



Informational Work Session
New York State Office of Court Administration
and Lackawanna City Court

March 2, 2026

Overview

- The purpose of this informational session is to educate the City Council and the public about an issue that has arisen between the City and the New York State Office of Court Administration (“OCA”).
- As will be explained in this presentation, OCA has requested that the City make significant changes to Lackawanna City Court.
- The Administration has been working with OCA to attempt to resolve OCA’s concerns.
- This is an evolving situation and additional informational sessions will likely be necessary as OCA and the City continue to work together to reach an agreement regarding the Court space.
- Please hold all questions for the end of the presentation.

Relationship Between the City and OCA

- Prior to 1977, the costs of operating the Court system, including the salary of judges and staff, were the responsibilities of the counties and courts where each court was located.
- In 1977, the State took over court operations, but municipalities retained the obligation to provide and maintain court facilities.
- In 1987, the legislature enacted the Court Facilities Act, which required all municipalities to submit a Capital Plan for the space provided for court operations.
- Lackawanna City Court is operated by the State through OCA.
- The judges and all support staff are employed and paid by the State.

Relationship Between the City and OCA

- OCA leases the Court space from the City via a Lease Agreement pursuant to the Judiciary Law.
- The area within City Hall currently leased by the Courts is approximately 8,100 square feet and includes the area of the second floor of the original City Hall building excluding Council Chambers, a storage space next to the City Clerk's office, and a vault space in the basement of original City Hall.
- Under the Lease, the City is responsible for cleaning the leased space, performing minor repairs to the leased space, and performing emergency repairs under certain circumstances.
- OCA pays the City an annual payment of approximately \$68,016.
- That payment is based on the square footage leased by OCA.

OCA's Authority under the Judiciary Law

- **Section 39 of the Judiciary Law** provides that:
 - Municipalities are responsible for maintaining the court facilities;
 - Municipalities must provide facilities that are “suitable and sufficient” for the transaction of the court’s business and for future facilities deemed “necessary” by the Court;
 - In the event a municipality wishes to make changes to their Capital Plan, or OCA requests substantial changes, such changes must be approved by the Court Facilities Capital Review Board;
 - **The cost of any improvements to the court space is the financial responsibility of the municipality;** and
 - If a municipality is required to go to bond to fund a court capital improvement project, the most COA will contribute is 33% of the annual bond interest.

OCA's Authority under the Judiciary Law

- The regulations to the Judiciary Law include Guidelines for New York State Court Facilities (the “Guidelines”).
- The Guidelines include recommendations for not only the overall appearance of court spaces, but the requisite number of courtrooms, square footage for required office spaces, safety-related requirements, and the general layout of the court space.

OCA's Authority under the Judiciary Law

- If OCA determines that the municipality has failed to provide “suitable and sufficient” facilities, or the parties cannot agree on an amendment to a Capital Plan:
 - OCA must notify the municipality’s chief executive officer of the deficiencies and give the municipality the opportunity to request a mediation.
 - The parties must agree on a mediator.
 - **In the event the parties are unable to successfully mediate the dispute, the OCA Chief Administrator can direct the office of the State Comptroller to withhold state aid to the municipality.**

Example: Schenectady City Court

- According to the Times Union (the local Albany-area newspaper), OCA has pursued renovations to Schenectady City Court totaling approximately \$13.3 million.
- After months of back and forth, Schenectady Mayor Gary McCarthy and OCA could not agree to a capital plan amendment for the court space.
- Mayor McCarthy requested mediation pursuant to the Judiciary Law.
- In October, the Times Union reported that the mediation had failed, and that OCA expressed its intention to direct the Office of the State Comptroller to withhold \$13.3 million in state aid from Schenectady.

Example: Schenectady City Court

- In early January, Schenectady received confirmation from the Office of the State Comptroller that \$10.36 million in state aid would be withheld from the City as a result of the dispute with OCA.
- On January 30, the Times Union reported that Schenectady and OCA had reached a tentative agreement regarding Schenectady City Court, and that upon execution of the agreement the withheld funds would be released.

Communications Between OCA and the City

- The City has maintained and cleaned the Court's facilities for decades and largely without incident.
- In January 2025, OCA wrote to Mayor Iafallo and asked that the City make changes to the existing Court space. Specifically, OCA requested that the City submit plans to OCA contemplating additional space be added to the Court's facilities, including an additional courtroom and an additional hearing room.
- In February 2025, then-City Attorney John Gaughan responded to OCA and explained that given the new City Hall project, the City was not in a financial position to make any significant changes to the space.
- Attorney Gaughan also noted that once the City Hall project was complete, the City would analyze its finances and determine whether any changes to the Court area were feasible.

