## REVISED STAFF REPORT

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| **Agenda Item:** | 6 | **Name:** | Katherine Cortes |
| **Proposed No**.: | 2016-0159 | **Date:** | September 20, 2016 |

**COMMITTEE ACTION**

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| ***Proposed Substitute Ordinance 2016-0159.2 adopting the 2016 Real Property Asset Management Plan (RAMP) as a component of the King County Comprehensive Plan (KCCP), passed out of committee on September 6 with a “Do Pass” recommendation. The motion was amended in committee with Amendment S1 to decouple RAMP updates from the KCCP and change the required components and timing for updates in King County Code; and replacs the transmitted 2016 RAMP with a version that more completely tracks changes since the 2012 RAMP update.*** |

**SUBJECT**

Proposed Ordinance 2016-0159 would adopt the 2016 King County Real Property Asset Management Plan (RAMP) as a component of the King County Comprehensive Plan (KCCP), pursuant to King County Code.

Striking Amendment S1 would decouple future RAMP updates from the KCCP and set new conditions for when such updates must occur, revise required components of the RAMP, and replace the transmitted 2016 RAMP with a version that reflects this future process and more completely tracks changes since the 2012 RAMP update.

**SUMMARY**

The Real Property Asset Management Plan (RAMP) is a policy guidance document for the management of the King County real property assets for which the Facilities Management Division (FMD) is responsible. Pursuant to King County Code requirements, the 2016 RAMP is a component of Technical Appendix A to the King County Comprehensive Plan (KCCP),[[1]](#footnote-2) and addresses space standards, current and future space needs, a policy framework regarding County facility development, and the County facility planning work program.

The RAMP was briefed in committee on July 5, 2016, and (together with Proposed Ordinance 2016-0155, the KCCP) on August 16, 2016. The committee discussed the potential disjuncture between the KCCP as a growth management related document and the RAMP as an internal, strategic and operational plan needing more timely review.

The RAMP was again briefed in committee on September 6, 2016, along with Striking Amendment S1 to address this potential disjuncture. S1 would decouple future RAMP updates from the KCCP and set new conditions for when such updates must occur, revise required components of the RAMP, and replace the transmitted 2016 RAMP with a version that reflects this future process and more completely tracks changes since the 2012 RAMP update.

**BACKGROUND**

Growth Management Act and King County Code Requirements

The Growth Management Act, in RCW 36.70A.070, requires Comprehensive Plans to address capital facilities planning. King County has chosen to date to address these requirements in part, as concerns the County’s own government space planning, through the RAMP.

King County Code currently addresses the RAMP as follows:

**20.12.100 Real property asset management plan.** The 2013 real property asset management plan, formerly called the county space plan, dated June 3, 2014, and consisting of real property asset management policies, practices and strategies, including planning policies, locations of county agencies and implementation plans, [the]\* updated 2012 work space survey results, short term space planning and moves and reference legal authorities and 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 June 3, 2014, shall govern development of all facility master plans, facility program plans and the capital improvement program and lease requests for space housing county agency operations.

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 March 1 of every fourth year, beginning on March 1, 2016, as a part of Technical Appendix A and as a component to the Comprehensive Plan. Any proposed policy changes occurring within the four-year period shall be included in the annual Comprehensive Plan updates in accordance with K.C.C. 20.18.030.B.7. (Ord. 17839 § 2, 2014: Ord. 17171 § 2, 2011: Ord. 15328 § 2, 2005: Ord. 14515 § 1, 2002: Ord. 10810 § 1, 1993).

The 2016 RAMP was transmitted by the Executive as Proposed Ordinance 2016-0159 on March 1, 2016. It includes three main sections: 1) Facility Management Policies; 2) Policy Implementation Strategies; and 3) Space Use and Planning.

The 2016 RAMP includes 56 Facility Management Policies. According to the 2016 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 56 individual policies (some with explanatory text) are grouped into categories such as Financial Policies, Building Operations and Maintenance, and Facility Location Policies.

The 2016 RAMP also includes, in the Policy Implementation Strategies and Space Planning sections, narrative information on current FMD projects and initiatives, such as parking program changes, transitioning the King Street Center to County ownership, and space plans for the Chinook Building. It is likely that most of these projects will be completed before the next RAMP is required under existing King County Code, in 2020.

**ANALYSIS**

What’s new in the transmitted 2016 RAMP?

**Facilities Management Policies**

The 2016 RAMP revises 24 of the 56 facilities management policies and revises the narrative support for several others. Two policies (49.0 and 52.0) are deleted and combined with 51.0, regarding vacating space. The RAMP also includes one new policy (24.0) under Workplace Design. These changes are shown in strikethrough and underline throughout the Facilities Management Policies section. A detailed summary of the changes was provided in the staff report and briefing to this committee on PO 2016-0159 on July 6, 2016.

**Policy Implementation Strategies**

The 2016 RAMP proposes seven “Policy Implementation Strategies” or initiatives to address issues and meet policy objectives presented in the 56 facilities management policies. These Policy Implementation Strategies are summarized in Table 1.

