dinuba v. County of Tulare* (2007)
4 41 Cal. 4th 859, 868.

5
6 33. The closure of CCC was done in violation of Penal Code § 5003.7, which outlines
7 the closures of state-owned and operated prisons and establishes the priorities and considerations.
8 Penal Code § 5003.7 states:

9 On or before January 10, 2021, the Department of Corrections and
10 Rehabilitation shall notify the budget committees of each house and the
11 Legislative Analyst's Office of a specific state-owned and operated
12 prison for closure. On or before January 10, 2022, the Department of
13 Corrections and Rehabilitation shall notify the budget committees of
14 each house and the Legislative Analyst's Office of a second specific
state-owned and operated prison for closure. In identifying prisons for
closure, the department shall consider the following criteria:

15 (a) The department shall prioritize closure of prisons with relatively high
16 operational costs or costly infrastructure needs compared to inmate
capacity, flexible housing assignment capacity, and long-term
operational value.

17 (b) The department shall consider the cost of rebuilding the capital
18 investments that have already been made in the prison at other prisons,
19 to the extent that those capital investments would need to be rebuilt at
other prisons should the prison in question be closed.

20 34. *The State Failed to Bring the Intended Closure to the Budget Subcommittees.* The
21 State violated Penal Code § 5003.7 by failing to bring the proposed closure of CCC to the budget
22 committee of each house prior to announcing closure. During the Assembly Budget
23 Subcommittee No. 5 on Public Safety on February 22, 2021, the only closure that was discussed
24 was DVI. California Rehabilitation Center ("CRC") was also discussed for repairs, but it was
25 also highlighted that this prison had been slated for closure in 2012. (*Long* ¶ 6.) Without
26
27
28

1 advance notice of the proposed closure, the City of Susanville did not have an opportunity to
2 provide testimony or comments as to why the closure would be detrimental and improper.

3 35. *CCC Is Not Appropriate for Closure.* In addition, CCC is not the proper prison to
4 close under Penal Code § 5003.7(a), as it does not have “high operational costs or costly
5 infrastructure needs compared to inmate capacity, flexible housing assignment capacity, and long-
6 term operational value.” In comparison to CRC, the infrastructure repairs of CRC are estimated at
7 \$1,116,000,000 compared to CCC which is less than half the cost at \$503,000,000. (*Long* ¶ 8.) The
8 same report found that as of February 5, 2021, the number of inmates in CRC was 3,846, which is
9 less than CCC, which had 4,081. (*Id.* ¶ 8.) Following the State’s own regulations, CCC is not the
10 proper prison for closure, and CRC, which had been slated for closure in the past, is the proper
11 prison for closure. The fact that this did not occur appears to have political motives, and members
12 of the public reported at the July 14, 2021 Susanville City Council meeting that they were told by
13 high ranking employees of the State that Governor Newsom picked the CCC due to Lassen County’s
14 high rate support for the recall election. Regardless, it is very evident that this decision is not based
15 on proper financing and budgeting, or the law.

16 36. *Private Facilities Must be Prioritized for Closure Over CCC.* Further, pursuant to
17 Penal Code §2067, CCC should not have been selected for closure prior to the private contracted
18 prisons.¹ In part, Penal Code § 2067 states: “The private in-state male contract correctional
19 facilities that are primarily staffed by non-Department of Corrections and Rehabilitation personnel
20 shall be prioritized for reduction over other in-state contract correctional facilities.”¹ California
21 City Correctional Center (CAC) is a privately-owned prison for men, operated by the California
22

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26
27 ¹ The City is aware of Penal Code Section 5003.1 - Contracts with for-profit prisons prohibited, including section (d) which states
28 “As used in this section, “private, for-profit prison facility” does not include a facility that is privately owned, but is leased and
operated by the department.” This narrow definition does not apply to Penal Code §2067, and it would be incongruent with the
intent of Penal Code §2067 to close State-owned facilities last.

1 Department of Corrections and Rehabilitation (CDCR) to house a maximum of 2,300 state inmates.
2 (*Id.*, ¶ 11.) CAC is leased from its owner, Corrections Corporation of America, and is located in
3 California City, Kern County, California. (*Id.*, ¶ 11.) CDCR and Corrections Corporation of
4 America have recently extended this lease, and it appears there is no attempt to close CAC prior to
5 CCC. (*Id.*, ¶ 11.)
6

7 **PRAYER FOR RELIEF**

8 WHEREFORE, Petitioner prays for relief as follows:

- 9 1. For alternative and peremptory writs of mandate commanding respondents to comply
10 with all CEQA requirements before undertaking any prison closure.
11
12 2. For alternative and peremptory writs of mandate commanding to comply with Penal
13 Codes §§ 2067 and 5003.7 in selecting the prison to close.
14
15 3. For a stay, temporary restraining order, preliminary injunction and permanent
16 injunction prohibiting respondents from any closure activity associated with CCC until respondents
17 have fully complied with all CEQA requirements and all other applicable state and local laws,
18 policies, ordinances and regulations.
19
20 4. For costs of suit.
21
22 5. For attorney's fees pursuant to Code of Civil Procedure section 1021.5.
23
24 6. For such other and further relief as the Court deems just and proper.
25

26 Dated: July 26, 2021

27 PRENTICE LONG, PC

28 MARGARET E. LONG
Attorneys for Petitioner

1 **PRENTICE LONG, PC**
2 Margaret E. Long, SBN 227176
3 2240 Court Street
4 Redding, California 96001
5 Telephone: (530) 691-0800
6 Facsimile: (530) 691-0700
7 E-Mail: margaret@prenticelongpc.com

8 Attorneys for Petitioner
9 CITY OF SUSANVILLE

10 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 IN AND FOR THE COUNTY OF LASSEN

12 CITY OF SUSANVILLE, a California
13 municipal corporation,

14 Petitioner,

15 vs.

16 CALIFORNIA DEPARTMENT OF
17 CORRECTIONS AND
18 REHABILITATION, a California state
19 agency; KATHLEEN ALLISON,
20 SECRETARY OF THE CALIFORNIA
21 DEPARTMENT OF CORRECTIONS AND
22 REHABILITATION, in her official
23 capacity; GAVIN NEWSOM, in his official
24 capacity, and DOES 1 through 50, inclusive,

25 Respondents.

CASE NO.

**NOTICE OF COMMENCEMENT OF
ACTION
(Pub. Res. C. Section 21167.5)**

*CEQA actions subject to preference over all
other civil actions per Public Resources
Code section 21167.1*

26 TO: CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION,
27 KATHLEEN ALLISON, AND GAVIN NEWSOM:
28

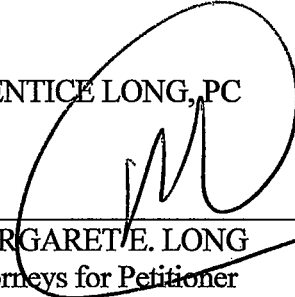
Pursuant to Pub. Res. Code Section 21167.5, notice is hereby given that an action will be
commenced against California Department of Corrections and Rehabilitation, Kathleen Allison, and
Gavin Newsom by filing a Petition for Writ of Mandate challenging the closure of California

"A"

1 Correctional Center (CCC) in Susanville, California. The Petition will challenge California
2 Department of Corrections and Rehabilitation, Kathleen Allison, and Gavin Newsom's failure to
3 comply with the requirements of the California Environmental Quality Act ("CEQA") and any
4 claims that this action is exempt from CEQA and will seek relief to remedy the unlawful action. The
5 Petition will be filed in the above-entitled court on or about July 27, 2021 and will be served pursuant
6 to the requirements of Pub. Res. Code Section 21167.6(a) and 21167.6.5.
7

8 Dated: July 26, 2021

9 PRENTICE LONG, PC

10
11 
12 MARGARETE. LONG
13 Attorneys for Petitioner
14
15
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1 RE: City of Susanville v. California Department of Corrections and Rehabilitation, et al.

2
3 PROOF OF SERVICE

4 I am employed in the County of Shasta, State of California, I am over the age of eighteen years and
5 not a party to the foregoing action, my business address is 2240 Court Street, Redding, California 96001. I am
6 familiar with this company's practice of placing its daily mail, with postage prepaid thereon, in a designated
7 area for deposit in a U.S. mailbox in the City of Redding, California, after the close of the day's business. On
8 the date shown below, I served,

9 NOTICE OF COMMENCEMENT OF ACTION

10 Via electronic/email service, the document(s) listed above were served via email to the email
11 address as set forth below on this date.

12 X on the parties in said action, by placing a true copy thereof in a sealed envelope with postage fully
13 prepaid thereon, and placing said envelope in the area designated for outgoing daily mail, addressed as
14 follows:

15 ATTN: Office of Legal Affairs
16 Department of Rehabilitation
17 and Corrections
18 1515 S Street
19 Sacramento, CA 95811

Kathleen Allison
Secretary, Department of Rehabilitation
and Corrections
c/o Office of Legal Affairs
1515 S Street
Sacramento, CA 95811

Mailing Address:
PO Box 942883
Sacramento, CA 94283-0001

Mailing Address:
PO Box 942883
Sacramento, CA 94283-0001

20 Governor Gavin Newson
21 1303 10th Street, Suite 1173
22 Sacramento, CA 95814

23 BY FACSIMILE: I caused the document to be transmitted by facsimile machine in compliance with
24 Rule 2003 of the California Rules of Court to the offices of the addresses at the FAX numbers shown
25 on the service list:

26 BY FEDERAL EXPRESS: I am readily familiar with my employer's practice for the collection and
27 processing of FedEx packages. Under that practice, packages would be deposited with FedEx that
28 same day, with overnight delivery charges thereon fully prepaid, in the ordinary course of business.

I declare under penalty of perjury that the foregoing is true and correct. Executed on
July 27, 2021, at Redding, California.

1 **PRENTICE LONG, PC**
2 Margaret E. Long, SBN 227176
3 2240 Court Street
4 Redding, California 96001
5 Telephone: (530) 691-0800
6 Facsimile: (530) 691-0700
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8
9 Attorneys for Petitioner
10 CITY OF SUSANVILLE

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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LASSEN

CITY OF SUSANVILLE, a California
municipal corporation,

Petitioner,
vs.

CALIFORNIA DEPARTMENT OF
CORRECTIONS AND
REHABILITATION, a California state
agency; KATHLEEN ALLISON,
SECRETARY OF THE CALIFORNIA
DEPARTMENT OF CORRECTIONS AND
REHABILITATION, in her official
capacity; GAVIN NEWSOM, in his official
capacity, and DOES 1 through 50, inclusive,

Respondents.

CASE NO.

**NOTICE OF COMMENCEMENT OF
ACTION**
(Pub. Res. C. Section 21167.5)

*CEQA actions subject to preference over all
other civil actions per Public Resources
Code section 21167.1*

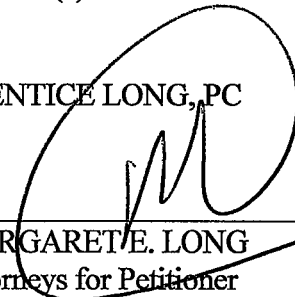
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KATHLEEN ALLISON, AND GAVIN NEWSOM:

Pursuant to Pub. Res. Code Section 21167.5, notice is hereby given that an action will be
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Gavin Newsom by filing a Petition for Writ of Mandate challenging the closure of California

1 Correctional Center (CCC) in Susanville, California. The Petition will challenge California
2 Department of Corrections and Rehabilitation, Kathleen Allison, and Gavin Newsom's failure to
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7

8 Dated: July 26, 2021

9 PRENTICE LONG, PC

10
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12 MARGARET E. LONG
13 Attorneys for Petitioner
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1 RE: City of Susanville v. California Department of Corrections and Rehabilitation, et al.

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July 27, 2021, at Redding, California.

3 

1 RE: City of Susanville v. California Department of Corrections and Rehabilitation, et al.

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8 the date shown below, I served,

9
10 PETITION FOR WRIT OF MANDATE AND COMPLAINT FOR INJUNCTION AND
11 DECLARATORY RELIEF

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Michelle Fletcher

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3 2240 Court Street
4 Redding, CA 96001
5 Telephone: (530) 691-0800
6 Facsimile: (530) 691-0700
7 E-Mail: margaret@prenticelongpc.com

8 Attorneys for Petitioner
9 CITY OF SUSANVILLE

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF LASSEN**

12 CITY OF SUSANVILLE, a California municipal
13 corporation,

14 Petitioner,

15 v.

16 CALIFORNIA DEPARTMENT OF
17 CORRECTIONS AND REHABILITATION, a
18 California state agency; KATHLEEN ALLISON,
19 SECRETARY OF THE CALIFORNIA
20 DEPARTMENT OF CORRECTIONS AND
21 REHABILITATION, in her official capacity;
22 GAVIN NEWSOM, in his official capacity, and
23 DOES 1 through 50, inclusive,

24 Respondents.

Case No.

**DECLARATION OF DANNY
NEWTON IN SUPPORT OF
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT
PETITION FOR WRIT OF MANDATE**

25 I, Danny Newton, declare as follows:

26 1. I am Interim City Administrator for the City of Susanville. This declaration is
27 based on my own personal knowledge except as to those matters stated upon information and
28 belief, and as to those matters, and I believe them to be true. If called as a witness to testify to the
matters asserted herein, I would do so completely.

1 2. On April 13, 2021, California Department of Corrections and Rehabilitation
2 (CDCR) and California Correctional Health Care Services (CCHCS) announced the closure of
3 two state prisons including the Deuel Vocational Institution (DVI) on September 30, 2021, and
4 the California Correctional Center (CCC) on or around June 30, 2022.

5 3. The City of Susanville was not provided advance notice of the CCC closure.

6 4. The CCC is located in the City of Susanville, County of Lassen, and consists of
7 four facilities. The CCC is a hub for incarcerated firefighters trained for placement in one of the
8 fourteen Conservation (Fire) Camps in Northern California.

9 5. To date, there has been no announcement as to any plans to repurpose the CCC,
10 and it appears that the current plan is to have the facilities remain vacant.

11 6. Immediately following the announcement of the closure of CCC, and as a result of
12 the closure, the City of Susanville observed a dramatic increase in sales of housing stock in
13 Susanville, as CCC staff and families of individuals housed at CCC are beginning to move out of
14 the area to seek other job opportunities outside of Lassen County.

15 7. Center for Economic Development at California State University Chico prepared a
16 report regarding the economic impact of the closure of CCC on the City. Attached hereto and
17 incorporated as Exhibit 1 is a true and correct copy of this report.

18 8. Prior to the commencement of the closing of the CCC, the State failed to conduct a
19 review of the associated environmental impacts, as required pursuant to Public Resources Code
20 section 21000, *et seq.*

1 9. Specific examples of anticipated, unstudied, environmental impacts resulting from
2 the CCC closure include: (a) the resulting decrease in water volume to the sewer ponds connected
3 to the CCC septic system, which previously required corrective measures in or around 2015 due
4 to CCC's transition to low flow plumbing fixtures, and will likely again result in an imbalance
5 within the septic system due to decreased water flow during the closure period, which will again
6 result in the recurrence of significant odors emanating from the sewer ponds, thereby requiring
7 the identification and implementation of mitigation measures; (b) the decrease in power supply
8 needs due to the CCC closure may necessitate the use of less efficient boilers that are older and
9 emit higher volumes of hazardous criteria pollutants and/or hazardous air pollutants, thereby
10 requiring the identification and implementation of mitigation measures; (c) the resulting blighted
11 community conditions in the community resulting from the massive economic loss created by the
12 CCC closure, leading to the closure of business and vacant real estate, mass exodus from the
13 community, and an anticipated increase in drug and criminal activity; and (d) the loss of the CCC
14 training camp for firefighters utilized to fight wildfires that often dramatically affect Susanville
15 and the surrounding region, which has not been studied to determine how the loss of these
16 firefighters will impact the potential destruction of Susanville and Lassen County resulting from
17 future wildfires.
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10. The City of Susanville has suffered, and will continue to suffer, irreparable harm resulting from the State's closure of CCC, including the clear and obvious economic harm resulting from the loss of a significant and vital portion of the local workforce, the State's failure to prioritize the closure of private prisons over CCC, the lack of a required study to analyze and identify mitigation measures related to the anticipated and significant impacts to the environment caused by the closure of the CCC, which will remain unstudied and unabated without the requested temporary relief, and the loss of the large pool of incarcerated firefighters during unprecedented fire seasons throughout the region and State. For these reasons, it is likely the City of Susanville will prevail on the merits at trial.

11. A temporary restraining order is the only available means to provide the immediate relief necessary to prevent the aforementioned irreparable harm that is currently occurring and will continue to be sustained by the City of Susanville and region as a result of the unlawful closure of the CCC.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on this 23rd day of July, 2021, at Susanville, California.

Danny Newton

Economic Impact of the Closure of the California Correctional Center (CCC) in Lassen County

The impact analysis below shows the current contribution of CCC to the economy; they also double in showing what losses could be incurred when CCC shuts down. All the tables above were generated using 2019 data.

TABLE 1:

Copyright 2021 Minnesota IMPLAN Group, Inc.				
Impact Summary	Employment	Labor Income	Total Value Added	Output
Direct Effect	1,025.0	\$ 94,145,233.99	\$ 102,288,091.28	\$ 102,288,089.00
Indirect Effect	0.0	\$ -	\$ -	\$ -
Induced Effect	192.4	\$ 7,911,614.18	\$ 18,601,519.22	\$ 32,593,896.17
Total Effect	1,217.4	\$102,056,848.16	\$ 120,889,610.51	\$ 134,881,985.17

IMPLAN Group, LLC. IMPLAN 2019. Huntersville, NC. IMPLAN.com.

The impact summary above in the **TABLE 1** broadly shows California Correctional Center's contribution to the economy. The Direct Effect is the prison's contribution itself, while the Induced Effect is the impact the prison had on the economy through the expenditures of those who made labor income in the prison. Total Value Added refers to the impact of the prison, directly or induced, on GDP. Output refers to the total value of production in the year. In the Employment column we see that currently, CCC contributes approximately 1,217 jobs to the economy. Of these 1,025 are employed by the prison itself, while 192 individuals are employed as a result of these induced effects. Additionally, CCC has a total impact of \$120.89 million on GDP.

TABLE 2:

Top Ten Impacted Sectors by Employment		Copyright 2021 Minnesota IMPLAN Group, Inc.			
Sector	Description	Total Employment	Total Labor Income	Total Total Value Added	Total Output
540 *	Employment and payroll of state govt, non-education	1,025.0	\$ 94,145,233.99	\$ 102,288,091.28	\$ 102,288,089.00
510	Limited-service restaurants	14.4	\$ 322,413.52	\$ 557,224.83	\$ 1,163,215.12
490	Hospitals	14.1	\$ 1,197,100.05	\$ 1,414,271.99	\$ 2,675,026.01
493	Individual and family services	10.7	\$ 215,742.44	\$ 204,906.96	\$ 343,685.25
411	Retail - General merchandise stores	10.6	\$ 329,724.84	\$ 565,011.76	\$ 877,476.01
483	Offices of physicians	9.6	\$ 668,535.24	\$ 714,325.97	\$ 1,153,963.12
509	Full-service restaurants	8.7	\$ 203,232.11	\$ 322,991.59	\$ 568,562.12
521	Religious organizations	8.2	\$ 271,194.02	\$ 60,307.52	\$ 564,883.78
406	Retail - Food and beverage stores	7.6	\$ 315,841.28	\$ 439,432.45	\$ 657,911.99
534	Other local government enterprises	6.9	\$ 422,901.42	\$ 529,881.63	\$ 1,674,182.59

IMPLAN Group, LLC. IMPLAN 2019. Huntersville, NC. IMPLAN.com.

TABLE 2 shows the top ten impacted economic sectors ranked based on employment. Sector 540 is the prison itself while all the sectors below it are ranked by induced effects. We see here that the 192 individuals employed induced effects come from a variety of sectors. Limited-service restaurants and hospitals would be most affected by the prison's closure in terms of individuals likely to lose their jobs, but numerous other sectors will also see their ability to employ those impacted.

TABLE 3:

State and Local Tax Impact by Total						Copyright 2021 Minnesota IMPLAN Group, Inc.
Description	Employee Compensation	Proprietor Income	Tax on Production and Imports	Households	Corporations	TOTALS
Dividends					\$ 17,100.00	\$ 17,100.00
Social Ins Tax- Employee Contribution	\$ 212,246.00					\$ 212,246.00
Social Ins Tax- Employer Contribution	\$ 324,677.00					\$ 324,677.00
TOPI: Sales Tax			\$ 1,075,052.00			\$ 1,075,052.00
TOPI: Property Tax			\$ 846,872.00			\$ 846,872.00
TOPI: Motor Vehicle Lic			\$ 27,963.00			\$ 27,963.00
TOPI: Severance Tax			\$ 1,642.00			\$ 1,642.00
TOPI: Other Taxes			\$ 110,524.00			\$ 110,524.00
TOPI: S/L NonTaxes			\$ 14,445.00			\$ 14,445.00
Corporate Profits Tax					\$ 224,638.00	\$ 224,638.00
Personal Tax: Income Tax				\$ 2,228,890.00		\$ 2,228,890.00
Personal Tax: NonTaxes (Fines- Fees)				\$ 459,090.00		\$ 459,090.00
Personal Tax: Motor Vehicle License				\$ 74,857.00		\$ 74,857.00
Personal Tax: Property Taxes				\$ 43,607.00		\$ 43,607.00
Personal Tax: Other Tax (Fish/Hunt)				\$ 10,244.00		\$ 10,244.00
Total State and Local Tax	\$ 536,923.00		\$ 2,076,499.00	\$ 2,816,688.00	\$ 241,738.00	\$ 5,671,848.00

IMPLAN Group, LLC. IMPLAN 2019. Huntersville, NC. IMPLAN.com.

TABLE 4:

Federal Tax Impact by Total						Copyright 2021 Minnesota IMPLAN Group, Inc.
Description	Employee Compensation	Proprietor Income	Tax on Production and Imports	Households	Corporations	TOTALS
Social Ins Tax- Employee Contribution	\$ 5,006,997.00	\$ 44,990.00				\$ 5,051,987.00
Social Ins Tax- Employer Contribution	\$ 4,592,533.00					\$ 4,592,533.00
TOPI: Excise Taxes			\$ 112,833.00			\$ 112,833.00
TOPI: Custom Duty			\$ 91,455.00			\$ 91,455.00
TOPI: Fed NonTaxes			\$ 9,946.00			\$ 9,946.00
Corporate Profits Tax					\$ 501,057.00	\$ 501,057.00
Personal Tax: Income Tax				\$ 5,527,913.00		\$ 5,527,913.00
Total Federal Tax	\$ 9,599,530.00	\$ 44,990.00	\$ 214,233.00	\$ 5,527,913.00	\$ 501,057.00	\$ 16,887,723.00

IMPLAN Group, LLC. IMPLAN 2019. Huntersville, NC. IMPLAN.com.

The last two tables contain the impact of CCC on State and Local (TABLE 3), and Federal tax revenue (TABLE 4). From this we see that the prison contributes about \$5.67 million in taxes to state and local governments, and \$15.89 million to the federal government. The largest individual source of these funds for both federal and state and local governments is personal income tax revenue.

1 RE: City of Susanville v. California Department of Corrections and Rehabilitation, et al.

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10 **DECLARATION OF DANIEL NEWTON IN SUPPORT OF MEMORANDUM OF**
11 **POINTS AND AUTHORITIES IN SUPPORT PETITION FOR WRIT OF MANDATE**

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Michelle Fletcher

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2 Margaret E. Long – SBN #227176
3 2240 Court Street
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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
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22 GAVIN NEWSOM, in his official capacity, and
23 DOES 1 through 50, inclusive,

24 Respondents.

Case No.

**DECLARATION OF MARGARET
LONG IN SUPPORT OF IN SUPPORT
PETITION FOR WRIT OF MANDATE**

25 I, Margaret Long, declare as follows:

26 1. I am an attorney at law, duly licensed to practice before all courts of the State of
27 California, and am a partner in the law firm of Prentice Long, PC, attorney of record for
28 Petitioner City of Susanville in this action. This declaration is based on my own personal
knowledge except as to those matters stated upon information and belief, and as to those matters,
I believe them to be true. If called as a witness to testify to the matters asserted herein, I would
do so completely.

1 2. On April 13, 2021, California Department of Corrections and Rehabilitation
2 (CDCR) and California Correctional Health Care Services (CCHCS) announced the closure of
3 two state prisons. The first prison, Deuel Vocational Institution (DVI), is on schedule to close by
4 September 30, 2021. The second prison, California Correctional Center (CCC), is projected to
5 close by June 30, 2022. See Press Release of DCCR attached hereto and incorporated as Exhibit
6 1).

8 3. As of February 5, 2021, there were approximately 4,081 incarcerated individuals
9 housed at CCC and 1,080 staff members at the institution. See The 2020-21 Budget: Effectively
10 Managing State Prison Infrastructure, attached hereto and incorporated as Exhibit 2.

11 4. The 2010 census states that the population of the City of Susanville is 15,064 and
12 Lassen County 30,573. See Census Quick Facts, attached hereto and incorporated as Exhibit 3.

14 5. To date, there has been no announcement as to any plans to repurpose the CCC,
15 and it appears that the current plan is to have it remain vacant.

16 6. Following the announcement of the CCC closure, the State began relocating and
17 transferring eligible CCC staff, and setting key dates for staff reduction, including but not limited
18 to a scheduled September 2021 posting of a Statewide Viable Position Listing of opportunities for
19 eligible staff to voluntary transfer to other work locations within the State, and a final effective
20 staff layoff date of June 30, 2022 for remaining staff that were unsuccessful in the *Employee*
21 Options process relating to other work opportunities outside Lassen County. As staffing is
22 reduced at CCC, the prison population will also be reduced. See Prison Closure Process CCC
23 Dates, attached hereto and incorporated as Exhibit 4.

1 7. In addition to the City of Susanville's concerns regarding the harm resulting from
2 the CCC closure, other agencies in Lassen County, as well as the Assembly Member and Senator
3 for the area, Assemblywoman Megan Dahle and Senator Brian Dahle, have expressed their
4 concerns and resulting harm resulting from the closure of the CCC, which include the lack of
5 prior notice of the decision to close the CCC, lack of public input regarding the proposed closure,
6 and the devastating impact this closure, including the upending of over 1,000 employees, will have
7 on North State communities already suffering from a dramatic increase in unemployment due to
8 the COVID-19 pandemic and one of the highest unemployment rates in the nation. See Press
9 releases of Assemblywoman Megan Dahle and Senator Brian Dahle, attached hereto and
10 incorporated as Exhibit 5.
11

12 8. In comparison to CRC, the infrastructure repairs of CRC are estimated at
13 \$1,116,000,000 compared to CCC which is less than half the cost at \$503,000,000. The same
14 report found that as of February 5, 2021, the number of inmates in CRC was 3,846, which is less
15 than CCC, which had 4,081. See Exhibit 2.
16

17 9. During the Assembly Budget Subcommittee No. 5 on Public Safety on February
18 22, 2021, the only closure that was discussed was Deuel Vocational Institute. California
19 Rehabilitation Center ("CRC") was also discussed for repairs, but it was also highlighted that this
20 prison had been slated for closure in 2012. See Minutes from Assembly Budget Subcommittee
21 No. 5 on February 22, 2021, attached hereto and incorporated as Exhibit 6.
22

23 10. Members of the public reported at the July 14, 2021 Susanville City Council
24 meeting that they were told by high ranking employees of the State that Governor Newsom picked
25 the CCC due to Lassen County's high rate support for the recall election.
26

27 11. The California City Correctional Center (CAC), located in California City, Kern
28 County, California, is a privately-owned prison for men, operated by the California Department

1 of Corrections and Rehabilitation (CDCR) to house a maximum of 2,300 state inmates. CAC is
2 leased from its owner, Corrections Corporation of America. CDCR and Corrections Corporation
3 of America have recently extended this lease, and it appears there is no attempt to close CAC
4 prior to CCC. See Lease with CAC, attached hereto and incorporated as Exhibit 7
5

6 12. A temporary restraining order is the only available means to provide the
7 immediate relief necessary to prevent the aforementioned irreparable harm that is currently
8 occurring and will continue to be sustained by the City of Susanville and region as a result of the
9 unlawful closure of the CCC.

