## STAFF REPORT

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| **Agenda Item:** | 8 | **Name:** | Brandi Vena |
| **Proposed No.:** | 2019-0376 | **Date:** | February 26, 2020 |

**SUBJECT**

Proposed Ordinance 2019-0376 would adopt the King County Real Property Asset Management Plan (RAMP) for the 2020-2023 period that was due to Council in 2019 pursuant to King County Code.

**SUMMARY**

The Real Property Asset Management Plan (RAMP) is a policy guidance document for the management of King County real property assets for which the Facilities Management Division (FMD) is responsible. The document includes space standards, current and future space needs, and serves as a policy framework for county facility development and management. The first briefing on this document took place in the Budget and Fiscal Management Committee on October 22, 2019. A second briefing took place at the February 12, 2020 meeting of the committee.

**BACKGROUND**

King County Code previously required that the RAMP be adopted concurrently with the King County Comprehensive Plan. In 2016, the King County Council adopted Ordinance 18428 (the RAMP) which included an amendment that decoupled future RAMPs from the Comprehensive Plan.

Current King County Code requirements are as follows:

**20.12.100 Real property asset management plan.** The 2016 real property asset management plan, formerly called the county space plan, dated March 1, 2016, and consisting of real property asset management policies, practices and strategies, including planning policies, locations of county agencies and implementation plans, planned moves and references to King County space standards, is adopted as a component of the capital facilities element of the Comprehensive Plan. The real property asset management plan dated March 1, 2016, shall guide facility planning processes, decisions and implementation.

The executive shall update the current and future space needs and implementation plans of the real property asset management plan and submit them to the council as amendments to the real property asset management plan by September 1 of every fourth year, beginning on September 1, 2019, and also within ninety days of any significant change in the county space plan, such as a move, sale, purchase or other change, affecting fifty thousand or more square feet of useable space. (Ord. 18428 § 2, 2016: Ord. 17839 § 2, 2014: Ord. 17171 § 2, 2011: Ord. 15328 § 2, 2005: Ord. 14515 § 1, 2002: Ord. 10810 § 1, 1993).

The 2019 RAMP was transmitted by the Executive as Proposed Ordinance 2019-0376 on August 29, 2019. It includes five main sections: 1) Facility Management Policies; 2) Status of 2016 Policy Implementation Strategies; 3) New and Expanding Lines of Business; 4) Current Building Occupancy, Relocations and Reconfigurations; and 5) Long-Term Facility Planning Initiatives.

The 2019 RAMP Facility Management Policies are grouped under the following ten policy headings which were approved by the King County Real Estate and Major Project Oversight Committee (REMPOC):

1. Real Property Asset Management Policies
2. Financial Policies
3. Building Operations and Maintenance Policies
4. Workspace Design Policies
5. Facility Location Policies
6. Building Design Policies
7. Disaster Preparedness and Security Planning
8. Leasehold Interests
9. Vacating Space in General Government Buildings
10. Surplus Personal Property.

Below each heading are detailed policies, totaling 52 in all, and their clarifying statements.

According to the 2019 RAMP, this collection of policies “sets the direction for the management of real property assets,” ensuring that “real property asset [management] and workspace activities demonstrate sound stewardship and value to county operations.”

The 2019 RAMP also includes updates on the statuses of seven policy implementation strategies from the 2016 RAMP. There is a discussion of work completed since 2016, current statuses, and work to be continued in 2020-2024 for each strategy. In the *New and Expanding Lines of Business* section, FMD provides information on initiatives and lines of business that emerged after Council approved the 2016 RAMP. The county’s space plan is detailed in the section on *Current Building Occupancy, Relocations and Reconfigurations* and includes benchmarks, occupancy rates, and future plans for county-owned and leased buildings. Finally, in the section on *Long-Term Facility Planning Initiatives*, FMD provides updates to initiatives from the 2016 RAMP, including work still do be done in 2020-2024, and adds the following three initiatives for 2019: Downtown Facility Planning, Harborview Campus, and South County Facility Planning.

