

CHAIR
BUDGET SUBCOMMITTEE #1 ON
HEALTH & HUMAN SERVICES

COMMITTEES
ACCOUNTABILITY AND
ADMINISTRATIVE REVIEW
HEALTH
JUDICIARY

Assembly California Legislature



DAVE JONES
ASSEMBLYMEMBER, NINTH DISTRICT
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June 15, 2010

Mayor and City Council
City of Sacramento
915 I Street
Sacramento, CA 95814

Dear Mayor and Members of the Sacramento City Council:

As the Chair of the Assembly Judiciary Committee, I authored Assembly Bill 1491 (2008) which established the December 31, 2009 deadline for transferring courthouses from counties to the state while adding penalties for failure to transfer. AB 1491 paved the way for the Legislature to approve Senate Bill 1407 (2008), which authorized \$5 billion in revenue bonds for court construction. I was the principal co-author and floor manager of SB 1407, and saved it from defeat when Republican members of the State Assembly refused to vote for it. I continue to have a keen interest in the success of the court construction and rehabilitation program.

The 2009-2010 Budget Act appropriated funding for the initial stages of the acquisition phase for a new Sacramento County Courthouse. This will be a fantastic project for our community – a 400,000 sq. ft., \$440 million public works project that will serve the judicial needs of our community for decades to come and that will create well-paying construction jobs in the heart of our city through 2015.

The State Public Works Board in August will select either the 301 Capitol Mall Site or the “Railyards Site” near the Federal Courthouse as the location for Sacramento’s new county courthouse.

I strongly support the Railyards Site, over the 301 Capitol Mall Site, for a number of reasons:

- The Railyards Site is closer to the existing County courthouse, making it easier for judges, court personnel, deputy sheriffs, attorneys and the public to move from one courthouse to the other;



- The Railyards Site is closer to the County Jail, which will reduce transportation costs and emissions related to moving prisoners from the jail to the new courthouse;
- The Railyards Site is walking distance from light rail and Amtrak, easing parking concerns for judges, court personnel, deputy sheriffs, attorneys and the public; and
- Capitol Mall needs to be enlivened, and another building that is only open weekdays during the day and has no ground floor retail uses moves in the wrong direction for the gateway to our city.

I urge the City to strongly encourage the members of the State Public Works Board to select the Railyards Site. Please contact Chris Shultz of my staff at 916-319-2009 with any questions.

Sincerely,



DAVE JONES
Assemblymember, 9th District

DJ:cs

CC:

John Dangberg, Assistant City Manager, City of Sacramento
Denise Malvetti, Economic Development Department, City of Sacramento
David A. Jones, Emanuels Jones Associates

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June 15, 2010

Ms. Ana Matosantos, Director
Department of Finance
State Capitol Room 1145
Sacramento, CA 95814

Mr. Ronald Diedrich, Acting Director
Department of General Services
707 3rd Street
West Sacramento, CA 95605

Ms. Cindy McKim, Director
Department of Transportation
1120 N Street
Sacramento, CA 95814

Mr. John Chiang, Controller
State Controller's Office
P.O. Box 942850
Sacramento, CA 94250

Mr. Bill Lockyer, Treasurer
State Treasurer's Office
915 Capitol Mall, Suite 100
Sacramento, CA 95814

RE: State Public Works Board, Sacramento County Courthouse

Dear Members of the State Public Works Board:

As the Chair of the Assembly Judiciary Committee, I authored Assembly Bill 1491 (2008) which established the December 31, 2009 deadline for transferring courthouses from counties to the state while adding penalties for failure to transfer. AB 1491 paved the way for the Legislature to approve Senate Bill 1407 (2008), which authorized \$5 billion in revenue bonds for court construction. I was the principal co-author and floor manager of SB 1407. I continue to have a keen interest in the success of the court construction and rehabilitation program authorized by SB 1407.

One of the new courthouses to be constructed with revenue from SB 1407 bond funding will address a major shortage of courtrooms in Sacramento.

I understand that the State Public Works Board in August will select either the 301 Capitol Mall Site or the "Railyards Site" in downtown Sacramento near the Federal Courthouse as the location for Sacramento's new county courthouse.

I strongly support the Railyards Site, over the 301 Capitol Mall Site, for a number of reasons:

- The Railyards Site is closer to the existing County courthouse, making it easier for judges, court personnel, deputy sheriffs, attorneys and the public to move from one courthouse to the other;
- The Railyards Site is closer to the County Jail, which will reduce transportation costs and emissions related to moving prisoners from the jail to the courthouse;
- The Railyards Site is walking distance from light rail and Amtrak, easing parking concerns for judges, court personnel, deputy sheriffs, attorneys and the public; and
- Capitol Mall needs to be enlivened, and another building that is only open weekdays during the day and has no ground floor retail uses moves in the wrong direction for the gateway to our city.

The City of Sacramento is expected to consider a similar recommendation of the Railyards site later today.

I encourage the State Public Works Board to give strong consideration to the recommendation of local legislators and the Sacramento City Council when making this decision for our community.

Please contact Chris Shultz of my staff at 916-319-2009 with any questions.

Sincerely,



DAVE JONES
Assemblymember, 9th District

DJ:cs

CC:

Lee Willoughby, Director, Office of Court Construction & Management
Curt Child, Director, AOC Legislative Office
Mayor and City Council, City of Sacramento

SHRA misused millions in federal funds, watchdog finds

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By Robert Lewis

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The Sacramento Housing and Redevelopment Agency misused millions of dollars in federal funds that were supposed to help fix vacant and foreclosed homes, according to a federal watchdog.

The agency misspent more than \$1.1 million on ineligible properties and costs - money SHRA might need to repay - and has budgeted another \$5.3 million that should be redirected, according to an audit by the U.S. Department of Housing and Urban Development's Inspector General. The money either went to or was budgeted for rehabbing eight fourplexes at Lerwick Road and another eight four-unit properties at Arcade Circle. EPO Development owns all of the properties.

The money is part of \$18.6 million Sacramento County received from the federal government for the Neighborhood Stabilization Program, which was meant to help communities revitalize areas blighted by the foreclosure crisis.

The inspector general, however, said SHRA gave EPO Development funds to rehab five properties that weren't in foreclosure or abandoned by the time the HUD-approved program started - making the properties ineligible for such financing. In addition, the agency allowed the developer to bill for unnecessary upgrades and exorbitant costs.

"The Agency approved the construction company (owned by the developer) to earn 20 percent in profit and overhead when the average for similar projects averaged about 9.62 percent for other developers," according to the audit.

As a result of the inflated costs, the agency budgeted to spend \$500,000 to rehab each Lerwick Road and Norcade Circle property. HUD, however, estimates the actual cost per property should be closer to \$100,000. As a result, the agency over-budgeted \$3.8 million for those properties that could be redirected to other projects, according to the audit.

The agency also failed to meet reporting requirements, the audit found. The agency was supposed to submit quarterly reports to HUD regarding the program and to post those reports online.

"Contrary to the requirements, not only did the Agency not upload the reports to its website, it also did not report essential information about the projects to HUD," according to the audit.

"Consequently, the Agency was not being transparent to HUD and the public on how the funds were spent."

SHRA submitted a letter dated May 13 to the inspector general's office refuting the allegations.

"The Agency maintains that information contained in the OIG Findings are without merit and are inconsistent with HUD's direction for the use of funds," SHRA's executive director LaShelle Dozier wrote.

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Read more: <http://www.sacbee.com/2010/06/15/2824157/shra-misused-millions-in-stimulus.html#ixzz0qyFHYSBe>