10 I declare under penalty of perjury under the laws of the State of California that the foregoing
11 is true and correct. Executed on this 22 day of July, 2021, at Redding, California.
12

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14 
Margaret Long
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EXHIBIT 1

CDCR Announces Deactivation of California Correctional Center in Susanville

APRIL 13, 2021

The 58-year-old CCC is expected to close its doors by June 30, 2022

Operation of the 14 conservation (fire) camps currently operated by CCC will transfer to the Sierra Conservation Center; fire response provided by the camps will not be impacted

This is the second prison closure announced by CDCR in the last year

SACRAMENTO — Today, the California Department of Corrections and Rehabilitation (CDCR) announced the upcoming deactivation of California Correctional Center (CCC) in Susanville by June 30, 2022. The prison is comprised of four facilities and serves as a hub for incarcerated firefighters who are trained for placement into one of 14 Conservation (Fire) Camps in Northern California. Those fire camps will now be part of the Sierra Conservation Center in Jamestown and will continue supporting local, state, and federal agencies responding to fires, floods, and other natural or manmade disasters.

Approximately 2,064 incarcerated people are housed at CCC. There are currently 1,080 staff at the institution. The closure of CCC is estimated to achieve a full-year, annual savings of \$122 million.

CDCR will work with staff on this transition, including possible relocation to other institutions. Additionally, incarcerated people will be transferred to other facilities based on their housing, custody and rehabilitative needs. All of their rehabilitative, educational and self-help program credits will transfer with them. There will be no expedited releases due to the closures.

“The significant decrease in the state’s incarcerated population over the past year is allowing CDCR to move forward with these prison closures in a thoughtful manner that does not impact public safety, and that focuses on the successful reentry of people into communities once they release from our custody,” said Kathleen Allison, CDCR Secretary. “While these decisions are never easy, they are opening the door for the department to increase efficiencies as California continues to focus on reentry and rehabilitation efforts.”

This is the second prison slated to close in the coming year, with Deuel Vocational Institution slated to be deactivated by September 30, 2021. The closure of two state prisons was included in Governor Gavin Newsom’s 2020-21 Budget, and is aligned with public safety as well as a decreased incarcerated population.

In addition to the closure of CCC, the secure Level I facilities at California Correctional Institution (CCI) in Tehachapi and Correctional Training Facility (CTF) in Soledad will close by June 30, 2022, due to population reduction.

These closures are estimated to save an additional \$45 million annually.

CDCR announced in September 2020 the deactivation of Deuel Vocational Institution in Tracy by the end of September 2021. The last time California closed a state prison was Northern California Women's Facility in Stockton in 2003. In 2019, CDCR took the major step of successfully returning all people incarcerated out-of-state in private, for-profit prisons, in addition to closing the Central Valley Modified Community Correctional Facility (MCCF), a contracted in-state private, for-profit prison. In 2020, CDCR ended its final three contracts with private, for-profit prisons, including Desert View MCCF, Golden State MCCF, and the McFarland Female Community Reentry Facility. Additionally in 2020, CDCR exited two of its three publicly contracted facilities, including Delano MCCF and Shafter MCCF. The department will exit the Taft MCCF by May 31, 2021.

In October 2020, CDCR announced the closure of eight fire camps, four of which were in the Northern Region. These camps had been operating at well below capacity for some time. The depopulation allowed CAL FIRE and CDCR to effectively consolidate resources into the remaining 35 conservation camps, so that they can be more efficient and better staffed for response to wildfires, other emergencies, and engagement in conservation-related work. CDCR continues to work closely with CAL FIRE to maintain adequate fire response and community involvement.

CCC was originally built in 1963 and encompasses the Level I and Level II facilities, which are a dormitory design. In 1983, the Minimum Support Facility was constructed, and in 1988, the Level III facility, consisting of solid cell-front housing units, was activated.

###

EXHIBIT 2

The 2020-21 Budget:
**Effectively Managing
State Prison Infrastructure**



LAO 

GABRIEL PETEK
LEGISLATIVE ANALYST
FEBRUARY 28, 2020

Executive Summary

State Owns and Operates 34 Prisons. The California Department of Corrections and Rehabilitation (CDCR) operates and maintains 34 prisons, which contain extensive amounts of infrastructure essential to prison operations, including health care facilities, firehouses, and waste water treatment plants. Twelve of these prisons were originally constructed between the 1850s and 1960s, with the remaining 22 being built from 1980 through 2013. We note that to reduce prison overcrowding, the state also houses inmates in beds outside of the 34 state-owned prisons such as contracted prisons.

Significant Infrastructure Needs Throughout Prison System. CDCR reports significant infrastructure needs throughout the system that could cost billions of dollars to fully address. The major factors that drive prison infrastructure needs and spending include:

- **Prison Age and Condition.** One of the most significant factors driving prison infrastructure needs and spending is the age and condition of the state's existing facilities. A recent study found that infrastructure at the state's 12 oldest prisons has generally exceeded its expected useful life and recommended over 150 infrastructure projects totaling over \$11 billion.
- **Size and Housing Needs of Inmate Population.** The size of the inmate population and various subpopulations—such as the number of inmates that require high security housing—also drive infrastructure needs. In recent years, the state's inmate population has declined—and is expected to continue to decline in the next few years—primarily due to the implementation of various policy changes, such as Proposition 57 (2016). In order to accommodate the ongoing decline in the inmate population, the Governor has raised the possibility of closing a prison within the next five years after inmates are removed from publically operated contract prisons.
- **Inmate Services.** The types of services the state provides to inmates such as health care and rehabilitation programs have driven—and continue to drive—major infrastructure expenditures.

Recommended Road Map for Developing a Prison Infrastructure Plan. Given the age and condition of the state's prison facilities and the continued decline in the inmate population, the state will have to prioritize future infrastructure spending and reevaluate the number of prisons it operates. However, the state currently lacks a prison infrastructure plan to guide its decisions both in the near term and long term. Accordingly, we provide in this report a road map to guide the Legislature in the development of a plan for managing prison infrastructure.

Specifically, we recommend the following key steps:

- **Direct CDCR to Close Two Prisons.** We recommend closing two prisons, rather than removing inmates from publically operated contract prisons and closing one prison as the Governor proposes. This is because prioritizing prison closure would reduce the risk of infrastructure-related emergencies and litigation, as well as achieve additional state savings. In order to guide the identification of prisons for closure, we recommend the Legislature direct CDCR to rank prisons for closure based on cost avoidance, operational needs, and their ability to serve inmates. This would allow the Legislature to avoid approving

unnecessary infrastructure projects at prisons that could be closed. We also recommend requiring the department to submit a detailed prison closure plan.

- ***Require CDCR to Develop a Strategy to Improve Infrastructure.*** We recommend the Legislature require CDCR to create a strategy to improve the infrastructure at the remaining prisons. This includes developing a list of significant, high-priority infrastructure projects that should be accomplished over the next ten years. In developing this list, CDCR should consider certain criteria, such as the possibility of further prison closures and various alternatives to repairing existing facilities. The department should also develop a project priority order and time line that prioritizes addressing infrastructure needs that threaten inmate and staff well-being, as well as opportunities to reduce construction and operational costs.

Following our recommended road map would allow the state to more effectively and efficiently address the continued decline in the inmate population and the significant repairs needed at many of its prisons.

INTRODUCTION

The state owns and operates 34 prisons, which contain extensive amounts of infrastructure that are essential to its operations, including health care facilities, firehouses, and waste water treatment plants. The California Department of Corrections and Rehabilitation (CDCR), which is responsible for maintaining the prisons, reports significant infrastructure needs throughout the system that could cost billions of dollars to fully address. Despite this, the state currently lacks a plan to strategically manage and address the needs of its prison infrastructure. The Governor's budget for 2020-21 proposes \$103 million in additional General Fund support and \$91 million in new lease revenue bond authority for various projects to address some of the infrastructure needs at

certain prisons. In presenting his budget plan to the Legislature, the Governor also raised the possibility of closing a prison within the next five years to accommodate the ongoing decline in the inmate population. Given the magnitude of the state's prison infrastructure needs, combined with the possibility of closing a prison in the near future, it will be important for the state to think strategically about managing its prison infrastructure—both in the near term and long term. In this report, we (1) provide an overview of the state's prison infrastructure, (2) discuss the major drivers of prison infrastructure needs and spending, and (3) provide a road map to guide the Legislature in the development of a plan to strategically manage the state's prison infrastructure.

OVERVIEW OF CDCR PRISON INFRASTRUCTURE

State Owns and Operates 34 Prisons. As of February 5, 2020, CDCR was responsible for a total of 123,500 inmates—118,000 male inmates and 5,500 female inmates. The majority of these inmates are housed in one of 34 prisons owned and operated by the state—31 for males, 2 for females, and 1 (Folsom State Prison in Represa) that houses both male and female inmates in separate facilities. (We note that the state also leases a prison facility—the California City Correctional Facility—from a private entity that it operates with state staff.) As shown in **Figure 1** (see next page), 12 of these prisons were originally constructed between the 1850s and 1960s with the remaining 22 being built from 1980 through 2013. While many prisons are designed for a range of different inmates and functions, some prisons have specialized missions that are critical to providing specific services. For example, as shown in **Figure 1**, the California Medical Facility (CMF) in Vacaville and California Health Care Facility (CHCF) in Stockton specialize in providing medical and mental health treatment to inmates who have the most severe and long-term needs. In addition, the California Correctional

Center in Susanville and the Sierra Conservation Center in Jamestown are responsible for training inmates in firefighting techniques before they are placed into one of 39 male conservation camps located throughout the state, which are generally jointly operated by CDCR and the California Department of Forestry and Fire Protection.

Infrastructure Is Critical to Prison Operations.

CDCR is responsible for maintaining the state's 34 prisons, which collectively consist of about 5,000 buildings covering over 42 million square feet and contain over 22,000 individual pieces of equipment and utility systems. As 24-hour institutions responsible for the daily care of thousands of inmates, prisons rely on a wide range of infrastructure, such as industrial kitchens, boilers, electrical generators, and waste water treatment plans. Infrastructure failure—such as damaged roofs or failed smoke detection systems—can pose significant health and safety risks to inmates and staff. Prison infrastructure also affects the state's ability to deliver services to inmates, such as health care and rehabilitation programs. For example, a lack of sufficient

classrooms can make it difficult for prisons to provide inmates with rehabilitative treatment. Accordingly, the annual state budget includes funding for CDCR to maintain its prison facilities.

The 2019-20 budget includes \$182 million for deferred maintenance projects at various prisons and \$56 million for CDCR to conduct preventative maintenance at all facilities.

Figure 1

California's 34 State-Owned Prisons

Prison	Year Opened	Special Mission ^a	Design Capacity	Number of Inmates ^b
San Quentin State Prison	1852	Mental Health	3,082	4,070
Folsom State Prison (Represa)	1880	Medical Care	2,469	3,271
California Correctional Institution (Tehachapi)	1933	High Security	2,783	3,700
California Institution for Men (Chino)	1941	Medical Care	2,976	3,551
Correctional Training Facility (Soledad)	1946	—	3,312	5,078
California Institution for Women (Corona)	1952	Medical Care, Mental Health	1,078	1,615
Deuel Vocational Institution (Tracy)	1953	—	1,681	1,997
California Medical Facility (Vacaville)	1955	Medical Care, Mental Health	2,361	2,510
California Men's Colony (San Luis Obispo)	1961	Medical Care	3,838	3,756
California Rehabilitation Center (Norco)	1962	—	2,491	3,846
California Correctional Center (Susanville)	1963	Conservation Camps	1,733	4,081
Sierra Conservation Center (Jamestown)	1965	Conservation Camps	1,726	4,370
California State Prison, Solano (Vacaville)	1984	Medical Care	2,610	4,276
California State Prison, Sacramento (Represa)	1986	Medical Care, High Security	1,828	2,339
Avenal State Prison	1987	—	2,920	4,228
Mule Creek State Prison (Ione)	1987	Medical Care	3,284	4,005
Richard J. Donovan Correctional Facility (San Diego)	1987	Medical Care	2,992	3,860
California State Prison, Corcoran	1988	High Security	3,116	3,014
Chuckawalla Valley State Prison (Blythe)	1988	—	1,738	2,770
Pelican Bay State Prison (Crescent City)	1989	High Security	2,380	2,632
Central California Women's Facility (Chowchilla)	1990	—	2,004	2,819
Wasco State Prison	1991	—	2,984	4,610
Calipatria State Prison (Calipatria)	1992	—	2,308	3,094
California State Prison, Centinela (Imperial)	1993	—	2,308	3,461
California State Prison, Los Angeles County (Lancaster)	1993	Medical Care, High Security	2,300	3,214
North Kern State Prison (Delano)	1993	—	2,694	4,446
Ironwood State Prison (Blythe)	1994	—	2,200	2,896
Pleasant Valley State Prison (Coalinga)	1994	—	2,308	3,153
High Desert State Prison (Susanville)	1995	High Security	2,324	3,181
Valley State Prison (Chowchilla)	1995	—	1,980	3,002
Salinas Valley State Prison (Soledad)	1996	High Security, Mental Health	2,452	2,917
California Substance Abuse Treatment Facility (Corcoran)	1997	High Security	3,424	5,281
Kern Valley State Prison (Delano)	2005	High Security	2,448	3,541
California Health Care Facility (Stockton)	2013	Medical Care, Mental Health	2,951	2,848

^a Mental health means prison has a psychiatric in-patient program. Medical care means prison is classified as an intermediate care facility. High security means prison is assigned to high security mission by department. Conservation camps mean prison's primary mission is training inmates in firefighting techniques.

^b As of February 5, 2020.

MAJOR DRIVERS OF PRISON INFRASTRUCTURE NEEDS

In this section, we describe the major factors that drive prison infrastructure needs and spending. These include (1) age and condition of each prison, (2) the size and housing needs of the inmate population, and (3) the types and levels of services that the state provides to inmates.

PRISON AGE AND CONDITION

One of the most significant factors driving prison infrastructure needs and spending is the age and condition of the state's existing facilities. As previously discussed, 12 of the state's prisons were built in the 1960s or earlier—including some that are more than a century old. We note that the state's other 22 prisons also have significant and growing needs.

12 Oldest Prisons Have Significant Infrastructure Needs

Study Found Oldest Prisons Have Generally Exceeded Expected Useful Life. The 2016-17 Budget Act provided CDCR with \$5.4 million to hire a consultant to (1) assess the infrastructure conditions at the 12 prisons that were originally constructed between the 1850s and 1960s and (2) recommend specific projects necessary to maintain their current operations for the foreseeable future. The resulting study, which was recently completed, found that most of the buildings and building systems date to their original construction. Accordingly, they have generally exceeded their expected useful life and are often not consistent with current building code requirements, such as having fire sprinklers and adequate ventilation in kitchens. Many pieces of infrastructure were found to be failed or at risk of failure. For example, the study found inoperable fire alarms in housing units and failed emergency generators, and noted that most of the electrical systems at one prison were in such poor condition that they could fail at any time. The study also found infrastructure prone to

frequent breakage. For example, one prison's gas distribution system leaks multiple times per year.

In some cases, the infrastructure is so outdated that replacement parts cannot be purchased and must be specially manufactured by prison maintenance staff. These frequent and complicated repair needs drive increased ongoing maintenance costs. In other cases, maintenance staff are more limited in their ability to repair damaged infrastructure. For example, the study noted that (1) several building systems cannot be repaired without disturbing asbestos insulation, (2) some prison roofs are so waterlogged that it can be difficult for staff to walk on them when making repairs, and (3) some prison windows are covered with security bars and mesh that prevent staff from repairing them.

Study Recommended Over \$11 Billion in Repairs. The study recommended over 150 specific infrastructure improvement projects across the state's 12 oldest prisons. The study identified which pieces of infrastructure to rebuild—rather than simply repair—by comparing the cost of repairs to the cost of rebuilding. In cases where the cost of repair was 65 percent or more of the cost of replacement, the study generally recommended replacement as a more cost-effective approach to repair. Accordingly, some of the recommended projects involve rebuilding significant portions of prisons. The study also generally recommended repairing or replacing systems in buildings critical to prison operations if they were nearing or past the end of their expected useful life. (Please see the box on page 7 for additional information regarding the methodology used by the consultant in preparing the study.) As shown in **Figure 2** (see next page), the estimated cost to complete all of the recommended projects is about \$11 billion. The consultant is expected to provide a final report in spring 2020 that will include a recommended statewide prioritization of projects.

Other 22 Prisons Also Likely Have Significant Infrastructure Needs

Unlike the 12 oldest state prisons, a similar in-depth study by an independent consultant has not been conducted on the other 22 state-owned prisons. However, as shown in **Figure 3**, the department reported in 2018 that it would cost a total of about \$8 billion to address all maintenance and repairs identified at the 22 prisons as being necessary to complete between 2018-19 and 2023-24. We note that the actual need could be higher given that the condition of these prisons has not been fully assessed at the same level as the state's 12 oldest prisons. Moreover, the condition of the 22 prisons could have worsened at a higher rate than estimated in 2018.

SIZE AND HOUSING NEEDS OF INMATE POPULATION

As we discuss below, another significant factor affecting the level of infrastructure needs within the state's prisons is the inmate population both in terms of its size, which affects the number of prisons needed, and its makeup, which affects the type of prisons and facilities needed.

Number of Inmates

Population Size Directly Related to Need for Prisons Due to Overcrowding Limit. In recent years, the state has been under a federal court order to limit the population of its 34 state-owned

Figure 2

Recent Study Recommended Over \$11 Billion in Projects at 12 Oldest Prisons

(Dollars in Millions)

Prison	Estimated Cost of Recommendations	Number of Projects
San Quentin State Prison	\$1,647	11
California Men's Colony	1,557	12
Correctional Training Facility	1,318	26
California Institution for Men	1,228	26
California Rehabilitation Center	1,116	7
Deuel Vocational Institution	804	13
Folsom State Prison	800	11
Correctional Medical Facility	763	10
California Correctional Institution ^a	531	16
Sierra Conservation Center	504	9
California Correctional Center	503	10
California Institution for Women	413	8
Totals	\$11,184	159

^a Does not include portions of the prison that were built in 1985.

Figure 3

\$8 Billion in Estimated Repairs Needed at Other 22 Prisons^a

(In Millions)

Prison	Cost
Pleasant Valley State Prison	\$616
Centinela State Prison	540
California State Prison, Solano	494
California State Prison, Corcoran	470
Pelican Bay State Prison	455
Calipatria State Prison	453
Richard J. Donovan Correctional Facility	436
Ironwood State Prison	434
California State Prison, Los Angeles County	433
Chuckawalla Valley State Prison	430
California State Prison, Sacramento	423
Mule Creek State Prison	405
North Kern State Prison	362
Wasco State Prison	332
Avenal State Prison	331
Central California Women's Facility	282
California Substance Abuse Treatment Facility	278
Salinas Valley State Prison	277
High Desert State Prison	262
Valley State Prison	189
Kern Valley State Prison	90
California Health Care Facility	—
Total	\$7,992

^a Repairs identified as being necessary to complete between 2018-19 and 2023-24.

prisons to 137.5 percent of their design capacity. As such, the state is currently allowed to house no more than about 117,000 inmates in the 34 state-owned facilities. If the prison population exceeds the population cap at any point in time, a court-appointed officer is authorized to order the release of the number of inmates required to meet the cap. To ensure that such releases do not occur if the prison population increases unexpectedly, CDCR houses about 2,000 fewer inmates than is allowed under the cap as a "buffer" against the cap. (See the box on page 8 for more information on the court-ordered prison population limit.)

In order to comply with the prison population cap, the state took a number of actions. These include (1) housing inmates in contracted facilities, (2) constructing additional prison capacity, and (3) reducing the inmate population through several policy changes. Because the inmate population still currently exceeds the court-ordered limit, the state houses inmates in beds outside of the 34 state-owned prisons, such as contracted prisons. As of February 5, 2020, CDCR housed about 670 male inmates and 180 female inmates in privately operated contract prisons. In addition, the state housed about 1,600 male inmates in publically operated contract prisons.

Methodology Used to Assess State's 12 Oldest Prisons

A consultant hired by the California Department of Corrections and Rehabilitation recently completed an in-depth assessment of the state's 12 oldest prisons. In assessing the condition of these prisons, the consultant compiled information on the condition of individual buildings and building systems (such as electrical systems or plumbing systems) at each prison. Specifically, the consultant (1) reviewed existing facility condition data and documentation (such as blueprints), (2) visited each prison to collect additional data and speak with staff responsible for daily operations and facility maintenance, and (3) estimated the condition of some buildings based on the condition of similar buildings that were constructed at the same time.

The above information was then used to calculate a 10-Year Facility Condition Index (FCI) for each building and for each prison as a whole. The 10-Year FCI is the estimated cost of currently needed and expected repairs to a building over the next ten years as a percentage of the cost to replace it entirely with a similar facility that meets updated design standards. The building industry generally uses 65 percent as a threshold for recommending complete replacement. This means that if the cost of needed repairs is 65 percent or more of the cost to replace the building, it is likely more cost-effective to replace the building than to repair it.

After an FCI for each building and prison as a whole was calculated, the consultant selected particular buildings or building systems for repair or replacement using the following major steps:

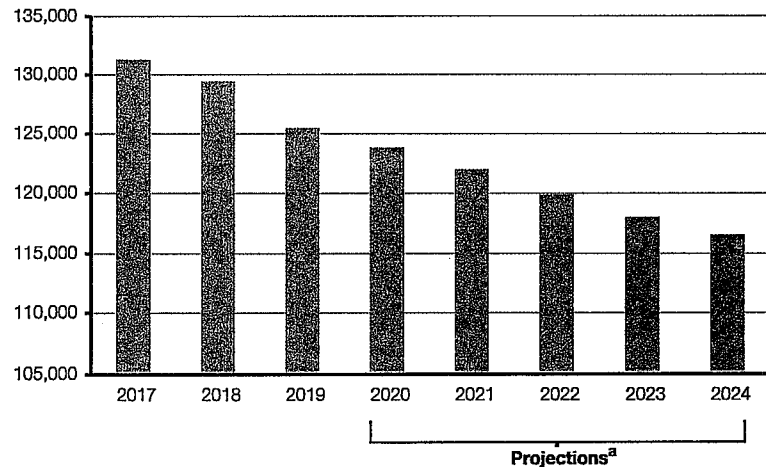
- **Replace Critical Buildings When More Cost-Effective Than Repairing.** The study generally recommended replacing all buildings critical to prison operations, such as kitchens, that had FCIs of 65 percent or higher. Less critical buildings, such as warehouses, were generally not recommended for replacement.
- **Reduce FCI of Overall Prison to 15 Percent or Below by Upgrading Critical Systems in Essential Buildings.** After identifying entire buildings for replacement, the study selected specific building systems in other buildings for repair or replacement that would, together, reduce the FCI for the entire prison to 15 percent or below. Priority was given to building systems identified as the most critical to prison operations (such as electrical systems) and located in buildings most essential for providing inmate services (such as inmate housing units).

Population Decline Has Not Reduced Need for Prisons...

As shown in Figure 4, the state's inmate population has declined by about 5,800 inmates (4 percent) between June 30, 2017 and June 30, 2019. The decline is primarily due to Proposition 57 (2016), which made certain nonviolent offenders eligible for parole consideration and expanded CDCR's authority to reduce prison terms through credits. Despite these declines, the need for all of the state's existing prisons has not changed. This is because state law requires the department to first accommodate declines in the prison population by removing inmates from privately operated contract prisons housing males. CDCR expects to remove the last 670 inmates remaining in these facilities by April 2020.

Figure 4

State Inmate Population Is Declining *As of June 30 Each Year*



^a Reflects adjustments to the administration's most recent inmate population projections to account for the estimated effects of Chapter 590 of 2019 (SB 136, Weiner), which eliminated a one-year sentence enhancement for prior offenses in certain cases.

Federal Court Orders to Improve Inmate Health Care and Limit Prison Overcrowding

In December 1995, after finding the state failed to provide constitutional *mental health care* to inmates, a federal court in the case now referred to as *Coleman v. Newsom* appointed a Special Master to monitor and report on the California Department of Corrections and Rehabilitation's (CDCR's) progress towards providing an adequate level of mental health care. In February 2006, after finding the state failed to provide a constitutional level of *medical care* to inmates, a federal court in the case now referred to as *Plata v. Newsom* appointed a Receiver to take control over the direct management of the state's prison medical care delivery system from CDCR.

In November 2006, plaintiffs in *Coleman v. Newsom* and *Plata v. Newsom* filed motions for the federal courts to convene a three-judge panel pursuant to the U.S. *Prison Litigation Reform Act* to determine whether (1) prison overcrowding was the primary cause of CDCR's inability to provide constitutionally adequate inmate health care and (2) a prisoner release order was the only way to remedy these conditions. In August 2009, the three-judge panel declared that overcrowding was the primary reason that CDCR was unable to provide adequate health care. Specifically, the court ruled that, in order for CDCR to provide such care, overcrowding would have to be reduced to no more than 137.5 percent of the design capacity of the prison system. (Design capacity generally refers to the number of beds CDCR would operate if it housed only one inmate per cell and did not use temporary beds, such as housing inmates in gyms.) The court ruling applies to the number of inmates in prisons operated by CDCR and does not preclude the state from housing additional inmates elsewhere, such as conservation camps and other publicly or privately operated facilities.

...But Continued Decline Could Reduce Number of Prisons Needed in Future. As shown in Figure 4, the inmates population is expected to continue to decline in the next few years. Specifically, we project that, after the 670 male inmates are removed from privately operated prisons, the population will decline by about 6,200 inmates by June 2024. State law requires CDCR to accommodate declines in the inmate population—after privately operated male contract prisons are closed—by reducing either the capacity of state-operated prisons or the remaining contracted prisons (including publically operated contract prisons and privately operated prisons for females) based on consideration of various criteria, including cost and the housing needs of the inmate population. If the population does decline by 6,200 inmates as projected, the state could close two prisons without violating the court-ordered limit on prison overcrowding. (As we discuss later in this report, the Governor plans to instead first remove all male inmates from publically operated contract prisons and then potentially close one state prison at some point in the next five years.)

Housing Needs of Inmates

Inmate Security Levels Drive Infrastructure Need. CDCR classifies inmates into four housing security levels, ranging from Level I (lowest security) to Level IV (highest security). Level I and Level II inmates are typically housed in open dormitories, which are large rooms with multiple beds. In contrast, Level III and Level IV inmates are housed in cells, each of which holds no more than two inmates, and are in facilities with armed guard coverage. CDCR's celled housing facilities vary in the amount of visibility afforded to officers from a centralized location. Facilities built after 1980 tend to have the greatest amount of visibility, are generally considered safer, and can be operated with fewer officers than an older-style facility with poorer visibility. As a result, CDCR prioritizes these facilities for higher security inmates. As shown in **Figure 5**, CDCR's Level IV facilities are more crowded than other housing levels. This indicates that the state currently has greater need for higher security level facilities, which generally tend to cost more to build and operate. (For more

Figure 5

High Security Facilities are Most Crowded^a

Housing Level	Number of Inmates	Capacity	Percent of Capacity
I	13,950	12,505	112%
II	46,837	35,374	132
III	20,557	18,420	112
IV	27,314	14,936	183
Totals	108,658	81,235	134%

^a Excludes all female inmates and male inmates who (1) have not yet been assigned to a housing level or (2) are housed in a specialized bed that does not have a designated housing level.

detailed information on how CDCR assigns inmates to housing security levels, please see our May 2019 report *Improving California's Prison Inmate Classification System*.)

Other Inmate Housing Needs Also Drive Infrastructure Needs. Various inmate needs beyond security also affect the types and location of facilities where inmates can be housed. For example, inmates with disabilities requiring certain physical design features, such as wheelchair ramps, can only be housed at facilities that include such features. Inmates considered to be at high risk to attempt suicide require cells without elements such as bars or sharp corners that could be used in a suicide attempt. Inmates who are at risk of contracting Valley Fever—an infection caused by fungus in soil that can become airborne and enter the lungs—cannot be housed at nine Central Valley prisons where the fungus is found.

INMATE SERVICES

As we discuss below, the types of services the state provides inmates are also a major source of infrastructure needs within the prisons. For example, federal court requirements to improve inmate health care have driven—and continue to drive—major infrastructure expenditures. In addition, efforts to expand the provision of rehabilitation programs result in infrastructure needs.

Inmate Health Care Services Require Certain Facilities. Prisons include specialized facilities and equipment for staff to provide medical, dental and mental health services to inmates. For example,

CDCR uses specialized inmate housing to provide short-term inpatient care for inmates experiencing mental health crises. Due to federal court orders to improve inmate medical and mental health care services, the state has made significant improvements to the health care facilities in its prisons over the past decade to help ensure that inmates are provided a constitutionally adequate level of care. For example, the state provided about \$1.2 billion in General Fund lease revenue bonds in 2012 for CDCR to renovate and construct health care facilities at various prisons. In addition, the state authorized about \$900 million in lease revenue bonds to construct the CHCF in Stockton, which was activated in 2013 and provides medical and mental health treatment to inmates who have the most severe and long-term needs.

