

A PRESENTATION BY



PRELIMINARY FINDINGS

JANUARY 24, 2014

**State of Utah Prison Relocation and Development
Authority**

Population Projections



OBJECTIVES:

- Validate UDC Population projections
- Forecast 20 year inmate population by gender

UDC Capacity



OBJECTIVES:

- Identify immediate and long term capacity issues
- Provide multiple options to address immediate, intermediate and long term capacity needs.

CUCF (Gunnison) Expansion



OBJECTIVES:

- Identify expansion capabilities of CUCF
- Assess utility and infrastructure limitations to CUCF expansion
- Evaluate other factors that would limit expansion
- Identify if and to what extent CUCF should be expanded

County Jails



OBJECTIVES:

- Assess current county jail criteria
- Determine if additional state inmate qualify for county jail placement under current criteria
- Recommend changes to county jail criteria if needed
- Contrast jail housing and programming vs. state prison
- Analyze current monitoring process

Master Plan Options



OBJECTIVES:

- Evaluate impact to system of Draper relocation
- Identify multiple options for Draper relocation
- Assess costs associated with relocating Draper

Financial Cost/Benefit of Draper Site Development



OBJECTIVES:

- Estimate construction cost of new correctional facilities
- Develop an estimate of potential new site(s) cost.
- Estimate economic impact of Draper site development
- Develop demolition costs of Draper facility
- Identify other costs that may be incurred should Draper be relocated
- Account for cost avoidance – 20 year Draper repair and maintenance costs
- Evaluate appraisal value of Draper site.

Major Preliminary Findings



- Even if Draper remains, UDC will need over 3,000 new beds in the system by 2033 at a cost to the state of over \$700 million (includes ongoing repair, maintenance and replacement of aging Draper buildings).
- To relocate Draper and keep up with the system population growth, the system will need over \$1 billion in additional funding (capital and operational) over the next 20 years.
- The expansion of CUCF (Gunnison) and the county jails is a separate issue from whether Draper is relocated.
- Expanding CUCF and county jails won't accommodate all the growth in population. The state will need to begin construction a new prison by 2018 to be activated by 2021.

Major Preliminary Findings (continued)



- County jails can expand, but the amount of programming and activities offered to state inmates housed in county jails must increase.
- The economic impact of developing the Draper site will yield over 1.8 billion annually in economic benefits to the state.
- If Draper is relocated we recommend the construction of new prisons to replace it and to accommodate future population growth of the male and female inmates.
- MGT provides 4 options for Draper replacement.

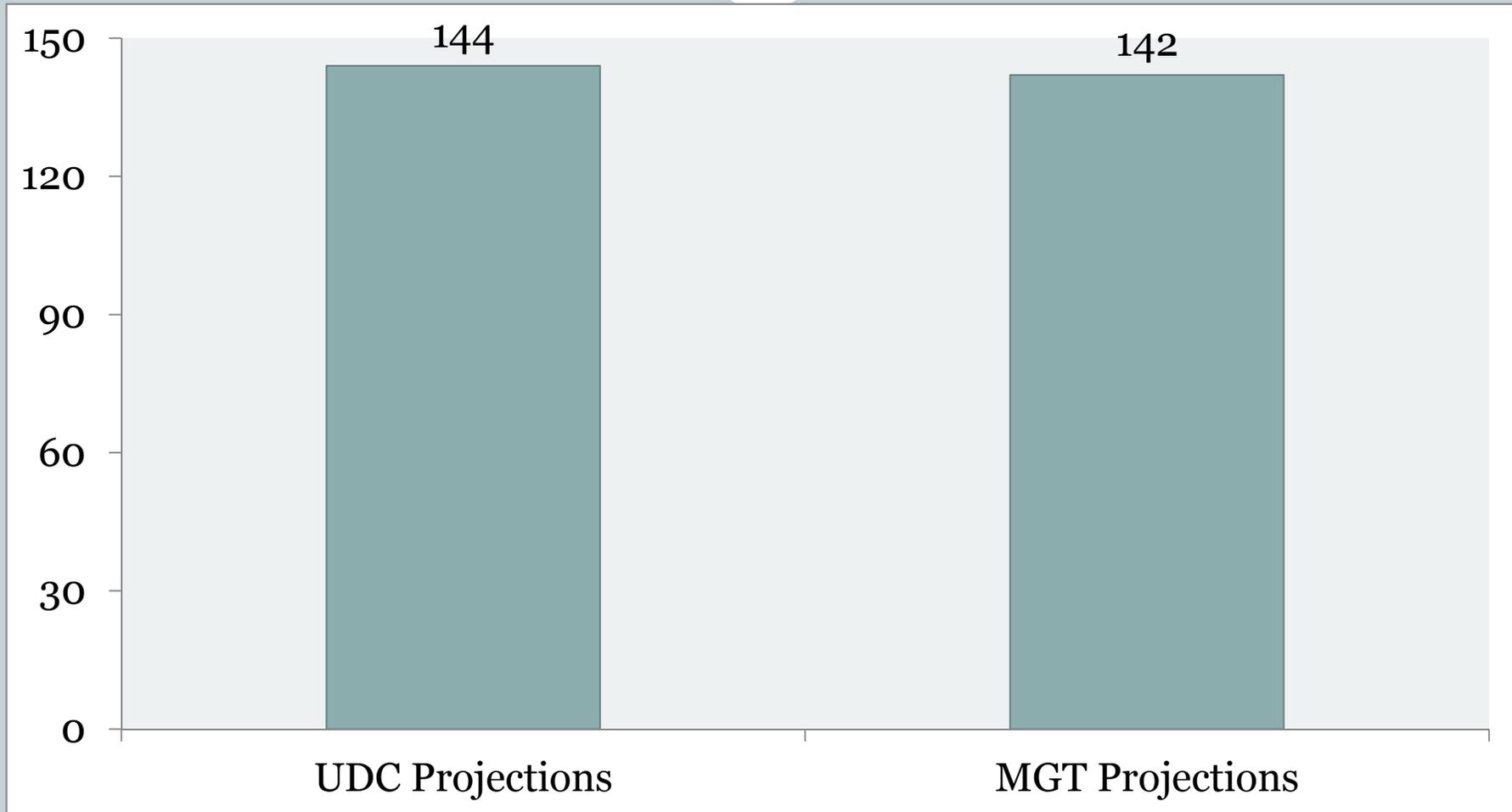
Population Projections



OBJECTIVES:

- Validate UDC Population projections
- Forecast 20 year inmate population by gender

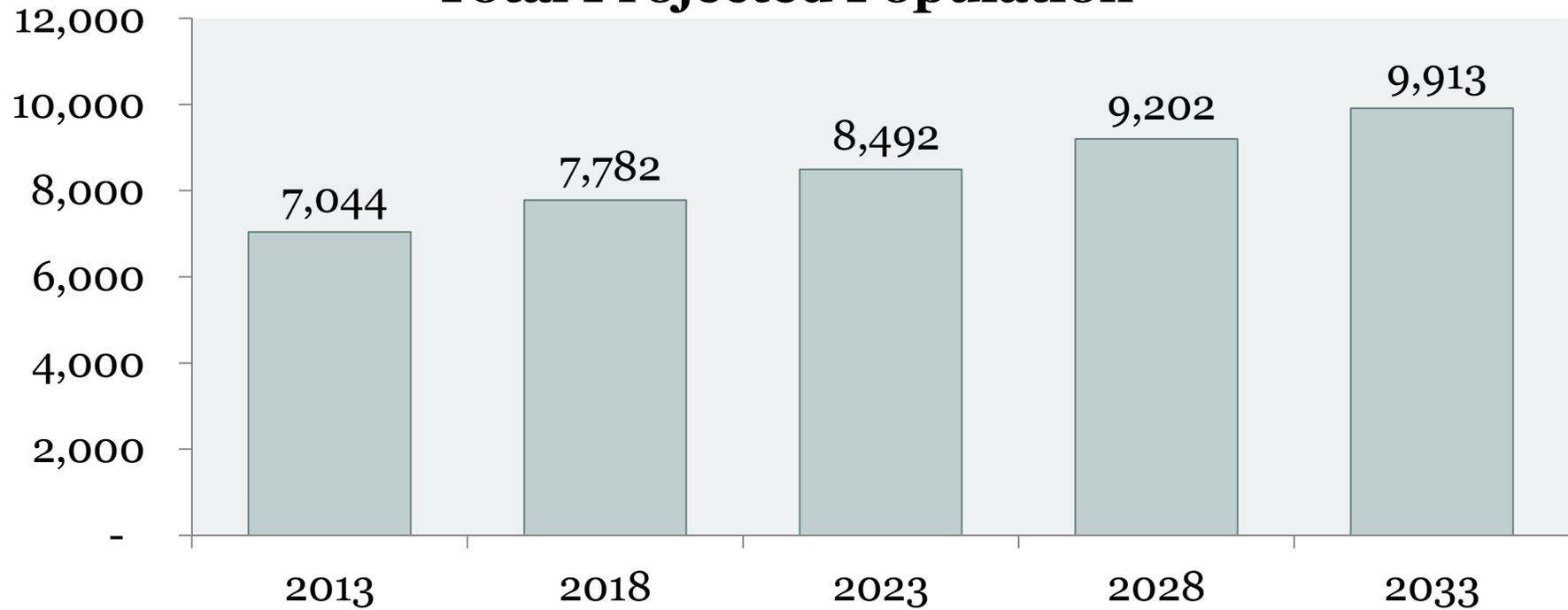
Projection Comparison – Average Annual Growth Rate