**ANALYSIS**

**What’s new in the transmitted 2019 RAMP?**

**Facilities Management Policies**

The 2019 RAMP revises 16 of the 52 facilities management policies as well as minor revisions to the narrative support for several others. The numbering conventions for the policies has been changed; previously policies were grouped under policy headings and each policy was given a number from 1 to 56. In the 2019 RAMP the policies are still grouped under policy headings, which are numbered 1 through 10, and are sub-numbered to be consistent with that format. One policy section (Sustainability Policies) is deleted and the three policies that were housed under that section are dispersed among the other policy sections where appropriate.

*Real Property Asset Management Policies (1.1 - 1.7)*

There are three changes to these policies and narratives. Policy 1.1 is updated to reflect the code change decoupling the RAMP from the Comprehensive Plan as directed in Ordinance 18428. A revision to Policy 1.2 adds new language to highlight that equity and social justice considerations be made when determining whether a property should be bought, sold, or leased. Finally, Policy 1.7 updates the language to reflect that real property should be managed sustainably.

*Financial Policies (2.1 - 2.4)*

Only one change is made in this section; the language in Policy 2.2 is updated to add a requirement that sustainability costs be included in the range of anticipated tenant improvements in operating and capital improvement proposals that are transmitted to Council.

*Building Operations and Maintenance; Major Maintenance Policies (3.1 - 3.7)*

Changes to Policy 3.1 update language related to service level commitments, specifying that services not included in the base rate that FMD charges to agencies will be charged on a time and materials basis. Additionally language in this policy is changed to more accurately reference the county’s climate action policy documents and ordinances. Language in Policy 3.7 is changed to reflect that management of resources such as water, energy, and waste will be achieved through facility and equipment optimization.

*Workspace Design Policies (4.1 - 4.9)*

The revision to Policy 4.8 adds ergonomics as a consideration that will be integrated into workplace designs. This change is made to be consistent with the human resources “Investing in You” initiative, specifically the goal area of employee health and safety.

*Facility Location Policies (5.1 - 5.5)*

Revisions to Policies 5.4 and 5.5 are minor and technical: correcting a location reference and added “business hours” as a consideration when locating department during workspace planning.

*Building Design Policies (6.1 - 6.8)*

Minor revisions to these policies add climate impacts to considerations when siting essential county facilities and adds maintenance of functionality to policies related to upkeep of public buildings. Edits are also made to emphasize and reinforce that county sustainability policies must be considered during the design, development, and construction of county facilities. Finally, a technical revision is made to remove a specific code reference in the policy section related to LEED standards

*Disaster Preparedness and Security Planning (7.1 - 7.3)*

There are no substantive changes in this section. Language is changed to clarify that emergency operation plans will be maintained for all buildings owned by the county. Previously this requirement was for all county buildings without emphasis on county-owned buildings.

*Sustainability Policies*

This section is removed from the 2019 RAMP and the section on Leasehold Interests, and all subsequent sections, are renumbered to reflect the removal[[1]](#footnote-1). Policies that were housed under this section are dispersed throughout the other policy sections, where appropriate.

*Leasehold Interests (8.1 - 8.2)*

There are no substantive changes to these policies.

*Vacating Space in General Government Buildings (9.1 - 9.5)*

One technical revision aligns language to be consistent with the fact that funding determinations are made in biennial, rather than annual, budgets. A supporting statement is added to Policy 9.2 emphasizing that, when determining mothball costs to be paid by the General Fund for general government buildings that may be used again in the future, those costs include utilities, security, and minimum maintenance needs.

*Surplus Personal Property (Enhanced Policy) (10.1 - 10.2)*

Minor technical corrections are made to language to reflect the current county organizational structure.

**Policy Implementation Strategies**

The 2016 RAMP proposes seven “Policy Implementation Strategies” or initiatives to address issues and meet policy objectives presented in that document. The 2019 RAMP provides an update on these strategies including the current status of each project, work completed to date, and an outline of work to be continued. These updates are summarized in Table 1.

