

**VIRGINIA COLLEGE BUILDING
5601 VETERANS PARKWAY
FINANCIAL SUMMARY**

List Price = \$3.2 million

Purchase Price = \$2.5 million

Columbus Building Authority (CBA) issued \$5 million in bonds at 2.07% for 20 years

Projected Renovation Costs = \$4.65 million

Funding:

- \$2.5 million from CBA bonds
- \$2.15 million from OLOST Infrastructure
 - \$1.25 million currently budgeted in Debt Service transfer available due to previous bond refunding and other available funding and \$900,000 from OLOST Infrastructure Reserves)

Renovation Budget \$4,485,807 (Design Build contract with Barnes Gibson Partners Architects LLC)

- Planning/Programming = \$88,750
- Design = \$225,165
- Construction = \$3,915,906 (Detail attached)
- Exterior Improvements = \$255,986

Parking Lot Improvements = \$150,000 (Manage internally)

Renovation costs increased from the original projections due to:

- Re-evaluation of functions moving from 2100 Comer Ave. to 5601 Veterans Parkway
- More clinical and educational services moving to 5601 Veterans Parkway to create a one-stop shop for clinical services
- Clinical space is more costly than office/administrative space
- Unable to reuse existing floor plan configuration for clinical space as possible with office/administrative space
- Escalated renovation schedule to meet June 30, 2020 deadline

**FINANCIAL COMPARISON
RENT VS. OWN**

RENT – 2100 COMER AVE.	
Initial contribution	\$2,736,000
Rent/Common Area – 25 years	\$7,079,299
Expense to date	\$9,815,299
Rent/Common Area – 10 years	\$4,755,234
Rent/Common Area – 10 years	\$4,755,234
RENT/Common Area – Net Cost - 20 yrs	\$9,510,468
TOTAL	\$19,325,767

LANDLORD OWNS BUILDING

OWN – 5601 VETERANS PARKWAY	
Debt Service for 20 years on \$5 million bond	\$6,200,000
Renovations in excess of bond	\$2,150,000
Operational expense (\$335,000/year)	\$6,700,000
Estimated rental income	\$7,800,000
OWN - Net Cost – 20 yrs	\$7,250,000

TAXPAYERS OWN BUILDING

Staff Recommendation: Move forward with the purchase and renovation of 5601 Veterans Parkway to relocate the clinical/educational services of the Department of Public Health by June 30, 2020.

**DEPARTMENT OF PUBLIC HEALTH
SERVICE LOCATION AS OF JULY 1, 2020**

5601 VETERANS PARKWAY

- Clinical Services/Educational Services
 - Vital Records
 - Immunizations
 - WIC
 - Clinical Services
 - Services to students & schools
 - Teen Health
 - Children Ist
 - Women's Health

2100 COMER AVE.

- Residential and Business Services
 - Environmental Health
 - Septic systems, Public swimming pools, Tattoo artists and parlors, Well water sampling, Tourist accommodations, Restaurants
 - Vector Control
 - Emergency Preparedness
 - District Administration