MGT Inmate Population Projections

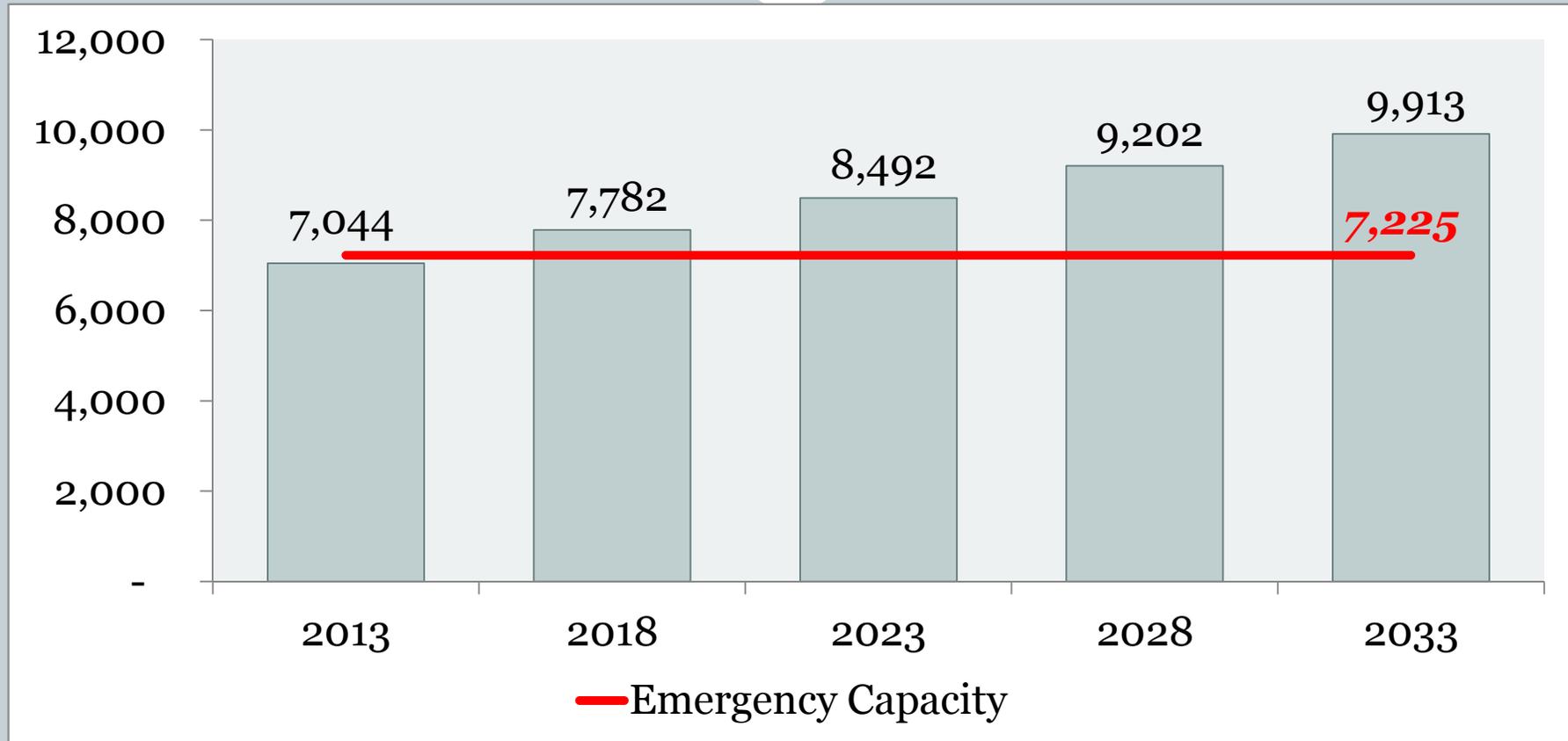


Total Projected Population



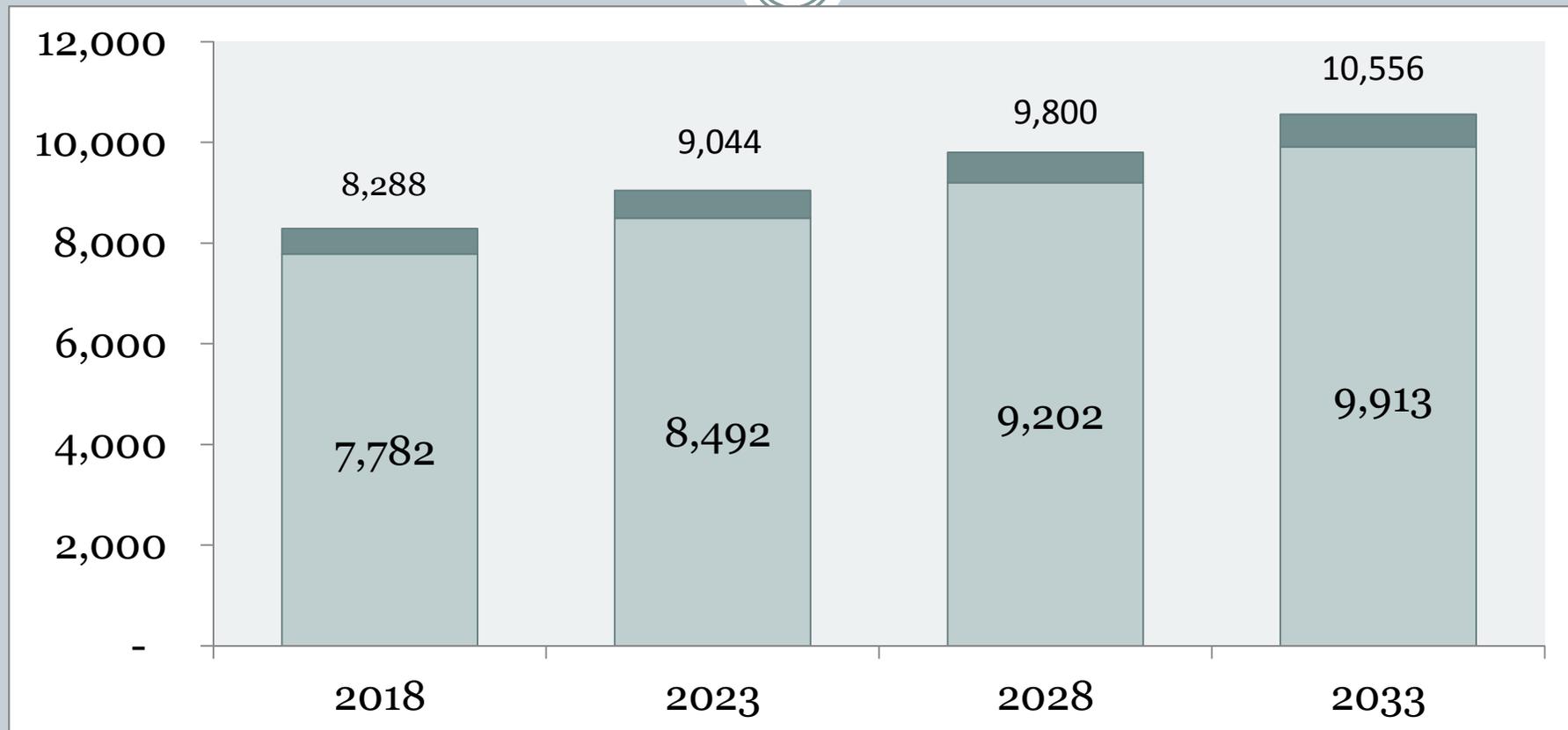
- This represents an overall inmate population growth of 2,869 above September 2013 YTD level.

Projected Pop. Vs. Emergency Capacity



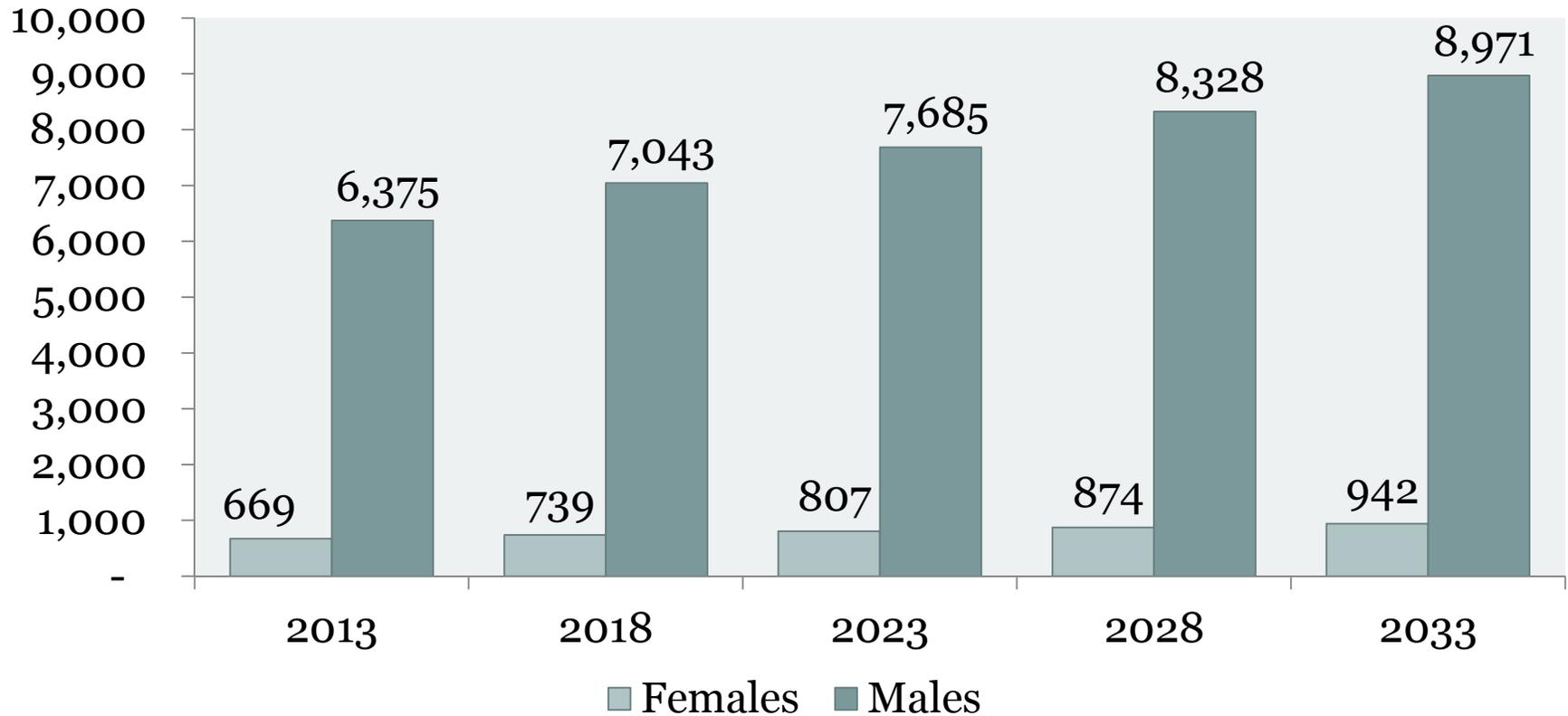
- Without additional capacity expansion, UDC will surpass emergency capacity level in this year.

Projected Beds Needed with Peaking Factor



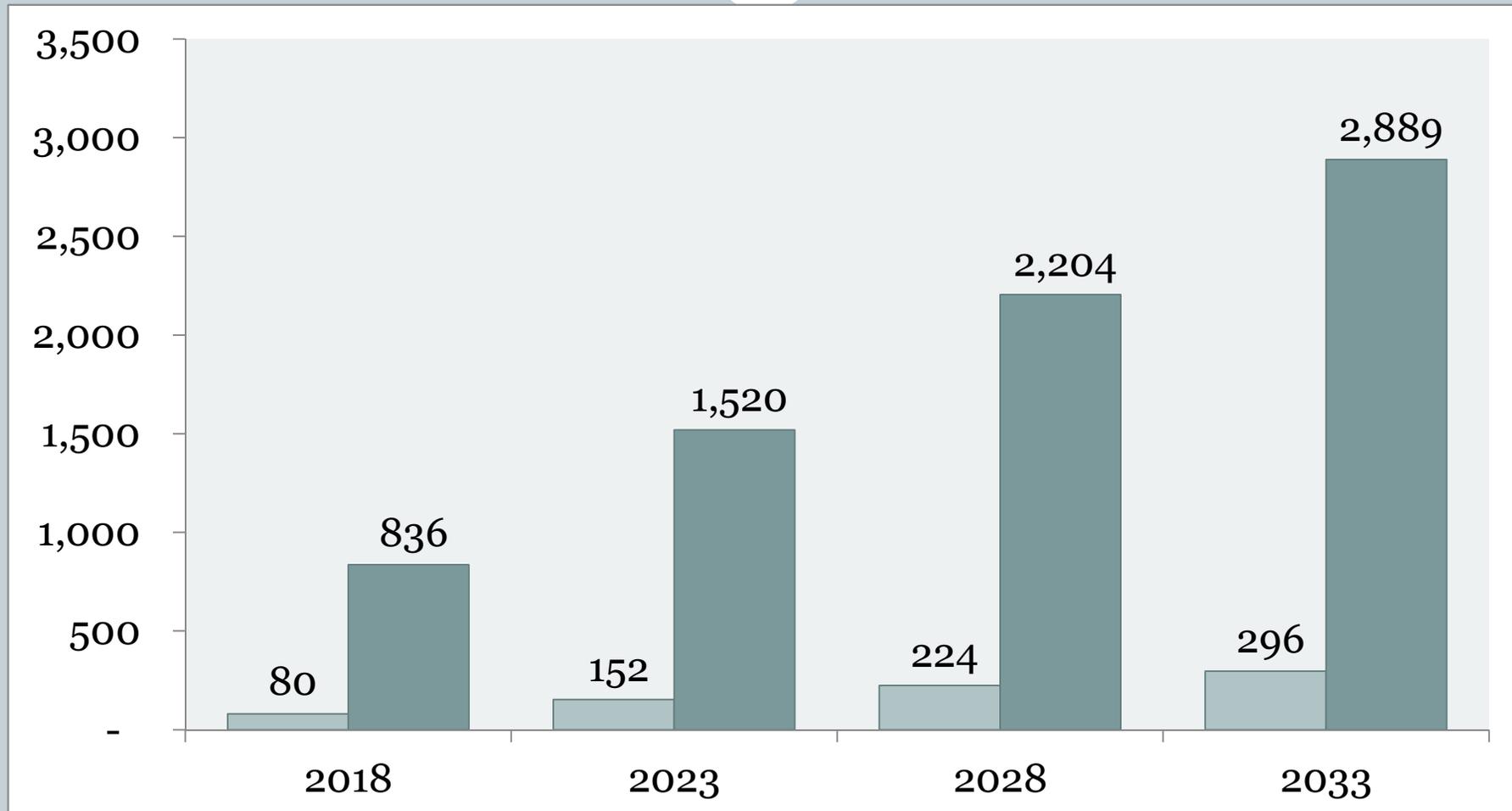
- With peaking factor, will need 3,184 more beds than current maximum capacity level (7,372).

