

## Building Cost Index History (1915-2025)

ANNUAL AVERAGE										
Year	Avg		Year	Avg		Year	Avg		Year	Avg
1915	96		1945	239		1975	1306		2005	4205
1916	131		1946	263		1976	1425		2006	4369
1917	167		1947	313		1977	1545		2007	4485
1918	159		1948	341		1978	1654		2008	4691
1919	159		1949	352		1979	1919		2009	4769
1920	207		1950	375		1980	1941		2010	4883
1921	166		1951	401		1981	2097		2011	5058
1922	155		1952	416		1982	2234		2012	5174
1923	186		1953	431		1983	2384		2013	5278
1924	186		1954	446		1984	2417		2014	5387
1925	183		1955	469		1985	2428		2015	5518
1926	185		1956	491		1986	2483		2016	5645
1927	186		1957	509		1987	2541		2017	5831
1928	188		1958	525		1988	2598		2018	6019
1929	191		1959	548		1989	2634		2019	6136
1930	185		1960	559		1990	2702		2020	6281
1931	168		1961	568		1991	2751		2021	6912
1932	131		1962	580		1992	2834		2022	7792
1933	148		1963	594		1993	2996		2023 July	8043
1934	167		1964	612		1994	3111		2024 July	8331
1935	166		1965	627		1995	3112		2025 July	8487
1936	172		1966	650		1996	3203			
1937	196		1967	676		1997	3364			
1938	197		1968	721		1998	3391			
1939	197	1969	790	1999	3456					
1940	203	1970	836	2000	3539					
1941	211	1971	948	2001	3574					
1942	222	1972	1048	2002	3623					
1943	229	1973	1138	2003	3693					
1944	235	1974	1205	2004	3984					

Example: original cost 2,031,394 X 10.624 = 21,581,529.

09-09-2025

## Building Replacement Cost Calculation Guidelines

The Building Cost Index table should be used for ordinary office buildings and most buildings where the actual original building cost and year of original construction is known.

**Acquired Buildings where original cost and year of construction is not known:** The acquisition cost cannot be used as a starting number if the building is acquired, even after pulling out the cost of the land. It skews the result because the base number is "market" price and using the index for the acquired year just doesn't work.

One possible solution is to determine a cost per square foot as a baseline, then use the 2009 index to determine current replacement cost. Each agency would need to determine what that base cost would be, depending on the type of structure.

Example: \$300 per sf X 10,000 sf = \$3,000,000

$3984/3693 = 1.079 \times \$3,000,000 = \$3,236,393$ .

**Historic Buildings:** Just because a building is over 50 years old doesn't make it an historical treasure. If the Historic Preservation Office has determined a value, that's the cost to use. Parks decided to separate their older buildings into an additional category called Legacy instead of calling them all Historic and maybe a different calculation will be used for each category.

For those buildings constructed prior to 1915, determine a cost per square foot as a baseline, then use the 2009 index to determine current replacement cost. Each agency would need to determine what that base cost would be depending on the type of structure. See above example for acquired buildings.

A huge difference may exist between "Replace" and "Restore" in terms of cost. As a consequence, for some, building specific judgment calls may be necessary, relying on either staff or outside expertise. Things to think about may be: 1) Would the building actually be replaced? If not, perhaps the cost that should be entered is the price of demolition and clean up to stabilize the site. 2) Is it an historical treasure? Then maybe an appraisal should be done or have the Historic Preservation Office determine a value. 3) Would an attempt be made to "replace" or "restore"? Simple replacement may mean the index can be used. Restoration will require a more specific evaluation.

**Yurts or other limited life structures:** Use the current cost of a new one, there is no need to do an index calculation.