



# Implementation Plan

## 2011-2017 Six-Year Facilities Plan

This document outlines the implementation plan for the development of the 2011-17 Six-Year Facilities Plan to comply with RCW 43.82.055.



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## OVERVIEW

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This document serves as an implementation plan for the development of the **2011-2017 Six-Year Facilities Plan** to comply with RCW 43.82.055. With this second iteration<sup>1</sup>, the approach is to focus on strengthening collaborative strategic facilities planning for Washington State.

## PURPOSE

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Current state law directs the Office of Financial Management (OFM) to work with the Department of General Administration (GA) and all other state agencies to determine the long-term facility needs of state government and to submit a Six-Year Facilities Plan every two years on January 1. The next plan is due January 1, 2011. [Appendix A](#) provides the statute text.

The six-year facilities plan must:

- Identify long-term state agency space requirements; and
- Document other pertinent data necessary for cost-effective facility planning.

GA is assisting OFM to complete this plan as required under the law.

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<sup>1</sup> The 2009-2015 Six-Year Facilities Plan is available at <http://www.ofm.wa.gov/budget/sixyearplan.asp>

## STRATEGIC APPROACH TO SIX-YEAR FACILITIES PLANNING

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The 11-17 six-year facilities planning process is significantly different from the 09-15 six-year facilities planning process. The process for the initial six-year plan focused on data gathering and analysis. The process for the next six-year facilities plan, while still requiring data, will focus on strategic decisions regarding facilities and increased agency collaboration within the planning process. This change in the planning process means:

- A more strategic approach, with goals and strategies defined to meet the goals.
- Additional agency interaction with the planning team to better understand the facilities requirements of the agencies.
- Fewer data requirements, due to the volume of data already submitted through the state's facilities inventory system.
- More thoughtful and precise analysis.
- Replacement of the alternatives document with a series of short briefing documents.
- Faster turnaround times and additional review times on proposed alternatives by agencies and other stakeholders.

## GOALS FOR FACILITIES PLANNING

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The goals of the Six-Year Facilities Plan have not significantly changed. The goals include leasing and owning facilities that:

- Meet the business needs of state agencies.
- Provide space that is healthy, safe, accessible, and sustainable.
- Use the state's facilities efficiently.
- Use the state's funds effectively.

## SIX-YEAR FACILITIES PLANNING STRATEGIES

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These statewide strategies are the methods to achieve the six-year facilities planning goals with consideration of the current environment. A review of the current environmental factors informed the development of the statewide strategies for each of the planning goals. These factors demonstrate the complexity of strategic facilities decisions.

Employing a statewide planning strategy allows thoughtful analysis to be completed across state agencies to meet the state's long-term facilities goals.

