

**DE0211
Judiciary – Capital**

Capital Budget Summary

**State-owned Capital Improvement Program
(\$ in Millions)**

Projects	Prior Auth.	2022 Request	2023 Est.	2024 Est.	2025 Est.	2026 Est.	Beyond CIP
New Courts of Appeal Building	\$4.350	\$2.836	\$0.000	\$33.038	\$44.636	\$23.641	\$0.000
Addition to the Washington County District Court	0.325	5.275	0.000	0.000	0.000	0.000	0.000
New Harford County District Court	0.000	0.000	4.600	2.000	2.450	0.000	46.875
Shillman Building Conversion	3.778	0.000	21.074	20.417	10.208	0.000	0.000
Total	\$8.453	\$8.111	\$25.674	\$55.455	\$57.294	\$23.641	\$46.875

Fund Source	Prior Auth.	2022 Request	2023 Est.	2024 Est.	2025 Est.	2026 Est.	Beyond CIP
GO Bonds	\$8.453	\$8.111	\$25.674	\$55.455	\$57.294	\$23.641	\$46.875
Total	\$8.453	\$8.111	\$25.674	\$55.455	\$57.294	\$23.641	\$46.875

CIP: Capital Improvement Program

GO: general obligation

Key Observations

Shillman Building Conversion Delayed: Programmed funding to start the construction for the Shillman Building conversion project is deferred to fiscal 2023. Total project costs have also increased from \$43.3 million to \$55.5 million.

Summary of Recommended Bond Actions

1. Washington County District Court Addition

Approve \$5.275 million in general obligation bond funding for the addition to the Washington County District Court.

