

## Chapter 11

# Facility Leases and Facility Maintenance

## 11.1 LEASE RENEWAL AND RATE ADJUSTMENTS, MAJOR LEASE REQUESTS AND SIX-YEAR FACILITIES PLAN

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### What additional information is required in a decision package related to a facility lease?

In addition to the decision package information requirements in Chapter 3, for **all** lease rate decision packages (regardless of maintenance level or policy level), attach a spreadsheet that contains the following information for all current and projected leased facility costs:

- Action (new, renew, change, close)
- Address (street address, where available, and city)
- Square feet
- Current lease start date and end date
- Services included in the lease
- FY 2017 funded level
- Renewal increase (in percent)
- Projected FY 2018 and FY 2019 need
- Requested one-time costs (total dollars)
- Any relevant notes

A maintenance level lease rate decision package (**8L**) may include renewal, lease rate adjustments and new space projects **less** than 20,000 square feet.

A maintenance level lease rate decision package (**8V**) may include new space and relocation projects **greater** than 20,000 square feet.

A request for one-time costs should include details about the individual project costs.

Costs for new leases, moves or acquisition of new space not associated with mandatory caseload, workload and service level changes should be included in a performance/policy level budget request following the criteria found in Chapter 1.

A template is available at [Budget Forms](#) to assist you in submitting this information.

OFM encourages the use of market research data or a standard lease renewal rate increase tool based on CPI-U. This market data and the CPI-U tool are available upon request from [OFM Facilities Oversight](#).

### What additional information is required for major leases?

Chapter [43.82.035 RCW](#) requires major leases to be included in the 10-year capital plans. To comply with this law, OFM will provide a list of major lease projects through the 2017-23 Six-Year Facilities Plan published by OFM in conjunction with the 2017–19 budgets. A major lease project is defined as a new space or relocation project over 20,000 square feet. Agencies must provide a separate operating budget policy level decision package for major lease projects. While this budget decision package may

contain multiple projects over 20,000 square feet, it needs to fully describe the business need for *each* new space, and provide the general location and square footage, along with responses to all decision package questions. For relocation, also provide the current lease information and the current lease end date.

Contact information is available at [Facilities Contacts](#).

### **Decision packages with space-related costs should be consistent with the Six-Year Facilities Plan**

Agency operating budget requests for space-related costs must be consistent with the information the agency provided to OFM as part of the statewide six-year facilities planning process. Space-related costs include:

- existing lease cost changes
- new leases
- one-time costs of acquiring new space or relocating

### **What is a Six-Year Facilities Plan?**

OFM, with the cooperation of state agencies, develops and publishes a statewide Six-year Facility Plan for the state of Washington by January 1 of each odd-numbered year. This document includes state agency space requirements and other pertinent data necessary for cost-effective facility planning. This planning process and the resulting product are expected to improve the oversight, management and financial analysis of state agency facilities. The development of this plan is directed by [Chapter 43.82.055 RCW](#).

The Six-year Facilities Plan will include:

- lease renewals
- leased and owned relocations
- new facilities projects

See the [2017–23 Implementation Approach](#) for more information about the plan and plan scope. Visit the [OFM Facilities Oversight website](#) for information about the planning process and related tools.

### **Questions?**

Contact your assigned OFM Facilities Analyst at [Facilities Contacts](#).