## STATEWIDE STRATEGIES FOR THE 2011-2017 SIX-YEAR FACILITIES PLAN

Goals	Current Environmental Factors	Strategies
<p><b>Meet the business needs of state agencies.</b></p> <p><b>(NEED)</b></p>	<p>Change in operations</p> <hr/> <p>Economic impact on program services</p> <hr/> <p>Change in technology needs to support the business</p> <hr/> <p>Demand to increase operational efficiency</p> <hr/> <p>Change in statute and regulation</p>	<p>1. Identify solutions for meeting business needs of state agencies by:</p> <p>a. Gathering and analyzing data from state agencies on strategic facilities needs and specific space and geographic location needs.</p> <p>b. Monitoring and incorporating expectations for increased efficiency and statutory change.</p>
<p><b>Provide space for staff and clients that is healthy, safe, accessible, and sustainable.</b></p> <p><b>(CONDITION)</b></p>	<p>Aging buildings</p> <hr/> <p>Ability to maintain buildings</p> <hr/> <p>Indoor air quality</p> <hr/> <p>ADA compliance and cost-effective universal design</p> <hr/> <p>Climate change and environmental responsibility</p> <hr/> <p>Energy management and high performance systems</p>	<p>2. Identify solutions for maintaining or improving the condition of space that houses state government by:</p> <p>a. Conducting a high-level assessment of the condition of buildings using the current facilities inventory.</p> <p>b. Supporting the Governor’s Executive Order on Climate Change (E.O. 09-05) and the new laws on energy management.</p> <p>c. Determining viable alternatives (when condition assessment is poor) and evaluating the delivery of agency programs, cost, colocation and consolidation, and availability of funds</p>
<p><b>Use the state’s facilities efficiently.</b></p> <p><b>(SPACE MANAGEMENT)</b></p>	<p>Inconsistency in current space utilization</p> <hr/> <p>Varying utilization of space currently owned or leased by the state due to changing program needs or economic impacts</p> <hr/> <p>Broadening diversity in the workforce (multi-generational workforce, different work styles)</p> <hr/> <p>Alternative space utilization (such as hoteling, teleworking, shift work, changing technology support)</p> <hr/> <p>Increased focus on colocation and consolidation opportunities in support of more efficient operations</p> <hr/> <p>Varying growth management strategies in communities</p> <hr/> <p>Commercial real estate market trends in vacancy and absorption.</p>	<p>3. Identify solutions that reduce the total square footage occupied by:</p> <p>a. Analyzing the current space utilization against a state space utilization policy with consideration for agency business need.</p> <p>b. Evaluating facilities to maximize use of obligated vacant space.</p> <p>c. Assessing the state’s workspace needs with consideration for the changing workforce.</p> <p>d. Assessing the use of alternative space utilization methodologies.</p> <p>e. Determining viable alternatives (when space is not efficiently utilized) and evaluating the delivery of agency programs, cost, colocation and consolidation, and availability of funds</p>

Goals	Current Environmental Factors	Strategies
<p><b>Use the state's funds efficiently.</b></p> <p><b>(FINANCIAL MANAGEMENT)</b></p>	<p>Reduced state revenue/funds and the resulting budget reductions</p> <hr/> <p>Commercial real estate market rates and trends</p> <hr/> <p>Continued interest in the analysis of leasing vs. owning facilities.</p>	<p>4. Identify solutions that reduce the cost of leasing and operating state facilities by:</p> <ul style="list-style-type: none"> <li>a. Gathering data and conducting an analysis of commercial real estate market rates in comparison to the state's current expenditures for owned and leased space.</li> <li>b. Determining if and how state rates differ from general market rates.</li> <li>c. Defining how to reduce the total amount of funds spent on real estate.</li> <li>d. Determining viable alternatives (when space is not cost effective) and evaluating the delivery of agency programs, cost, colocation and consolidation, and availability of funds</li> </ul> <p>5. Identify ownership or leasing solutions, where appropriate, by:</p> <ul style="list-style-type: none"> <li>a. Conducting a comparative analysis of the condition of facilities leased and owned by the state.</li> <li>b. Assessing the suitability of ownership options for meeting the business needs, where agencies have space needs.</li> <li>c. Conducting economic analyses through the life cycle cost model.</li> </ul>

Note: Where appropriate, the Six-Year Facilities Plan will identify funding and FTE resources necessary to implement the recommendations in this Plan.

## PLANNING METHODOLOGY

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The approach for the *2011-2017 Six-Year Facilities Plan* focuses the scope, process, and timeline on implementing the strategies defined above.

### SCOPE

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The scope of the six-year planning process includes all state agencies except for agricultural commodity commissions<sup>2</sup> and four-year higher education institutions.

The space categories for inclusion in the planning process are office, warehouse, and storage space. This scope includes the following space types included in the 2009 Facilities Inventory System:

**300 Office<sup>3</sup>**

310 Office General

311 Office Administrative

312 Office Services

313 Office Project

350 Conference Room

**700 Support**

730 Storage/Warehouses (Leased Only)

If a space has multiple uses, the facility's space type for purposes of six-year planning is defined consistent with the primary space type listed in the 2009 Facilities Inventory System Report.