While many health care related infrastructure needs have been addressed in recent years, some needs still remain. For example, the health care facilities at the California Rehabilitation Center (CRC) in Norco were not renovated because the prison was slated for closure at the time that the above projects were being planned. However, the administration later reversed its decision to close the prison and the Governor's budget for 2020-21 includes \$5.9 million (General Fund) for health care facility repairs for CRC. In addition, the Governor's budget includes various other health care related infrastructure proposals, including \$91 million in lease-revenue bond authority to construct a 50-bed mental health crisis facility at the California Institution for Men in Chino.

Need for Rehabilitation Program Space. In order to provide rehabilitation programs to inmates (such as cognitive behavioral therapy and career technical education), CDCR needs treatment space, classrooms, and workshop spaces. The state has significantly expanded the capacity of rehabilitative programs in recent years. For example, the 2016-17 budget included a \$64 million General Fund augmentation and the 2019-20 budget included an additional \$71.3 million General Fund augmentation for CDCR rehabilitative programming. However, many of the state's prisons were not built with infrastructure that fully complements CDCR's current rehabilitative program offerings. This is generally because correctional policies over the 150 year span when the prisons were built reflected either less emphasis on rehabilitation or emphasis on different types of rehabilitation relative to today. For example, while a prison built in the 1940s may include space for education programs, it may not have sufficient classrooms for CDCR to also deliver cognitive behavioral therapy, a treatment modality not developed until the 1960s. CDCR has found ways to work around infrastructure limitations, such as by holding multiple small group therapy sessions at once in large gymnasiums, as is currently being done at San Quentin State Prison (SQ). Such settings, however, are not ideal because the groups lack privacy, which can be important given the personal nature of the topics discussed in some rehabilitation programs. In recent years, the state has taken steps to address this need. For example, the 2019-20 budget included funding for working drawings to construct additional classroom space at SQ.

STATE LACKS PLAN TO MANAGE PRISON INFRASTRUCTURE

As discussed above, there are various factors that impact the state's prison infrastructure needs and spending. In particular, the age and condition of the state's prison facilities and the continued decline in the inmate population will require the state to prioritize future infrastructure spending and reevaluate the number of prisons it operates.

However, the state currently lacks a prison infrastructure plan to guide its decisions both in the near term and long term. Such a plan is particularly important given the extent and severity of prison infrastructure needs, as well as the possibility of prison closure in the near term. Without such a plan, it is difficult for the state to prioritize

infrastructure spending in such a way as to ensure that the most urgent needs are addressed first and that projects are done in a logical and efficient manner. This is important because, if the state does not address infrastructure issues that present habitability concerns for inmates or significantly threaten prison operations, the risk of infrastructure-related emergencies and litigation against the state for conditions resulting from its poor infrastructure will grow.

The absence of a prison infrastructure plan also makes it difficult for the Legislature to effectively evaluate the Governor's various prison infrastructure proposals for 2020-21. For example, it would not be ideal for the Legislature to approve a modification to a building that would be replaced or closed a few years later due to a decline in the prison population. We also note that having a prison infrastructure plan that prioritizes future projects allows the state to plan for the costs of these projects and their potential impact on prison operations.

ROAD MAP FOR DEVELOPING A PRISON INFRASTRUCTURE PLAN

In this section, we provide a road map to guide the Legislature in the development of a plan for managing prison infrastructure. First, given the size of the projected decline in the inmate population and the poor condition of many of the state's prisons, we recommend that the Legislature direct CDCR to develop a plan to close two prisons in the near term. Next, we recommend directing CDCR take specific steps to develop a strategy for upgrading its remaining prison facilities to meet their infrastructure needs and achieve other operational or programmatic goals. **Figure 6** provides an overview of our recommended road map for developing a prison infrastructure plan.

DIRECT CDCR TO CLOSE TWO PRISONS

As a first step in developing a prison infrastructure plan, we recommend that the Legislature direct CDCR to close two prisons in the near term. We also recommend directing CDCR to begin the process of developing a detailed prison closure plan. We discuss these recommendations in detail in the next section.

Prioritize Prison Closure to Achieve Additional Benefits

After all remaining male inmates are removed from privately operated contract prisons as required by state law, the Governor proposes to accommodate near-term population declines by first removing the 1,600 male inmates from publically operated contract prisons and then closing one prison. However, we recommend closing two prisons due to the extensive infrastructure problems that have been identified.

While this approach would require the state to maintain male inmates in publicly operated contract

Figure 6

LAO Recommended Road Map for Developing State Prison Infrastructure Plan

Direct CDCR to Close Two Prisons

- ✓ Prioritize Prison Closure to Achieve Additional Benefits
- ✓ Identify Prisons for Closure Based on Key Criteria
- ✓ Require Development of Detailed Prison Closure Plan

Require CDCR to Develop a Strategy to Improve Infrastructure

- ✓ Identify Infrastructure Projects to Pursue
- ✓ Develop Project Priority Order and Time Line

prisons in the near term, it would create three specific benefits. (We note that to remove these inmates from contract prisons, as well as close two prisons, the state would need to take steps to further manage the inmate population, as discussed in the nearby box.) Specifically, prioritizing prison closure would:

- **Reduce Risk of Infrastructure Emergencies.**

Closing two prisons would allow the state to avoid the need to make infrastructure improvements at those two prisons and concentrate resources for infrastructure improvements at the remaining prisons. Accordingly, under this approach, the state could more quickly address the most pressing infrastructure problems across the prison

system. This, in turn, would reduce the risk of infrastructure emergencies—such as parts of a prison becoming inoperable or uninhabitable—both at the prisons that are closed, and at the remaining prisons.

- **Reduce Risk of Infrastructure-Related Litigation.**

Given that closing two prisons would allow the state to more quickly improve its poor infrastructure, it would also reduce the risk that the state is sued for the conditions resulting from poor infrastructure. This is particularly important given that the state has already faced some infrastructure-related litigation. Specifically, on June 4, 2019 a court found that a failed roof on a dining facility at the Substance Abuse Treatment Facility in Corcoran—which was allowing water, mold,

Population Management Options

The state has various options it could consider to reduce the need for contract prisons. Specifically, the state could take steps to:

- **Reduce the Inmate Population.** The state could further reduce the inmate population, such as by increasing credit earning rates or enacting sentencing changes. For example, elderly inmates are generally considered for release if they have served more than 25 years in prison and reach 60 years old. Reducing the time served or age eligibility requirements could increase releases.
- **Place Inmates Outside of Contract and State-Owned Prisons.** The state could house inmates in placements other than contract and state-owned prisons. For example, the state could increase the conservation camp population by expanding inmate eligibility (such as by allowing inmates with minor felony detainers into camps) or providing greater participation incentives (such as better pay). (For more information about the state's options to increase the conservation camp population, please see the "Conservation Camps" section of our report *The 2020-21 Budget: Criminal Justice Proposals*.)
- **Reduce Buffer Against Population Cap.** The state could also house more inmates in the 34 prisons by reducing the roughly 2,000 inmate "buffer" against the cap. (As mentioned earlier, the California Department of Corrections and Rehabilitation (CDCR) houses about 2,000 fewer inmates than is allowed as a buffer to avoid violating the court-ordered limit on prison overcrowding in the event that the inmate population increases unexpectedly.) For example, CDCR could shift 500 inmates from contract beds to state-owned prisons without exceeding the cap. However, the state may want to take additional actions to mitigate the increased risk of violating the court order. For example, it could consider establishing agreements with county jails to temporarily delay the transfer of newly convicted inmates to prison in the event that the inmate population increases unexpectedly. However, we note that paying counties to house these inmates would somewhat offset the state savings associated with prison closure and/or removal of inmates from contract prisons.

bird feces, and maggots to fall into inmate dining areas—violated the U.S. Constitution’s prohibition on cruel and unusual punishment. Accordingly, the court ordered CDCR to cease using the dining facility within two weeks until the roof could be repaired.

- **Achieve State Savings.** In addition to avoiding the need to make costly infrastructure improvements at the prisons that are closed, prioritizing prison closure would create operational savings for the state. This is because the department would save about \$90,000 annually per inmate by closing state prisons, whereas it saves roughly \$35,000 per inmate annually when it removes inmates from contract prisons. We estimate that prioritizing prison closure over removal of inmates from the remaining contract prisons would allow the state to achieve about \$100 million in additional annual operational savings relative to closing contract beds.

Identify Prisons for Closure Based on Key Criteria

Whether the state chooses to close two prisons in the near term, or only one as proposed by the Governor, it will need to identify the prison or prisons it will close. In order to guide the identification of prisons for closure, we recommend that the Legislature direct CDCR to prioritize prisons for closure using the following criteria:

- **Per Inmate Cost Avoidance.** The state would create greater savings to the extent it prioritizes for closure prisons that would be costly to continue operating indefinitely relative to the design capacity that they add to the entire system. This means that the state should consider closing prisons with high operational costs and/or costly infrastructure needs but relatively low design capacity.
- **Operational Needs.** Closure of prisons with specialized missions would have significant operational implications. For example, closure of either the CMF or CHCF would jeopardize the state’s ability to provide health care to its inmates that have the most severe and long-term needs. Accordingly, the state

would likely not want to close a prison with a specialized mission unless it can shift that function to another prison or determine that the function is no longer needed.

- **Ability to Adequately Provide Services Undermined by Location.** Some prisons have difficulty providing adequate health care, rehabilitation, and other inmate services. Often, this is because their remote location makes it challenging to recruit and retain health care employees (such as physicians). Accordingly, prisons that have difficulty providing adequate services due to their remote location should be prioritized for closure over prisons that operate more effectively.

Ranking facilities based on the above criteria—and any other criteria that the Legislature may wish to consider—would allow the state to identify which two prisons to close in the near term. We recommend that the Legislature direct the department to provide this prison ranking before the May Revision as this information would help inform deliberations on the 2020-21 budget. For example, the administration’s request for \$5.9 million (General Fund) in 2020-21 for health care facility repairs at CRC should not be approved if the facility will be closed in the near future. Accordingly, we recommend the Legislature withhold action on all prison infrastructure proposals until it receives this ranking. When the department has provided this list—or the Legislature has created its own list—we recommend not approving infrastructure modification proposals at the two highest ranked prisons unless they are critical, short-term repairs essential to operating the prison until it is closed.

Require Development of Detailed Prison Closure Plan

After identifying which prisons to close, the state will need a plan to address the logistics of implementing the closure process. As a part of the prison closure process, the state will likely bargain with unions who represent the employees at the prisons slated for closure on how to minimize the effects on the workforce and day-to-day

operations. For example, the state may develop an agreement with unions specifying the amount of money that employees who are required to relocate to fill CDCR vacancies elsewhere would receive. To the extent that there are not enough vacancies to accommodate employees affected by prison closure, the state may want to create incentives for employees to voluntarily separate from state service in lieu of a layoff. This would encourage more senior employees—who are more costly to the state and would otherwise not be affected by the layoff—to voluntarily leave state service and prevent the need for less senior employees to be laid off.

The state could consider other alternatives as well, such as training employees at risk of layoff to fill vacancies elsewhere in the department or state government. Given the complexities of implementing these details, the layoff process can take six to nine months to complete. In addition, there are various other logistics that will require advanced planning, such as how the inmate population at the prison will be drawn down and transported elsewhere. Accordingly, we recommend that the Legislature direct the administration to begin developing a closure plan as soon as the prisons slated for closure have been identified. We recommend that the closure plan and associated labor agreements be submitted to the Legislature by January 10, 2021 for consideration as part of the 2021-22 budget process.

REQUIRE CDCR TO DEVELOP A STRATEGY TO IMPROVE INFRASTRUCTURE

After identifying which prisons to close in the near term—and, therefore, which prisons will be operated over the medium and long terms—we recommend that the Legislature direct CDCR to create a strategy to improve the infrastructure at these prisons. Specifically, we recommend the department (1) identify which projects should be pursued and (2) determine a priority order and time line for accomplishing these projects.

Identify Infrastructure Projects to Pursue

We recommend that the Legislature direct CDCR to provide, by January 10, 2022, a list of significant, high-priority infrastructure projects that should be accomplished over the next ten years. Below, we outline various factors that we recommend the Legislature direct the department to consider in developing this list.

Possibility of Further Prison Closures. To the extent the inmate population continues to decline after June 2024, it is possible that the state would be able to close additional prisons in the medium term. The state will want to identify these prisons, based on the criteria discussed earlier in this report, so that it can appropriately gauge the degree of infrastructure upgrades to make at these prisons. For example, if it appears likely that a particular prison may be closed in ten years, it would be reasonable for the state to approve funding to replace an electrical generator with an expected useful life of roughly ten years. However, it could be reasonable for the state to continue to repair leaking pipes at that prison as needed rather than fund a prison-wide replacement of piping that would have an expected useful life beyond ten years. In contrast, at a prison the state expects to operate indefinitely, it might opt to replace both the electrical generator and piping, as it would be more cost-effective than repairing the leaking pipes repeatedly for long periods of time.

Currently, it is difficult to assess how many prisons the state will likely need to operate in ten years because CDCR's projections of the inmate population only extend five years. To help determine whether additional prison closures may be warranted in the future, we recommend that the Legislature direct CDCR to estimate the likely impact of known significant changes in sentencing and credit earning rates over the next ten years both on the overall inmate population and key subpopulations, such as the number of inmates requiring high-security housing. This information—along with the prison prioritization list discussed above—would help the Legislature determine what level of infrastructure upgrades to make at prisons that may be closed in the medium

term. We recommend requiring the department to provide these long-term inmate population projections by January 10, 2022 and annually thereafter. These projections would allow the state to annually readjust its expectations for the need for infrastructure projects.

Actual Viability of Existing Infrastructure. As discussed above, the study of the state's 12 oldest prisons often recommended repairing or replacing systems in buildings critical to prison operations if they were nearing or past their expected useful life. However, the study also noted that with diligent maintenance, some systems can be reliably operated past their expected useful life. Accordingly, when identifying which projects are necessary, CDCR, should consider which of the buildings and systems recommended for repair or replacement can continue to function for a longer period of time with appropriate maintenance. This would help the state to focus infrastructure upgrades on the buildings and systems that are most likely to fail in the near future.

Alternatives to Repairing Existing Facilities. As discussed above, the study assessing the state's 12 oldest prisons made recommendations for repair or replacement of infrastructure based largely on the cost of needed repairs as a percent of the cost of rebuilding. The study did not consider other potential operational cost savings or programmatic benefits that could be achieved by redesigning, relocating, or consolidating facilities rather than simply repairing or rebuilding them similar to their current designs. Accordingly, we recommend that the Legislature direct CDCR to consider:

- **Redesigning or Consolidating Facilities to Achieve Lower Operational Costs.** As discussed above, design features—such as clear lines of sight on recreation yards and in housing units—can reduce the amount of custody staffing needed to operate the prison. In addition, consolidating prisons could reduce overhead costs of operating them. For example, rather than repairing or rebuilding housing units at one prison, CDCR could close the prison and rebuild the housing capacity as infill on the grounds of

other prisons. This could create substantial ongoing operational savings. Accordingly, in determining whether to repair or rebuild facilities, the department should consider whether ongoing operational savings that could be achieved by redesigning or consolidating facilities would justify the higher cost of rebuilding as opposed to repairing them.

- **Rebuilding Facilities in Better Location.** As discussed above, some prisons have difficulty providing adequate services to inmates due to their remote location. Accordingly, CDCR should consider rebuilding prisons or portions of prisons in areas where it is easier to deliver services to inmates. This consideration would be particularly important if the state is already going to be rebuilding a significant portion of a prison. For example, rather than rebuilding a housing unit at a remote prison, the department should consider whether it could achieve better programmatic outcomes by closing the facility and building a similarly sized housing unit as infill on the grounds of a different, less-remote prison. In addition to improving staff recruitment, this would likely place more inmates closer to their families and allow the state to take better advantage of volunteers located in urban areas who often assist with operating rehabilitative programs.
- **Redesigning Facilities to Better Meet Inmate Needs.** In considering what infrastructure projects to pursue, CDCR should not only assess infrastructure needs based on facility age and condition, as was done in the study of the 12 oldest prisons, but also whether existing infrastructure—regardless of condition—is appropriately meeting inmate needs and legislative priorities. This means that the department should assess the need for additional high-security housing, classrooms, health care space, suicide prevention features, accessibility modifications, or security features (such as video surveillance systems). In addition, if the state does decide to rebuild significant portions of prisons, this would present an opportunity to better align prison

design with current correctional policies—such as a greater emphasis on rehabilitation than existed when many of the state’s prisons were built.

Develop Project Priority Order and Time Line

After identifying a list of projects to accomplish over the next ten years, the state will need to determine when the projects will be completed. Accordingly, we recommend that the Legislature direct CDCR to provide a project priority order and time line by January 10, 2023. We further recommend directing the department to develop this project prioritization and time line using the following steps:

- **Prioritize Addressing Issues That Threaten Inmate, Staff Well-Being.** CDCR should first prioritize addressing infrastructure needs that threaten inmate and staff well-being. This would help the state minimize the possibility of infrastructure emergencies that could harm inmates or staff or prevent the department from being able to use significant portions of a prison on short notice. This, in turn, would likely help reduce litigation risk.
- **Prioritize Projects that Create Significant Operational Savings.** Next, CDCR should prioritize projects that would create significant ongoing operational savings. For example, repairing a guard tower would eliminate the need for staffing additional correctional officers to provide perimeter security.
- **Time Projects to Prevent Unnecessary Costs.** In determining a project order, CDCR should avoid making modifications to a facility that is then rebuilt or renovated only a few years later. For example, CDCR is currently pursuing a project to install air cooling systems in several inmate housing units at the California Institution for Men in Chino,

one of the 12 oldest prisons. However, the study recommended replacing those housing units entirely. While it is unclear if CDCR will actually replace those housing units, if it did so, it would need to reinstall a new air cooling systems in the replacement housing units—effectively paying for two air cooling projects. Given that there will not be time for the state to finalize its infrastructure improvement strategy to inform the 2020-21 budget process, we recommend that the Legislature direct CDCR to explain in budget hearings how each of the proposed infrastructure modification projects would interact with potential future infrastructure projects.

- **Assess Whether Grouping Projects by Location Would Reduce Costs.** Construction projects in areas where inmates are present often cost more than similar projects completed elsewhere. This is because security protocols—such as counting construction tools—lengthen project time lines, creating additional costs. Accordingly, CDCR could potentially reduce construction costs by temporarily removing inmates from a portion of a prison in order to complete all of the projects in that area. On the other hand, reducing the inmate population at a prison could also reduce the amount of inmate labor available to assist with construction work through the department’s Inmate Ward Labor (IWL) program, which could in turn, increase costs. (The IWL program hires inmates to work on infrastructure projects at its prisons. These inmates earn between \$0.35 and \$1.00 per hour and learn various skills, such as roofing or building foundation pads, depending on the nature of the project.)

CONCLUSION

Given the magnitude of the state's prison infrastructure needs, combined with the possibility of closing prisons in the near future, it is important for the state to have a near-term and long-term plan to manage its prison infrastructure. In order to guide the Legislature in the development of such a plan, we outline in this report a road map for

closing two prisons and prioritizing infrastructure projects at the remaining prisons. Following our recommended road map would allow the state to more effectively and efficiently address the continued decline in the inmate population and the significant repairs needed at many of its prisons.

LAO PUBLICATIONS

This report was prepared by Caitlin O'Neil, and reviewed by Drew Soderborg and Anthony Simbol. The Legislative Analyst's Office (LAO) is a nonpartisan office that provides fiscal and policy information and advice to the Legislature.

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EXHIBIT 3

QuickFacts

Lassen County, California

QuickFacts provides statistics for all states and counties, and for cities and towns with a *population of 5,000 or more*.

Table

All Topics	Lassen County, California
Population estimates, July 1, 2019, (V2019)	30,573
PEOPLE	
Population	
Population estimates, July 1, 2019, (V2019)	30,573
Population estimates base, April 1, 2010, (V2019)	34,895
Population, percent change - April 1, 2010 (estimates base) to July 1, 2019, (V2019)	-12.4%
Population, Census, April 1, 2020	X
Population, Census, April 1, 2010	34,895
Age and Sex	
Persons under 5 years, percent	▲ 4.8%
Persons under 18 years, percent	▲ 17.3%
Persons 65 years and over, percent	▲ 15.5%
Female persons, percent	▲ 37.8%
Race and Hispanic Origin	
White alone, percent	▲ 80.9%
Black or African American alone, percent (a)	▲ 8.4%
American Indian and Alaska Native alone, percent (a)	▲ 4.3%
Asian alone, percent (a)	▲ 1.6%
Native Hawaiian and Other Pacific Islander alone, percent (a)	▲ 0.9%
Two or More Races, percent	▲ 4.0%
Hispanic or Latino, percent (b)	▲ 19.3%
White alone, not Hispanic or Latino, percent	▲ 64.7%
Population Characteristics	
Veterans, 2015-2019	1,984
Foreign born persons, percent, 2015-2019	5.6%
Housing	
Housing units, July 1, 2019, (V2019)	12,784
Owner-occupied housing unit rate, 2015-2019	67.6%
Median value of owner-occupied housing units, 2015-2019	\$203,000
Median selected monthly owner costs -with a mortgage, 2015-2019	\$1,449
Median selected monthly owner costs -without a mortgage, 2015-2019	\$389
Median gross rent, 2015-2019	\$956
Building permits, 2020	21
Families & Living Arrangements	
Households, 2015-2019	9,280
Persons per household, 2015-2019	2.26
Living in same house 1 year ago, percent of persons age 1 year+, 2015-2019	73.5%
Language other than English spoken at home, percent of persons age 5 years+, 2015-2019	18.4%
Computer and Internet Use	
Households with a computer, percent, 2015-2019	85.2%
Households with a broadband Internet subscription, percent, 2015-2019	78.8%
Education	
High school graduate or higher, percent of persons age 25 years+, 2015-2019	83.2%
Bachelor's degree or higher, percent of persons age 25 years+, 2015-2019	12.9%
Health	
With a disability, under age 65 years, percent, 2015-2019	13.3%
Persons without health insurance, under age 65 years, percent	▲ 5.0%
Economy	
In civilian labor force, total, percent of population age 16 years+, 2015-2019	34.6%
In civilian labor force, female, percent of population age 16 years+, 2015-2019	49.4%
Total accommodation and food services sales, 2012 (\$1,000) (c)	35,984
Total health care and social assistance receipts/revenue, 2012 (\$1,000) (c)	84,085

Total manufacturers shipments, 2012 (\$1,000) (c)	0
Total retail sales, 2012 (\$1,000)	215,837
Total retail sales per capita, 2012 (c)	\$6,413

Transportation

Mean travel time to work (minutes), workers age 16 years+, 2015-2019	20.6
--	------

Income & Poverty

Median household income (in 2019 dollars), 2015-2019	\$56,352
Per capita income in past 12 months (in 2019 dollars), 2015-2019	\$22,134
Persons in poverty, percent	▲ 16.5%

BUSINESSES

Businesses

Total employer establishments, 2019	405
Total employment, 2019	3,540
Total annual payroll, 2019 (\$1,000)	140,812
Total employment, percent change, 2018-2019	1.7%
Total nonemployer establishments, 2018	1,116
All firms, 2012	1,236
Men-owned firms, 2012	564
Women-owned firms, 2012	410
Minority-owned firms, 2012	231
Nonminority-owned firms, 2012	938
Veteran-owned firms, 2012	97
Nonveteran-owned firms, 2012	1,025

GEOGRAPHY

Geography

Population per square mile, 2010	7.7
Land area in square miles, 2010	4,541.18
FIPS Code	06035

Value Notes

▲ Estimates are not comparable to other geographic levels due to methodology differences that may exist between different data sources.

Some estimates presented here come from sample data, and thus have sampling errors that may render some apparent differences between geographies statistically indistinguishable. Click the Quick Info ⓘ icon to the row in TABLE view to learn about sampling error.

The vintage year (e.g., V2019) refers to the final year of the series (2010 thru 2019). *Different vintage years of estimates are not comparable.*

Fact Notes

- (a) Includes persons reporting only one race
- (c) Economic Census - Puerto Rico data are not comparable to U.S. Economic Census data
- (b) Hispanics may be of any race, so also are included in applicable race categories

Value Flags

- Either no or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest or upper in open ended distribution.
- F Fewer than 25 firms
- D Suppressed to avoid disclosure of confidential information
- N Data for this geographic area cannot be displayed because the number of sample cases is too small.
- FN Footnote on this item in place of data
- X Not applicable
- S Suppressed; does not meet publication standards
- NA Not available
- Z Value greater than zero but less than half unit of measure shown

QuickFacts data are derived from: Population Estimates, American Community Survey, Census of Population and Housing, Current Population Survey, Small Area Health Insurance Estimates, Small Area Income and F Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits.

CONNECT WITH US



QuickFacts

Susanville city, California

QuickFacts provides statistics for all states and counties, and for cities and towns with a *population of 5,000 or more*.

Table

All Topics	Susanville city, California
Population estimates, July 1, 2019, (V2019)	15,010
PEOPLE	
Population	
Population estimates, July 1, 2019, (V2019)	15,010
Population estimates base, April 1, 2010, (V2019)	17,943
Population, percent change - April 1, 2010 (estimates base) to July 1, 2019, (V2019)	-16.3%
Population, Census, April 1, 2020	X
Population, Census, April 1, 2010	17,947
Age and Sex	
Persons under 5 years, percent	▲ 3.9%
Persons under 18 years, percent	▲ 12.3%
Persons 65 years and over, percent	▲ 7.3%
Female persons, percent	▲ 22.5%
Race and Hispanic Origin	
White alone, percent	▲ 76.0%
Black or African American alone, percent (a)	▲ 14.3%
American Indian and Alaska Native alone, percent (a)	▲ 2.2%
Asian alone, percent (a)	▲ 2.1%
Native Hawaiian and Other Pacific Islander alone, percent (a)	▲ 1.6%
Two or More Races, percent	▲ 2.4%
Hispanic or Latino, percent (b)	▲ 29.7%
White alone, not Hispanic or Latino, percent	▲ 48.2%
Population Characteristics	
Veterans, 2015-2019	657
Foreign born persons, percent, 2015-2019	6.6%
Housing	
Housing units, July 1, 2019, (V2019)	X
Owner-occupied housing unit rate, 2015-2019	49.5%
Median value of owner-occupied housing units, 2015-2019	\$183,700
Median selected monthly owner costs -with a mortgage, 2015-2019	\$1,436
Median selected monthly owner costs -without a mortgage, 2015-2019	\$373
Median gross rent, 2015-2019	\$971
Building permits, 2020	X
Families & Living Arrangements	
Households, 2015-2019	3,001
Persons per household, 2015-2019	2.23
Living in same house 1 year ago, percent of persons age 1 year+, 2015-2019	61.2%
Language other than English spoken at home, percent of persons age 5 years+, 2015-2019	27.9%
Computer and Internet Use	
Households with a computer, percent, 2015-2019	86.4%
Households with a broadband Internet subscription, percent, 2015-2019	79.2%
Education	
High school graduate or higher, percent of persons age 25 years+, 2015-2019	73.5%
Bachelor's degree or higher, percent of persons age 25 years+, 2015-2019	7.3%
Health	
With a disability, under age 65 years, percent, 2015-2019	13.6%
Persons without health insurance, under age 65 years, percent	▲ 4.5%
Economy	
In civilian labor force, total, percent of population age 16 years+, 2015-2019	22.9%
In civilian labor force, female, percent of population age 16 years+, 2015-2019	51.0%
Total accommodation and food services sales, 2012 (\$1,000) (c)	31,826
Total health care and social assistance receipts/revenue, 2012 (\$1,000) (c)	76,508

Total manufacturers shipments, 2012 (\$1,000) (c)	0
Total retail sales, 2012 (\$1,000)	182,130
Total retail sales per capita, 2012 (c)	\$10,961

Transportation

Mean travel time to work (minutes), workers age 16 years+, 2015-2019	16.6
--	------

Income & Poverty

Median household income (in 2019 dollars), 2015-2019	\$52,488
Per capita income in past 12 months (in 2019 dollars), 2015-2019	\$13,817
Persons in poverty, percent	▲ 18.9%

BUSINESSES

Businesses

Total employer establishments, 2019	X
Total employment, 2019	X
Total annual payroll, 2019 (\$1,000)	X
Total employment, percent change, 2018-2019	X
Total nonemployer establishments, 2018	X
All firms, 2012	724
Men-owned firms, 2012	335
Women-owned firms, 2012	249
Minority-owned firms, 2012	167
Nonminority-owned firms, 2012	511
Veteran-owned firms, 2012	47
Nonveteran-owned firms, 2012	604

GEOGRAPHY

Geography

Population per square mile, 2010	2,262.9
Land area in square miles, 2010	7.93
FIPS Code	0677364

Value Notes

▲ Estimates are not comparable to other geographic levels due to methodology differences that may exist between different data sources.