Communications Between OCA and the City

- The City received no response for nearly 6 months.
- In August 2025, OCA wrote the City and requested a meeting with Mayor Iafallo to discuss the Lackawanna Court facilities.
- The parties met in early October. OCA voiced its concerns with the Court space, including a leaking roof and insufficient heating and cooling systems.
- OCA representatives requested that their representatives be permitted to walkthrough the space; the parties did so on October 30, 2025.
- In November, OCA's architect sent the City plans for a renovated court space.

Communications Between OCA and the City

- The November 2025 OCA plans proposed an expansion of the existing space from 8,100 to 21,214 square feet.
- The plans included: an additional courtroom; 2 judicial robing rooms; offices for additional staff; four sets of bathrooms; and three elevators.
- OCA advised that the changes were necessary because the Court had “outgrown the space” at City Hall.

Communications Between OCA and the City

- The City responded, via the Law Department, on December 15, 2025.
- The City pointed out that the data did not support OCA's conclusion that a larger space was necessary because:
 - The City's population has remained fairly constant since 2000, with an increase of less than 3% through 2024;
 - An examination of the New York State Court System Annual Reports for the years 2015 to 2024 also demonstrates that the caseload in Lackawanna City Court has increased a mere 6.6% from 2014; and
 - In fact, looking back to 2010, the Lackawanna City Court caseload actually decreased by 30.06%.

Communications Between OCA and the City

- The City also explained:
 - The plans are unrealistic for Lackawanna City Court;
 - The City does not have the financial means to fund such an exorbitant project; and
 - The cost of the project should not be the responsibility of our taxpayers.

Communications Between OCA and the City

- OCA responded on January 6, 2026.
- That correspondence called for a Building Space Program with a decreased square footage for the space from the original 21,214 square feet to 15,323 square feet.
- On January 20, the City wrote to OCA again asking that OCA reconsider what it deems necessary for the space.
- On January 27, OCA responded with a revised Building Space Program that included a revised list of required items totaling 12,569 square feet.
- The City estimates that the cost of those most recent changes is in the range of \$12-15 million dollars.

Communications Between OCA and the City

- The parties have not agreed to any plan for Lackawanna City Court.
- The City has explained that the Mayor cannot agree to any substantial changes that would require financing without City Council approval.
- The parties will continue to discuss the changes with OCA in the hopes that we can agree on a Building Space Program that is suitable for the Court and practical for the City.
- The City will be meeting with OCA representatives the week of March 9th to further the discussion.

The Administration's Efforts to Address the Situation

- Mayor Iafallo and relevant Department Heads have spoken with Governor Hochul's office in an attempt to obtain funds for a Lackawanna City Court project.
- Both OCA and the Governor's office have directed the City to request funding from our representatives.
- Mayor Iafallo contacted Erie County Executive Mark Poloncarz, Erie County Legislator John Gilmour, Assemblymember Patrick Burke, and Erie County Democratic Committee Chairman and Senator Jeremy Zellner to explain the situation and request financial support in the City's efforts to resolve the situation.
- Mayor Iafallo has had conversations with Assemblymember John Rivera and Senator April Baskin to promote the City's interests.

Potential Amendment to the Judiciary Law

- Senator Baskin worked with Senator Patricia Fahey (D-Albany) and co-sponsored a bill that proposes to amend the Judiciary Law so that OCA would no longer have the ability to punitively request the Office of the State Comptroller withhold state aid from a municipality.
- The bill makes clear that in under no circumstances would OCA be permitted to withhold, reduce, suspend, or seize any state aid for the purpose of enforcing the Judiciary Law.

Potential Amendment to the Judiciary Law

- The bill, which was introduced into the Senate on January 16, 2026 (2025-S9022) and the Assembly on January 30 (2025-A10054) by Philip Steck (D-Colonie), proposes to:
 - Completely delete the provision of the Judiciary Law allowing OCA to withhold state aid via the Office of the State Comptroller;
 - Create a process by which a municipality can appeal a determination by OCA that court facilities are inadequate to a newly created “Court Facilities Review Panel” consisting of a representative from the Office of the State Comptroller, the Chief Administrator for the Court, and one member of the Senate and one member of the Assembly with experience in municipal finance; and
 - Direct the Court Facilities Review Panel to consider certain factors, such as the necessity of the Court’s plan and the financial condition of the municipality, when considering an appeal by a municipality.

Potential Amendment to the Judiciary Law

- The bill has been referred to the Judiciary Committee in both the Senate and Assembly.
- We will continue to monitor the bill's status and will report when we have more information.

QUESTIONS?