The Six-Year Facilities Plan includes a subset of this total state inventory (approximately 15%). Based on the 2009 Facility Inventory System Report, the scope of the *2011-2017 Six-Year Facilities Plan* includes approximately 1,000 facilities and 13-15 million square feet. This scope is comparable to the *2009-2015 Six-Year Facilities Plan*. Generally, facilities that are not included in the scope of this planning effort are included in the ten-year capital plan or in individual agencies' specialized planning efforts.

### PROCESS

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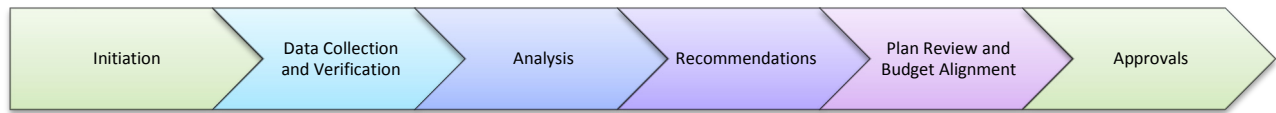
The process used to manage development of the Six-Year Facilities Plan is an iterative approach. At the end of each phase, the timelines and tasks will be fully developed for the next phase using lessons learned from the previous phase and other external factors. Iterative planning provides significant benefits to minimize risks such as: misunderstood agency program needs, poorly defined or unfeasible alternatives analysis, completing unnecessary workload related to analysis or review, or missed changing state requirements.

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<sup>2</sup> RCW 15.04.200(3) states that "Agricultural commodity commissions shall be exempt from the requirements of RCW 43.01.090 and 43.19.500 and chapter 43.82 RCW."

<sup>3</sup> Office space within a campus owned by the state, which supports those campus functions, is excluded from scope. An example would be the administrative building on the DSHS Fircrest Campus.

The six-year facilities planning process will occur in six major phases. The following diagram depicts the phases.



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## INITIATION

The initiation phase is the start-up phase of the planning effort. During this phase, the planning process will be updated from the previous cycle to reflect the lessons learned from the previous process. An implementation plan, instructions, and data collection tools will be developed during this phase. Phase completed 1/26/2010.

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## DATA COLLECTION AND VERIFICATION

The data collection and verification phase is the second phase of the planning process. In this phase, the six-year planning team will request and gather information from state agencies, the private sector, and the facilities industry. This information will include information about state agency program needs including anticipated facilities activities, community and market data, facility trends, and additional information about environmental factors. Data verification is also accomplished in this phase. Phase completed 5/19/2010.

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## ANALYSIS

The focus of the third phase for analysis is to assess the available data using the strategies defined above. This includes regular coordination with State Agency Representatives to gather additional information and feedback. At the conclusion of this phase, sufficient information should be available to create comprehensive recommendation on future space needs. Phase completed 8/13/2010.

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## RECOMMENDATIONS

The recommendations phase will result in the first draft of the **2011-2017 Six-Year Facilities Plan**. This fourth phase will develop a set of recommendations for facilities for the next six-year period and gather feedback from agencies. In addition, the state facilities planning and management team will develop a statewide view of how many square feet the state expects to occupy and how much money the state is expected to pay for this space in each of the three biennia contained in the report. Phase completed 9/27/2010.

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## PLAN REVIEW AND BUDGET ALIGNMENT

The primary purpose of this fifth phase is to finalize the **2011-2017 Six-Year Facilities Plan** by aligning the plan with the Governor's budget under development, including resources necessary to implement the plan. This phase includes coordination with the OFM Budget Analysts for feedback. Phase completed 12/1/2010.



## APPROVALS

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The sixth phase of the planning process includes review and feedback on the **2011-2017 Six-Year Facilities Plan** by OFM and GA Executive Leadership, followed by approval of the plan by the OFM Director. This final phase ends with the delivery of the **2011-2017 Six-Year Facilities Plan** to the Legislature by January 3, 2011.

[Appendix B](#) provides a full schematic, which includes the lead agency for each key activity in the six-year facilities planning process.

## DELIVERABLES AND DOCUMENTATION

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This primary deliverable for this planning process is publication of the **2011-2017 Six-Year Facilities Plan**, as required by state law.