Some estimates presented here come from sample data, and thus have sampling errors that may render some apparent differences between geographies statistically indistinguishable. Click the Quick Info ⓘ icon to the row in TABLE view to learn about sampling error.

The vintage year (e.g., V2019) refers to the final year of the series (2010 thru 2019). *Different vintage years of estimates are not comparable.*

Fact Notes

- (a) Includes persons reporting only one race
- (c) Economic Census - Puerto Rico data are not comparable to U.S. Economic Census data
- (b) Hispanics may be of any race, so also are included in applicable race categories

Value Flags

- Either no or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest or upper int open ended distribution.
- F Fewer than 25 firms
- D Suppressed to avoid disclosure of confidential information
- N Data for this geographic area cannot be displayed because the number of sample cases is too small.
- FN Footnote on this item in place of data
- X Not applicable
- S Suppressed; does not meet publication standards
- NA Not available
- Z Value greater than zero but less than half unit of measure shown

QuickFacts data are derived from: Population Estimates, American Community Survey, Census of Population and Housing, Current Population Survey, Small Area Health Insurance Estimates, Small Area Income and F Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits.

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EXHIBIT 4

Prison Closure Process

Prison Closure Process

As the prison closure process continues, we will be providing updates at every step of the process. Based on an employee's classification, work location, and seniority score, an employee may be subject to layoff during times of workforce reductions.

If you have specific questions or concerns regarding your situation please e-mail:

CDCR: CDCRHRWCRSHelpDesk@cdcr.ca.gov
(mailto:CDCRHRWCRSHelpDesk@cdcr.ca.gov)

CCHCS: HealthCare.HRhelp@cdcr.ca.gov (mailto:HealthCare.HRhelp@cdcr.ca.gov)

In addition to assisting with individual questions, the information provided will also be used to update the Frequently Asked Questions and to provide regular updates throughout the entirety of the closure process to the field.

DVI-Step 1: Distribution of Seniority Score Verification Letters for impacted staff

As the result of the pending closure of the Deuel Vocational Institution (DVI), seniority scores will be calculated and/or updated and a seniority verification letter and discrepancy form will be mailed to potentially impacted employees. This will allow staff to review and confirm their personal Seniority Score and dispute any discrepancies that they have identified.

DVI-Step 2: Voluntary Transfer Process for DVI Prison Closure

The VTP is a voluntary method used to mitigate potential impact to employees, by providing them with an opportunity to transfer in their permanent classification to a location outside the area of impact (San Joaquin County). Participants will prioritize their interest in work locations statewide, to which they are willing to accept a voluntary transfer utilizing an Election Worksheet. New work locations awarded via the VTP will be based on seniority.

DVI-Step 3: Distribution of Mitigation Award Letters



Workforce Consolidation and Reduction Support (WCRS) will distribute an official 30-day notification to all employees who participated in the Voluntary Transfer Process. The notice will include the effective reporting date, location, and contact information. **Timeline: April 2021**

DVI-Step 4: State Restriction of Appointments (SROA) process



The State Restriction of Appointments (SROA) process (<https://www.calhr.ca.gov/Documents/sroa-manual.pdf>) is an alternative to layoff that gives the California Department of Human Resources (CalHR) the authority to restrict the methods of appointment available to appointing powers in order to give employees in jeopardy of layoff an opportunity to retain State employment through the competitive civil service hiring process. The first step in the process of placing employees on SROA lists and designating them as surplus is for a department to be recognized by CalHR as being in a layoff mode. **Timeline for notice of employees being placed on SROA: May 2021**

DVI-Step 5: Distribution of Options Worksheets



An Options Worksheet will be distributed to those who didn't participate or were unsuccessful in the VTP. The Options Worksheet will provide viable placement options identified for those impacted by layoff plan. Employees will make their elections for placement on the Options Worksheet and submit it to the Workforce Consolidation and Redirection Support (WCRS) Unit. **Timeline: July 2021**

DVI-Step 6: Distribution of Placement/Layoff Letters



All impacted staff will receive a written notification which will be distributed no later than 35 days before the report date/layoff date. There are three general types of letters used for placement notification: "Placement" (notifies the employee of his/her placement), "No longer affected" (informs employee that he/she is no longer affected by the current layoff plan), or "Separation" (which includes layoffs, retirements, and resignations). **Timeline: August 2021**

CCC Key Dates



Please note that these timeframes are subject to change based on negotiations with Labor Organizations, and pending the approval of the California Department of Human Resources.

Initial Announcement



Closure of CCC Announced. **April 13, 2021**

Impacted employees at CCC/HDSP will be encouraged to respond to an optional, informal survey (electronic or hard copy) regarding future employment preferences following the closure of CCC. This will assist in the development of a Voluntary Transfer Process (VTP) to assist CCC/HDSP employees. **May 2021**

Survey results will be shared and the existing statewide CDCR hiring restrictions directive will be modified in order to maximize viable positions to accommodate staff interested in future VTP. **June 2021**

SENIORITY SCORE VERIFICATION



Communication will be released and HR staff will be onsite at CCC/HDSP to discuss how Seniority Scores are calculated, how they are used through this process, and the upcoming "Challenge Period" if staff wish to appeal their score on file. **July 2021**

Seniority Score Verification and Discrepancy Notifications will be issued to CCC/HDSP staff informing them of their Seniority Score. Staff have 30 calendar days to respond as to whether they agree with the score or wish to appeal. HR staff will be available onsite to answer any questions and address concerns. **August 2021**

A Seniority Score Listing will be posted for Lassen County. **September 2021**

VOLUNTARY TRANSFER PROCESS (VTP)



The VTP is an opportunity for CCC/HDSP to potentially avoid layoff by voluntarily transferring to another work location

CCC/HDSP staff layoff effective date for the remaining staff unsuccessful in Employee Options process. **June 30, 2022**

EXHIBIT 5

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Closure of CCC in Susanville, CA

Jun 08 2021

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SUSANVILLE, CA

**CLOSURE OF CCC
SUSANVILLE AND
INMATE
FIREFIGHTER
TRAINING CAMPS**



(https://dahle.cssrc.us/sites/default/files/styles/full_image_upscale/public/CCC%20Susanville_1.png?itok=56xxAtL-)

Since the announcement of the closure of California Correctional Center (CCC) and the inmate firefighter training camps in Susanville, we have met with the Secretary of the Department of Corrections and Rehabilitation (CDCR) and the Governor's staff demanding answers to how this decision was made and why. We continue to believe that closing the camps in the midst of these unprecedented fire seasons and the process used to make this decision is a flawed course of action. It also does not follow the plan CDCR had originally published.

We have been working closely with city and county officials and employee representatives to find ways to mitigate the terrible impacts to our community caused by this decision. We will continue to look for state programs that can be relocated to Lassen County to utilize existing facilities and infrastructure. We are also seeking state funding to offset budget cuts to schools and loss of tax revenue.

We appreciate the hundreds of community members who have written to our offices and the Governor to fight against this decision and the broader policy agenda promoting the early release of violent felons. This, and many other important issues, demonstrate that we must work together to find

ways to improve the economic strength of the rural counties we represent. As the situation continues to develop, we will be sure to provide updates and information as it becomes available. Please reach out to our offices with any additional questions or need for assistance.

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Jul 23 **California's Most Precious Resource is in a Crisis** (/content/californias-most-precious-resource-crisis)

Jul 20 · **Tamarack Wildfire Update from Senator Brian Dahle** (/content/tamarack-wildfire-update-senator-brian-dahle)

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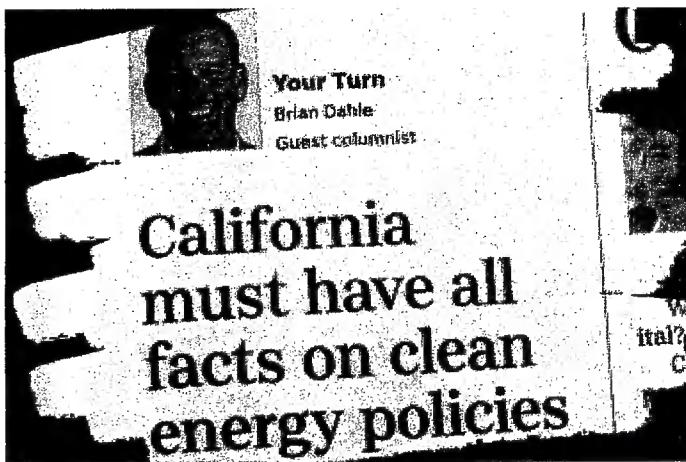
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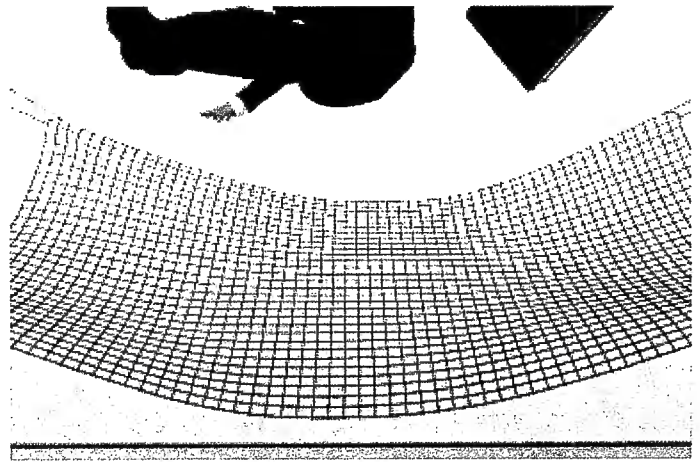
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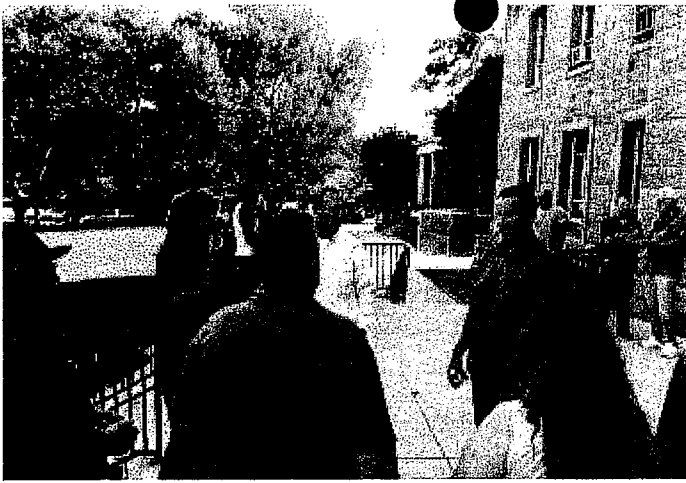
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California's 1st Senate District contains all or portions of 11 counties, including Alpine, El Dorado, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Sierra, Siskiyou, and Shasta.

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DAHLES' REACT TO THE PRISON CLOSURE

📅 Apr 13 2021

Time to read **1 minute**



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Dahles' statement on the California Department of Corrections and Rehabilitation (CDCR) announcing the shutdown of the California Correctional Center (CCC) in Susanville. The prison is comprised of four facilities and serves as a hub for incarcerated firefighters who are trained for placement into one of 14 Fire Camps in California. Those fire camps will now be part of the Sierra Conservation Center in Jamestown. Approximately 2,064 incarcerated inmates are housed at CCC. There are currently 1,080 staff employed at the institution.

Statement by Assemblywoman Megan Dahle and Senator Brian Dahle

"As the two elected state representatives for Lassen County, we were shocked and appalled by CDCR's announcement to close CCC.

We received no prior notice regarding the decision by CDCR. The lack of transparency and opportunity for public input in making such a significant decision is abhorrent. This decision completely undermines the little trust our constituents had left in this administration and proves yet again that the leaders of our state agencies couldn't care less about the livelihood of residents of the North State.

The impact of this decision on our North State communities will be devastating. Our communities have already suffered a dramatic increase in unemployment due to the COVID-19 pandemic. We have one of the highest unemployment rates in the nation. Now, without warning or notice to the public, the state has arbitrarily dictated that it will be upending the livelihood of over 1,000 employees and their families. Constituents of the North State deserve better from their government. The fact employees were notified of the closure through a press release is unacceptable.

This gross misstep by a state agency is a slap in the face to hardworking employees, and correctional officers and their families, who have served on the frontlines during this pandemic and sacrificed a great deal to ensure our communities remain safe.

The unilateral actions taken by CDCR and the Newsom administration represent a complete degradation of our representative government. We demand CDCR, Secretary Kathleen Allison and the Newsom administration reveal the process and data used to arrive at the decision to close CCC. At the very least, they owe this to the public and their employees.

To ensure the leaders of the state agency that perpetrated this action are held accountable, we are pursuing Public Records Act Requests to expose the secretive channels through which they came to this decision.

To the employees, families, and community impacted by the announced closure; you have our word that we will not rest until we bring to light why and how the governor's administration arrived at this decision. Please reach out to our offices for any immediate assistance you may need."

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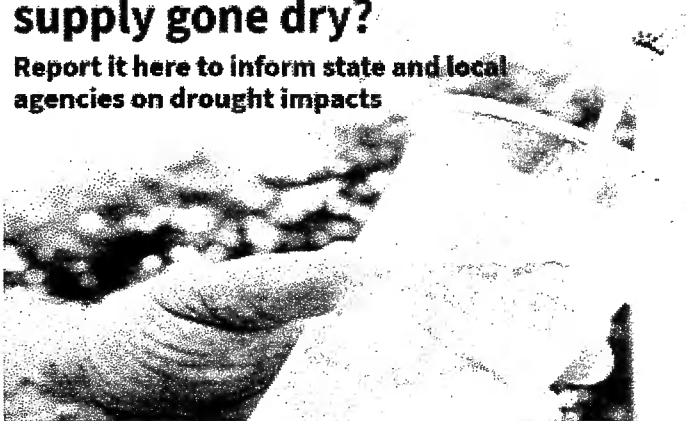
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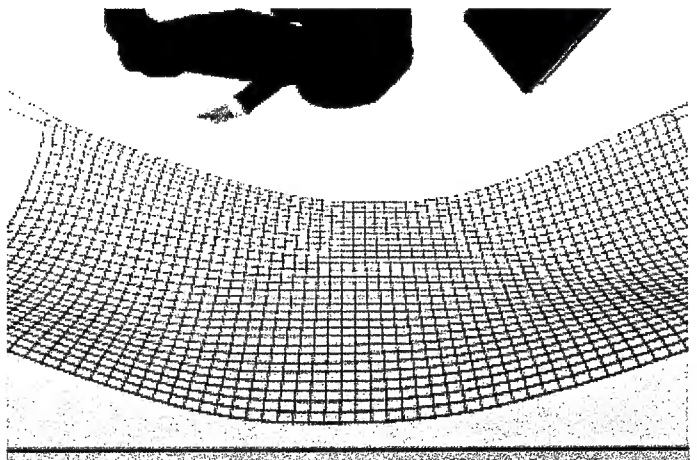
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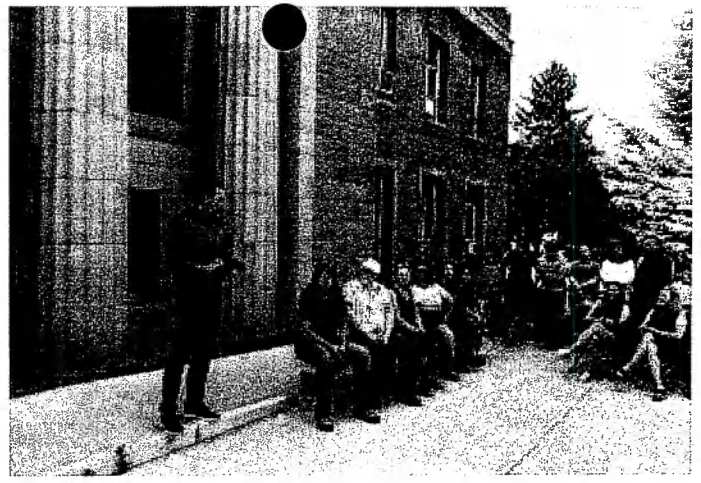
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 > DAHLES' REACT TO THE PRISON CLOSURE



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EXHIBIT 6

AGENDA

Assembly Budget Subcommittee No. 5 on Public Safety

Assemblymember Cristina Garcia, Chair

**MONDAY, FEBRUARY 22, 2021
2:30 PM, STATE CAPITOL – ROOM 437**

Due to the regional stay-at-home order and guidance on physical distancing, seating for this hearing will be very limited for press and for the public. All are encouraged to watch the hearing from its live stream on the Assembly's website at <https://www.assembly.ca.gov/todaysevents>.

We encourage the public to provide written testimony before the hearing. Please send your written testimony to: BudgetSub5@asm.ca.gov. Please note that any written testimony submitted to the committee is considered public comment and may be read into the record or reprinted.

A moderated telephone line will be available to assist with public participation. The public may provide comment by calling the following toll-free number: [877-692-8957](tel:877-692-8957), access code: [131 54 37](tel:1315437)

ITEMS TO BE HEARD		
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ITEM	DESCRIPTION	PAGE
5225	CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION	2
ISSUE 1	PRISON CLOSURE AND LONG TERM FACILITY INVESTMENT PLAN	2
ISSUE 2	VARIOUS CAPITAL OUTLAY AND MAINTENANCE PROPOSALS	9
ISSUE 3	VARIOUS NON-CAPITAL OUTLAY PROPOSALS	12
	PUBLIC COMMENT	

5225 DEPARTMENT OF CORRECTIONS AND REHABILITATION**ISSUE 1: PRISON CLOSURE AND LONG TERM FACILITY INVESTMENT PLAN**

The Department of Corrections and Rehabilitation (CDCR) will provide an overview of its prison closure planning process, including the Deuel Vocational Institute, the budget proposal for the California Rehabilitation Center (CRC, a prison identified for closure in 2012 by CDCR), and the Department's response to the long term facility investment plan requested by the Legislature.

PANELISTS

- Dean Borg, CDCR
- Ed Vasconcellos, CDCR
- Caitlin O'Neil, Legislative Analyst's Office

*Department of Finance is available for questions from members.

BACKGROUND**Prison Closure**

The table below reflects CDCR's current occupied and available capacity:

	Occupied	Available Capacity
State Prisons	89,663	116,989
State Camps	1,410	3,690 ¹
In-State Contract Beds	2,339	2,550 ²
Department of State Hospitals	212	212 ³
CRPP (community beds)	780	1,500 ⁴
Total	94,404	124,941

The 2019 Budget Act included trailer bill language requiring the identification of one state owned and operated prison for closure by January 10, 2021, and a second one by January 10, 2022. As a result, the Administration has identified Deuel Vocational Institute (DVI) for the first closure. DVI is one of the 12 oldest prisons in California, built in 1953, and has an estimated \$804 million in capital and maintenance needs that will be avoided

¹ This represents the design capacity. State camp beds are not subject to the 137.5% population cap which allows for greater flexibility.

² This represents the bed count at CA City Correctional Facility only—additional capacity is available through programs such as the Community Prisoner Mother Program.

³ Assumes DSH beds remain constant but this number can fluctuate based on actual need.

⁴ Estimated capacity based on pending bed expansions.

with its closure. It should be noted that there have been significant capital investments made into DVI in recent years. For example, \$29 million dollars was provided to create a Health Care Facility Improvement Project at the prison, \$11.67 million was provided for solid cell door fronts which were completed by 2019, \$835,000 for a medical distribution improvement project that was completed in 2017, and approximately \$2.1 million has been encumbered for a new boiler facility and a brine concentrator system.

The 2018 Budget Act included language in Penal Code 2067 that states in part:

“...the Department of Corrections and Rehabilitation shall accommodate the projected population decline by reducing the capacity of state-owned and operated prisons or in-state leased or contract correctional facilities, **in a manner that maximizes long-term state facility savings, leverages long-term investments,** and maintains the sufficient flexibility to comply with the federal court order...”

In addition, the Department considers the following factors, including, but not limited to, operation costs, workforce impacts, subpopulation and gender-specific housing needs, long term investment in state-owned and operated correctional facilities including previous investments, public safety and rehabilitation, and the durability of the state's solution to prison overcrowding.

Long Term Facility Planning

CDCR's prisons encompass 24,000 acres of land, including 4,000 buildings that comprise 42 million square feet and an estimated 22,000 individual pieces of equipment and utility system components. Penal Code Section 7003.5 requires regular reporting of CDCR's funded and planned projects but it does not require any information on how projects are selected, how they are prioritized, and or a long term strategy. In addition, CDCR, among other state program areas like transportation and natural resources, is included in the state's Five Year Infrastructure Plan (“Plan”) pursuant to the “California Infrastructure Planning Act.” The 2021-22 Plan included \$494.5 million to CDCR over five years. Much like the “Master Plan Annual Report,” it is unclear how projects are selected and how they are prioritized. As part of its annual operations budget, CDCR receives \$26 million annually for deferred maintenance, including periodic one-time General Fund augmentations to address the backlog. This year, the Governor proposes a one-time General Fund augmentation of \$50 million for deferred maintenance to the Department.

Capital and Infrastructure Needs. The 2016 Budget Act provided funding for a state-wide study for the renovation/replacement of CDCR's twelve oldest prisons. Twelve individual reports were finalized in 2019 indicating a total need for \$11.24 billion for repairs/replacement.⁵ In addition, CDCR's Master Plan Annual Report for Calendar Year 2020 (“master plan”) indicates an overall deferred maintenance need of \$13 billion statewide, an increase of \$5 billion since the 2018 master plan. CDCR has a \$1 billion list of deferred maintenance projects that have been scoped but it is unclear how this list was created or prioritized.

⁵ The pending closure of Deuel Vocational Institute will reduce the \$11.24 billion estimate to \$10.44 billion in capital outlay and maintenance needs for the remaining 11 oldest prisons.

In prior years, the master plan included an assessment of each prison using a Facility Condition Index (FCI)⁶. FCI is used in facilities management to provide an objective assessment of a facility's condition. It is often used to provide a benchmark to compare the conditions of a group of facilities. The Judicial Branch uses FCI to assess its portfolio of 200 court houses throughout the state. Mathematically, the FCI is represented by the total cost of maintenance, repair/replacement divided by the estimated replacement value. When a prison's FCI score reaches a value of 50% or more, it is "an indicator that a significant portion of the asset's constituent systems can no longer reliably sustain their design level of function" and are deemed 'very poor to extremely poor.' The 2018 master plan indicated that 26 of the 34 prisons had an FCI of over 50%. The average FCI of all prisons was 60 at that time.

Supplemental Reporting Language: Prison Infrastructure Improvement Strategy.

As part of the 2020 Budget Act, the Legislature adopted supplemental reporting language that directs CDCR to provide a report on the Department's long term infrastructure investment plan of all repair/deferred maintenance projects estimated to cost over \$5 million and all major capital outlay projects that are likely to be needed over the next ten years or more, by January 10, 2022. Projects that were funded for construction in the 2020-21 fiscal year or prior are excluded and the Department was provided a list of factors to consider to rank each project in the following manner:

(i) Immediate: Projects specifically required by court order and projects related to fire/life/safety that are needed to remedy conditions that pose an extraordinary immediate risk to inmates and staff.

(ii) Critical: Any remaining court order-related projects and projects focused on gaining departmental efficiencies and reducing ongoing state costs.

(iii) High: Projects focused on inmate rehabilitation and projects related to fire/life/safety that are needed to remedy conditions that pose a substantial risk to inmates and staff.

(iv) Low: Projects related to department-driven needs.

Proposed Funding

1. Closure of Deuel Vocational Institution: The Governor's Budget requests a reduction of \$95.4 million and 660.9 positions General Fund and \$390,000 and 4.6 positions Inmate Welfare Fund in 2021-22 and \$126.4 million and 871.6 positions General Fund and \$517,000 and 6 positions Inmate Welfare Fund in 2022-23 and ongoing to reflect the closure of Deuel Vocational Institution (DVI). In addition, savings associated with the incarcerated population are captured within the standard adjustments totaling \$18.2 million and 73.5 positions General Fund and \$370,000 Inmate Welfare Fund in 2021-22 and \$24.2 million and 98.1 positions General Fund and \$494,000 Inmate Welfare Fund in 2022-23 and ongoing. In total, the closure will result in a reduction of \$113.6 million and 739.0 positions General Fund and \$760,000 and 4.6 positions Inmate Welfare Fund in 2021-22 and \$150.6 million and 969.7 positions General Fund and \$1 million and 6 positions Inmate Welfare Fund in 2022-23 and ongoing. This request assumes savings

⁶ The 2020 report does not include FCI assessments.

effective October 1, 2021. CDCR will refine these costs as a housing unit closure plan is developed and will provide updated savings with the 2021-22 May Revision.

Warm Shutdown. The Governor's Budget includes \$1.6 million General Fund and 9.3 positions in 2021-22 and \$2.2 million and 12 positions in 2022-23 and ongoing to provide for the warm shutdown of DVI.

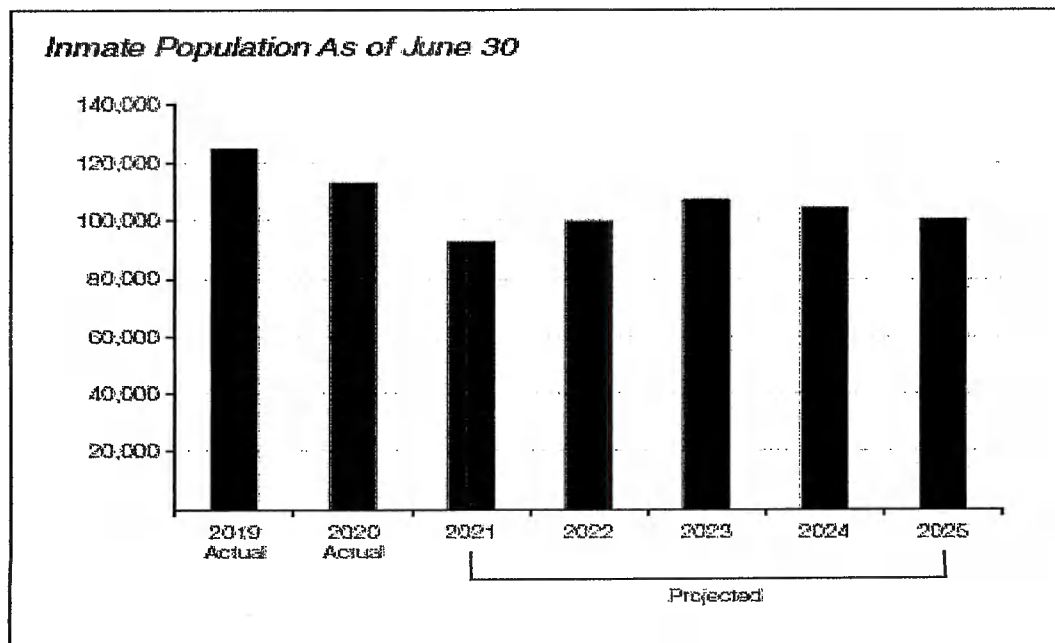
2. Health Care Facility Repairs at the California Rehabilitation Center (CRC): The Governor's Budget requests \$6.8 million General Fund in 2021-22 for health care facility repairs at the California Rehabilitation Center (CRC). This request is a resubmittal of a request originally submitted in the 2020 Governor's Budget but which was withdrawn before the passage of the 2020 Budget Act. The requested amount is approximately \$900,000 higher than the original request. According to the Department, this increase is due to increased costs for casual labor, materials, contracts, and the erroneous omission of funding for telecommunications upgrades.

In 2012, CDCR identified CRC for closure. Also in 2012, CDCR implemented the Health Care Facility Improvement Program (HCFIP) to improve treatment and clinic space across the state in its prisons. However, due to the anticipated closure, a HCFIP project was not implemented at CRC. Since 2012, there have been no significant capital investments made into CRC.

**LEGISLATIVE ANALYST'S OFFICE
(LAO)**

The LAO provides the following analysis:

Prison Closures. Based on CDCR's population projections, the state is likely able to close three additional prisons by 2023-25.



