

Proposed Pontiac Correctional Center Closure

Response to the Commission on Government Forecasting and Accountability

Submitted by:

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Introduction

During recent years, as State agencies have made a concerted effort to eliminate government waste and become more operationally efficient, the Department of Corrections (IDOC) constantly has been reviewing the conditions of correctional facilities and corresponding operations. As a result, IDOC believes that closing Pontiac Correctional Center and transferring the funds appropriated for Pontiac Correctional Center to open and operate the vacant state-of-the-art maximum security facility at Thomson, is the best available option for maximizing efficiencies. Not only would this process allow IDOC to save funds during FY09 as the transfer takes place, but the State also would save money annually thereafter. At the same time, IDOC would be able to single-cell a greater proportion of maximum-security inmates, as Thomson Correctional Center has 1,600 cells while the primary facility at Pontiac Correctional Center has 1,163 cells for which 10%-to-15% of the bed space is allocated for non-maximum-security inmates. Both sites also operate lower-security satellite facilities to maintain operations at the primary correctional centers.

Several key factors were addressed in the IDOC decision-making process:

- 1) Pontiac Correctional Center houses five distinct inmate populations of which four are maximum-security (administrative segregation, protective custody, mental health, and condemned), and the fifth is held within the Medium Security Unit (MSU). The maximum-security population totaled 1,247 inmates at end-of-FY08, of which 129 non-mental health inmates had non-maximum-security classifications (see Table 1.). Also, the protective custody population is double-celled at a 90% rate on a consistent basis. Opening Thomson Correctional Center would allow for 1,100 maximum-security inmates to be single-celled, including all of the protective custody inmates, while still leaving 500 beds to be reserved for transfers from other maximum-security locations.

At end-of-FY08, 400 inmates were held within the Pontiac MSU. These inmates would be absorbed within other medium- or minimum-security facilities. There are a number of options to transfer this population as 131 (32.8%) of the 400 inmates have minimum-security classifications, the FY09 budget will increase drug treatment slots at the Sheridan Correctional Center by 150, and there were 942 available funded beds among medium-security facilities (see Table 2., excluding Pontiac MSU and Graham Reception & Classification Center).

Opening Thomson Correctional Center will supplement Director Walker's security level step-down approaches begun in May 2006 whereby non-maximum security inmates held in maximum-security settings have been transferred to more appropriate placements. The Department intends to provide more opportunities through step-down efforts at all security levels to appropriately place all inmates while maintaining current classification policies.

- 2) Pontiac Correctional Center was originally constructed in 1871 and utilized as a Boys Reformatory School. In 1892 the School was transitioned to prison utilization along with construction of the North/South cellhouse. During 1930, the prison was expanded after construction of the Auburn-styled 'Long House' (East/West cellhouse) was completed. The North/South and East/West cellhouses have consistently been the two primary housing areas at Pontiac Correctional Center (see Table 3.). Each of these cellhouses consists of stacked galleries that have proven over time on a national level to be less safe and secure, mainly due to inadequate sightlines as there is no visibility to the higher tiers from ground level or the control center. Conversely, Thomson Correctional Center is constructed of two-tiered tapered

housing units with improved sightlines both inside the housing units and from an elevated control center.

- 3) The deteriorating condition of Pontiac Correctional Center is such that an independent survey of the facilities conducted by the Illinois Capital Development Board (ICDB) during February 2008 listed more than \$108 million of deferred maintenance needs over the next five years (see Table 4.). Note that the ICDB survey only targeted structural properties, and that no consideration was provided of roads; gas, sewage, and electrical lines; exterior walls and lighting, etc.; which would further cost state taxpayers.
- 4) The male prison population has been in a prolonged period of fluctuation since October 2000 to date (see Figure 1). There have been two peak periods within the male prison population. The first was at end-of-October 2000 at 42,762 male inmates when the Department experienced a record high total prison population. The second was at beginning-of-November 2006 reaching an all-time high of 42,986 male inmates. At end-of-FY01, the male prison population stood at 42,746, and was 42,722 on June 30, 2008; a decline of 24 inmates. While there have been dramatic fluctuations at times, the overall population growth has been negligible, offering an opportunity to pursue the most efficient housing options as a 1,600-bed modern-constructed prison sits empty.
- 5) The latest prison population forecast constructed during Fall 2007 revealed slight-to-moderate growth for the male prison population. However, continued trends in parole population violation rates resulted in a decline of the prison population for only the second time in the last twenty-five years as prison admissions have been reduced. Parole violation rates are calculated from annual parole violator admissions divided by the average daily parole population. These rates are short-term indicators of where the three-year recidivism rate is heading. The new offense parole violation rate (crimes resulting in convictions while on parole) for the three-year period of FY05 through FY08 was the lowest since the data have been tracked beginning 1985 (see Table 5). Further, as evidence of Governor Blagojevich's Operation Spotlight initiatives taking hold, the FY08 technical parole violation rate was the lowest since the Department restarted parole policies in FY01, whereby contacts are initiated by parole agents. In fact the FY08 technical parole violation rate decreased 39.6% from FY06, including a raw number decline totaling more than 4,100 parole violations.

At the request of the Commission on Government Forecasting and Accountability (COGFA), IDOC was asked to respond to ten specific items as detailed within the State Facilities Closure Act (30 ILCS 608 5/1) enacted July 30, 2004.

1. Location and identity of the facility
2. Number of employees affected, and the effect of the closure on those employees
3. Location of where affected employees and/or work functions would move
4. Availability and condition of land and facilities at both the current and proposed locations
5. Ability to accommodate functions and employees at both the current and proposed locations
6. Cost of operations at both the current and proposed locations along with any other related budgetary impacts
7. Economic impact on surrounding communities at both the current and proposed locations
8. Ability of the current and proposed locations to provide the infrastructure to support functions and employees
9. Impact of service delivery to both the current and proposed locations
10. Environmental impact, including the impact of costs related to environmental restoration, waste management, and environmental compliance activities

Responses to the aforementioned items follow below:

1. Location and identity of the facility

Pontiac Correctional Center
700 W. Lincoln Street
Pontiac, Illinois 61764

2. Number of employees affected, and the effect of the closure on those employees

The staffing level at Pontiac Correctional Center was 569 on June 30, 2008, of which 33 staff were on official Leave of Absence. As part of the plan to terminate operations at Pontiac Correctional Center (hereafter referred to as PCC), all 569 staff would be affected as none of the housing units would remain open.

The Department intends to take every measure possible to minimize the impact of the closure on these 569 staff. In fact, based on the Department's FY09 budget, there are enough positions available throughout the agency to ensure that each of these 569 staff is offered a position within the Department of Corrections. However, in order to minimize the impact on these staff, cooperation and assistance will be required of AFSCME Council 31. Currently, there are 86 staff at PCC that have already requested to be transferred to other IDOC facilities as part of the normal transfer process which is generally conducted in conjunction with new security staff hires. IDOC would like to work with AFSCME to waive the normal transfer process that is part of the current collective bargaining agreement to facilitate the transfer of these staff to other IDOC facilities that they have requested. If this is granted, that leaves 483 staff to still be offered jobs elsewhere. For these 483 staff, there will be 171 positions that are estimated to be available based on the FY09 budget that are within 90 minutes of PCC (see Table 6.). There will be three positions at Decatur CC, 20 positions at Dwight CC, 13 at Lincoln CC, 15 at Logan CC, 25 at Sheridan CC, and 95 at Stateville CC). The remaining 312 staff would most likely have to relocate to another region of the state to remain with the Department, given another 189 available positions at correctional centers currently operating and another 377 positions set aside for Thomson Correctional Center (hereafter referred to as TCC).