**Table 1: Updates on 2016 RAMP Policy Implementation Strategies**

| **No.** | **Implementation Strategy** | **Current Status** | **Work Completed To Date** | **Work To Be Completed** |
| --- | --- | --- | --- | --- |
| 1 | Proposal to Develop New King County Office Space Allocation Standards  | FMD has drafted a set of standards and guidelines for REMPOC approval by the end of 2019. | Internal working group researched space standards developed by other jurisdictions and proposed guidelines to be used in new and reconfigured county office space. | FMD proposes a multi-department initiative to develop the most efficient methodology for identifying and maintaining data on workplace locations in PeopleSoft for all county staff. |
| 2 | Inadequacies in General Government Facilities Major Maintenance Funding | There is a $340 million backlog of major maintenance projects due to underfunding which is increasing annually by $10 million. The deferral of maintenance caused emergency projects to be performed in the 2016-2019 period. | 16 unplanned, emergent projects were completed and 17 were started. | Projects that were started in the 2016-2019 period will continue until completed. FMD is monitoring the status of other systems that are past their useful life and expects to be completing additional emergency projects in order to respond to needs. |
| 3 | Proposed Restructuring of General Government Occupancy Charges | The adopted streamlined rate structure was used in 2019/2020 Budget. | New streamlined rate structure was proposed as part of 2017/2018 Budget Development and adopted by Council | Rate structure will be updated as needed. |
| 4 | Developing Integrated Asset Management Tools | Contract execution in August 2019. Data organization is underway, in preparation for integration and is expected to continue through December 2019. | Developed detailed program requirements, published RFP, and selected vendor for the Comprehensive Facility Asset Management (CFAM) system. | Program configuration, data integration and testing, and training will continue. Full implementation is scheduled to be completed in the 2nd quarter of 2021. |
| 4 | Transitioning King Street Center to County Ownership and Operation | Building is owned, operated, and staffed by FMD. | Management transitioned in June 2017. | None. |
| 5 | Managing County Parking Facilities | County ownership of KSC garage; YSC reduced capacity; Goat Hill at capacity; MRJC at capacity. | Transition of KSC ownership in 2017; YSC reduction for CFJC; Goat Hill rate increase; MRJC restriping for ADA. | New 360 space garage at CFJC to be completed in 2021. |
| 6 | Environmental Sustainability for King County-Owned and Leased Buildings | Sustainability strategies and practices are ongoing, including assessment of facilities with highest energy use, resource reporting and analysis. | Projects in 2016 RAMP are completed, including, but not limited to, some of the Fund to Reduce Energy Demand (FRED) projects, KCCF HVAC upgrades, and integrated design of CFJC. All facilities are benchmarked in Energy Star Portfolio Manager. | FMD’s Conservation Management Program will apply the strategies and principles outlined in RAMP policies. |

**New and Expanding Lines of Business**

In addition to work on planned strategies, the 2019 RAMP includes several new FMD initiatives and lines of business. Table 2 below summarizes the information.

**Table 2: Summary of New and Expanding Lines of Business**

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| --- | --- | --- | --- |
| **No.** | **FMD Initiative** | **Location** | **Work To Be Completed** |
| 1 | Homeless Shelters | Various | Expand sheltering facilities totaling 438 beds. |
| 2 | Warehouses | Archives Building, Barclay Dean Building, South Park Warehouse | Consolidation of records and storage inventory into one warehouse. |
| 3 | Financial Investment Properties | Various | These properties have been under long term lease agreements and FMD is reviewing proposals to increase the financial return to the county from these properties. Lessees include Ardagh Glass, Manson Construction, and City Dock Associates. |
| 4 | Puget Sound Emergency Radio Network (PSERN) | Various | FMD, in partnership with KCIT PSERN staff, are leasing 50 sites in support of the PSERN network. These sites will transfer to the PSERN entity when the partnership activates. |
| 5 | King County International Airport (KCIA) | KCIA Properties | In light of the increased use of the KCIA, FMD has increased dedicated support to KCIA. FMD supports their land use needs with the negotiation of purchase and sale agreements, and lease agreements for the airport’s tenant businesses. |
| 6 | Tax Title Properties | Various  | Following a King County Code revision, FMD contracted for online services to sell tax title property parcels. As of May 2019, 198 parcels have sold. |

**Current Building Occupancy, Relocations, and Configurations**

Consistent with the requirements in King County Code[[2]](#footnote-2), the 2019 RAMP provides information on the county’s near term space plans. The objective of this planning, according to FMD, is to “better utilize the existing portfolio of general government buildings by strategically reconfiguring and moving various county functions.” In order to achieve this, previous RAMPs identified efficiency targets for six main county buildings. According to FMD, usable square feet (USF) is the measure for benchmarking. Below are the currently proposed building benchmarks for major county office facilities.