In addition to this formal deliverable, the state facilities planning and management team will develop documentation to support the analysis of the strategies identified. This analysis documentation is intended to inform the development of the published Six-Year Facilities Plan rather than serve as another formal publication in a standard format.

## RESOURCES

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The level of effort for the **2009-2011 Six-Year Facilities Plan** was approximately 78 staff months. After reviewing the 09-11 resources and the content of this implementation plan, the assumption is that the current state facilities planning and management team of approximately 75 percent of each of eight FTE's in this team is necessary for the next six-year planning process.

In addition, the needs some third-party resources in the area of market research and analysis in order to complete the defined scope of work, The assumption is that these resources can be procured with the current funding.

## COMMUNICATION STRATEGY

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Effective communication is a critical success factor for the completion of the six-year facility planning process. A variety of stakeholder groups with an interest in this process will be kept informed.

[Appendix C](#) covers a simple communications matrix to ensure communication responsibilities are clear throughout the planning process.

Mechanisms used to conduct effective communication include meetings, briefings, e-mail, telephone calls, and the OFM Facilities Oversight Web site.

## PERFORMANCE MEASURES

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The six-year facilities planning process will use performance measures to help determine the success of this process. These measures are a factor in assessing the value of continuing to implement a long-range planning process. These performance measures are based on the goals of the planning effort and consider the current strategies. The following table shows the goals, performance measures, and mechanism for assessing the performance measures.

### SUMMARY OF PERFORMANCE MEASURES

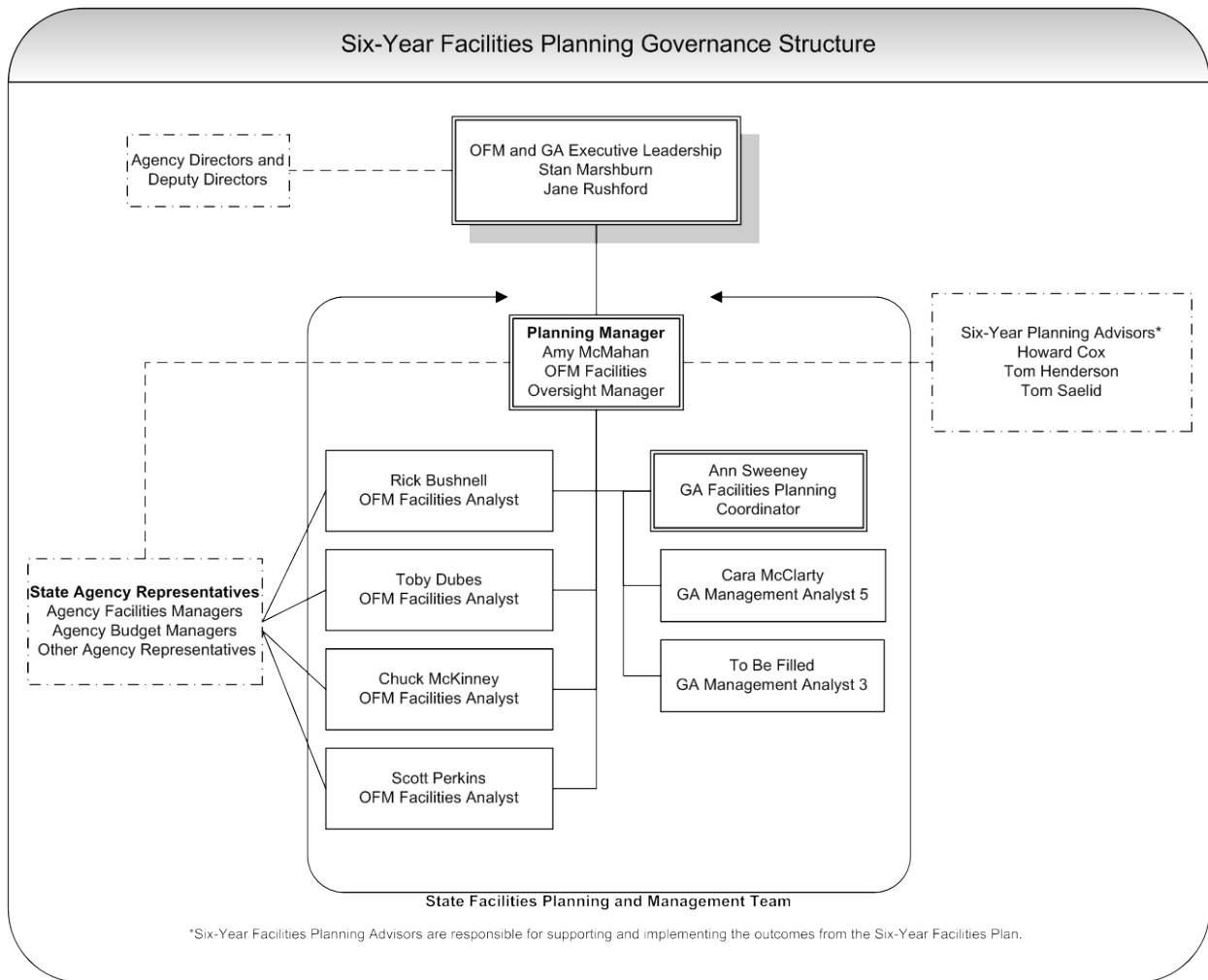
Goals	Performance Measure	Assessment Tool
<b>Meet the business needs of state agencies. (NEED)</b>	Number of agencies that have their agency needs clearly identified and solutions developed to meet those needs.	Agency survey tool and analysis at completion of planning cycle.
<b>Provide space for staff and clients that is healthy, safe, accessible, and sustainable. (CONDITION)</b>	Percent of facilities that are not suitable for continue occupancy based on facility assessments and that have solutions developed to improve the condition.	Tracking of facility assessments and solutions developed for facilities not suitable for continued occupancy.  Track the improvement in condition of space over time.
<b>Use the state's facilities efficiently. (SPACE MANAGEMENT)</b>	Total square footage occupied by the state. Square footage per FTE.	Total square footage projected for 11-13, 13-15, and 15-17 and percent change. Compare square footage assumption in the 09-15 plan with the 11-17 plan.
<b>Use the state's funds efficiently. (FINANCIAL MANAGEMENT)</b>	Total estimated facilities costs over the next six years. Cost per FTE.	Total dollars projected for 11-13, 13-15, and 15-17 and percent change.