The Department analyzed drive time distances based on the addresses reported to the Personnel Office for the 569 staff working at end-of-FY08. The data were then charted according to residence county, whereby 284 (49.9%) of the cases live within Livingston County; and another 182 (32.0% in LaSalle, McLean, and Woodford counties. In total, 466 (81.9%) PCC staff live among these four counties, which were then utilized as the laborshed for the economic impact analysis (see item #7 below). The remaining 103 (18.1%) staff are spread among twenty-one other counties outside of the economic impact region.

The data then were aggregated (see Table 7.) according to four time intervals. The table supports the aforementioned figures, with drive times calculated through a mapping program which controls for stop signs and lights, two lane highways, side streets, etc. Most PCC staff cluster around PCC and Dwight CC, as expected. While the overwhelming number of cases 503 (88.4%) of PCC staff live within one hour of PCC, 486 (85.4%) live within an hour of Dwight CC, and 251 (44.1%) live within an hour of Stateville CC. Note that each correctional center was analyzed individually, so one case could live within an hour of two or three different facilities. The data reveal that 449 of the 569 (78.9%) staff live within ninety minutes of Sheridan CC, and 423 (74.3%) live within an hour of both Lincoln CC and Logan CC.

For 166 (29.1%) PCC staff, Decatur CC would be a ninety minute or less drive time with the great majority being closer to the 90-minute interval.

PCC also has an Officer's Quarters and four cottages on grounds, and two houses in the local area. There are 24 rooms with varying occupancy levels at the Officer's Quarters for which 30 PCC staff and 7 Dwight CC live on-site at a rental payment less than \$27 per month. However, only one of the PCC staff declared the Officer's Quarters as an official residence. Further, these staff do not pay property taxes at this site. Among the cottages and houses, staff pay low rents and do not pay property taxes, but the five staff living at these residences listed these sites as their address.

3. Location of where affected employees and/or work functions would move

The Department currently maintains 28 correctional centers, with another 21 satellite and correctional facilities in operation, and numerous parole offices. Given total staffing levels of more than 11,000 employees, there are a number of positions that become available through attrition, retirement, transfer, resignation, etc. throughout the year. Further, the Department intends to increase head count by 360 staff at correctional centers along with another 377 staff needed to open up TCC. As listed in Table 6, these positions will be available at almost every correctional facility or office, presenting many options for the 569 displaced staff to fill budgeted vacancies, with little or no demand for additional training to perform work functions. However, not all work functions for the 569 displaced staff will be moved directly to one location.

4. Availability and condition of land and facilities at both the current and proposed locations

Neither PCC or TCC have existing issues with the land surrounding the property, and the proposed location already has an existing correctional facility to meet inmate population demand. Thomson Correctional Center is a \$140 million state-of-the-art correctional center built in November 2001. The facility has never been utilized; only the 200-bed minimum security unit opened in August 2006 has been in operation. There are 1,600 single-cells (that can readily be converted to double-cells if needed) contained within two-tiered tapered housing units for improved sightlines and easier accessibility to individual cells. The facility also has newer electronics and visual systems for improved communication and monitoring.

The PCC is the oldest State correctional center in the State of Illinois and is located next to a residential housing area. There are three primary housing units and a medical unit all built prior to 1938, with the second largest cell house having been constructed during the 19th century. Based on recommendations from an expert review panel convened during the mid-1990s, the 'Long House' received a few improvements to improve security. However, the 'Long House' today still has multi-tiered galleries with no visibility to the higher tiers from ground level or the control center.

An independent survey of the PCC conducted by the Illinois Capital Development Board (ICDB) during February 2008 listed more than \$108 million of deferred maintenance needs over the next five years. The ICDB survey only targeted structural properties, and that no consideration was provided of roads; gas, sewage, and electrical lines; exterior walls and lighting, etc.; which would only increase costs. Further, there are four buildings on site that the State Fire Marshal has identified as needing to have an alarm or sprinkler system installed to meet official code. Finally, during the last five years nearly \$1 million have been spent from the Department's operating budget on repair and maintenance projects, and capital projects, at PCC.

5. Ability to accommodate functions and employees at both the current and proposed locations

Functions at the PCC will be almost non-existent as there will be no inmates housed there. Upkeep and maintenance of the facility and grounds will be managed by staff at other local correctional centers. There should be a smooth transition associated with the opening of TCC as the inmate population to reside there will not exceed available cells or beds, and the facility is the most modern correctional center at the Department's disposal because it was the last one built. Compared to PCC, the electronic surveillance equipment, locking mechanisms, infrastructure, power plant, etc. at TCC are much better. This is the first time in the State's history that a prison was not immediately filled to a majority of bed space within a year of finished construction.

The proposed plan for the PCC closure is that associated inmate transfers would occur during January and February 2009, with movements to TCC beginning January 2009 and extending through the third quarter of FY10. Given that TCC is a vacant facility, appropriate inmate placements could be made readily. The increase of more than 400 maximum-security beds, all single-celled, will allow for transfers of appropriately classified inmates from Stateville CC and Menard CC to TCC.

Also, the Department will continue to ensure that inmates are appropriately placed according to individual security classifications. In May 2006, the Department had more than 1,000 non-maximum-security inmates placed within maximum-security locations, and that number has been reduced to less than 700 under Director Walker's initiatives. Management staff have been provided direction to further that effort while also addressing more than 5,600 minimum-security placements held within medium-security locations. Further, currently the correctional system has an excess of 942 medium-security beds (excluding Pontiac MSU and Graham Reception & Classification Center), with another 150 slots becoming available at Sheridan CC this fiscal year to accommodate the PCC MSU inmates. There are also a considerable number of beds available at the minimum-security level as 131 (32.8%) of the 400 MSU inmates minimum-security classification.

6. Cost of operations at both the current and proposed locations along with any other related budgetary impacts

The current annualized cost of operating PCC is \$58.9 million. The end-of-FY08 PCC inmate population totaled 1,647 and the FY08 average daily population was 1,612 inmates. After closure of PCC, some of these inmates would be transferred to appropriate security classification placements throughout the correctional system using current classification policies. Transfer costs would be absorbed within appropriated budgets as population increases to any facility would be based on a marginal cost, not a per capita cost basis, because staff personal services have already been accounted. Further, twelve of the twenty-seven correctional centers oversee multi-security level locations, including PCC, and there is available bed space at the lower security levels. Finally, while the intent is to close PCC during the latter half of FY09, and open TCC in conjunction with the closure, the annualized cost comparison of these two facilities is as follows:

Pontiac CC – Annualized operating cost of operating older, less efficient, less secure facility - **\$58.9 million***

Thomson CC – Annualized operating cost of a state-of-the-art, more efficient and safer maximum-security facility at appropriate staffing level - **\$54.0 million**

*Figures do not include any capital needs that would be necessary to continue to keep Pontiac CC effectively operating.