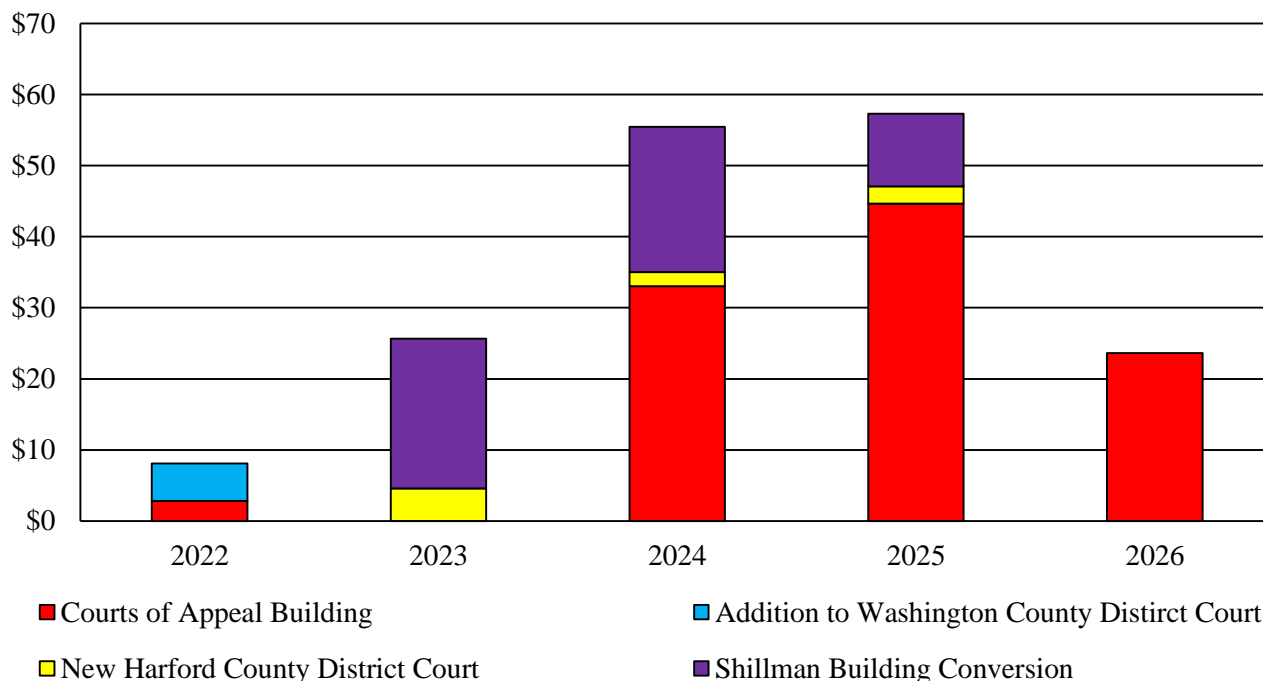
2. Courts of Appeal Building

Approve \$2.836 million in general obligation bond funding for the new Courts of Appeal Building.

Budget Overview

Exhibit 1 shows the allocation of funding for the different Judiciary projects in the five-year *Capital Improvement Program* (CIP). This includes two projects in fiscal 2022, the new Courts of Appeal building and the addition to the Washington County District Court.

**Exhibit 1
Judiciary 2021 CIP
Fiscal 2022-2026
(\$ in Millions)**



CIP: *Capital Improvement Program*

Source: Department of Budget and Management, Department of Legislative Services

Addition to the Washington County District Court

This project will construct an addition to the existing Washington County District Court in Hagerstown to add a third courtroom and additional office space for judicial chambers and support staff. The additional courtroom will provide space for a third judge and facilitate better caseload management. The budget provides \$5.3 million in general obligation bond funds to complete the planning and fully constructs and equips the facility during fiscal 2022. Initial design funds were authorized in fiscal 2020, but delays in finalizing the project scope delayed the award of the construction contract until June 2020. The current project cost is \$700,000 more than what was estimated in last session’s CIP based on early design development estimates provided by the design team last fall. These estimates are subject to further refinement, pending completion of the full design documents. This project previously received \$0.325 million in prior appropriations. The current fiscal 2022 appropriation will finish out the project with a total project cost of \$5.6 million.

New Courts of Appeal Building

This project will construct a new Courts of Appeal facility to replace the Robert C. Murphy Courts of Appeal Building. The site selected is a State-owned parcel of land located adjacent to the current District Court facility in Annapolis. The current building houses the Maryland Courts of Appeal, the State Law Library, and related units. This project was not programmed to receive funding in fiscal 2022. However, the legislature added design funds to the fiscal 2021 capital budget to commence the design phase and, rather than pause the design effort for a year, the additional \$2.836 million proposed would complete the design through construction document development stage in fiscal 2022.

The current Courts of Appeal building does not meet the workload needs of the courts and also has structural and mechanical issues. According to the Department of Budget and Management, there is currently a significant space deficit for the judicial functions housed in the building. This project previously received \$4.4 million to initiate design and is estimated to require an additional \$104.1 million, for a total estimated project cost of \$108.5 million.

Summary of Other Projects in the Capital Improvement Program

The 2021 CIP includes two projects for the Judiciary that do not have funding requests in fiscal 2022 – the new Harford County District Court and the Shillman Building conversion.

