

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: March 15, 2006

SUBJECT: Facility Planning – Board of Elections, County
Warehouse/Storage Space

ATTACHMENTS: No

SUMMARY OF REQUEST:

Based on several conversations with the Director of the Board of Elections, staff feels it is appropriate for the Board to consider several issues relating the location of the Board of Elections' offices and, in turn, County warehouse/storage space. The County's lease of the building that currently houses the Board of Elections expires at midnight on June 30, 2006. After June 30, 2006, provisions call for the lease to continue on a month-to-month basis at a cost of \$3,500 per month (\$42,000 annually) and state that the lease can be terminated by either party. For informational purposes, the current cost of the lease is \$3,250 per month (\$39,000 annually). There is obviously a need to secure a long-term home for the offices of the Board of Elections.

As the Board is aware, the County's facility plans call for the sale of the Land Development Building and the movement of offices currently located in that building to the current Health Department. The top floor of the Land Development is currently used as a warehouse/storage area. This brings forward a need to locate new warehouse/storage space for future use.

Staff has been approached by Mr. Billy Pace in regards to a building he has available for lease that could meet the County's needs in terms of Board of Elections offices and warehouse/storage space. The building in question is approximately 10,000 square feet and would be entirely climate controlled. The Director of the Board of Elections feels that the location of the building and available parking at the building will more than meet the needs of the Board of Elections. Mr. Pace has offered the building to the County via a long-term (8 year) lease at a cost of \$6 per square foot (\$72,000 annual). This would allow for 5,000 square feet for use by the Board of Elections and 5,000 square feet for use as storage/warehouse space. Based on information provided by the Partnership for Economic Development, the average cost for climate controlled warehouse space is \$7.13 per square foot. Staff is in favor of pursuing this option.

Staff has prepared the following financial analysis:

Current Actual Cost

Board of Elections Building	\$39,000 per year
Land Development Warehouse/Storage	\$0 per year
Total	\$39,000 per year

Current “Virtual” Cost

Board of Elections Building	\$39,000 per year
Land Development Warehouse/Storage	\$28,260 per year*
Total	\$67,260 per year

*Based on 5,000 square feet (1/2 area on top floor) at \$4.71 per square foot (average for non-climate control space).

FY 2006/2007 Actual Cost

Board of Elections Building	\$42,000 per year*
Land Development Warehouse/Storage	\$0 per year
Total	\$ 42,000 per year

*Based on \$3,500 month-to-month cost for 12 months.

FY 2006/2007 “Virtual Cost”

Board of Elections Building	\$42,000 per year*
Land Development Warehouse/Storage	\$28,260 per year**
Total	\$70,260 per year

*Based on \$3,500 month-to-month cost for 12 months.

**Based on 5,000 square feet (1/2 area on top floor) at \$4.71 per square foot (average for non-climate control space).

FY 2006/2007 Pace Building Cost

Total	\$72,000 per year
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COUNTY MANAGER RECOMMENDATION/BOARD ACTION REQUESTED:

Staff is continuing to gather information concerning this issue and will present any updated information to the Board during Wednesday’s meeting. However, at this point staff feels comfortable recommending that a lease agreement for the Pace building be developed.