7. Economic impact on surrounding communities at both the current and proposed locations

The Department requested that the Institute of Rural Affairs (IRA) at Western Illinois University provide the economic impact analysis. The Department provided applicable information regarding staff salaries and benefits, along with actual and projected expenditures for operations, contracts, and commodities. Those data were combined with labor and economic statistics as secondary sources to develop economic impact through the IMPLAN modeling program. Summaries of the analyses provided by Western Illinois University are attached (see Appendix A for PCC and Appendix B for TCC).

In the instant analysis, the current and proposed locations are both in rural areas. IRA applied a four-county region encompassing LaSalle, Livingston, McLean, and Woodford as PCC's primary laborshed against a six-county region anticipated primary laborshed for TCC including Carroll, Lee, Ogle, Rock Island, Stephenson, and Whiteside. Note that not all of these counties are contiguous to the residence counties of PCC or TCC, and that not all contiguous counties were part of the laborsheds.

The resulting impact was that 103 (18.1%) of PCC's 569 staff were largely eliminated from the analysis because these staff live outside of the "surrounding community" region. Given the residence locations for these same staff, there is little likelihood that a significant amount of their income is spent within the impact region. Further, because PCC has existed for a long time period, there has been greater opportunity for staff to find preferable residences; even if the residence is not among the PCC surrounding community. Conversely, all 540 TCC staff were projected to live in the TCC impact region; thereby, ensuring that their incomes were spent within the surrounding community.

The findings between the two impact regions suggested that the PCC surrounding community would lose more than \$45 million in economic output activity, while the TCC surrounding community would gain \$47.5 million in economic output activity. These values would represent annual impacts, as long as the inputs remain constant.

8. Ability of the current and proposed locations to provide the infrastructure to support functions and employees

Infrastructure issues can be addressed twofold. First, from a physical infrastructure standpoint, Thomson CC is a better designed and constructed facility than the current state of PCC; especially factoring in anticipated repair and maintenance costs, and capital projects costs. Housing galleries of more than two tiers are being phased out on a nationwide basis. Thomson CC offers an opportunity to single-cell more maximum-security inmates in an environment that can be monitored more closely, efficiently, and safely given newer amenities

Second, closing PCC allows for approximately \$3.6 million to be saved during FY09 and \$4.9 million each year thereafter. These savings will help enable the Department to hire more correctional officers and counselors throughout the correctional system. The Department will be hiring 360 additional staff at existing correctional centers, with an additional 377 staff targeted to open TCC.

9. Impact of service delivery to both the current and proposed locations

As noted above, the closure of PCC involves the culmination of a number of issues beneficial to the Department. The budget proposal is not simply a matter of closing a multi-level correctional facility, but will allow for a number of initiatives to continue to progress, while beginning others. First, the Department intends to open a state-of-the-art maximum-security correctional facility that exceeds the dated maximum-security location at PCC by more than 400 beds. Further, all inmates can be single-celled in a safer prison environment. TCC will be more efficient with better sightlines and inmate accessibility, which should result in a lower number of assaults on both staff and inmates. Closure of PCC allows for more accountability to State of Illinois taxpayers because repair and maintenance costs and capital project costs at TCC are far less than at PCC. The budget proposes new hires at 24 of the 27 correctional centers to increase staffing levels and provide opportunities for staff needing to transfer. Also, IDOC will be able to build on work completed thus far to identify and place inmates in more appropriate security classifications. And finally, even if the male population were to expand, the TCC has the infrastructure in place to double-cell the entire facility at limited costs as the cells were constructed with appropriate mechanisms to add beds.

10. Environmental impact, including the impact of costs related to environmental restoration, waste management, and environmental compliance activities

The FY09 budget will allocate \$500,000 toward maintaining the facility when inmates are no longer residents. Therefore, the environmental impact of the facility and surrounding grounds would be the same as if the PCC were still operating.

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Table 1. Location Security Levels by Internal Male Inmate Classifications

Prison Population on June 30, 2008

	Maximum	Medium	Minimum	Pending	Total
Maximum Security - Level 1					
Dixon Psychiatric Unit	96	77	7	0	180
Menard Correctional Center	2,754	169	48	1	2,972
Menard R & C Center	1	25	17	30	73
Pontiac Correctional Center	1,057	115	14	0	1,186
Pontiac Mental Health Unit	54	7	0	0	61
Stateville Correctional Center	1,209	290	64	4	1,567
Stateville R & C Center	21	139	130	1,366	1,656
Tamms Correctional Center	252	0	0	0	252
Level 1 Total	5,444	822	280	1,401	7,947
Secure Medium Security - Level 2					
Hill Correctional Center	3	1,641	195	0	1,839
Lawrence Correctional Center	2	1,782	137	0	1,921
Pinckneyville Correctional Center	10	1,858	178	1	2,047
Western Illinois Correctional Center	1	1,522	339	0	1,862
Level 2 Total	16	6,803	849	1	7,669
High Medium Security - Level 3					
Dixon Correctional Center	0	784	765	6	1,555
Dixon Special Treatment Center	0	344	64	2	410
Menard Medium Security Unit	0	259	172	0	431
Pontiac Medium Security Unit	0	269	131	0	400
Big Muddy River Correctional Center	0	1,336	502	0	1,838
Danville Correctional Center	0	1,235	605	0	1,840
Illinois River Correctional Center	0	1,470	512	0	1,982
Shawnee Correctional Center	4	1,285	533	0	1,822
Level 3 Total	4	6,982	3,284	8	10,278
Medium Security - Level 4					
Centralia Correctional Center	0	1,124	407	0	1,531
Graham Correctional Center	0	1,224	292	2	1,518
Graham R & C Center	1	61	67	186	315
Logan Correctional Center	0	1,167	727	0	1,894
Sheridan Correctional Center	0	809	142	0	951
Level 4 Total	1	4,385	1,635	188	6,209
High Minimum Security - Level 5					
Jacksonville Correctional Center	1	10	1,003	0	1,014
Robinson Correctional Center	0	10	1,187	0	1,197
Taylorville Correctional Center	0	1	1,162	0	1,163
Level 5 Total	1	21	3,352	0	3,374
Minimum Security - Level 6					
East Moline Correctional Center	0	6	982	0	988
Southwestern Illinois Correctional Center	0	4	612	0	616
Vandalia Correctional Center	0	0	1,129	0	1,129
Vienna Correctional Center	2	3	1,279	0	1,284
Level 6 Total	2	13	4,002	0	4,017
Low Minimum Security - Level 7					
Clayton Work Camp	0	0	92	0	92
DuQuoin Impact Incarceration Program	0	0	188	0	188
Dixon Springs Impact Incarceration Program	0	0	231	0	231
East Moline Work Camp	0	0	87	0	87
Greene County Work Camp	0	0	145	0	145
Hardin County Work Camp	0	0	145	0	145
Pittsfield Work Camp	0	0	338	0	338
Stateville Minimum Security Unit	0	0	107	0	107
Southwestern Illinois Work Camp	0	0	66	0	66
Tamms Minimum Security Unit	0	0	155	0	155
Thomson Minimum Security Unit	0	0	144	0	144
Vandalia Work Camp	0	0	376	0	376
Level 7 Total	0	0	2,074	0	2,074
Transitional - Level 8					
Crossroads Adult Transition Center	0	0	326	0	326
Decatur Adult Transition Center	0	0	107	0	107
Jesse "Ma" Houston Adult Transition Center	0	0	108	0	108
Lawndale Adult Transition Center	0	0	198	0	198
Peoria Adult Transition Center	0	0	199	0	199
Southern Illinois Adult Transition Center	0	0	61	0	61
West Side Adult Transition Center	0	0	131	0	131
Level 8 Total	0	0	1,130	0	1,130
Other					
Federal/Other State	11	10	1	2	24
TOTAL	5,479	19,036	16,607	1,600	42,722