* Administration Building 177 USF
* Blackriver Building 161 USF
* Chinook Building 140 USF
* King Street Center 140 USF
* King County Courthouse 241 USF
* Maleng Regional Justice Center 205 USF
* Yesler Building 221 USF

Benchmarking for FTEs is also a component of planning, however FMD states that, because the county does not have accurate data on employee work locations, determining this benchmark is challenging. For this reason FMD collected occupancy data for the 2019 RAMP via visual audits at the following county owned and leased buildings:

|  |  |
| --- | --- |
| **County Owned** | **Leased** |
| Administration Building | Central Building |
| Chinook Building | Graybar Building |
| King County Courthouse | Meeker Street Building |
| King Street Center | Kendall Lake |
| Yesler Building | Kent Professional Center |
| Maleng Regional Justice Center | 901 5th Building |
| Blackriver Building | Dexter Horton |
|  | Jefferson Building |
|  | W. Smith St. |

Because of FMD’s stated difficulty in collecting space occupancy data, the department is proposing to work with KCIT, the Business Resource Center (BRC), and Risk Management in finding ways to improve data collection in this area.

Lastly, FMD is using staff growth projections as an element of space planning. The current three-year growth assumptions for most General Fund agencies is zero percent and assumptions for Non-General Fund agencies range from 3 to 5 percent for most, up to 12 percent for Metro Transit.

Based on this, the 2019 RAMP provides building data on five county-owned office buildings and three main courthouses that represent the majority of the county’s office space (RAMP pages 36-82) as well as data for leased office buildings (RAMP pages 83-90).

**Long-Term Facility Planning Initiatives**

The 2019 RAMP contains updates on initiatives from the 2016 RAMP as well as information on new initiatives. Table 3 below summarizes the updates on 2016 RAMP initiatives while Table 4 summarizes what is new.

**Table 3: Summary of Updates on 2016 RAMP Planning Initiatives**

| **No.** | **2016 Planning Initiative** | **Current Status** | **Work Completed To Date** | **Work To Be Completed** |
| --- | --- | --- | --- | --- |
| 1 | Civic Master Plan Scoping and Methodology Proposal  | Data gathering state is near completion. | Executive convened a panel to select a design team for this project and Northwest Studio was chosen. The Executive established an Advisory Committee and Oversight Committee. Phase one included development of vision and guiding principles. | Alternatives Analysis and the Master Plan Development Stage are expected to be completed in time for the 2021 budget development process. |
| 2 | King County Courthouse Revitalization Project | FMD is currently completing budgeted projects and requesting funding for new projects that meet the criteria of life and safety. FMD is drafting a proviso response due to Council in September 2019 regarding the location of the Chief Criminal Court. | KCCH revitalization report was transmitted to Council in August 2016; FMD has completed four projects; the Courthouse Bus Duct Replacement project was completed in 2017 at a cost of just under $5 million. | FMD will continue to evaluate projects that meet the life and safety criteria established for KCCH projects as well as considerations and recommendations from the Downtown Civic Campus study. |
| 3 | Archives and Records Center Warehouse | Slated for capital improvement in 2020. | Records Building was sold to Seattle Housing Authority for low income housing in 2018 (Ordinance #18631). Materials were relocated to new leased building, South Park Warehouse.  | Completion of capital improvements of Archives Building. |
| 4 | Space Needs for the Department of Public Defense | DPD staff occupy space in multiple leased facilities near the three county courthouse facilities. In addition, DPD attorneys are in the Walter Scott Brown building near Involuntary Treatment Act (ITA) Court at Harborview.  | SCRAP, TDA and ACA (DPD units) were relocated from their individual downtown lease sites to new county leased space in the Dexter Horton Building; New lease for additional space for DPD in Kent Valley Professional Building for MRJC staff, in addition to the DPD space in the Meeker Building. | Relocations related to completion of CFJC parking garage; researching long-term solution to space constraints near MRJC.  |
| 5 | Managing Facilities Associated with King County Public Health | FMD is currently negotiating a sale that would transfer ownership of the Federal Way Public Health site to Healthpoint and allow DPH to stay on as a tenant via a leaseback agreement; FMD will be evaluating alternatives to the leased space at Downtown Public Health. | Auburn Public Health Center sale to the City of Auburn was completed in 2016; Renton Public Health Center moved to leased space at Renton Technical College. The sale of the Renton Public Health Building was completed in 2017; Northshore Public Health Center moved to leased space in Totem Lake in Kirkland in 2016; the sale of the Northshore Public Health Center Building was competed in 2016. | Review and evaluation of property leases and suitability of property to meet Public Health’s needs, as existing leases expire. |
| 6 | Environmental Sustainability for King County-Owned and Leased Buildings | Sustainability strategies and practices are ongoing, including assessment of facilities with highest energy use, resource reporting and analysis. | Projects in 2016 RAMP are completed, including, but not limited to, some of the Fund to Reduce Energy Demand (FRED) projects, KCCF HVAC upgrades, and integrated design of CFJC. All facilities are benchmarked in Energy Star Portfolio Manager. | FMD’s Conservation Management Program will apply the strategies and principles outlined in RAMP policies. |

