



Snohomish County Council

Committee: Finance
ECAF: 2021-0628
Proposal: Mot. 21-287

Analyst: Jim Martin
Date: September 2, 2021

Consideration:

Authorizing the County Executive to execute the Purchase and Sale agreement for \$6,630,000 with Bomarc Holdings, LLC for an office and warehouse building at Snohomish County Airport.

Background

Snohomish County Airport has negotiated a purchase price of \$6,630,000 for a 43,000 square foot office and warehouse building from Bomarc Holdings, LLC, a current leasehold tenant. Snohomish County owns the land that the building is situated on, with Bomarc owning the building. The building will be used to house all Airport administrative staff in one location. The current facility in use by admin staff is not large enough, resulting in staff being divided between multiple locations.

Two MAI certified appraisals were completed to determine the valuation of \$6,630,000 for the building. Renovation is expected to cost an estimated \$4,000,000, for a total cost of approximately \$10,630,000, much lower than the cost estimates previously received of \$20-25 million for renovating an existing building. It is anticipated that airport staff will occupy less than 50% of the building, with the remaining square footage to be leased out to produce additional revenue of approximately \$300-400 thousand per year.

Funding for the purchase will initially come from Airport Fund Balance, with anticipated reimbursement to fund balance being made through the reallocation of 2021 budgeted bond issuance of \$10.5 million.

Current Proposal

This motion authorizes the County Executive to execute the Purchase and Sale Agreement for \$6,630,000 with Bomarc Holdings, LLC for an office and warehouse building at Snohomish County Airport.

Duration: N/A

Fiscal Implications: \$6,630,000.00

2021 Budget: Yes, with reallocation of budgeted bond issuance.

Future Budget Impacts: N/A.

Handling: Normal

Approved-as-to-form: Yes.

Risk Management: Yes.

Executive Recommendation: APPROVE.

Attachments: See ECAF packet.

Amendments: NONE.

Request: Move to GLS on September 22nd for consideration.