State of Colorado

STRATEGIC OFFICE SPACE PLAN

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01 INTRODUCTION

01.01
TABLE OF CONTENTS

01.02
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01.03
EXECUTIVE SUMMARY

01.03.01 INTRODUCTION

In April 2020, the Governor issued the Reimagine State Government initiative dedicated to establishing a government that leverages innovation, reduces waste and harnesses the skills of its employees through a superior employee experience. By summer 2020, the State had committed to leveraging the efficiency lessons in administrative office work gleaned from the work-from-home period during the pandemic. This effort, which has come to be called Reduce Our Physical Footprint, is about utilizing remote work to reduce the State's administrative office needs and thereby save on State expenses, increase employee satisfaction and reduce environmental impacts. The Governor's Office has established a goal of reducing the State's physical footprint by 1M SF by 2025.

The State occupies 2.8M SF of administrative office space which is suitable for footprint reduction. Reducing 2.8M SF of space by 1M SF is challenging, but feasible. A space reduction of this magnitude requires a multi-faceted approach. How people utilize space is inherently tied to a range of factors including the kind of space that is available, how space is configured, where space is and how work in the space is facilitated through policy and procedures. This Strategic Office Space Plan is intended to establish a path forward for the State towards realizing the administrative office space reduction, considering this broad range of issues.

01.03.02 GUIDING PRINCIPLES

This report documents approximately one year of work by the State developing ways in which the reduction to the State administrative office footprint can be achieved post-COVID. Several principles have guided this development:

- *Leverage remote working to maximize the efficiency of space within agencies.*
  Remote working employees are typically not 100% remote since those employees generally still require part-time access to office space. However, even at a partially reduced occupancy need, remote work leads to substantial space savings because remote workers can share workstations. A paradigm shift in this Strategic Office Space Plan is the notion that space needs should be considered in terms of seats rather than in terms of full-time equivalent employees to leverage efficiencies from remote working.

- *Find ways in which agencies can share space to maximize efficiency.*
  If agencies can be located proximate to one another, some space can be shared to increase efficiency (for example, large meeting spaces). This report explores techniques that can apply across multiple agencies to leverage overlaps in space needs. Co-location is a primary strategy proposal of the report.

- *Consider real estate comprehensively.*
  The State's recent real estate processes have been centered on agency needs, without prioritizing optimization of efficiency in the larger State real estate portfolio. A principle of this report is that State needs should be considered comprehensively.

- *Prioritize moving to State-owned space.*
  The State saves money when agencies are in State-owned space rather than commercially leased space. The reduction in the footprint that has come about due to remote working is a once-in-a-generation opportunity for the State to shift agency locations toward the goal of maximizing the use of State-owned space.

- *Renovate buildings in the Downtown Denver Capitol Complex.*
  The downtown Denver campus of the Capitol Complex represents approximately one-fourth of the total State administrative office space. Many of the buildings are in poor condition, requiring significant renovations. For the State to realize the goal of consolidation into State-owned space, these buildings must be renovated.

- *Improve employee flexibility.*
  A primary benefit of remote working is that it gives employees more flexibility in where they wish to work. A principle of this report is that the remote working benefit of employee flexibility should be supported and balanced with business need and service delivery. A major benefit to the State is that greater flexibility will allow the State to recruit positions throughout Colorado.

- *Improve equality of access and resource allocation.*
  A theme of this report is equality. By facilitating remote work and transitioning to a digital government where possible, the State is removing barriers to access for jobs and services. By embracing a space planning process based on the needs of employees rather than titles, the State is moving toward a more equal allocation of resources.

01.03.03 SAVINGS AND COSTS

The State estimates that the reduced physical footprint will save $19.7M / year in lease savings, based on 2021 costs. To achieve the space savings, the State will need to renovate some existing State-owned space to make it suitable for agency use and for new workspace modalities involving seat-sharing which make the footprint reduction possible.

This report recommends making necessary renovations in the Downtown Denver Capitol Complex to bring that space to industry Class B standards. This report also recommends prompt renovations and furnishing upgrades in an additional 30% of the State portfolio to the Class B standard, with the remaining 70% of the reduced footprint State portfolio upgraded and renovated over the five-year space consolidation period. The total costs for these improvements are estimated to be $123.2M. At the projected $19.7M / year savings, the $123.2M total cost would have a payback duration of 6.25 years.

01.03.04 SUMMARY OF AGENCY FINDINGS AND METHODOLOGY

All states are grappling with the way to return to state administrative office work post-COVID and many have plans underway to leverage remote work efficiencies. What is remarkable about the Colorado effort is that it is simultaneously vision-driven, through the leadership of the Governor and data-driven through detailed input from the agencies and the divisions within those agencies. This report addresses 19 agencies, from which the Office of the State Architect (OSA) collected space needs information in fall 2020. In the spring of 2021, 16 of those agencies were either interviewed or information from recently completed studies was used to augment the initial data collection. This exercise was comprehensive, with data gathering regarding head counts, seat counts and space utilization. From this data, this report projects a 1.1M SF reduction in State administrative office space needs comparing pre-COVID needs to post-COVID needs and a 900,000 SF reduction comparing pre-COVID needs to five-year projected needs.[1]

1. Area is expressed in terms of usable square feet, which is the area occupied by a tenant. Area in rentable square feet, assuming a load factor of 15% is approximately a 1.3M SF reduction in State administrative office space needs comparing the pre-COVID needs to post-COVID needs and approximately a 1M SF reduction comparing pre-COVID needs to the 5-year projected needs.

01.03.05 SUMMARY OF RECOMMENDATIONS

Through the work of an interagency Working Group, led by the OSA, the State developed a vision for achieving the reduction in administrative office space and a series of detailed strategies, recorded in Sections 04 and 05 of this report. By adopting components of remote working, the agencies reported that their space needs will reduce by approximately 1.1M SF, recorded in Section 06 of this report. With the addition of this Agency Findings data, the OSA and its consultants made specific recommendations for leveraging the reduced space need to reduce the State's physical footprint. Those recommendations, discussed in detail in Section 07, are:

- *Real estate recommendations*
  To achieve the space reduction, the State will need to implement real estate policies which prioritize the efficient use of space in leases:

  1. *Change in lease process to consider State space needs comprehensively.*
     This report recommends a change to lease policy that places the OSA in a position that is integral to the decision-making process. Through this process, the State will be able to improve space efficiency for agency moves to either State-owned space or commercially leased space.

  2. *Change in commercial lease language and duration goals to increase flexibility.*
     For the 2020-2025 space consolidation period, this report recommends that the State transition from the current five-year lease term goal to a goal of one-year to three-year lease terms with options to renew. This will give the State the ability to move agencies if an opening occurs in property such that a move would improve the State's efficiency of space use.

- *Recommendations for leveraging State-owned assets*
  This report recommends that the State re-shuffle agencies over time to better utilize the State-owned assets. The downtown Denver campus of the Capitol Complex is a primary opportunity to realize space reduction, due to both the high concentration of agencies located there and to the flexibility of the existing interagency lease mechanism utilized in the Capitol Complex. This report recommends several tactics to leverage the assets in the Capitol Complex:

  1. *Move general-funded agencies to the State-owned assets.*
     It is advantageous to prioritize State general-funded agencies for the State-owned space. Agencies who receive federal funding can be ideal for commercially leased space because the sizes of those agencies tend to fluctuate more than the sizes of general-funded agencies and because federal reimbursement policies favor leases in commercially leased space over leases in State-owned space. For those federally funded agencies that require proximity to the Capitol, this report recommends that the State prioritize consolidating leases in a minimal number of commercial properties near the Capitol. Section 07.02.01 describes this recommendation in detail.

  2. *Consolidate State overlapping agency needs in the Capitol Complex.*
     The individual agency space reductions create an opportunity to fit whole agencies into single buildings in the Capitol Complex. By reducing overlapping functions duplicated in multiple agencies into a high-functioning central location, additional space savings can be accomplished while providing a state-of-the-art conference center. Section 07.02.02 describes this recommendation in detail.

  3. *Renovate State-owned buildings in the Capitol Complex.*
     To make full use of the State assets, many buildings will need to be renovated. Several buildings in the downtown holdings have extensive capital improvement needs related to building systems, including electrical, mechanical and plumbing systems. In addition to these needs, many of the downtown buildings will need to be renovated to accommodate new work modalities, support making the State an Employer of Choice, and increase the utilization of the assets. Section 07.02.03 describes this recommendation in detail.

- *Co-locate commercial leases where possible*
  Co-locations are particularly efficient because they consolidate amenity spaces, infrastructure needs such as technology and security, and in the case of hubs, customer services. Additionally, co-locations can provide the State with the flexibility to accommodate changes in agency space needs: as one agency's needs grow, a co-location makes it possible to utilize surplus space that may be available from another tenant agency. Co-locations in commercial property give the State more negotiating power. Co-locations are opportunities to move from commercially leased space into State-owned space, including existing interagency leased and agency owned/occupied, to maximize utilization of State assets. This report recommends consolidation of leases in co-locations where possible and particularly for the State's largest commercial leases. Section 07.03 describes this recommendation in detail.

- *Establish equality of funding for tenant improvements*
  The current State practice for tenant improvements in commercial leases is that they are funded by the landlord with payback amortized through the lease payments, whereas the State practice for tenant improvements in State-owned space is that tenant improvements are paid upfront by the agency. This creates inequality between commercial space and State-owned space because historically there has been little or no funding for tenant improvements in State-owned buildings. This report recommends that the Office of State Architect investigate creating a mechanism that allows the state to fund and amortize tenant and controlled maintenance costs of State-owned buildings, which will better align its practices with the commercial sector albeit continue to provide a more cost-effective option to private commercial leases.

02
OVERVIEW

02.01
STRATEGIC OFFICE SPACE PLAN GOALS

02.01 INTRODUCTION

Together with businesses, nonprofits and other governments around the world, the State of Colorado has adapted how office work is done during the COVID-19 pandemic. The goal of this Strategic Office Space Plan is to capture the lessons from this experience and recommend how the State's office utilization might improve post-COVID. The successes of remote work suggest that the State has a once-in-a-generation opportunity to institute a different work approach that will result in a reduction of office space need. If done thoughtfully, this space reduction can dramatically increase State efficiency while also improving the well-being of the State's office workforce.

This report is also meant to serve as a record, telling the story of how State office utilization information has been collected and analyzed and how that information has been used by the State to develop strategies for the State's post-COVID use of office space. While this Strategic Office Space Plan represents the State's 2021 plans for reacting to the pandemic paradigm shift, those plans will evolve as more information becomes available and successes and missed opportunities are analyzed. This report is intended to be a living document, updated on an annual basis with what has been accomplished and next steps.

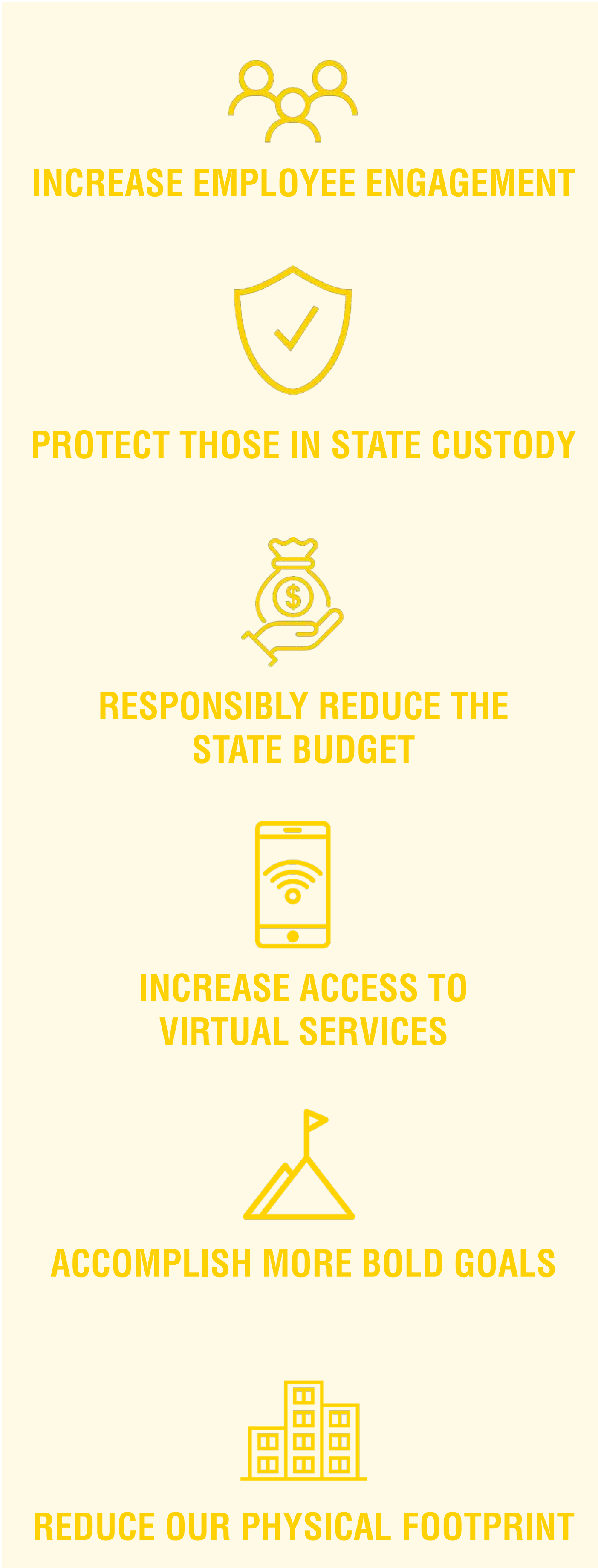


FIGURE 02.01: Reimagine State Government

> **"Never let a good crisis go to waste."**
>
> - Winston Churchill

02.01.01 REIMAGINE STATE GOVERNMENT

At the beginning of the pandemic in early April 2020, Governor Jared Polis' launched an initiative seeking opportunities to change and improve State government and its delivery of services to Coloradans, considering the changes that the pandemic was bringing to the State. The initiative, known as the Reimagine State Government (RSG) Initiative, identified six pillars of change:

1. Increasing employee engagement
2. Protecting those in State custody
3. Responsibly reducing the State budget
4. Increasing access to virtual services
5. Accomplishing more Bold Goals
6. Reducing the State's physical footprint

The last goal, reducing the State's physical footprint, refers to improving asset management and harnessing the untapped value in State resources. The goal is the impetus for this Strategic Office Space Plan. The Governor's charge is to reduce the State's physical footprint by 1M square feet by 2025. This goal will be achieved through cataloging underutilized assets and identifying opportunities to work and use space differently to maximize efficiency and reduce costs without sacrificing quality of service. In addition to improving space utilization, the strategies for reducing the State's physical footprint also have important positive impacts on the other pillars of the Reimage State Government initiative, in particular increasing employee engagement and responsibly reducing the State budget.

02.01.02 DPA'S GOALS

One aspect of the Reimagine State Government initiative is a call to agencies to establish bold, forward-looking goals. The goals for the Department of Personnel & Administration (DPA), referred to as "Wildly Important Goals," parallel the Governor's Reimagine State Government goals. The priority areas of DPA's Wildly Important Goals are:

1. Establish State government in Colorado as an Employer of Choice
2. Emphasize innovation and efficiency in government operations
3. Reduce the State's physical footprint

This Strategic Office Space Plan focuses on reducing the State's physical footprint. The Employer of Choice and innovation and efficiency goals set the context for *how* this vision should be accomplished. See Section 04.02.01 Wildly Important Goals of this report for additional information on DPA's goals.

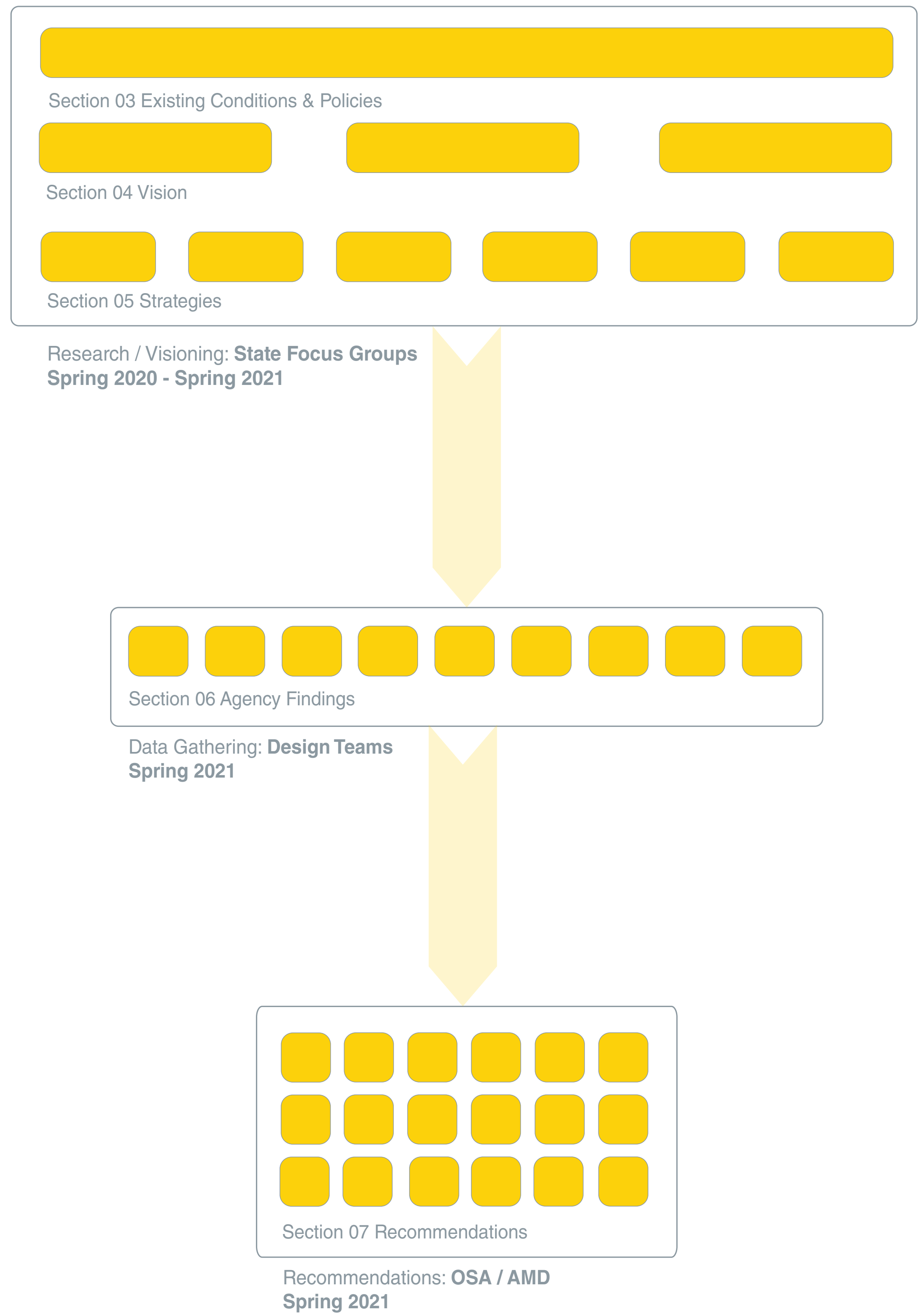


FIGURE 02.02: How to navigate the Strategic Office Space Plan

02.01.03 NAVIGATING THE STRATEGIC OFFICE SPACE PLAN

Strategic planning involves a hierarchy of ideas, working from the broad to the specific; the Strategic Office Space Plan is structured to progress in this way. It begins with an assessment of existing building conditions, processes and policies. Based on the assessment of existing conditions, broad vision statements declare how the State wants to evolve its use of space. A series of strategies are then proposed for achieving the vision, and finally, specific tactics are proposed for each strategy. If the reader is interested in quickly learning of the recommended tactics, one can skip to Section 07 Recommendations.

This Strategic Office Space Plan records work completed by many individuals over a one-year timeframe spanning spring 2020 to spring 2021, led by the Office of the State Architect (OSA). Anderson Mason Dale Architects (AMD) was retained in spring 2021 to compile the Strategic Office Space Plan. Together, the OSA and AMD are referred to in this report as the “Planning Team.”

The framework for the Strategic Plan is as follows:

- Sections 02 Overview, 03 Existing Conditions & Policies, 04 Vision and 05 Strategies consist of extensive work undertaken by the State during the pandemic. AMD recorded, highlighted and summarized the State work.
- Section 06 Agency Findings is a bridging chapter, recording agency-by-agency data for pre-COVID conditions and projections for post-COVID space needs. It is based on the data collection of four Design Teams, working under the leadership of the OSA: Abo Group, AMD, EUA and Stantec.
- Section 07 Recommendations consists of specific suggestions for the State to consider implementing. These are Planning Team recommendations from OSA and AMD, with contributions from Stantec. The recommendations are based on the research, visioning and strategizing completed by the State and the four Design Teams.

02.02
PROCESS

02.02 INTRODUCTION

One purpose of the Strategic Office Space Plan is to record the process that the State underwent to collect ideas related to the Reduce Our Physical Footprint goal and validate those ideas. Colorado's process has been remarkable in that it has combined visioning at the leadership levels of government with deep and broad input extending to surveys of opinions at the staff level.

02.02.01 WORKING GROUP

In mid-2020, an interagency strategic leadership team was established with the central goal of reducing the physical footprint of Colorado's State government. Led by the Office of the State Architect (OSA), the Reducing Our Physical Footprint Working Group was charged with reviewing and developing strategies to achieve 1M square feet of lease consolidation for agencies across Colorado in the next five years. See Section 04.03.01 for a detailed record of the Working Group's visioning.