The reduction in the prison and parole populations and the total closure of five prisons and the DJJ facilities is estimated to save \$1.5 billion General Fund dollars annually. This reduction in costs will slow down the significant growth in CDCR's total costs that is expected increase by \$2.5 billion between 2020-21 and 2024-25. This increase is largely driven by future increases in employee compensation costs. This is because current employee compensation costs are temporarily low due to a plan approved as part of the 2020-21 budget package to reduce statewide employee compensation cost by 10 percent. For example, an agreement signed with the bargaining unit representing correctional staff will reduce 2020-21 costs by \$381 million largely through the deferral of a previously planned 3 percent general salary increase and a 4.62 percent reduction in pay in exchange for 12 hours of paid leave per month. However, when these temporary pay reductions expire, CDCR's employee compensation costs are likely to increase substantially. The closure of 5 prisons and reduction in population-related costs will result in CDCR's budget growing by \$1 billion by 2024-25.

Long Term Strategy. In the report, *The 2020-21 Budget: Effectively Managing Prison Infrastructure*, the LAO recommended that the Legislature direct CDCR to develop a strategy for upgrading its prison facilities to meet their infrastructure needs and achieve other operational or programmatic goals. Developing such a strategy would require the Department to assess its portfolio of prison facilities (along various dimensions, such as their age, condition, design, operational utility, and location) in the context of its overall vision for the future of the state prison system. For example, as a part of this strategic planning process, the Department might identify an opportunity to achieve better operational outcomes at lower costs, such as by closing a prison in a remote location and rebuilding the housing capacity as infill on the grounds of other existing prisons in better locations. The lack of such a long-term plan makes it very difficult for the Legislature to evaluate the Governor's proposals related to prison infrastructure. **Moreover, if the state continues funding infrastructure projects without a long-term view, it risks: (1) wasting money (such as by paying to modify facilities that are subsequently closed or rebuilt); (2) missing opportunities to achieve operational benefits (such as by redesigning, consolidating, or relocating facilities); and, (3) failing to sufficiently mitigate risk of infrastructure failure, which can have significant implications for cost and safety.**

Closure of Deuel Vocational Institution. The warm shutdown positions requested are not fully justified as other closed prisons have far fewer maintenance positions. In addition, the LAO states the need for a long-term plan for closed prisons. For example, it is unclear whether the administration plans to sell the properties—after which it would no longer need to pay for their warm shutdown—or if there will continue to be a state need for them. Given the need to provide resources indefinitely while these facilities are in warm shutdown, it is important for the state to have a long-term plan for each closed prison.

Health Care Facility Repairs at the California Rehabilitation Center (CRC). The LAO recommends **rejecting** the proposed \$6.8 million for facility repairs at CRC unless the Administration provides a long-term plan for the facility demonstrating that the repairs will be completed sufficiently in advance of any potential future closure date. This action would free up \$6.8 million that the Legislature could redirect to high-priority prison repairs needs at prisons not planned for closure. Special repair and deferred maintenance

projects can take a couple years to complete. CDCR expects that the repairs proposed at CRC would not be completed until the Fall of 2023.

STAFF COMMENT

This Subcommittee has requested a long term facility investment plan from CDCR every year since 2018, in order for the Subcommittee to evaluate CDCR's capital and maintenance budget proposals against other legislative priorities. Regardless of any prison closures, such a plan would provide critical information to the Subcommittee in evaluating budget proposals and providing oversight of the Department's spending priorities. In addition to the condition of the aging institutions, the prison system that was established many decades ago may no longer be in line with the state's view on penal systems and public safety. For example, the prisons were not built with the goal of providing rehabilitation and treatment, nor were they designed with a public health lens to mitigate against infectious diseases. Most prisons do not have sufficient space to provide rehabilitative programming. CDCR has struggled with recruitment and retention of staff, particularly medical staff, due to the remote locations of the majority of the prisons. The prisons remain under a federal receivership for the foreseeable future. In addition, despite a reduction of more than 68,000 fewer prisoners in the last decade, the CDCR operations budget has increased by about 35% and is set to increase by another \$2.5 billion by 2025 due to increases in employee compensation. CDCR will be announcing one additional prison closure in 2022 and the LAO has assessed that the state can safely close a total of 5 prisons by 2025.

Outside of CDCR, in addition to significant sentencing reforms, the state has made significant investments in areas such as mental health diversion and youth diversion programs, because of the significant number of individuals that enter the justice system with an underlying mental health condition, and youth whose trauma and needs could be better served through services rather than incarceration. One could argue that such investments are provided to decrease the state's reliance on its prisons and jails in recognition of other effective public safety interventions. Considering all of these factors, a focused, thoughtful strategy is urgently needed to direct resources in a manner that maximizes public safety outcomes and reduces the risk of waste. The Subcommittee may wish to ask:

Should some facilities be closed and others consolidated?

Should there be more mental health crisis beds?

Should prisons be relocated?

How would the state incorporate more space for treatment and rehabilitation programs?

What should the state's portfolio of penal institutions look like in the long term?

Recommendations:

1. The Subcommittee may wish to require CDCR to provide a report that includes all of the information contained in the SRL. The Subcommittee may also wish to require CDCR to submit an alternative proposal to the SRL that the Subcommittee can consider.

2. As demonstrated with the announced DVI closure, while the closure of a prison itself is warranted, the Subcommittee may wish to inquire as to why another facility, like the California Rehabilitation Center (CRC) was not selected. There have been no significant capital investments in CRC since it was identified for closure in 2012 by CDCR in its blueprint **"The Future of California Corrections: A Blueprint to Save Billions of Dollars, End Federal Oversight, and Improve the Prison System."** Staff also notes that since the release of the blueprint eight years ago, CDCR's budget has actually increased by more than \$4 billion and federal oversight remains in place. In addition, the Subcommittee may wish to adopt the LAO's recommendation rejecting the proposed repairs for CRC unless the administration provides a long-term plan for the facility demonstrating that the repairs will be completed sufficiently in advance of any potential future closure date.
3. At the February 8, 2021 Assembly Budget Sub 5 hearing, the Department of Finance stated they would not be able to comment on the selection of the second prison for closure as its identification is not statutorily required until, on, or before January 10, 2022. Nevertheless, the Subcommittee may wish to ask CDCR to provide a detailed, written description of how prisons are selected for closure, including the weight given to each factor and how the Department is mitigating against waste associated with capital and other facility investments that have been made.
4. The Subcommittee may wish to adopt trailer bill language to close three additional prisons within the timeframe identified by the LAO based on CDCR's population projections in a manner that does not compromise public safety, public health, or risk of violating a federal court ordered limit on prison overcrowding within state-owned prisons.
5. Lastly, the Subcommittee may wish to adopt trailer bill language regarding what may be done with closed facilities in order to avoid paying maintenance and staffing fees indefinitely.

Staff Recommendation: Hold Open.

ISSUE 2: VARIOUS CAPITAL OUTLAY AND MAINTENANCE PROPOSALS

The Department of Corrections and Rehabilitation (CDCR) will provide an overview of its capital outlay and maintenance proposals.

PANELISTS

- Chris Lief, CDCR
- Caitlin O'Neil, Legislative Analyst's Office

*Department of Finance is available for questions from members.

Proposed Funding

1. One-Time Deferred Maintenance Allocation: The Governor's Budget requests \$50 million General Fund in 2021-22 for CDCR for various deferred maintenance projects across multiple institutions. The projects are listed below:

Facility	Description	Estimated Funding Need
ASP	Replace Hydronic Loop System (2021-22 phase)	\$3,400,000
ASP	Upgrade Fire Suppression Exhaust Hood Systems (UL 300 Compliance)	\$3,234,000
CAL	Replace Condenser Water Supply and Return Piping - Chiller Plant	\$3,081,000
CAL	Repair and Upgrade Lethal Electrified Fence	\$1,473,000
CCI	Repair and Upgrade Lethal Electrified Fence (partial funding amount)	\$1,466,000
CCWF	Repair Housing Unit Showers (14 Buildings)	\$4,660,000
CEN	Repair and Upgrade Lethal Electrified Fence	\$1,382,000
CMC	Upgrade Fire Suppression Exhaust Hood Systems (UL 300 Compliance)	\$3,700,000
CMF	Upgrade Fire Suppression Exhaust Hood Systems (UL 300 Compliance)	\$2,800,000
COR	Upgrade Fire Suppression Exhaust Hood Systems (UL 300 Compliance)	\$3,700,000
CVSP	Renovate Water Tanks	\$4,500,000
CVSP	Repair and Upgrade Lethal Electrified Fence	\$946,000
ISP	Repair and Upgrade Lethal Electrified Fence	\$1,418,000
LAC	Repair and Upgrade Lethal Electrified Fence	\$1,407,000
RJD	Repair and Upgrade Lethal Electrified Fence	\$1,433,000
SCC	Repair Showers - Facility C (5 Buildings)	\$1,600,000
SOL	Repair Water Treatment Plant Filter Trains	\$1,100,000
SOL	Replace Hydronic Loop System (2021-22 phase)	\$4,000,000
SOL	Upgrade Fire Suppression Exhaust Hood Systems (UL 300 Compliance)	\$2,400,000
WSP	Upgrade Potable Water Well Treatment and Pumps	\$2,300,000
Total:		\$50,000,000

2. Roof Replacement Design and Construction: The Governor's Budget requests \$1 million General Fund in 2021-22 for the design phase and \$32.6 million General Fund in 2022-23 for the construction phase of roof replacements at California State Prison, Los Angeles.

3. AB 900 General Fund Appropriation: The Governor's Budget requests a reappropriation of \$6 million General Fund for CDCR's Health Care Facility Improvement Projects to ensure the balance of this appropriation remains available for encumbrance or expenditure until June 30, 2022 for completion of these projects.

4. Statewide: Minor Capital Outlay Program: The Governor's Budget requests \$1.52 million General Fund to CDCR for the design and construction of minor capital outlay improvements at the California Health Care Facility (CHCF).

5. California Institution for Men, Chino: Air Cooling Facility A: The Governor's Budget requests \$13.89 million General Fund to fund the construction phase of the installation of air cooling systems at the California Institution for Men. Total project costs are estimated at \$15.75 million, including Preliminary Plans (\$935,000), Working Drawings (\$931,000), and Construction (\$13,886,000). The construction amount includes \$8.84 million for the construction contract, \$619,000 for contingency, \$1.29 million for architectural and engineering services, \$764,000 for agency retained items, and \$2.37 million for other project costs. The Preliminary Plans began in July 2018 and were completed in January 2020. The Working Drawings began in January 2020 and will be approved in May 2021. Construction is scheduled to begin in September 2021 and will be completed in July 2023.

6. CA State Prison, Los Angeles: Medication Preparation Room Unit D5: The Governor's Budget requests \$328,000 General Fund for Working Drawings for the Medication Preparation Room Unit D5 at California State Prison, Los Angeles. The project includes medication preparation improvements in housing unit D5. Total project costs are estimated at \$3.4 million including Preliminary Plans (\$300,000), Working Drawings (\$328,000), and Construction (\$2,768,000). The construction amount includes \$2.13 million for the construction contract, \$128,000 for contingency, \$60,000 for architectural and engineering services, \$93,000 for agency retained items, and \$355,000 for other project costs. The current project schedule estimates Preliminary Plans began in July 2020 and will be completed in June 2021. The Working Drawings are estimated to begin in July 2021 and will be approved in July 2022. Construction is scheduled to begin in November 2022 and will be completed in April 2024.

7. Substance Abuse Treatment Facility and Corcoran: Air Cooling Facility F/G: The Governor's Budget requests \$2.7 million General Fund for Preliminary Plans and Working Drawings for the California Substance Abuse Treatment Center and Corcoran State Prison: Air Cooling Facility F and G. Total project costs are estimated at \$14.9 million including Preliminary Plans (\$1.43 million), Working Drawings (\$1.28 million), and Construction (\$12.2 million). The construction amount includes \$10.22 million for the construction contract, \$715,000 for contingency, \$286,000 for architectural and engineering services, \$74,000 for agency retained items, and \$909,000 for other project costs. The current project schedule estimates Preliminary Plans will begin in July 2021 and will be completed in April 2022. The Working Drawings are estimated to begin in May 2022 and will be approved in September 2022. Construction is scheduled to begin in January 2023 and will be completed in January 2025.

8. Calipatria State Prison: Health Care Facility Improvement Program (HCFIP)—Phase II: The Governor's Budget requests \$4.15 million General Fund (total estimated project cost is \$22.19 million) in additional funding for construction of the HCFIP project at Calipatria. During construction, it was determined that funding previously provided for construction was not adequate to complete construction.

9. Fire Alarm Replacement and Fire Suppression Repair Reappropriation: The Governor's Budget requests the reappropriation of \$54.5 million General Fund in 2021-22 for the replacement of fire alarm systems and repair fire suppression systems at Mule Creek State Prison, Richard J. Donovan Correctional Facility, and California State Prison-Sacramento. In addition, provisional language is requested to extend the expenditure and encumbrance period through June 30, 2024.

LEGISLATIVE ANALYST'S OFFICE (LAO)

One-Time Increase of \$50 million General Fund for Special Repairs and Deferred Maintenance. The LAO states that, given California's significant prison infrastructure needs—many of which are urgent and relate to health, safety, or habitability concerns—additional funding for special repair and deferred maintenance of state prisons appears reasonable. Moreover, the costs for addressing these needs are largely unavoidable and will grow if not addressed.

Staff Recommendation: The Subcommittee may wish to consider withholding action on these items pending a commitment from the department to submit a plan pursuant to the supplemental reporting language: Prison Infrastructure Improvement Strategy.

ISSUE 3: VARIOUS NON-CAPITAL OUTLAY PROPOSALS

The Department of Corrections and Rehabilitation (CDCR) will provide an overview of various budget change proposals related to cellular interdiction, increasing canteen resources, and increasing healthy menu options.

PANELISTS

- Tammy Irwin, CDCR
- Amy Casias, CDCR
- Keith Robinson, CDCR
- Shannon Stark, CDCR
- Luke Koushmaro, Legislative Analyst's Office

*Department of Finance is available for questions from members.

Proposed Funding

1. Cellular Interdiction Program: The Governor's Budget requests \$1.8 million General Fund in 2021-22 and ongoing to maintain the existing Managed Access System (MAS) at 18 institutions. Since 2012, MAS has been provided through the IWTs contract at no cost to CDCR, which ends in 2021. The MAS solution prevents the cell phone from connecting to cellular service effectively neutralizing communication capabilities inside the prison. Without additional funding, CDCR will deactivate the technology by June 2021. CDCR has consistently recovered over 10,000 contraband cellular devices annually in recent years. Decoupling the MAS from the offender communications contract is preferred and beneficial. It is anticipated the removal of the MAS services will ultimately reduce the cost per minute rate for inmate phone calls.

2. Transgender Inmate Housing and Search Preferences (SB 132). The Governor's Budget requests \$2.8 million General Fund and 5.5 positions in 2021-22, \$1.8 million General Fund in 2022-23, and \$1.2 million General Fund in 2023-24 and ongoing to implement Senate Bill 132. SB 132 requires CDCR to develop policies and practices that facilitate safe housing for the transgender population, house transgender people based on their gender identify, prohibit CDCR from consistently using the person's preferred pronoun and honorific, and also requires transgender people to be searched by a staff member of the gender to which they identify. CDCR notes that as of 2020, there are 1,144 incarcerated people that identify as transgender. CDCR also acknowledges that it has not been meeting the workload deadlines associate with the Prison Rape Elimination Act (PREA) due to insufficient resources, the increase in reported sexual assault/violence accusations, and the difficulty in maintaining consistency in implementation.

2. Increased Canteen Resources: The Governor's Budget requests \$2 million Inmate Welfare Fund and 7.0 positions in 2021-22 and \$1.8 million Inmate Welfare Fund and 7.0 positions in 2022-23 and ongoing to meet growing demand for canteen items and provide increased and equal access to canteen for the incarcerated population.

3. Increased Healthy Menu Options: The Governor's Budget requests to increase the statewide feeding rate by \$0.22, per incarcerated person per day for food and supplies to update the food menu to provide healthy food options consistent with the *2015-2020 Dietary Guidelines for Americans*. Funding for this proposal would be made through the standard unallocated population adjustment, which is currently estimated at approximately \$7.5 million annually (based on an institution only population of 93,662). CDCR would redirect \$11.6 million in vacancy savings from plant operations positions in the budget year to fully cover the actual cost of inmate meals—\$3.74 per prisoner, per day. A total of \$20 million is being redirected in the current year.

**LEGISLATIVE ANALYST'S OFFICE
(LAO)**

The LAO provides the following analysis regarding the **Increase Health Menu Options** budget change proposal:

We notes that at the time of our analysis, CDCR has not provided a complete accounting of the total vacancy savings expected in the budget year. As such, it is unclear (1) how much total savings the department expects in 2021-22 from vacant plant operations positions, (2) how it arrived at that estimate, and (3) how the total estimated savings would be used in the budget year. Without such information, it is difficult for the Legislature to evaluate the Governor's proposal to provide an increase in General Fund support for inmate meals, as well as provide oversight of the department's vacancy savings.

Given the historical difficulty of filling plant operations positions as well as the current General Fund condition, redirecting plant operations vacancy savings on a temporary basis to support inmate meal costs appears reasonable but should not be a long-term strategy. Using plant operations funding to support inmate meals on an ongoing basis is inconsistent with the Legislature's original intent for the funds. This is particularly important given that the vacant positions were initially approved by the Legislature to help maintain CDCR's infrastructure, which is in a state of great disrepair. Not filling these positions could further increase these infrastructure needs and costs. We note that as these positions are filled over time, the state would need to backfill the level of vacancy savings supporting inmate meals with additional General Fund support.

Further Action Needed to Fill Vacancies and Address Plant Operations Workload. As of June 2019, CDCR reported taking several steps to fill plant operations vacancies such as increased recruitment efforts through advertisements on various websites, newspapers, and radio stations. However, additional actions could be necessary to either fill these positions or use alternative approaches to addressing the unmet workload. For example, CDCR could potentially consider increasing the pay rate at institution's with historically high vacancy rates; using the existing vacancy savings to hire contractors; or making greater use of inmates to perform plant operations functions, including by training inmates in the necessary skills.

STAFF COMMENTS

Contraband Interdiction. CDCR has indicated that all 35 adult institutions have drug and contraband interdiction devices and in addition, each prison has two canine teams. The

Subcommittee has requested data on contraband for the 2017, 2018, 2019, and 2020 to evaluate the effectiveness of contraband interdiction efforts. In addition, the stoppage of visitation from March 2020 and ongoing allows for a unique opportunity to continue assessing the entry points for contraband into the prisons. The following table was provided by CDCR. It should be noted that all visitation was stopped on March 11, 2020 and all family visits and tours were stopped on March 24, 2020.

**Contraband Discovered in Institutions from
January 01, 2017 - December 31, 2020.**

Type of Contraband	2017	2018	2019	2020
Cellular Telephones	16,175	16,091	13,450	11,778
Heroin (lbs)	30.5	34.8	37.5	27.6
Marijuana (lbs)	104.9	147.7	73.3	100.8
Methamphetamines (lbs)	45.4	51.3	54.0	60.3
Tobacco (lbs)	730.1	649.5	481.2	544.1

Data obtained from CDCR's Office of Research

Transgender Inmate Housing and Search Preferences (SB 132). Both the Assembly and Senate appropriations analysis note one-time costs only and no staffing needs. In response, CDCR states that the fiscal estimates were initial estimates based on known costs. The CDCR Transgender Workgroup has since identified the workload associated with the implementation of this policy, including the need for additional staffing resources.

Staff Recommendation: Hold Open.

This agenda and other publications are available on the Assembly Budget Committee's website at: <https://abgt.assembly.ca.gov/sub5hearingagendas>. You may contact the Committee at (916) 319-2099. This agenda was prepared by Jennifer Kim.

EXHIBIT 7

FACILITY PLANNING, CONSTRUCTION AND MANAGEMENT



LEASE AGREEMENT

By and between Corrections Corporation of America ((CCA) (Federal Tax I.D. #62-1763875),
as LESSOR

and

California Department of Corrections and Rehabilitation (CDCR) as LESSEE

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LIST OF EXHIBITS

- EXHIBIT A-1 Description of Premises (i.e. plot maps, legal description, as-built plans)
- EXHIBIT A-2 Furnishings, Fixtures and Equipment (FFE Schedule)
- EXHIBIT B Conditional Use Permit
- EXHIBIT C Services Agreement
- EXHIBIT D Amortization Schedule of Improvements
- EXHIBIT E Baseline Utility Expenses – Agreement Year One
- EXHIBIT F Tenant Improvements by LESSOR
- EXHIBIT G Additional Parking Requirements
- EXHIBIT H Repair and Maintenance Requirements (including tracking of ADA assets)

LEASE AGREEMENT

This Lease Agreement (also referred to as this "Lease" or this "Agreement") is made and entered into by and between the Corrections Corporation of America (CCA), hereinafter called the LESSOR and the State of California, acting by and through the Secretary of the Department of Corrections and Rehabilitation (CDCR), hereinafter called LESSEE. This Agreement shall not be altered, changed or amended except by mutual consent of the parties in writing.

ARTICLE I - DEFINITIONS

Additional Rent – all identified sums in Article XI payable by LESSEE to LESSOR under this Agreement, other than Base Rent.

Additional Terms – means incremental extensions to this Agreement as further defined in Article VIII, which when exercised by LESSEE and LESSOR when applicable to extend the Term of this Lease.

Agreement Year – means the twelve consecutive month period commencing on the Term Commencement Date, a new Agreement Year beginning in each consecutive twelve month period thereafter until the expiration or termination of this Agreement.

Alterations – means alterations to the Premises by either LESSEE or LESSOR that alter in any way the physical design of the Facility. For purposes of clarity, alterations of a minor nature are those alterations that are primarily cosmetic in nature and would not normally require a building permit, architectural drawings, and/or review by a structural engineer. Some examples of minor alterations include painting, minor electrical and/or plumbing modifications, cabling for information systems, modular furniture systems, installation of temporary structures (i.e., those things that could be removed at the end of the term of the Agreement), etc. Alterations of a significant nature are those alterations that may require a building permit, architectural drawings, and/or review by a structural engineer. Some examples of significant alterations are wall demolition, building additions, fortification or modification of secure perimeter, modification or removal of building operational systems (i.e., HVAC, fire alarm systems, etc), etc. Each party shall notify the other in advance before making any significant Alterations.

Base Rent – means the base rent amounts as set forth in Article X.

CDCR Contract Monitor – The designated representative of the CDCR or his/her designee/delegate serving as liaison between CDCR and the LESSOR and who monitors the LESSOR's performance under the Services Agreement. This shall also apply to any monitor on behalf of the federally appointed receiver's office in the federal case of *Plata v. Brown* monitoring health care.

Contract Beds Unit – (CBU) means the unit within CDCR that would oversee the Services Agreement.

Contractor – means the LESSOR.

Critical Tenant Improvements – means those improvements identified in Article XII and Exhibit F that LESSOR must commence the design, procurement and/or construction of immediately following the Effective Date of the Lease by both parties and Substantially Complete construction by June 30, 2014.

Day – means calendar day, unless otherwise defined, in this Agreement. If the last day falls on a weekend or holiday, the last day for performance shall be the next regular business day.

Design Criteria Guidelines – means those published standards promulgated by CDCR that establish the criteria and standards for the design and construction of CDCR correctional facilities and which shall govern the standards of design and construction of any improvements made by LESSOR on behalf of LESSEE.

DOM – means the CDCR Department Operations Manual.

Early Termination – means the right of LESSEE to terminate the Lease at no penalty other than the repayment of unamortized tenant improvements as defined in the Lease.

Effective Date of the Lease – the last date on which this Lease is fully executed by LESSOR and LESSEE.

Facility – means the California City Correctional Facility, aka Premises.

Force Majeure Event or Force Majeure Events – "Force Majeure" means any event or circumstance which wholly or partly prevents or delays the performance of any material obligation arising under this Lease Agreement but only if and to the extent (i) such event is not within the reasonable control, directly or indirectly, of the party seeking to have its performance obligation(s) excused thereby, (ii) the party seeking to have its performance obligation(s) excused thereby has taken all reasonable precautions and measures in order to prevent or avoid such event and mitigate the effect of such event on such party's ability to perform its obligations under this Lease Agreement and which by the exercise of due diligence such party could not reasonably have been expected to avoid and which by the exercise of due diligence it has been unable to overcome, and (iii) such event is not the direct or indirect result of the negligence of or the failure to perform under this Lease Agreement by, or caused by, the party seeking to have its performance obligations excused thereby; provided further, that such event is within or similar to one or more of the following categories: condemnation; expropriation; invasion; plague; drought; landslide; tornado; hurricane; unusually severe weather; tsunami; volcano; flood; lightning; earthquake; fire; explosion; epidemic; quarantine; war (declared or undeclared), terrorism or other armed conflict; strikes and other labor disputes; riot or similar civil disturbance or commotion; other acts of God; acts of the public enemy; blockade; insurrection, sabotage or vandalism; embargoes; and actions of a governmental authority (other than in respect of LESSOR'S compliance with applicable laws in effect during operation of this Lease Agreement).

Furnishings, Fixtures and Equipment (FFE) – means those furnishings, fixtures and equipment that will remain in the Premises for use by LESSEE. The FFE is further distinguished by FFE – Group 1, which are those items that will remain and be part of LESSOR's maintenance and repair responsibilities; Group 2, which are those items that will remain at LESSEE's option and be part of LESSEE's maintenance and repair responsibilities and Group 3, which are those items that LESSOR shall make available for purchase to LESSEE at a fair and reasonable price. The current inventory of FFE is itemized on Exhibit A-2.

Initial Term – means the three year period beginning on the Term Commencement Date.

Legal Description – Legal description is the geographical description of a real estate property for the purpose of identifying the property for legal transactions. A legal description of the property unambiguously identifies the location, boundaries, and any existing easements on the property.

Mandatory ACA Standards – means those standards identified as being mandatory in the American Correctional Association's Standards for Adult Correctional Institutions, 4th Edition, as same may be modified, amended, or supplemented in the future.

Mandatory Tenant Improvements – means those improvements identified in Article XII and Exhibit F that LESSOR must commence the design, procurement and/or construction of immediately following the Effective Date of the Lease and Substantially Complete by the Term Commencement Date in order to allow LESSEE to occupy the Premises for the purposes hereunder. These are sometimes also referred to as the Phase 1 improvements.

Monthly Base Rent – means the fixed monthly amount owed to LESSOR in arrears each month, including any partial payment due to circumstances allowed for in this Lease Agreement.

Occupancy, or Occupancy – refers to the occupancy of the Facility by an inmate. CDCR's Occupancy refers to occupancy of the Facility by a CDCR inmate.

Offender – means any adult male person incarcerated pursuant to applicable California laws, and assigned to the Facility for housing under this Agreement, aka Inmate.

Operating Requirements – means applicable federal, state, and local law and court orders, constitutional standards, CDCR regulations made applicable to the Facility by this Agreement.

Party or Parties – refers to the LESSOR and/or LESSEE, individually or collectively, as specified.

Project and Construction Management (PCM) team – means the designee of LESSEE that will coordinate the construction activities of LESSOR on behalf of LESSEE.

Punch List of Corrections – means the list of deficiencies of the LESSOR's tenant improvement work that LESSOR asserts has been satisfactorily completed but LESSEE asserts remains incomplete based on the Plans and Specifications approved by LESSEE.

Services Agreement – means the agreement outlining those services, goods and equipment to be provided by LESSOR during the Term of this Lease. The Services Agreement shall form an exhibit to the Lease (Exhibit C).

Substantial Completion or Substantially Complete – means that each of the individual items comprising of the Tenant Improvements are sufficiently complete so as to be functional for the intended purpose and comply with all applicable codes, regulations and statutes.

Term Commencement Date – means December 1, 2013 as further defined in Article VII. The Base Rent shall commence upon the Term Commencement Date subject to the provisions of this Lease as set forth in Article X.

Title 15 – means Title 15 of the California Code of Regulations, "Crime Prevention and Corrections" including all subsequent amendments thereto.