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Table 2. Percent of Funded Bed Usage by Security Level - Males

June 30, 2008

Facility by Security Level	Male		
	Population	Funded Beds	Beds Margin
1-Maximum			
Dixon Psychiatric Unit	180	219	39
Menard CC	2,972	3,067	95
Menard Reception & Classification Center	73	98	25
Pontiac Mental Health Unit	61	94	33
Pontiac CC	1,186	1,337	151
Stateville Reception & Classification Center	1,656	1,588	-68
Stateville CC	1,567	1,692	125
Tamms CC	252	530	278
1-Maximum	7,947	8,625	678
2-Secure Medium			
Hill CC	1,839	1,866	27
Lawrence CC	1,921	2,158	237
Pinckneyville CC	2,047	2,117	70
Western Illinois CC	1,862	1,973	111
2-Secure Medium	7,669	8,114	445
3-High Medium			
Big Muddy River CC	1,838	1,903	65
Danville CC	1,840	1,860	20
Dixon CC	1,555	1,601	46
Dixon Special Treatment Center	410	524	114
Illinois River CC	1,982	2,061	79
Menard Medium Security Unit	431	436	5
Pontiac Medium Security Unit	400	403	3
Shawnee CC	1,822	1,866	44
3-High Medium	10,278	10,654	376
4-Medium			
Centralia CC	1,531	1,569	38
Graham CC	1,518	1,562	44
Graham Reception & Classification Center	315	440	125
Logan CC	1,894	1,939	45
Sheridan CC	951	950	-1
4-Medium	6,209	6,460	251
5-High Minimum			
Jacksonville CC	1,014	1,018	4
Robinson CC	1,197	1,223	26
Taylorville CC	1,163	1,221	58
5-High Minimum	3,374	3,462	88

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 Table 2. Percent of Funded Bed Usage by Security Level - Males
 June 30, 2008

Facility by Security Level	Male		
	Population	Funded Beds	Beds Margin
6-Minimum			
East Moline CC	988	1,078	90
Southwestern Illinois CC	616	617	1
Vandalia CC	1,129	1,186	57
Vienna CC	1,284	1,452	168
6-Minimum	4,017	4,333	316
7-Low Minimum			
East Moline Work Camp	87	92	5
Greene County Work Camp	145	200	55
Pittsfield Work Camp	338	408	70
DuQuoin Impact Incarceration Program	188	200	12
Hardin County Work Camp	145	200	55
Stateville Minimum Security Unit	107	192	85
Southwestern Illinois Work Camp	66	67	1
Tamms Minimum Security Unit	155	200	45
Thomson Minimum Security Unit	144	200	56
Vandalia Work Camp	376	408	32
Dixon Springs Impact Incarceration Program	231	234	3
Clayton Work Camp	92	150	58
7-Low Minimum	2,074	2,551	477
8-Transitional			
Crossroads Adult Transition Center	326	330	4
Decatur Adult Transition Center	107	112	5
Jessie "Ma" Houston Adult Transition Center	108	140	32
North Lawndale Adult Transition Center	198	200	2
Peoria Adult Transition Center	199	200	1
Southern Illinois Adult Transition Center	61	63	2
West Side Adult Transition Center	131	215	84
8-Transitional	1,130	1,260	130
Male Facility Total	42,698	45,459	2,761
Federal/Other State	24	24	0
In-Transit	0	0	0

Male Maximum Security Beds	7,947	8,625	678
Male Medium Security Beds	24,156	25,228	1,072
Male Minimum Security Beds	10,595	11,606	1,011
Total Male Beds	42,698	45,459	2,761
Federal/Other State	24	24	0

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Table 3. Housing Unit History at Pontiac Correctional Center

<i>Building</i>	<i>Year Opened</i>	<i>Rated Capacity</i>	
		<i>1989</i>	<i>Current</i>
North Cell House	1892	429	229
South Cell House	1892	598	598
East Cell House	1930	324	324
West Cell House	1930	349	349
Hospital	1937	n/a	n/a
Medium Security Unit	1937	300	300
Total		2,000	1,800

Note - August 19, 1996 facility was converted to administrative segregation use

- December 14, 2000 facility rated capacity was altered to account for 200 cells being converted from double- to single-cells

- March 19, 2001 Mental Health Unit opened

- January 10 and 11, 2003 Condemned Unit emptied after former Governor Ryan commuted and pardoned sentences for 160 inmates

Table 4. PONTIAC CC Five-Year Deferred Maintenance Needs

February 26, 2008

Building	Deferred Maintenance
ADMINISTRATION BLDG Total	\$ 5,952,120.44
COTTAGE 3 Total	\$ 353,948.24
D DORM Total	\$ 2,884,149.11
DRY STORAGE WAREHOUSE Total	\$ 1,435,528.71
EAST AND WEST CELL HOUSE Total	\$ 8,600,203.84
GARAGE & VOC SCHOOL Total	\$ 1,997,230.07
GATE HOUSE MSU Total	\$ 611,120.10
GEN STORE COLD STORAGE Total	\$ 2,194,935.27
GENERAL HOSPITAL Total	\$ 6,444,078.72
GUARD TOWER #1 Total	\$ 210,878.95
GUARD TOWER #14 Total	\$ 104,571.10
GUARD TOWER #5 & #6 Total	\$ 30,307.78
GUARD TOWER 16 Total	\$ 280,157.19
GYMNASIUM Total	\$ 2,934,207.62
HIGH SCHOOL Total	\$ 3,250,689.96
INDUSTRIAL BLDG Total	\$ 8,187,746.79
LINCOLN COLLEGE Total	\$ 761,242.94
MECHANICAL STORE Total	\$ 932,309.07
MULTI PURPOSE BLDG Total	\$ 4,175,973.02
NORTH CELL HOUSE Total	\$ 12,795,893.75
OFFICER QUARTERS Total	\$ 2,511,067.01
OUTSIDE MAINTENANCE BUILDING Total	\$ 2,089,938.94
POWER PLANT Total	\$ 10,040,465.62
PROGRAM BUILDING Total	\$ 5,007,371.80
RESIDENT KITCHEN Total	\$ 2,392,949.00
RESIDENT UNIT A Total	\$ 1,654,871.47
RESIDENT DINING ROOM Total	\$ 5,466,412.52
SOUTH CELL HOUSE Total	\$ 11,776,627.58
TOWER #16 Total	\$ 4,424.47
VO-TECH BLDG Total	\$ 2,867,753.88
WARDEN'S CABIN Total	\$ 162,820.68
PONTIAC CC TOTAL	\$ 108,111,995.64

Source: Illinois Capital Development Board Survey, February 2008

ILLINOIS DEPARTMENT OF CORRECTIONS

Table 5. Prison Admissions

FY03 - FY08

	Admissions	Margin	Percent Change
FY2003	34,481		
FY2004	37,953	3,472	10.07%
FY2005	39,477	1,524	4.02%
FY2006	39,476	-1	0.00%
FY2007	36,640	-2,836	-7.18%
FY2008	34,983	-1,657	-4.52%