02.02.01.01 THREE GREAT IDEAS

To begin the process of establishing a framework for the Reduce Our Physical Footprint Initiative, each agency was asked by the Governor to submit to the Working Group "three great ideas" targeting short-, medium- or long-term goals and focusing either inwardly on their agency or broadly on statewide goals. In total, 48 distinct ideas were presented to the Working Group who ranked each based on the benefit to State employees, the benefit to Coloradans, effective use of funding per space and return on investment. This "Three Great Ideas" initiative precipitated the formation of Focus Groups, as described in the following section, whose recommendations are the basis for this report. See Section 04.03.03 for a detailed record of the "Three Great Ideas" initiative.

02.02.01.02 FOCUS GROUPS

The Working Group organized the "Three Great Ideas" thematically and established Focus Groups to further explore and refine strategies. Those Focus Groups were:

1. The Capitol Complex Focus Group
2. Colocation, Hoteling and Regional Centers Focus Group
3. Transportation, Parking & Environment Focus Group
4. Legislative Focus Group

Each Focus Group's findings and endorsements, put forth in early 2021, encompassed short- and long-term opportunities for DPA and OSA in support of the Reduce Our Physical Footprint / Reimagine State Government initiative. The Focus Group recommendations are the underpinnings of this Strategic Office Space Plan. See Section 04.03.04 Focus Groups for a detailed record of the Focus Groups' vision.

02.02.01.03 BASIC STEPS

In fall 2020, the OSA undertook an initial validation process – referred to as the "Basic Steps" - to determine what office square footage could be reduced and whether 1M square feet was a reasonable target. See Section 04.03.02 for a detailed record of the Basic Steps process and findings.

FIGURE 02.03: Space Reduction Process

02.02.02 AGENCY FINDINGS PROCESS

As useful as the Basic Steps were for validating the initial feasibility of a 1M SF reduction in State office space, it became apparent that more concentrated time with the agencies to establish common terminology and better understand operational needs would benefit the Strategic Office Space Plan. The Agency Findings process and data is recorded in Section 06 of this report. The findings validated the 1M SF goal and serve as the basis for the implementation recommendations in Section 07.

02.02.03 RESEARCH AND BENCHMARKING

An important aspect of any strategic planning effort is the consideration of how peers are addressing similar issues. This Strategic Office Space Plan includes national research and benchmarking interviews with representatives from peer state governments. The research shared in this report represents relevant insights that balance qualitative and quantitative data. Interviews, surveys, and benchmark data were provided by Colorado agencies, peer states and comparable private-sector companies. Leading-edge workplace strategy research and case studies from industry thought leaders have also been considered.

The research incorporates data from before, during and after the 2020 - 2021 pandemic. Hybrid work (a combination of in-person and remote work options for employees), mobility programs and workplace strategies for unassigned workstations were adopted and/or explored by the General Services Administration (GSA), various state governments and private sector companies before 2020. The COVID-19 pandemic was a catalyst for accelerating the adoption of varied levels of remote work, validating and illustrating important design considerations in both office and remote settings. Planning for technology, public health, employee flexibility, sustainability and resiliency have become critical building blocks to ensure long-term success for employers and employees. Section 05.10 Planning for Design Guidelines describes the State's plans to continue workplace research through a Design Guidelines effort, with specific recommendations for the design of future State workplaces. A draft of the Design Guidelines is expected to be published in fall 2021.

The benchmarking analysis compares the leasing practices of peer states with those of Colorado. The Planning Team interviewed representatives from six states to collect this information. To achieve consolidation of space over a short period, the State will need to revise leasing policy toward a position of greater flexibility. The benchmarking interviews provided insight into best practices leasing policies that other states are using to achieve flexibility. Section 04.05 Benchmarking records the benchmarking interviews. The proposed leasing strategies for Colorado, which are directly influenced by the benchmarking exercise, are described in Section 05.08 Future Leasing Strategies.

02.03
DEFINITIONS

02.03 INTRODUCTION

The following are definitions of commonly used terminology in this document. Defining terminology helps identify and explain various methods of space calculations as well as descriptions of space types and work styles.

Agency: An agency is an organization of government. The term, as used in this report, refers to any Department, Division or Office of the Governor.

Agency-Owned / Agency-Occupied: Agency-Owned / Agency-Occupied buildings are owned and occupied by one agency. Agency-owned / agency-occupied space does not involve exchange of rent.

Alternative Workspace Solutions (AWS): For this report, AWS describes physical ways of organizing workspace by task to allow employees flexibility, increase productivity and to increase space efficiency. AWS workspaces are optimized for tasks such as concentrated work, informal collaboration, phone / video calls, meetings and project development. Alternative work schedules and alternative workplaces are described using the phrase Flexible Work Arrangements defined below.

Assignable Square Feet (ASF): The usable area of individual rooms or spaces available for furnishings, equipment and personnel, including storage areas, measured from the inside face of surrounding walls and excluding any area that cannot be occupied, such as structural columns, building shafts, or the space taken by the walls themselves.

Capitol Complex: The Capitol Complex comprises State-owned buildings on several campuses managed by Capitol Complex Facilities Management within the Department of Personnel & Administration. Campuses are in the metro Denver area and Grand Junction. Metro Denver campuses relevant to this report include the Downtown Campus, Kipling Campus and Pierce Street Site.

Co-location: A co-location refers to multiple state agencies occupying one building.

Dedicated Square Feet (DSF): This includes all individual workspace (workstations and offices) dedicated to a given Office/Division, unique spaces (see definition below) and internal circulation between those spaces. This excludes any primary building circulation, building core and support spaces that are shared between Offices/Divisions.

Department Gross Square Feet (DGSF): The sum of the department's various personnel, support and circulation space in all buildings. DGSF is measured to the inside face of exterior walls, including interior walls but excluding vertical circulation and shaft space.

Flexible Work Arrangements (FWA): Flexible Work Arrangements involves flexibility in when, where, and how work is done. For this report, physical office configurations which allow for the implementation of FWA are described as Alternative Workspace Solutions.

Flex Place: Employees have flexibility in determining the physical location of their work. For example, a flex place employee would have the flexibility to work from home some days and work from State office space other days.

Flex Time: For the purposes of this report, flex time refers to an employee's ability to work on a flexible time schedule. For example, an employee may work extended hours (10-hour days) Monday through Thursday and not work on Friday.

FTE Vacancy: An FTE vacancy indicates an approved position that has not yet been filled, regardless of whether it is full- or part-time.

Full-Time Equivalent (FTE): This number indicates the actual workload by employees in hours. In general, space needs studies speak in terms of head and seat counts only as opposed to FTE numbers, as these counts determine space needs more accurately.

1.0 FTE = one full-time (40 hours/week) employee

0.5 FTE = one part-time (20 hours/week) employee

0.5 FTE + 0.5 FTE = 1.0 FTE

0.5 FTE + 0.5 FTE = 2 head count (see definition below)

Gross Square Feet (GSF): The sum of all areas on all floors of a building that are within the outside faces of the building's exterior walls, including columns, vertical circulation and shaft areas that connect one floor to another.

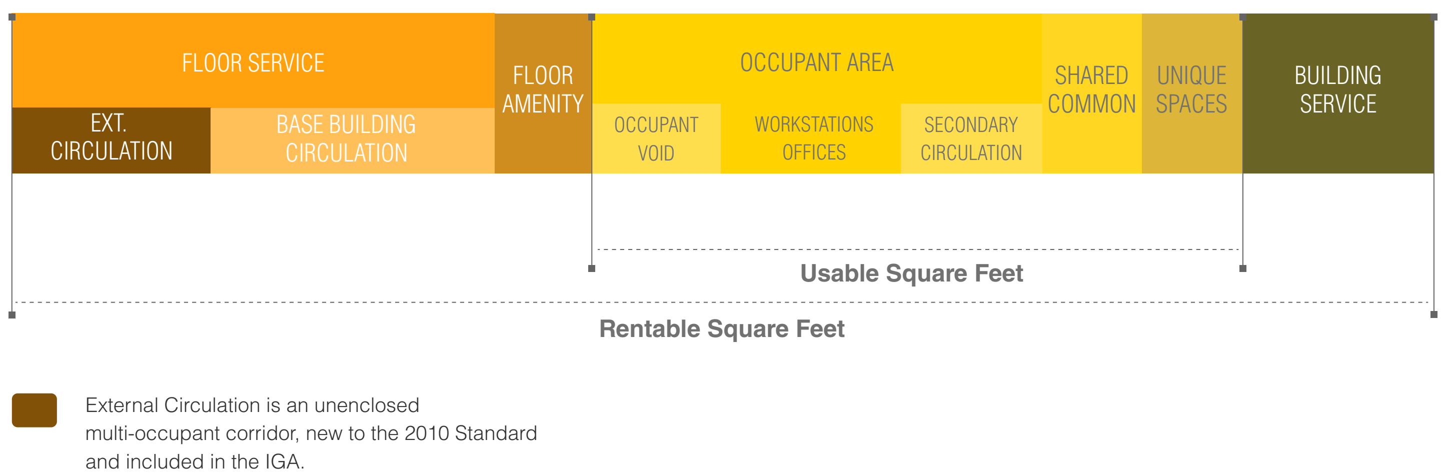


FIGURE 02.04: BOMA Standards diagram - Office 2010

Head Count: The head count is the actual number of people who use a space. The number includes employees who are full-time, part-time, vacant (funded) positions, temporary, vendors, contract workers and other agency employees.

Hoteling: Unassigned, first-come, first-served or reservable workspaces that can be occupied by any staff member. Hoteling workspaces can be offices or touchdown spaces. Hoteling is calculated at a standard 10:1 on-site head count to seat count ratio, unless otherwise noted.

Hub: For the purposes of this report, a hub is a co-location in which at least one of the participating agencies offers customer services requiring public access.

Interagency Lease: Interagency leases involve the exchange of rent from one agency to another.

Interagency Space: Interagency space is any space that is not dedicated to one agency, regardless of size or frequency of use. A typical example of interagency space is a large meeting space which is required for occasional use by an individual agency and is therefore suitable for consideration to use by multiple agencies.

Occupant Area: A portion of the building where an occupant normally houses personnel, equipment, fixtures, supplies, goods or merchandise.

Permanent Remote Work (no office): This category indicates any head count staff that will not need an assigned workspace. Hoteling is utilized to satisfy these staff members' needs to occasionally come into an office.

Real Estate Region: For the purposes of this report, a Real Estate Region is a division of the State, along county lines, for the purposes of analyzing leases. A Real Estate Region may be one county or a multi-county area.

Rentable Square Feet (RSF): Office area of a tenant plus the tenant's share of the common area of the floor and the building (for example shared building restrooms, shared building/floor circulation, shared building lobby, etc.).

Rightsizing: The process of identifying and calculating what the actual space need is to meet requirements specific to end-user groups, which may or may not be the same as occupied space usage. Rightsizing establishes a baseline from which future space needs can be projected and may be greater or less than the current need. Typical rightsizing exercises apply proposed space standards to eliminate the surplus and/or account for deficiencies to optimize space efficiency.

Seats Available: The total number of physical seats that are available for use by the department within the facility or facilities, regardless of what type of seat it is (workstation, office, hoteling station, etc.).

Seat Count: Seat count is the total number of actual seats needed to serve the agency. This number uses head count to measure how many people need seats. In addition to head count, seats needed accounts for an approved head count for the fiscal year that has yet to be filled, interns, other agency employees, vacant positions, future positions, temporary employees, vendors/contract/consultant positions seated within the department/division and miscellaneous workstations that are not specifically dedicated to a single employee, such as hoteling stations or shared workstations. Seat count also accounts for seat sharing and workspaces that are not specifically dedicated to a single employee. For example, two employees may share one seat due to schedules that occur at opposite hours. This example would require only one seat for two head count employees.

Seat Sharing: Seat sharing accounts for workspaces (seats) that are assigned, but not specifically dedicated to a single employee. For example, two employees may share one seat due to schedules that occur at opposite hours. This example would require only one seat for two head count employees. Seat sharing is typically calculated at a 2:1 ratio.

Seat Vacancy (Vacant Workstations): Workstation vacancy indicates a vacant seat, which may include offices and/or workstations.

Support Space / Shared Common: These spaces are common areas and shared spaces between offices and programs that any agency staff may use, such as conference rooms, copy/print area, shared storage rooms, training rooms and break areas.

FIGURE 02.05: Area Calculations Definitions
Credit: Stantec

Unique Space: For the purposes of space planning in this report, unique spaces are dedicated spaces which are part of an agency administrative office need, but are not typical office use (workstation, office, reception, meeting space for up to 10 people, copy room, break room). Typical examples of unique space are file rooms and large meeting rooms. Spaces that are not dedicated to one agency's use are defined as interagency space in this report.

Usable Square Feet (USF): Office area of a tenant, including all spaces used solely by the tenant (for example offices, workstations, workrooms, reception areas and the circulation connecting these spaces). The common area of the floor and the building (for example shared building restrooms, shared building/floor circulation, shared building lobby, etc.) is not included in the usable area.

Vetted Area: Vetted area for this report refers to State office area that has been vetted as suitable for space reduction. Some office area, including most customer-serving office area (for example, parole office use) is not suitable for space reduction and is therefore not part of the scope of this report. The phrase "administrative office" area in this report is used interchangeably with "vetted" area.

03

EXISTING CONDITIONS & POLICIES

03.01

OVERVIEW OF STATE-OWNED AND COMMERCIALLY LEASED SPACES

03.01.01 INTRODUCTION

A first step to understanding how the State might achieve a significant post-COVID office space footprint reduction is to understand the magnitude of the State's pre-COVID office use. State agencies are housed in a mix of State-owned and commercially leased properties. State office space, excluding higher education, totals 5.3M SF (1.7M RSF in commercially leased space and 3.6M USF in State-owned space). State office space which cannot be reduced because of the specific nature of the service is excluded from the Strategic Office Space Plan efforts. This report includes the administrative office use of 19 agencies. This group includes approximately 10,500 employees occupying approximately 2.8M SF of administrative office space prior to the COVID-19 pandemic (1.3M RSF in commercially leased space and 1.5M USF in State-owned space) suitable for consideration for reduction.

The State's philosophy is to house agencies with relatively stable space needs in State-owned buildings and use commercial leasing to house agencies whose space needs tend to fluctuate. Funding source is also a driver for the State as agencies with federal funding are more likely to fluctuate in size and have lease funding policies which are more favorable to commercial leases.

State agencies housed in State-owned properties are handled in one of two ways. The first is through interagency leases. Interagency leases involve one State agency leasing space from another. Very few agencies are allowed by statute to own their facilities. The Department of Personnel & Administration (DPA) is unique in that it is allowed to own, lease, dispose of or acquire real estate property on behalf of the State. When agencies occupy State-owned space, the typical mechanism for doing so is leasing from DPA, referred to as "interagency" leases. Most State property is managed by DPA. As of 2021, the portion of State-owned administrative office space in interagency leases suitable for space reduction is approximately 643,000 USF, in 13 leases. The second way that State agencies meet their administrative office space needs is through agency-owned, agency-occupied space. There are only a handful of State agencies that have the statutory authority to own their facilities. These agencies include Colorado Department of Agriculture, Colorado Department of Human Services, Colorado Department of Labor & Employment, Department of Military and Veterans Affairs, Department of Natural Resources, Colorado Department of Transportation and History Colorado within the Department of Higher Education. A total of approximately 817,000 USF is currently provided through this type of space in 34 locations.

Additional State office needs for agencies are met through commercial leases in the private sector. As of 2021, the total of State leased administrative office space in the commercial sector available for evaluation in this study is approximately 1,304,000 RSF in 43 leases.

Refer to Figure 03.02 for more information on the breakdown of commercial versus State-owned office space.

Refer to Figures 03.03, 03.07, and 03.13 for locations around the State, organized by real estate region (see Section 05.08.02), of both State-owned and commercially leased administrative office properties, and the relation of these locations to where State employees live.

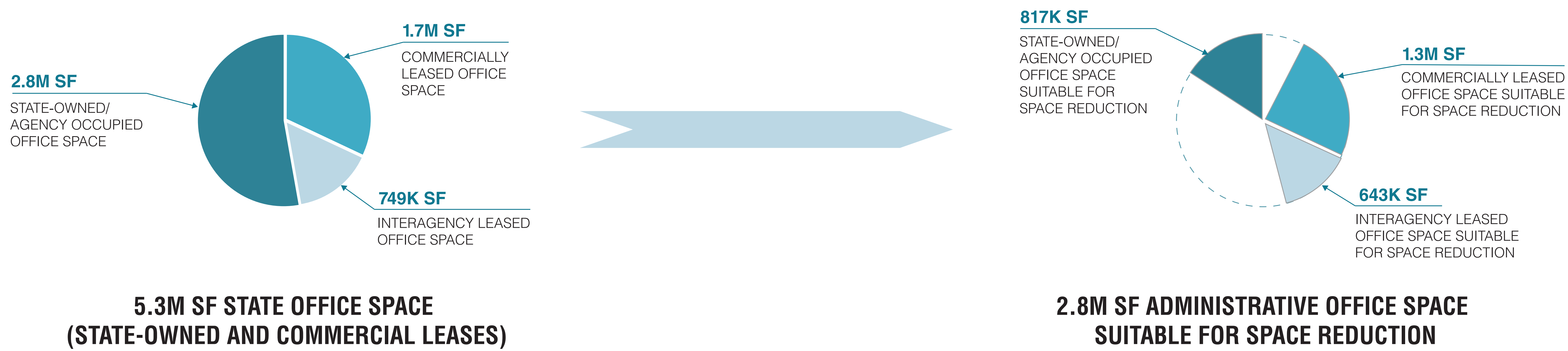
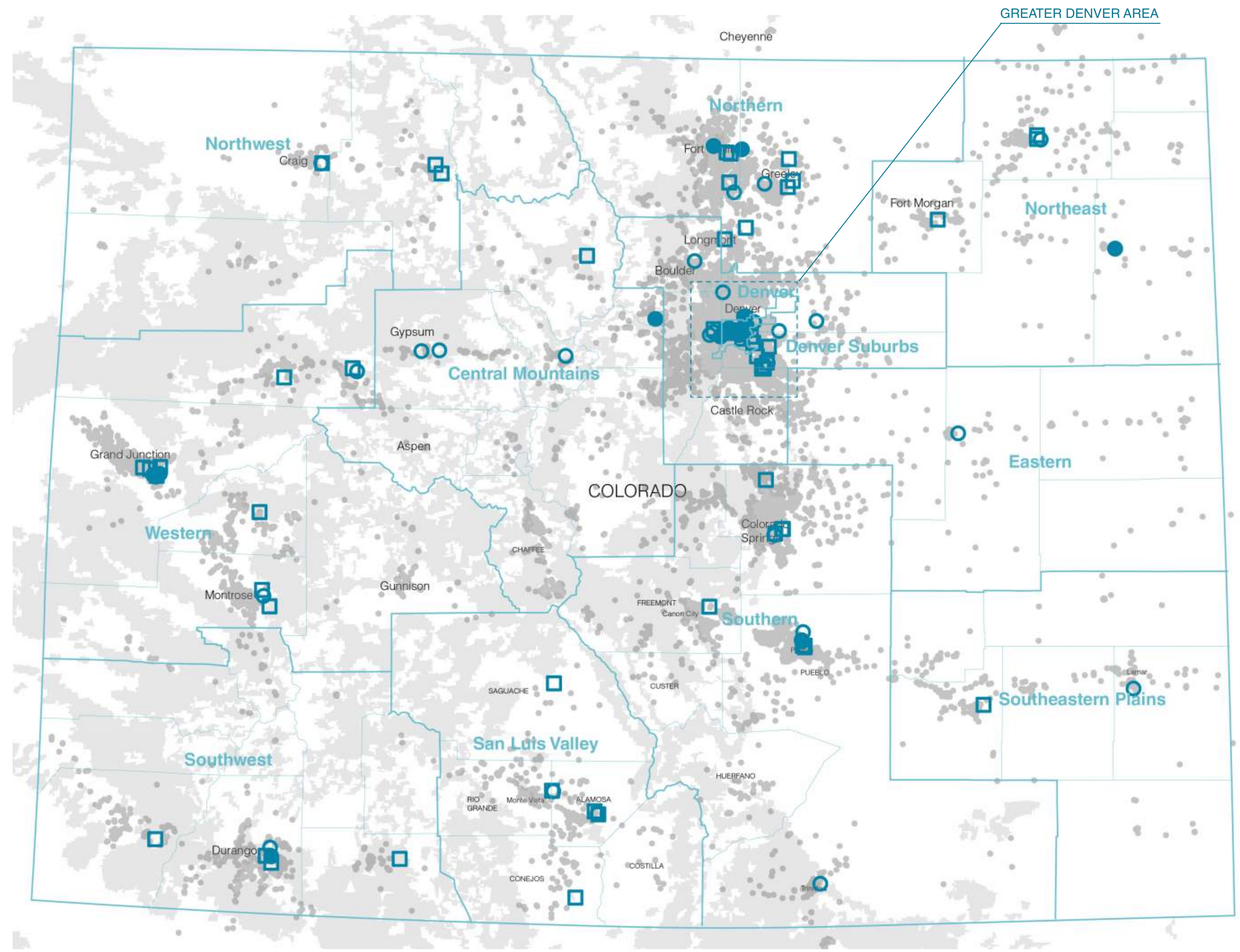


FIGURE 03.01: Space available for reduction

ADMINISTRATIVE OFFICE SPACE AVAILABLE FOR EVALUATION IN THIS STUDY

Agency	Total Office SF of Agency SF		Basic Steps Agency Vetted SF	
Commercially Leased Space	1,683,540	RSF	1,303,844	RSF
State-Owned: Interagency Leased Admin. Office Space	748,683	USF	643,337	USF
State-Owned: Agency-Owned & Occupied Admin. Office Space	2,848,544	GSF	817,059	USF
TOTAL	**5,280,767**		**2,764,240**	

FIGURE 03.02: The table summarizes the amount of total square footage and the amount that has been vetted and is suitable for evaluation for potential space reduction.



