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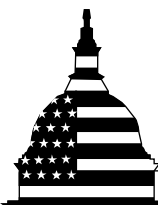
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Development, Public Buildings, and Emergency
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L.A. COURTHOUSE

**Initial Project Justification
Is Outdated and Flawed**

Statement of Mark L. Goldstein, Director
Physical Infrastructure Issues



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Highlights of [GAO-12-968T](#), a testimony before the Subcommittee on Economic Development, Public Buildings, and Emergency Management, Committee on Transportation and Infrastructure, House of Representatives

Why GAO Did This Study

The federal judiciary and the GSA are in the midst of a multibillion-dollar courthouse construction initiative. In 2010, GAO found that more than a quarter of the new courthouse space was unneeded, costing \$835 million to construct and \$51 million annually to rent, operate, and maintain.

As part of this initiative, construction has not yet begun on the L.A. courthouse project that was proposed to address perceived space, operational, and security deficits in Los Angeles, California. Specifically, the L.A. Court is split between two different buildings—the Roybal and Spring Street Courthouses—causing security and operational problems. Congress has appropriated about \$400 million for the L.A. courthouse project. For this testimony, GAO was asked to review the L.A. Courthouse project and (1) explain its history and status, (2) determine the extent to which previously identified challenges related to courthouse construction apply to the project, and (3) determine if the analysis that made it the highest priority construction project still applies.

This testimony is based primarily on GAO's prior work on federal courthouses, for which GAO analyzed courthouse planning and use data, visited key sites in Los Angeles and other locations, modeled courtroom-sharing scenarios, and interviewed judges and GSA officials. This information was updated through GSA and judiciary documents and interviews. GSA and judiciary provided technical comments on GAO's updated work.

View [GAO-12-968T](#). For more information, contact Mark L. Goldstein at (202) 512-2834 or goldsteinm@gao.gov.

August 17, 2012

L.A. COURTHOUSE

Initial Project Justification Is Outdated and Flawed

What GAO Found

Because of delays and cost increases, the General Services Administration (GSA) canceled the authorized 41-courtroom Los Angeles (L.A.), California, courthouse project in 2006. Since then, GSA and the judiciary have been slow to agree upon how to proceed with the project, for which about \$366 million in appropriated funds remains available. In 2012, with the judiciary's support, GSA issued a request for proposal for contractors to design and build a 24-courtroom, 32-chamber courthouse, which would be used in conjunction with 25 existing courtrooms in the Roybal Courthouse. However, this new plan will not address one of the principal justifications for the original project—that the L.A. Court be centralized at one site. Instead, it would increase the distance between the Roybal Courthouse and the planned second court location and the distance to the federal detention center from which prisoners must be transported.

Each of the challenges leading to extra space—and the associated extra costs—in courthouses that GAO identified in 2010 apply to the L.A. courthouse project. First, the initial design of the L.A. courthouse project exceeded the congressionally authorized size by 13 courtrooms and over 260,000 square feet. Second, 16 fewer judges are located in Los Angeles than were originally projected, a change that calls into question the space assumptions that the original proposals were based on. Third, officials did not fully take into consideration the advantages of courtroom sharing, again planning more courtrooms than necessary. According to the courtroom sharing model that GAO developed for a 2010 report using the judiciary's courtroom usage data, the 45 current district judges in Los Angeles would need 25 courtrooms to adequately address all scheduled courtroom time—roughly half of the 49 courtrooms currently planned.

It is not clear if the L.A. project remains a high priority. The judiciary chose not to reassess the L.A. project under a new prioritization process it began implementing in 2009. The process was changed to address concerns about the growing cost of courthouse projects and incorporate industry standards and best practices. However, there is evidence that the L.A. project justification from the old process is outdated and flawed based on the amount of space needed and the security assessment. Two high-priority projects that were reassessed under the new system were subsequently removed from the list. GAO is currently studying the judiciary's new prioritization process as it relates to projects currently on the judiciary's 5-year plan for this subcommittee and will continue to review these issues as part of that work.

Chairman Denham, Ranking Member Norton, and Members of the Subcommittee:

I am pleased to be here to discuss our recent work on federal courthouse construction issues and on the Los Angeles (L.A.) courthouse in particular. Since the early 1990s, the General Services Administration (GSA) and the federal judiciary (judiciary) have undertaken a multibillion-dollar courthouse construction initiative. According to GSA, that initiative has resulted in 76 new courthouses or annexes, and 18 additional courthouses in various stages of development. However, in 2010, we reported that more than a quarter of new courthouse space—then costing \$835 million to construct and \$51 million annually to operate—was unneeded.¹ We found the new extra courthouse space was the result of poor oversight and planning. Meanwhile, construction has not yet begun on the L.A. courthouse project, ranked by the judiciary as its top priority for construction since fiscal year 2000.