ILLINOIS DEPARTMENT OF CORRECTIONS

Table 6. FY09 Projected Budgeted Vacancies

Facility/Institution	6/15/2008 Headcount Level	Additional 360 positions	Revised FY09 Headcount
General Office	188	0	188
Adult Education	194	0	194
Field Services	755	0	755
Big Muddy River	294	5	299
Centralia	314	17	331
Danville	301	2	303
Decatur	217	3	220
Dixon	454	40	494
Dwight	337	20	357
East Moline	253	3	256
Graham	377	20	397
Hill	282	15	297
Illinois River	329	4	333
Jacksonville	450	0	450
Lawrence	368	20	388
Lincoln	198	13	211
Logan	307	15	322
Menard	745	18	763
Pinckneyville	400	0	400
Pontiac	539	0	539
Robinson	234	8	242
Shawnee	338	6	344
Sheridan	279	25	304
Southwestern Illinois	227	3	230
Stateville	963	95	1,058
Tamms	292	4	296
Taylorville	231	8	239
Thomson	76	0	76
Vandalia	346	2	348
Vienna	340	5	345
Western Illinois	338	9	347
Adult Sub Total	9,829	360	10,189
Department Total	10,966	360	11,326

ILLINOIS DEPARTMENT OF CORRECTIONS
Table 7. Drive Times from Resident Addresses to each Selected IDOC Facility
 (N=569 staff)
 June 30, 2008

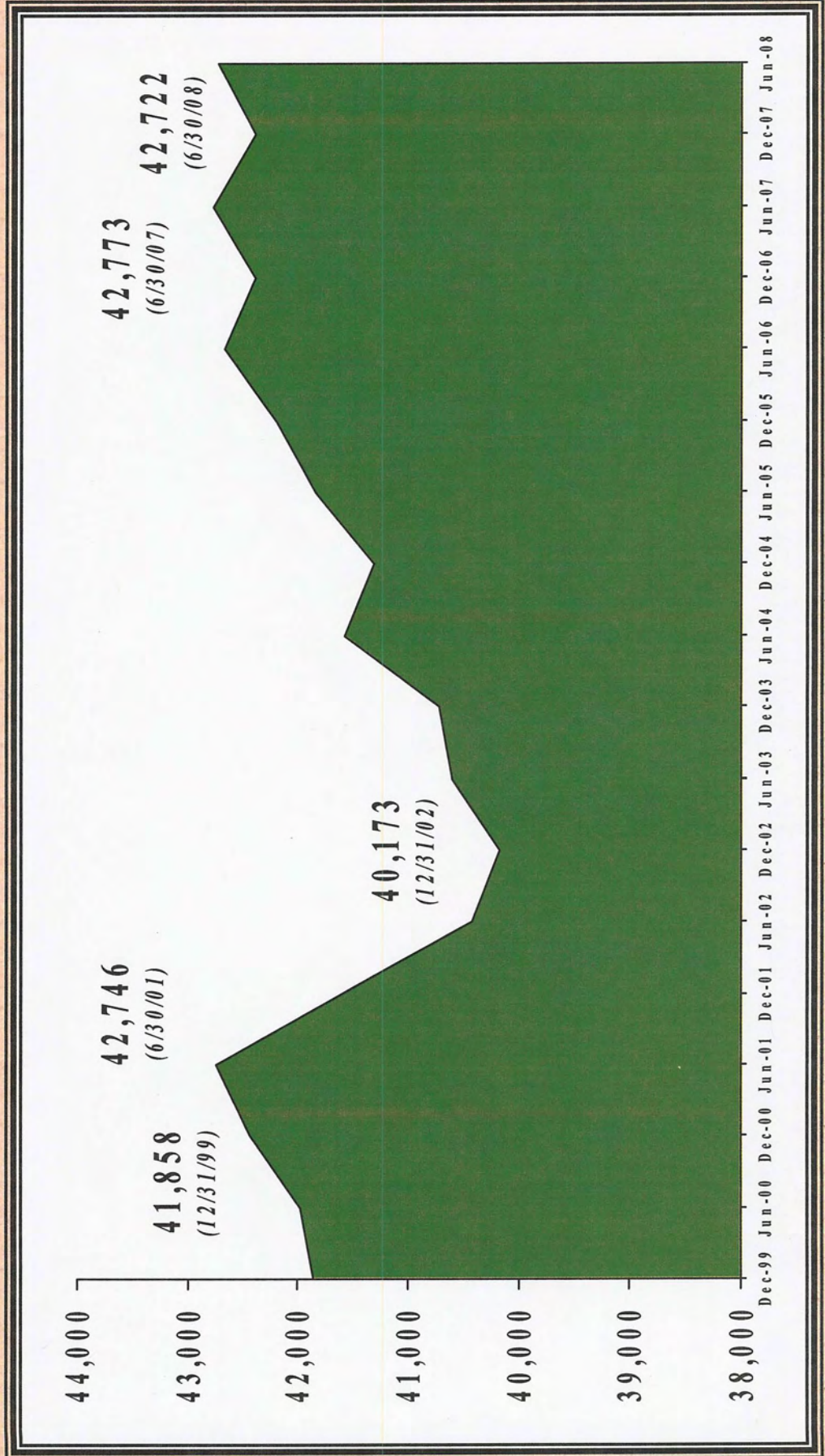
Facilities	30 minutes or Less		31-60 minutes		61-90 minutes		Over 90 minutes	
	Number of Employees	% of Total Employees	Number of Employees	% of Total Employees	Number of Employees	% of Total Employees	Number of Employees	% of Total Employees
Decatur CC	0	0.0%	50	8.8%	116	20.4%	403	70.8%
Dwight CC	288	50.6%	198	34.8%	48	8.4%	35	6.2%
Lincoln CC	5	0.9%	71	12.5%	347	61.0%	146	25.7%
Logan CC	5	0.9%	71	12.5%	347	61.0%	146	25.7%
Pontiac CC	347	61.0%	156	27.4%	50	8.8%	16	2.8%
Sheridan CC	4	0.7%	94	16.5%	351	61.7%	120	21.1%
Stateville CC	7	1.2%	244	42.9%	171	30.1%	147	25.8%



ILLINOIS DEPARTMENT OF CORRECTIONS

Figure 1: End-of-CY and End-of-FY Male Populations

December 31, 1999 – to current



Appendix A:

**Pontiac Correctional Center
Economic Impact Analysis**

The Economic Impacts of Closure of Pontiac Correctional Center

An IMPLAN-based Analysis Prepared by the
Rural Economic Technical Assistance Center - Illinois Institute for Rural Affairs

July 11, 2008

1. Introduction

The following is an analysis of the economic impacts associated with the proposed closure of the Pontiac Correctional Center, located in Livingston County, IL. The Rural Economic Technical Assistance Center (RETAC), a unit within the Illinois Institute for Rural Affairs, conducted the analysis per requests by the Illinois Commission on Government Forecasting and Accountability and the Illinois Department of Corrections.

Estimates of the closure's effect were developed with the IMPLAN economic impact modeling program. IMPLAN estimates the annualized effects resulting from a change (i.e., a new business or industry closure) introduced to an economy in a specified study area. The following analysis models the impacts on two study areas representing PCC's primary labor-shed: Livingston County and a four-county region (LaSalle, Livingston, McLean, and Woodford Counties).