LEGEND:

- COMMERCIALLY LEASED ADMINISTRATIVE OFFICE SPACE
- STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPACE
- STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE
- STATE EMPLOYEE LOCATIONS

FIGURE 03.03: Locations of owned and leased office space in relation to the locations where state employees live

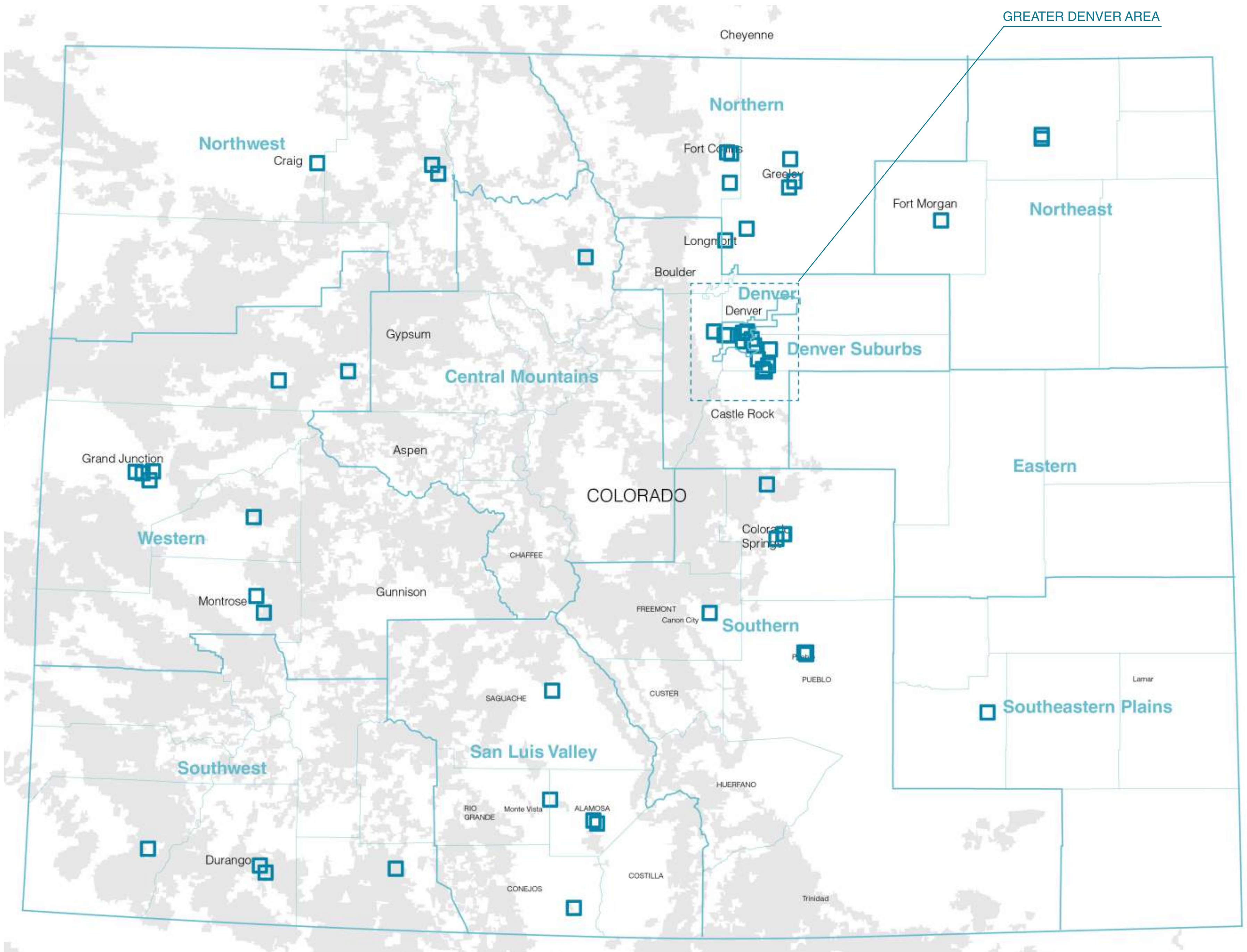


FIGURE 03.04: Locations of current commercial leases in the State of Colorado

LEGEND:

COMMERCIALLY LEASED ADMINISTRATIVE OFFICE SPACE

03.01.02 LEASE COSTS

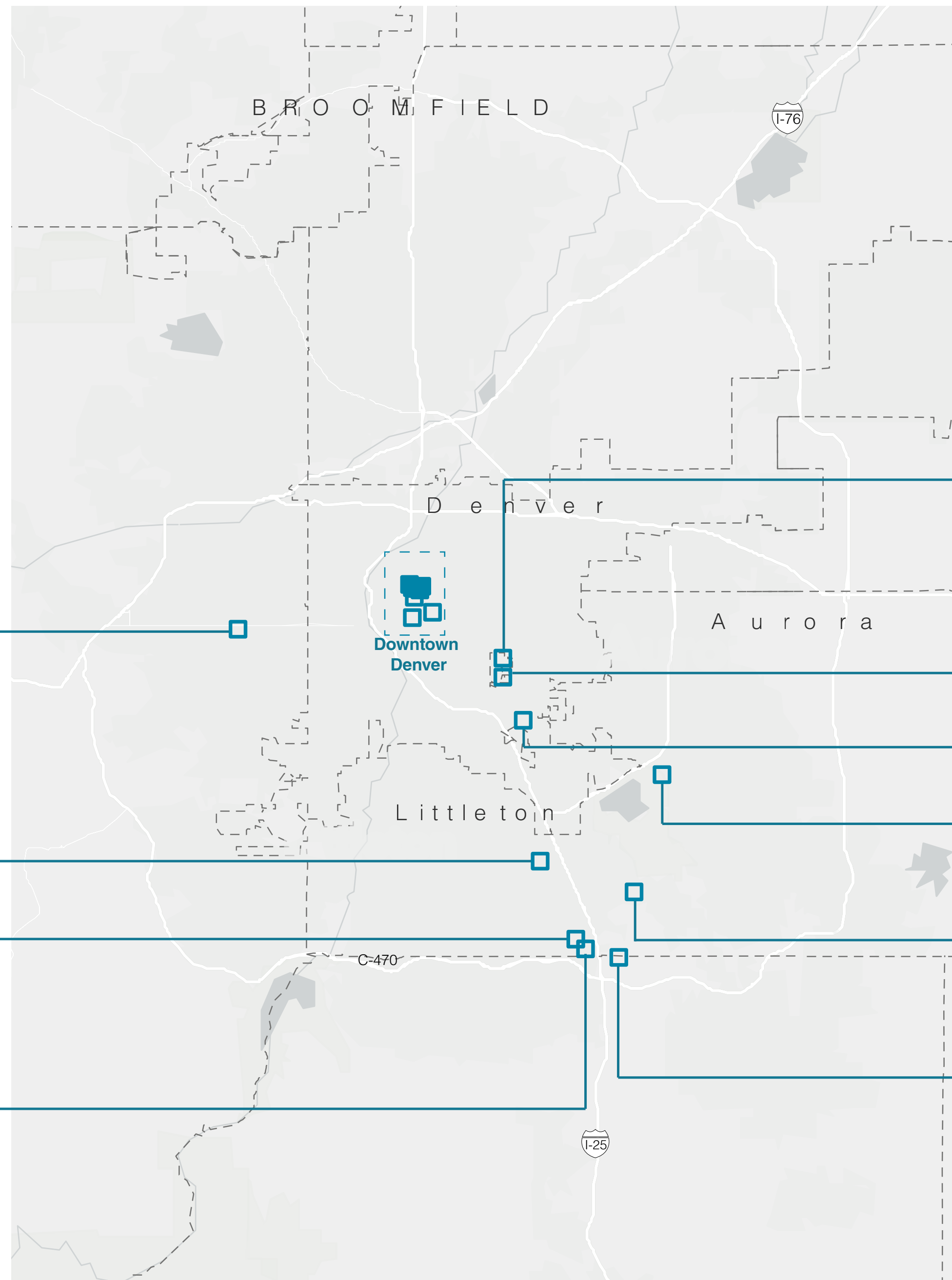
Commercial leased space is the highest cost option but easiest for state agencies to add needed program space.

While commercial leased space is a flexible space-expansion option, particularly for newer State programs that have not reached a level of stability, it is also the most expensive state agency space option. A commercial lease must include the private owner's actual facility costs – either construction and financing or depreciation/economic opportunity cost, leasehold improvement costs required by the program for the space, any major maintenance items necessary in the space over the period of the lease, and the landlord's management expenses as well as profit. In the commercial leased space option, the full cost of the facility, plus management expenses and profit, is paid in the lease.

Occupancy of existing State building space, such as in the Capitol Complex, which includes an operating budget line item to pay for annual facility operating costs of the Capitol Complex program, but does not include a rent for the capital asset, and so is the least expensive option. Existing space tends to be fully occupied, is dependent on ongoing upkeep through the controlled maintenance process, and quality of building space varies. Typically, the State has not been a good steward of its properties because it consistently underfunds controlled maintenance and rarely engaging in renovation or facility improvement for its buildings.

03.01.03 COMMERCIAL LEASES

Agencies that are not housed in State-owned properties lease space in the commercial market. As stated above, the total of State leased administrative office space in the commercial sector available for evaluation in this study is approximately 1,304,000 RSF, in 43 leases. Commercial leases differ from interagency leases in that tenants pay rent based on the rentable area as opposed to the usable area. See Section 03.02 for a detailed analysis of the usable vs. rentable measurement methodologies. Below is a summary of lease locations across the State by market and by agency, including a total number of leases, square footage, cost per square foot and annual rent.



CDPS
710 Kipling St.
Golden, CO
6,311 RSF

CDHS
5670 Greenwood Plaza Blvd.
Greenwood Village, CO
6,504 RSF

DPS
9195 E. Mineral Av.
Centennial, CO
4,233 RSF

DPS
8000 S. Chester
Centennial, CO
6,486 RSF

CDPHE
4300 Cherry Creek Dr. South
Aurora, CO
318,999 RSF

CDPHE
710 S. Ash St.
Glendale, CO
36,688 RSF

CDE
6000 E. Evans Ave.
Denver, CO
9,039 RSF

CDHS
3190 S. Vaughn Way
Aurora, CO
43,910 RSF

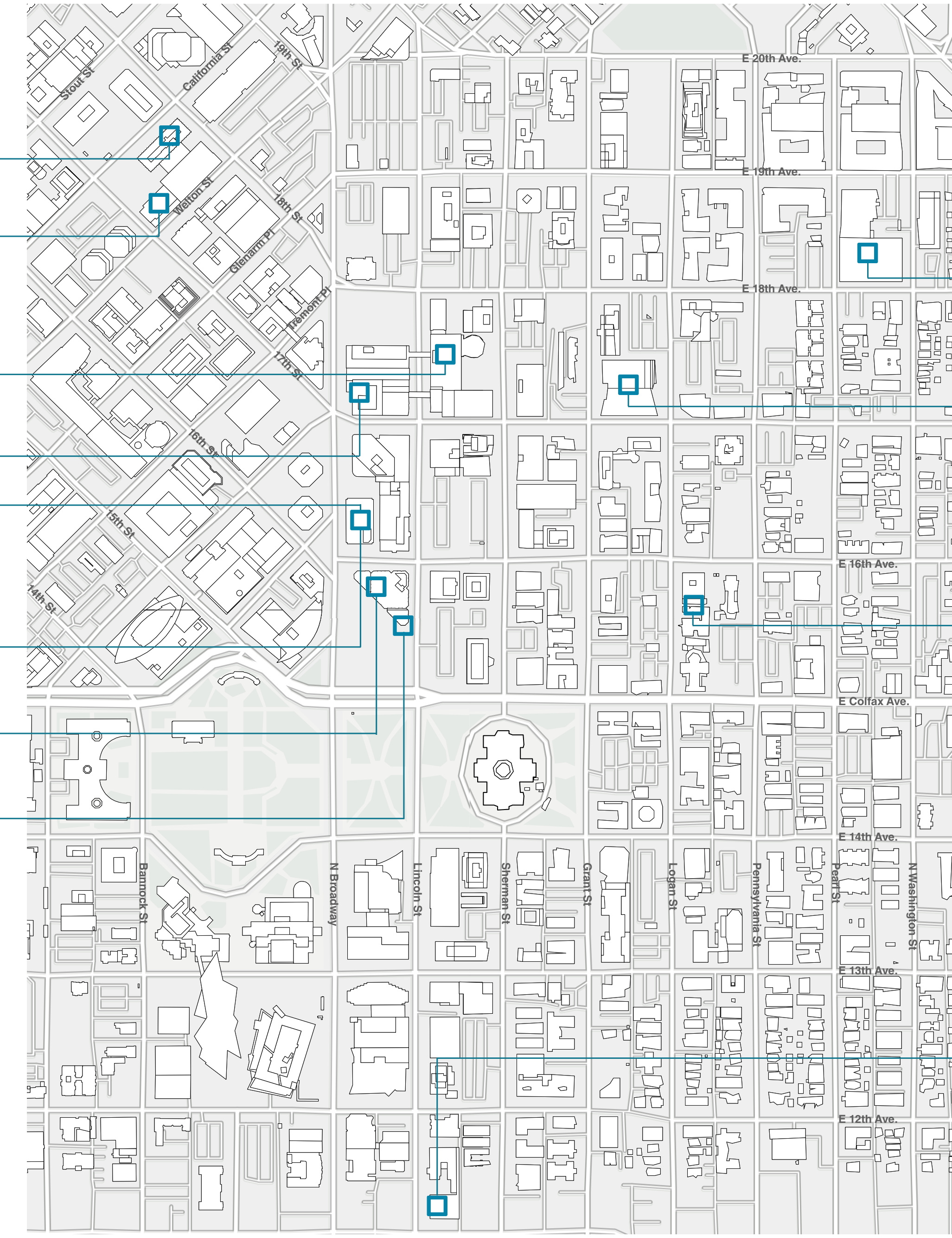
DMVA
12150/12200 E. Briarwood Av.
Centennial, CO
6,203 RSF

CDOT
400 Inverness Pkwy.
Centennial, CO
11,910 RSF

FIGURE 03.05: Locations of commercially leased administrative office space in the greater Denver area

LEGEND:

COMMERCIALLY LEASED ADMINISTRATIVE OFFICE SPACE



CDLE
633 17th St
184,564 RSF

CDLE
621 17th St
6,840 RSF

LT. GOV (SERVE COLORADO)
1776 Lincoln St.
1,992 RSF

DOS
1700 Broadway
45,778 RSF

CDE/CHARTER SCHOOL INSTITUTE
1600 Broadway
6,483 RSF

GOV (OEDIT, CEO) CDHE
1600 Broadway
24,113 RSF

DORA
1560 Broadway
166,069 RSF

CDE
1560 Broadway
38,515 RSF

GOV (OIT)
601 E. 18th Ave.
95,318 RSF

HCPF
303 E. 17th Ave.
103,706 RSF

LEGISLATIVE
1580 Logan St.
2,322 RSF

DNR
1120 Lincoln
30,538 RSF

FIGURE 03.06: Locations of commercially leased administrative office space in close proximity to the Capitol Complex.

LEGEND:

COMMERCIALLY LEASED ADMINISTRATIVE OFFICE SPACE

CURRENT COMMERCIAL LEASES BY LOCATION

Real Estate Region	Number of Leases	Pre-COVID Commercially Leased SF
DENVER	20	675,192
DENVER SUBURB	13	488,359
NORTHERN	1	8,465
NORTHWEST	1	1,174
SAN LUIS VALLEY	1	580
SOUTHERN	3	109,284
SOUTHWEST	1	3,897
WESTERN	3	16,893
TOTAL	**43**	**1,303,844**

FIGURE 03.07: Current commercial leases by location

CURRENT COMMERCIAL LEASES BY AGENCY

Agency	Number of Leases	Pre-COVID Commercially Leased SF
CDE (DEPT OF EDUCATION)	3	47,554
CDHE (DEPT OF HIGHER EDUCATION)	1	18,182
CDHS (DEPT OF HUMAN SERVICES)	2	17,004
CDLE (DEPT OF LABOR AND EMPLOYMENT)	2	184,564
CDPHE (DEPT OF PUBLIC HEALTH AND ENVIRONMENT)	3	355,687
DMVA (DEPT OF MILITARY AND VETERANS AFFAIRS)	1	6,203
DNR (DEPT OF NATURAL RESOURCES)	8	57,452
DOC (DEPT OF CORRECTIONS)	2	102,879
HCPF (DEPT OF HEALTH CARE AND POLICY FINANCING)	7	110,008
DOR (DEPT OF REVENUE)	4	91,025
DORA (DEPT OF REGULATORY AGENCIES)	2	166,069
DPS (DEPT OF PUBLIC SAFETY)	3	17,030
CDOT (DEPT OF TRANSPORTATION)	1	11,910
GOVERNOR'S OFFICE	4	118,277
TOTAL	**43**	**1,303,844**

FIGURE 03.09: Current commercial leases by agency

CURRENT COMMERCIAL LEASES IN METRO DENVER VS REMAINDER OF STATE

Real Estate Region	Number of Leases	Pre-COVID Commercial Leased SF	Average Lease Rate per SF	Annual Rent
Denver Metro	33	1,163,551	$22.27	$25,907,645
Remainder of State	10	140,293	$20.42	$2,865,450
TOTAL	**43**	**1,303,844**	**$22.07**	**$28,773,095**

FIGURE 03.08: Current commercial leases in metro Denver vs remainder of State

03.01.03.01 COMMERCIAL LEASE LOCATIONS ACROSS THE STATE

State agency leases in commercial property are spread throughout the State, with most of the leases clustered in the Denver metro area and along the northern and central I-25 corridor (see Figure 03.04).

Current commercial leases (FY 2021/2022) grouped by location around the State are summarized in Figure 03.07.

Current commercial leases (FY 2021/2022) grouped by agency in Colorado are summarized in Figure 03.09.

For more detailed versions of Figure 03.07 and Figure 03.09, see Section 08 Appendices.

03.01.03.02 STATE VERSUS DENVER COMMERCIAL LEASES

Figure 03.08 summarizes current leases (FY 2021/2022) by agency comparing leases in the Denver metro area to leases elsewhere in the State. The total annual rent for leases of State administrative office space in the Denver metropolitan area is slightly more than the sum of the leases for the remainder of the State. This reflects the higher average lease rate in Denver as compared to the rest of the State ($22.27 / RSF vs. $20.42 / RSF). One goal of the State is to prioritize State-owned space over leased space for agency re-locations. The large portion of State leases in the Denver area along with the higher lease rate suggests that the Denver locations become a focus for this transition to State-owned space.

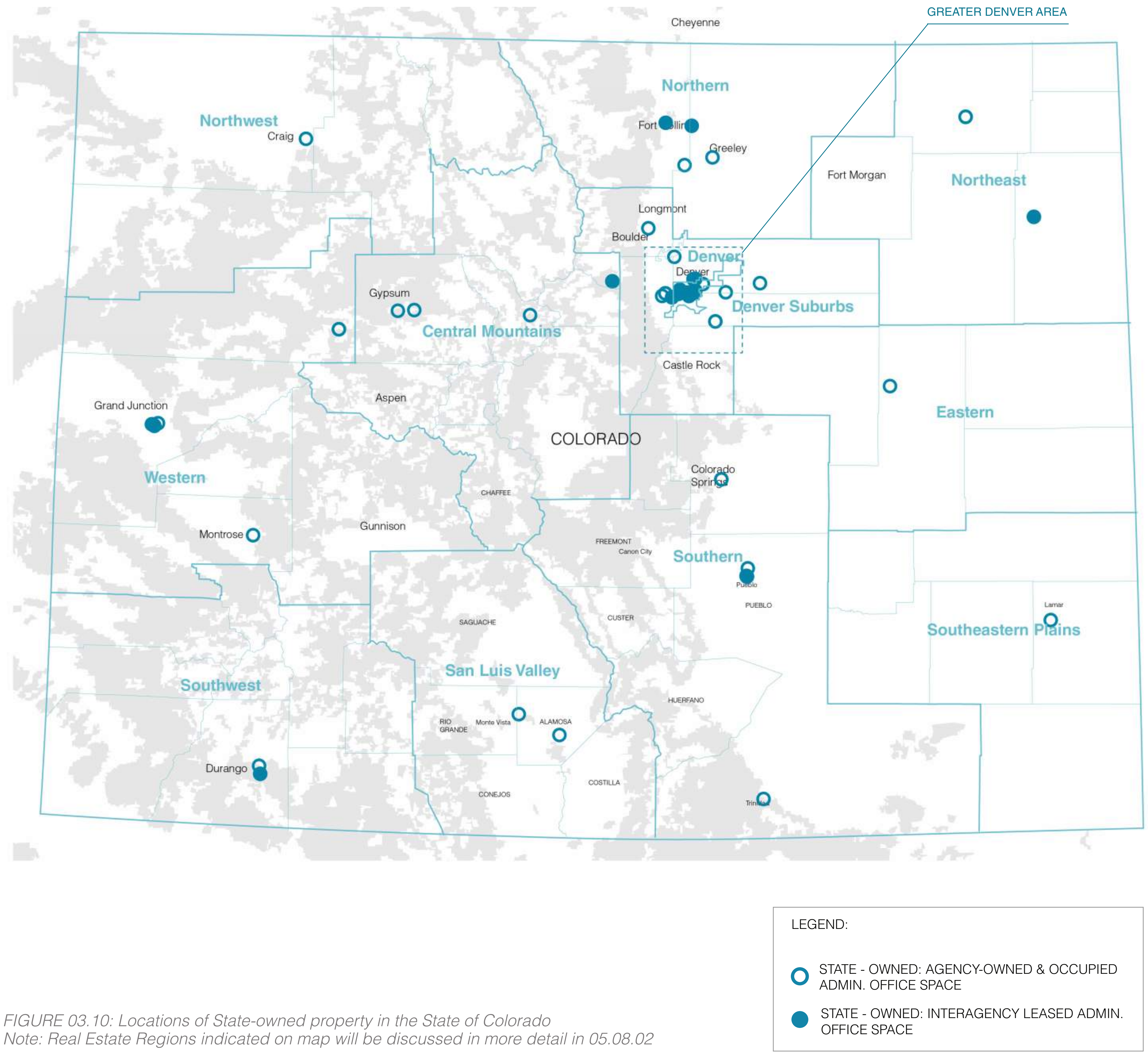


FIGURE 03.10: Locations of State-owned property in the State of Colorado
Note: Real Estate Regions indicated on map will be discussed in more detail in 05.08.02

03.01.04 STATE-OWNED PROPERTY

The State of Colorado owns numerous administrative office properties suitable for space reduction throughout the State, and many of these properties are considered part of the Capitol Complex (see Section 03.01.04.03 for a description of the Capitol Complex campuses, including the downtown Denver campus). As stated above, the total amount of administrative office space for evaluation in this study handled through interagency leases is approximately 643,000 USF in 13 leases, and the total amount of administrative office space for evaluation in this study considered agency-owned / agency-occupied is 817,000 USF in 34 locations. Approximately 45% of all interagency leased and agency-owned / agency-occupied square footage is within the Downtown Denver campus of the Capitol Complex.

