Memorandum

MIAMI-DADE COUNTY

Date: August 21, 2014

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Capital Construction Needs of the Miami-Dade County Circuit and County Courts

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On July 15, 2014, the Board of County Commissioners (Board) approved Resolution R-680-14 directing the County Mayor or County's Mayor's designee to work with Chief Judge Bertila Soto regarding the capital construction needs of the Miami-Dade County Circuit and County Courts (Courts) and to submit a report to the Board for the September 3, 2014 Board meeting detailing, among other things, the Courts' overall needs, projected costs associated with those needs, and possible financing recommendations.

In response to R-680-14, staff initiated discussions with Honorable Chief Judge Bertila Soto, other Circuit and County Judges, staff of the Administrative Offices of the Courts, and the Clerk of the Courts. Additionally, staff from the Internal Services Department's (ISD), Design and Construction Services and Real Estate Divisions as well as the Office of Management and Budget provided input for this report.

The Resolution directed several different areas for analysis and recommendation. For the purposes of this report, the Courts have placed their focus solely on making emergency repairs to and permanently replacing the 73 West Flagler facility, as follows:

Funding Emergency Repairs to the Existing Court Facilities

As it relates to the Civil Courthouse at 73 West Flagler, there is a need to ensure that the continued operation of this facility is maintained in a safe and functional manner. If the development of a new Civil Courthouse is approved, it is estimated that the existing courthouse would continue to be in use for up to an additional five years while a new Civil Courthouse is constructed and prepared for use by the court system. During that interim period, there are numerous documented repairs, including structural reinforcements, repair and replacement of air-conditioning systems, building water-proofing, and roof repairs, to name a few. Funding needs for that interim period are estimated at $25 million, based on various engineering and related studies. Related to the above, the repair and replacement of the terra cotta on the outside of 73 West Flagler is well underway and will continue with funds already allocated. When this is completed, the building will be more water-tight and much of the current moisture problems should be addressed.

Land Acquisition for a New Main Civil Courthouse (or alternatives)

There is currently a County-owned parcel, which is east of the new Children's Courthouse (east half of block bounded by Metrorail, NW 3 Street, NW 2 Avenue, and NW 4 Street) that could serve as the new location for a new Civil Courthouse. The size of this parcel is approximately 37,000 square feet, and could allow for a building of approximately 620,000 square feet, which is the estimated square footage for the replacement Civil Courthouse, as discussed later in this report. Such a facility would consist of 20 to 25 floors, with each floor being approximately 25,000 to 30,000 square feet. As a County-owned parcel, there would be no cost for the land.

Other County owned land that might be considered is the lot directly west of the Stephen P. Clark Center presently occupied by the Motor Pool, and the 140 West Flagler Building, which would have to be demolished to allow for a new courthouse.

Comparatively, if it is necessary to acquire private land in the downtown area, a parcel of the size mentioned above would likely cost approximately $9 to $11 million in today's real estate market.

Design and Construction of a New Main Civil Courthouse

With the assistance of the Chief Judge and her staff, a space plan was developed that would replace all the court functions currently housed at 73 West Flagler, plus allow for the expansion of space needed to meet the needs of a growing population and increased court caseload in Miami-Dade County. Presently the Courthouse has 273,884 square feet with 26 courtrooms being used by 41 judges. Using the accepted ratio for an efficiently run courthouse of one courtroom per judge, the present building should have approximately 430,500 square feet. This space is required for the courtrooms as well as the support and ancillary areas required to accommodate, among other uses, judges' chambers, jury rooms, space for the Administrative Office of the Courts and the Clerk of the Courts. In considering the future growth projected by the courts to the 52 courtrooms plus the associated space required by support services, the planners project a total need of 620,000 square feet. The space plan also considered the future implementation of "paperless" digital records and case filing systems, which minimize the need for large paper storage rooms. This program (see attachment) considered the following main elements:

- Courtrooms;
- Hearing Rooms;
- Offices for Judges and their staff;
- Court Administration (AOC);
- Clerk office space for various functions (COC);
- Jury Room spaces; and
- Building Support spaces for the staff in the building, for the legal community and participants directly involved in the justice system and for the community at large to utilize the building.

When compared to the existing space at 73 West Flagler of 273,884 square feet, this new plan highlights how vastly undersized the existing courthouse is to meet the current and future programming needs of the Courts. Using this square footage amount, a building construction estimate of $353 million (assuming construction on County-owned land) was developed by County staff and HOK Architects (designers of the new Children's Courthouse). This amount is inclusive of all furnishings, fixtures, equipment, audio visual equipment, information technology hardware and software (including wired networks), security systems, and other equipment necessary to operate a major courthouse facility. HOK estimates that the replacement facility could be constructed on a parcel of at least 30,000 square feet.

The County has also been working with the developer of All Aboard Florida to determine the estimated cost of including a new Civil Courthouse as part of their new development adjacent to the Stephen P. Clark Center. They were given the same programming information mentioned above, and arrived at a construction cost of approximately $368 million.

Construction of a Parking Facility for Court Personnel at Downtown Court Facilities

The HOK cost figure mentioned above includes secured parking for all the judges working in the new Civil Courthouse and existing Children's Courthouse. These spaces would replace the existing surface lot constructed for the Children's Courthouse in order to accommodate the footprint of the new Civil Courthouse, and would be constructed inside the new building. Additional parking spaces for staff and the public will be accommodated by existing County owned garages, including the new West Lot Garage on NW 2 Avenue at NW 3 Street that has a capacity for over 900 cars, other existing parking facilities in the area and new parking garages that will be built as part of several new planned developments.

Restructuring Existing Debt

The current debt originated from the past sale of bonds and other borrowing that was included in the 2013-2014 Capital Budget for Judicial Administration is $278 million. Of that total, the Children's Courthouse currently has a debt from existing bonds in the amount of $113.5 million.

The overall funding strategy requires that the old courthouse emergency repair needs estimated at $25 million and the construction of the new courthouse estimated up to $368 million, be part of a General Obligation Bond financial package totaling approximately $540 million. Included in the $540 million is the refunding of $132 million in existing court debt, comprised of $113.5 million for the Children's Courthouse and the refinancing of $18.2 million for Family Courthouse Center bonds. This strategy will allow the County to free up approximately $13 million in traffic surcharge proceeds, which could be used to support the court's operating program needs. If implemented, it is estimated the countywide debt service millage would increase an average of 0.09 mill over the life of the bonds using current roll growth assumptions. For the average homesteaded property with a taxable value of $200,000, the 0.09 mills equates to $18 annually.

Per Ordinance 14-65, this memorandum will be placed on the next available Board meeting agenda.

If you have any questions or concerns, please feel free to contact Deputy Mayor Edward Marquez at 305-375-1541.

c: Honorable Chief Judge Bertila Soto
Robert A. Cuevas, Jr., County Attorney
Office of the Mayor Senior Staff
Jennifer Moon, Director, Office of Management and Budget
Lester Sola, Director, Internal Services Department
Charles Anderson, Commission Auditor