



Long Beach Courthouse (Governor George Deukmejian Courthouse)

Long Beach, California

In California, the Long Beach Courthouse was in the most need of replacement. Built in 1959, it suffered from fundamental flaws, was overcrowded, and failed to meet accessibility requirements, making it incapable of meeting the growing demand for court services in the Long Beach area. The Judicial Council's voted favorably to replace this building and utilized a new procurement model to build social infrastructure coined by the State as Performance-Based Infrastructure (PBI). This innovative delivery method that involves engaging a private team to finance, design, build, operate, and maintain the court building over a 35 year concession term. The successful team called Long Beach Judicial Partners (LBJP) was a consortium consisting of Meridiam Infrastructure, AECOM, Clark Design/Build of California, Edgemoor Real Estate Services and Johnson Controls, Inc. This team won a competitive bid process and was selected by the California Judicial Council's Administrative Office of the Courts (AOC) in 2013 to deliver a new courthouse for the citizens of Long Beach. The first civic building to be delivered via the P3 model in the United States, the Long Beach Courthouse also known as the Governor George Deukmejian Courthouse is a 545,000 sq. ft. state-of-the-art facility housing 31 courtrooms with adjoining holding cells and pre-trial meeting rooms. The building, which replaced an outdated facility that suffered from overcrowding, is located on six acres of land, one quarter of which is used as office space for county justice agencies, including a 9,200 sq. ft. retail space compatible with court uses. The project also includes renovation of the nearby existing parking structure to expand its capacity to more than 900 spaces.

The courthouse was also designed for sustainability, with numerous features, including good solar design, innovative, energy-saving systems for heating and cooling, automated light-harvesting systems, and water-conserving landscaping, as well as good access to mass transit. Originally designed to achieve LEED Silver certification from the U.S. Green Building Council, the project went on to achieve LEED Gold certification at no added cost, because of the shared sustainability goals of the Judicial Council, Long Beach Judicial Partners, and the court. The new courthouse opened for business on September 9, 2013.

ROLE OF THE TEAM

LBJP, the project's developer, contracted with Clark Design/Build of California as the project's design-builder, and Clark in turn contracted with AECOM as the courthouse's architect-engineer of record. LBJP separately engaged Johnson Controls Inc. as its operating service provider. Meridiam Infrastructure raised 100 percent of the financing required to complete the project on behalf of LBJP. Meridiam Infrastructure is the sole sponsor and developer of LBJP's proposal. Meridiam is a long-term equity fund whose mission is to develop infrastructure that improves the quality of life and the economic competitiveness of the communities in which it invests. AECOM Design is the lead design firm for the project and is the project's architect and engineer of record. Clark Design / Build of California, Inc., managed the project's design and construction. Clark was assisted on this project by its affiliate, Edgemoor Real Estate Services who provides real estate services to both public and private sectors. Johnson Controls Inc. (JCI) provides facilities management, operations, and maintenance during the project's 35-year term and manages final hand-back to the State of California.

KEY FACTS

- ▶ USD \$495 million.
- ▶ First civic building delivered via P3 in the United States
- ▶ 545,000 sq. ft.
- ▶ Houses 31 courtrooms with adjoining holding cells and pre-trial meeting rooms.
- ▶ Completed under Budget & Ahead of Schedule
- ▶ Savings to the State – [Cost Evaluation Report](#)
- ▶ 35 year concession term.

Procurement Model Benefits:

- No payments are made until the court occupies the building.
- The state retains ownership of the land and building throughout the 35-year agreement.
- The state will pay an annual service fee based on building performance, meaning that deductions can be made when court space or functionality are unavailable or other predetermined performance criteria are not met.
- Risks of delivery and operation are transferred to the private sector. This means that full life-cycle costs of the project were predictable when the agreements were reviewed, approved, and signed. The state's costs will not increase if interest rates go up or if a third party tenant moves out.
- Revenues from leases and other income sources reduce the state's costs.
- The building includes expansion space for six to eight additional court departments. This potential court expansion space is the responsibility of the private party and will initially be leased to other tenants. The state has no obligation to take any or all of the expansion space and has no operation or maintenance responsibilities for the space prior to occupying it.
- The building will be maintained at a high quality level on Key Performance Indicators (KPI's) set by AOC throughout the 35-year agreement. If KPI's are not met, financial penalties against the Service Provider will be levied and deducted from monthly payment.