For this testimony, we were asked to (1) explain the history and current status of the L.A. courthouse project, (2) determine the extent to which previously identified planning issues related to overall courthouse construction specifically apply to the L.A. courthouse, and (3) determine whether the analysis that made the L.A. courthouse the judiciary's highest priority courthouse construction project still applies. This testimony is based primarily on our prior work on federal courthouses,² for which we analyzed courthouse planning and data; reviewed relevant laws, regulations, and project planning and budget documents; visited courthouse sites in Los Angeles and other locations; analyzed selected courthouses as case studies; modeled courtroom-sharing scenarios; contracted with the National Academy of Sciences to convene a panel of

¹GAO, *Federal Courthouse Construction: Better Planning, Oversight, and Courtroom Sharing Needed to Address Future Costs*, [GAO-10-417](#) (Washington, D.C.: June 21, 2010).

²See GAO, *Federal Courthouse Construction: Nationwide Space and Cost Issues Are Applicable to L.A. Courthouse Project*, [GAO-12-206T](#) (Washington, D.C.: November 4, 2011); GAO, *Federal Courthouse Construction: Better Planning, Oversight, and Courtroom Sharing Needed to Address Future Costs*, [GAO-10-417](#) (Washington, D.C.: June 21, 2010); GAO, *Federal Courthouse Construction: Estimated Costs to House the L.A. District Court Have Tripled and There Is No Consensus on How to Proceed*, [GAO-08-889](#) (Washington, D.C.: Sept. 12, 2008); GAO, *Federal Courthouses: Rent Increases Due to New Space and Growing Energy and Security Costs Require Better Tracking and Management*, [GAO-06-613](#) (Washington, D.C.: June 20, 2006).

judicial experts; conducted structured interviews with district and magistrate judges about the challenges and opportunities related to courtroom sharing; analyzed nationwide judiciary rent data generated from GSA's billing system; and interviewed judges, GSA officials, and other relevant stakeholders. Information was updated through GSA and judiciary documents and interviews. To determine whether the judiciary's prioritization of the L.A. courthouse project still applies, we reviewed judiciary planning documents and interviewed judiciary officials. Our prior work was conducted from June 2004 through June 2010, and our additional work was conducted during July and August 2012. GSA and judiciary provided technical comments to our additional work. All of our work was conducted in accordance with generally accepted government auditing standards. More detail on our scope and methodology is available in the full reports on which this testimony is based.

Background

The judiciary uses a 5-year plan to define its priorities for courthouse construction. From fiscal year 1996 through 2008, the judiciary used a process to prioritize and score projects for inclusion in this plan based on

1. caseload and estimated growth in the number of judges and staff,
2. security concerns, and
3. any operational inefficiencies that may exist with the current facilities.

GSA uses the judiciary's plan to develop construction proposals and cost estimates for congressional authorizations and appropriations.³ In 2009, the judiciary began applying a new process for prioritizing courthouse projects that will apply to future 5-year plans. Judiciary officials said that the new process was developed in part to address concerns about growing costs and incorporate industry standards and best practices. The judiciary is currently evaluating its 94 federal judicial districts and 11 courts of appeal under the new process. We are reviewing this new process as part of an ongoing engagement for this subcommittee.

Under the old prioritization process, the judiciary had identified the L.A. courthouse project as high-priority for several reasons. The federal court in downtown Los Angeles (L.A. Court) is split between two buildings—the

³For purposes of this testimony, we refer to approval of these projects or prospectuses by the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure as "congressionally authorized." See 40 U.S.C. § 3307.

United States Courthouse on North Spring Street (Spring Street Courthouse) built in 1938 and the Edward R. Roybal Federal Building and United States Courthouse (Roybal Courthouse) built in 1992. The Spring Street Courthouse consists of 32 courtrooms—11 of which do not meet the judiciary’s minimum design standards for size.⁴ The Roybal Courthouse consists of 34 courtrooms (10 district, 6 magistrate, and 18 bankruptcy). (See fig. 1.)

Figure 1: U.S. District Courthouses in Los Angeles



Source: GAO.

Spring Street Courthouse, opened in 1938 (765,000 square feet)



Source: GAO.