ARTICLE II – DESCRIPTION OF PREMISES

The LESSOR hereby leases unto LESSEE and the LESSEE hereby leases from the LESSOR those certain premises with appurtenances situated in California City, County of Kern, State of California, for the purposes of housing adult offenders under LESSEE's jurisdiction and more particularly described as follows:

Approximately 70 acres of a greater +/- 320 acre parcel as further described in the Legal Description, along with certain improvements consisting of a medium security correctional facility totaling 489,789 square feet comprised of 2,560 total inmate beds and adjacent parking as outlined within the attached Exhibit A-1" (the "Premises"). Exhibit "A-1" together with Exhibit A-2 listing all existing furnishings, fixtures, and equipment remaining in the Premises (hereinafter referred to as the Furnishings, Fixtures and Equipment [FFE] Schedule) are hereby incorporated into this Lease.

ARTICLE III - ACA ACCREDITATION

LESSOR warrants and represents that the Premises are currently accredited by the American Correctional Association (ACA). To the extent that LESSEE's operation of the Premises requires a re-accreditation by ACA, LESSOR will ensure that the Facility meets those mandatory ACA standards related to physical plant structural requirements and LESSOR'S maintenance responsibilities pursuant to Article XXI.

ARTICLE IV – CONDITIONAL USE PERMIT

LESSOR warrants and represents that the Facility currently has a valid Conditional Use Permit (CUP) governing the use and operation of the Facility. However, LESSOR acknowledges its current CUP does not indicate the total number of beds of the Facility as stated above and shall immediately upon execution of this Agreement begin the process of seeking to obtain any necessary modification to include identifying LESSEE as the intended occupant. Further, to the extent that the CUP must be modified, extended or amended at any subsequent time to facilitate LESSEE's ongoing use of the Facility as contemplated hereunder, LESSOR agrees to immediately begin the process of seeking to obtain such changes and the approvals of any authority having jurisdiction over the CUP, or LESSEE's use of the Premises. The initial CUP and any amended CUPs shall for an exhibit to this Lease (Exhibit B).

ARTICLE V – USE OF PREMISES

LESSEE intends to use the Premises as a correctional facility housing adult inmates under its jurisdiction. LESSEE shall not exceed housing 2,560 inmates within the Facility without the LESSOR's prior written consent. LESSEE's use of the Premises shall be in accordance with all applicable federal, state and local laws and regulations. Except as noted below, the CDCR is the sole LESSEE and shall have access to and use of all portions of the Premises 24 hours per day, seven (7) days per week with no exceptions; provided, however, LESSOR shall be provided access to the Premises including current designated maintenance areas to perform repair and maintenance responsibilities pursuant to Article XXI.

ARTICLE VI – EXISTING OCCUPANCY BY OTHERS

LESSEE acknowledges that the Premises are currently occupied by inmates from other law enforcement agencies. However, LESSOR agrees that immediately upon execution of this Agreement, LESSOR will take all necessary steps to expedite transfer of all remaining non-CDCR inmates from the Premises such that no such inmates will be remaining as of December 15, 2013. Until non-CDCR inmates have completely vacated the Premises, LESSOR agrees to house, treat, program and otherwise serve its existing occupants from other law enforcement

agencies in such a manner as to pose the least disruption to LESSEE's rights of entry and utilization of the Premises.

ARTICLE VII – TERM; TERM COMMENCEMENT DATE

The term of this Lease shall commence December 1, 2013, and shall terminate on the date that is three (3) years after the Term Commencement Date, if not terminated earlier pursuant to the provisions herein.

If LESSOR fails to achieve Substantial Completion of any Mandatory Tenant Improvement by December 1, 2013 and such failure continues through December 15, 2013, LESSEE and LESSOR agree that the Term Commencement Date shall not be revised.

In the event that LESSOR has failed to remove all prior occupancies and/or Substantially Completed the Mandatory Tenant Improvements by December 16, 2013 and continues thereafter in such failure, LESSEE shall be entitled to rent abatement equal to the amounts stated in Article X - Base Rent.

ARTICLE VIII – OPTION TO EXTEND TERM, ADDITIONAL TERM(S)

LESSEE shall have the option to extend the Term for one additional two-year term by giving LESSOR at least one hundred eighty (180) days written notice prior to the expiration of the Initial Term. Thereafter, both LESSEE and LESSOR shall have the option upon mutual agreement to extend the Term for successive two year periods each by giving at least one hundred eighty (180) days written notice to the other party prior to the expiration of the then Term. LESSEE shall lease the Premises during the applicable Additional Term upon the same terms and conditions of this Lease. LESSEE shall receive a rebate in the amount of \$500,000 for each two-year option period that is exercised. LESSOR shall pay LESSEE the rebate in equal monthly installments over the two year option period. However, if the Lease is terminated due to acts or omissions of LESSOR before the \$500,000 is paid in full to CDCR, the remaining balance is immediately due and payable to LESSEE and if the Lease is terminated due to acts or omissions of LESSEE before the \$500,000 is paid in full to LESSEE, the balance remaining on the termination date shall not be paid to LESSEE.

In the event that LESSEE exercises its option to extend the Term after expiration of the first additional two-year term pursuant to this Article, and LESSOR does not agree to a further extension by LESSEE, then LESSEE shall not be obligated to pay any portion of the unamortized balance of the Tenant Improvements remaining at the end of the then term of the Lease.

ARTICLE IX – EARLY TERMINATION

Other than expressly provided herein, the LESSEE may also terminate this Lease and any extensions thereof at any time effective on or after the first full 12-month period following the Term Commencement Date by giving at least ninety (90) days written notice prior to the date when such termination shall become effective.

If the LESSEE elects to exercise this Early Termination provision but LESSEE fails to complete its move out within the notice period and remains in the Premises, LESSEE shall be obligated to continue to pay Base Rent and Additional Rent prorated on a thirty (30) day month, based on the actual number of days the LESSEE occupies the Premises following the effective date of termination.

In the event LESSEE elects to terminate this Agreement under this Early Termination provision, LESSEE shall pay to LESSOR as compensation for such termination the unamortized sum of improvements based on the amortization schedule in Article XI herein.

ARTICLE X - BASE RENT

The Base Rent shall be paid by the LESSEE to LESSOR from legally available funds and subject to the California Constitution, in arrears on the last day of each month during the Initial Term and the Additional Terms (if exercised by LESSEE and LESSOR, if applicable, as provided herein) as follows:

<u>Initial Term (36 Months)</u>	<u>Monthly Base Rent</u>
Months 1-12	\$2,375,310.83
Months 13-24	\$2,375,310.83
Months 25-36	\$2,375,310.83

In the event non-CDCR inmates continue to occupy the Premises after December 15, 2013, the Monthly Base Rent payable by LESSEE shall be prorated day for day for each day based on the actual number of days in the month non-CDCR inmates occupy the Premises.

In the event that either the Mandatory Tenant Improvements are not Substantially Completed, ~~or LESSOR has failed to remove the non-CDCR inmates~~ by December 15, 2013, LESSEE shall be entitled to a 10% rent abatement of the daily Base Rent for each day thereafter until LESSOR cures this default, in addition to any other remedies available to LESSEE pursuant to this Lease.

If the Initial Term is extended pursuant to Article VIII a) the Monthly Base Rent shall increase by the lesser of two percent (2%) or CPI, provided the Monthly Base Rent will not decrease as a result in changes to the CPI, for the next twelve months and each twelve month period thereafter.

For the purposes of this Lease, "CPI" shall mean the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), U.S. City Average (1982-1984 = 100), issued by the Bureau of Labor Statistics of the United States Department of Labor or any revision to this index or successor index that tracks the same data. If the CPI ceases to be published, with no successor index, then LESSOR and LESSEE shall agree upon a reasonable substitute index. The CPI for any date means the CPI last published before the calendar month that includes such date. "CPI Increase" shall mean an adjustment to reflect the percentage increase in the CPI during the prior Agreement Year.

In the event the Legislature of the State of California, at any time during its duly convened legislative process, fails, neglects or refuses to appropriate or continue appropriation of sufficient funds as may be required for the LESSEE to continue the payments required hereunder, this Lease shall terminate consistent with the early termination provision above.

Rent payable hereunder for any period of time less than one month shall be determined by prorating the Monthly Base Rent herein specified based on the actual number of days in a month. Rent shall be paid to LESSOR at the address specified in Article XXXV or to such other address as the LESSOR may designate by a notice in writing.

ARTICLE XI - ADDITIONAL RENT

In addition to the Base Rent payable hereunder, LESSEE agrees to pay the following Additional Rent in the manner set forth herein.

- A. Fees and Costs as outlined in the Service Agreement (Exhibit C)
- B. Amortized Tenant Improvements (Exhibit D)

C. Baseline Utility Expenses for Agreement Year One (Exhibit E)

**ARTICLE XII – TENANT IMPROVEMENTS
TO THE PREMISES BY LESSOR**

LESSOR shall make the Mandatory Tenant Improvements and Critical Tenant Improvements to the Premises as set forth in Exhibit F attached hereto and in accordance with all applicable federal, state and local laws and regulations, including all CDCR design and construction standards, criteria and specifications, governing such construction ("Governing Requirements"). Such improvements shall be completed by LESSOR in the manner set forth herein, and LESSEE agrees to reimburse to LESSOR upon the completion of such improvements the amounts set forth in Article XI and Exhibit D.

LESSEE requires certain of the improvements to be Substantially Completed prior to its Occupancy in order to use the Premises as LESSEE intends. These improvements are referred to as Mandatory Tenant Improvements and shall be Substantially Completed by LESSOR by the Term Commencement Date of the Lease. Additionally, LESSEE requires other improvements which are not necessary to be completed by the Term Commencement Date but which must be Substantially Completed no later than June 30, 2014. These improvements are referred to as Critical Tenant Improvements. Both the Mandatory Tenant Improvements and Critical Tenant Improvements are collectively referred to as the Tenant Improvements except where referenced specifically. In order to complete the Tenant Improvements by the required dates, LESSOR shall immediately retain the services of a qualified architect to prepare the plan and specifications ("Plans and Specifications") necessary to properly complete the Tenant Improvements required pursuant to Exhibit F - Tenant Improvements by LESSOR. Regardless of whether or not LESSOR substantially completes the Tenant Improvements by the required dates, nothing in this Lease shall relieve LESSOR of fully completing the Tenant Improvements in accordance with the requirements of this Article and of Exhibit F.

LESSOR shall submit to LESSEE detailed Plans and Specifications sufficient to communicate design intent and performance relative to LESSEE's Design Criteria Guidelines (DCGs). Delivery of submittals shall be in the form of electronic media acceptable to LESSEE. LESSEE's Project and Construction Management (PCM) team shall review and approve the Plans and Specifications and return edits, comments or approval to LESSOR within two (2) business days after receipt of LESSOR's submittals. LESSOR understands that delays in LESSEE's turnaround time will occur if details are not sufficiently communicated and LESSEE must request additional information as a result. LESSEE's failure to edit, comment and/or review LESSOR's submittal and respond to LESSOR within two (2) business days, due to no fault of LESSOR, shall be deemed to be an approval of the Plans and Specifications. In the event that LESSEE has edited, commented or disapproved LESSOR's submittals, LESSOR shall promptly make necessary corrections and resubmit to LESSEE for its review and approval upon which LESSEE shall have one (1) business day to respond. Upon LESSEE's approval, LESSOR shall take all actions as are necessary to complete the Tenant Improvements pursuant to the approved Plans and Specifications.

Upon completion of Tenant Improvements LESSOR shall furnish to LESSEE a complete design documents which shall include two (2) copies of the following:

1. Drawing printed sets: Full-size print and half-size print.
2. Specification printed sets: 8 1/2" X 11"

One (1) copy of CD ROM Disc with the following data:

- PDF File for each Drawing
- PDF File of Specifications

The Plans and Specifications shall include the architect's/engineer's professional stamp and signature.

LESSOR understands and agrees not to make any modifications to the Plans and Specifications without first obtaining approval from LESSEE which it may withhold in its reasonable discretion. Any changes to the Plans and Specifications, without first obtaining LESSEE approval, and for which LESSEE does not approve, will be at the sole expense of the LESSOR, including any corrections needed by LESSEE to remedy this unauthorized work.

The completion of the Tenant Improvements shall be memorialized in a writing to be presented to LESSEE for signature wherein LESSOR certifies that the Tenant Improvements are completed in a manner consistent with Governing Requirements and consistent with the Plans and Specifications approved by LESSEE. In the event that the completed work of LESSOR is deficient or incomplete such conditions shall be noted in a Punch List of corrections. The PCM team designee shall work with the LESSOR to identify those items needing correction by LESSOR and help to coordinate their completion with the operating staff of the Facility and the LESSOR. Until such time as the completed work is free of any remaining punch list items, the Tenant Improvements shall not be considered to be Substantially Complete. LESSOR shall ensure any Punch List items are completed within 14 days of issuance of the Punch List.

LESSOR shall make the Tenant Improvements in a manner that provides the lowest costs for such work consistent with industry standards for quality and costs for work of this nature, taking into account the urgent nature by which these improvements are being delivered. LESSOR has provided cost estimates for such work and shall, upon request by LESSEE, provide a full and complete accounting of the actual costs of the improvements. The actual cost of such improvements, less a \$10,000,000 allowance provided by LESSOR to LESSEE, is to be amortized in accordance with the Amortization Schedule set forth in Article XI and Exhibit D. Inasmuch as LESSEE is obligated to pay a portion of the cost of said improvements, LESSEE may elect to remove any and all improvements made by LESSOR which may be removed without resulting in unrepairable damage at the expiration of said Lease, repairing any damage left to the Premises from such removal. LESSEE agrees to provide LESSOR fifteen (15) days written notice of its intent to remove such improvements.

ARTICLE XIII – LESSOR SERVICES; SERVICES AGREEMENT

LESSOR and LESSEE acknowledge that in addition to lease of the Premises and any services required and specifically stated in the Lease, there are also other services required in connection with LESSEE's use of the Premises as a correctional facility. As such, the parties shall enter into a separate agreement (hereinafter referred to as the Services Agreement, Exhibit C) for such services concurrent with its execution of the LEASE.

LESSOR/CONTRACTOR agrees that it will not either directly, or on a subcontract basis, employ in connection with the performance of LESSOR's obligations under this Lease, including the Services Agreement:

- A. Ex-Offenders on active parole or probation;
- B. Ex-Offenders at any time if they are required to register as a sex offender pursuant to Penal Code Section 290 or if such ex-offender has an offense history involving a "violent felony" as defined in subparagraph (c) of Penal Code Section 667.5; or
- C. Any ex-felon in a position which provides direct supervision of parolees.

Ex-Offenders who can provide written evidence of having satisfactorily completed parole or probation may be considered for employment by the LESSOR/CONTRACTOR subject to the following limitations:

- A. LESSOR/CONTRACTOR shall obtain the prior written approval to employ any such ex-offender from the CDCR Contract Manager; and
- B. Any ex-offender whose assigned duties are to involve administrative or policy decision-making; accounting, procurement, cashiering, auditing, or any other business-related administrative function shall be fully bonded to cover any potential loss to CDCR.

During the performance of this Agreement, it shall be the responsibility of the LESSOR, whenever there is an allegation of employee misconduct associated with and directly impacting inmate and/or parolee rights, to immediately notify the CDCR of the incident(s), to cause an investigation to be conducted, and to provide LESSEE with all relevant information pertaining to the incident(s). All relevant information includes, but is not limited to: a) investigative reports; b) access to inmates/parolees and the associated staff; c) access to employee personnel records; d) that information reasonably necessary to assure CDCR that inmates and/or parolees are not or have not been deprived of any legal rights as required by law, regulation, policy and procedures; and e) written evidence that the LESSOR has taken such remedial action, in the event of employee misconduct with inmates and/or parolees, as will assure against a repetition of the incident(s). Notwithstanding the foregoing, and without waiving any obligation of the LESSOR, LESSEE retains the power to conduct an independent investigation of any incident(s). Furthermore, it is the responsibility of the LESSOR to include the foregoing terms within any and all subcontracts, requiring that subcontractor(s) agree to the jurisdiction of LESSEE to conduct an investigation of their facility and staff, including review of subcontractor employee personnel records, as a condition of the Agreement. Nothing contained in this paragraph shall be deemed to constitute a waiver of any attorney/client privilege or of the work product doctrine privilege.

The LESSOR shall report all suspected felonies to the appropriate law enforcement agency for investigation. In addition, the LESSOR shall report any crime committed by an employee in the course and scope of that employee's work, any crime committed on the grounds of the LESSOR's facility, and any sex offense, drug offense, or violent offense by an employee wherever committed to an appropriate law enforcement agency, provided the LESSOR has evidence-based, reasonable suspicion of the crime or offense.

ARTICLE XIV – RETENTION/HIRING OF EXISTING CONTRACT PERSONNEL AND/OR LESSOR STAFF

LESSEE at its sole discretion may seek to retain existing staff and/or contract personnel of LESSOR. LESSOR agrees to cooperate with LESSEE in facilitating the retention of existing staff and/or contract personnel of LESSOR to the greatest extent possible to ensure continuity of operations while LESSEE is preparing to gain early access to and eventually occupy the Premises. In that regard, LESSOR shall make all reasonable efforts to make available for LESSEE all personnel interested in transitioning their employment from the LESSOR to LESSEE, or their contracts from LESSOR to LESSEE, and to ensure services and operations impacted by any such transition continue uninterrupted to the greatest extent possible. This would include the time necessary for LESSOR's personnel to participate in the hiring process and any training necessary for a seamless transfer of facility operations to the LESSEE.

ARTICLE XV – RIGHT OF ENTRY; ACTIVATION OF PREMISES BY LESSEE PRIOR TO TERM COMMENCEMENT DATE

At any time following the Effective Date of this Lease, but prior to the Term Commencement Date when the Premises are made available to LESSEE for its occupancy, LESSEE, its agents, contractors or other representatives shall have the right to enter all areas of the Premises except occupied housing areas for the purpose of commencing certain activities it deems necessary prior to occupancy by LESSEE. Such activities shall include but not be limited to:

conducting a training academy on the grounds of the Premises, conducting personnel interviews, performing site inspections, conducting inventories, stocking materials, making certain minor Alterations and the like as necessary to meet the operational needs of LESSEE. LESSEE shall inform LESSOR prior to entering the Premises and shall include a general description of the activities to be performed. LESSEE, to the greatest extent possible, shall conduct its activities so as not to interfere with LESSOR'S occupancy and use of the Premises.

LESSOR agrees to facilitate activation by providing two secure Conex-type boxes of approximately 40' in length as referenced on Exhibit F for LESSEE's exclusive use, placing them in secure locations with the Premises. Upon LESSEE's occupancy and its full and exclusive access to all portions of the Premises subject to LESSOR's access to the Premises for the purpose of performing repair and maintenance responsibilities pursuant to Article XXI, LESSOR shall remove these Conex-type boxes upon prior notice to LESSEE to ensure that LESSEE has adequate time to transfer the contents of the boxes to the appropriate locations within the Premises.

In no event shall the exercise of this right of entry be construed so as to cause an acceleration of the occupancy date of this Lease or the obligation of the LESSEE to pay rent.

ARTICLE XVI -- DELAYS

LESSOR and LESSEE shall each make all reasonable efforts to ensure that the respective construction, activation and other work in the Premises by each party is scheduled in such a manner so as to not interfere with or delay the other in the completion of the Mandatory Tenant Improvements, the Critical Tenant Improvements and/or the Term Commencement Date.

ARTICLE XVII -- ALTERATIONS BY LESSEE AFTER TERM COMMENCEMENT DATE

LESSEE shall have the right at its cost and expense to make minor Alterations to the Premises at any time during the Lease after the Term Commencement Date. If LESSEE requires alterations of a significant nature, it agrees it will seek LESSOR's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

No Alterations of a significant nature shall be undertaken until LESSEE shall have delivered to LESSOR insurance policies or certificates issued by the applicable responsible insurers for workers' compensation and employer liability insurance covering all persons employed in connection with the alterations and with respect to whom death or bodily injury claims could be asserted against LESSOR, LESSEE or the Premises, and unless the liability insurance then in effect with respect to the Premises shall cover the risk, except further, that LESSEE is not required to deliver any policies or certificates for employees of LESSEE as the STATE is self insured.

Alterations shall be performed in a good and workmanlike manner in accordance with all required permits, licenses, or other permissions that the STATE may be subject to from any applicable public authority, the expenses of which shall also be paid by LESSEE. Promptly upon completion of Alterations that require a building permit, LESSEE, at LESSEE's expense, shall deliver to LESSOR record drawings of the portion of the Premises affected by the Alterations. At any time during the Lease, LESSEE may elect to remove any Alterations it made to the Premises pursuant to this Article which may be removed without resulting in unreparable damage to the Premises, repairing any damage caused by such removal.

LESSEE shall pay or cause to be paid all costs of labor, services, and materials supplied in the

performance of work it performs in the Premises, and LESSEE shall keep the Premises free and clear of all mechanics' or other liens arising out of any work done or authorized by LESSEE.

ARTICLE XVIII – ALTERATIONS BY LESSOR AFTER TERM COMMENCEMENT DATE

In the event Alterations in or upon the Premises are desired by LESSEE above and beyond those already set forth in Exhibit F following the Term Commencement Date, and LESSEE elects not to perform same, LESSEE shall provide written notice to LESSOR to include all relevant detail necessary to price, design, and/or procure such Alterations on LESSEE's behalf, and the parties shall work in good faith to reach mutual agreement regarding the costs and manner in which the Alterations will be performed, including the schedule of the work.

Upon reaching mutual agreement, LESSOR shall commence the design of such work and upon approval of the designs/specifications by LESSEE, LESSOR shall contract with the lowest, most responsible bidder. LESSEE will agree to reimburse LESSOR the actual costs of the design fees associated with the work, and shall also agree to pay LESSOR's reasonable overhead and profit fees customarily charged to similarly situated LESSEES to oversee the construction and/or procurement, provided they do not exceed fifteen percent (15%) of the costs of purchased goods and completed construction work.

LESSEE reserves the right to either make a single total reimbursement to LESSOR in connection with the alterations work, or at LESSEE's written request, LESSOR agrees to add these amounts into the amount payable by LESSEE as part of the Amortization Schedule.

LESSOR shall not be obligated to complete Alterations requested by LESSEE pursuant to this article if the parties have not reached mutual agreement regarding the terms for such Alterations.

In addition to LESSOR's rights to repair the Premises, LESSOR reserves the right to make Alterations to the Premises; however, LESSOR shall provide LESSEE with thirty (30) days written notice of such intention providing sufficient details, including plans and specifications of the intended work, for LESSEE's approval, which shall not be unreasonably withheld. LESSEE reserves the right to withhold its consent to such Alterations if, in LESSEE's reasonable opinion, LESSOR's planned Alterations would materially impact LESSEE's intended use of the Premises. If approved, LESSOR shall make all reasonable efforts to ensure that the Alteration work is scheduled in such a manner so as not to interfere with LESSEE's use of the Premises.

ARTICLE XIX – SIGNAGE

LESSEE shall have the right to erect signage in such locations and amounts on the Premises as it deems necessary. LESSEE agrees to remove its signage upon the expiration of the Lease and shall repair any damage caused by such removal, excepting normal wear and tear.

ARTICLE XX – PARKING

LESSOR shall provide the required spaces of LESSEE as further outlined in Exhibits F and G. All new and existing spaces shall be located and clearly marked for their intended purposes as required by the LESSEE. To the extent that the additional parking requires LESSOR to build upon adjacent vacant land beyond the Premises, LESSOR agrees to increase the amount of the leased property to include sufficient land within the Legal Description of the Premises identifying the leased property and such additional land shall be at no additional cost to LESSEE. LESSOR shall maintain all spaces so as to provide unobstructed access to each parking space at any time.

**ARTICLE XXI – SERVICES, UTILITIES,
AND SUPPLIES; FURNISHINGS, FIXTURES AND EQUIPMENT (FFE)**

Except as otherwise stated herein, LESSOR, at LESSOR's sole cost and expense, during the term of this Lease shall furnish the following services, utilities, and related supplies, as well as furnishings, fixtures and equipment to the area leased by the LESSEE:

- A. Utilities: LESSOR will provide sewer, trash disposal, including recycling, water service, including both hot and cold water, electricity and/or gas as necessary to provide power for heating, ventilating, and air conditioning, and electrical or gas service as needed for LESSEE's operations. LESSEE agrees to pay the actual costs for the Utilities, unless all or a portion of such costs are related to the failure of LESSOR to adequately maintain its systems and equipment as required hereunder. Further, in the event that LESSOR's utility providers notice LESSOR of a proposed rate increase, LESSOR shall immediately provide such notice to LESSEE. If such rate increase causes a substantial increase in LESSEE's utility costs beyond its available budgeted funds for same, LESSEE may a) elect to require LESSOR to seek new competitive bids for the requested service, b) require LESSOR to protest such increase on behalf of LESSEE, or c) require LESSOR to participate with LESSEE in an appeal of such increases.

Within sixty (60) days following the end of each Agreement Year LESSOR shall furnish LESSEE an itemized statement of the utility expense payments actually made by LESSOR during the prior Agreement Year (such payments, collectively, "LESSOR's Annual Utility Payment"). If LESSOR's Annual Utility Payment is greater than LESSEE's Estimated Annual Utility Payment (defined as the Baseline Utilities Expenses for Agreement Year One as provided in Exhibit E adjusted as indicated below) for such Agreement Year, LESSEE shall pay LESSOR the difference within thirty (30) days after LESSEE's receipt of such statement. If LESSOR's Annual Utility Payment is less than LESSEE's Estimated Annual Utility Payment for such Agreement Year, LESSOR shall pay LESSEE the difference within thirty (30) days of LESSOR's submission of such statement to LESSEE. LESSEE's Estimated Annual Utility Payment shall be adjusted annually to reflect LESSOR's Annual Utility Payment for the previous Agreement Year.

- B. Repair & Maintenance: From the Effective Date and thereafter, the LESSOR will continue to maintain and repair the Premises, including the maintenance of all systems on or about the Premises (i.e., conveyance systems; electrical, mechanical, heating, ventilation and plumbing distribution systems, roofing, telecommunication systems, fire alarm systems, including notification and suppression; landscaping and parking), as well as its Furnishings, Fixtures and Equipment noted in the FFE Schedule-Group 1, (see Exhibit A-2), in accordance with Exhibit H so as to minimize breakdowns and loss of the LESSEE's use of the Premises caused by deferred or inadequate maintenance. Such maintenance and repair shall include but not be limited to:
1. Generally maintaining the Premises in good, vermin-free, operating condition and appearance.
 2. Furnishing prompt, good quality repair of the Premises.
 3. Maintaining the requisite amount of supplies on hand to promptly repair and or replace damaged or worn equipment referenced on Exhibit A-2-Group 1 with similar equipment.
 4. Maintain a comprehensive system of tracking accessible elements for condition consistent with LESSEE's requirements for ADA tracking as further outlined in Exhibit H.
 5. Furnishing preventative maintenance, including, but not limited to, manufacturer's

- recommended servicing of infrastructure systems, equipment, and fixtures.
6. Furnishing ongoing maintenance and prompt repair of any and all special equipment and systems including but not limited to, telecommunication systems, fire suppression systems, special HVAC systems for computer rooms, and Uninterrupted Power Supply (UPS) systems.
 7. Furnishing and promptly replacing any inoperative light bulbs, fluorescent tubes, ballast, starters, and filters for the heating, ventilating and air conditioning equipment as required.
 8. Furnishing remedial painting as necessary to maintain the Premises in a neat, clean and orderly condition.
 9. Annual testing and maintenance of all fire extinguishers in or adjacent to the Premises.
 10. Repairing and replacing as necessary intra-building network cable and inside wire cable used for voice and data transmission.
 11. Repairing and replacing parking lot bumpers and paving as necessary. Repaint directional arrows, striping, etc., as necessary.
 12. Keeping parking areas and sidewalks free of debris and, maintaining landscaped areas, including sprinklers, drainage, etc., in a growing, litter-free, weed-free, and neatly mowed and/or trimmed condition.
 13. Repairing and replacing floor covering as necessary. LESSOR, at LESSOR's sole cost, shall arrange for moving of furniture and equipment prior and subsequent to the repairing or replacement of floor covering.
 14. Promptly removing snow, water, oil spills, debris, or other materials which may be hazardous to users of the building from walkways, parking lots, entrances, and auxiliary areas.
 15. LESSOR shall not be responsible for repairing and maintaining any locks (mechanical locks, electro-mechanical locks and associated indication switches) at doors and gates, sliding door and gate devices and door position switches; however, it shall be responsible for maintaining electro-mechanical locking control systems on the Premises. LESSEE shall report to LESSOR any deficiencies in the locking control system. LESSEE shall be responsible for repairs and maintenance of locksets and administration of keys. LESSOR shall provide a complete inventory of all keys to the Premises upon Term Commencement Date and shall ensure that all keys are in possession of the LESSEE at that point, with no unaccounted for keys previously issued for the Facility. LESSEE shall ensure that it provides the appropriate keys to LESSOR's maintenance personnel during the Term.