**Table 1: RAMP Policy Implementation Strategies**

| **Implementation Strategy** | **Budget request?**  | **Staffing** | **Timing**  |
| --- | --- | --- | --- |
| Proposal to Develop New King County Office Space Allocation Standards  | approx. $50,000 workshop or consultant costs | Operations Group standard work  | Estimated completion of standards YE 2017 |
| Inadequacies in General Government Facilities Major Maintenance Funding | priority 2017/18 budget issue likely to be addressed to the extent possible given GF shortfall | existing staff of the Capital Planning and Development Section, supported by Operations Group & PSB | 2017/18 budget item – ongoing implementation |
| Proposed Restructuring of General Government Occupancy Charges | anticipated implementation in 2017/18 budget | existing staff of the Operations Group and PSB | Complete if implemented in 2017/18 budget |
| Developing Integrated Asset Management Tools | Initial component funded in 2015-16 omnibus supplemental 18239 (Feb 2016); complete IT project proposal anticipated in 2017/18 budget | one-time and ongoing staff resources from FMD and KCIT | TBD |
| Transitioning King Street Center to County Ownership and Operation | Management costs anticipated in 2017/18 budget | Mandatory support from all FMD sections – chartered project team | Title transfer 6/1/17 |
| Managing County Parking Facilities | Proposal anticipated in 2017/18 budget | Operations Group –likely to require reallocation of existing staff  |  |
| Environmental Sustainability for King County-Owned and Leased Buildings | As in the 2015/16 budget, 2017/18 budget anticipated to include an investment pool available to fund energy and water efficiency projects that have a satisfactory forecast payback schedule | dedicated staff resources from both the Operations Group and Capital Planning and Development | project-by-project approach |

Executive staff characterize these initiatives as necessary and pressing to effectively manage risk and County resources and real assets.

**Space Use and Planning**

The 2016 RAMP provides some information about the status of past space planning initiatives and the labor-intensive aggregation method by which they collect and review occupancy data, as well as FTE growth assumptions by department (RAMP pages 44-45) and usable space per employee targets by building (RAMP p. 46). This information provides minimal context for the near-term space plans by building (for nine buildings) and longer-term initiatives for several larger projects (including the downtown civic campus and Courthouse revitalization, and space needs for the Department of Public Defense) presented in the Space Use and Planning section.

Many individual project plans or transactions are described in transmittals to Council that are specific to those projects, or in budget ordinances which include appropriations for multiple capital projects. The RAMP, including updates to the RAMP, may both compile this information and contextualize it within the larger picture of countywide space planning. However, some project-specific space planning actions may be sufficiently addressed in individual transmittals and not rise to the level of prompting a RAMP update.

Executive and Council staff reviewed some current or recent space planning projects or actions in an effort to determine an appropriate trigger for RAMP updates not tied to the KCCP update cycle. The following table summarizes several noteworthy projects, the transaction type, and the square footage impacted.

| **Project** | **Transaction type**  | **Est sq footage** |
| --- | --- | --- |
| ITA court | Potential Harborview Hall space build-out | 20,000 |
| Yesler | Sale/leaseback | 114,395 |
| Black River Building | Sale | 74,280 |
| King Street | Purchase  | @300,000 |
| DPD relocation | Leases | @84,000  |
| 420 (Zombie) building | Purchase | 8,000 |
| North Meridian | Sale / Leaseback | 18,401 |
| Northshore | Sale + new lease | 16,277 |

This summary suggests that a variety of transaction types at a range of square footage levels may constitute significant change worthy of inclusion in the RAMP as a countywide space planning document.

**AMENDMENT**

**Connection to KCCP.** While the County Code currently requires that the 2016 RAMP must be adopted concurrently with the Comprehensive Plan, the RAMP is more of an internal, strategic and operational plan than a growth management related document. Striking Amendment S1 to Proposed Ordinance 2016-0159 (the RAMP) would decouple future RAMPs from the Comprehensive Plan.

Because the RAMP is itself an integrated document, the split should be made wholesale rather than piecemeal (i.e., it is not practical to pick-and-choose specific sections of the RAMP to be retained within the Comprehensive Plan), though some high-level policy language may need to be integrated into Chapter 9 Services, Facilities and Utilities to provide general policy direction to the RAMP. Appropriate language is being offered for consideration via Striking Amendment S1 to Proposed Ordinance 2016-0155 (the KCCP).

**Level of detail.** The 2016 RAMP (and previous RAMPs) includes point-in-time information on the County’s real property assets, which may not be timely in a document updated on a four-year cycle. Striking amendment S1 sets new conditions for when RAMP updates must occur to promote timely communication to Council of changes affecting near- and long-term space planning efforts. Specifically, S1 retains the requirement for updates on a four-year cycle, but also requires updates within 90 days of any significant change in the county space plan, such as a move, sale, purchase or other change, affecting 50,000 or more square feet of useable space.

Executive and Facilities Management Division staff have expressed a desire to continue to work with Council and Council staff on implementation of the changes proposed in S1, to ensure that FMD can be successful in delivering future reporting that meets Council’s needs. Specifically, FMD staff have expressed the need to establish clarity in terms of what type of information Council would like to receive in the RAMP versus what can be more economically conveyed in property summaries or other documents transmitted regarding individual facilities projects or transaction. Further, they would like clarity on constitutes a “significant change” and when Council may need or want context. Such discussions could take place subsequent to acceptance of the 2016 RAMP, as future updates are anticipated.

1. Intended to meet the Capital Facilities Element requirement of the Growth Management Act in RCW 36.70A.070. The 2016 King County Comprehensive Plan is Proposed Ordinance 2016-0155. [↑](#footnote-ref-2)