Figure 03.10, Figure 03.11 and Figure 03.12 show these administrative office locations across the State, broken down by either interagency lease or agency-owned / agency occupied.

Figure 03.13 summarizes administrative office locations across the State by region (See Section 05.08.02.02 for a description of proposed Real Estate Regions). Figure 03.14 summarizes them by agency, including the total number of locations and total square feet of leased space.

03.01.04.01 INTERAGENCY LEASES

Interagency leases involve the exchange of rent from one agency to another. Because interagency leases involve tenants rather than owners, moving occupants in interagency-leased space is relatively straightforward. Section 07.02 describes scenarios for moving occupants in interagency-leased space in the Capitol Complex in order to maximize efficiencies.

Interagency leases differ from commercial leases in that tenants pay rent based on the usable area (Usable Square Feet or USF) that they occupy, rather than rentable area (Rentable Square Feet or RSF), which includes the tenant portion of shared common areas. Leases are typically based on the rentable area in the private sector. See Sections 03.02 Commercial Leases and 07.01 Leasing Recommendations for detailed descriptions and recommendations regarding consistency between usable and rentable area data.

Interagency lease rates cover general upkeep costs for the State-owned buildings but are not currently set to cover deferred maintenance or capital improvements. 2020 interagency lease rates in the Capitol Complex are summarized in Figure 03.15. Refer to Section 05.07 Capitol Complex & Other State Buildings for a more detailed analysis.

CDA
305 Interlocken Pkwy.
Broomfield, CO
50,000 USF

DNR
6060 Broadway
Denver, CO
56,611 USF

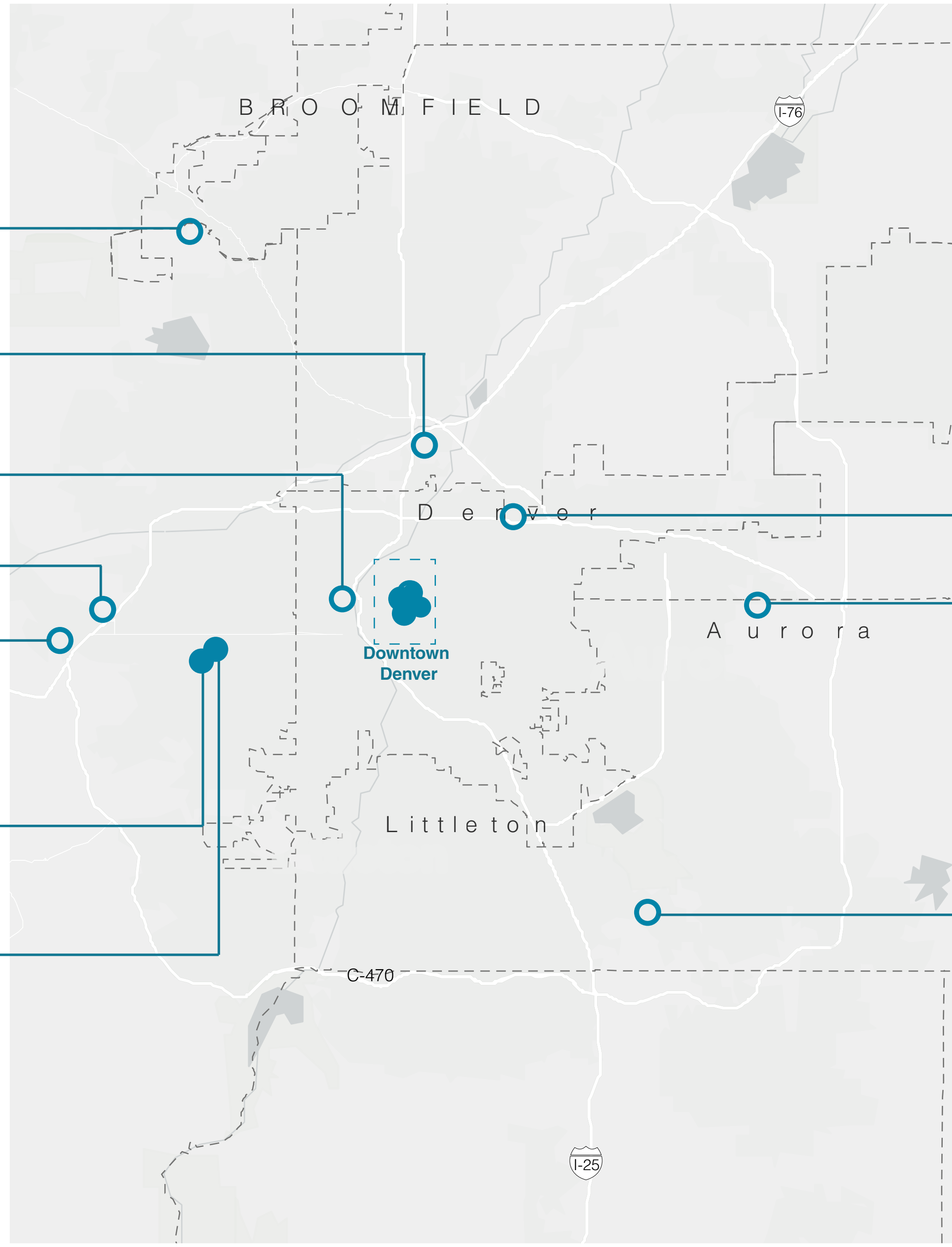
CDOT
2829 W Howard Pl.
Denver, CO
175,000 USF

CDOT
15285 S. Golden Rd.
Golden, CO
9,575 USF

CDOT
425 Corporate Cir.
Golden, CO
40,153 USF

DPS
700 Kipling
Lakewood, CO
50,231 USF

DPS
690 Kipling
Lakewood, CO
39,632 USF



CDOT
4670 Holly St.
Denver, CO
74,250 USF

CDOT
18500 E. Colfax
Aurora, CO
60,000 USF

DMVA
6848 S. Revere
Centennial, CO
42,000 USF

DMVA
6868 S. Revere
Centennial, CO
29,455 USF

LEGEND:

- STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPACE
- STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE

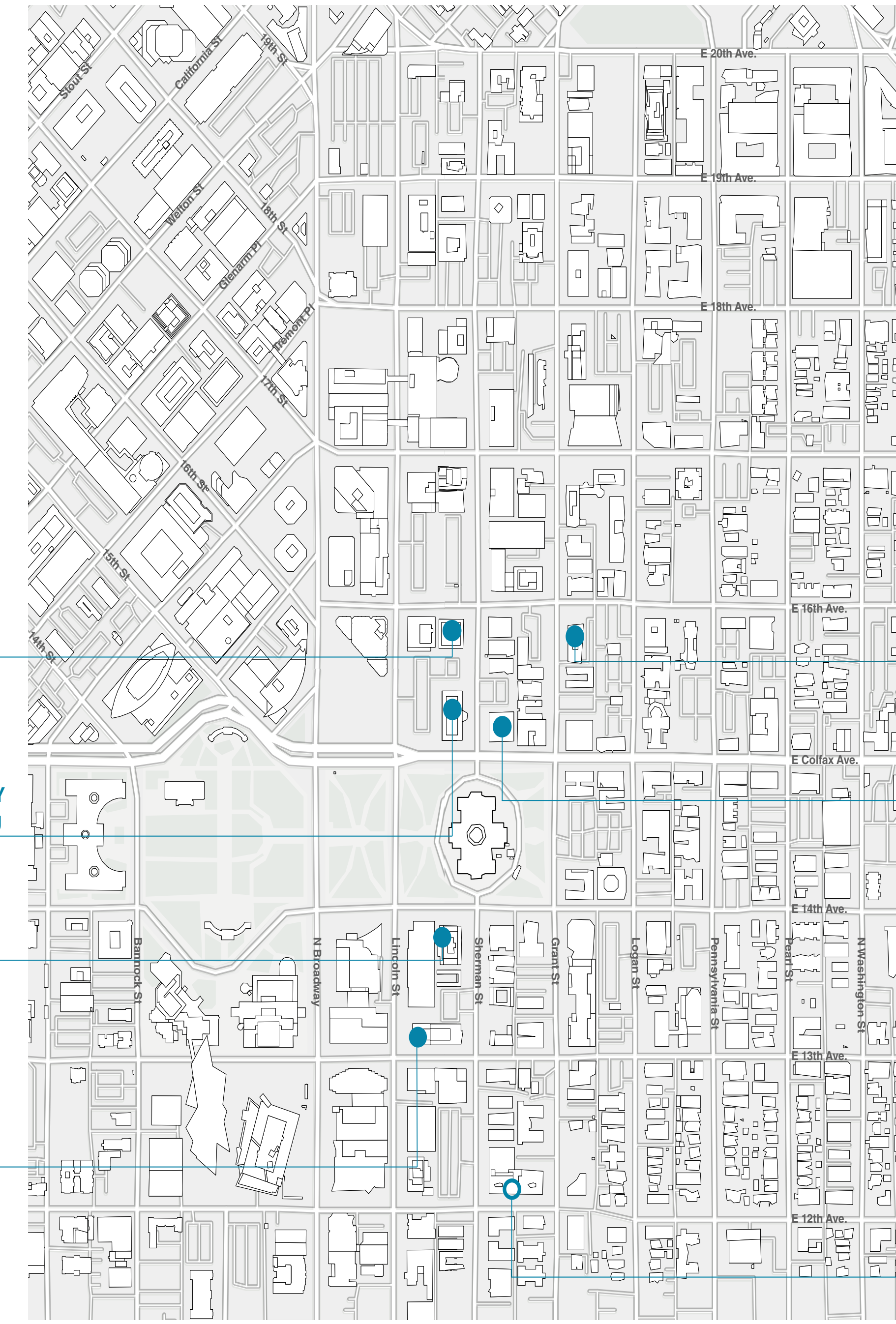
FIGURE 03.11: Locations of State-owned administrative office space in the greater Denver area

CDHS
Human Services Building
1575 Sherman St.
91,312 USF

DPA, CDE, GENERAL ASSEMBLY
State Services Building
1525 Sherman St.
112,224 USF

DOR
Annex Building
1375 Sherman St.
76,550 USF

DNR, DOLA, DPA
Centennial Building
1313 Sherman St.
120,118 USF



HCPF
1570 Grant St.
33,465 USF

CDE
State Office Building
201 E. Colfax Ave.
44,658 USF

CDLE
251 E. 12th Ave
103,128 USF

LEGEND:

- STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPACE
- STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE

FIGURE 03.12: Locations of State-owned administrative office space in downtown Denver

SUMMARY OF STATE - OWNED ADMINISTRATIVE OFFICES BY LOCATION

Real Estate Region	Number of Locations	Pre-COVID Interagency Leased SF	Pre-COVID State-owned/ Agency Occupied USF
CENTRAL MOUNTAINS	3		8,816
DENVER	15	445,809	436,574
DENVER SUBURBS	9	179,747	169,168
NORTHEAST	2		6,323
NORTHERN	2		45,170
NORTHWEST	1		26,625
SAN LUIS VALLEY	3		18,336
SOUTHEASTERN PLAINS	2		2,216
SOUTHERN	3		51,055
SOUTHWEST	2		30,053
WESTERN	5	17,700	22,723
TOTAL	**47**	**643,337**	**817,059**

*FIGURE 03.13: State-owned administrative offices by location *Note: Real Estate Regions indicated on map will be discussed in more detail in 05.08.02*

SUMMARY OF STATE - OWNED ADMINISTRATIVE OFFICES BY AGENCY

Agency	Number of Locations	Pre-COVID Interagency Lease USF	Pre-COVID State-Owned/Agency Occupied USF
CDA (DEPT OF AGRICULTURE)	1		50,000
CDE (DEPT OF EDUCATION)	2	46,890	
CDHS (DEPT OF HUMAN SERVICES)	1	91,313	
CDLE (DEPT OF LABOR AND EMPLOYMENT)	1		91,470
DMVA (DEPT OF MILITARY AND VETERANS AFFAIRS)	1		14,615
DNR (DEPT OF NATURAL RESOURCES)	4	79,278	67,954
HCPF (DEPT OF HEALTH CARE AND POLICY FINANCING)	1	33,264	
DOLA (DEPT OF LOCAL AFFAIRS)	2	41,890	
DOR (DEPT OF REVENUE)	2	165,305	
DPA (DEPT OF PERSONNEL & ADMINISTRATION)	1	81,617	
DPS (DEPT OF PUBLIC SAFETY)	2	89,863	
CDOT (DEPT OF TRANSPORTATION)	28	13,917	565,120
CDHE (DEPT OF HIGHER EDUCATION)	1		27,900
TOTAL	**47**	**643,337**	**817,059**

FIGURE 03.14: Summary of State-owned administrative offices by agency

CAPITOL COMPLEX LEASE RATES 2021

Agency	Rates
DOWNTOWN DENVER	$17.76
PIERCE STREET (LAKEWOOD)	$10.72
GRAND JUNCTION	$8.08

FIGURE 03.15: Capitol Complex lease rates 2021

FIGURE 03.16: Locations of Capitol Complex campuses

03.01.04.02 AGENCY-OWNED / AGENCY-OCCUPIED SPACE

Of the 2.8M SF of State-owned administrative office space suitable for reduction, 817,000 SF is agency-owned and agency-occupied. Agency-owned / agency-occupied space does not involve exchange of rent. As discussed in Section 06.01, most agencies are projecting a reduction of space need comparing pre-COVID needs to five-year projected needs. Therefore, there is likely to be vacancy in agency-owned / agency-occupied space which is an asset the State can use to consolidate the overall State administrative office space footprint. Section 07.03.05 discusses a recommendation for utilizing available space in Colorado Department of Transportation (CDOT) owned and occupied buildings to meet State needs in outlying areas. The Colorado Department of Labor & Employment and the Colorado Department of Agriculture are other agencies with agency-owned / agency-occupied office space which the State can consider as assets in the state-wide space consolidation effort.

03.01.04.03 OVERVIEW OF CAPITOL COMPLEX CAMPUSES

The following overview provides a summary of the State-owned buildings comprising the Capitol Complex that are relevant to the Strategic Office Space Plan.

The Capitol Complex is comprised of 14 State-owned buildings. Campuses are in the metro Denver area and Grand Junction. Metro Denver campuses relevant to this report include the Downtown Campus, Kipling Campus and Pierce Street Site.

Capitol Complex: Downtown Denver Campus

The downtown Denver campus contains the most Capitol Complex Facilities-managed buildings, consisting of nine tenant-occupied buildings with a total of 1.2M GSF concentrated on 15 city blocks at the southeast corner of Denver's Central Business District. These blocks are bound by Broadway to the west, 16th Avenue to the north, Logan Street to the east and 12th Avenue to the south. The 15-block campus includes several commercially owned parcels and buildings, but the presence of State-owned facilities gives the area a unique identity. This report includes the six buildings in the Downtown Capitol Complex which are primarily administrative office space (see list below). The total area of these six buildings is approximately 765,000 GSF and 521,000 USF.

Portions of the campus – most notably the Capitol Building, its grounds, Lincoln Park and the buildings along Sherman Street – are an integral part of the larger historic Denver Civic Center, which includes several City of Denver buildings including the City and County Building, cultural institutions such as the Central Library and the Denver Art Museum, and an extended open space system that acts as the binding element among the various uses.

The following buildings are part of the Downtown Denver Capitol Complex but not included in the scope of this report:

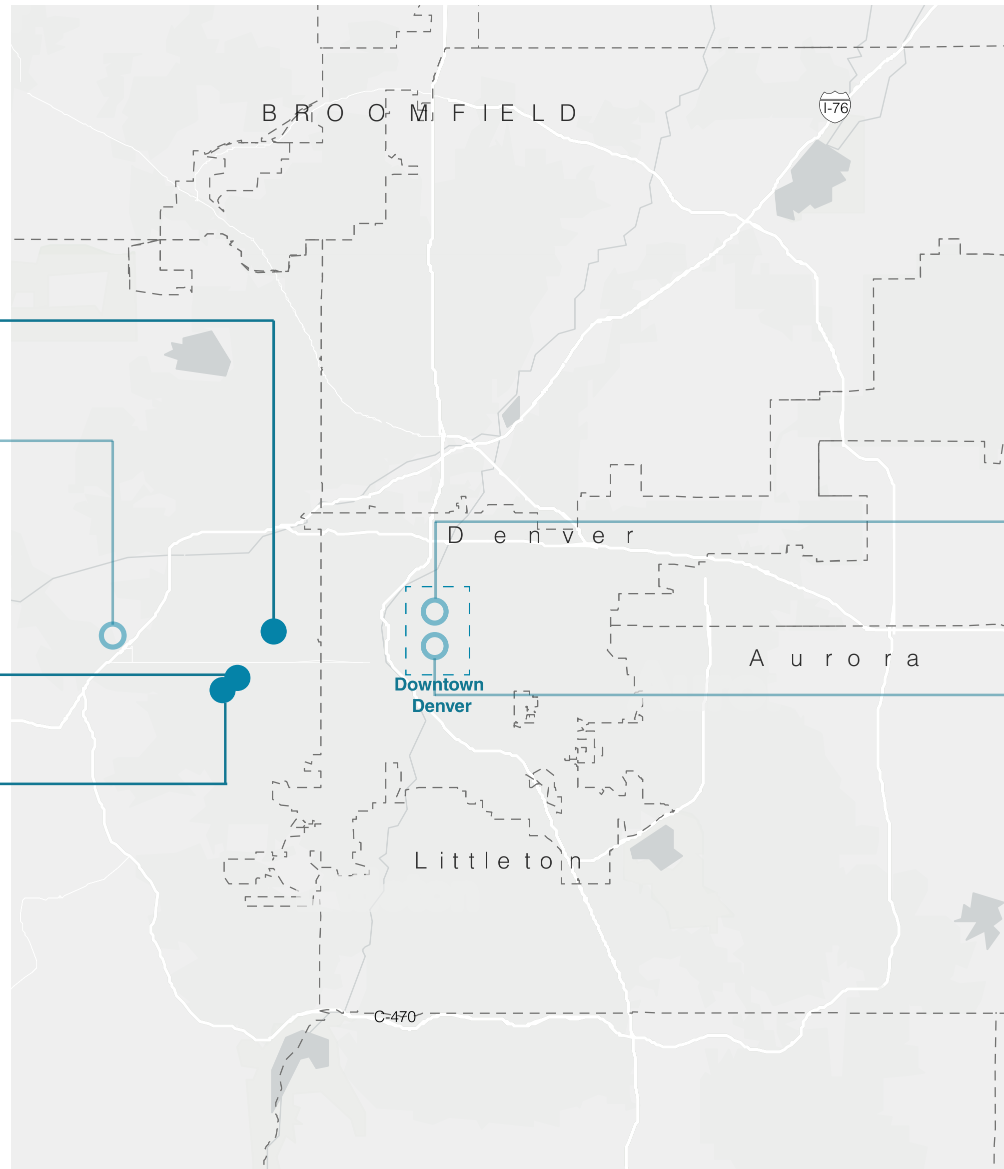
- State Capitol Building
- Power Plant
- Legislative Services Building
- North Campus
- Executive Residence and Carriage House
- Camp George West Campus

The downtown Denver campus buildings that are relevant to this current planning effort are as follows:

Human Services Building, 1575 Sherman Street
- Constructed in 1952, acquired by the State of Colorado in 1964, renovated in 1987
- 144,797 GSF
- 91,313 USF

1570 Grant Street
- Constructed 1956, acquired by the State of Colorado in 2001
- 49,086 GSF
- 35,841 USF

State Services Building, 1525 Sherman Street
- Constructed in 1960, renovated in 1992, updated in 2014.
- 169,879 GSF
- 119,057 USF



LEGEND:

- STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPACE SUITABLE FOR REDUCTION
- STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE SUITABLE FOR REDUCTION
- STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPAC NOT CONSIDERED FOR REDUCTION
- STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE NOT CONSIDERED FOR REDUCTION

FIGURE 03.17: Capitol Complex properties relevant to the Strategic Office Space Plan in the greater Denver area