LESSOR shall provide prompt repair or correction for any damage at its sole cost and expense as part of its repair and maintenance obligations herein, except LESSEE shall be responsible for damage arising from a willful or negligent act of the LESSEE, its agents, employees or inmates and damages, repairs or maintenance resulting from a significant event or uprising, including riots, terrorism, insurrection or sabotage. In this event, LESSEE agrees to reimburse LESSOR's actual costs for such repairs which it shall promptly perform.

Except in emergency situations, the LESSOR shall give not less than 48 hour prior notice to LESSEE when any pest control, remodeling, renovation, or repair work affecting the LESSEE occupied space may result in employee health concerns in the work environment.

In case LESSOR, after notice in writing from the LESSEE that it has failed to comply with the timeframe to complete a repair or maintenance item based on the priority categories specified in Exhibit H shall fail, refuse or neglect to comply with such notice after a cure period equal to the response timeframe for such priority category, LESSEE, at its election, may complete the repair and deduct from rent due the necessary costs incurred. In the event LESSOR's failure to complete a repair or maintenance item results in an emergency constituting an immediate threat of imminent harm to the health or safety of the LESSEE's employees, property, invitees,

or inmates, the LESSEE may terminate this Lease consistent with the provisions of this Lease.

LESSOR will provide full use of the FFE – Group 2 (see Exhibit A-2) for LESSEE's benefit throughout the Term of this Lease, provided however that LESSEE shall be responsible for maintaining the FFE-Group 2 during this time. LESSEE reserves the right, upon reasonable notice, to request that LESSOR remove any FFE – Group 2 from the Premises prior to the Term Commencement Date at the written request of LESSEE and, in such event, LESSOR and LESSOR agree to amend Exhibit A-2 to reflect the removal of these items. Inasmuch as the FFE-Group 2 is "used", and in fact may be beyond its useful life, LESSEE agrees to accept the FFE-Group 2 in its "as is" condition, exercising reasonable caution and due diligence in the use and repair of these items; However, at any time during the Term of this Lease, if the FFE-Group 2 falls into disrepair, LESSEE shall have no obligation to replace such equipment for LESSOR and the item shall be removed from Exhibit A-2 at or prior to the expiration of the Term.

LESSOR will also agree to sell to LESSEE the items noted as FFE – Group 3 in the amounts identified in Exhibit A-2. If LESSEE elects to exercise this option for one or more of these items, LESSOR shall provide LESSEE a reasonable period of time to inspect the items and conduct its evaluation of a fair and reasonable price. Upon LESSEE's inspection, LESSEE may: a) pay such amounts listed within forty five (45) days upon receipt of goods and transfer of title, or b) if LESSEE does not believe the price to be fair or reasonable given the condition of the item, enter into negotiations with LESSOR for such goods and agree to pay the amount (s) negotiated by the parties within forty (45) days of receipt of goods and transfer of title. , or c) elect to not purchase any item contained on this list after its assessment. If LESSEE elects to not purchase such item, LESSOR shall remove the item from the Premises.

ARTICLE XXII – ASSIGNMENT AND SUBLETTING

The LESSEE shall not assign the Lease or sublet the Premises without prior written consent of the LESSOR, which shall not be unreasonably withheld.

LESSOR understands and agrees that from the time that this Lease is executed, LESSOR shall not assign or transfer a controlling interest in the Premises or assign or transfer its interest in the Lease without LESSEE's prior written consent, provided, however, LESSEE specifically approves of LESSOR subcontracting to CCA of Tennessee, LLC, a wholly owned subsidiary of LESSOR, the maintenance and repair services required pursuant to Article XXI and the food services required pursuant to the Services Agreement.

LESSEE and LESSOR understand and agree to provide the other with all documents and relevant information concerning any proposed sublet, assignment or transfer. The receiving party will have ten (10) working days after receiving such documents and information to complete its review. Upon the receiving party's approval of any sublet, assignment or transfer, the parties shall immediately execute an amendment to this Lease stating the change in status of the LESSEE or LESSOR.

ARTICLE XXIII – QUIET POSSESSION

The LESSOR agrees that the LESSEE, while keeping and performing the covenants herein contained, shall at all times during the existence of this Lease, peaceably and quietly have, hold, and enjoy the Premises without suit, trouble, or hindrance from the LESSOR of any kind. Inasmuch as LESSOR owns fee title to the greater parcel surrounding the Premises and may at some point during LESSEE's occupancy of the Premises elect to transfer title and/or commence certain improvements on the adjacent lands, LESSOR shall ensure that no such transfer or construction shall injure LESSEE's rights hereunder. Such injuries include but would not be limited to LESSEE's inability to maintain a secure correctional facility free of inappropriate levels of noise, dust, and incompatible uses adjacent to its secure perimeter.

ARTICLE XXIV – INSPECTION BY LESSOR

The LESSOR reserves the right to enter and inspect the Premises at reasonable times, and to render services and make any necessary repairs to the Premises. Such entry shall be subject to all of the rules and regulations governing access to the Premises established by CDCR from time to time in its sole discretion.

ARTICLE XXV – CONDEMNATION

If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. LESSEE may, at LESSEE's option, terminate the Lease for that portion of the Premises remaining as of the date the condemning authority takes possession of the condemned portion. If LESSEE does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the same proportion to the usable portion of the Premises remaining. No reduction of rent shall occur if the condemnation does not apply to any portion of the Premises. LESSEE shall be entitled to its share of the repayment in the Condemnation proceeding for: (i) The taking of the amortized or undepreciated value of any trade fixtures or leasehold improvements owned by LESSEE that LESSEE has the right to remove at the end of the Lease term and that LESSEE elects not to remove; (ii) Reasonable removal and relocation costs for any trade fixtures or leasehold improvements that LESSEE has the right to remove and elects to remove (if Condemner approves the removal). LESSEE shall not be entitled to any other portion of the repayment in the Condemnation proceeding, including any value associated with the leasehold interest created hereunder. In the event that this Lease is not terminated by reason of such condemnation, LESSOR shall promptly repair any damage to the Premises caused by such condemnation authority. Notwithstanding anything to the contrary contained herein, LESSEE shall not be entitled to any of the foregoing amounts if the State of California or any agency thereof, is the condemning authority.

ARTICLE XXVI – DESTRUCTION

If the Premises are totally destroyed by fire or other casualty, the Lease shall terminate. If such casualty shall render any portion of the Premises unusable for the purpose intended, LESSOR shall effect restoration of the Premises as quickly as is reasonably possible, but in any event within ninety (90) days of such occurrence.

If the Premises cannot be restored within ninety (90) days, LESSOR under such circumstances shall notify LESSEE that such repairs will require more than ninety (90) days to complete from the date of the occurrence, LESSEE, at its option, may terminate the Lease or, upon notice to LESSOR, LESSEE may maintain occupancy and elect to undertake the repairs itself, deducting the cost thereof from the rental due or to become due under the Lease.

In the event of any such destruction other than total, where the LESSEE has not terminated the Lease as herein provided, or pursuant to the terms hereof has not elected to make the repairs itself, LESSOR shall diligently prosecute the repair of said Premises. While repairs are in progress, LESSOR agrees if requested by LESSEE to relocate any displaced offenders to other appropriate correctional facilities operated by LESSOR, provided such relocation costs and the cost to house the offenders in LESSOR's other facility typically charged to other major customers, including the State of California, are at LESSEE's expense.

In the event the LESSEE continues to occupy the Premises though partially damaged, the rental as herein provided shall be reduced by the same ratio that LESSEE is thus precluded from occupying, to the extent that LESSEE has not exercised its option to have its inmates relocated as provided above.

It is understood and agreed that the LESSEE or its agent has the right to enter, at its risk, its destroyed or partially destroyed Premises. At the LESSEE's request, the LESSOR shall immediately identify an appropriate route through the building to access the LESSEE leased space. If the LESSOR cannot identify an appropriate access route, it is agreed that the LESSEE may use any and all means of access at its discretion in order to enter the Premises.

Notwithstanding any provision herein to the contrary, LESSEE shall be responsible for any destruction arising from the willful or negligent act or omission of LESSEE, its agents, employees or inmates or destruction resulting from a significant event or uprising, including riots, terrorism, insurrection or sabotage.

ARTICLE XXVII – SUBROGATION WAIVER

To the extent authorized by any fire and extended coverage insurance policy issued to LESSOR on the herein leased premises, LESSOR hereby waives the subrogation rights of the insurer, and releases the LESSEE from liability for any loss or damage covered by said insurance. This waiver and release shall not apply to the claims of LESSOR arising under Article XXI-Services, Utilities and Supplies or Article XXXXIII-Indemnification.

ARTICLE XXVIII – PUBLIC RECORDS DISCLOSURE

All information received by the LESSEE from the LESSOR or any source concerning this Lease, including the Lease itself, may be treated by the LESSEE as public information subject to disclosure under the provisions of the California Public Records Act, Government Code (GC) 6250 et seq. (the "Public Records Act"). LESSOR understands that although all materials received by the LESSEE in connection with this Lease are intended for the exclusive use of the LESSEE, they are potentially subject to disclosure under the provisions of the Public Records Act.

In the event a request for disclosure of any or all information which LESSOR has reasonably requested LESSEE to hold in confidence is made to LESSEE, LESSEE shall notify LESSOR of the request and shall thereafter disclose the requested information unless LESSOR, within five (5) days of receiving notice of the discloser request, requests nondisclosure, provides LESSEE with a legally sound basis for the nondisclosure request, and agrees to indemnify, defend and hold the LESSEE harmless in any and all actions brought to require disclosure.

ARTICLE XXIX – CALIFORNIA GENERAL TERMS AND CONDITIONS

By reference, all of the State of California's General Terms and Conditions posted on the California Department of General Services' internet address at: <http://www.documents.dgs.ca.gov/ols/GTC-610.doc> are incorporated herein.

ARTICLE XXX – PREVAILING WAGE PROVISION

For those projects defined as "public works" pursuant to Labor Code §1720.2, the following shall apply:

- A. LESSOR/contractor shall comply with prevailing wage requirements and be subject to restrictions and penalties in accordance with §1770 et seq. of the Labor Code which requires prevailing wages be paid to appropriate work classifications in all bid specifications and subcontracts.
- B. The LESSOR/contractor shall furnish all subcontractors/employees a copy of the Department of Industrial Relations prevailing wage rates which LESSOR will post at the job site. All prevailing wage rates shall be obtained by the LESSOR/contractor from:

Department of Industrial Relations
Division of Labor Statistics and Research
455 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102
Phone: (415) 703-4774
Fax: (415) 703-4771
For further information on prevailing wage:
http://www.dir.ca.gov/dlsr/statistics_research.html

- C. LESSOR/contractor shall comply with the payroll record keeping and availability requirement of §1776 of the Labor Code.
- D. LESSOR/contractor shall make travel and subsistence payments to workers needed for performance of work in accordance with the Labor Code.
- E. Prior to commencement of work, LESSOR/contractor shall contact the Division of Apprenticeship Standards and comply with §1777.5, §1777.6, and §1777.7 of the Labor Code and Applicable Regulations.

ARTICLE XXXI- FAIR EMPLOYMENT PRACTICES

During the performance of the Lease, the LESSOR shall not deny benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age, or sex. LESSOR shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

LESSOR shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.), the regulations promulgated there under (California Administrative Code, Title 2, Section 7285.0 et seq.); the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Government Code, Sections 11135-11139.5), and the regulations or standards adopted by the awarding State agency to implement such article.

ARTICLE XXXII- DVBE PARTICIPATION

The State of California supports the use of Disabled Veteran Business Enterprise (DVBE) and the LESSOR is encouraged to utilize DVBEs when contracting for tenant improvements and services. LESSOR shall complete the DVBE Program Certification Sheet (Form F) prior to LESSEE's occupancy of Premises. LESSOR may refer to the following internet link for DVBE guidelines and instructions.

<http://documents.dgs.ca.gov/RESO/RELPS/leaserequirements/DVBEGuidelines.pdf>

ARTICLE XXXIII- HOLDING OVER

In the event the LESSEE remains in possession of the Premises after the expiration of the Lease, the Lease shall be automatically extended on a month to month basis, subject to thirty (30) days termination by either party, and otherwise on the terms and conditions herein specified including the payment of Base Rent and Additional Rent, so far as applicable. If the LESSEE fails to vacate the Premises within the notice period and remains for an extended period, Base Rent and Additional Rent shall be paid and prorated on a thirty (30) day month, based on the actual number of days the LESSEE occupies the Premises following the effective date of termination.

ARTICLE XXXIV - SURRENDER OF POSSESSION

Upon termination or expiration of the Lease, the LESSEE will peacefully surrender to the LESSOR the Premises in as good order and condition as when received, except for reasonable use and wear thereof and damage by earthquake, fire, public calamity, the elements, acts of God, or circumstances over which LESSEE has no control or for which LESSOR is responsible pursuant to this Lease. The LESSEE shall have no duty to remove any Alterations placed by it on the Premises or to restore any portion of the Premises altered by it, save and except in the event LESSEE elects to remove any such Alterations subject to the provisions of Articles XII and XVII or fixtures and such removal causes damages or injury to the Premises, and then only to the extent of any such damage or injury.

ARTICLE XXXV - NOTICES

Unless specified otherwise herein, all notices shall be delivered within ten business days of an occurrence. All notices and correspondence herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and either: 1) deposited in the United States Mail, certified and postage prepaid; or 2) sent via an alternate commercial overnight delivery service (i.e. FedEx or similar) with receiver's signature required; and addressed as follows:

To the LESSOR: Attn: General Counsel
CCA
10 Burton Hills Boulevard
Nashville, TN 37215

To the LESSEE: California Department of Corrections and Rehabilitation
Facility Planning, Construction and Management
Asset Management Section
Attn: Fred Cordano
9838 Old Placerville Road, Suite B
Sacramento, CA 95827
(916) 255-2601
(916) 255-3022

ALL NOTICES AND CORRESPONDENCE MUST REFERENCE PREMISES ADDRESS

Rental warrants shall be made payable to:
Corrections Corporation of America

And mailed to:

Wells Fargo Bank
Corrections Corporation of America OR
PO BOX 936017
Atlanta, GA 31193-6017

Wires/ACHs
Wells Fargo Bank
San Francisco, CA
ABA: 121000248
Account #: 2000727624974
Ref: Corrections Corporation of America

Nothing herein contained shall preclude the giving of any such written notice by personal service. The address to which notices and correspondence shall be mailed to either party may be changed by giving written notice to the other party.

ARTICLE XXXVI-- ENTIRE AGREEMENT

Time is of the essence. It is mutually understood and agreed that no alterations or variations of the terms of this Lease shall be valid unless made in writing and signed by the parties hereto, and that no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto. The parties further intend that this Agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceeding, if any, involving this Agreement.

ARTICLE XXXVII-- RELATIONSHIP OF PARTIES

Neither LESSEE's obligations to pay rent, nor anything else contained in this Lease, shall be construed as creating a partnership or joint venture of or between LESSOR and LESSEE, or to create any other relationship between the parties hereto other than that of landlord and tenant.

ARTICLE XXXVIII-- COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT

LESSOR agrees that by signing this Agreement, it is assuring LESSEE that the Premises, and all services offered by LESSOR in connection with this Agreement, comply or will comply with the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. Section 12101 et seq., as applicable, which prohibits discrimination on the basis of disability, and with applicable regulations and guidelines pursuant to the ADA. Further and pursuant to California Civil Code §1938, the LESSOR hereby warrants and represents that the Premises will undergo an inspection by a Certified Access Specialist (CASP) by December 1, 2013 and any Tenant Improvements required in connection with this Lease, met or will meet all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq.

ARTICLE XXXIX-- BROKERAGE COMMISSION

LESSOR and LESSEE represent and warrant that neither party has employed a real estate broker with respect to this transaction.

ARTICLE XXXX -- DISPUTES

The Parties agree to make a good faith effort to informally resolve any disputes that may arise during the term of this agreement before resorting to litigation or other formal process.

A. Final Payment

Unless provided otherwise at the time of payment, the acceptance by LESSOR of final payment shall release the LESSEE from all claims, demands and liability to LESSOR for everything done or furnished in connection with this agreement and from every act and neglect of CDCR and others relating to or arising out of this agreement except for any claim previously accepted and/or in process of resolution.

B. Dispute Resolution

In the event of a dispute, the Party alleging the dispute or claim shall first attempt informal resolution by contacting the designated agent or contract administrator of the other Party. If the dispute or claim is not resolved to LESSOR's satisfaction by this informal process, LESSOR may file with CDCR's designee lease administrator of its Facility Planning, Construction or Management, or other designated agent a formal

written appeal within thirty (30) calendar days of the date of CDCR's informal written decision.

LESSOR shall specify in the formal written appeal the issue(s) in dispute, the particular relief or remedy sought, the factual basis for LESSOR's claim or dispute, and LESSOR's legal, technical and/or other authority upon which LESSOR bases its claim or dispute.

The formal written appeal shall include a written certification signed by a knowledgeable company official under the penalty of perjury according to the laws of the State of California pursuant to California Code of Civil Procedure Section 2015.5 that the dispute, claim, or demand is made in good faith, and that the supporting data is accurate and complete. If an Agreement adjustment is requested, the written certification shall further state under penalty of perjury that the relief requested accurately reflects the Agreement adjustment for which the LESSEE is responsible.

If LESSOR is a corporation, the written certification shall be signed by an officer thereof. If LESSOR is a sole proprietorship or partnership, it shall be signed by an owner or full partner. If LESSOR is other than a corporation, sole proprietorship or partnership, it shall be signed by a principal of the company with authority to bind the company.

LESSEE's designee shall issue a formal written decision on behalf of CDCR within thirty (30) calendar days of receipt of the properly addressed formal written appeal. If mutually agreed by the parties, the date for the issuance of CDCR's final written decision may be extended.

If the dispute is not resolved by the formal appeal process to LESSOR's satisfaction, or LESSOR has not received a written decision from LESSEE's designee after thirty (30) calendar days, or other mutually agreed extension, LESSOR may thereafter pursue litigation or other dispute resolution process(es) if any, available under the laws of the State of California.

ARTICLE XXXXI – EVENTS OF DEFAULT

Each of the following shall constitute an Event of Default on the part of a Party:

- A. The failure of a Party to make any payment required under this agreement that is not cured by payment within one hundred and eighty days after receiving notice from the other Party that payment is past due.
- B. Failure of a Party to keep, observe, perform, meet or comply with any covenant, agreement, term, or provision of this agreement required to be kept, observed, met, performed, or complied with by a Party hereunder, which such failure continues for a period of thirty (30) days after the allegedly offending Party has received a written notice of deficiency from the allegedly aggrieved Party.
- C. Any representation or warranty made by a Party to this agreement which is established to have been false or misleading in any material respect when made or if such is a condition that is required to remain true in all material respects during the term of this agreement, if not cured within fifteen (15) days after written notice from the other Party.
- D. Failure of LESSOR to meet or comply with any applicable federal or state requirement or law and/or CDCR regulations and policies or failure of LESSEE to meet or comply with any applicable federal or state requirement or law governing the relationship and

duties between the Parties, which such failure continues for a period of thirty (30) days after LESSOR has received a written notice of deficiency from LESSEE.

- E. Except as otherwise provided herein, if a Party (a) admits in writing its inability to pay its debts; (b) makes a general assignment for the benefit of creditors; (c) suffers a decree or order appointing a receiver or trustee for it or substantially all of its property to be entered and, if entered without its consent, not to be stayed or discharged within sixty (60) days; (d) suffers a proceedings under any law relating to bankruptcy, insolvency, or the reorganization or relief of debtors to be instituted by or against it and if contested by it, not to be dismissed or stayed within sixty (60) days; or (e) suffers any judgment, writ of attachment or execution, or any similar process to be issued or levied against a substantial part of its property.

No breach of this Agreement by either party shall constitute an Event of Default and no action with regard to same may be instituted unless and until the party asserting a breach specifies that a deficiency or deficiencies exist(s) that, unless corrected or timely cured, will constitute a material breach of this Agreement on the part of the party against which a breach is asserted. Nothing in this section is intended to prevent any party from terminating this Agreement as provided in any other section of this Agreement.

Except as provided in Article XXXXI (A) and (C) above, if a material breach of this Agreement by either party remains uncured more than thirty (30) days after written notice thereof by the party asserting this breach, this shall be an Event of Default, provided, however, if within thirty (30) days after such notice, a substantial good faith effort to cure breach shall not be an Event of Default if it is cured within a reasonable time thereafter.

Upon the occurrence of an Event of Default, either party shall have the right to pursue any remedy it may have at law or equity, including but not limited to: reducing its claim to judgment, including seeking an award of attorney's fees and costs, taking action to cure the Event of Default, and termination of the Agreement. In the event LESSOR elects to terminate due to a default by LESSEE, in addition to the remedies described above, LESSEE shall pay to LESSOR the unamortized principal based on the amortization schedule in Article XI.

No waiver of any breach of any terms or conditions of this Agreement shall be held to be a waiver of any other or subsequent breach; nor shall any waiver be valid or binding unless the same shall be in writing and signed by the party alleged to have granted the waiver.

The requirement of written notice and opportunity to cure as stated above will not apply if the LESSEE, in its sole discretion, determines that a LESSOR default has occurred, which creates an immediate threat of imminent harm to the safety, health or welfare of the public, employees or offenders. In such event the parties shall mutually cooperate for an immediate return of LESSEE offenders consistent with the availability of transportation and housing.

Neither party shall be liable for failure to perform under this Agreement in the event of a Force Majeure event. This provision shall become effective only if the party failing to perform immediately notifies the other party of the extent and nature of the event resulting in the delay.

ARTICLE XXXXII – JURISDICTION AND VENUE

The laws of the State of California and rules and regulations issued pursuant thereto shall be applied in the interpretation, execution and enforcement of this Agreement. Venue for any legal action related to performance or interpretation of this Agreement shall be in the City of Sacramento, California.

ARTICLE XXXXIII – INDEMNIFICATION

To the extent authorized by the Constitution and laws of the state of California, LESSEE shall indemnify, defend and hold LESSOR and LESSOR's officers, directors, employees and representatives harmless from and against any and all claims, actions, damages, liabilities and expenses, including reasonable attorneys fees in connection with loss of life, personal injury or property damage resulting from negligent acts or omissions of LESSEE, its agents, employees or inmates in its use of the Premises under this Agreement. LESSEE shall not be responsible to indemnify, defend or hold harmless for any latent defects of the Premises.

ARTICLE XXXXIV – INSURANCE

The LESSOR is responsible for obtaining and maintaining adequate insurance coverage as required herein. The LESSOR shall obtain and provide proof of general liability insurance coverage (broad form coverage) which shall specifically include fire, and legal liability in an amount not less than two million dollars (\$2,000,000) for each occurrence within a yearly aggregate of at least ten million dollars (\$10,000,000), and civil rights claims in an amount not less than two million dollars (\$2,000,000) for each occurrence within a yearly aggregate of at least five million dollars (\$5,000,000). The State of California and its respective agencies shall be included as additional insured's under the policy of general liability insurance coverage issued to the LESSOR. Coverage for civil rights liability may be issued under a separate policy but shall also include the State and its agencies as additional insured's. Coverage shall also specifically be provided to protect against employee dishonesty in an amount of not less than fifty thousand dollars (\$50,000).

The LESSOR shall obtain and provide proof of workers' compensation insurance coverage, including employer liability, in the amount and manner required by law for all employees of the LESSOR.

The LESSOR shall obtain and provide proof of contractual liability insurance coverage to cover all liability assumed by the LESSOR under this Agreement and for which the LESSOR may be liable to the State or CDCR under the indemnification provisions of this Agreement (intermediate form coverage). Such coverage may be provided by separate coverage or as an additional endorsement to a general liability policy, but shall be in the same amounts and limits of coverage as that required for general liability coverage.

All insurance coverage shall be obtained by the LESSOR through an insurance agent licensed in the state where the Facility is located and such coverage shall be provided by an insurance company licensed to issue such coverage in such state. No "self-insurance" coverage shall be acceptable unless the LESSOR is licensed or authorized to self-insure for a particular coverage in the state where the Facility is located, or is an insured member of a self-insurance group that is licensed to self-insure in such state. All policies shall include a provision requiring at least thirty (30) days' prior written notice of cancellation to the State and LESSEE.

All insurance coverage required to be obtained by the LESSOR shall continue in full force and effect during the term of the Agreement and any extension thereof. Proof of insurance policies must be delivered prior to the date on which the services of the LESSOR shall commence.

All insurance coverage is to be provided by insurance carriers admitted to do business in the state where the Facility is located and coverage issued by surplus lines companies shall not be acceptable with the exception of civil rights liability coverage. All insurance carriers shall be, at the minimum, rated "A VII" by A.M. Best or an equivalent rating by a similar insurance rating service.

The LESSOR may choose the amount of deductible for any of the insurance coverage required (above) to be obtained by the LESSOR, but in no event shall such deductible for each

occurrence exceed five (5) percent of the required yearly aggregate limit of coverage.

The LESSOR is responsible for first dollar defense coverage. All general liability and professional liability policies shall provide defense in addition to the policy limits.

The limits required herein are the minimum acceptable. However, these limits are not to be construed as being the maximum the LESSOR may wish to purchase for its own benefit.

As respects to the total limits of liability required, any combination of primary and/or umbrella coverage may satisfy those totals. However, if an umbrella is used, coverage must be at least as broad as the primary coverage.

During the performance of the services hereunder, the LESSOR shall maintain the plan of insurance and submit a Certificate of Insurance to CDCR for the mutual protection and benefit of it and CDCR, naming CDCR as co-insured and entitled to all notices issued under the policy, to cover claims that may arise out of or result from the LESSOR's operation and management services hereunder, whether same be by the LESSOR or a subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. CDCR shall be notified at least thirty (30) days in advance of cancellation, non-renewal or adverse change in the coverage. New Certificates of Insurance are to be provided to CDCR within fifteen (15) days of receipt by LESSOR.

By entering into the Agreement, neither the State, LESSEE nor the LESSOR waives any immunity defense which may be extended to them by operation of law including limitation of damages, excepting only that the LESSOR may not assert the defense of sovereign immunity.

ARTICLE XXXXV – NOTICE OF CLAIMS

Within ten (10) business days after receipt by LESSEE, or of any agent, employee or officer of LESSEE, of a summons in any action, or within ten (10) business days of receipt by LESSEE, or of any agent, employee or officer thereof, of notice of claim, LESSEE, or any agent, employee or officer, shall notify the LESSOR in writing of the commencement thereof. The notice requirement is intended to ensure that the LESSOR's defense of the claim is not harmed by failure to comply with the notice requirements. Failure to comply with the notice requirements may result in the LESSOR's refusal to indemnify CDCR or any agent, employee or officer, but only if such failure to notify results in a prejudice to the LESSOR, LESSEE or any agent, employee or officer. The LESSOR will provide LESSEE similar notice of claims.

ARTICLE XXXXVI – PRIOR OCCURRENCES

The LESSOR shall not be responsible for any losses or costs resulting from offender litigation pending at the effective date of this Agreement or for lawsuits based on acts or omissions occurring prior to the Effective Date.

ARTICLE XXXXVII – INVALIDITY AND SEVERABILITY

To the extent that this Agreement may be executed and performance of the obligations of the parties may be accomplished within the intent of the Agreement, the terms of this Agreement are severable, and should any term or provision hereof be declared invalid or become inoperative for any reason, such invalidity or failure shall not affect the validity of any other term or provision hereof. In the event that any provision of this Agreement is held invalid, that provision shall be null and void. However, the validity of the remaining provisions of the Agreement shall not be affected thereby. In the event that this entire Agreement is held invalid or unenforceable all obligations of the parties hereunder shall cease as of that date except with respect to claims for services rendered.

ARTICLE XXXXVIII – NO THIRD PARTY BENEFIT EXCEPT AS PROVIDED

This Agreement shall benefit and burden the parties hereto in accordance with its Terms and Conditions and is not intended, and shall not be deemed or construed, to confer rights, powers, benefits or privileges on any person or entity other than the parties to this Agreement. This Agreement is not intended to create any rights, liberty interests, or entitlements in favor of any CDCR Offender. The Agreement is intended only to set forth the contractual rights and responsibilities of the Agreement parties. CDCR Offenders shall have only those entitlements created by Federal or State constitutions, statutes, regulations, case law, or applicable court orders.