Population Growth by Gender

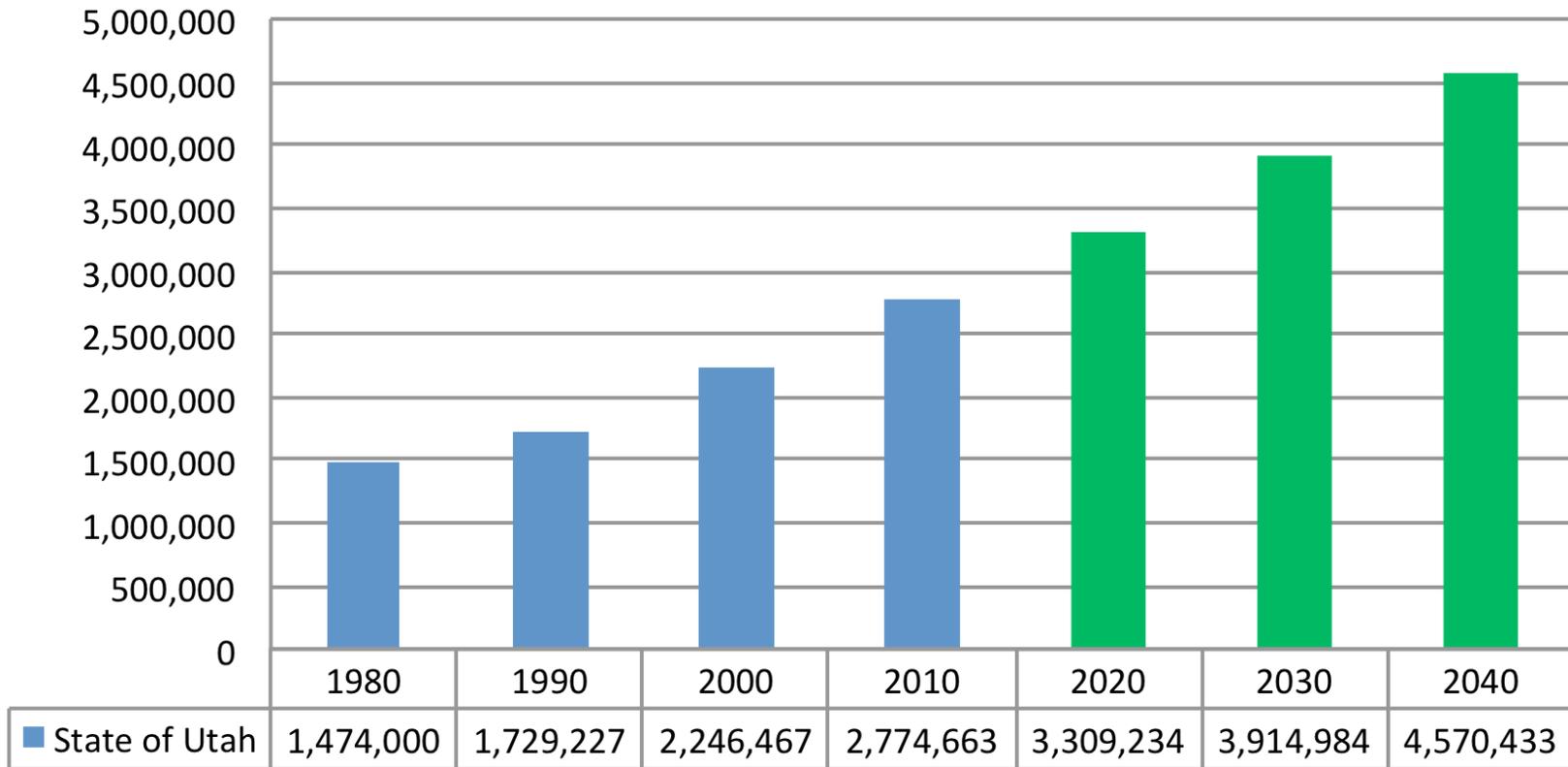


- By 2033, male population will have grown by 2,596 and female by 273 above 2013 ADP.

Additional Male and Female Beds Needed



Utah Historical and Projected Population Growth

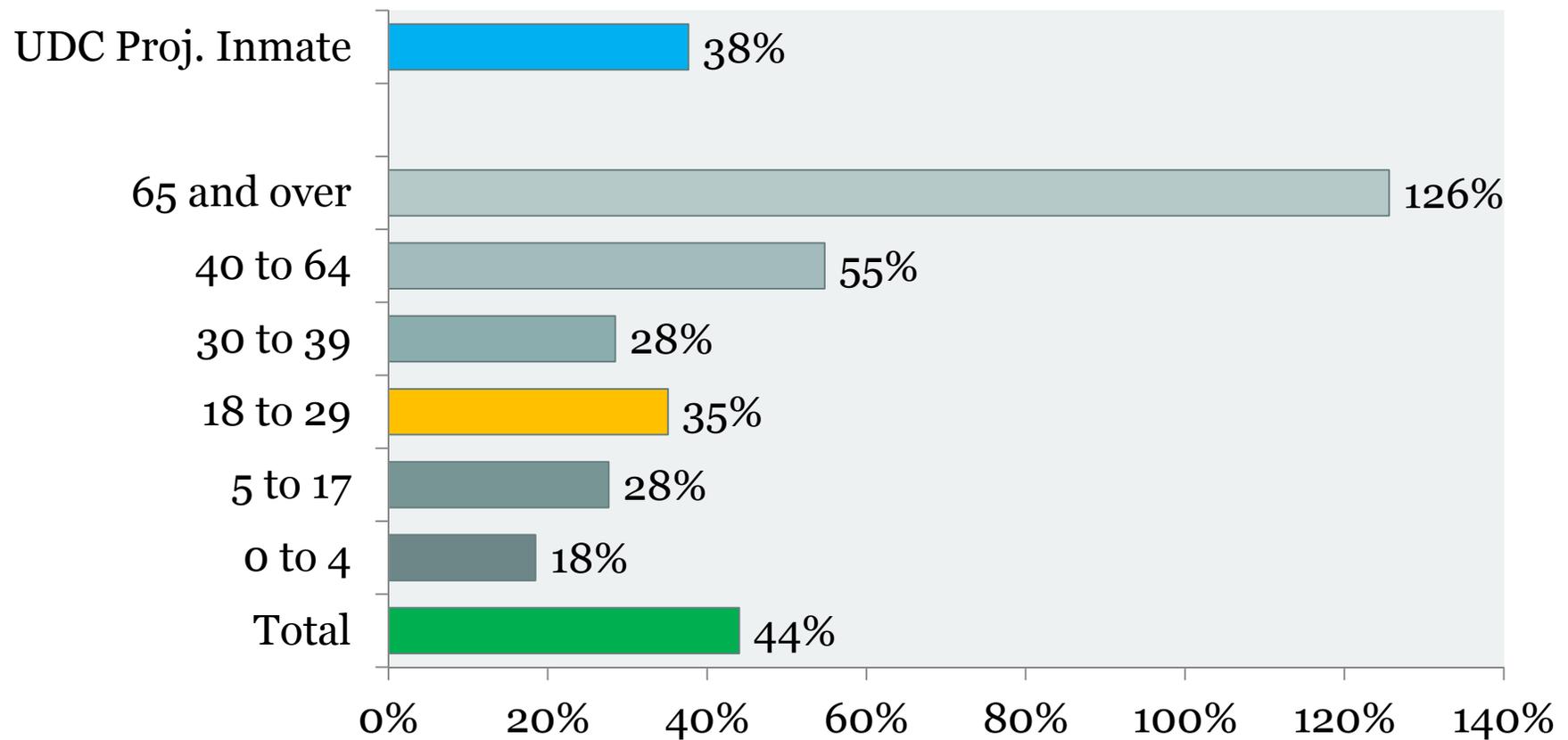


Data Source:
<http://www.utah.gov/about/demographics>

Compared to State Population Growth



Proj. Utah Pop Growth by Age 2012 - 2030



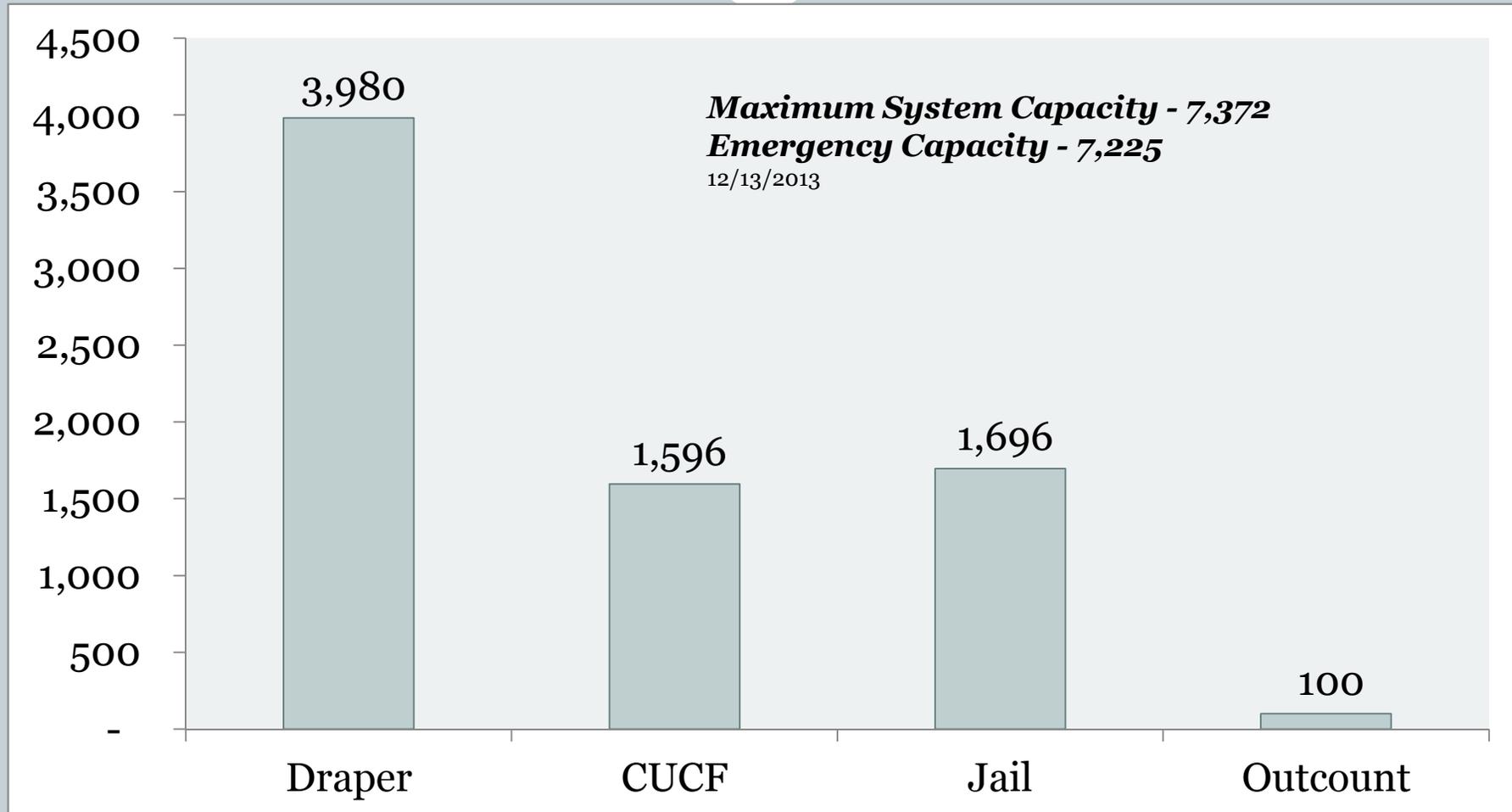
UDC Capacity



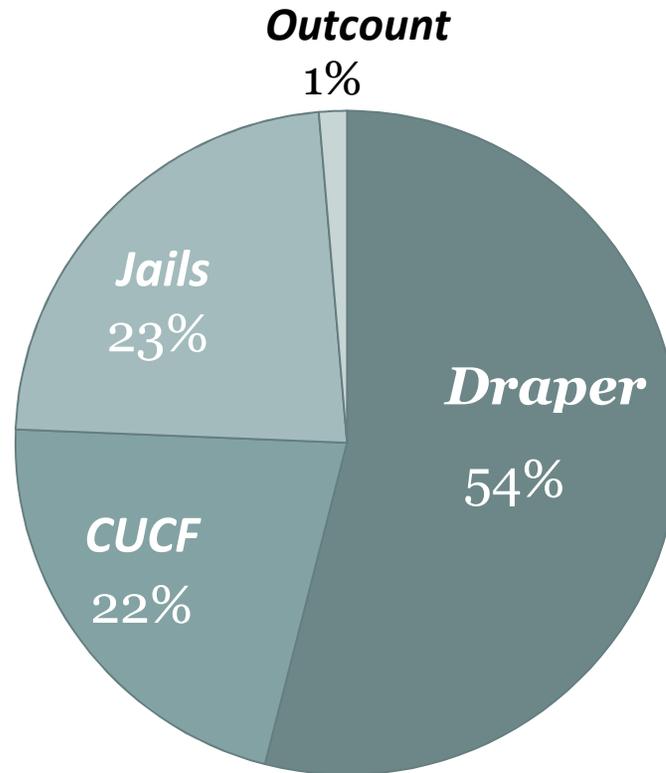
OBJECTIVES:

- Identify immediate capacity issues
- Provide recommendations to address immediate, intermediate and long term capacity needs.

