

2021-2022 FISCAL NOTE

Ordinance/Motion: 7th COVID Supplemental

Title: FMD Consolidated Request - Lease extensions, Modular cleanup, I&Q operating, Harbor Island, Hanford Property, and Future of Work

Affected Agency and/or Agencies: DES/FMD

Note Prepared By: Elka Peterson Horner

Date Prepared: 3/10/21

Note Reviewed By: Sid Bender

Date Reviewed: 3/12/21

Description of request:

This proposal continues funding the County Isolation/Quarantine operations, various hotel/motel leases, and the Meydenbauer lease through September 2021 as part of the continued COVID-19 response. The proposal includes investments in tenant improvements across the County such as updated conference room technology, software to reserve work stations, and other infrastructure work related to space consolidation efforts. This proposal also adds funding for Harbor Island tenant improvements and rent through the biennium as part of a coordinated arts recovery effort, and building facility tenant improvements for a King County youth activity center. Finally, this request includes adjustment to previous COVID budgets related to isolation and quarantine modular moves.

Revenue to:

| Agency | Fund Code | Revenue Source | 2021-2022 | 2023-2024 | 2025-2026 |
|-------------------------------------|-----------|------------------|-------------------|-----------|-----------|
| FMD - Internal Services | 5511 | State or Federal | 9,951,200 | | |
| FMD - Long Term Lease | 3310 | State or Federal | 17,134,502 | | |
| FMD - Building Repair & Replacement | 3951 | State or Federal | 14,030,328 | | |
| | | | | | |
| TOTAL | | | 41,116,030 | 0 | 0 |

Expenditures from:

| Agency | Fund Code | Department | 2021-2022 | 2023-2024 | 2025-2026 |
|-------------------------------------|-----------|------------|-------------------|-----------|-----------|
| FMD - Internal Services | 5511 | | 9,951,200 | | |
| FMD - Long Term Lease | 3310 | | 17,134,502 | | |
| FMD - Building Repair & Replacement | 3951 | | 14,030,328 | | |
| | | | | | |
| TOTAL | | | 41,116,030 | 0 | 0 |

Expenditures by Categories

| | 2021-2022 | 2023-2024 | 2025-2026 |
|---|-------------------|-----------|-----------|
| <u>Operating</u> | | | |
| Isolation & Quarantine Operating | 9,350,000 | | |
| Vaccination Program | 601,200 | | |
| <u>Capital</u> | | | |
| Hotel/Motel Leases various | 10,426,911 | | |
| Harbor Island Rent #1141201 | 1,500,000 | | |
| Meydenbauer Lease #1136981 | 3,475,791 | | |
| Showare & Auburn Supermall Lease various | 1,731,800 | | |
| ISQ Mods Adjustment #1138370 | 2,213,229 | | |
| Harbor Island Tenant Improvements #1141198 | 1,500,000 | | |
| Tier 2 Space Consolidation #1141200 | 8,200,000 | | |
| Hanford Property Tenant Improvements #1141220 | 1,500,000 | | |
| Kent Econolodge TI's #1138369 | 237,099 | | |
| Cube Reserve Technology Software #1141199 | 380,000 | | |
| TOTAL | 41,116,030 | 0 | 0 |

Does this legislation require a budget supplemental?

Notes and Assumptions:

I&Q Operation

I&Q facilities operating costs are through September 2021.

Hotel/Motel Leases

Hotel/Motel lease request includes funding for the following properties: Kent Ground, Issaquah Hotel, SODO Warehouse, Renton Red Lion, Inn at Queen Anne, Civic Hotel, 1st Ave Warehouse, and the SeaTac Sleep Inn. This amount includes a \$1,000,000 placeholder for potential facility work to return the facility in good condition to the owners at the close of the County lease period.

Tier 2 Space Consolidation

Proposal includes work in the following areas:

1. Future of Work improvements such as improved conference room technology or telecommute driven changes to work spaces.
2. Office space infrastructure updates triggered by with Space Consolidation (i.e. new carpet, electrical infrastructure updates, painting).
3. Contingency budget for Space Consolidation project scope (i.e. the KCSO-CID move to Blackriver is likely to cost more than anticipated in rough estimates prepared in August).

Cube Reservation Technology Software: This proposal will provide software to be used by teleworking employees who will need to reserve a work station for the days they work in the office.

Hanford Property Tenant Improvements

This project will rehabilitate a County facility for temporary use as a youth activity center until a new facility is completed in a few years.

FMD costs associated with the county vaccination program are not included here.