ARTICLE XXXXIX – COUNTERPARTS/ELECTRONIC SIGNATURE


This Agreement may be executed in counterparts. The parties shall exchange their executed counterpart to each other, both by first class mail. The parties may treat an electronic signature as a valid signature and when both parties have executed this Agreement, they may transmit their signature on the agreement to the other, and when mutually exchanged electronically, this Agreement may be deemed fully executed.

IN WITNESS WHEREOF, this Lease has been executed by the parties hereto as of the dates written below:

LESSEE

DEPARTMENT OF CORRECTIONS AND
REHABILITATION
FACILITY PLANNING, CONSTRUCTION AND
MANAGEMENT

By


DEPUTY DIRECTOR

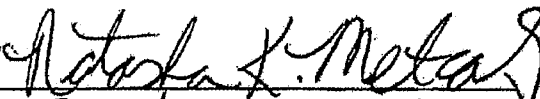
Date

10/11/13

LESSOR

CORRECTIONS CORPORATION OF
AMERICA

By


Vice President, Partnership Development

Date

10/11/13

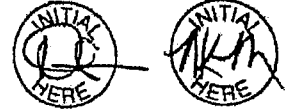


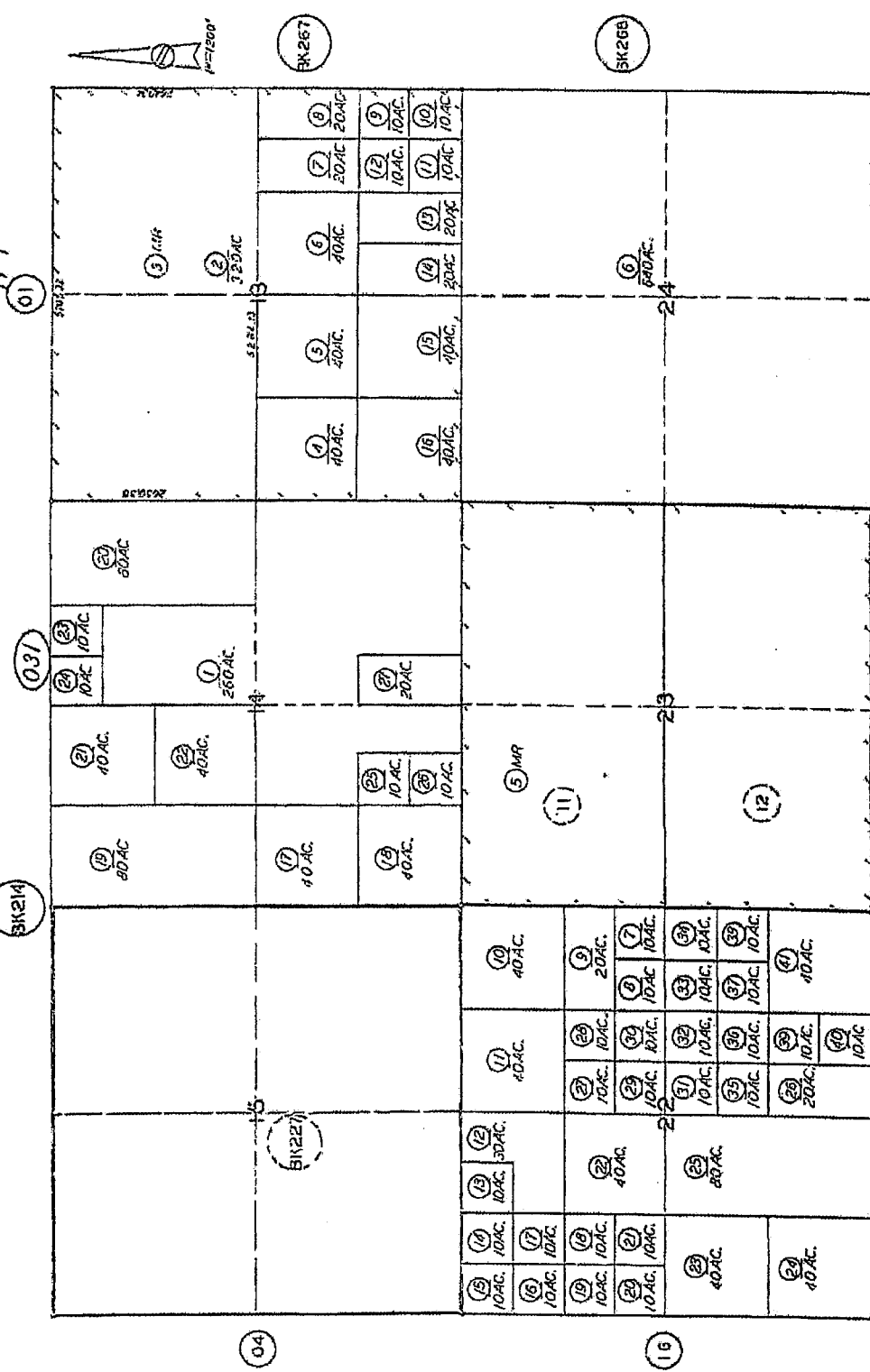
EXHIBIT A-1 – DESCRIPTION OF PREMISES

NE ½ of N ½ of Section 13, Township 32 South, Range 38 East, Mount Diablo Meridian consisting of approximately 80 acres.

APN: 350-031-02

EXHIBIT A-1 PARCEL MAP

350-03 11-10 94-33 350-03
 SCHOOL DIST. 94-32
 T. 32 S. R. 38 E.



ASSESSORS MAP NO. 350-03
 COUNTY OF KERN

Note: This map is for assessment purposes only. It is not to be construed as a warranty of title or for purposes of zoning or subdivision law.

CALIFORNIA CITY CORRECTION CENTER

CALIFORNIA CITY, CALIFORNIA



CORRECTIONS CORPORATION OF AMERICA
10 BARTON ROAD BOULEVARD
SANTA ANA, CALIFORNIA 92705
(949) 233-2000



400 ESSEX COURT
CHICAGO, ILLINOIS 60614
(312) 321-4100

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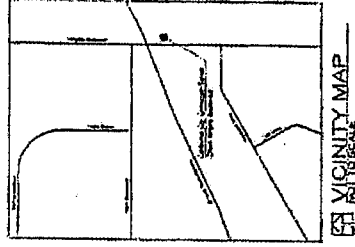
THIS DOCUMENT WAS PREPARED
2010-01-22

SOURCE(S) OF INFORMATION

- The information in this document was
prepared from the following sources:
1. Project Documents - Original Construction Documents
 2. DLR Group - 2008
 3. AIA Architectural Record - 2008
 4. AIA Architectural Record - 2009
 5. AIA Architectural Record - 2010
 6. AIA Architectural Record - 2011
 7. AIA Architectural Record - 2012
 8. AIA Architectural Record - 2013
 9. AIA Architectural Record - 2014
 10. AIA Architectural Record - 2015
 11. AIA Architectural Record - 2016
 12. AIA Architectural Record - 2017
 13. AIA Architectural Record - 2018
 14. AIA Architectural Record - 2019
 15. AIA Architectural Record - 2020
 16. AIA Architectural Record - 2021
 17. AIA Architectural Record - 2022
 18. AIA Architectural Record - 2023
 19. AIA Architectural Record - 2024
 20. AIA Architectural Record - 2025

IMPORTANT DISCLAIMER

The information in this document is not to be
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The design and construction of the project is the
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No liability is assumed by the architect or the
contractor for any errors or omissions in the
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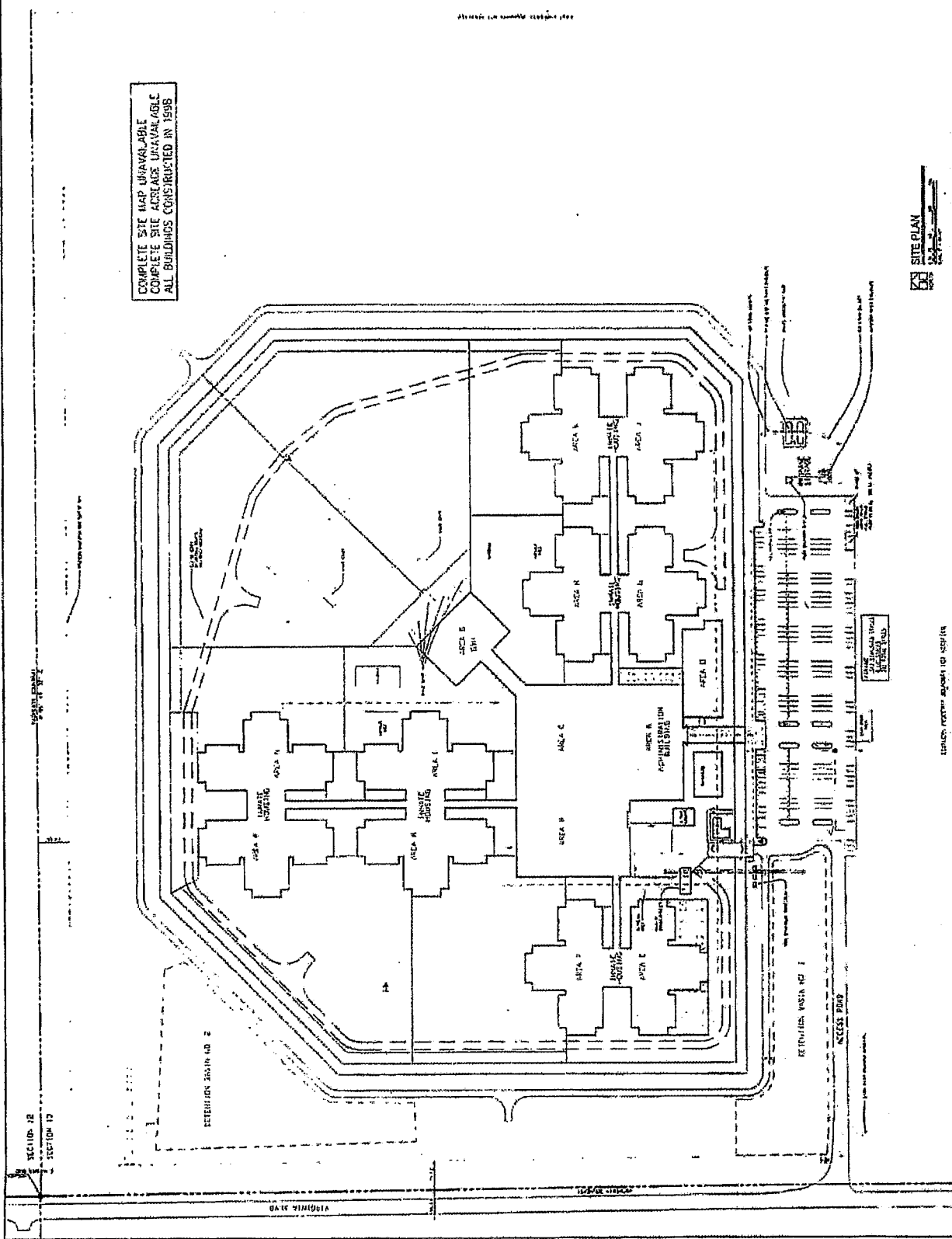


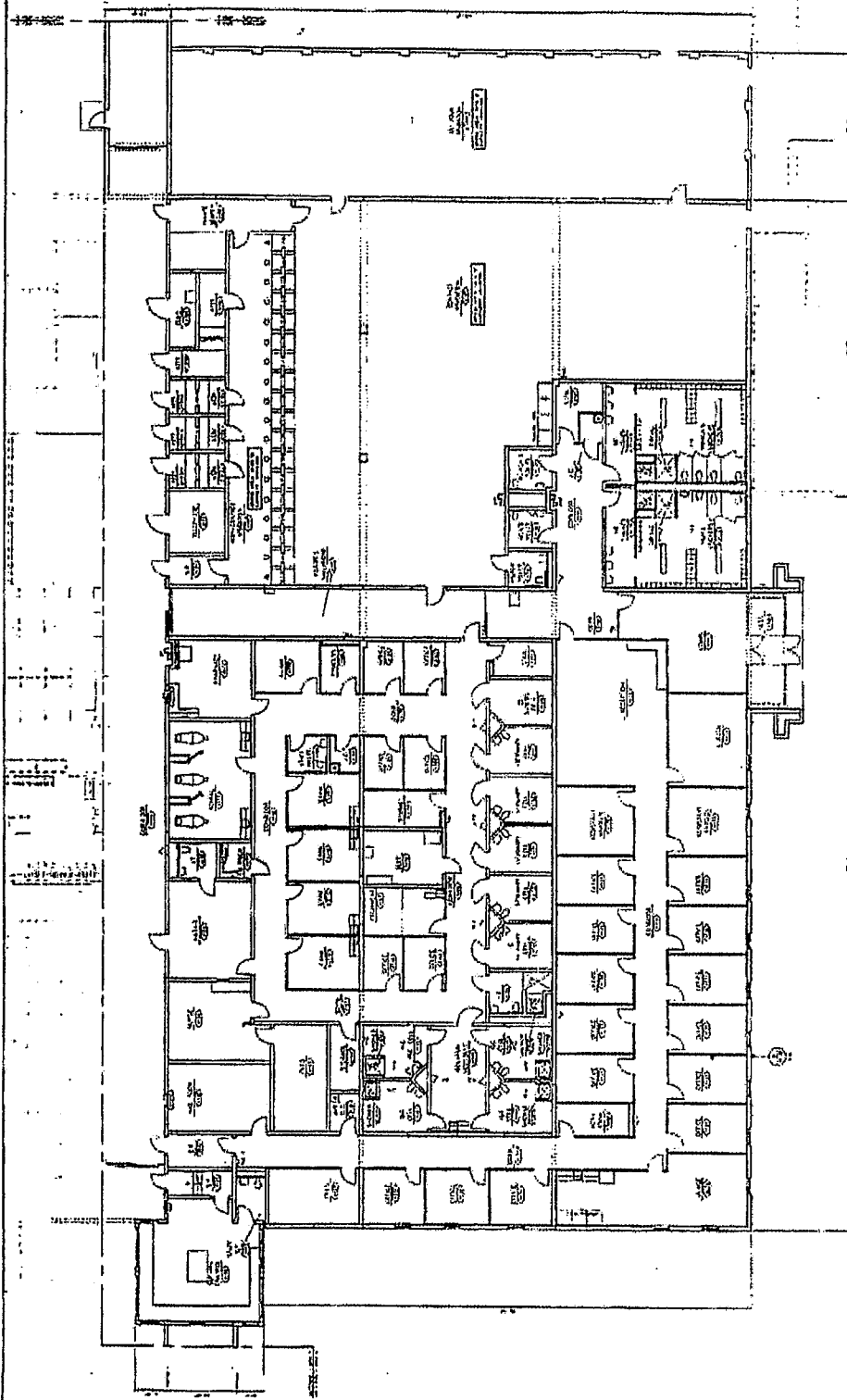
NEIGHBORHOOD MAP

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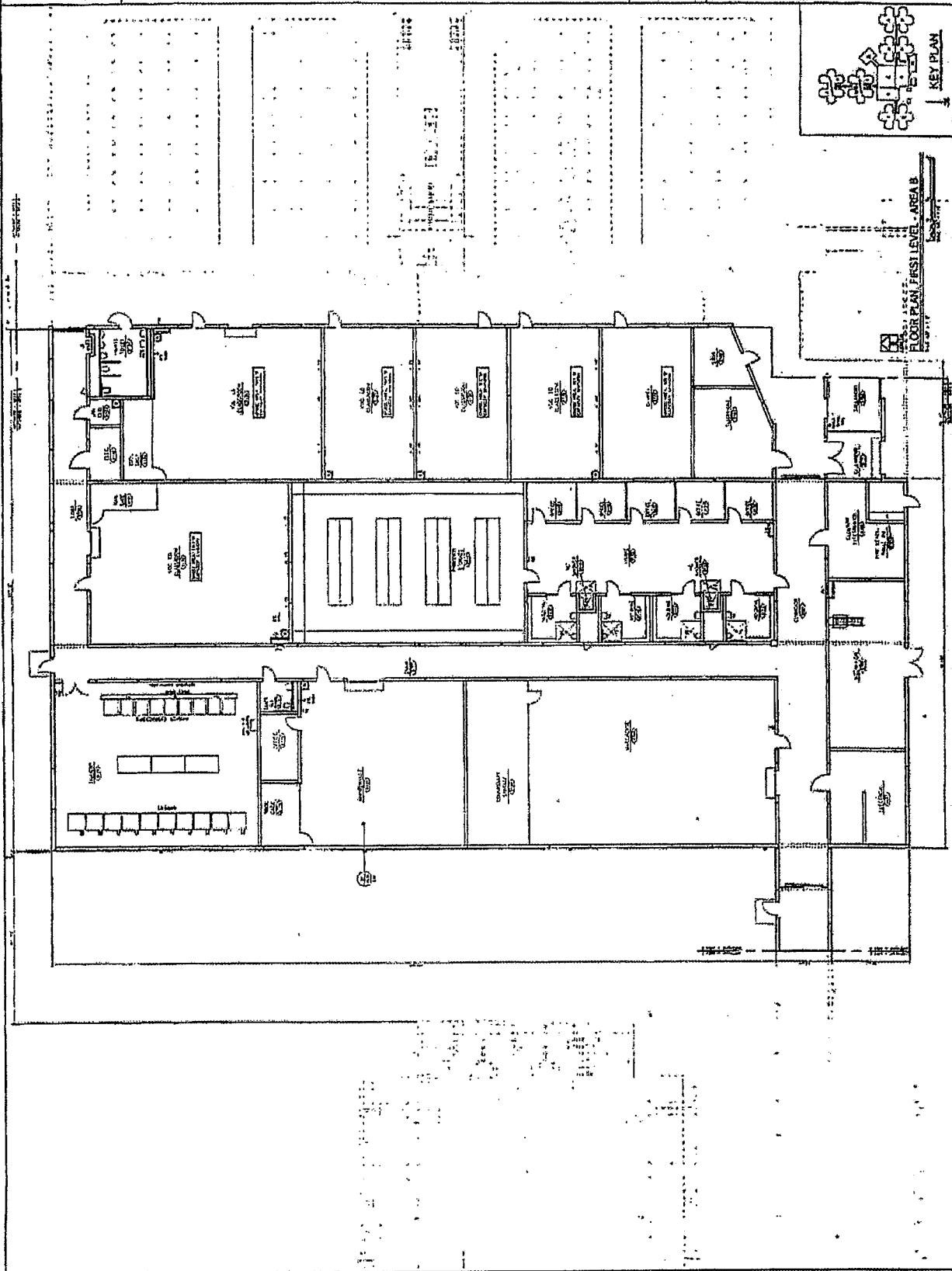
DLR Group
Architectural Engineering Planning Services





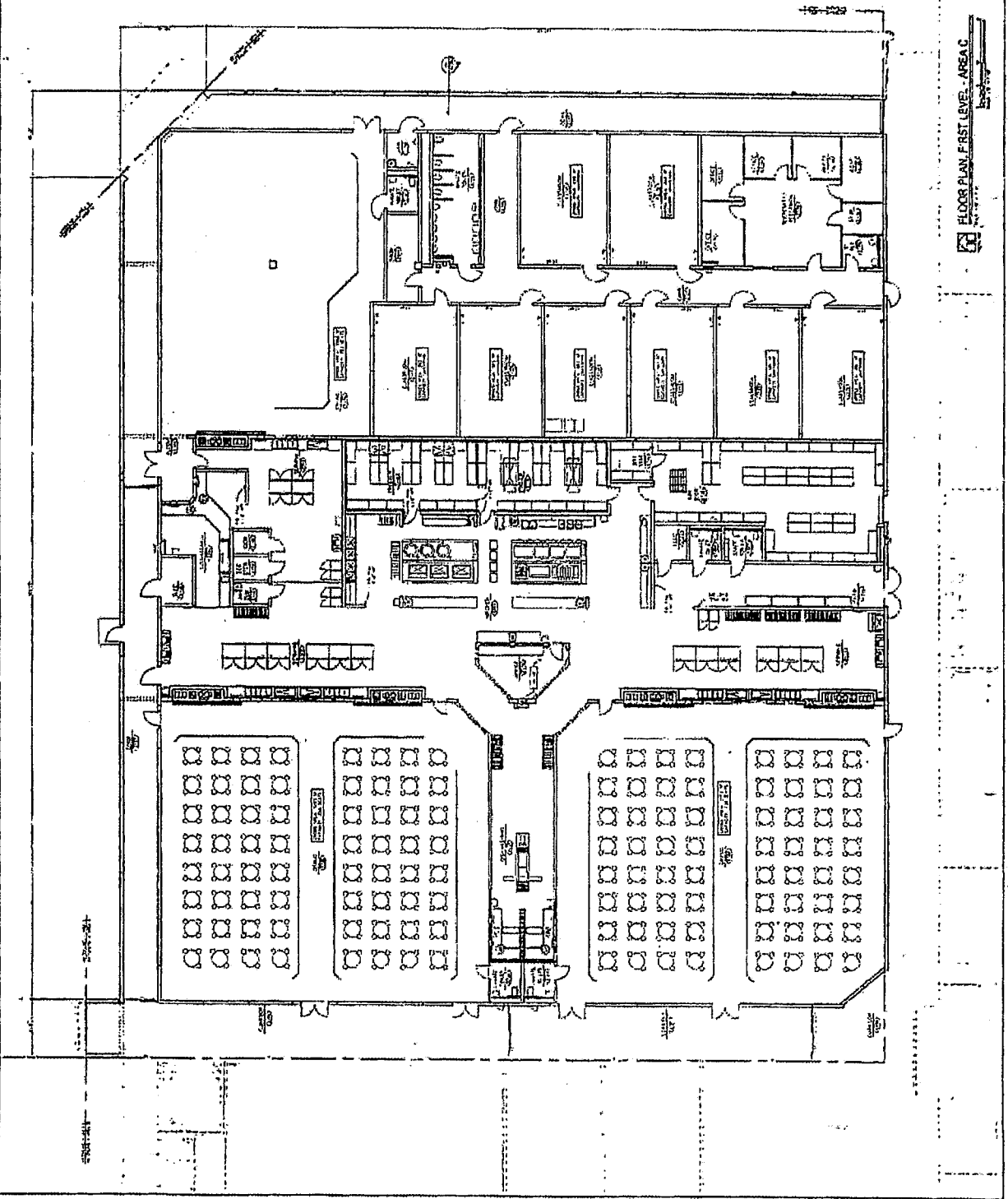
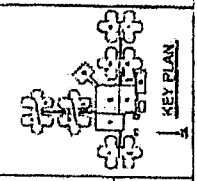
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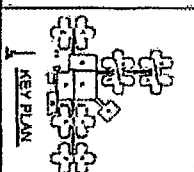
FLOOR PLAN, FIRST LEVEL - AREA B
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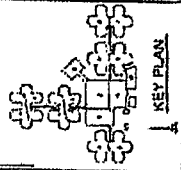


NOTES:
 1. ALL ROOMS SHALL BE FINISHED TO THE FINISHES SHOWN ON THE FINISH SCHEDULE.
 2. ALL ROOMS SHALL BE FINISHED TO THE FINISHES SHOWN ON THE FINISH SCHEDULE.
 3. ALL ROOMS SHALL BE FINISHED TO THE FINISHES SHOWN ON THE FINISH SCHEDULE.

NOTES:
1. ALL ROOMS AND AREAS SHOWN ON THIS PLAN ARE TO BE CONSTRUCTED IN ACCORDANCE WITH THE CALIFORNIA BUILDING CODE, 2001 EDITION, AS AMENDED.
2. ALL ROOMS AND AREAS SHOWN ON THIS PLAN ARE TO BE CONSTRUCTED IN ACCORDANCE WITH THE CALIFORNIA FIRE CODE, 2001 EDITION, AS AMENDED.
3. ALL ROOMS AND AREAS SHOWN ON THIS PLAN ARE TO BE CONSTRUCTED IN ACCORDANCE WITH THE CALIFORNIA PLUMBING CODE, 2001 EDITION, AS AMENDED.
4. ALL ROOMS AND AREAS SHOWN ON THIS PLAN ARE TO BE CONSTRUCTED IN ACCORDANCE WITH THE CALIFORNIA ELECTRICAL CODE, 2001 EDITION, AS AMENDED.
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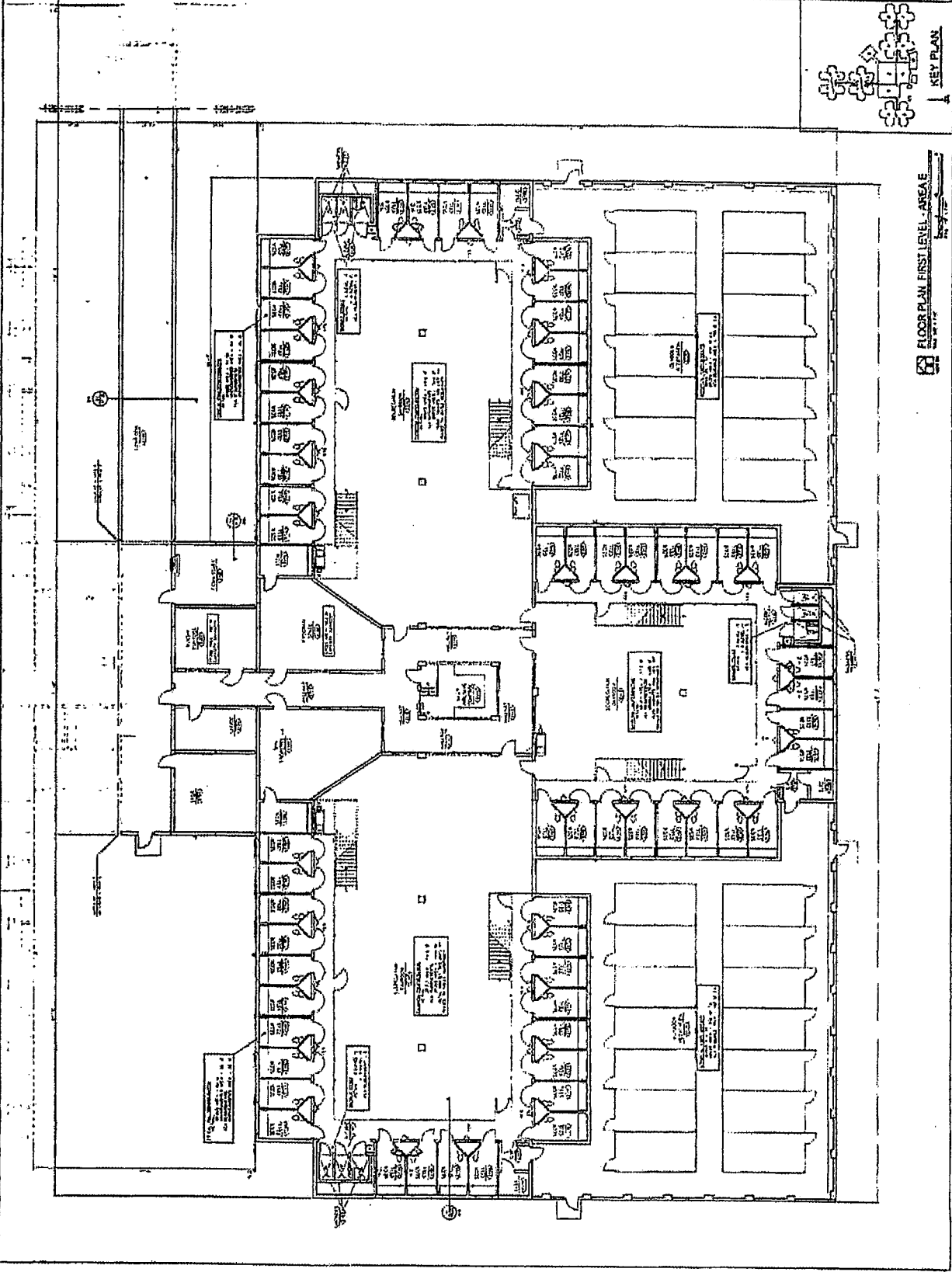
KEY PLAN

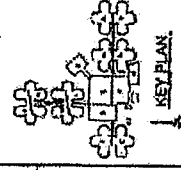
FLOOR PLAN FIRST LEVEL - AREA E

DLR Group
Architects, Engineers, Planners, Scientists

A1.05

FLOOR PLAN, FIRST LEVEL - AREA E
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FLOOR PLAN, SECOND LEVEL - AREA E

DLR Group
Architects Engineers Planners Interiors

A1.06

FLOOR PLAN, SECOND LEVEL - AREA E
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