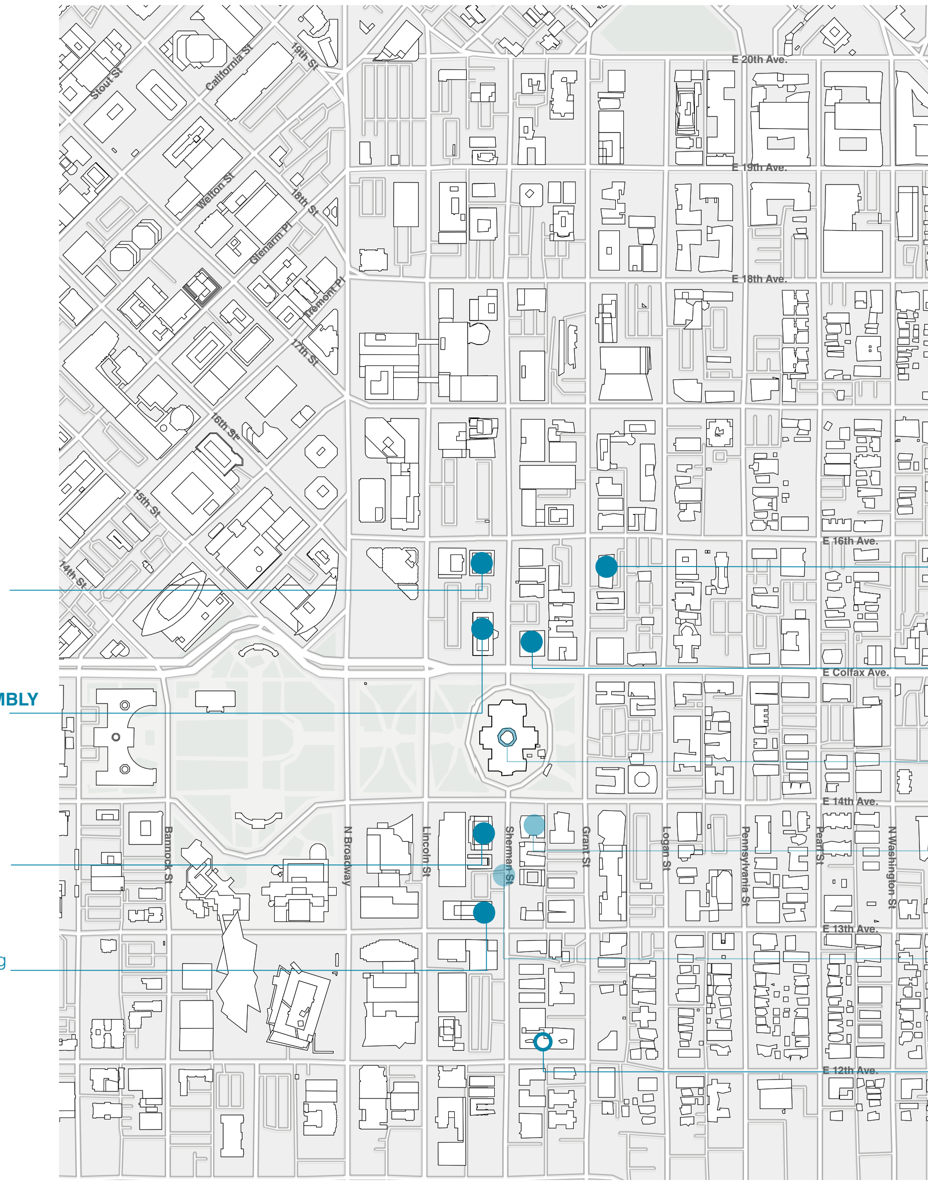


FIGURE 03.18: Capitol Complex properties relevant to the Strategic Office Space Plan in downtown Denver

LEGEND:

- STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPACE SUITABLE FOR REDUCTION
- STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE SUITABLE FOR REDUCTION
- STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPAC NOT CONSIDERED FOR REDUCTION
- STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE NOT CONSIDERED FOR REDUCTION

SUMMARY OF CAPITOL COMPLEX BUILDING SQUARE FOOTAGE

Agency	Gross Area SF	Usable Area SF	Rentable Area SF
CENTENNIAL BUILDING - 1313 SHERMAN STREET	207,090	156,515	189,045
STATE SERVICES BUILDING - 1525 SHERMAN STREET	169,879	119,057	151,893
HUMAN SERVICES - 1575 SHERMAN STREET	144,797	91,313	123,118
ANNEX BUILDING - 1375 SHERMAN STREET	115,204	75,421	99,375
STATE OFFICE BUILDING - 201 E COLFAX	79,232	42,921	65,454
1570 GRANT STREET	49,086	35,841	44,962
DENVER TOTAL	**765,288**	**521,068**	**673,847**
690 KIPLING	66,310	52,111	59,042
700 KIPLING	60,945	50,474	57,566
1881 PIERCE	129,142	89,884	126,341
DENVER SUBURBS TOTAL	**256,397**	**192,469**	**242,949**
GRAND JUNCTION - 222 SOUTH 6TH STREET	52,383	35,145	46,876
WESTERN TOTAL	**52,383**	**35,145**	**46,876**
TOTAL	**1,074,068**	**748,682**	**963,672**

FIGURE 03.19: Summary of gross area, occupant area, and rentable area for Capitol Complex buildings relevant to this plan

State Office Building, 201 East Colfax Avenue
- Constructed in 1921, added to National Historic Register in 1974, renovated in 1985
- 79,232 GSF
- 42,921 USF

Annex Building, 1375 Sherman Street
- Constructed in 1937, added to National Historic Register in 1991
- 115,204 GSF
- 75,421 USF

Centennial Building, 1313 Sherman Street
- Constructed 1976
- 207,090 GSF
- 156,515 USF

Additional Denver metro campuses in the Capitol Complex include the following:

Capitol Complex: Kipling Campus

The Kipling campus comprises two office buildings totaling 127K GSF and is located at the northeast corner of Kipling Street and the 6th Avenue freeway (U.S. Highway 6) in Lakewood, Colorado, a western suburb of Denver. The State-owned facilities are located just east of the 6th Avenue Frontage Road as it approaches Kipling Street.

700 Kipling Building, 700 Kipling Street, Lakewood
- Constructed in 1985, acquired by the State of Colorado in 1992
- 60,945 GSF
- 50,474 USF

Dale Tooley Building, 690 Kipling Street, Lakewood
- Constructed in 1985, acquired by the State of Colorado in 1986
- 66,310 GSF
- 52,111 USF

Capitol Complex: Pierce Street Site

The Pierce Street site comprises a single structure on a large parcel of land in Lakewood, Colorado. The site is bounded by 20th Avenue to the north, Pierce Street to the east, 17th Avenue to the south and Reed Street to the west. The site consists of a large, single-story building with an area of 129K GSF on a 24-acre site, approximately six acres of which are surface parking.

1881 Pierce Building, 1881 Pierce Street
- Constructed in 1972, acquired by the State of Colorado in 1983
- 129,142 GSF
- 89,884 USF

In addition to the Denver metro area campuses, the Capitol Complex also includes a campus in Grand Junction, which is also under the purview of this planning effort:

Capitol Complex: Grand Junction Site

The Grand Junction site comprises a single 52,383 GSF office building on the northeast corner of Ute Avenue and 6th Street in downtown Grand Junction, Colorado. The building sits on 0.83 acres and is surrounded by surface parking.

Grand Junction State Services Building, 222 S. 6th Street, Grand Junction
- Constructed in 1983
- 52,383 GSF
- 35,145 USF USF

Figure 03.19 summarizes the current agency-owned/agency-occupied and interagency-leased space in the Capitol Complex that is suitable for analysis in this report.

03.02
COMMERCIAL LEASES

03.02 INTRODUCTION

Leasing strategy is a critical lever for the State to use in reducing its physical footprint. The central driver for the State's existing leasing strategy is maximizing value. The existing leasing policy is agency-driven, with the Real Estate Program of the Office of the State Architect (OSA) acting in the interest of the agency. Each agency is currently responsible for working with the assistance of the Real Estate Program on a leasing solution tailored to the agency's needs. While this policy has its benefits, it also has several key challenges:

- The existing policy is based on the agency determining its space needs. The agencies are inconsistent in how their space needs are determined.
- The existing leasing practices do not emphasize the State priority for utilizing State-owned building assets to meet agency needs.
- If a lease cost is secured that is below the lease appropriation in the State budget, there is no process for consideration of the use of lease savings, including toward maintenance of State-owned buildings or tenant finish improvements.
- The role for OSA's Real Estate Program within the process has been one of monitoring agency progress rather than a more proactive role centered on coordinating overall State needs and considering future outcomes.

Section 05.08 Future Leasing Strategies proposes changes to the future State leasing strategy to address these challenges.

03.02.01 EXISTING DECISION-MAKING PROCESS

The existing leasing decision-making process is focused on the needs of the agencies. In the recent past, the agencies have been motivated by a few key issues:

- *Location*
  Location is almost always the driving factor in lease decisions. Many agencies have been motivated by a desire to locate near the State Capitol so agency leadership is readily available to testify in legislative sessions and can readily access the decision-makers of State government. Some agencies also are motivated to be in Denver to be physically accessible to the largest number of customers.
- *Budget limitation*
  With limited appropriations and high space needs, agencies must find a compromise between quality of space and quantity of space. Some agencies have located in space well below the State's current target of Class B office space to secure the amount of space the agency feels it needs. Other agencies have been able to find space that is both high in quality and meets the quantity needs.
- *Transportation access*
  All agencies have staff transportation needs and many have significant customer transportation needs. For these reasons, adequate parking has typically been critical in lease locations. In some cases, especially in metropolitan areas, easy access to mass transportation has also been critical.

In the existing State leasing process, the OSA Real Estate Program acts as the agent of the agencies, working in their interest to meet their goals. In this process, the agencies have determined their own space needs within the confines of the Real Estate Program's space standards guidelines. The role of the OSA Real Estate Program has been to help the agencies to find the space that best fulfills these needs.

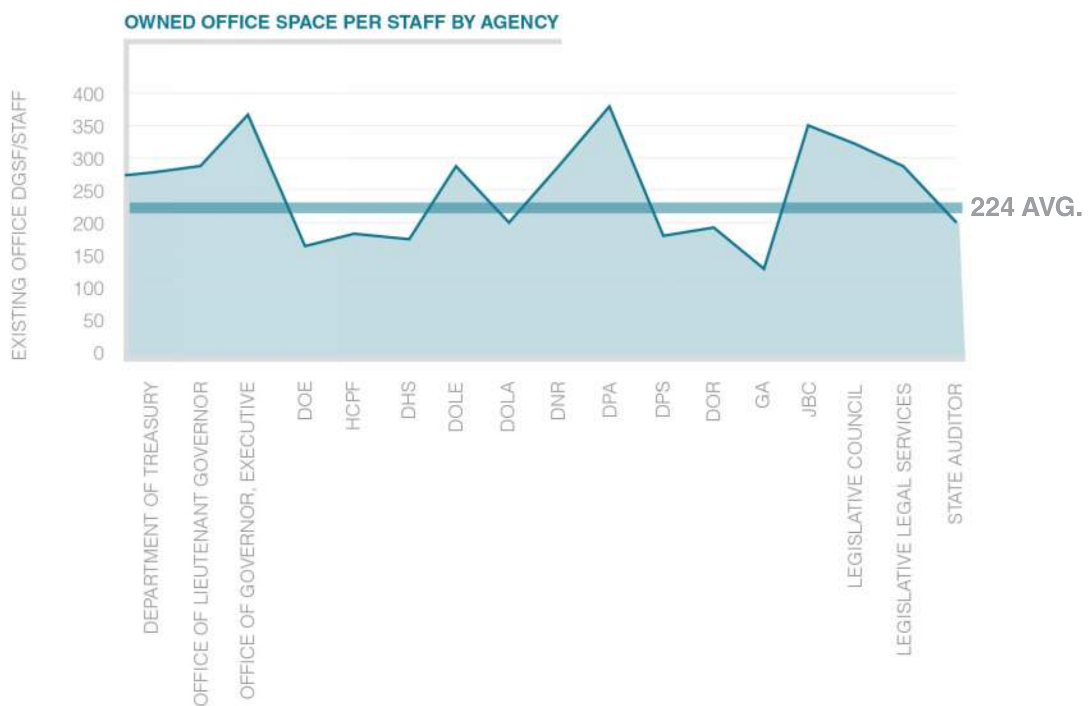


FIGURE 03.20: Average SF per staff by agency in State-owned office spaces, 2014

FIGURE 03.21: Average SF per staff by agency in leased office spaces, 2014

03.02.02 EXISTING PLANNING METRIC

The Real Estate Program Policies and Procedures Manual, updated in September 2018, lists space standards for agencies to use in planning the amount of lease space they will need. The manual describes a target of 204 rentable square feet (RSF) per person, which is based on 70% of the Building Owners and Managers Association (BOMA) average office area per person in the Denver private sector. The Manual allows agencies to use an allocation as high as 232 RSF / person, or 80% of the BOMA average before additional approvals are needed. Areas above 232 RSF per person require agency leadership sign off if the agency believes it needs more space to achieve its objective.

There are several challenges with the existing space planning metric:

- *The metric is based on area per staff rather than area per seat.*
  Basing space planning on area per staff does not consider the possibility of seat-sharing.

- *The incorporation of a range makes planning complex.*
  The range of 204 RSF - 232 RSF makes it difficult for agencies to do conclusive space planning, although it is recognized that the State needs flexibility when evaluating potential lease properties. One possibility, utilized by other States, would be to utilize a Usable Square Foot (USF) planning metric to determine agency benchmark space needs for planning purposes, and an RSF range for use in evaluating potential properties. See Section 07.01.01.02 Recommendation: Space Needs Planning Refinements.

- *Rentable square foot load factors vary from property to property.*
  The rentable area includes the portion of a building's common areas, such as lobby space and shared meeting rooms, that a tenant utilizes. The conversion from usable area to rentable area, referred to as a building's "load factor," can vary substantially depending on the amount of shared space in a building. It is common in the Denver marketplace to see load factors ranging from 14%-30%. Utilizing usable area as the planning metric would give the OSA and agencies a clear sense of the amount of dedicated tenant space needed. In Section 07.01.01.02 Recommendation: Space Needs Planning Refinements, this report recommends a load factor range, so that the State can evaluate a range of properties based on rentable area.

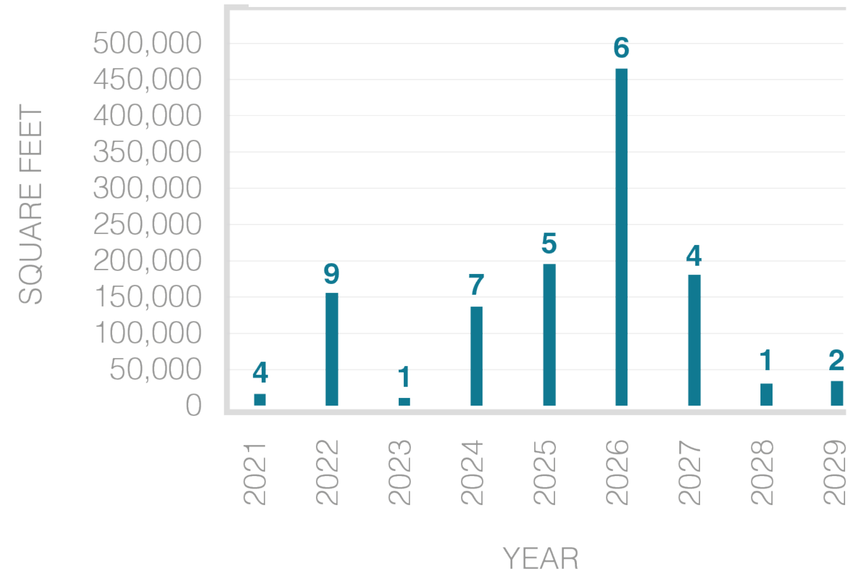
- *The metric is based only on standard office space.*
  The existing space planning metric does not consider anything other than standard office use. If unusual spaces like training rooms or large file storage areas are needed, the current metric does not account for these needs. In Section 05.08, this report recommends a method for accounting for these unique space needs.

- *The metric does not account for limited market availability in outlying areas.*
  The current model does not work well with small offices in outlying communities where limited property availability may mean that a small office need must be accommodated in a space whose size does not align with the space need.

- *Option to over-ride the standard undercuts the purpose of the standard.*
  The current model allows agency leadership to sign off on a space planning allocation that exceeds the current State maximum of 232 RSF / person. The option to over-ride the standard, while providing the State with flexibility, can undercut the purpose of having a State standard.

A 2014 State of Colorado study found a wide variety of actual area per staff across agencies. The range is reflective of varying degrees of efficiencies in buildings and of the varying space standards that different agencies utilize. To increase efficiency and establish more equal space allocation, it is the desire of the State to tighten this variation over time.

COMMERCIAL LEASE EXPIRATION BY YEAR



Note: Number of leases expiring within that year are shown above each bar.

FIGURE 03.22: Commercial lease expirations by calendar year

03.02.03 TENANT IMPROVEMENT AND LENGTH OF LEASES

It is the State's current goal to contract for a lease duration of five years or shorter, although durations up to 10 years are allowed with Office of State Planning and Budgeting and Office of the State Controller approval. The primary driver for shorter leases is the provision of flexibility for the State to transition to alternatives such as State-owned property, which would lower costs. A secondary driver is to enable the State to respond more quickly to changing circumstances, such as program priorities and mandates and to the rental market. A primary driver for longer duration leases is the cost of tenant improvement work. A secondary driver is stability and cost avoidance related to relocation.

The State does not typically enter leases of more than a five-year duration. The Office of the State Controller determines whether a lease is a capital lease, which has characteristics of ownership, or an operational lease, which allows for the use of an asset without conveying ownership of the asset. The Office of the State Architect Real Estate Program is currently limited to entering operational leases. Operational leases of more than 5 years require approval from the Office of State Planning and Budgeting and the Office of the State Controller.

The current State appropriations system generally provides for lease expenses, but not tenant improvement work. Typically, when an agency is moving to a new location, the property requires renovation to meet the agency's needs. Because tenant improvement costs are not typically part of the appropriation, the design and construction costs for tenant improvements are generally borne by the landlord, who then amortizes payback through the lease rate. More expensive tenant improvement projects can require longer lease durations to amortize payback over a longer time. If a lease is terminated early, the State's current lease language indicates that the State will attempt to pay the landlord the outstanding remainder of the tenant improvement costs. However, the absence of a landlord payback guarantee for tenant improvement has been a significant cause of concern for landlords and is a risk for the State's future access to the commercial real estate market.

The OSA Real Estate Program's Policies and Procedures do limit early lease terminations to reasons involving specific changes to State fiscal funding, changes to federal funding, and specific co-location opportunities. If an agency does pursue an early termination, it is policy to seek opportunities to "backfill" the vacated space with another agency. See Section 07.01 for recommendations related to short-term leases and tenant improvement costs.

Agency expansion needs during a lease term are currently handled in a piecemeal manner. If an agency needs to expand its footprint before the end of its lease, the agency typically attempts to lease additional space in the currently leased facility. Typically, agencies can be in one building if that is desired by the agency. Often, agencies divide programs between buildings, typically because this division is desired to better serve clients and employees. Agency contraction does not typically result in an immediate reduction of space, due to limitations in lease termination language. If an agency program is discontinued, the space for that program typically is either absorbed by other programs in the same building or goes unused until the point of lease expiration.

03.02.04 CO-LOCATION

Existing State leasing policy indicates that agencies should attempt to co-locate their operations wherever possible, and therefore their leased premises, to have fewer locations. Minimizing lease locations minimizes State expenditures in lease management. The practice of co-locating, in general, has not yet been widely adopted by the State. However, one successful current example of a co-location is the State Services Building in Grand Junction which houses eight agencies in one building. In the future, with a smaller office footprint needed by agencies due to remote work, co-locating may be a more feasible strategy. See Section 05.03 of this report for additional information.

03.03
SPACE UTILIZATION IN STATE-OWNED BUILDINGS

03.03 INTRODUCTION

One of the strategies of this report, discussed in Section 05.08.01, is to prioritize State-owned space over commercially leased space for meeting agency space needs. To evaluate how much of the projected space need can be accommodated in State-owned space, it is necessary to evaluate the condition, type and size of spaces available in State-owned buildings in the State's inventory. This section records the condition of State-owned buildings and addresses the scope of renovation and remodeling required to make them functional for current needs.

03.03.01 CONDITION OF STATE-OWNED BUILDINGS

There are several important themes to agency feedback on State-owned buildings and properties related to their current condition:

- *Deferred maintenance*
  Poor conditions in several buildings have been cited, due to the lack of funding required to properly address deferred maintenance and other high-priority building renovation issues.

- *Safety and security concerns*
  Employees and occupants express general concern about the safety and security of several buildings and surrounding areas, especially within the Downtown Denver campus of the Capitol Complex. In addition, there are concerns that the physical condition of building systems in certain Capitol Complex buildings do not comply with current building codes. Many of the older buildings in the Capitol Complex also have numerous accessibility issues that need to be addressed to make the buildings code compliant.

- *Parking availability*
  The continued development of vacant land, as well as State employees' monthly parking costs, are challenges for agencies in metropolitan areas.

- *Recruitment and retention considerations*
  In some cases, poor facility conditions and design are making it harder for State agencies to recruit new talent in a tight labor market as the States' aging workforce retires. This adds to the general concern of attracting and maintaining top talent for a sustainable workforce.