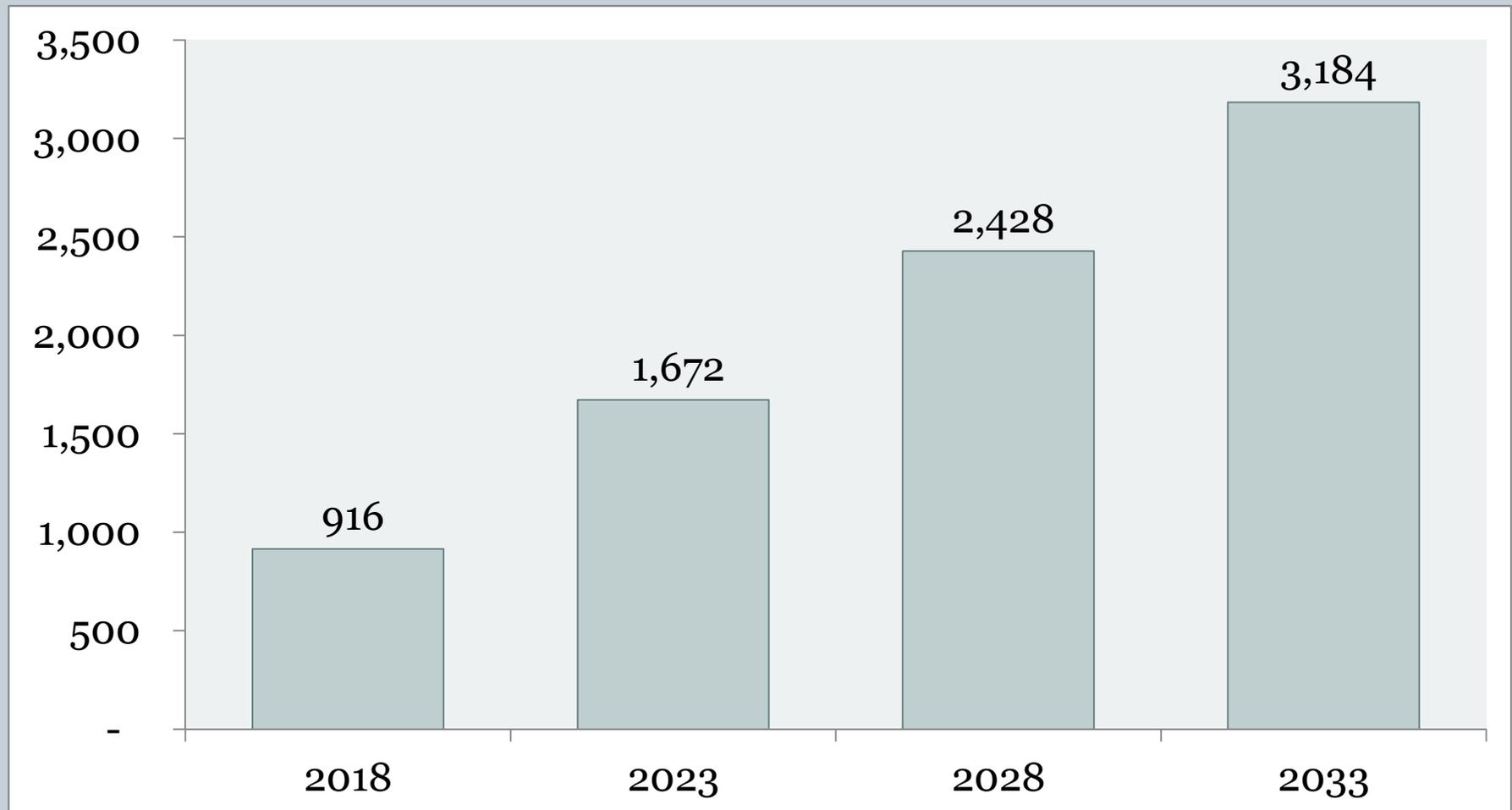
Current UDC Maximum Capacity



Capacity Distribution



Additional Capacity Needed



Population and Capacity Key Findings



- Even if Draper remains, there is an immediate need to expand UDC system capacity.
- UDC will need 3,184 additional beds in system in next 20 years.
- Only method to expand capacity immediately, is to increase the use of existing beds in county jails.

CUCF (Gunnison) Expansion



OBJECTIVES:

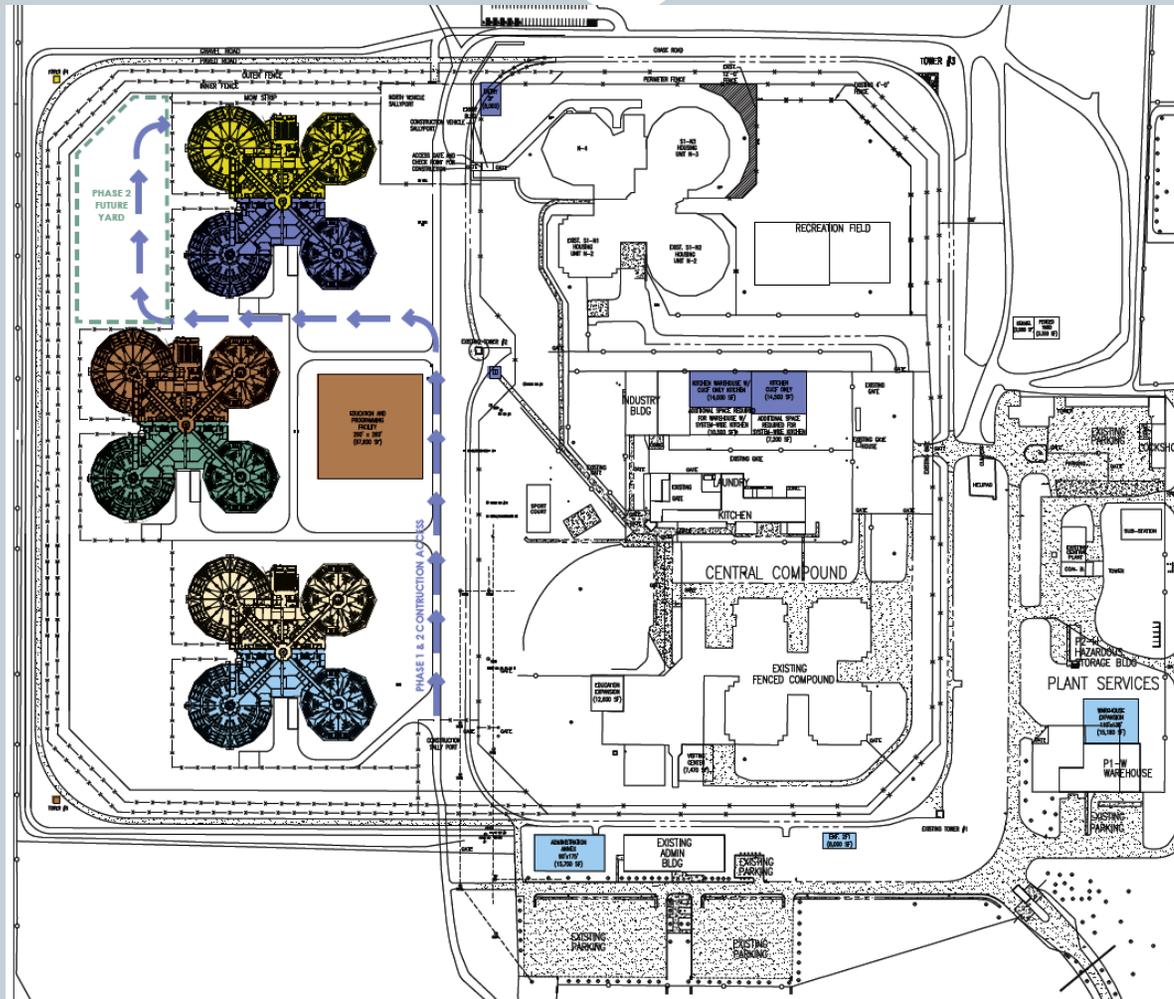
- Identify expansion capabilities of CUCF
- Assess utility and infrastructure limitations to CUCF expansion
- Evaluate other factors that would limit expansion
- Identify if and to what extent CUCF should be expanded

CUCF Master Plan Results



- Current capacity of CUCF = 1,596.
- Is newest prison in the system and has been well maintained.
- 2007 CUCF master plan identified potential for West Compound expansion.
- Master Plan indicated potential to nearly triple capacity at CUCF to 4,476. (Three additional housing complexes in West Compound at 960 beds per complex.)
- Designs were completed, RFP was developed, but ultimately no construction took place.

CUCF (Gunnison) Expansion



Findings CUCF Expansion



- There are sufficient inmates in the system to accommodate a 960 bed expansion.
- Our review found the following limitations with full CUCF expansion:
 - Size of single facility would be complex to manage, nearly 4,500 inmates
 - Location in less populated area of state has limitations:
 - ✦ Access to specialty staff – mental health, medical, etc.
 - ✦ Access to volunteers.
 - ✦ Access to full resource medical facility.
 - Utility infrastructure to prison would need upgraded by local community after 1000 bed increase.

CUCF Recommendations



- ▶ Limit expansion at CUCF to 960 beds. This increases overall capacity to 2,556.
- ▶ Work with local hospital to determine how their scope of services can be expanded.
- ▶ Consider greater incentives to attract specialty positions.

County Jails



OBJECTIVES:

- Assess current county jail criteria
- Determine if additional state inmate qualify for county jail placement under current criteria
- Recommend changes to county jail criteria if needed
- Contrast jail housing and programming vs. state prison
- Analyze current monitoring process

County Jail Overview



- County Jails have played a vital role in providing state inmate housing for many decades.
- UDC's IPP bureau has made significant strides in improving the partnership between the jails and the state.
- The state contracts with 21 county jails to house state inmates.
- 23% of the current UDC capacity is in county jails.

	# of Beds
County Contracts	2,177
Available beds in County Jails	2,223
FY 2014 Funded Level	1,696
CY 2013 Average Daily Population	1,601

Comparing County Jails vs. State Prison



	County Jails	State Prisons
General Mission	Short Term housing of pre-trial offenders	Long Term housing of convicted offenders
Programming	Minimal due to short term nature of offenders	Significant programming opportunities .
Inmate Idleness	42% of state inmates housed in county jails are not assigned to a program, class or job assignment.	25% overall idleness. 18.5% idle rate at CUCF.
Classification	Limited ability to house by classification or to separate state and county jail inmates.	Housed by classification and special need.
Medical	Limited, however only state inmates with medical acuity levels of 3, 4 and 5 are considered.	Significant medical capabilities
Visitation	In many jails, video visitation (non-contact) are the only form of visitation allowed.	Contact and non-contact visits allowed

County Jail Exclusion Criteria



- ▶ We found that on average an additional 400 inmates housed in the state prisons are eligible for county jail placement.
- ▶ More than half of the inmate population are excluded from county jail placement because of their medical acuity level.
- ▶ If adjust the threshold for medical acuity up to 1,000 additional inmates might qualify for jail placement.

Jail Findings Summary



- More than 400 inmates in prisons meet basic criteria for placement in county jail.
- By revising criteria to allow medical acuity level M2's, up to another 1,000 inmates in prison might be eligible for county jail placement, however, most county jails are not yet ready to treat and manage M2's.
- County Jails offer limited other programming, but not at level or intensity offered in state prisons.
- 42% of state inmates in county jails are idle, this is nearly double that in the state prison system.
- Oversight of the jails is improving, however further steps should be taken.

