

Chapter 11

Facility Leases and Facility Maintenance

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

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

In addition to the decision package information requirements in Chapter 4, for **all** lease rate decision packages (regardless of ML or PL), 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 2015 funded level
- Renewal increase (in percent)
- Projected FY 2016 and FY 2017 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, and the coding and prioritization outlined in Appendix A-3.

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 data and the CPI-U tool are available upon request from OFM Facilities Oversight.

What additional information is required for major leases?

RCW [43.82.035](#) requires major leases to be included in the ten-year capital plans. To comply with this law, OFM will provide a list of major lease projects through the 2013-21 Six-Year Facilities Plan published by OFM in conjunction with the 2013-15 budgets. A major lease project is defined as a new space or relocation project over 20,000 square feet. Agencies shall provide a separate operating budget policy level decision package for major lease projects (see Appendix A-3). 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, provide the general location and square footage along with completing all decision package questions. For relocation, also provide the current lease information and the current lease end date.

Market rate data is available upon request from OFM Facilities Oversight. 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 six-year facilities plan is directed by [RCW 43.82.055](#).

The six-year facilities plan will include:

- Lease renewals
- Leased and owned relocations
- New facilities projects

See the [2015-21 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?

If you have questions or need assistance, contact your assigned OFM Facilities Analyst. Contact information is available at [Facilities Contacts](#).