

Washington State Judicial Branch

2023-25 Biennial Budget

Increasing Lease and Facility Costs

Agency: Court of Appeals

Decision Package Code/Title: LA – COA Lease Adjustments

Agency Recommendation Summary Text:

The Court of Appeals requests \$198,000 in ongoing state funding for increasing lease costs (Divisions I & II) and for building operations and maintenance expenses (Division III). (General Fund-State)

Fiscal Summary:

	FY 2024	FY 2025	Biennial	FY 2026	FY 2027	Biennial
Staffing						
FTEs	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenditures						
Fund 001-1	\$91,000	\$107,000	\$198,000	\$92,000	\$89,000	\$181,000
Total Expenditures						
	\$91,000	\$107,000	\$198,000	\$92,000	\$89,000	\$181,000

Package Description:

This request will fund increasing facilities costs for all three Divisions of the Court of Appeals during the 2023 – 25 biennium.

The Department of Enterprise Services renewed the Court’s facility lease for Division I (Seattle) in June 2021. The amended lease includes an increase in base rent effective September 1, 2021 and another increase in base rent effective March 1, 2024. Funding is requested to support these lease obligations.

- FY 2024 = \$31,000
- FY 2025 = \$42,000
- Total = \$73,000

The Division II (Tacoma) lease escalates each year.

- FY 2024 = \$43,000
- FY 2025 = \$48,000
- Total = \$91,000

Division III (Spokane) owns its facility. Inflation and supply chain concerns are driving cost increases; vendors are already notifying the Court of higher rates in the future. This request includes a landscaping increase of an estimated 24 percent due to fuel costs, a snow removal increase of an estimated 33 percent due to de-icer product prices, and all other, general facility maintenance contracts and services increase of an estimated 8.7 percent following the June 2022 projections of the Washington Economic and Revenue Forecast Council.

- FY 2024 = \$17,000
- FY 2025 = \$17,000
- Total = \$28,000

Fully describe and quantify expected impacts on state residents and specific populations served:

Funding the budget request will allow the Court to continue providing access to justice and appellate court services.

Explain what alternatives were explored by the agency and why they were rejected as solutions:

The costs and disruption of relocation or changing suppliers are prohibitive.

What are the consequences of not funding this request?

The Court will be unable to fully pay contractual, monthly rent payments. For Division III, building maintenance would have to be deferred to cover ongoing, non-discretionary operational costs.

Is this an expansion or alteration of a current program or service?

No

Decision Package expenditure, FTE and revenue assumptions:

Expenditures by Object	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
E Goods and Services	91,000	107,000	92,000	89,000	91,000	92,000
Total Objects	91,000	107,000	92,000	89,000	91,000	92,000

How does the package relate to the Judicial Branch principal policy objectives?

In order to provide accessibility to the Court and Clerk's Office, the Court of Appeals must have "storefront" facilities to support walk in traffic and court operations. The Court of Appeals courtroom must be accessible to the lawyers, litigants, other state agencies, and the general public to resolve cases.

Are there impacts to other governmental entities?

Not applicable

Stakeholder response:

Not applicable

Are there legal or administrative mandates that require this package to be funded?

Yes, lease and maintenance contracts have been signed.

Does current law need to be changed to successfully implement this package?

No

Are there impacts to state facilities?

Division III would benefit from consistent building maintenance to keep their facility in good repair.

Are there other supporting materials that strengthen the case for this request?

Per [article](#): Avista deal would raise electricity rates by 7.7% during next two years
Amy Edelen, The Spokesman-Review, Spokane, Wash.
June 29, 2022

Are there information technology impacts?

No

Court of Appeals
Maintenance Level – LA – COA Lease Adjustments

Agency Contacts:

Lea Ennis (Division I), 206-464-5871, Lea.Ennis@courts.wa.gov

Derek Byrne (Division II), 253-552-2288, derek.byrne@courts.wa.gov

Tristen Worthen (Division III), 509-456-3082, Tristen.Worthen@courts.wa.gov