## ROLES AND RESPONSIBILITIES

Statute requires OFM to publish a Six-Year Facilities Plan biennially. To meet this requirement, the state must undergo a coordinated effort with state agencies and GA to identify agency needs. In addition, GA is to assist OFM in development of the Six-Year Facilities Plan.

### GOVERNANCE

Below is the governance for the upcoming six-year facilities planning effort.



## DEFINITION OF RESPONSIBILITIES

### EXECUTIVE SPONSOR

#### **Stan Marshburn, deputy director of OFM**

This individual has the authority to resolve project management issues; assign resources; and recommend or approve project expenditures, plans, and organization.

## OFM AND GA EXECUTIVE LEADERSHIP

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**Stan Marshburn, deputy director of OFM**

**Jane Rushford, deputy director of GA**

OFM/GA Executive Leadership provides guidance, advice, and decisions to the State Facilities Planning Manager and planning team when issues, policy questions, recommendations or other decisions have statewide implications, cross-functional boundaries, or have significant scope repercussions. This combined Executive Leadership will also champion the project with constituencies and help to resolve issues that affect their constituencies.

## STATE FACILITIES PLANNING MANAGER

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**Amy McMahan, state facilities oversight manager of OFM**

The Planning Manager is responsible for providing strategic leadership to the six-year facilities planning process. The position leads the joint OFM/GA State Facilities Planning and Management Team.

This position will manage the planning process, coordinate planning activities, conduct stakeholder communication, and ensure a successful and timely completion of the six-year facilities plan.

## GA FACILITIES PLANNING COORDINATOR

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**Ann Sweeney, facilities planning coordinator of GA**

The Planning Coordinator is responsible for providing strategic leadership to the six-year facilities planning process. The role collaborates with OFM in multiple aspects of six-year facilities planning as requested.