**Table 4: Summary of 2019 RAMP Planning Initiatives**

| **2019 Planning Initiative** | **Locations** | **Work To Be Completed** |
| --- | --- | --- |
| Downtown Facility Planning | Sound Transit; Dexter Horton Lease; Central Building Lease; Yesler Building; Transit office space needs; Work and Education Release (WER); West Wing | Analysis of which leases will be renewed or whether relocation of county services will take place as well as continued review of space usage. |
| Harborview Campus | Harborview Hall; Homeless Shelter; Ninth & Jefferson Building; East Clinic Building | Harborview Bond and Master Facility Plan Update will include the County’s use of space on the Harborview Campus. Evaluation of key hospital spaces is ongoing to determine what will be included in a prospective bond measure. |
| South County Facility Planning | Kent lease consolidation; CCD program location; Blackriver vacancies; Renton Roads/Parks/Fleet/RCECC/Solid Waste site | Addressing space issues related to changing service delivery priorities. |

The 2019 RAMP is a large body of work building on the previous policies and business practices. The RAMP coordinates all aspects and functions for building management and anticipates space utilization and other integrated approaches such as technology and human resources. The document provides a wide ranging framework for near and long-term management and proposes to dedicate significant time and resources to several different initiatives, both new and ongoing since 2016, while coordinating with related county policy documents such as the County Strategic Plan, County Energy Plan, Strategic Climate Action Plan (SCAP), Green Building Ordinance (GBO), and others. When considering the content of the document it is within Council’s purview to determine whether the polices put forth are reasonable and whether resources should be dedicated in the manner outlined within the 2019 RAMP, or whether they should be shifted to other county space needs and initiatives should be reprioritized. The proposed 2019 RAMP can be amended by council.

**AMENDMENT**

Amendment 1 adds a long-term facility planning initiative for downtown facility planning that requires the Facilities and Management Division to study and report back to the county Executive and Council policy changes related to locating non-profit organizations in unused or underused county property.

**INVITED**

* Anthony Wright, Director, Facilities Management Division, Department of Executive Services (DES)
* Dwight Dively, Director, Office of Performance, Strategy and Budget (PSB)

**ATTACHMENTS**

1. Proposed Ordinance 2019-0376
	1. Attachment A.King County Real Property Asset Management Plan 2020-2023
2. Transmittal Letter
3. Amendment 1
1. In the 2016 RAMP the Sustainability Policies section included:

40.0 Real property is managed in an environmentally responsible manner, consistent with the adopted policy related to sustainable design. Language consistent with this policy was transferred to Policy 1.7 in the 2019 RAMP.

41.0 County-owned and -financed facilities will be designed, developed, and constructed using green building methods for environmentally, financially, and socially sustainable facilities where cost effective. Language consistent with this policy was transferred to Policy 6.5 in the 2019 RAMP.

42.0 The County will continue to reduce energy use and improve water quality through improvements in facility and equipment efficiency, procurement, construction practices, and resource conservation. Language consistent with this policy was transferred to Policy 3.7 in the 2019 RAMP. [↑](#footnote-ref-1)
2. K.C.C. 2.12.100 requires that the Executive update current and future county space needs and implementation plans by September 1st of every fourth year beginning in 2019. [↑](#footnote-ref-2)