



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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December 28, 2022

Honorable Christine Rolfes
Honorable Lynda Wilson
Honorable David Frockt
Honorable Jim Honeyford
Senate Ways & Means Committee

Honorable Steve Tharinger
Honorable Mike Steele
House Capital Budget Committee

Honorable Timm Ormsby
Honorable Drew Stokesbary
House Appropriations Committee

Dear Honorable Members:

Pursuant to [RCW 43.82.055](#), I am pleased to transmit the *2023-29 Six-Year Facilities Plan* prepared by the Office of Financial Management (OFM) in cooperation with state agencies. The executive summary, dashboard and raw data are available on OFM's [Six-Year Facilities Plan](#) web page.

OFM's map-driven Six-Year Facilities Plan dashboard allows users to visualize facility locations and interact with project data. The dashboard replaces a traditional paper report and is intended to add value and improve transparency through more accessible and dynamic data.

If you have any questions, please contact Yvonne Knutson, Facilities Oversight and Planning Program Manager, at yvonne.knutson@ofm.wa.gov or (360) 790-2723.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Schumacher".

David Schumacher
Director

cc: Michael Bezanson, Senate Ways & Means Committee
Susan Howson, Senate Ways & Means Committee
Kelci Karl-Robinson, House Capital Budget Committee
Dave Johnson, House Appropriations Committee
Nona Snell, Office of Financial Management
Yvonne Knutson, Office of Financial Management



2023-29 Six-Year Facilities Plan Executive Summary

Requirement and purpose

To oversee Washington state's investment in state-owned and leased facilities, the Office of Financial Management (OFM) develops a biennial Six-Year Facilities Plan outlining the long-term facility needs of state government ([RCW 43.82.055](#)). Thoughtful long-range planning supports statewide decision-making, helps ensure better outcomes for agencies, and improves efficiency and accountability across the portfolio.

The six-year planning process applies to a subset of the state's overall [facilities inventory](#) and focuses on office space. The *2023-29 Six-Year Facilities Plan* identifies in-scope leased, owned and receivable (subleased) facilities and provides an overview of planned projects over the next three biennia. The dashboard and raw data are available on OFM's [Six-Year Facilities Plan](#) web page.

2022 baseline data overview

As of June 2022, the 82 agencies represented in the plan occupied about 11.7 million square feet across 828 office locations statewide. Based on agency-reported data, the state paid approximately \$218.7 million in annual lease costs, debt service payments, and operating expenses for this portfolio of facilities in fiscal year 2022.

Planned projects

The *2023-29 Six-Year Facilities Plan* includes 154 projects, ranging from consolidations, relocations and new facilities to closures, expansions and downsizes. Statewide, the plan projects a reduction of 641,666 square feet between June 30, 2022, and June 30, 2029. This net decrease in square footage is driven by a combination of facility consolidations, closures and downsizes. Project details are available on OFM's Six-Year Facilities Plan dashboard.

Opportunity for increased efficiency

Agencies are still evaluating the amount of physical office space they will require as they implement hybrid work environments and adopt expanded telework opportunities on a permanent basis. We see this in the 703 in-scope locations (85%) with no planned projects, meaning they are owned locations with no projected change or leased locations that will renew with no change in square footage.

To better assess the current state of building utilization and influence statewide efficiency, the governor's proposed operating and transportation budgets include a proviso that would require agencies to reduce office space, with a minimum target reduction of 1.1 million square feet, and to adhere to current facility and staff telework reporting requirements.

Specifically, the budget proviso directs agencies with expiring leases in fiscal years 2024 and 2025 to reduce office space by a minimum of 20% upon lease renewal or relocation, and agencies with leases expiring in fiscal years 2026 and 2027 to reduce office space by a minimum of 30% upon renewal or relocation. These reductions would save the state nearly \$5.3 million in the 2023-25 biennium and \$14.6 million in the 2025-27 biennium. The expiring lease analysis data is available on OFM's [Six-Year Facilities Plan](#) web page.

In addition to the proviso, OFM and the Department of Enterprise Services will apply greater rigor on lease renewal and space moves, with an emphasis on telework rates and building utilization. Together, these efforts will help agencies right-size their office space and improve efficiency statewide.