



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

October 4, 2022

TO: Kelly Lerner, Chief, Leased Facilities and Maintenance Operations
Department of Social and Health Services

FROM: Yvonne Knutson, Program Manager YK
Facilities Oversight and Planning

**SUBJECT: APPROVAL OF DEPARTMENT OF SOCIAL AND HEALTH SERVICES
REQUEST FOR NEW SPACE**

On August 29, 2022, the Department of Social and Health Services (DSHS) submitted a request to the Office of Financial Management (OFM) for new space in Pierce County. The legislature approved funding for four new Children's State Operating Living Alternatives (SOLA) projects in the 2021–23 operating budget. This is the third of the four facilities to be requested.

This project is approved with the following terms:

- Lease of 2,550 square feet of residential space in Pierce County.
- An annual ongoing facility cost not to exceed \$63,929, including operating costs.
- An estimated one-time cost not to exceed \$150,000.
- DSHS is approved to work with the Department of Enterprise Services' Real Estate Services as October 4, 2022.
- A lease term no longer than five years.

OFM understands that DSHS will fund the ongoing and one-time costs using General-State and Federal Funds.

This project is not documented in the [2021–27 Six-Year Facilities Plan](#). It is approved with the understanding that DSHS will design the facility with consideration for work patterns, employee feedback, modern workplace principles and technology solutions. When the project is complete, you must report to OFM using the [project outcomes form](#).

If any of the terms and conditions noted above change, this project must be resubmitted to OFM for additional consideration using the [change of conditions form](#). If you have any questions, please contact Courtney Kinney, Facilities Analyst, at (360) 584-5705 or courtney.kinney@ofm.wa.gov.

cc: Anita Black, Planning and Design Manager, DSHS
Rick Bushnell, Acting Assistant Director, Real Estate Services, DES
Breann Boggs, Budget Assistant, OFM
Courtney Kinney, Facilities Analyst, OFM



State of Washington
PROJECT REQUEST/ MPD FORM
 Last updated: February 2022

Agency Name
 Contact Person
 Contact Email
 Contact Phone

Agency Number

Section One: Project Information

This proposed project is planned to be completed no later than Fiscal Year

Project Title
 Requested County
 Six Year Plan Project Type
 Primary Space Type Secondary Space Type
 Requested Effective Start Date Requested Lease Term (Years)
 Cancellation Clause Required

Current Site Information

UFI Number	<input type="text"/>	Square Feet	<input type="text"/>	Lease End Date	<input type="text"/>	City	<input type="text"/>
UFI Number	<input type="text"/>	Square Feet	<input type="text"/>	Lease End Date	<input type="text"/>	City	<input type="text"/>
UFI Number	<input type="text"/>	Square Feet	<input type="text"/>	Lease End Date	<input type="text"/>	City	<input type="text"/>
Total Square Feet			<input type="text" value="0"/>				

Section Two: Project Business Case and Alternatives

Answer the questions below in 250 words or less.

- 1)What event has occurred to create the need for this project request?
- 2)Who will be affected?
- 3)What is the condition of your current facility and how does it influence your need for your planned action?
- 4)What is your preferred facilities solution?
- 5)If cancellation clause is required, please describe terms and reason it is needed.

The 21-23 operating budget funded DSHS/DDA for four new SOLAs for children - three in western Washington and one in Eastern Washington. This is the third of four new facilities. Children cannot be placed in a DDA institution with adults and cannot legally enter into a lease. This facility is similar to the Children's SOLA in Spokane Valley which opened in 2013.

This project will provide a new Children's SOLA in north Pierce County or south King County. The facility will be a residence to house children with developmental disabilities that cannot live with their families and also provide office space for the staff. The staff assist the children in crisis develop skills to handle themselves. The residence should have a securable outdoor area (fenced) with limited impact from neighbors and the community. The facility requires adequate parking for staff (up to 10) with a double-car, attached garage that can fit a standard van. Wide hallways, a single level, and an activity space are desirable. This facility will provide temporary living as well as space for SOLA management staff. The facility houses up to three juvenile clients (each in their own bedroom) at a time. This 24/7 facility will be the duty station for approximately 20 DSHS employees.

Children's SOLA provides 24/7 residential support in a specially modified home to people under 21 receiving Voluntary Placement Services. Wrap-around services address the youth's individualized support needs, including habilitation, independent skill development, shared parenting, and community integration.

DDA does not have capital funds nor authorization in this biennium to purchase or construct a facility. DDA does not have maintenance staff that could maintain an owned facility in this area. Leasing rather than purchasing a facility provides greater flexibility when program needs change.

Describe all alternative facility solutions considered for this project in 100 words or less.

Alternate considered: Purchase a home for the Childrens' SOLA home

It is more cost effective and flexible for DSHS to lease a facility rather than own it.

- For DSHS it is more cost effective for the lessor to handle on-going maintenance of the facility. DSHS does not have maintenance staff to maintain this facility.
- Improvements for capital facilities are required to follow public works contracting law. This results in a project management workload for the Office of Capital Programs as well as increased project costs. For DSHS, it is more cost effective for the lessor to complete tenant improvements. It also relieves the

Describe how you are creating a flexible work environment in 100 words or less. (Exec Order 16-07)

This is a residential facility and out of scope of EO 16-07. DDA and Leased Facilities will work closely together to assure the acquired facility meets the residential program needs of Children's SOLA. This facility will be equipped with Wi-Fi to minimize the need for cabling and allow for greater internal mobility. Mobile users in the facility have laptops or tablets which enable them to move around the facility as needed to serve residential clients.