The study identified the closure's possible impacts by introducing two sets of "shocks" to the economies of each study area. For the first scenario, the economies were "shocked" by removing amounts equal to PCC's annual contractual and commodity purchases within Livingston County (\$5.4 million) and the four-county region (\$5.6 million). The second scenario featured a "shock" to the economies representing a loss equal to PCC employees' annual spendable income¹ (Livingston County/ \$18,225,916 and four-county region/ \$29,855,616).

An area's economy is best described as a matrix of supply and demand linkages. As such, a shock experienced by one industry is experienced by other business through consumer and supply relationships. Accordingly, the consequences stemming from the facility's closure will extend far beyond the loss of its employees and sales to local vendors. The impacts will reverberate through the supply chains of local vendors, their workforces, and beyond.

The impacts as reported do not represent the entire economic impacts associated with the facility. The results represent an analysis conducted for study areas in which up to 84 percent of PCC employees reside. Had the study areas had been expanded to include the entire workforce, the impacts would increase relative to the additional spendable income and the additional opportunities for business interactions stemming from commodities and contractual



¹ Spendable income is the full compensation (salaries, wages, benefits, employer paid retirement contributions less taxes and savings.

purchases. However, it was decided to limit the size of the study areas so as to more realistically reflect regional economic interactions in proximity to the facility.

Even so, considering all of the potential losses mentioned, it is expected that closing Pontiac Correctional Center would result in substantial negative impacts to the Central Illinois economy. Changes associated with the closure would include job losses, reduced economic activity, and declines in public revenues. The consequences would be experienced by residents, businesses, and governments throughout the area.

A summary of the impacts linked to the closure include:

	<u>Livingston County</u>	<u>Region</u>
<u>Direct losses</u>		
Loss of PCC Employees:	284 positions	466 positions
Annual reduction in Spendable Income:	\$18.2 million	\$29.9 million
Local contractual/commodity purchases	\$5.4 million	\$5.6 million
<hr/>		
<u>Related losses</u>		
Decline in FT/PT employment:	214 positions	366 positions
Annual loss of Labor Income:	\$6.64 million	\$12.1 million
Annual loss in Output:	\$26.6 million	\$45.2 million
Annual loss in Total Value-Added:	\$11.2 million	\$21.3 million
Annual loss in public (local/state/federal) revenues:	\$2.9 million	\$5.75 million

2. Data & Methodology

The analysis utilizes data distributed by the Minnesota IMPLAN Group featuring a complex collection of secondary data from Regional Economic Information Systems (REIS), Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, and Department of Labor. In addition, data on facility employment, payroll, and operating costs was provided by the Illinois Department of Corrections and the Commission on Government Forecasting and Accountability.

The economic impacts generated in IMPLAN modeling are reported as annualized changes in a variety of categories, including

- **Output:** represents the value of production. **Output= Sales +/- Inventory Change** (note: only local operating costs and purchases were included as PCC's Output);
- **Employment:** full-time and part-time employment;
- **Labor Income:** Employee compensation (Total payroll costs including salaries, wages, bonuses, benefits and employer-paid retirement), proprietor (self-employed) income;
- **Total Value-Added:** Include Employee Compensation, Proprietors Income, Other Property Type Income, and Indirect Business Taxes;
- **Public Revenues/Tax Impact:** Include payroll taxes, property taxes, sales taxes, and other business taxes at local/state and federal levels.

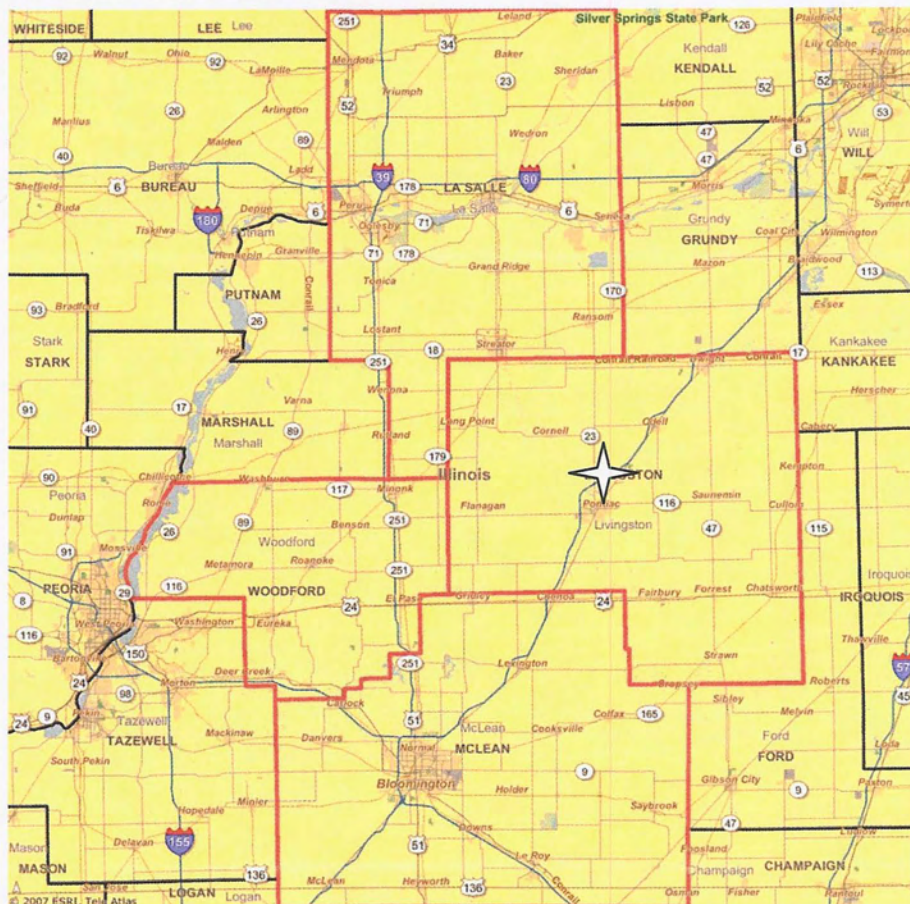
To capture the full range of impacts across an area's economy, the effects for each category consist of activity at three different levels, including:


- **Direct Effects:** changes associated with the targeted industry (i.e., PCC);
- **Indirect Effects:** changes in inter-industry purchases as they respond to the changes in demand; and
- **Induced Effects:** the changes in levels of household spending corresponding with the economic shocks.

3. Study Areas

The areas considered in the analysis represent the primary labor-shed for the current IL DoC facility at Pontiac, Illinois. The first area, Livingston County (pop. 39,678 /2000 US Census), is the county of residence for 50 percent (284) of the facility's employees. A larger region was also selected as study area. The great majority of PCC employees, 84 percent (466) reside within the region consisting of LaSalle, Livingston, McLean, and Woodford Counties (pop. 337,089/2000 US Census) (see Figure 1).

Figure 1. Counties in study areas



 = Location of Pontiac Correctional Center facility

4. Results

The closure of the Pontiac Correctional Center would result in significant economic loss to central Illinois. One series of losses would be associated with the discontinued facility purchases of contractual services and commodities from local vendors.