Roybal Courthouse, opened in 1992 (1.2 million square feet)

⁴The judiciary considers three of the courtrooms in the Spring Street Courthouse to be hearing rooms and not courtrooms.

In 1996, the judiciary concluded that having the L.A. Court split between two courthouses created security and operational problems, that the judiciary needed additional space in downtown Los Angeles, and that the Spring Street Courthouse had obsolete building systems and poor security conditions. One of the security challenges created by the split court is that prisoners must be transported from the Metropolitan Detention Center along surface streets to the Spring Street Courthouse. The Roybal Courthouse, however, is connected to the detention center by a secure tunnel.

In fiscal year 2000, the judiciary requested and GSA proposed building a new courthouse in downtown Los Angeles. From fiscal year 2001 through fiscal year 2005, Congress made three appropriations for a new L.A. courthouse, to remain available until expended.

- In fiscal year 2001, Congress authorized \$35.25 million and later provided funding to acquire a site for and design a 41-courtroom, 1,016,300-square-foot building based on a GSA prospectus.⁵
- In fiscal year 2004, Congress also appropriated \$50 million to construct a new L.A. courthouse.
- In fiscal year 2005, Congress appropriated an additional \$314.4 million.

As we reported in 2008, GSA spent \$16.3 million designing a new courthouse for the L.A. Court and \$16.9 million acquiring and preparing a new site for it in downtown Los Angeles, leaving about \$366.45 million available for the construction of a 41-courtroom courthouse.

⁵This authorized funding amount refers to a GSA reported amount in its courthouse project funding data. The \$35.25 million amount reflects the amount approved by the House Committee on Transportation and Infrastructure in July 2000 and is less than the \$36.20 million approved by the Senate Committee on Environment and Public Works also approved in July 2000.

L.A. Courthouse Project Was Repeatedly Delayed and Estimated Costs Increased

As we first reported in 2008, the L.A. courthouse project remains un-built because of delays and cost increases. The project was delayed in part because GSA decided to design a 54-courtroom, 1,279,650-square-foot building based on a request from the judiciary, instead of designing the congressionally authorized 41-courtroom, 1,016,300-square-foot courthouse. GSA completed the proposal for the 54-courtroom design in 2003, but the Office of Management and Budget (OMB) rejected the proposal and did not include it in the President's budget request for fiscal year 2005. GSA then designed a 41-courtroom building—the originally authorized size—but by the time that design was completed, the schedule for constructing the building had been delayed by 2 years, according to a senior GSA official involved with the project. With this delay, inflation then pushed the project's cost over budget, forcing GSA to further reduce the scope of the project in order to construct it within the authorized and appropriated amounts. However, the cycle continued as GSA and L.A. Court officials were slow to reduce the project's scope, causing additional delays, which in turn necessitated additional reductions. For example, GSA did not simplify the building-high atrium that was initially envisioned for the new courthouse until January 2006, even though the judiciary had repeatedly expressed concerns about the construction and maintenance costs of the atrium since 2002. As a result, cost estimates for the project tripled to over \$1.1 billion, and GSA ultimately cancelled the 41-courtroom L.A. courthouse project in 2006.

Since 2006, GSA and the judiciary were slow to agree upon how to proceed with the L.A. courthouse project for which appropriated funds still remain available. As we reported in 2008, the judiciary supported a scaled-back option that included constructing a new 36-courtroom, 45-chamber courthouse and returning the Spring Street Courthouse to GSA for other uses. GSA also considered two less costly options, such as simply continuing to house the L.A. Court in both the Roybal and Spring Street Courthouse locations. In 2012, with the judiciary's support, GSA issued a request for proposal for contractors to design and build a 600,000 square-foot courthouse with 24 courtrooms and 32 chambers, which would be used in conjunction with 25 of the existing courtrooms in the Roybal Courthouse. However, this new plan will not address one of the principal justifications for the original project—that the L.A. Court be centralized at one site. Instead, it will increase the distance between the Roybal Courthouse and the planned second court location as well as the distance to the Metropolitan Detention Center from where prisoners must be transported.

Planning Issues GAO Previously Identified that Cause Extra Space in Courthouses Also Apply to the L.A. Courthouse Project

The three causes of extra space in courthouses—and the associated extra cost—that we identified in 2010 also apply to the L.A. courthouse project. These include:

1. exceeding the congressionally authorized size,
2. overestimating the number of judges a courthouse would have, and
3. not planning for courtroom sharing among judges.

