



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 21-632

Board Meeting Date: 8/3/2021

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Michael P. Callagy, County Manager

Subject: Second Amendment to Memorandum of Understanding for Exchange of Real Property Interest between the County, the Judicial Council of California and San Mateo County Superior Court to Facilitate Construction of County Office Building 3

RECOMMENDATION:

Adopt a resolution authorizing the County Manager or his designee to execute a Second Amendment to the Memorandum of Understanding with the Judicial Council of California and the Superior Court of California, San Mateo County, to extend the Scheduled Completion Date for Hall of Justice Tenant Improvements to March 31, 2025 and to provide \$516,392 as the County's contribution toward the cost of reopening Central Branch Courthouse.

BACKGROUND:

In connection with the County's development of County Office Building 3 (COB3) and related improvements, the County, the Judicial Council of California (JCC), and the Superior Court of California, San Mateo County (Courts) negotiated and executed a Memorandum of Understanding for the County's acquisition of the Traffic Court Annex and Courtroom O in the Northern Branch Jail Annex in exchange for 13,112 square feet of space in the Hall of Justice (HOJ) improved with two new courtrooms and an expanded court clerk's office (HOJ Improvements). The Memorandum of Understanding was effective November 6, 2018 and was subsequently amended by the First Amendment to the Memorandum of Understanding, dated April 1, 2019 (collectively, the "MOU").

In order to provide the space subject to the HOJ Improvements, the County must first complete COB3 so that the County may vacate portions of the HOJ that will be part of the HOJ Improvements. Due to unexpected delays to the COB3 project, the County cannot substantially complete the HOJ Improvements by the original March 31, 2022 date set forth in the MOU.

DISCUSSION:

Given the delays to the COB3 project, the Judicial Council, Courts, and County have agreed to extend the scheduled completion date for the HOJ Improvements until March 31, 2025. In light of the delayed completion of the HOJ Improvements, the Courts plan to renovate and reopen the currently

closed Central Branch Courthouse at 800 North Humboldt St., San Mateo, CA (Central Branch) to provide additional space for court activities, and in connection with the extended completion date for the HOJ Improvements, the County will contribute \$516,392 towards the costs and expenses related to the Central Branch reopening. The Second Amendment to the MOU amends the MOU to include this extended completion date and the County's contribution to the Central Branch reopening costs.

With the extended completion date, the County will have sufficient time to complete construction of COB3 so that the County may commence with and complete the HOJ Improvements. In the meantime, the County's contribution to and the Courts' completion of the Central Branch reopening will allow the Courts to provide additional services to the residents of the County.

Approval of this action will contribute to the Shared Vision 2025 of a Collaborative Community by allowing the County the additional time it needs to complete COB3 and providing the Courts with additional capacity to serve the community during that time.

The County Manager's Office recommends approval of this amendment to the MOU, and County Counsel has reviewed and approved the resolution and the amendment to the MOU as to form.

FISCAL IMPACT:

The fiscal impact of the Second Amendment to the MOU is \$516,392, which will be appropriated from the General Fund.