County Jail Recommendations



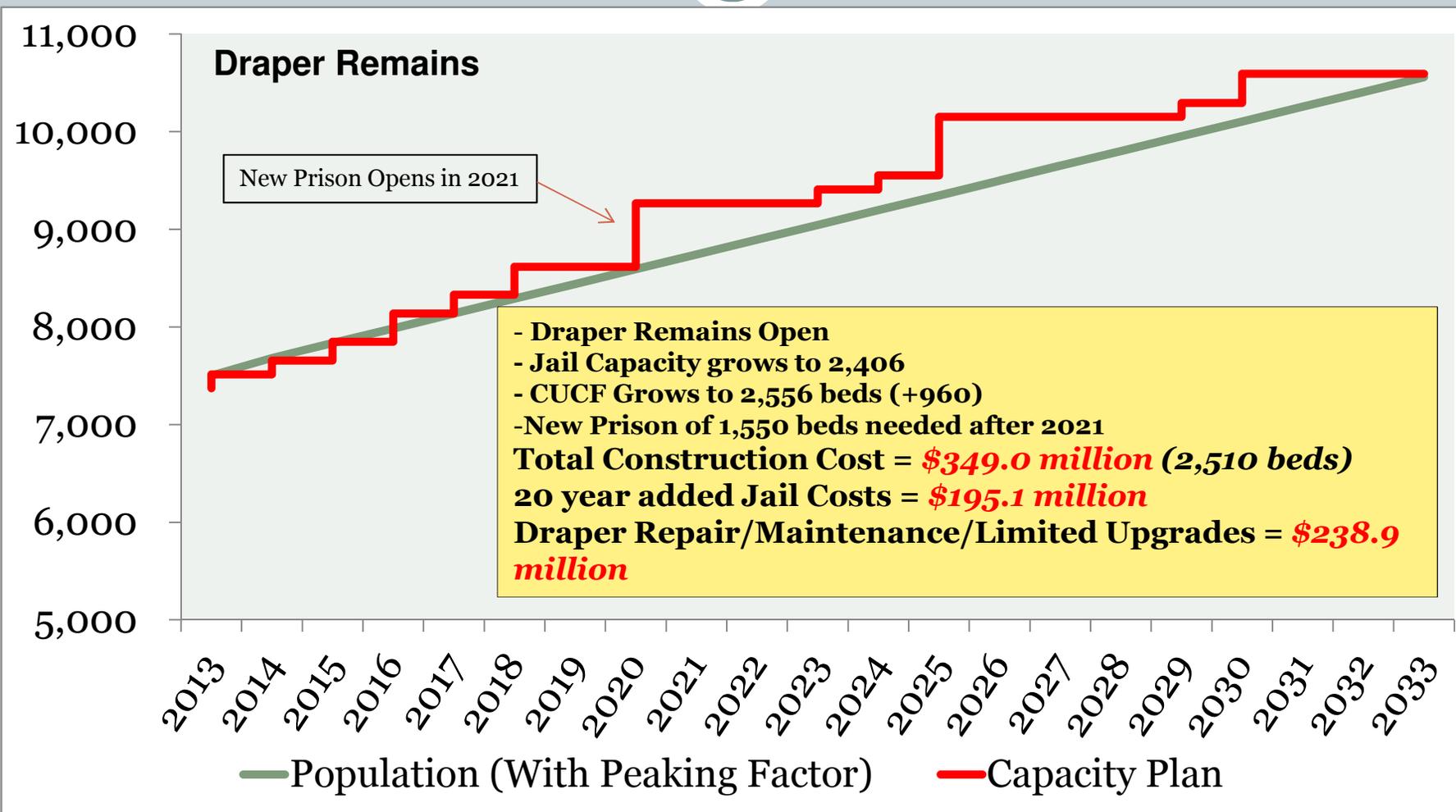
- Increase programming for those inmates housed in county jails.
- Expand county jail capacity in proportion to overall inmate population growth.
- Enhance the monitoring of the county jails by UDC by establishing priority requirements.
- Expand recidivism tracking in UDC to separate out those inmates in the county jails who go through programming.
- Conduct a detailed analysis of the cost to house county inmates in a county jail, vs. state inmates in a county jail, vs. state inmates in a prison.

County Jails and CUCF - Summary



- County Jails and Gunnison expansion are related but independent issues from relocation of Draper facility.
- Jails and CUCF expansion help address projected population growth.
- Maintaining jails at 23% of capacity, and expanding CUCF by 960 beds would offset 57% of population growth in next 20 years.
- Even with jail and CUCF expansion, UDC would still need to build another 1,372 bed prison.

CUCF and County Jail Plan Implementation



Master Plan Options



OPTION 1: DRAPER REPLACED IN 2018/SHORT TERM JAIL CAPACITY INCREASE ONLY

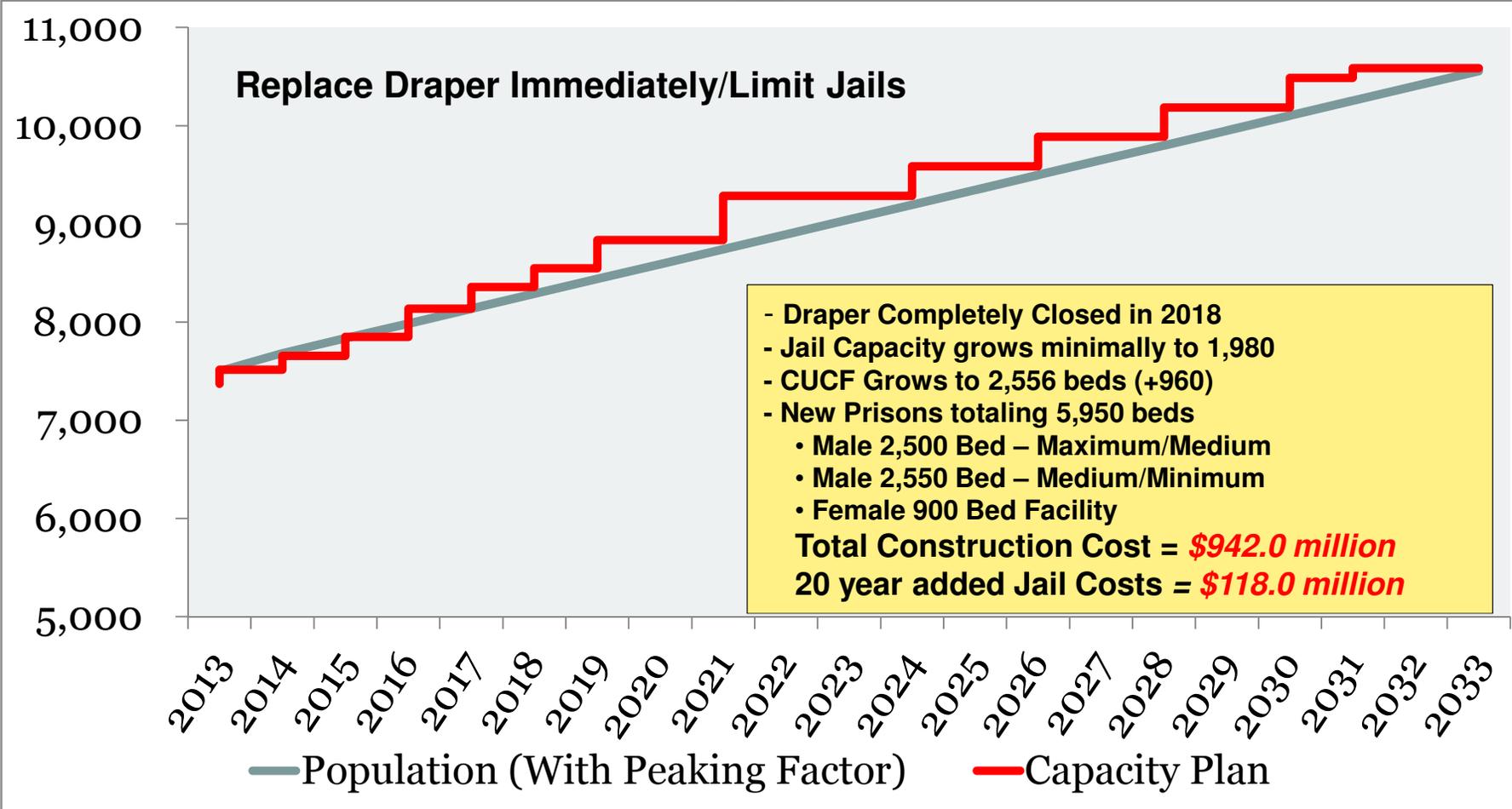
OPTION 2: DRAPER REPLACED IN 2018/JAIL CAPACITY REMAINS AT 23% OF TOTAL CAPACITY

OPTION 3: DRAPER PHASED OUT BY 2024

OPTION 4: DRAPER PHASED OUT BY 2020

ALL OPTIONS ASSUME 960 NEW BEDS AT CUCF

Capacity Plan – Option 1



Option 1 – Phase I: 2014 - 2020



Sites	Current Bed Capacity	Phase I - Beds Coming Online and Offline Over Time (2014 - 2020)								
		2014	2015	2016	2017	2018	2019	2020	Totals	Percent
Draper	3,980					3,980			0	0.0%
CUCF	1,596			192	288		192	288	2,556	29.3%
New	0					4,200			4,200	48.1%
Subtotal State Beds	5,576	5,576	5,576	5,768	6,056	6,276	6,468	6,756	6,756	
County Jails Beds	1,696	142	142						1,980	22.4%
Total System Beds	7,372	7,514	7,656	7,848	8,136	8,356	8,548	8,836	8,836	
Beds Needed	7,300	7,683	7,834	7,985	8,137	8,288	8,439	8,590	8,590	
Net Beds	72	-169	-178	-137	-1	68	109	246	246	
Capital Costs (\$ Millions)				\$26.7	\$25.1	\$545.9	\$27.5	\$26.7	\$652.0	
Annual Jail Cost Increase (\$ Millions)		\$2.5	\$2.5							
Cumulative New Jail Bed Costs (\$ Millions)		\$2.5	\$5.1	\$5.2	\$5.3	\$5.4	\$5.5	\$5.6	\$34.4	

Option 1 – Phase II: 2021 - 2027



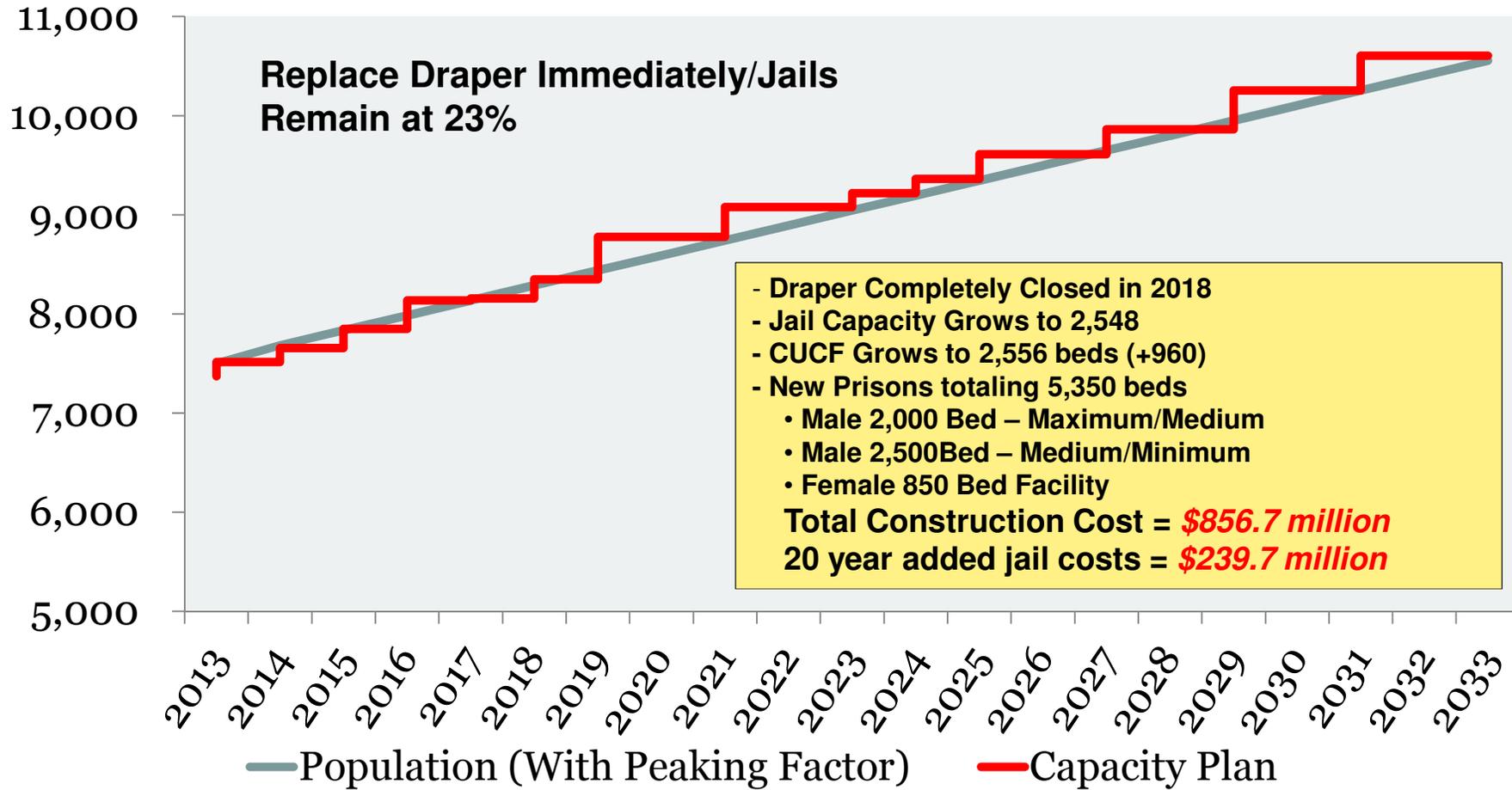
Sites	2020 Bed Capacity	Phase II - Beds Coming Online and Offline Over Time (2021 - 2027)								
		2021	2022	2023	2024	2025	2026	2027	Totals	Percent
Draper	0								0	0.0%
CUCF	2,556								2,556	26.4%
New	4,200		450			300		300	5,250	54.2%
Subtotal State Beds	6,756	6,756	7,206	7,206	7,206	7,506	7,506	7,806	7,806	
County Jails Beds	1,980								1,980	20.4%
Total System Beds	8,836	8,836	9,286	9,286	9,286	9,586	9,586	9,886	9,886	
Beds Needed	8,590	8,742	8,893	9,044	9,195	9,347	9,498	9,649	9,649	
Net Beds	246	94	393	242	91	239	88	237		
Capital Costs (\$ Millions)			\$64.6			\$47.1		\$49.9	\$813.6	
Annual Jail Cost Increase (\$ Millions)										
Cumulative New Jail Bed Costs (\$ Millions)		\$5.7	\$5.8	\$5.9	\$6.0	\$6.2	\$6.3	\$6.4	\$76.7	