This position will serve as the coordinator for the GA activities that support development of this plan with an emphasis on community and market research along with facilities trends related to current environmental factors. This position will also coordinate GA feedback among the various facilities interests including asset management and real estate services.

## OFM FACILITIES ANALYSTS

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**Rick Bushnell, facilities analyst of OFM**

**Chuck McKinney, facilities analyst of OFM**

**Toby Dubes, facilities analyst of OFM**

**Scott Perkins, facilities analyst of OFM**

The OFM Facilities Analysts serve as the primary contacts to state agencies in the development of the six-year facilities plan and will conduct analysis throughout the process.

The role includes coordination with state agencies to identify their needs as well as assisting agencies in developing and documenting their needs as appropriate. In addition, this role includes identifying alternatives and conducting analysis on those alternatives to meet those needs. Finally, these positions will assist in the research of current environmental factors as necessary.

## GA MANAGEMENT ANALYSTS

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**Cara McClarty, management analyst of GA**

**Vacant, management analyst of GA**

The GA Management Analysts serve as the primary research staff for community and market research as well as in the analysis of current environmental factors.

The role includes researching market rates, vacancy, and absorption; obtaining information from local jurisdictions as necessary; reviewing facility conditions; considering facility trends; and conducting independent research as necessary. These positions will also coordinate with real estate services and asset managers as appropriate. The positions assist OFM in other aspects of six-year facilities planning as requested.

## AGENCY REPRESENTATIVES

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**Agency Contacts from State Agencies**

These individuals serve as the primary stakeholders and end users of state facilities. These individuals are responsible to provide documentation, input, and feedback related to their agencies for the Six-Year Facilities Plan.

## SIX-YEAR PLANNING ADVISORS

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**Howard Cox, chief property officer of GA**

**Tom Saelid, senior budget assistant of OFM**

**Tom Henderson, assistant director for facilities of GA**

Six-Year Facilities Planning Advisors are responsible for supporting and implementing the outcomes from the Six-Year Facilities Plan. These key staff in the two departments will be asked to provide input throughout the process.

## APPENDICES

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### APPENDIX A: AUTHORITY

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The governing statute for the development of the Six-Year Facility Plan is RCW 43.82.055, which states:

“The office of financial management shall:

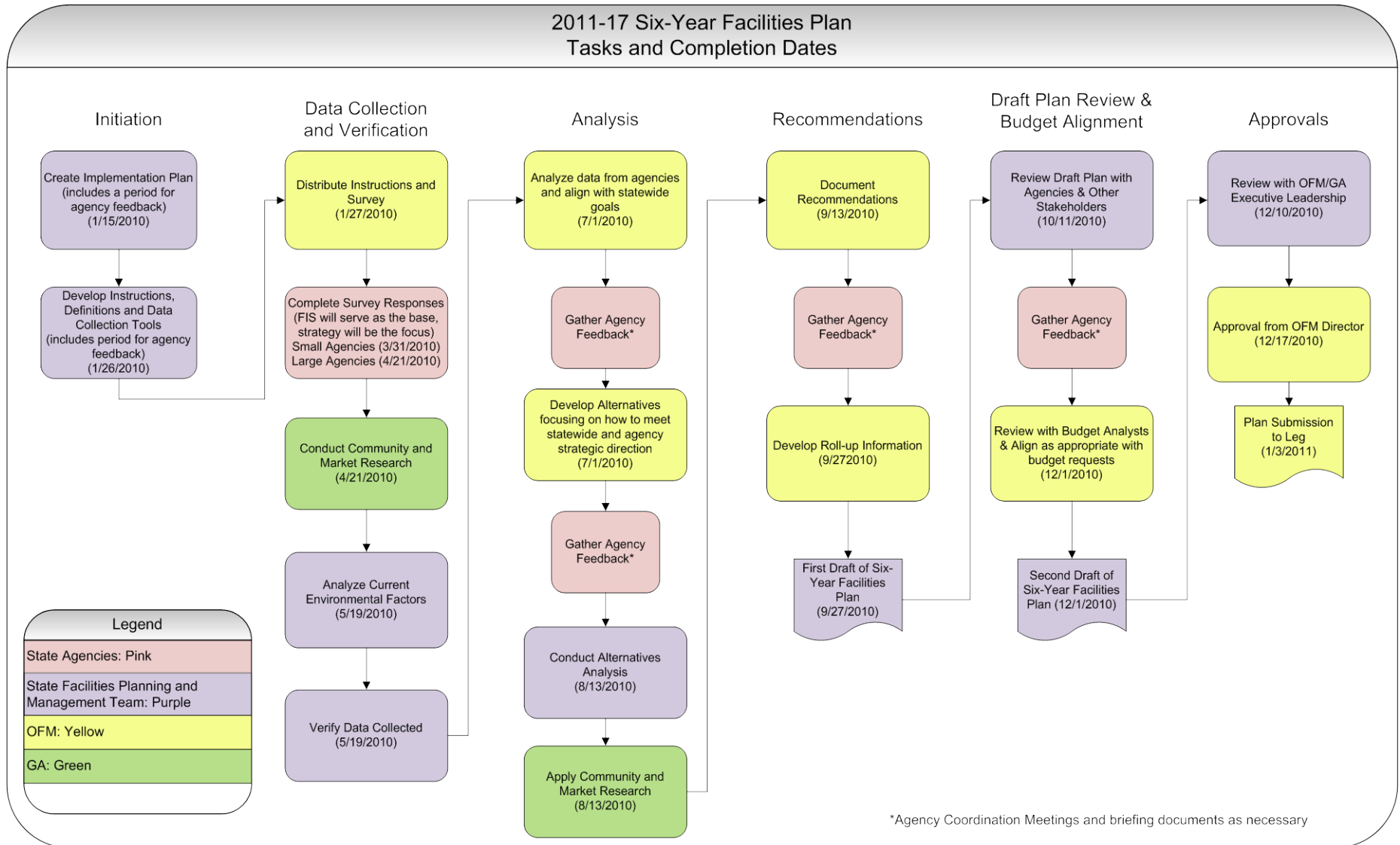
(1) Work with the department of general administration and all other state agencies to determine the long-term facility needs of state government; and

(2) Develop and submit a six-year facility plan to the legislature by January 1st of every odd-numbered year, beginning January 1, 2009, that includes state agency space requirements and other pertinent data necessary for cost-effective facility planning. The department of general administration shall assist with this effort as required by the office of financial management.”

[2007 c 506 § 6.]

## APPENDIX B: SIX-YEAR FACILITIES PLANNING PROCESS MAP

The schematic below represents the key tasks, responsibilities, and deliverables in the six-year facilities planning process for the 2011-2017 period. Dates in parentheses are the completion dates for the primary tasks.



## APPENDIX C: COMMUNICATION MATRIX

Audience (Who)	Primary Responsibility (Who)	When
OFM and GA Executive Leadership	State Facilities Planning Manager	As Needed
Six-Year Facilities Planning Team	State Facilities Planning Manager GA Facilities Planning Coordinator	Weekly
State Agency Primary Point of Contact	OFM Facilities Analysts	Regularly
State Agency Budget/Fiscal Managers	OFM Facilities Analysts	As Needed
State Agency Directors/Deputy Directors	OFM/GA Executive Leadership	As Needed
OFM Budget Analysts	OFM Facilities Analysts	As Needed
GA Facilities Management Team and Chief Property Officer	GA Facilities Planning Coordinator	As Needed
Agency Stakeholder Forum	State Facilities Planning Manager	Regularly
Legislative Members and Staff	State Facilities Planning Manager	As Needed
Legislative Fiscal Committees	State Facilities Planning Manager	As Requested
State Landlords/Developers/Owners (GBOLA and GA Real Estate Forum)	State Facilities Planning Manager GA Facilities Planning Coordinator	As Needed/ Requested
Local Community Officials	GA Facilities Planning Coordinator GA Management Analysts	As Needed/ Requested