

Session: WCJC BOCC Programming + Funding Model

Date: April 7, 2026

Design Recommendation: Six-Story Building

The design team presented their recommendation after six-plus weeks of study: a six-story high-rise Justice Center with the following specifications:

- 243,000 square feet total
- 24 courtrooms (6 per floor)
- 600-space parking garage (5 stories, separate structure)
- Sixth floor shelled for future growth (up to 6 additional courtrooms)
- Fifth floor has internal space for 3 more courtrooms, plus 1 courtroom addition in the southeast corner – 9 total future courtrooms
- Projected 75-year lifespan without courtroom sharing (one judge, one courtroom), comparable to the historic courthouse

Why Six Stories Over the Taller Option

- Cost efficiency: The taller building has more exterior wall area relative to its footprint, driving up cost. It also required ~14,000 additional square feet (256K vs. 242K) to achieve the same program.
- High-rise threshold: Buildings above 6 stories trigger high-rise code requirements and associated costs.
- Future expansion: The six-story design allows incremental interior expansion (a few courtrooms at a time, potentially at night) without disruptive ground-up construction.
- Scale and aesthetics: A nine-story building would be ~50% taller and could feel overbearing relative to the surrounding context.

Design Details Under Discussion

- Judges' chambers orientation: Collegial arrangement oriented north-south proposed (rather than a strip facing west into the parking garage). Judge Hoskins and Marcy are open to this. Final layout deferred to schematic design.
- Courtroom seating: Ranges from ~30 seats (magistrate, no jury box) to larger courtrooms (~60-72). Specific needs to be addressed in the SD phase with input from the 19th Judicial District.

Board Consensus on Design

The board expressed agreement with the six-story recommendation, citing fiscal responsibility and efficiency. The 75-year horizon was considered appropriate – extending to 100 years was deemed too speculative given likely changes in how courts operate.

Funding Options

Justice Center Only	\$285.1 million
Parking Garage + Satellite (cash in either scenario)	~\$55 million
Total Project Cost	~\$340 million
<i>Charter Limit Reference</i>	<i>\$177.504 million</i>

Option 1: Pay-As-You-Go (Cash)

- County has approximately \$287.5 million in invested reserves currently generating ~\$11.5 million/year at 4% interest.
- Paying cash would drain reserves over 3 years (~\$36M year 1, ~\$186M year 2, ~\$107M year 3).
- Interest income drops from \$69 million over six years down to \$18.4 million – a ~\$50 million delta.
- Lowest projected fund balance: ~\$98 million (around 2028-29), below the county's 30% operating reserve guideline (~\$140M on a \$700M budget).
- Reserves would take considerable time to replenish given other high-priority capital spending (~\$250M in public works budgeted).

Option 2: COPs / 501(c)(3) Lease-Back

- A nonprofit conduit issuer procures funding; the county enters a lease agreement. COPs and lease-back cost approximately the same – treated as one bucket.
- Annual payment: ~\$21.3 million/year on a 20-year term (interest-only during construction).
- 10-year aggressive option: ~\$35 million/year; saves on total interest but removes early call flexibility.
- 20-year term includes a 10-year early call option. County previously used COPs for the 1997 jail project, retired in 10 years.
- Total cost over 20 years: ~\$426 million (including principal). Effective interest rate after reinvesting proceeds: approximately 0.42%.
- Lowest fund balance: ~\$415 million (vs. \$98M in cash scenario). Interest income dips only to ~\$9.7M/year.
- Admin fee from the 501(c)(3) entity: less than \$500K on \$285M. Not a general obligation per county budget policy.
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Option 3: General Obligation Bond

- Would require a voter-approved multi-year general obligation.
- Potential November 4 election timeline discussed but not decided.

Metric	Pay-As-You-Go	COP / Lease
6-Year Interest Income	\$18.4M	\$100M+
Lowest Fund Balance	~\$98M	~\$415M
Annual Investment Income	\$0 (depleted)	~\$9.7M/year
Annual Payment	N/A (lump sum)	~\$21.3M/year
Total Cost (20-yr)	~\$340M	~\$426M
Voter Approval Required	No	No

Separate Projects vs. Single Project

- Splitting into multiple projects is legally defensible but introduces inefficiencies estimated at \$10-20 million: three separate procurements, potential for multiple contractors on one site, and escalation risk on later phases (~\$500K-\$1M/month).
- County attorney (Bruce) emphasized: The COP/lease exemption from voter approval is a separate legal question from whether work constitutes one project or multiple projects under the charter limit. These must be analyzed independently.

Key Arguments and Perspectives

- Strongest argument for COP/lease: Maintaining cash reserves and financial flexibility for emergencies.
- Cost of inaction: Escalation running at ~4.5% annually, approximately \$1 million per month in added cost.
- Building all at once saves money through procurement efficiency and avoids escalation on deferred phases.
- County attorney guidance: COPs/lease-back can be done legally. The 501(c)(3) conduit approach (e.g., Key Banc) is preferred over the county creating its own nonprofit.
- Commissioner sentiment: At least one commissioner expressed strong preference for the COP/lease path over traditional bonded debt.