Option 1 – Phase III: 2028 - 2033



Sites	2027 Bed Capacity	Phase III - Beds Coming Online and Offline (2028 - 2033)							
		2028	2029	2030	2031	2032	2033	Totals	Percent
Draper	0							0	0.0%
CUCF	2,556							2,556	24.0%
New	5,250		300		300	100		5,950	55.9%
Subtotal State Beds	7,806	7,806	8,106	8,106	8,406	8,506	8,506	17,012	
County Jails Beds	1,980							1,980	18.6%
Total System Beds	9,886	9,886	10,186	10,186	10,486	10,586	10,586	8,606	
Beds Needed	9,649	9,800	9,952	10,103	10,254	10,405	10,556	10,556	
Net Beds	237	86	234	83	232	181	30		
Capital Costs (\$ Millions)			\$53.0		\$56.2	\$19.3		\$942.0	
Annual Jail Cost Increase (\$ Millions)									
Cumulative New Jail Bed Costs (\$ Millions)		\$6.5	\$6.7	\$6.8	\$6.9	\$7.1	\$7.2	\$118.0	

Capacity Plan – Option 2



Option 2 – Phase I: 2014 - 2020



Sites	Current Bed Capacity	Phase I - Beds Coming Online and Offline Over Time (2014 - 2020)								
		2014	2015	2016	2017	2018	2019	2020	Totals	Percent
Draper	3,980					3,980			0	0.0%
CUCF	1,596			192	288		192	288	2,556	29.3%
New	0					4,200			4,200	48.1%
Subtotal State Beds	5,576	5,576	5,576	5,768	6,056	6,276	6,468	6,756	6,756	
County Jails Beds	1,696	142	142						1,980	22.4%
Total System Beds	7,372	7,514	7,656	7,848	8,136	8,356	8,548	8,836	8,836	
Beds Needed	7,300	7,683	7,834	7,985	8,137	8,288	8,439	8,590	8,590	
Net Beds	72	-169	-178	-137	-1	68	109	246	246	
Capital Costs (\$ Millions)				\$26.7	\$25.1	\$545.9	\$27.5	\$26.7	\$652.0	
Annual Jail Cost Increase (\$ Millions)		\$2.5	\$2.5							
Cumulative New Jail Bed Costs (\$ Millions)		\$2.5	\$5.1	\$5.2	\$5.3	\$5.4	\$5.5	\$5.6	\$34.4	

Option 2 – Phase II: 2021 - 2027



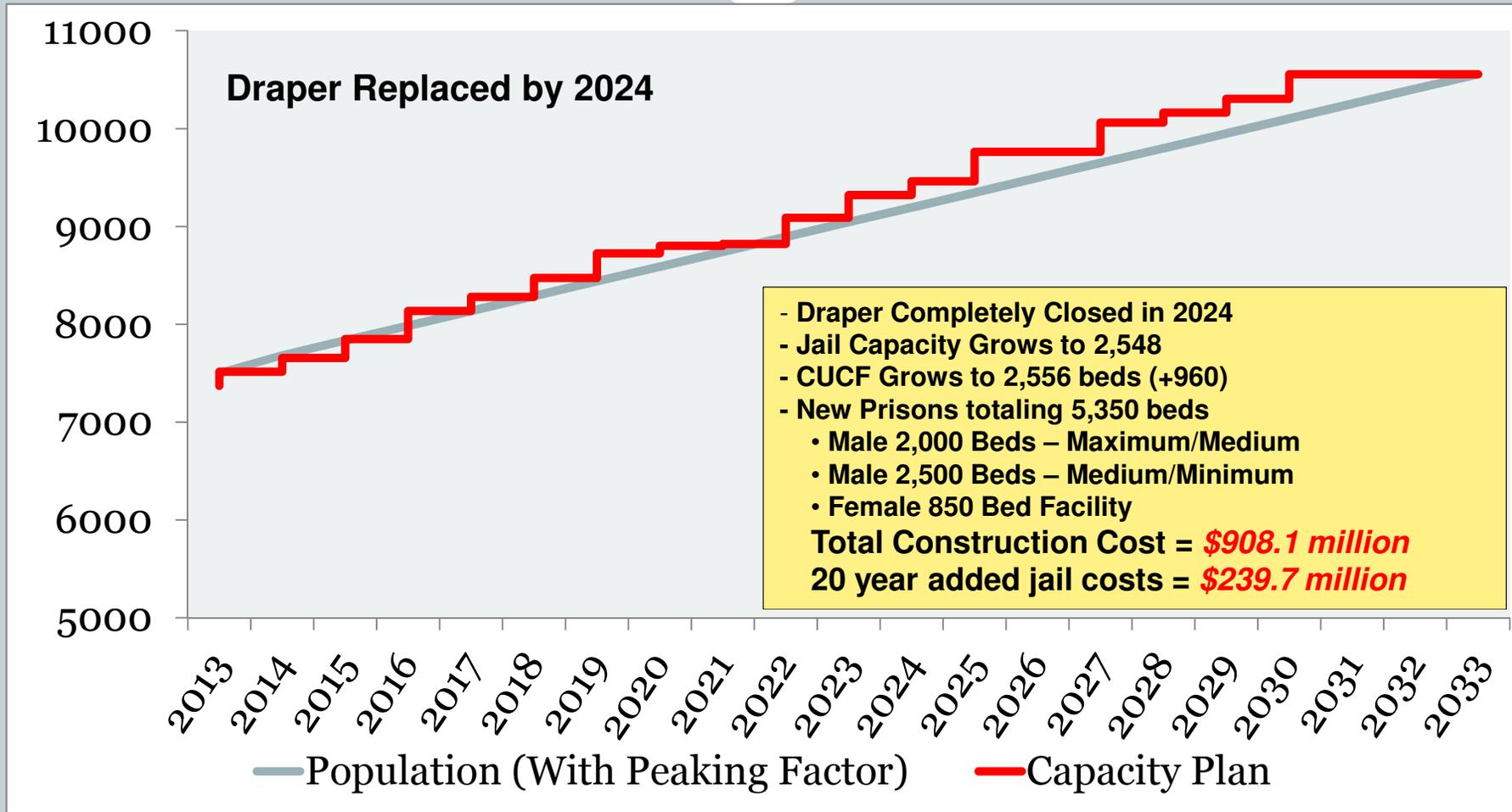
Sites	2020 Bed Capacity	Phase II - Beds Coming Online and Offline Over Time (2021 - 2027)								
		2021	2022	2023	2024	2025	2026	2027	Totals	Percent
Draper	0								0	0.0%
CUCF	2,556								2,556	26.4%
New	4,000		300				250		4,550	47.0%
Subtotal State Beds	6,556	6,556	6,856	6,856	6,856	6,856	7,106	7,106	7,106	
County Jails Beds	2,122				142	142			2,406	24.8%
Total System Beds	8,778	8,778	9,078	9,078	9,220	9,362	9,612	9,612	9,612	
Beds Needed	8,590	8,742	8,893	9,044	9,195	9,347	9,498	9,649	9,649	
Net Beds	188	36	185	34	25	15	114	-37		
Capital Costs (\$ Millions)			\$43.1				\$40.4		\$709.9	
Annual Jail Cost Increase (\$ Millions)					\$3.0	\$3.1				
Cumulative New Jail Bed Costs (\$ Millions)		\$8.5	\$8.7	\$8.9	\$12.1	\$15.4	\$15.7	\$16.0	\$122.5	

Option 2 – Phase III: 2028 - 2033



Sites	2027 Bed Capacity	Phase III - Beds Coming Online and Offline (2028 - 2033)							
		2028	2029	2030	2031	2032	2033	Totals	Percent
Draper	0							0	0.0%
CUCF	2,556							2,556	24.0%
New	4,550	250		200		350		5,350	50.2%
Subtotal State Beds	7,106	7,356	7,356	7,556	7,556	7,906	7,906	15,812	
County Jails Beds	2,406			142				2,548	23.9%
Total System Beds	9,612	9,862	9,862	10,204	10,204	10,554	10,554	8,006	
Beds Needed	9,649	9,800	9,952	10,103	10,254	10,405	10,556	10,556	
Net Beds	-37	62	-90	101	-50	149	-2		
Capital Costs (\$ Millions)		\$42.8		\$36.4		\$67.5		\$856.7	
Annual Jail Cost Increase (\$ Millions)				\$3.4					
Cumulative New Jail Bed Costs (\$ Millions)		\$16.4	\$16.7	\$20.4	\$20.8	\$21.2	\$21.7	\$239.7	

Capacity Plan - Option 3



Option 3 – Phase I: 2014 - 2020



Sites	Current Bed Capacity	Phase I - Beds Coming Online and Offline Over Time (2014 - 2020)								
		2014	2015	2016	2017	2018	2019	2020	Totals	Percent
Draper	3,980					856		478	2,646	30.3%
CUCF	1,596			192	288		192	288	2,556	29.3%
New	0					1,000		300	1,300	14.9%
Subtotal State Beds	5,576	5,576	5,576	5,768	6,056	6,200	6,392	6,502	6,502	
County Jails Beds	1,696	142	142					142	2,122	24.3%
Total System Beds	7,372	7,514	7,656	7,848	8,136	8,280	8,472	8,724	8,724	
Beds Needed	7,300	7,683	7,834	7,985	8,137	8,288	8,439	8,590	8,590	
Net Beds	72	-169	-178	-137	-1	-8	33	134	134	
Capital Costs (\$ Millions)				\$26.7	\$25.1	\$129.0	\$27.5	\$67.9	\$276.4	
Annual Jail Cost Increase (\$ Millions)		\$2.5	\$2.5					\$2.8		
Cumulative New Jail Bed Costs (\$ Millions)		\$2.5	\$5.1	\$5.2	\$5.3	\$5.4	\$5.5	\$8.4	\$37.2	

Option 3 – Phase II: 2021 - 2027



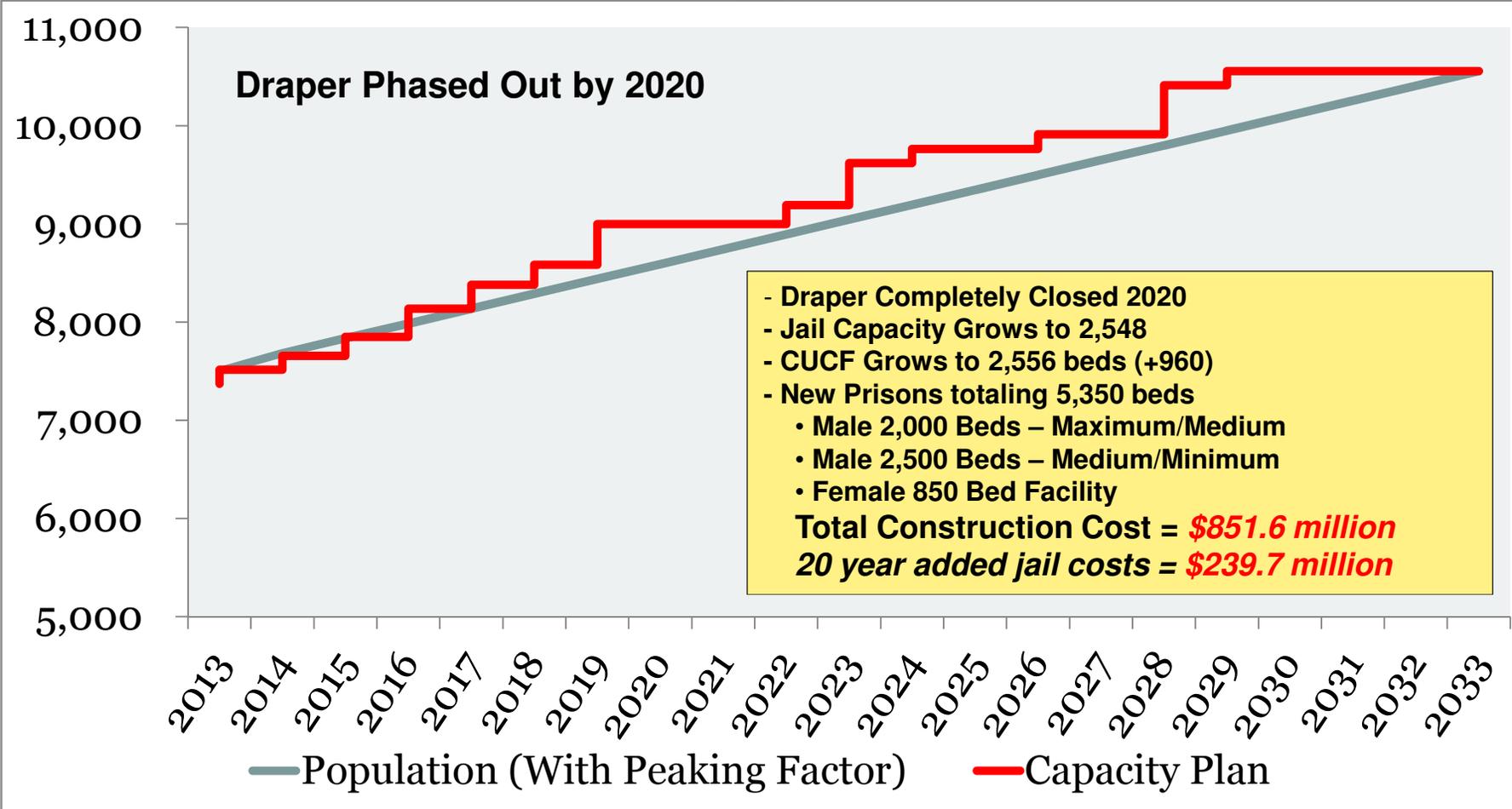
Sites	2020 Bed Capacity	Phase II - Beds Coming Online and Offline Over Time (2021 - 2027)								
		2021	2022	2023	2024	2025	2026	2027	Totals	Percent
Draper	2,646	423	480	482	1,261				0	0.0%
CUCF	2,556								2,556	26.4%
New	1,300	500	500	750	1,350		300		4,700	48.5%
Subtotal State Beds	6,502	6,579	6,599	6,867	6,956	6,956	7,256	7,256	7,256	
County Jails Beds	2,122				142	142			2,406	24.8%
Total System Beds	8,724	8,801	8,821	9,089	9,320	9,462	9,762	9,762	9,762	
Beds Needed	8,590	8,742	8,893	9,044	9,195	9,347	9,498	9,649	9,649	
Net Beds	134	59	-72	45	125	115	264	113		
Capital Costs (\$ Millions)		\$70.5	\$72.9	\$114.5	\$209.5		\$48.5		\$792.2	
Annual Jail Cost Increase (\$ Millions)					\$3.0	\$3.1				
Cumulative New Jail Bed Costs (\$ Millions)		\$8.5	\$8.7	\$8.9	\$12.1	\$15.4	\$15.7	\$16.0	\$122.5	