First, as previously mentioned, the initial design of the L.A. courthouse exceeded the congressionally authorized size by 13 courtrooms and more than 260,000 square feet. In addition, we found in 2010 that large atriums—like the one in the L.A. courthouse design—contributed to size overages in several courthouses completed since 2000. Because the courthouse design exceeded the congressionally authorized size, this led to delays that contributed to the tripling of estimated costs and to GSA's ultimately canceling the project in 2006.

Second, judiciary overestimated how many judges the L.A. Court would need and therefore designed a courthouse with more courtrooms than necessary. Specifically, we reported in 2004 that the proposed L.A. courthouse was designed to include courtrooms for 61 judges—the 47 existing district and magistrate judges and 14 additional judges expected authorized or appointed by 2011. However, in 2012, rather than having an additional 14 judges, the L.A. Court has just 45 district and magistrate judges—2 fewer than we reported in 2004.⁶ This outcome calls into question the assumptions made in the original proposals.

Third, judiciary did not fully take advantage of courtroom sharing by judges, which led to building more courtrooms than necessary. Our 2010 analysis indicated that the judiciary could reduce the number of courtrooms it needs by having judges share courtrooms. Table 1 illustrates the basic courtroom sharing that is possible based on judiciary's courtroom usage data.

⁶ According to the judiciary, the L.A. Court currently has 30 authorized district judgeships including 2 vacancies, plus 17 magistrate judgeships.

Table 1: Courtroom-Sharing Possibilities Based on GAO Model and Analysis

Judges	Dedicated courtrooms needed
3 district judges	2 district courtrooms
3 senior judges	1 district courtroom
1 district and 1 senior judge	1 district courtroom
2 magistrate judges	1 magistrate courtroom

Source: GAO.

According to GSA in November 2011, the new plan would bring the total number of district courtrooms in Los Angeles to 49, even though there are only 45 district judges currently located and working in Los Angeles. Applying the courtroom-sharing model that we developed, the 45 current district judges would need 25 courtrooms to adequately address all scheduled courtroom time—the number of district courtrooms that GSA currently has planned for the Roybal Courthouse. Even this model would leave the courtrooms unused much of the time, since 60 percent of scheduled court events are canceled or postponed within one week of the event’s original date. Additional efficiencies might also be realized if the L.A. Court’s judges were to use a centralized courtroom scheduling system.

It Is Unclear Whether the L.A. Courthouse Project Remains a High Priority Project

Judiciary officials said the judiciary has not applied its new process for prioritizing projects to the L.A. courthouse project because it was grandfathered under the old process and, like 10 of the 12 courthouses on the current 5-year plan for construction, will not be reevaluated under the new process. However, if the L. A. courthouse project were reevaluated, it is not clear that it would retain the same high priority status from when it was first justified in 2000.

- Judiciary’s projected increase in judges has not occurred. As we mentioned previously, none of the 14 additional judges expected by 2011 have been authorized or appointed. In fact, the L.A. Court has 2 fewer judges than we reported in 2004. This suggests that the previous space projections are currently outdated.
- The original security assessment did not include the Roybal Courthouse. The security score under the old prioritization process indicated that the L.A. Court lacked proper circulation routes for prisoners, but this problem does not apply to the Roybal Courthouse, a key court location being considered for continued use.

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- The old prioritization process did not consider the potential for reducing the number of needed courtrooms by having judges share courtrooms.
 - Other potential construction projects that were also rated high priority in 2012 under the original prioritization process have been reevaluated and have subsequently dropped in priority. Specifically, the judiciary applied its new prioritization process to two of the courtrooms on the list of projects in its 2010 5-year plan—San Jose, California, and Greenbelt, Maryland—and decided to remove both of them from the high-priority, 5-year construction plan. Formerly among the top 12 most urgent courthouse projects, the San Jose project now ranks 79th and the Greenbelt project now ranks 91st among potential courthouse projects.

In conclusion, the L.A. courthouse construction project has been repeatedly delayed and costs have increased for more than a decade. The current plan to build a new 24-courtroom courthouse would provide more courtrooms than are needed and will not solve the problem of a split court posed by two separate buildings—one of the key justifications for the project. We are currently studying the judiciary's new prioritization process as it relates to projects currently on the judiciary's 5-year plan for this subcommittee and will continue to review these issues as part of our ongoing work. Chairman Denham, Ranking Member Norton, and Members of the Subcommittee, this concludes our testimony. I would be pleased to answer any questions you might have at this time.

Contact Information

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