HISTORICAL CM FUNDING VS RECOMMENDATION FOR STATE-OWNED BUILDINGS EXCLUDING HIGHER EDUCATION

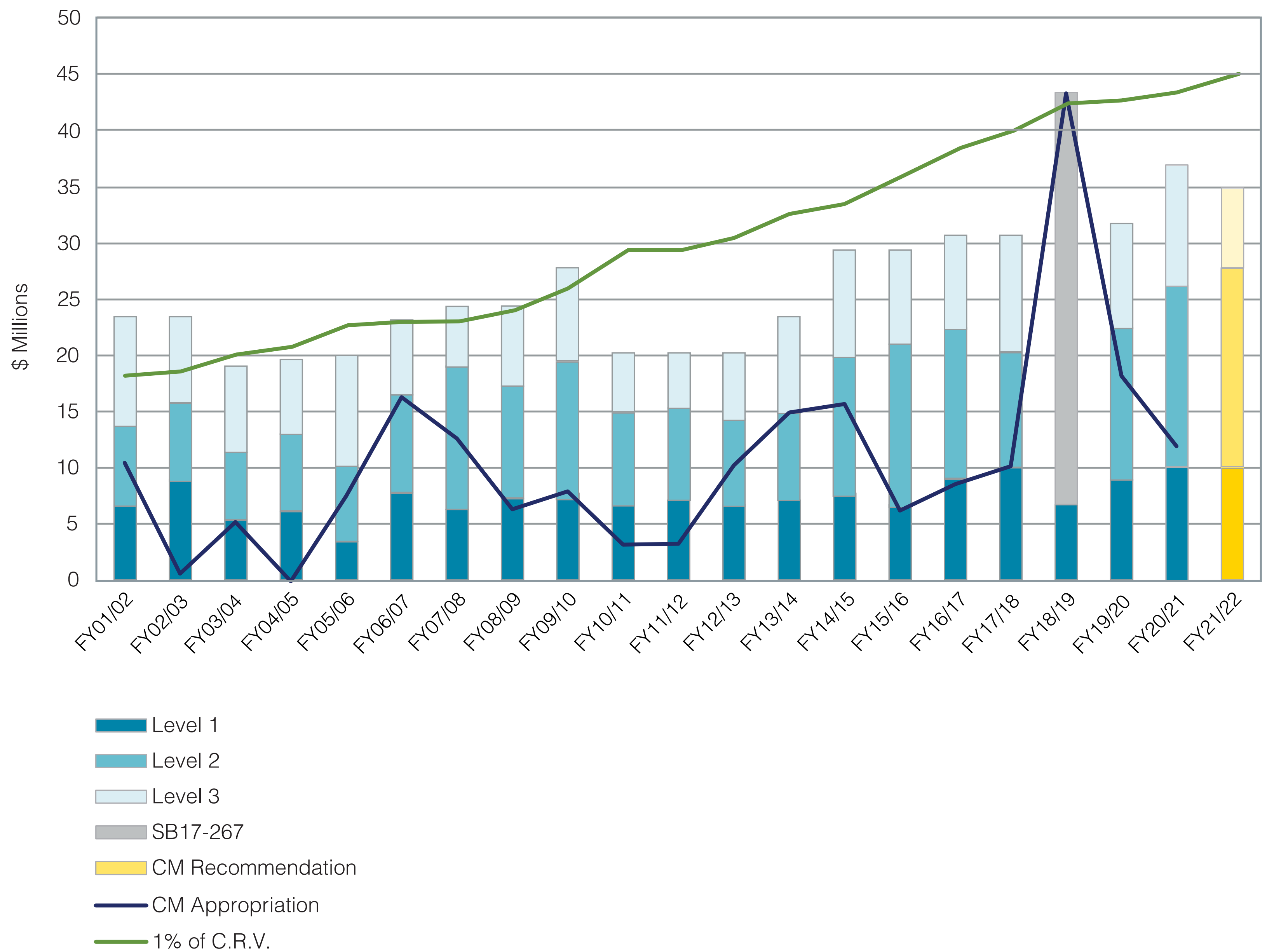


FIGURE 03.23: Historical CM funding vs recommendation for State-owned buildings excluding Higher Education. Approximate levels, based on historic 1/3 portion of CM budget and funding requests for State-owned buildings excluding Higher Education.

03.03.02 RENOVATION FUNDING REQUESTS FOR STATE-OWNED BUILDINGS

Funding for renovations and maintenance of State-owned buildings is pursued primarily through the State's Capital Renewal (CR), Controlled Maintenance (CM) and Capitol Construction (CC) process in which a state entity quantifies a funding request and submits it through an annual budget request process administered by the Office of the State Architect (OSA). Maintenance funding requests are made through the CR or CM processes.

Capital construction appropriations over the last twenty years have been inconsistent due to a lack of available revenue. This has resulted in controlled maintenance appropriations below recommended funding levels with the exception of FY 2018/19 (see Figure 03.23). Industry guidelines are that 2% to 4% of the Current Replacement Value (CRV) of a building inventory be dedicated for capital improvements to operate, maintain and renew to targeted levels. The Office of the State Architect continues to recommend, as a goal, an annual Reinvestment Rate (RR) equivalent to 1% of the CRV to address controlled maintenance and an additional RR goal of 1% - 1.5% equivalent to 2.5% of the CRV to address Capital Renewal/ Capital Renovation project requests in existing buildings.

03.03.03 CONDITION OF CAPITOL COMPLEX STATE-OWNED BUILDINGS

The Capitol Complex includes the majority of State interagency administrative office space. The Capitol Complex is both the primary opportunity for space reduction and, as space becomes available in the Capitol Complex through reductions, the primary opportunity for the State to move from commercially leased space into State-owned space.

The buildings in the Capitol Complex that have been identified as being integral to this Strategic Office Space Plan's strategies and recommendations are all below the targeted FCI of 85%, with several buildings well below this benchmark. Due to a history of deferred maintenance and a backlog of capital improvement needs, many of the Capitol Complex buildings need upgrades and, in certain cases, comprehensive renovations. Though all buildings under the purview of the Department of Personnel & Administration Division of Capital Assets have maintenance needs to return them to efficient operating conditions, several buildings require immediate, critical upgrades. For a detailed list of priority recommendations outlined in previous OSA planning efforts that are still relevant in 2021 to the Strategic Office Space Plan, please refer to the Appendix.

Figure 03.02 summarizes information from FY 2021-22 reported by agencies to the OSA on current replacement values (CRV), facilities conditions index (FCI) and calculated building and code deficiencies for the Capitol Complex buildings relevant to this report.

As identified in the yearly Vacant Facility Asset Report from the Office of the State Architect (OSA), the State owns numerous vacant buildings. Almost all of them, however, have low to medium repurposing potential, medium to high refurbishment cost, or are in such a state of disrepair that they have been tagged for demolition.

03.03.03.01 CONDITION OF DOWNTOWN DENVER CAMPUS OF CAPITOL COMPLEX

The buildings in the Downtown Denver campus of the Capitol Complex are an area of focus for this report because they are an opportunity for moving from commercially leased space in downtown into State-owned space.

The following buildings in the downtown campus are especially in need of repair:

- *Annex Building*
  Full renovation of the Annex Building (115K GSF) at 1375 Sherman Street in Denver was previously estimated to cost $52M. There is a reduced scope estimated at $37M, currently being proposed, to renovate the building to better accommodate the State's needs. The building was constructed in 1937 and is on the National Historic Register. It originally housed legislative offices and there has been some discussion about returning to this use in the future.

- *1570 Grant*
  1570 Grant in Denver is in the process of being vacated by the Colorado Department of Health Care Policy & Financing (HCPF) and the agency does not currently have plans to return due to plans to consolidate at one location. The building was constructed in 1969 and has had recent upgrades to the exterior glazing system and elevators. There is a request, currently being considered, for $8.6M to make corrections and renovate the building to better accommodate the State's space needs.

- *Centennial Building*
  Full renovation of the Centennial Building at 1313 Sherman is currently estimated to cost $75M. The building was constructed in 1976. There is a reduced scoped request being proposed for $40M to make corrections and renovate the building to better accommodate the State's space needs.

Please refer to Section 05.07 Capitol Complex & Other State Buildings for strategies related to the downtown campus of the Capitol Complex. See Section 07.02 for recommendations regarding scenarios for utilizing these assets.

03.04
WORKPLACE IMPACTS OF COVID-19

03.04 INTRODUCTION

As discussed below, the State moved to a largely remote-working model in response to the COVID-19 pandemic; the State has proven that some form of remote working is feasible for its office workforce. This raises several critical questions about the nature of the State office workplace: How do we work? Where do we work? What activities require us to work in the same physical space with others? How do agencies serve customers best for the benefit of all Coloradans? The Strategic Office Space Plan is intended to begin to address these questions so that the State can make decisions about where its future workplaces will be located. A companion Design Guidelines document, scheduled for draft publication in fall 2021, will address how the future State workplaces should be configured to support new workplace modalities. See Section 05.10 Planning for Design Guidelines for an overview of the upcoming Design Guidelines document.

03.04.01 REMOTE WORK

As of July 2020, 62% of all State employees were working remotely. Many job positions have constraints that do not allow remote work, for example, maintenance positions requiring hands-on labor. For those positions where remote working is viable – principally office work – almost 87% of the statewide employees who could work remotely were doing so in July 2020. The need for remote work has caused agencies to quickly adapt through adjustments such as the use of State equipment at home, upgrades to the State Virtual Private Network (VPN) system and changes to transportation-related programs such as mass transit passes and monthly parking passes.

The State's adaptations to remote working during the pandemic are a strong indication that, with careful attention to planning, Colorado can reduce its office needs post-pandemic. From the data collected in "Basic Steps" initiated by the Office of the State Architect (OSA) (see Section 02.02 Process), there is preliminary indication that co-location, co-location hubs, shared office spaces and hoteling may result in a 1M square-foot reduction in the State of Colorado's office footprint. Implementing these new workplace modalities will allow the State to improve the work environment, reduce its carbon footprint, reduce commute-related travel time and provide a higher quality of life for its workforce. This preliminary indication was verified in the deeper agency findings exercise documented in Section 06.01 of this report.

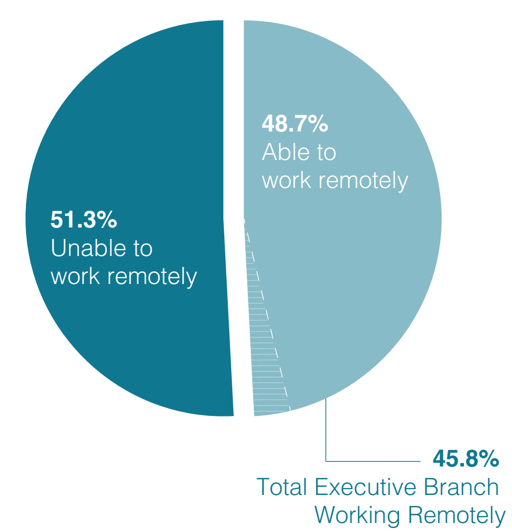


FIGURE 03.24: Executive Branch workforce working remotely as of November 13, 2020

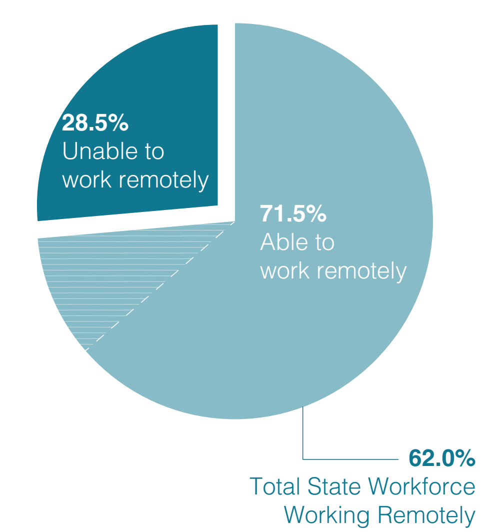


FIGURE 03.25: Statewide workforce working remotely as of November 13, 2020

EMPLOYEE REIMBURSEMENT CATEGORIES

	Remote Workplace 100%	Remote Workplace less than 100%	Mobile Work	Hoteling	Work Onsite in a State Facility or Office
TRAVELING BETWEEN HOME AND ASSIGNED STATE FACILITY OR OFFICE	YES	NO	YES	NO	YES
TRAVEL TO TEMPORARY WORK LOCATION	YES	YES	YES	YES	YES
TRAVEL TO CONFERENCES	YES	YES	YES	YES	YES

FIGURE 03.26: Employee reimbursement categories that include expenses and Flexible Work Arrangements and indicate whether the State will reimburse the employee (Yes) or not (No).

03.04.02 LESSONS LEARNED

In fall 2020, DPA surveyed agencies on their projections for the "new normal" workplace that would occur post-pandemic, based on agency lessons learned during the pandemic. The key issues identified from that survey were:

- *Technology as support for new ways of working.*
  This issue extends from equipping remote workers with the proper technological hardware to digitizing records and processes for remote access, to new software that can facilitate remote collaboration. It is anticipated that in a hybrid future work environment with some staff working remotely and some working in-person, technology will be the critical element to ensure equal access to work processes for all State employees.

- *Technology as support for customer service.*
  The transition toward digital government has been ongoing for several decades, but the pandemic appears to have accelerated this trend. Several agencies report moving to online services, which has resulted in greater efficiencies and improved customer service. For example, the Department of Motor Vehicles reports moving toward digital services for tasks such as renewing licenses and registering motor vehicles.

- *Social needs considerations*
  Agencies report that while a vast majority of staff could work remotely, a smaller percentage want to work completely remotely post-pandemic and most if not all remote workers will want to come to a physical office space occasionally. While some of this desire for a connection to physical office space is task-based, the preponderance of the workforce's desire to maintain a collective physical space suggests that the physical space supports a need for socialization and collaboration.

- *New communication paradigm*
  With the absence of easy in-person communication, remote working has necessitated a more structured manner of ensuring internal team communications. The Department of Personnel & Administration (DPA) reports a protocol of agency-wide meetings monthly, Division Director meetings bi-weekly and Operations Management meetings weekly. It is anticipated that a post-pandemic hybrid workplace will require similar communication protocols.

- *Transit/parking considerations*
  The increase in remote working has meant a significant decrease in employee commuting, which has resulted in lowered carbon emissions by State employees, and savings in time and money associated with commutes. The continuation of remote working post-pandemic should have similar benefits. However, a post-pandemic hybrid workforce raises operational complexities regarding which travel is at the expense of the employee and which travel is at the expense of the State. DPA is considering a policy that would reimburse for travel between home and State facilities for those who are 100% remote working.

The DPA survey did not measure remote work productivity. However, State managers have anecdotally reported that productivity has not dropped for the type of focused work that typifies State administrative office work. Program leaders who may have been concerned about remote work productivity pre-COVID have generally become comfortable with the idea. Some agencies, such as the Department of Revenue (DOR), even suggest an increase in productivity for remote State office employees.

Flexibility for State staff is also an important lesson learned from the COVID-19 work adaptations. Staff has generally reported an appreciation for the increased flexibility that remote work provides. This appreciation is consistent with a 2019 Employment Engagement Survey administered by DPA, which found that schedule flexibility was a top priority for State employees.

04
VISION

04.01
GOVERNOR'S ORDERS

04.01.01 REIMAGINE STATE GOVERNMENT VISION

In April 2020, the Governor issued the Reimagine State Government initiative dedicated to establishing a government that leverages innovation, reduces waste and harnesses the skills of its employees through a superior employee experience. By summer 2020, the State had committed to leveraging the efficiency lessons in administrative office work gleaned from the work-from-home period during the pandemic. This effort, which has come to be called the Reduce Our Physical Footprint goal, is about utilizing remote work to reduce the State's administrative office needs and thereby save on State expenses, increase employee satisfaction and reduce environmental impacts. This section of the report establishes a framework for how this footprint reduction might occur, based on the priorities of the Governor. Subsequent sections of this report expand upon that framework by including the priorities of DPA and visioning completed over the last year by the interagency Reduce Our Physical Footprint Working Group.

04.01.01.01 GOALS POST-COVID

In response to the global COVID-19 pandemic, Coloradans have been required to live and work in new ways. As we look forward to emerging from the pandemic, these adaptations provide an invaluable opportunity to re-think the workplace to which we will return. The State is committed to building an agile and responsive State government that leverages innovations, eliminates waste, identifies cost savings, harnesses the skills of its employees through a superior employee experience, ensures safety and delivers exceptional services to Coloradans. The State government will be designed to deliver the most value to the most Coloradans, and rather than be restricted by how things have been done before, the State will continuously innovate.

The Reimagine State Government vision has six primary pillars (see Figure 04.01), one of which is the Reduce Our Physical Footprint initiative calling for more efficient use of State space without compromising service to Coloradans and, the same time, increasing employee satisfaction. While the Strategic Office Space Plan focuses on the Reduce our Physical Footprint initiative, the strategies described herein also have significant positive implications for other aspects of the Reimagining State Government vision, most notably increasing employee engagement and responsibly reducing the State budget.

A working group, led by the Office of the State Architect (OSA) was charged with creating strategies to address the Reduce Our Physical Footprint initiative, recorded in Section 05 of this report. See Section 04.03.01.01 Members for a list of the members of the working group.

The primary vision for the Strategic Office Space Plan is a post-COVID reduction of 1M square feet of State-occupied office space, relative to the pre-COVID baseline, to be accomplished over five years. The Department of Personnel & Administration has outlined goals for how this vision should be achieved:

- Incorporate employee desire for flexible work arrangements
- Realize paradigm shift resulting from pandemic
- Provide savings for agencies and Colorado taxpayers
- Take care of State assets for the long term: make better use of and improve the State office environment particularly for the hybrid work teams

INCREASE EMPLOYEE ENGAGEMENT

Become an employer of choice by increasing engagement of State employees from 72 percent to 77 percent by 2025, as measured by the employee engagement survey. The State will identify opportunities to enhance the employee experience and make high-impact improvements. This includes a focus on equity, diversity, and inclusion, consistent with the Governor's recent Executive Order 2020-175. The State is committed to creating a work culture that engages employees so that together we can create a Colorado for all.

PROTECT THOSE IN STATE CUSTODY

Protect those in the State's custody and ensure their health and safety, including minimizing the number of COVID-19 outbreaks and cases through effective monitoring, intervention, and surveillance testing.

REDUCE OUR PHYSICAL FOOTPRINT

Improve asset management to harness the untapped value in State resources. Reduce the State's physical footprint by 1M square feet by 2025 by identifying underutilized assets as well as opportunities to use space differently, maximize efficiency, and reduce costs, without reducing quality of service.

INCREASE ACCESS TO VIRTUAL SERVICES

Ensure government services are available to anyone, anywhere, anytime they are needed. Increase the availability of digital government services by identifying opportunities to expand the number of online service offerings, and to expand access to those services across Colorado, reaching 100,000 virtual transactions by June 2021.

RESPONSIBLY REDUCE THE STATE BUDGET

Responsibly reduce the State's budget to address the impact of the COVID-19 pandemic while minimizing the impact on services to Coloradans, and setting the stage for a strong economic recovery.

ACCOMPLISH MORE BOLD GOALS

Set ambitious goals for State government success, aligned with key social outcomes, and the administration's top priorities. Continue providing the best possible service for Coloradans by increasing the number of wildly important goals (WIGs) achieved by agencies and working groups. We will continue to challenge ourselves year after year to be better than we were the year before.

FIGURE 04.01: Reimagine State Government - Six Primary Pillars

04.01.01.02 FLEXIBLE WORK ARRANGEMENTS UNIVERSAL POLICY

A 2019 "State as an Employer of Choice" survey of State employees asked employees to envision what would make working for the State even more attractive. Respondents ranked flexible work arrangements as a priority just below the issues of salary and career growth.

The Governor is drafting an Executive Order directing DPA to lead the State in deploying a Flexible Work Arrangement policy. Flexible Work Arrangements (FWA) provide employees with flexibility in how, when (flex time) and where (flex place) work gets done. See Section 04.01.03.04 below for additional information. Flexibility in determining work hours is commonly referred to as flex time. Flexibility in determining work location is commonly referred to as flex place.

This report proposes strategies for creating a workplace environment that can support both flex time and flex place. The primary tools proposed are hoteling, whereby workstations are unassigned but reservable for those with occasional in-office needs, and seat sharing, whereby an individual workstation or office is assigned to multiple individuals whose schedules are offset from one another. See Section 05.05 for additional information.

04.01.02 BOLD 4 PRIORITIES

Governor Jared Polis is focused on bringing down the high cost of living in Colorado and creating a State where everyone has an opportunity to succeed. The Bold 4 Priorities, established by the Governor, focus efforts on making Colorado's growing economy work for all while pushing for more robust resources and outcomes in education, health care and the environment.

The reduction of the State office footprint by 1M square feet aligns with the Governor's goals surrounding the economy and the environment. This Strategic Office Space Plan outlines ways in which the State of Colorado can lead by example through a robust, equitable and diverse workforce while actively reducing the impact on the environment.

Colorado has one of the fastest-growing economies in the country. The Polis Administration aims to grow a diverse and resilient economy through competitively paid jobs that focus on local projects and infrastructure, with small businesses at the helm. A driver for this Strategic Office Space Plan is a goal to increase the efficiency of the way the State spends its funds. Reducing governmental overhead through space reduction is one way in which the State can model innovation for its businesses.

Preserving Colorado's rich natural resources is paramount to protecting local communities, advancing the economy and improving health. The Governor promotes environmental and energy policies that accelerate the adoption of clean, renewable resources and energy efficiency programming, advancing electrification efforts across the transportation sector, and ensuring appropriate funding and programming for the conservation of public lands and wildlife.

As discussed in Section 04.02.02, this Strategic Office Space Plan aligns with State environmental goals through reductions in greenhouse emissions related to reduced energy use and reduced commute-based emissions.

GREENING GOVERNMENT LEADERSHIP COUNCIL REPORT CARD

GREENING GOVERNMENT LEADERSHIP COUNCIL REPORT CARD	GOALS
1. GREENHOUSE GAS EMISSIONS	
Reduction in greenhouse gas emissions	Reduce greenhouse gas emissions by at least 10% below FY 2014-2015 levels by the end of FY 2022-2023. Agencies and Departments shall meet this greenhouse gas reduction goal through improvements outlined in goals 2-4 below.
2. ENERGY MANAGEMENT	
Reduction in energy use per square foot	Reduce energy consumption per square foot by at least 15% by the end of FY 2022-2023 (normalized for weather), using FY 2014-2015 as a baseline.
3. RENEWABLE ENERGY	
Reduction in petroleum use per vehicle, over a FY 2015 baseline Reduction in energy use per square foot in State facilities and a 5.3% reduction in petroleum use over a FY 2006-2007 baseline	Agencies and Departments will increase the percentage of renewable electricity consumed or purchased by State facilities by 5% by the end of FY 2022-2023. Such increase shall be in addition to the renewable energy provided by the utility as part of the overall power mix. Acceptable sources of renewable energy to be consumed or purchased to meet the renewable energy goals include: Renewable energy purchased through a power purchase agreement Renewable energy procured through a solar garden subscription Utility renewable energy purchase programs Other renewable energy installations developed in cooperation with a utility for which there is an agreement in place Leased rooftop solar
4. FLEET MANAGEMENT	
	Agencies and Departments will reduce greenhouse gas emissions from State fleet vehicles by at least 15% by the end of FY 2022-2023, from a FY 2014-2015 baseline. Agencies and Departments will reduce greenhouse gas emissions by at least 7.5% by the end of FY 2022-2023 for vehicles categorized as special use.