Option 3 – Phase III: 2028 - 2033



Sites	2027 Bed Capacity	Phase III - Beds Coming Online and Offline (2028 - 2033)							
		2028	2029	2030	2031	2032	2033	Totals	Percent
Draper	0							0	0.0%
CUCF	2,556							2,556	24.0%
New	4,700	300	100		250			5,350	50.2%
Subtotal State Beds	7,256	7,556	7,656	7,656	7,906	7,906	7,906	15,812	
County Jails Beds	2,406			142				2,548	23.9%
Total System Beds	9,762	10,062	10,162	10,304	10,554	10,554	10,554	8,006	
Beds Needed	9,649	9,800	9,952	10,103	10,254	10,405	10,556	10,556	
Net Beds	113	262	210	201	300	149	-2		
Capital Costs (\$ Millions)		\$51.4	\$17.7		\$46.8			\$908.1	
Annual Jail Cost Increase (\$ Millions)				\$3.4					
Cumulative New Jail Bed Costs (\$ Millions)		\$16.4	\$16.7	\$20.4	\$20.8	\$21.2	\$21.7	\$239.7	

Capacity Plan - Option 4



Option 4 – Phase I: 2014 - 2020



Sites	Current Bed Capacity	Phase I - Beds Coming Online and Offline Over Time (2014 - 2020)								
		2014	2015	2016	2017	2018	2019	2020	Totals	Percent
Draper	3,980					1,757	794	1,429	0	0.0%
CUCF	1,596			192	288				2,076	23.8%
New	0					2,000	1,000	1,700	4,700	53.9%
Subtotal State Beds	5,576	5,576	5,576	5,768	6,056	6,299	6,505	6,776	6,776	
County Jails Beds	1,696	142	142					142	2,122	23.6%
Total System Beds	7,372	7,514	7,656	7,848	8,136	8,379	8,585	8,998	8,998	
Beds Needed	7,300	7,683	7,834	7,985	8,137	8,288	8,439	8,590	8,590	
Net Beds	72	-169	-178	-137	-1	91	146	408	408	
Capital Costs (\$ Millions)				\$26.7	\$25.1	\$258.0	\$134.4	\$233.1	\$677.4	
Annual Jail Cost Increase (\$ Millions)		\$2.5	\$2.5					\$2.8		
Cumulative New Jail Bed Costs (\$ Millions)		\$2.5	\$5.1	\$5.2	\$5.3	\$5.4	\$5.5	\$8.4	\$37.2	

Option 4 – Phase II: 2021 - 2027



Sites	2020 Bed Capacity	Phase II - Beds Coming Online and Offline Over Time (2021 - 2027)								
		2021	2022	2023	2024	2025	2026	2027	Totals	Percent
Draper	0								0	0.0%
CUCF	2,076			192	288				2,556	26.4%
New	4,700							150	4,850	50.1%
Subtotal State Beds	6,776	6,776	6,776	6,968	7,256	7,256	7,256	7,406	7,406	
County Jails Beds	2,122				142	142			2,406	24.8%
Total System Beds	8,998	8,998	8,998	9,190	9,620	9,762	9,762	9,912	9,912	
Beds Needed	8,590	8,742	8,893	9,044	9,195	9,347	9,498	9,649	9,649	
Net Beds	408	256	105	146	425	415	264	263		
Capital Costs (\$ Millions)				\$31.0	\$30.0			\$25.0	\$763.4	
Annual Jail Cost Increase (\$ Millions)					\$3.0	\$3.1				
Cumulative New Jail Bed Costs (\$ Millions)		\$8.5	\$8.7	\$8.9	\$12.1	\$15.4	\$15.7	\$16.0	\$122.5	

Option 4 – Phase III: 2028 - 2033



Sites	2027 Bed Capacity	Phase III - Beds Coming Online and Offline (2028 - 2033)							
		2028	2029	2030	2031	2032	2033	Totals	Percent
Draper	0							0	0.0%
CUCF	2,556							2,556	24.0%
New	4,850		500					5,350	50.2%
Subtotal State Beds	7,406	7,406	7,906	7,906	7,906	7,906	7,906	15,812	
County Jails Beds	2,406			142				2,548	23.9%
Total System Beds	9,912	9,912	10,412	10,554	10,554	10,554	10,554	8,006	
Beds Needed	9,649	9,800	9,952	10,103	10,254	10,405	10,556	10,556	
Net Beds	263	112	460	451	300	149	-2		
Capital Costs (\$ Millions)			\$88.3					\$851.6	
Annual Jail Cost Increase (\$ Millions)				\$3.4					
Cumulative New Jail Bed Costs (\$ Millions)		\$16.4	\$16.7	\$20.4	\$20.8	\$21.2	\$21.7	\$239.7	

Phased Expansion Benefits



- Projections are less accurate the further in the future they go. Therefore, phasing construction reduces the potential of building too many beds should the prison population unexpectedly level off.
- Allows for planned adjustments in bed needs if conditions change (i.e. sentencing reform, development of alternatives to corrections, etc.)

Summary of 4 Options



Option	20 Year Capital Construction Cost	20 Year Added Operational Cost
Replacing Draper Only in 2018	\$537.8 million	
Option 1: Replace Draper by 2018, Limit Jail Growth	\$942.0 million	\$118.0 million
Option 2: Replace Draper by 2018, Keep jails at 23% of system capacity	\$856.7 million	\$239.7 million
Option 3: Replace Draper over 7 years	\$908.1 million	\$239.7 million
Option 4: Replace Draper over 3 years	\$851.6 million	\$239.7 million

Financial Cost/Benefit of Draper Site Development



OBJECTIVES:

- Estimate construction cost of new correctional facilities
- Develop an estimate of potential new site(s) cost.
- Estimate economic impact of Draper site development
- Develop demolition costs of Draper facility
- Identify other costs that may be incurred should Draper be relocated
- Account for cost avoidance – 20 year Draper repair and maintenance costs
- Evaluate appraisal value of Draper site.

Economic Impact of Draper Site Redevelopment



BACKGROUND

- Rapid growth experienced in Salt Lake/Utah counties and City of Draper over past decade with development encroaching on Draper property
- Draper property is uniquely situated
- Previous studies speculated on economic opportunities from redevelopment
- Economic Assessment intended to assist efforts to plan, develop and finance new correctional facilities and support decision-making
- Considered an initial step in redevelopment planning process



Economic Impact of Draper Site Redevelopment



ESTABLISH BASELINE CONDITIONS FOR PROPERTY AND SURROUNDINGS

- Physical and environmental features and limitations
- Highway and transit infrastructure
- Utility systems and services
- Surrounding land uses and zoning
- Economic/demographic characteristics and trends
- Market forces influencing development in region

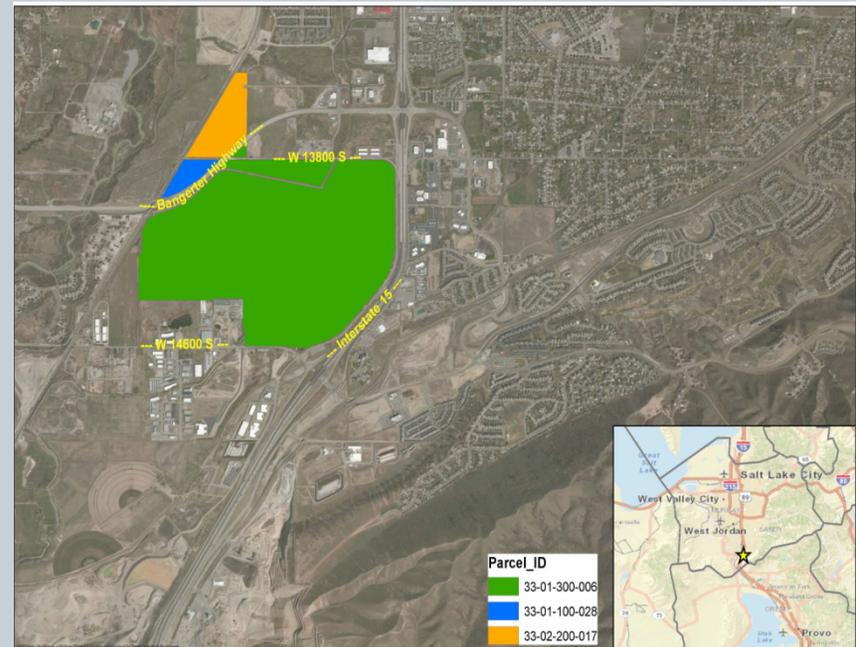


Economic Impact of Draper Site Redevelopment



STUDY AREA

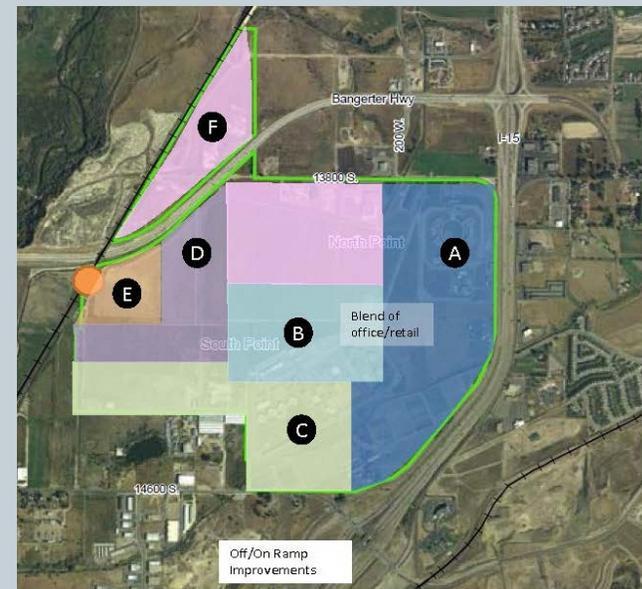
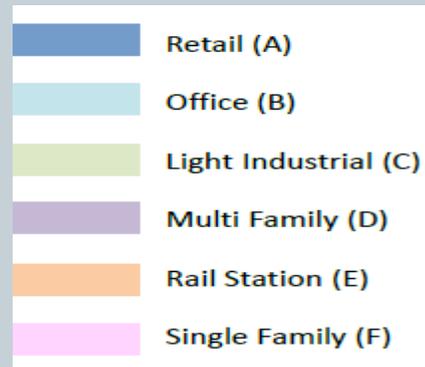
- 680 acres controlled by State of Utah (UDC and DOT)
- Property well positioned:
 - Bangerter Highway
 - Interstate-15
 - FrontRunner rail corridor
 - Water, wastewater, power, gas and geothermal services
 - Few environmental limitations



