

## Judicial Council of California

455 Golden Gate Avenue · San Francisco, California 94102-3688 www.courts.ca.gov

## REPORT TO THE JUDICIAL COUNCIL

For business meeting on: August 21 or 22, 2014

Title

Disposition of Judicial Council of California

Equity in Calexico Courthouse

Submitted by

Trial Court Facility Modification Advisory Committee

Hon. David Edwin Power, Chair

Agenda Item Type Information Only

Date of Report July 25, 2014

Contact

Eunice Calvert-Banks Manager, Real Estate

eunice.calvert-banks@jud.ca.gov

(415) 865-4048

## **Executive Summary**

The Superior Court of California, County of Imperial (Court) vacated the Calexico Courthouse as of July 1, 2014 and has informed the Judicial Council that is has no foreseeable need for the facility. The County of Imperial (County) advised staff that it does not intend to repurchase the facility. Due to a right of reversion held by the City of Calexico (City) in the underlying deed to the County, the facility will be returned to the City via deed by the council.

#### **Previous Council Action**

None.

### **Background**

The Calexico Courthouse was transferred to the council pursuant to the Trial Court Facilities Act of 2002 (SB 1732, Escutia) Chapter 1082, Statutes of 2002, as amended. The council obtained title to the facility from the County subject to a right of reversion in favor of the City, which was recorded on the property in 1965. By operation of this encumbrance on the property, the City has a right to reacquire the property in the event it was not used as a court facility and county office building for a period of one year.

The Court earlier this year notified staff that it was vacating the Calexico court facility effective July 1, 2014, and has no foreseeable use for that facility. (Attachment 1.) As required by the terms of the transfer agreement, Judicial Council staff notified the County that the Court was vacating the building and inquired whether the County had an interest in reacquiring the property. (Attachment 2.) The County informed staff they were not interested in acquiring the property. (Attachment 3.) Because the property will not be used as either a court or county facility, staff then contacted the City. The City is exercising its right of reversion and has requested that the council deed its interest in the property to the City as required by law. (Attachment 4.)

## **Policy and Cost Implications**

The facts presented in this report are specific to the Calexico facility. When the property transferred to the council it was already subject to a reversionary interest dating from 1965. Once the Court determined that it did not have a foreseeable use for the facility, the terms of the transfer agreement and the reversionary interest compelled certain actions as a matter of law. Due to the specific nature of the rights related to this property, there are no significant policy implications to be drawn for other facilities.

Although the original deed from the City to the County does not require the Calexico courthouse to be deeded to the City until a full year of non-use as a court or county facility has occurred, the council will save the ongoing operations and maintenance costs for the facility the sooner the facility is deeded back to the City.

## **Next Steps**

Staff will prepare the necessary documents to deed the Calexico courthouse to the City of Calexico.

#### **Attachments and Links**

- 1. Correspondence dated March 21, 2014 from Kristi Kussman, Court Executive Officer of the Superior Court of California, County of Imperial
- 2. Correspondence dated May 6, 2014 to County of Imperial
- 3. Correspondence dated May 29, 2014 from County of Imperial
- 4. Correspondence dated July 7, 2014 from City of Calexico

#### Attachment 1

From: Kristi.Kussman@imperial.courts.ca.gov

To: <u>Calvert-Banks, Eunice</u>

Cc: Serglo.Valadez@imperial.courts.ca.gov; Maria.Rhinehart@imperial.courts.ca.gov; McGrath, Patrick; Darr, Terri;

Boulais, Bradford; Gieck, Mona

Subject: Calexico Court

Date: Friday, March 21, 2014 11:54:31 AM

#### Eunice

I am providing you with notice that the Superior Court, County of Imperial will not be needing or using the Calexico Court located on 4<sup>th</sup> Street in Calexico, California. The effective date is July 1, 2014. We will have all court property removed from the facility so that the State can comply with the deed in that the property will belong to the City of Calexico.

Additionally because of this change the Delegation for maintenance will be modified accordingly as well as insurance, utilities, etc.

Let me know if you need this information on letter head and or notify another person of our intentions to relinquish the Calexico Court property.

Kristine Kussman
Court Executive Officer
Superior Court, County of Imperial
939 Main Street
El Centro, CA 92243
(760) 482-2255





## Judicial Council of California

#### ADMINISTRATIVE OFFICE OF THE COURTS

JUDICIAL AND COURT ADMINISTRATIVE SERVICES DIVISION

2255 North Ontario Street, Suite 220 • Burbank, California 91504-3120 Telephone 818-558-3060 • Fax 818-558-3114 • TDD 415-865-4272

TANI G. CANTIL-SAKALIYE Chief Justice of California Chair of the Judicial Council STEVEN JAHR
Administrative Director of the Courts

CURT SODERLUND Chief Administrative Officer

May 6, 2014

County of Imperial

Attention: Ralph Cordova Jr., County Executive Officer

940 West Main Street, Suite 208

El Centro, CA 92243

County of Imperial

Attention: Michael Rood, County Counsel

940 West Main Street, Suite 205

El Centro, CA 92243

Dear Mr. Cordova and Mr. Rood:

On December 16, 2008, the County of Imperial ("County") and the Judicial Council of California, Administrative Office of the Courts ("AOC") entered into a Transfer Agreement For The Transfer of Responsibility for Court Facility ("Agreement"), regarding the Calexico courthouse, located at 415 Fourth Street, in Calexico ("Property"). Thereafter, the County deeded the Property to the AOC, by a Grant Deed which recorded on October 30, 2009, as Document No. 2009-030975.