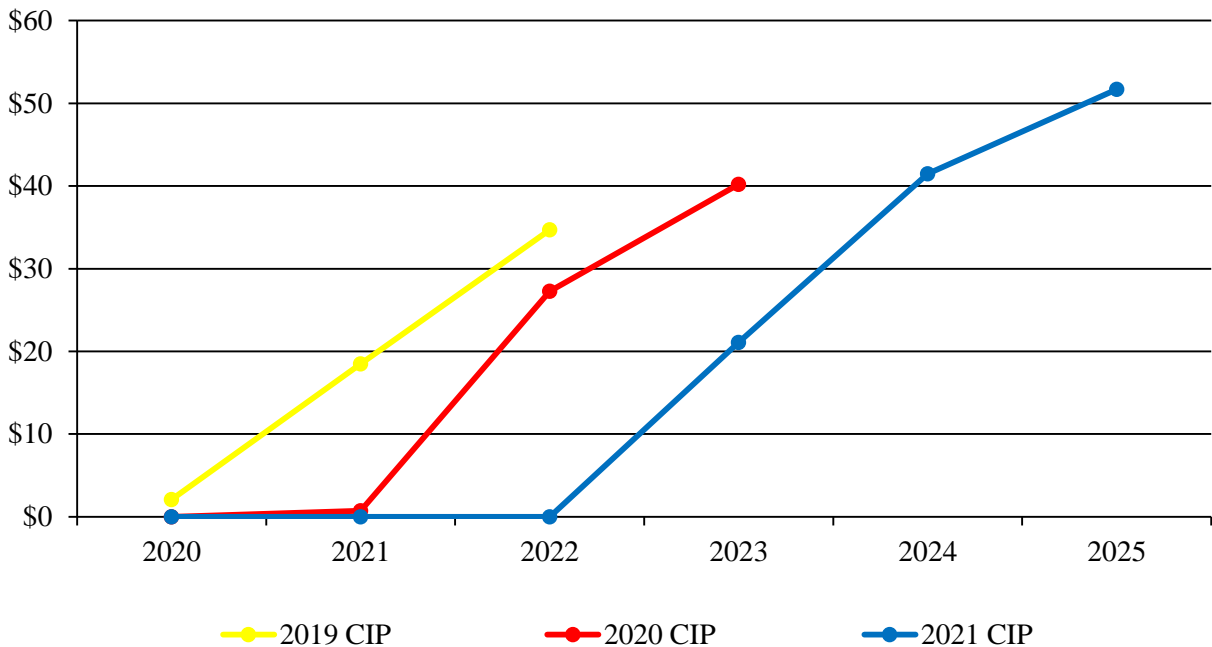
Harford County District Court

The current Mary E.W. Risteau Courthouse has four courtrooms but is not large enough to conduct court business. The Judiciary and the Department of General Services report that the facility continues to have deficiencies, including insufficient security, inadequate roofing, and failing climate control systems. The building has regularly leaked for most of its time in service and is contaminated with mold. Construction of a new building will allow the courts to expand offices for other court-related agencies in downtown Bel Air and will allow the vacated space in the current building to be filled by other State agencies. The project is programmed to receive property acquisition and design funds beginning in fiscal 2023 and through fiscal 2025. The funds needed to construct and equip the facility are beyond the scope of the five-year CIP. Very preliminary estimates put the project cost at \$55.9 million.

Shillman Building Conversion

The Shillman Building conversion project will replace the current courthouse, which suffers from severe deficiencies and damage. The Shillman Building has to be renovated to accommodate the unique needs of a courthouse and fix existing problems with the building. The 2021 CIP now includes money programmed in fiscal 2023 to continue planning and start the construction and equipping of the building. The construction time for the project has also been expanded from the initial timeline from 18 to 24 months. This means that the construction funds can be cash flowed over three budget cycles. **Exhibit 2** shows the change in spending on the Shillman Building conversion across the 2019, 2020, and 2021 CIP.

Exhibit 2
Shillman Building Conversion
Fiscal 2020-2025
(\$ in Millions)



Source: Department of Budget and Management, Department of Legislative Services

- The project was originally to be completed in fiscal 2022 but has faced continual deferrals. The 2021 CIP now forecasts it to be completed in fiscal 2025.

DE0211 – Judiciary – Capital

- The project has also increased in cost across the lifespan of the project. Between the 2020 and 2021 CIPs, the cost rose from \$43.3 million to \$55.5 million.

Exhibit 3 shows that the Shillman Building project has been deferred from the fiscal 2022 budget.

**Exhibit 3
Projects Deferred
Fiscal 2022**

<u>Project</u>	<u>Description</u>	<u>Reason for Deferral</u>
Shillman Building Conversion	Replace existing courthouse	Project is not ready to receive construction funding.

Source: Department of Budget and Management, 2021 *Capital Improvement Program*

GO Bond Recommended Actions

1. Approve \$5.275 million in general obligation bond funding for the addition to the Washington County District Court.
2. Approve \$2.836 million in general obligation bond funding for the new Courts of Appeal Building.