Currently, annual expenditures by PCC amount to \$5.4 million in Livingston County and \$5.6 million within the four-county region. Economic interactions linked with PPC's local and regional purchasing generate or support the following outcomes annually:

	Livingston County	Four-county region
Employment (FT/PT jobs):	98.7	105
Labor Income:	\$3.72 million	\$4.02 million
Economic Output:	\$6.47 million	\$7.46 million
Total Value-Added:	\$4.75 million	\$5.29 million
Public Revenues:	\$1.17 million	\$1.34 million

A second and far greater series of losses would be associated with removal of PCC employees' income from the local and regional economy. One half of PCC's employees reside in Livingston County and more than 83 percent of the facility's staff in the larger region. Annual earnings for PCC employees in the two areas are \$24.3 million and \$41.1 million, respectively. Not all of this will be available for consumption. The total amount of "spendable income" was determined by applying a coefficient (.751/Livingston County and .726/4-county region) representing income less taxes, savings, and other fixed items². Accordingly, PCC employees spendable income influencing the Livingston County and regional economies total \$18.2 million and \$29.9 million, respectively. The economic interactions associated with this income play an important role in central Illinois. Among the characteristics affected include:

	Livingston County	Four-county region
Employment (FT/PT jobs):	115.6	261
Labor Income:	\$2.9 million	\$8.1 million
Economic Output:	\$20.1million	\$37.8 million
Total Value-Added:	\$6.5 million	\$16 million
Public Revenues:	\$1.78 million	\$4.4 million

5. Conclusions

Closure of the Pontiac Correctional Center would have deep and significant negative impacts on the local and regional economies. The consequences will extend far beyond the loss of employment, personnel compensation, and operating expenditures from the PCC facility. In Livingston County and the four-county region, the facility projects Employment Multipliers of 1.71 and 1.78. Labor Income Multipliers for the same areas

² Methodology suggested in IMPLAN Users Manual. Coefficients represent the ratio of the proportion of Employee Compensation paid to Households * Proportion of Household Personal Income used to buy goods and services.

are 1.27 and 1.29, respectively. Accordingly, one position and \$1 of payroll at PCC generate or support .71 positions and .27 in annual labor income within Livingston County and .78 positions and .29 annual income within the larger area. Without the facility, the jobs and income could not be supported and would likely be lost. Loss of employment and annual labor income could range from 214 positions and \$6.6 million in Livingston County to 366 positions and more than \$12 million in the region.

The industries most affected offer a range of wages and salaries and include:

- Food services and drinking places
- Offices of physicians- dentists- and other health
- Hospitals
- General merchandise stores
- Nursing and residential care facilities
- Food and beverage stores
- Wholesale trade

Closure of PCC would have a significant impact on the area's total economic output. The loss of the facility and its employees would result in a reduction in overall sales and production of goods and services. Livingston County would likely realize a loss in output totaling more than \$26 million. The four-county region would experience a loss exceeding \$45 million. The industries anticipated to lose employment are also forecasted to experience declining sales and production. Down-sizing, reduction in services, and relocation are among the likely responses by at-risk industries. Such actions would result in lack of access to a range of health care providers and services among the remaining residents.

Another industry expecting negative impacts re: sales/production is Local Government. While PCC purchases most of its utility services from vendors outside the area, sewage and waste water services are contracted with the City of Pontiac. The loss of the Center will result in a reduction of almost \$200,000 in that department's revenues. Closing the Pontiac facility is expected to lead to declines in annual revenues among local, state, and federal governments totaling \$2.9 million (Livingston County) and \$5.75 million (four-county region). The loss in annual revenues will be systemic. Sales tax collections from sales of autos, appliances, and other "big-ticket" items will decline as consumer confidence shrinks and uncertainty increases. Fewer housing sales and reduced housing values will erode the region's overall Equalized Assessed Values and property tax bases. It will be an unfortunate irony that governments will be facing revenue losses at a time when the economic conditions require greater expenditures as they respond to the growing needs of remaining residents.

While these numbers reflect substantial economic impacts to the region, they do not represent all of the losses that would occur with the closing of Pontiac Correction Center. The study's geographic focus was constrained so as to represent a more realistic picture of the effects on Livingston County and the surrounding region. As reported, the impacts represent the losses associated with up to 84 percent of the facility's total workforce. Should the loss of the facility's entire workforce be examined, the results would identify even greater negative impacts for the economy and residents of Central Illinois.

Appendix B:

**Thomson Correctional Center
Economic Impact Analysis**

The Economic Impacts of Staffing and Operations at the Thomson Correctional Center

An IMPLAN-based Analysis Prepared by the
Rural Economic Technical Assistance Center - Illinois Institute for Rural Affairs

July 11, 2008

1. Introduction

The following is an analysis of the economic impacts associated with the proposed staffing and operations at the Thomson Correctional Center (TCC), located in Carroll County, IL. The study was conducted by the Rural Economic Technical Assistance Center (RETAC), a unit within the Illinois Institute for Rural Affairs, per a request by the Illinois Department of Corrections (IL DoC).

The estimates for the economic impacts associated with Thomson Correctional Center were developed with the IMPLAN economic impact modeling program. IMPLAN estimates the annualized effects resulting from a change (i.e., a new business or industry closure) introduced to an economy in a specified study area. The study area consists of a six-county area representing the labor-shed for the facility's entire 540 employee work force. The region includes Carroll, Lee, Ogle, Rock Island, Stephenson, and Whiteside Counties (See Figure 1).

The analysis models the impacts of two sets of economic interactions stemming from staffing and operations at TCC. The first set reflects the increase in economic activity associated with TCC's local contractual and commodity purchases. The second set of interactions is linked to the availability of new money within the study area in the form of TCC employees' spendable income¹. The economic interactions generated by the increased staffing and operations at TCC will reverberate throughout the regional economy. The following analysis will identify the impacts of the new demand on those industries serving TCC, as well as the additional employment and related household expenditures among linked industries.

The facility has immediate economic significance with 540 employees residing in and \$42.9 million (\$31.8 million¹ spendable) locally paid compensation and benefits within the region. The facility has even greater importance when economic interactions related to operations and employee spending is considered. A summary of annual gains among certain characteristics include:

- **Gain in Employment:** 380.5 full and part-time jobs;
- **Gain in Annual Labor Income:** \$12.5 million;
- **Gain in Annual Economic Output:** \$47.5 million;
- **Gain in Annual Total Value-Added:** \$21.9 million; and
- **Gain in Annual Local, State, and Federal Revenues:** \$3.3 million.



¹ Spendable income is the full compensation (salaries, wages, benefits, employer paid retirement contributions less taxes and savings).

2. Data & Methodology

The analysis utilizes data distributed by the Minnesota IMPLAN Group featuring a complex collection of secondary data including the Regional Economic Information Systems (REIS), Bureau of Economic Analysis, Bureau of Labor Statistics, County Business Patterns, and Department of Labor –Covered Employment and Wages Program. In addition, project-specific data was provided by the Illinois Department of Corrections.

The economic impacts are reported as annualized changes in a variety of categories, including

- **Output**: represents the value of production. **Output= Sales +/- Inventory Change (note: only local operating costs and purchases were included as TCC's Output);**
- **Employment**: full-time and part-time employment;
- **Labor Income**: Employee compensation (Total payroll costs including salaries, wages, bonuses, benefits and employer-paid retirement), proprietor (self-employed) income;
- **Total Value-Added**: Include Employee Compensation, Proprietors Income, Other Property Type Income, and Indirect Business Taxes;
- **Public Revenues**: Include payroll taxes, property taxes, sales taxes, and other business taxes at local/state and federal levels.