Section 4.5 of the Agreement provides the following:

"4.5. Consultation Concerning Disposition of Court Facility. Pursuant to Section 70391(c) of the Act, after the Transfer of Title, the AOC will consult with the County concerning the disposition of the Court Facility if it becomes surplus. If requested by the County, the AOC will offer the surplus Court Facility to the County at fair market value before offering it to any other State or local government agency."

County of Imperial May 6, 2014 Page 2

The Imperial County Superior Court ("Court") will cease all operations at the Property by June 30, 2014. Once that happens, neither the Court nor the County will occupy or use the Property. When the County acquired title to the Property from the City of Calexico ("City"), on November 4, 1964, the deed included a provision ("Reversion") which provided as follows:

"This conveyance is made subject to the condition that said property shall be continuously used as a Court facility and as a County Office Building. In the event that said property is not so used for a period of one year, all of the Rights of the Grantee shall terminate and the Property shall revert to the City of Calexico, its successors or assigns."

A copy of that deed is enclosed, for your information.

The Court does not intend to re-occupy the Property in the future. Due to the existence of the Reversion, is it not practical for the AOC to lease or deed the property to a third party. Pursuant to Section 4.5 of the Agreement, the AOC is to offer the Property to the County, but if the County re-acquires the Property it will do so subject to the Reversion.

The AOC proposes that we contact the City and inquire as to whether the City wishes to exercise its right of reversion. In the event that the City does wish to exercise its right of reversion, the AOC plans to deed the Property to the City. This letter is being written in order to comply with Section 4.5 of the Agreement. In the event the County does not want the AOC to contact the City, and wishes to re-acquire the property pursuant to Section 4.5 of the Agreement, please contact me on or before June 15, 2014. If I do not hear from the County by that date I shall conclude that the County agrees with the AOC's plan to contact the City, and I will proceed to do so without contacting the County further.

Yours truly,

Joanne Williamson

Senior Real Estate Analyst

Joanne Williamson

JW/hs Enclosure



# Quitclaim Beed

#### City of Calexico

a municipal corporation organized and existing under the laws of the State of California, and having its principal place of business in the city of Calerion, State of California, in consideration of One Dollar and other valuable considerations

does hereby QUITCLAIM to The County of Imperial, State of California

all that real property situate in the City of Calexico, County of Imparial, State of California, described as follows:

The South 125 feet of the East 150 feet, Block 42, Original Townsite of Calexico.

This conveyance is made subject to the condition that said property shall be continuously used as a Court facility and as a County Office Building. In the event that said property is not so used for a period of one year, all of the Rights of the Grantee shall terminate and the Property shall revert to the City of Calexico, its successors or assigns.

Together with all and singular the iconomens, hereditaments and appartenances thereto belonging or in otherwise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

In Witness Whereof and Municipal Carporation, parsuant to a Resolution dated November

4 ... 1964 .... has caused its corporate name and seal to be hereunto affixed by its Mayor and City

Clark thereunds duly authorized this 4th day of November 19.64.

City of Calexico

By January H. Steep 19.64.

City Steek

STATE OF CALIFORNA
COUNTY OF IMPERIAL 19
Ca the Bith day of March 19.65

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#### COUNTY EXECUTIVE OFFICE

#### Attachment 3

Ralph Cordova, Jr. Executive Officer



County Administration Center 940 Main Street, Suite 208 El Centro, CA 92243 760-482-4290 Tel 760-352-7876 Fax ralphcordova@co.imperial.ca.us www.co.imperial.ca.us

May 29th, 2014

Administrative Office of the Courts
Judicial and Court Administrative Services Division
Attention: Senior Real Estate Analyst
2255 North Ontario Street, Suite 220
Burbank, CA 91504-3120

Administrative Office of the Courts
Office of Court Construction and Management
Attention: Manager, Real Estate
455 Golden Gate Avenue
San Francisco, CA 94102-3688

Re: Calexico Courthouse

To Whom It May Concern:

The County of Imperial ("County") is in receipt of the letter dated May 6<sup>th</sup>, 2014 from the State of California Judicial Council of California Administrative Office of the Courts ("AOC") in regards to the Calexico Courthouse Facility located at 415 Fourth Street, Calexico, California ("Property"). In accordance with Paragraph 4.5 of the executed Transfer Agreement for the Responsibility for Court Facility between the County and the AOC for this Property, the AOC has offered the Property to the County for purchase at fair market value since the AOC no longer intends to occupy or use the Property.

After careful consideration, the County respectfully declines this offer. Should you have any questions, please do not hesitate to contact me at your earliest convenience. You may reach me or Andrea Gonzales, Administrative Analyst II, at (760) 482-4290 or via email at <a href="mailto:ralphcordova@co.imperial.ca.us">ralphcordova@co.imperial.ca.us</a> or <a href="mailto:andreagonzales@co.imperial.ca.us">andreagonzales@co.imperial.ca.us</a>, respectively.

Sincerely.

Ralph Cordova, Jr.
County Executive Officer



# CITY OF CALEXICO

608 Heber Avenue Calexico, CA 92231 www.calexico.ca.gov

RECENTED

July 7, 2014

4 1 1

Judicial Council of California Administrative office of the Courts Judicial and Court Administrative Services Division 2255 North Ontario Street, Ste. 220 Burbank, CA 91504-3120

Re:

Calexico Courthouse AOC Facility ID No. 13-C1

Dear Ms. Williamson:

We are in receipt of your letter dated June 30, 2014 in which you have notified us that the Superior Court of Imperial County will cease all operations at the property by June 30, 2014, with no intentions to re-occupy the property in the future. In light of this information, the City wishes to exercise our right of reversion over the Calexico courthouse property.

Please contact Erica LaCuesta from my office at (760) 768-7433 (elacuesta@calexico.ca.gov) so she may coordinate with you to move forward with this process.

Sincerely,

Richard Warne

Interim City Manager