

- Two MAI certified appraisals were completed that determined the valuation of \$6.63M along with the removal of all buyer's broker fees.
- Airport shall renovate the facility at an estimated \$4M which is budgeted in FY2022. Previous cost estimates priced a new administration building at over two times the cost of renovating an existing building (approximately \$20-\$25M); therefore, the Airport is realizing significant cost savings through acquisition and renovation versus new construction.
- Airport administration shall occupy less than 50% of the facility and the remaining shall be leased out to produce additional revenues, estimated to produce an additional \$300,000-\$400,000 per year in rental income.
- The Airport has \$10.5 million for bonds issuance in FY2021's approved budget and would like to reallocate these funds to purchase the building. All of the original bonded projects, Inner Terminal Ramp and Air National Guard Acquisition, are funded in FY2022's budget request.
- Airport staff recommends the purchase of this building because it is in the best interest and long-term goal of the Airport to expand its portfolio of revenue producing properties as well as to streamline operations with a central administration building.

FISCAL IMPLICATIONS:

EXPEND: FUND, AGY, ORG, ACTY, OBJ, AU	CURRENT YR	2ND YR	1ST 6 YRS
410.5216806203 - Building Acquisition	\$6,630,000		\$6,630,000
TOTAL	\$6,630,000		\$6,630,000

REVENUE: FUND, AGY, ORG, REV, SOURCE	CURRENT YR	2ND YR	1ST 6 YRS
410.621680.0800 - Fund Balance	\$6,630,000		\$6,630,000
TOTAL	\$6,630,000		\$6,630,000

DEPARTMENT FISCAL IMPACT NOTES: The airport shall fund this through its fund balance and later be reimbursed during the County's regularly scheduled bond issuance.

CONTRACT INFORMATION:

ORIGINAL	<input checked="" type="checkbox"/>	CONTRACT#	PSA	AMOUNT	\$6,630,000
AMENDMENT	<input type="checkbox"/>	CONTRACT#		AMOUNT	

Contract Period

ORIGINAL	START	END
AMENDMENT	START	END

OTHER DEPARTMENTAL REVIEW/COMMENTS: Approved as to form by PA(Rebecca J. Guadamud)
Approved/Reviewed by Finance and Risk