Economic Impact of Draper Site Redevelopment



REDEVELOPMENT SCENARIO



Development Type	Acres (% of Total)	Development (Square Feet)
Retail (shopping mall, cinema and restaurants, other)	210 (31%)	3.2 million
Commercial (offices, hotels)	90 (13%)	1.8 million
Light Industrial (supply chain, logistics and flex-space)	120 (18%)	2.4 million
Housing (single and multi-family)	220 (32%)	1,380 units
Rail Hub	40 (6%)	5,000 (building) and 3,500 spaces

Economic Impact of Draper Site Redevelopment



FINDINGS

- Annual Statewide Economic Impacts - Business Activities

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	11,475	\$515,922,900	\$650,541,200	\$994,636,800
Indirect and Induced Effects	6,541	\$297,121,191	\$501,332,150	\$833,751,050
Total	18,016	\$813,044,091	\$1,151,873,350	\$1,828,387,850

- Annual Statewide Economic Impacts – Residential Development

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	0	\$0	\$0	\$0
Indirect Effect	0	\$0	\$0	\$0
Induced Effect	467	\$ 20,642,018	\$36,054,432	\$59,501,005
Total	467	\$ 20,642,018	\$36,054,432	\$59,501,005

Economic Impact of Draper Site Redevelopment



IMMEDIATE NEXT STEPS

- Property comprised of multiple parcels; confirm legal control over entire 680-acre tract for redevelopment purposes
- Consider incorporating adjoining state-owned lands into redevelopment plan (to increase economic benefits)
- Initiate formal discussions concerning redevelopment with city, county, state representatives and key stakeholders
- Refine plan to precisely define nature, scale, scope, location, timing and costs of planned developments, infrastructure requirements, community services and facility needs, and transportation network and public transit service improvements and costs

Economic Impact of Draper Site Redevelopment



IMMEDIATE NEXT STEPS

- Initiate redevelopment by advancing portion(s) of property unrelated to correctional uses and security requirements



Costs of Relocating Draper



- Cost Construction of new facility(s) **\$437,800,000**
- Cost of Site(s) purchase and development for new prison(s) **\$20,000,000**
- Cost of repaying VOI/TIS grant. **\$2.0 million** (estimated)
- Cost of demolition of Draper facility. **\$8,882,066**
- Cost of repaying ESCO(Energy Services) grant. **\$2.5 million** (estimated)

Total: \$471,182,066

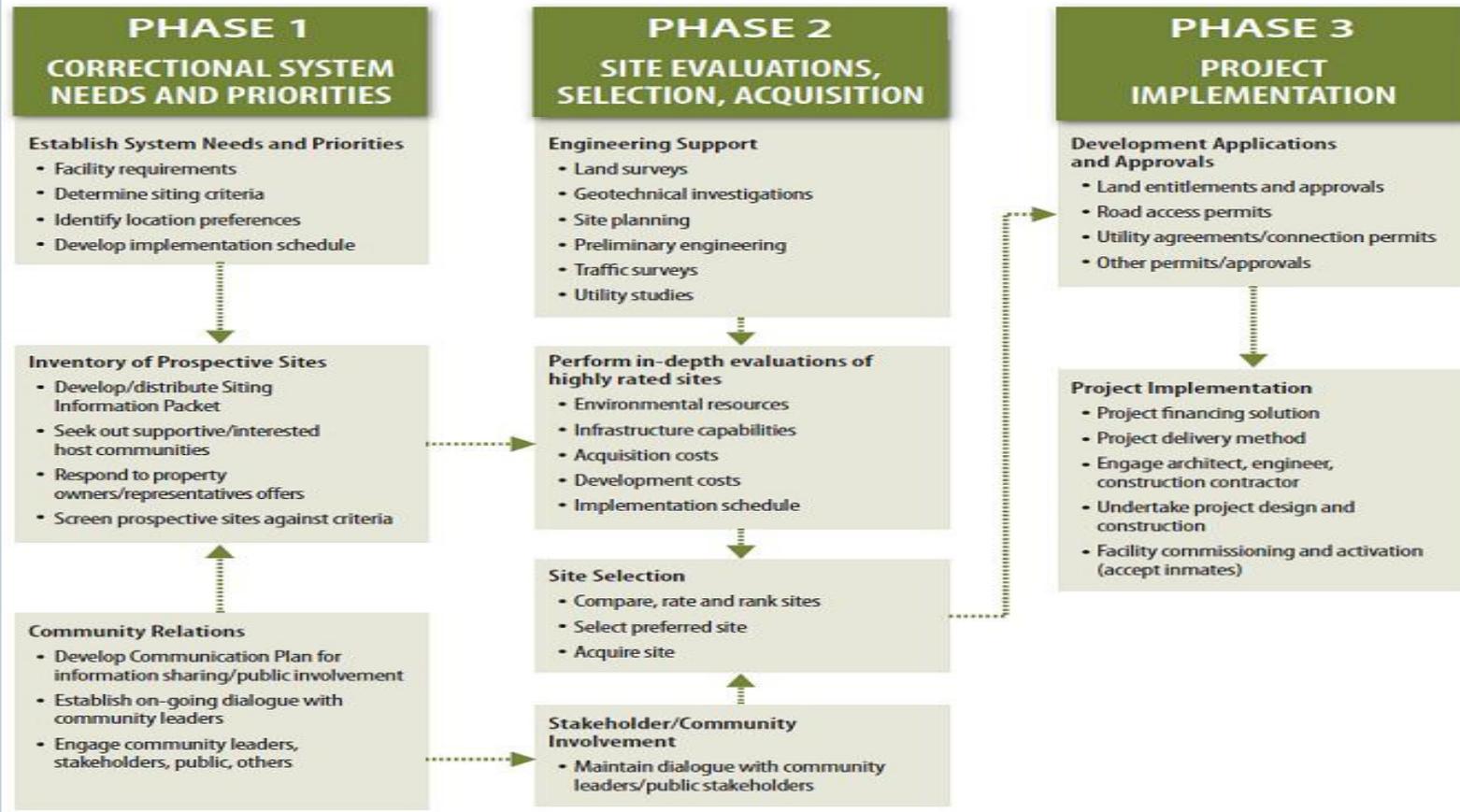
Financial Benefits of Relocating Draper



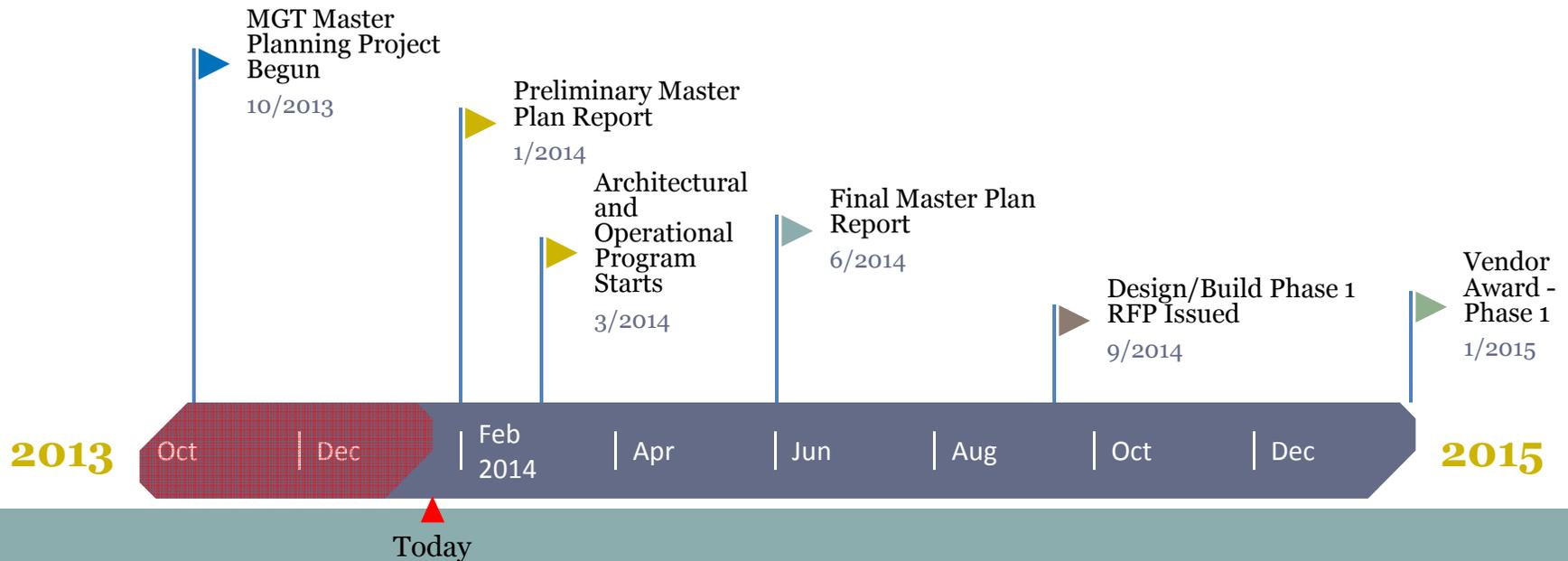
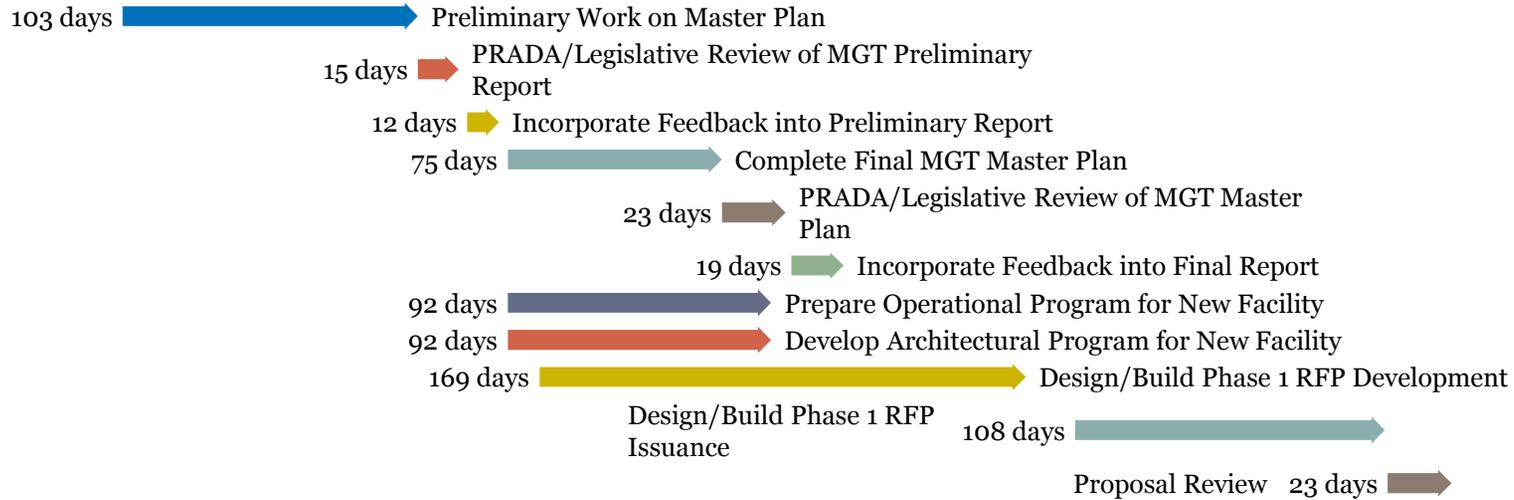
- Appraised Value of Draper Property Sale:
\$51,300,000
- Cost avoidance 20 years of planned costs to repair and make improvements to Draper prison.
\$238,925,111
- Economic Benefit from Development of Draper Property. **\$1.8 billion annually.**
- State and local tax benefits from development:
 - **\$61.1 million during construction**
 - **\$94.6 million annually after development complete**

Site Selection Process

Siting and Development - Workflow Process



Timeline for Draper Replacement 2015

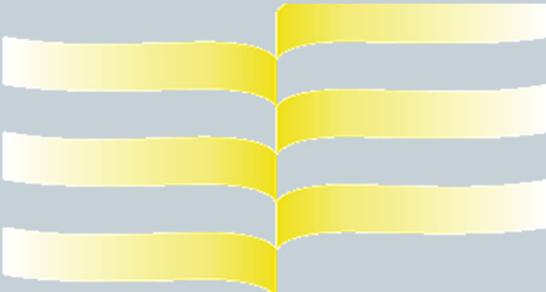


Next Steps



- Complete Preliminary Draft Report by January 31, 2014
- Initiate Operational and Architectural Programs
- Continue Site Selection Process
- Initiate redevelopment of vacant portions of Draper site.



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