

PROPOSED BY: Executive
INTRODUCTION DATE: August 6, 2024

ORDINANCE NO. _____

**ORDINANCE ESTABLISHING A PROJECT BASED BUDGET FOR THE
NORTH COMMERCIAL STREET ACQUISITION PROJECT FUND**

WHEREAS, Whatcom County needs additional office space due to expansion of the courts to accommodate water rights adjudications and general expansion; and,

WHEREAS the County has identified a suitable space in the North Commercial Street building; and,

WHEREAS, costs would include building acquisition and various tenant improvements conducted by the Facilities Department; and,

WHEREAS, the Capital Facilities Reserve Fund was established by Ordinance No. 2022-086 to address ongoing need for improvements to existing facilities as well as need for new facilities; and,

WHEREAS, the acquisition and improvements will be funded by a \$1,628,000 transfer from the Capital Facilities Reserve Fund; and,

WHEREAS, Section 6.80 of the Whatcom County Home Rule Charter allows for project-based capital budget appropriation ordinances that lapse when the project has been completed or abandoned or when no expenditure or encumbrance has been made for three (3) years.

NOW, THEREFORE, BE IT ORDAINED by the Whatcom County Council that a new fund is hereby established effective immediately, titled North Commercial Street Acquisition Project Fund. This fund shall be used to account for the revenues and expenditures of the acquisition and improvements described above.

BE IT FURTHER ORDAINED by the Whatcom County Council that the North Commercial Street Acquisition Project Fund is approved with an initial project budget of \$1,628,000 as described in Exhibit A.

ADOPTED this ____ day of _____, 2024.

ATTEST:

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WASHINGTON

Cathy Halka, Clerk of the Council

Barry Buchanan, Council Chair

WHATCOM COUNTY EXECUTIVE
WHATCOM COUNTY, WASHINGTON

APPROVED AS TO FORM:

Approved by email/C Quinn/A Tan

Civil Deputy Prosecutor

Satpal Sidhu, County Executive

() Approved () Denied

Date Signed: _____

Exhibit A

Supplemental Budget Request

Administrative Services

Facilities Management

<i>Suppl ID #</i> 4734	Fund	Cost Center	Originator: Rob Ney
Year 2 2024		Add'l FTE <input type="checkbox"/>	Priority 1

Name of Request: 400 North Commercial Purchase

X

Department Head Signature (Required on Hard Copy Submission) Date

<i>Costs:</i>	Object	Object Description	Amount Requested
	6190	Direct Billing Rate	\$10,000
	7350	Buildings & Structures	\$1,475,000
	7380	Other Improvements	\$143,000
	8301	Operating Transfer In	(\$1,628,000)
	Request Total		\$0

1a. Description of request:

The owners of the building at 400 North Commercial contacted Facilities to see if Whatcom County would be interested in purchasing the property. Facilities, and the Executive have toured the site believe that given its location, it is a wise investment and serves as a short-term solution for relocating non-court related activity out of the Courthouse.

Staff presented the potential purchase to the Council in Executive Session and received a favorable recommendation to move forward. The purpose of this ASR is to fund the acquisition of 400 North Commercial Street and provide enough tenant improvement money to make the building immediately functional

The property is described as follows:

Lots 9-11, Block 4, Plat of Central Whatcom (AF#'s 380330204357 & 380330204360)

Building Area:

First Floor Area – 2,578 Square Feet

Second Floor Area- 2,492 Square Feet

Total Square Footage of the Building- 5,070 Square Feet

The Purchase and Sale agreement signed by the Executive, subject to Council final approval of this ASR, is to purchase the entire property at the Appraised Valuation. Gustafson and Associates appraised the property and improvements at \$1,475,000.

Requested funding:

Purchase Price\$1,475,000

Security Improvements\$68,000

Connectivity/Networking\$50,000

Water Intrusion Repairs\$25,000

Facilities Project Oversight\$10,000

Total Funding\$1,628,000

Cost/sf\$321/sf

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See companion supplemental 4738.

1b. Primary customers:

Any department that will ultimately be housed in this building, or a future building at this location.

2. Problem to be solved:

The County is out of available office space and is in need of additional space to accommodate significant growth.

3a. Options / Advantages:

The County considers all available land for purchase in close proximity of the Courthouse, but rarely finds buildings that are structurally sound and meet ADA requirements.

This is a relatively inexpensive property in close proximity to the Courthouse.

3b. Cost savings:

There are no specific cost savings for this purchase.

4a. Outcomes:

If approved, the County would own the property around the first of October 2024.

4b. Measures:

When title has been transferred to the County.

When the project is complete and within the specified budget.

5a. Other Departments/Agencies:

N/A

5b. Name the person in charge of implementation and what they are responsible for:

Rob Ney, Project & Operations Manager

6. Funding Source:

Capital Facilities Reserve Fund 395. See companion supplemental 4738.