FIGURE 04.02: Greening of State Government goals

04.01.03 EXECUTIVE ORDERS

04.01.03.01 EXECUTIVE ORDER D 2020 175: EQUITY, DIVERSITY AND INCLUSION IN THE STATE OF COLORADO

The State of Colorado believes that an equitable, diverse and inclusive (EDI) workplace is one where all Coloradans – employees, community partners and the public alike – feel valued and respected. To achieve the goal of recognizing, embracing and celebrating all identities and abilities, the State is committed to working and leading the nation in EDI efforts to realize the vision of a "Colorado for All." The Strategic Office Space Plan aligns with State goals for improving EDI through strategies that will allow the State to employ staff from across Colorado and through encouraging flexibility for State employees to take care of themselves and their families.

The Department of Personnel & Administration's (DPA) priority is to make the State an Employer of Choice. The hiring, retention, promotion and professional growth of a diverse workforce is a top priority for Colorado. The Strategic Office Space Plan vision of a nimble work environment which supports flexibilities in both time and location of work for State employees is directly related to the Employer of Choice goal. For more information about DPA's EDI Priority and how it relates to this report see Section 05.02.03.

04.01.03.02 EXECUTIVE ORDERS CONCERNING THE ENVIRONMENT

The State is committed to providing all Coloradans with exemplary services, but those operations should not come at a cost to the environment. Since 2003, a series of executive orders has reinforced the State commitment to making government operations more sustainable. These executive orders would impact how renovations and leases are executed related to this Strategic Office Space Plan.

Key recent Executive Orders concerning the environment are:

- *Executive Order D 2019 016: Greening of State Government*
  The Greening of State Government executive order builds on prior efforts and establishes new goals that will ultimately save taxpayer dollars and reduce the operational impact on the environment and public health. The executive order establishes requirements for energy efficiency and renewable energy in State capital construction and renewal projects, and sustainability requirements for larger leases for State use.

- *Executive Order D 004 08: Reducing Greenhouse Gas Emissions in Colorado*
  Signed by Governor Bill Ritter, Jr. in 2008, D 004 08 Reducing Greenhouse Gas Emissions in Colorado is a precursory document to the Greening State Government Executive Order. The 2008 Executive Order directed the Colorado Department of Public Health and the Environment (CDPHE) to develop regulations mandating the reporting of greenhouse gas emissions for all major emitters, requested the Public Utilities Commission to require utilities to submit electronic resource plans for meeting reduction goals and directed the CDPHE to propose regulations requiring reduced emissions from passenger motor vehicles.

In addition to these Executive Orders, in the 2021 legislative package the State adopted components of the Greenhouse Gas Pollution Reduction Roadmap which identifies the combustion of fossil fuels in buildings as one of the four largest sources of greenhouse gas pollution in Colorado. The adopted measures are near-term actions for reducing greenhouse gas emissions comprehensively.

04.01.03.03 EXECUTIVE ORDER D 016 03: CENTRALIZED LEASING PROCEDURES

Implemented in 2003 by then-Governor Bill Owens, the Centralized Leasing Procedures Executive Order permitted the State to develop and implement a new framework for the oversight of leasing and property acquisition by agencies, including the development of a new contract for additional tenant brokerage services. This Executive Order shapes the way leases are managed today and would shape how the Strategic Office Space Plan vision is realized.

Historically, the State of Colorado used a contracted brokerage lease management program, administered by DPA, to assist agencies in real estate transactions. As DPA worked with the State's real estate portfolio, it became clear that agencies consistently pursued their leasing needs independently, resulting in less efficient space usage and less long-term planning. In 2003, fiscal challenges highlighted the need for a more coordinated planning effort, particularly within the Capitol Complex and in the Denver Metro Area, which led to the Centralized Leasing Procedures Executive Order. Through this Executive Order, the concept of creating a master plan for the Capitol Complex was set into motion, along with the establishment of an overall leasing and acquisition strategy for the State.

04.01.03.04 EXECUTIVE ORDER CONCERNING FLEXIBLE WORK ARRANGEMENTS

Governor Polis is drafting an Executive Order directing DPA to lead the State in deploying Flexible Work Arrangement policy. Flexible Work Arrangements (FWA) provide employees with flexibility in how, when and where work gets done. These arrangements support the diverse needs of the State's workforce while improving health and wellbeing, creating a supportive work environment and increasing employee engagement. The draft Executive Order calls for DPA to develop a Flexible Work Arrangements Universal Policy. The Universal Policy, which is also currently in the draft stage, will establish the structure necessary for the agencies to be consistent and effective in the implementation of FWA programs. The policy will establish expectations and limits for designated remote State positions.

Workplace flexibility requires openness to reimagining how, when and where employees do their best work. Agencies can enhance business operations by implementing FWA, designating appropriate positions as full-time remote work, and utilizing mobile technologies and shared workstations to maximize the efficiency of work processes while reducing costs associated with office space. Both FWA and designated remote work positions can positively impact retention efforts, work-life balance, workloads, staff commitment, efficiency, productivity and overall work culture while still allowing agencies to achieve significant cost savings, meeting goals, realizing missions and serving customers.

FWA are the underpinnings of this Strategic Office Space Plan, as they leverage technology to support a remote and mobile workforce that is more productive and uses State office space more efficiently.

04.02
DEPARTMENT OF PERSONNEL & ADMINISTRATION

04.02 INTRODUCTION

The Strategic Office Space Plan is intended to align to the vision of the Governor's Office, as described in Section 04.01, and to the vision of the Department of Personnel & Administration (DPA). DPA provides government agencies the ability to focus their resources on delivering quality services to Coloradans. The Strategic Office Space Plan is principally about physical space resources, but these space resources have important implications for how many other agency resources are utilized including funding, staff, energy and equipment resources.

04.02.01 WILDLY IMPORTANT GOALS

DPA assembles a strategic plan each year geared toward prioritizing and focusing the agency's efforts and resources. The annual strategic plan is a living document, which is updated with subsequent editions. For FY 2020 - 2021 and beyond, DPA has identified several "Wildly Important Goals," all of which directly relate to the Strategic Office Space Plan:

- Priority I: Employer of Choice
- Priority II: Innovation and Efficiency
- Priority III: Reduce the State's Physical Footprint

WHAT WOULD MAKE WORKING AT THE STATE EVEN BETTER FOR YOU?

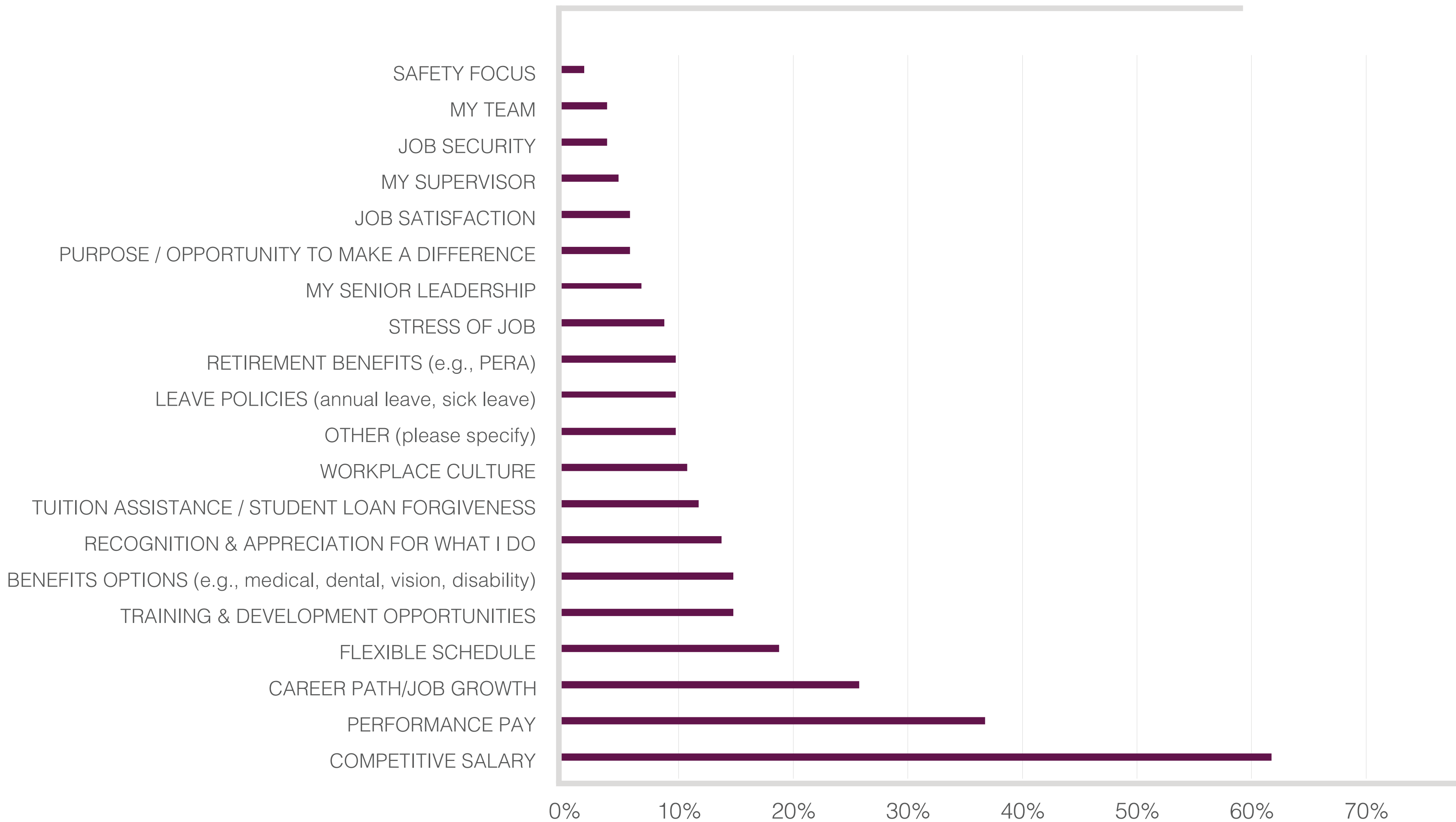


FIGURE 04.03: What Would Make Working at the State Even Better for You?

04.02.01.01 PRIORITY I: EMPLOYER OF CHOICE

The objective of the Employer of Choice goal is to actively recruit and work to retain a diverse, talented workforce that reflects the community it serves. The Strategic Office Space Plan vision for supporting flexible work time and flexible workplace arrangements is aligned to the Employer of Choice goal.

Employer of Choice
The foundation of the Employer of Choice plan is a series of DPA listening tours across Colorado and a 2019 Employee Engagement Survey. The survey asked State employees to provide an honest assessment and envision what would make working for the State of Colorado even more attractive. Results from the survey are actively being used by the State to create a better place to work and become an Employer of Choice. Survey results showed that compensation, career growth, training and development opportunities, recognition and a flexible schedule topped the list as critically important.

Informed by survey findings and the listening tours, DPA identified six strategic areas:

- Compensation
- Talent Growth and Development
- Equity, Diversity and Inclusion
- Health, Safety and Well-being
- Recruiting and Hiring
- Work Perks

Of the six categories, Equity, Diversity, Inclusion (EDI), Recruitment and Hiring and Work Perks have most directly informed the Reducing Our Footprint Initiative and this Strategic Office Space Plan.

Equity, Diversity and Inclusion (EDI)
The State of Colorado believes that an equitable, diverse and inclusive workplace is one where all employees and community partners, whatever their gender, race, ethnicity, national origin, age, sexual orientation, gender identity, citizenship status, education, disability or any other identity, feel valued and respected. The State is committed to non-discriminatory practices and providing equitable opportunities for employment and advancement in all departments, programs, services and work sites.
In addition to providing statewide EDI training for every employee, the State's Human Resources team is receiving training on writing inclusive job announcements for job seekers.

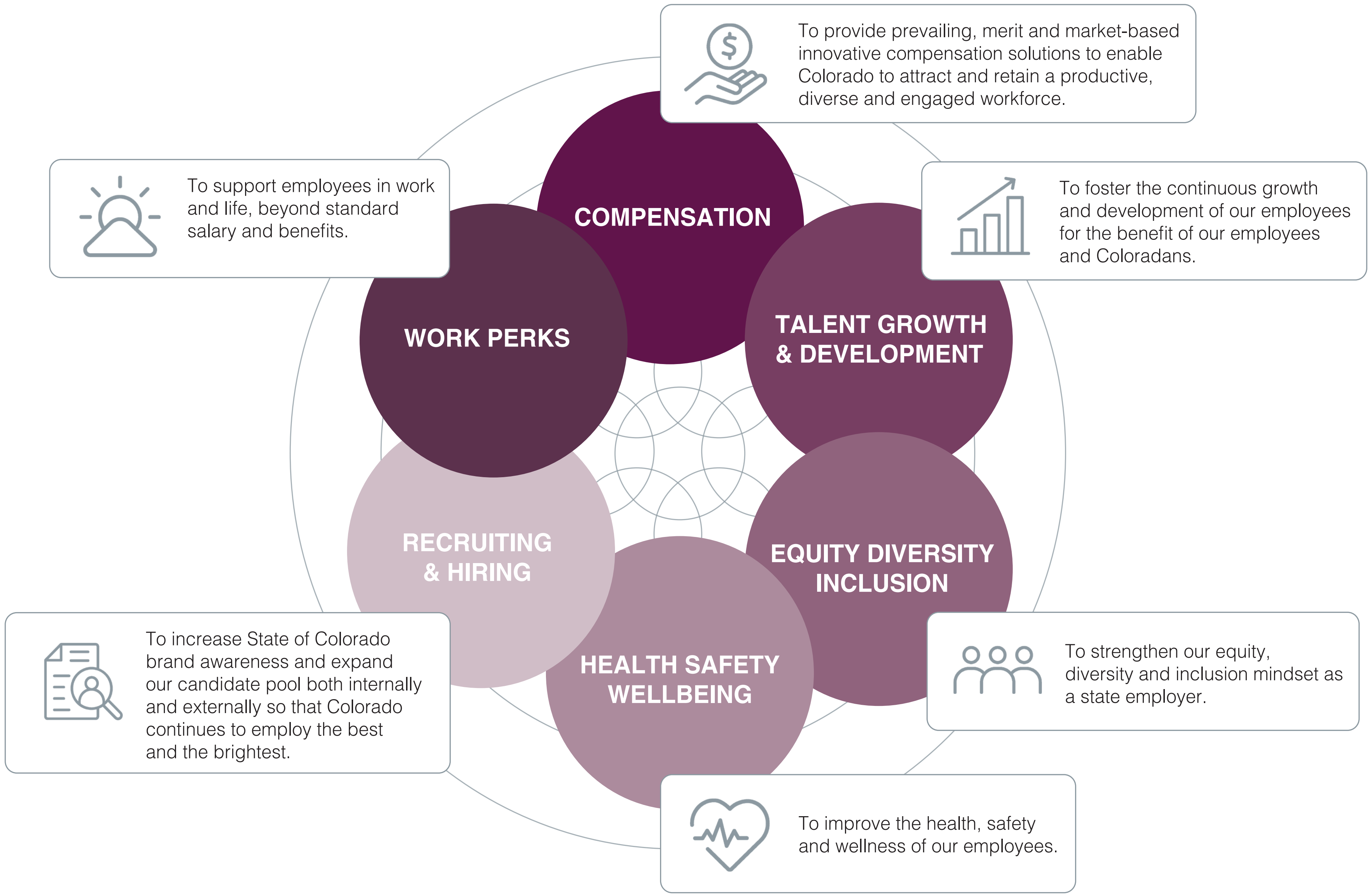


FIGURE 04.04: DPA Strategic Plan FY2021

Recruitment and Hiring
Becoming an Employer of Choice means building a brand and awareness around the State of Colorado as an employer, where professionals want to seek employment with the State. Colorado must show that it is a desirable place to work through amenities and perks. In the "new normal" post-pandemic work environment, the State is also endeavoring to provide employees with efficient, technologically advanced, thoughtful office space that is conducive to flexible remote work.

In a post-pandemic hybrid work environment, finding the best person for a given position is no longer limited geographically. Creating a diverse, thriving and highly skilled team can now be a State-wide digital endeavor with flex workspaces and remote work options. Employees will have the opportunity to not live near where they work.

Work Perks
One of the main reasons people come to work for the State is for the sense of purpose. Public service is a noble profession, and the State strives to show appreciation through the availability of work perks, on top of salary and benefits. The primary work perks being pursued by the State are:

- *Prioritize work-life flexibilities*
  The State strives to understand how to offer flexible work arrangements to employees, supporting their success at work, home and with their families. The State strives to implement arrangements such as flexible schedules and locations.

- *Enhance time off options*
  During Employer of Choice listening sessions, employees describe additional ways to provide time off. In doing so, the State can give back to employees in ways that support their well-being.

- *Leverage employee discounts*
  State employees have access to a variety of discounts that are currently underutilized. This work will improve awareness and increase utilization of discounts.

- *Promote community involvement and volunteerism*
  State employees are driven by purpose and impact. Giving back to communities is something that employees highlighted during Employer of Choice listening sessions. The State will work to increase awareness and options for employees to engage in giving back.

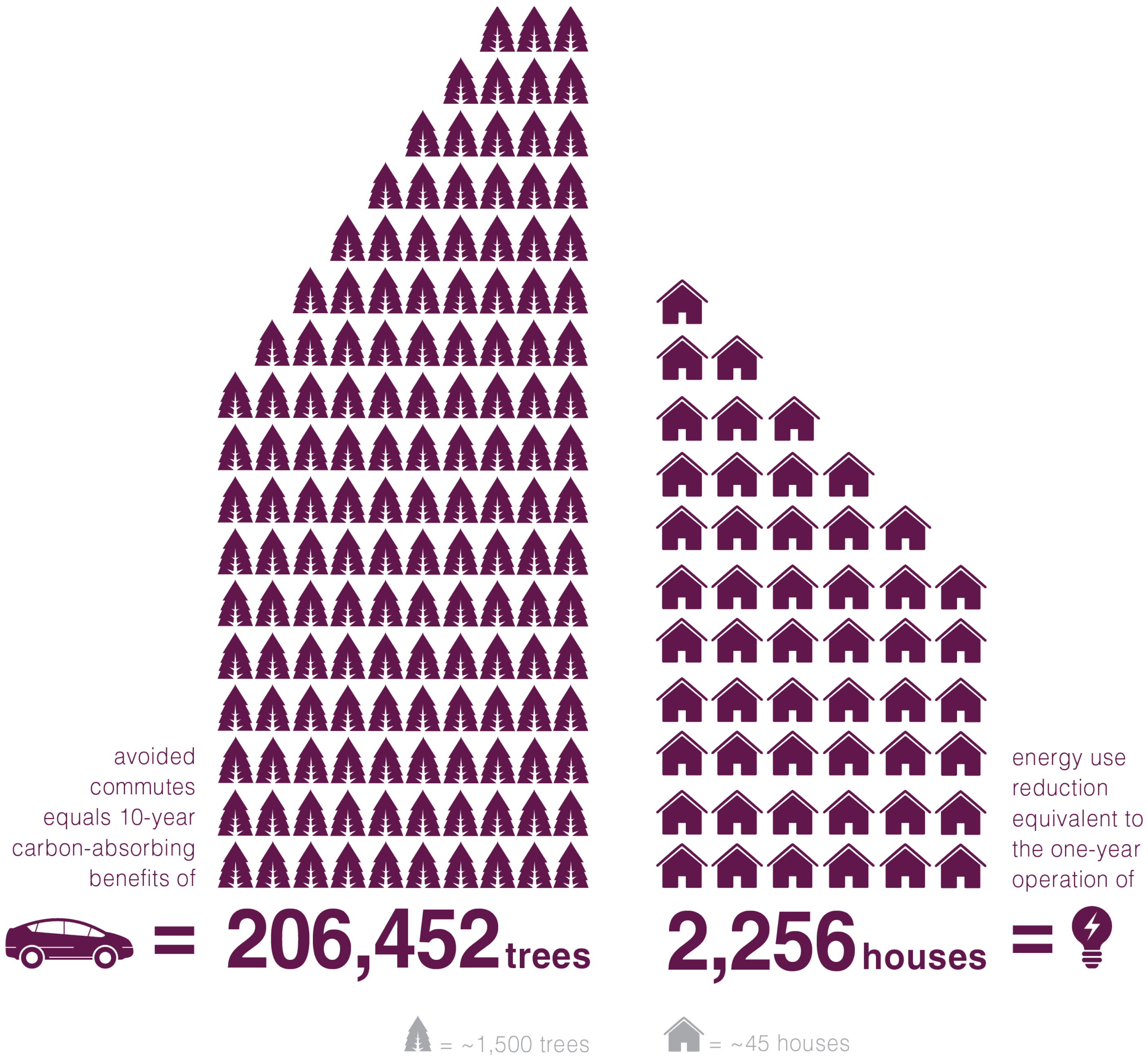


FIGURE 04.05: Employee commuting carbon benefits and energy reduction in office size reduction

04.02.01.02 PRIORITY II: INNOVATION AND EFFICIENCY

The State Purchasing and Contracts Office made strides in improving contracting practices through its work to modernize the procurement code and by championing Invitations to Negotiate, which leverages the State's bargaining power. The Strategic Office Space Plan is focused on the goal of optimizing efficiency and innovation in State administrative office space.

04.02.01.03 PRIORITY III: REDUCING THE STATE'S PHYSICAL FOOTPRINT

Reducing the State's Physical Footprint is one of DPA's "Wildly Important Goals." As discussed in Section 04.01.01, it is also one of the six pillars of the Governor's Reimagine State Government vision. The vision calls for reducing the State's current 2.8M square feet of administrative office by 1M square feet. Reducing the State's physical footprint will lead to better space utilization in the employee work environment and a reduction in the amount of leased square footage statewide. This optimization will provide diverse workplace options for State agencies and financial savings that can be spent on other administrative priorities.

