

**REPORT OF THE
CHIEF LEGISLATIVE ANALYST**

DATE: April 21, 2016

TO: Honorable Members of the Rules, Elections, Intergovernmental Relations and Neighborhoods Committee

FROM: Sharon M. Tso *IS*
Chief Legislative Analyst

Council File No: 15-0002-S152
Assignment No: 16-04-0308

SUBJECT: Resolution (Buscaino – Harris-Dawson) to SUPPORT AB 1900 to sell the San Pedro Courthouse.

CLA RECOMMENDATION: Adopt Resolution (Buscaino – Harris-Dawson) to include in the City's 2015 – 2016 State Legislative Program SUPPORT for AB 1900 (Jones-Sawyer and O'Donnell) which authorizes the Judicial Council of California to sell the San Pedro Courthouse.

SUMMARY:

On April 6, 2016, a Resolution (Buscaino – Harris-Dawson) was introduced to support AB 1900 (Jones-Sawyer and O'Donnell) which would authorize the Judicial Council of California to sell the San Pedro Courthouse at fair market value, upon the terms and conditions that the Judicial Council deems in the best interests of the State, as long as the following requirements are met: 1) the sale complies with the Judicial Council's responsibilities and authorities with regard to court facilities; 2) the Judicial Council consults with the County of Los Angeles on the sale; and 3) the Judicial Council offers the County of Los Angeles the right to purchase the property at fair market value.

The Resolution states that due to a decrease in available funds, the Judicial Council has cancelled and indefinitely delayed 15 facilities projects that are in "immediate and critical need" in order to preserve funds from the Immediate and Critical Needs Account (ICNA). The Resolution states that the proceeds from the sale of the San Pedro Courthouse shall help improve and increase the funds of the ICNA for future court construction projects and other facility-related expenses.

The Resolution states that although the Judicial Council continues to pay for the costs of the operations and maintenance of the site since the closure of the San Pedro Courthouse, there have been no plans to reopen the Courthouse, as it has become unsustainable to have as many courthouses as the State once did. The Resolution further states that the County of Los Angeles supports AB 1900 and seeks to reinvest the property back into the community to be a point of civic activity and services that benefits the San Pedro community. The Resolution therefore recommends that the City support AB 1900 which would authorize the Judicial Council of California to sell the San Pedro Courthouse.

BACKGROUND:

Due to budget constraints since 2008, 53 courthouses (215 courtrooms) have been closed statewide. Currently, of those closures, 48 courthouses and 200 courtrooms continue to remain closed, including eight courthouses and 78 courtrooms in the County of Los Angeles. Included in these closures was the San Pedro Courthouse, which the Superior Court of Los Angeles County closed in 2013. Although

there are no plans to reopen the San Pedro Courthouse, the Judicial Council continues to pay for the costs of the operations and maintenance of the site.

The ICNA of the State Court Facilities Construction Fund was established SB 1407 in 2008. The ICNA provides funds for court construction projects and other facility-related expenses. SB 1407 authorizes the Judicial Council up to \$5 billion in bond financing for court construction projects to be repaid in revenues from increases in civil and criminal fines and fees and other revenue. However, due to a recent decrease in revenue from civil and criminal fines and fees and court budget shortfalls, the ICNA has had to cancel and indefinitely delay about 13 projects that were initially identified as immediate and critical needs projects. As a result, AB 1900 aims to authorize the Judicial Council to sell the San Pedro Courthouse in order to improve and increase funds within the ICNA for future court construction projects. It should be noted that, when sold, the funds from the sale of San Pedro Courthouse are not immediately deposited into the ICNA, but are instead deposited into the Special Fund for Economic Uncertainties, and then immediately transferred to the ICNA.

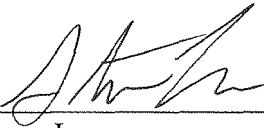
If authorized, the County of Los Angeles will acquire the San Pedro Courthouse from the Judicial Council of California, and use the property for services that benefit the San Pedro community. Both the Judicial Council and the County of Los Angeles are in support of AB 1900.

DEPARTMENTS NOTIFIED

None.

BILL STATUS

2/11/16	Read first time. To print.
2/25/16	Referred to Com. on JUD.
3/30/16	From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (March 29)
4/13/16	From committee: Do pass. To Consent Calendar. (Ayes 20. Noes 0.) (April 13)



Steve Luu
Analyst

SMT:sl

Attachments: Resolution (Buscaino – Harris-Dawson)

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, AB 1900 (Jones-Sawyer and O'Donnell) authorizes the Judicial Council of California to sell the San Pedro Courthouse at fair market value, upon the terms and conditions that the Judicial Council deems in the best interests of the state, as long as the following requirements are met: 1) the sale complies with the Judicial Council's responsibilities and authorities with regard to court facilities; 2) the Judicial Council consults with the County of Los Angeles on the sale; and 3) the Judicial Council offers the County of Los Angeles the right to purchase the property at fair market value; and

WHEREAS, due to a decrease in revenue from civil and criminal fines and fees, and other reductions in available funds, the Judicial Council has cancelled and indefinitely delayed 15 facilities projects that are in "immediate and critical need" in order to preserve funds from the Immediate and Critical Needs Account (ICNA); and

WHEREAS, to improve and increase the funds of the ICNA, the proceeds from the sale of the San Pedro Courthouse shall be transferred to the ICNA from the Special Fund for Economic Uncertainties, which provides funds for court construction projects and other facility-related expenses; and

WHEREAS, the Judicial Council of California's ongoing budget constraints resulted in the closure of the San Pedro Courthouse; and


WHEREAS, there are no plans to reopen the San Pedro Courthouse since it has been vacated and the Judicial Council continues to pay for the costs of the operations and the maintenance of that site; and

WHEREAS, the Judicial Council advises that it has become unsustainable to have as many courthouses as the State once did; and


WHEREAS, the County of Los Angeles supports this bill and seeks to reinvest the property back into the community to be a point of civic activity and services that benefits the San Pedro community;


NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2015-16 State Legislative Program SUPPORT for AB 1900 (Jones-Sawyer and O'Donnell), which authorizes the Judicial Council to manage the sale of the San Pedro Courthouse and allow for the County of Los Angeles to be given the option to first purchase the property prior to the facility being offered to other local or state governmental agencies.

PRESENTED BY:


JOE BUSCAINO
Councilmember, 15th District

SECONDED BY:




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