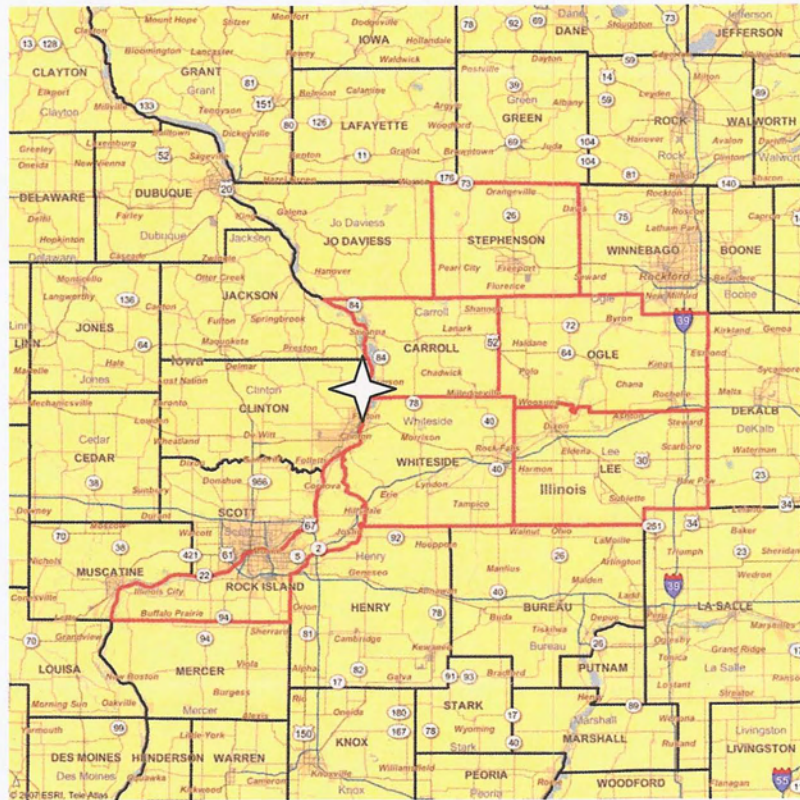
To capture the full range of impacts across an area's economy, the effects for each category consist of three different levels:

- **Direct Effects**: annual changes associated with operations at the targeted industry (i.e., TCC);
- **Indirect Effects**: annual changes in inter-industry purchases as they respond to the changes in demand; and
- **Induced Effects**: the annual changes in levels of household spending corresponding with the economic shocks.

3. Study Area

The area considered in the analysis consists of Carroll County and five neighboring counties that will likely serve as the labor-shed for the Thomson facility. Carroll County has a relatively small population (16,674/2000 US Census). It is expected that a large portion of TCC's employees will commute from outside the county. The five additional counties included in the study are relatively close and contain sizeable population centers including Dixon (Lee County), Oregon, Rochelle (Ogle County), Rock Island and suburbs (Rock Island County), Freeport (Stephenson County), and Morrison, Rock Falls, and Sterling (Whiteside County) Counties. The combined population for the study area is 330,374 (2000 US Census). The study assumes that 100 percent of the workforce will reside within the study area.

Figure 1. Counties in study area



 = Location of Thomson Correctional Center facility

4. Results

Staffing and operations at the Thomson Correctional Center will provide a wealth of economic benefits to the six-county region. These benefits will stem from business interactions that arise from commodity and contractual purchasing by the facility. Purchases from vendors within the region are estimated at \$4.56 million annually. Another level of related activity, household expenditures by vendors' employees, will add further value to the development. The total impact of across the region is more than 90 new jobs, an annual gain of almost \$3.5 million in Labor Income, and more than \$6.5 million in additional production and sales of goods and services within the region each year. The economic interactions linked to TCC's local purchases will also generate an annual gain of \$1.2 million in public revenues at the local, state, and federal levels.

	Direct	Indirect	Induced	Total
Employment (FT/PT positions)	69.6	5.9	18.1	93.6
Labor Income	\$2,733,844	\$220,451	\$540,827	\$3,495,122
Total Value-Added	\$3,212,834	\$321,922	\$1,071,152	\$4,605,908
Economic Output	\$4,198,566	\$547,822	\$1,792,853	\$6,539,241
Public Revenues	Local/State: \$349,626		Federal: \$841,534	

A second area of activities linked to the operations of the Thomson Correctional Center will provide an even greater amount of benefits to the region. The facility will employ a 540 full-time state employees. Estimated personnel services at TCC, including salaries, wages, bonuses, benefits, and employer-paid retirement, totals approximately \$42.9 million. Not all of this will be available as disposable income. The total amount of "spendable income" was determined by applying a coefficient (.743) representing income less taxes, savings, and other fixed items. Accordingly, the new employees at TCC will introduce almost \$32 million in spendable income to the regional economy. Introducing this money into the regional economy generates substantial impacts (see Table 3). Household spending by the new TCC employees, and the related interactions among linked businesses and their employees, will generate an additional 287 full and part time positions across the six-county region. Labor income will increase by almost \$9 million each year. The household income and related activities will support or create annual gains of \$41 million and \$4.8 million in the production and sales of goods and services and public revenues (local, state, and federal), respectively.

	Direct	Indirect	Induced	Total
Employment (FT/PT positions)	200.1	37.6	49.6	287.3
Annual gain in Labor Income	\$5,939,654	\$1,473,456	\$1,574,397	\$8,987,507
Annual gain in Total Value-Added	\$12,096,709	\$2,254,776	\$2,978,140	\$17,329,625
Annual gain in Total Output	\$31,881,003	\$4,149,404	\$4,935,056	\$40,965,463
Annual gain in Public Revenues	Local/State: \$2,114,919		Federal: \$2,698,735	

5. Conclusions

The proposal to staff and operate the Thomson Correctional Center holds great promise for Northwestern Illinois. The infusion of more than \$36 million in regional purchases and spendable income will be leveraged into additional economic output approaching \$47.5 million. With a regional Employment and Income Multipliers of 1.7 and 1.29, the project

will generate an additional .7 local positions and \$.29 for every one job and \$1 in compensation at the facilities, respectively.

Industries most affected by the project include both high and low wage employment. The five most-affected industries (by employment and by output) include:

- Food Services and drinking places;
- Offices of Doctors and Physicians;
- Hospitals;
- Wholesale trade; and
- Food and beverage stores.

The project will also provide benefits in areas less easily quantified:

- The influx of new employees and families will require living accommodations. Considering the current state of affairs with the national housing market, the demand generated may support the region's re-sale market, as well as encourage new housing development in Thomson, Carroll County, and surrounding areas;
- The project will also benefit school districts in the region. Rural school districts are appreciative of the increased enrollment and expanded local property tax bases.
- The project's new economic activity will help support the declining employment base in the region. As of May 2008, the Unemployment Rate in three of the six counties was higher than the State average (6.4 percent). In the past year, The Unemployment Rate had risen in all six counties, with increases from ranging from .9 to 1.9 percentage points.

Considering the project's potential impacts, the related benefits, and the current state of the economy in Northwestern Illinois, the proposal to staff and operate the Thomson Correctional Center is, on face value, a good thing. However, as is often the case, other factors exist that should be included to arrive at the best outcome for all.