Section Three: Space Allocation

Instructions: This tool will calculate total allocated square footage and total square footage per user. Enter the number of Resident Users (in the office 60% of a pay period or more) and the number of Externally Mobile Users (in the office less than 60% in a pay period). If your agency requires program-specific space beyond the standard allocation, enter the type of space and desired square footage, which will be added to the baseline allocation. Agencies must justify the need for any program-specific spaces. **If Allocation is over 20,000 sqft provide the Life Cycle Cost Model Tool as an addendum to this form.**

Baseline User Space Allocation	Count	SQ FT
Resident Users	0	0
Externally Mobile Users*	0	0
Total User SQ FT		0

**To be verified by HRMS once enacted*

Standards	Resident User	Externally Mobile User
User space	79	36
Conference/shared spaces	40	40
Circulation=40% of spaces	48	30
Building Services=15% total	25	16
User	192	122

Site requirements:

Large parking area with enough spaces for staff and visitors, ADA

Program Specific Spaces	SQ FT
3 bedrooms at 150 SF each	450
Activity room	250
3 bathrooms at 100 SF each	300
Kitchen	175
Diningroom	175
laundry room	100
Living room	250
Entry way	100
Office (could be fourth bedroom)	150
Storage	250
Circulation and mechanical	350
Program Specific Spaces Total SQ FT	2,550

Total Allocated Square Footage	2,550
Total Rentable Square Footage Per User	0

10-person or smaller office: 10% buffer added to the total user space

11-20 person office: 10% buffer added to the total user space when there is 50% telework utilization

Section Four: Space Utilization

Workspace Types	Total Count
Offices	0
Cubicles	0
Touchdown Spaces	0
Common Shared Space Types	
Conference Rooms	0
Break Rooms	0
Restrooms	0
Wellness Rooms	0

3:1 ratio of cubicles for those who are Externally Mobile Workers
Objective is to have 80% utilization of workspaces

Section Five: Project Ongoing and One-Time Cost

Ongoing Cost

Current cost based on actual expenditures from previous Fiscal Year

	Rent and/or Debt Services.
	Energy (Electricity, Gas, etc.)
	Janitorial Services
	Water, Sewer, Garbage, Stormwater, etc.
	Other
\$0	Subtotal
	Additional Parking
\$0	Total Annual Cost
0	Cost per Square Foot Year

Projected Annual Cost

\$63,929	Lease Cost (Market Rate X SF)
	Other
\$63,929	Subtotal
	Additional Parking
\$63,929	Total Annual Cost
\$25.07	Annual Cost per Square Foot

\$25.07 OFM Market Rate requested
(cost per square foot year)

Select all that apply to this project with an X.

<input checked="" type="checkbox"/>	Agency Existing Facilities Funds
<input type="checkbox"/>	Other Operating Funds
<input type="checkbox"/>	Future Budget Request

Enter OFM recognized fund source code

001 General Fund with program State-Federal split

One-Time Cost (OFM Auto Populated vs. Agency Requested)

Total One-Time Cost	DES Fees	Tenant Improvement	Technology Infrastructure	New Furniture	Relocation Furniture	Moving Staff	Building Security	Other Incentive
\$61,500	\$8,000	\$48,500	\$0	\$0	\$0	\$0	\$5,000	
\$150,000	\$250	\$125,000	\$9,000	\$10,000	\$0		\$5,750	

OFM Assumption:

DES fees based on term and SF, Tenant Improvements at \$19 per SF, Technology Infrastructure at \$1,500 per workspace (W/S), New Furniture at \$7,000 per W/S, Relocate existing furniture at \$450 per W/S, Staff moving at \$300 per staff, Building Security based on size.

Agency Assumptions:

DES Fees per DSHS-DES Inter-Agency Agreement - Delegated lease. Tenant Improvements estimated based on approved budget and experience with similar projects. IT Infrastructure at \$1500/workspace for new facilities for six staff. Building Security and Access Systems based on experience with similar projects.

Select all that apply to this project with an X.

<input checked="" type="checkbox"/>	Agency Existing Facilities Funds
<input type="checkbox"/>	Other Operating Funds
<input type="checkbox"/>	Future Budget Request

Enter OFM recognized fund source code

001 General Fund with program State-Federal split

Section Six: Authorization if not part of Six-Year Plan

I certify that the requested space is necessary, that all information is accurate based on the best available information. I acknowledge that my agency is required to report the results of the project to OFM once complete.

Agency financial Manager Signature	<i>Debra Schmidt</i>	Date: 8/29/2022
Printed Name and Title	Debra Schmidt, LFMO Business Manager	
Agency Director or Designee Signature	<i>Kelly J. Lerner</i>	Date: 8/29/2022
Printed Name and Title	Kelly Lerner, Chief, DSHS Leased Facilities and Maintenance Operations	