04.02.02 ENERGY AND GREENHOUSE GAS EMISSIONS

One critically important component of the Reduce Our Physical Footprint initiative is the potential to further State environmental goals for reducing operational energy and greenhouse gas emissions, as directed in Executive Order D 2019 016 Greening of State Government (see Section 04.01.03.02). The Reduce Our Physical Footprint initiative does this in two primary ways:

1. *Reduction of greenhouse gas emissions through a reduction in employee commuting.*
   The adoption of remote working policies and the adoption of co-locations closer to employee's homes will reduce emissions associated with employee commutes. Using the agency findings data in Section 06 of this report for seat counts, the agencies project a reduction equating to approximately 3,700 roundtrip commutes per day due to remote working, comparing pre-COVID conditions to five-year projections. The avoided commutes from remote working equate to approximately 13,763 tons/year of avoided carbon emissions from pre-pandemic levels, assuming an average employee daily commute distance of 16 miles and an average emissions / mile of 404 grams of CO_2. This carbon emission avoidance is equal to the 10-year carbon-absorbing benefits of 206,452 trees.[1]

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1. "Colorado Average Commute Time by County" - https://www.indexmundi.com/facts/united-states/quick-facts/colorado/average-commute-time#map (2018 data)

"Greenhouse Gas Emissions from a Typical Passenger Vehicle" - https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle; https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator

2. *Reduction in operational energy use through a reduction in office size.*
   The adoption of space efficiency strategies such as seat-sharing and hoteling will reduce the amount of State office space needed. A reduction in office space will reduce the State's operational energy needs. The Reduce Our Physical Footprint goal of a 1M square-foot reduction of State office space equates to an energy savings of 81,000,000 kBtu/year based on pre-pandemic State operational energy use. This energy use reduction is equivalent to the amount of energy needed to operate 2,256 houses over one year.[2]

In addition to the environmental goals of the Governor and DPA, the environmental benefits proposed by this Strategic Office Space Plan align with the goals of other State agencies. Previous State studies note that the Colorado Department of Public Health & Environment (CDPHE) has a mission-aligned interest in the reduction of its carbon footprint. The agency specifically would benefit by being located near mass transit hubs, transportation routes and carpooling opportunities. Currently, 86.9% of CDPHE employees drive alone to work, according to the 2020 previous study. CDPHE is striving to be a "Climate Friendly Workplace" and would be able to further this goal by implementing suggested transit and shared parking recommendations. A primary way to reduce an agency's carbon footprint is by minimizing commute-based emissions.

The State's current sustainability goals are focused on mitigating effects on the environment. The State is considering additional sustainability guidelines focused on easing effects on human physiological systems, to be included in the upcoming Design Guidelines. Refer to Section 05.10 Planning for Design Guidelines for additional information on the Design Guidelines.

04.02.02.01 GREEN LEASE POLICY

The Green Lease Policy of the OSA's Real Estate Program expands upon the requirements of the Greening of State Government Executive Order, providing a matrix that allows agencies to consider sustainability factors in the property evaluation phase for new leases. The matrix includes factors such as building certifications, access to mass transit and bicycle racks, electric vehicle charging stations and operational measures including recycling programs and after-hours shut-off of nonemergency lighting.

The key benefits of the Green Lease Policy are:

- *Attracting and retaining talented employees*
  Green buildings can improve the quality of the workplace, which has been shown to positively influence the attraction and retention of staff.
- *Enhancing employee well-being and productivity*
  Research indicates a link between a healthy and sustainable indoor environment in offices with improved employee well-being.
- *Reducing lease costs*
  The Green Lease Policy may create cost savings within the operating budget for an agency.
- *Reducing relocation costs*
  A productive, sustainable and high-performing work environment is one in which an agency and its employees are more likely to stay and renew the lease when the initial term expires.

04.02.02.02 HIGH PERFORMANCE CERTIFICATION PROGRAM

Several of the recommendations described in Section 07 of this report involve renovations of existing State-owned buildings. It is part of the State vision that these renovation projects should meet the sustainability requirements of the State's High Performance Certification Program (HCPC). Colorado Revised Statutes § 24-30-1305.5 requires new facilities, additions and renovation projects that meet the applicability criteria to conform with the HPCP policy.

The policy applies to projects that meet the following criteria

- The project receives 25% or more of State funds.
- The new facility, addition or renovation project contains 5,000 or more building square feet.
- The building includes an HVAC system.
- In the case of a renovation project, the cost of the renovation exceeds 25% of the current value of the property.

For projects that meet these applicability criteria, the HPCP requires projects to receive third-party certification. The HPCP goal is for applicable projects to attain certification through, most typically, either the United States Green Building Council's LEED rating system (with a target of LEED Gold) or the Green Building Initiative's Green Globes rating system (with a target of Three Globes). A modification to the target certification goal may be granted by the OSA Energy Program. In instances where achievement of the certification goal is not feasible, an applicant may request a modification of the HPCP policy or a waiver if certain conditions exist.

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2. "How much electricity does an American home use?" - https://www.eia.gov/tools/faqs/faq.php?id=97&t=3

04.03
CHARTER

04.03.01 WORKING GROUP ORGANIZATION

In 2020, a statewide strategic interagency working group was established with the central goal of reducing the physical footprint of Colorado's State government – a Reimagine State Government initiative. Led by the Office of the State Architect (OSA), this Working Group was charged with reviewing and developing strategies and policies to achieve lease consolidation for agencies across Colorado. The "Reduce Our Physical Footprint" Working Group's contributors were drawn from the Governor's Office and its Office of State Planning and Budgeting (OSPB), multiple state agencies, and the Department of Personnel & Administration (DPA).

04.03.01.01 MEMBERS

Inaugural members are as follows:

Seth Cohn, Office of State Planning and Budgeting
Voting member

Daniel Chase, Chief of Staff, Colorado Department of Labor and Employment
Voting member

Emily Eelman, Chief of Staff, Colorado Department of Health Care Policy and Financing
Voting member

Cheri Gerou, State Architect, Office of the State Architect, Department of Personnel & Administration
Executive sponsor; voting member

Mike O'Neill, Logistics Services Director, Colorado Department of Public Safety
Voting member

Lynne Steketee, Chief Operating Officer, Department of Natural Resources
Voting member

Mark Santon, Operational Lead, Governor's Office
Sponsor and team resource; voting member

Herman Stockinger, Deputy Director, Colorado Department of Transportation
Voting member

Brandon Ates, Manager of Real Estate Program, Office of the State Architect, Department of Personnel & Administration
Advisory role; nonvoting member

Connor Bates-Janigo, Intern, Governor's Office
Advisory role; nonvoting member

Garth Braun, Manager of Statewide Planning Program, Office of the State Architect, Department of Personnel & Administration
Advisory role; nonvoting member

Josh Coultas, Deputy Directory, Office of Information Technology
Advisory role; nonvoting member

Scott Edwards, Manager of Fleet Operations, Department of Personnel & Administration
Advisory role; nonvoting member

Tobin Follenweider, Deputy Executive Director, Department of Personnel & Administration,
Advisory role; nonvoting member

Paula Greenwood, Project Manager, Office of the State Architect, Department of Personnel & Administration
Support facilitator and executive sponsor, nonvoting member

Corey Niemeyer, Process Improvement Specialist, Executive Director's Office, Colorado Department of Public Safety
Team facilitator; nonvoting member

Chris Swigert, Real Estate Specialist, Office of the State Architect, Department of Personnel & Administration
Advisory role; nonvoting member

BASIC STEPS			
AGENCY	Agency Reported SF	Basic Steps Projected SF	Projected Total Growth Over 5 Years @ total of 7.7% (1.5%/Yr)
DPA (USF)	81,617	31,330	33,742
DOLA (Sherman Location) (USF)	38,107	26,659	28,712
DOLA (G.J. Leased)(RSF)	3,783	820	883
DNR (Sherman) (USF)	79,278	43,335	46,672
DNR (Other Denver)	67,954	33,620	36,209
DNR (Leased) (RSF)	57,452	24,190	26,053
CDE (Sherman Location) (USF)	4,841	4,920	5,299
CDE (Colfax) (USF)	42,049	53,585	57,711
CDE (Leased) (RSF)	47,554	31,305	33,715
CDE (Talking Book Library)	25,818	25,818	27,806
DHS (Sherman Location) (USF)	91,313	70,930	76,392
DHS (Leased)	17,004	4,510	4,857
DPS (Kipling Complex) (USF)	89,863	107,830	116,133
CDPHE (RSF)	355,687	186,454	200,811
HCPF (Grant St.) (USF)	33,264	18,313	19,723
HCPF (Leased))(RSF)	110,008	32,545	35,051
OIT (RSF)	95,318	80,504	86,703
CDHE (RSF. Exluding HC)	18,182	9,635	10,377
CDHE (History Colo)	27,900	22,940	24,706
CDOT (Deeper Dive)	400,051	169,215	182,245
CDOT (Interagency)	13,917	7,120	7,668
CDOT(Leased)	11,910	5,650	6,085
CDOT (Other)	165,069	34,993	37,687
DORA (RSF)	166,069	137,998	148,624
CDLE (RSF)	184,564	55,630	59,914
CDLE (Owned) (251)	91,470	37,618	40,515
CDA	50,000	31,254	33,661
CEO (USF)	8,261	5,433	5,851
OEDIT (USF)	14,698	13,633	14,683
DMVA (Centennial)	6,203	9,400	10,124
DMVA (G. J.)	14,615	2,010	2,165
DOC (RSF)	102,879	91,005	98,012
DOR (Annex) (USF)	75,421	0	0
DOR (1881 Pierce) (USF)	89,884	89,884	89,884
DOR (Leased)	91,025	42,384	42,384
Totals	**2,764,240**	**1,540,022**	**1,648,419**
Reduction from Pre-COVID		**1,224,218**	**1,115,821**
% Change from Pre-COVID		**44%**	**40%**

FIGURE 04.06: Summary of Agencies and Locations reviewed under Basic Steps

04.03.01.02 MISSION AND TIME FRAME

As a part of the Governor's Reimagine State Government initiative, this Working Group was tasked with developing a plan to reduce the State's overall office footprint by 1M square feet over the next five years through more efficient space utilization within the office environment. Beginning in August 2020, the Working Group brought together subject matter experts from across agencies to help align resource availability, department visions, budgets and legislative priorities.

Key objectives of the Working Group are:

- Reduce the footprint of State leased spaces.
- Develop safer workspaces for all State employees in response to the COVID-19 pandemic and general life safety standards.
- Create reimagined workspace guidelines for agencies and/or their consultants to determine their space needs.
- Identify new interagency space utilization solutions to maximize benefits to the State and its employees.
- Identify creative funding opportunities to support capital improvements for State-owned lease spaces, improvements and ongoing maintenance and safety operations.
- Engage with every agency to assist in the assessment of space needs and the development of a plan to achieve a more productive, better-utilized work environment.

04.03.02 BASIC STEPS

04.03.02.01 PROCESS AND OBJECTIVES

Since fall 2020, the OSA has worked with each State agency to establish an initial understanding of their commercially leased and State-owned administrative office needs, along with pre-and post-COVID head counts in a process that has come to be referred to as "Basic Steps." The Basic Steps exercise has had two primary goals:

1. Capture projected changes in-office use post-COVID.
2. Provide an initial check as to whether the 1M SF reduction goal would be achievable.

The Basic Steps provided a high-level quantification of pre-COVID space requirements and a comparison to projected post-COVID needs, considering practices such as remote working and seat sharing.

The "Reduce Our Physical Footprint Charter" outlined the Basic Steps data collection criteria and each State agency received a series of spreadsheets to complete, requesting:

- Pre- and post-COVID head counts
- Pre- and post-COVID workspace types
- A list of existing office-orientated workspaces by location and square footages
- Identification of commercially leased and State-owned (including interagency) office workplaces

The data was reviewed by the OSA for completeness, inconsistencies, identification of office space (versus unique space types), documentation of follow-up items and comparison to leasing reports. Spreadsheets were analyzed and amended to allow for a like-for-like comparison of pre- and post-COVID requirements.

This information was converted from head counts to seat counts, and unique space needs were added to estimate new post-COVID requirements for agency space needs. Figure 04.06 records the findings from the Basic Steps exercise.

From this dataset, the OSA established a baseline square footage of State agency administrative office space available for footprint reduction. That area has been updated through the Agency Findings exercise recorded in Section 06 of this report.

SUMMARY OF TOP 11 GREAT IDEAS	# of Ideas in Bucket
Short Term	5
Medium Term	4
Long Term	2

Bucket Color	Color #	Number of Items in Bucket	Bucket Description
	1	5	Statewide workplace sharing (hoteling), large conference meeting space, auditoriums, etc. accessible to all state agencies.
	2	7	Co-location of agencies
	3	6	Agency consolidation and use of hoteling within an agency
	4	2	Provided regional work centers
	5	9	Lease expirations or terminations to reduce space
	6	4	Transit/Parking or environmentally oriented
	7	2	Technology
	8	1	Legislative Change
	9	8	Operational & HR changes
	10	4	Capitol Complex

SUMMARY OF TOP 11 GREAT IDEAS

Bucket	Idea	# of Ideas in Bucket
5	Lease expirations or terminations to reduce space	3
1	Statewide workplace sharing (hoteling), large conference meeting space, auditoriums, etc. accessible to all State agencies.	2
10	Capitol Complex	2
2	Co-location of agencies	1
8	Legislative Change	1
3	Agency consolidation and use of hoteling within an agency	1
7	Technology	1

FIGURE 04.07: Summary of Top 11 Great Ideas

04.03.03 THREE GREAT IDEAS

04.03.03.01 PROCESS AND OBJECTIVES

In October 2020, each agency submitted to the Reduce Our Physical Footprint Working Group “three great ideas.” Agencies were encouraged to consider short-, medium- or long-term goals and focus inwardly on their agency or broadly on statewide goals. In total, 48 distinct ideas were presented to the Working Group members. Each suggestion was ranked from 1 to 5, based on:

- The benefit to State employees: quality, convenience, appropriateness, individual choice, increased privacy, environmental safety and pride in State facilities
- The benefit to Coloradans: cost savings, recruiting top talent, ease of access to quality services and pride in State facilities.
- The budget: effective use of funding and/or space
- The return on investment (ROI): effort to implement versus benefit of the outcome

Figure 04.07 is a summary of the top 11 great ideas. See Section 08.02 in the Appendix for each proposed idea. A color-coded legend was used to categorize ideas into broader themes. This color-coding assisted the Working Group in identifying the type of idea proposed, with further distillation into *actionable* (more immediate implementation would be possible) or *strategic* (planning and longer-term implementation required) items. The exercise yielded:

- 10 common themes
- 21 short-term ideas
- 19 medium-term ideas
- 8 long-term ideas
- 25 actionable items
- 23 strategic items

04.03.04 FOCUS GROUPS

The 48 “great ideas” from State agencies were categorized into common motifs and identifiable actionable items versus strategic plans, yielding a diverse mixture of 10 themes. The 10 themes were explored and refined by four Focus Groups, to develop strategies. Those Focus Groups were:

- Capitol Complex
- Legislative
- Hoteling, Co-location, Regional Hubs, Technology
- Transportation, Parking, Environment

In November 2020, each Focus Group’s efforts were aimed at developing a series of recommendations. Their findings and endorsements encompassed short- and long-term opportunities for DPA and OSA in support of the Reduce Our Physical Footprint / Reimagine State Government initiative. The Focus Group recommendations are described below.

04.03.04.01 CAPITOL COMPLEX FOCUS GROUP

Vision: To create a dynamic and right-sized Capitol Complex

Financial Model
Timeline: FY 22 - 23
- Update the Capitol Complex rent model to a more private sector approach:
  - Charge tenant based on utilization (e.g., hoteling) as well as by building and space type.
  - Establish capital accounts by charging tenants for tenant improvement / capital expenses.
    - This would apply to rent savings associated with tenants coming from commercial spaces.
  - The Capitol Complex currently only charges for the cost of operation, and leases are based on usable, rather than rentable, area. Consider including costs for capital improvements.

Non-State use of State Buildings
Timeline: FY 21 - 22
- Identify opportunities for non-State use of Capitol Complex (e.g., child daycare).
  - Consider subcontract for management.
  - Confirm State is not violating any COP requirements (e.g., tax-exempt SB 267 COPs).

Daily / Hourly Parking Options
Timeline: FY 21 - 22
- Convert some of the Capitol Complex parking lots to daily / hourly parking for State employees.
- Consider allowing paid public parking after hours and on weekends.
  - Would require payment kiosks and potentially a parking vendor

Space Sharing System
Timeline: FY 21 - 22
- Create a simple system that allows agencies to advertise temporarily available space (e.g., office, storage, etc.).
- Consider including non-office space in hoteling reservation software.

1570 Grant Street Building
Timeline: FY 21 - 22
- The building is not part of the Capitol Complex steam loop system.
- Redeploy to other uses (affordable housing, private office, daycare, etc.) or sell the building.
- Selling the building eliminates future use opportunities and is not preferred; need to resolve access needs with the neighboring building.

State Services Building (1525 Sherman Street)
Timeline: FY 21 - 22
- Convert the first floor of 1525 Sherman to shared space and conference center.
- Implementation:
  - Move Office of the State Architect (OSA) to another space.
  - Convert cafeteria to flex space.
  - Upgrade technology, A/V and security in existing conference space.
  - Consider fire code / fire exit requirements.
  - Market to State agencies.
  - Track and charge for utilization; consider a tiered-rate structure.

Annex Building (1375 Sherman)
Timeline: FY 21 - 22
- Convert the building to multitenant use and convert the first floor to shared space (i.e., hoteling).
- Implementation:
  - Secure funding.
  - Upgrade the security system, common areas, water fountains.
  - Refresh interiors, including office amenities, break rooms, new carpet and paint.
  - Acquire hoteling reservation system.

04.03.04.02 LEGISLATIVE FOCUS GROUP

Vision: A dynamic and rightsized budget and statute for workspace utilization

Lease Space Line Flexibility Statutory Change
Timeline: FY 21 - 22
- Allow agencies to utilize lease savings to improve workspace.

Real Estate Planning and Reinvestment Legislation
Timeline: FY 20 - 21
- The State owns 117 vacant buildings and hundreds of vacant parcels of land.
- Create a program in the OSA to put these to beneficial use (renewable energy, affordable housing, etc.) or sell buildings and/or property to generate money to improve State property.
- Legislation has a sponsor and a bill draft is in process for the 2021 Session.

New Decision Framework for Owned and Leased Office Space
Timeline: FY 20 - 21
- Create a decision-making framework to better coordinate State efforts to reduce State's footprint:
    - Include agency program needs, the OSA's expertise and statewide goals.

04.03.04.03 HOTELING, CO-LOCATION, REGIONAL HUBS, TECHNOLOGY FOCUS GROUP

Vision: Support the State's goals of optimizing leased square footage while providing 21st century tools and spaces for employees' needs

Master Plan Database
Timeline: FY 20 - 21
- Create a master plan and database. Include:
    - Lease space locations
    - Employee address data
    - Agency space allocation plans
    - Recommended potential space availability
- Use data to identify opportunities for co-location and/or regional centers (co-location hubs)
    - Maximize space optimization by housing two or more agencies.
    - Provide "Hoteling" space for short-term or occasional "drop-in" working or conferencing space.

Hoteling and Space Tracking Software
Timeline: FY 20 - 21
- Analysis of currently available technology could be used / repurposed for hoteling:
    - Use data on available space to recommend several pilots, both short-term and longer-term
        - Test concepts.
        - Develop processes.
        - Flesh out expected and unexpected consequences.
- Work on longer-term strategies for scheduling, security, accessibility and potential cost allocation.
- If necessary, research and propose a formal software scheduling solution and sustainable support.

Additional Technology
Timeline: FY 20 - 21
- Analysis of OIT Assistance, including office phone alternative for remote work
- Paper use reduction
- Shared workstations:
    - Standard digital template of equipment

04.03.04.04 TRANSPORTATION, PARKING, ENVIRONMENT FOCUS GROUP

Vision: Support State employees' needs for transportation and encourage environmentally focused options

Transportation, Parking and Environment
Timeline: FY 20 - 21
- Analysis of transportation options in communities designated as regional "hubs" (co-location hubs)
- Negotiate for all State employees with regional public transportation systems:
    - Example: Colorado Springs offers an excellent opportunity to provide better transportation options to State employees
- Mass transit stipend and/or commuter flex spending account.
- Explore existing bicycle transportation throughout the state to determine if improvements can be made for storage and security for employee equipment.
- Analyze state-wide centralized options for car share.
- Expand electric vehicle use, including the State fleet; encourage the use of charging stations in State employee parking facilities.
- Investigate opportunities to share parking spaces between employees and the option of offering daily parking rates for employees to park in State-owned parking facilities.
- Consider allowing some public parking in State-owned parking facilities to assist with decreased income of Capitol Complex facilities.

04.04
PREVIOUS RECOMMENDATIONS

04.04 INTRODUCTION

Pre-COVID Office of the State Architect (OSA) studies have included recommendations which inform the State's vision for the post-COVID State administrative office workplace. These previous recommendations also inform the strategies discussed in Section 05 of this report.

04.04.01 CAPITOL COMPLEX MASTER PLAN STRATEGIC RECOMMENDATIONS

The Capitol Complex Master Plan of 2014 (CCMP) outlined several strategic recommendations for the development and renovation of the Capitol Complex. Those recommendations parallel this Strategic Office Space Plan, but this report considers strategies based on the new work practices experienced during the pandemic and projections for how these practices will change the State's administrative office use post-COVID. Section 05.07 Capitol Complex & Other State Buildings of this report utilizes this background information and provides specific strategies for the Capitol Complex based on the current mandate to reduce the State's leased square footage. An action plan for implementing recommendations for the Capitol Complex is presented in Section 07.02.

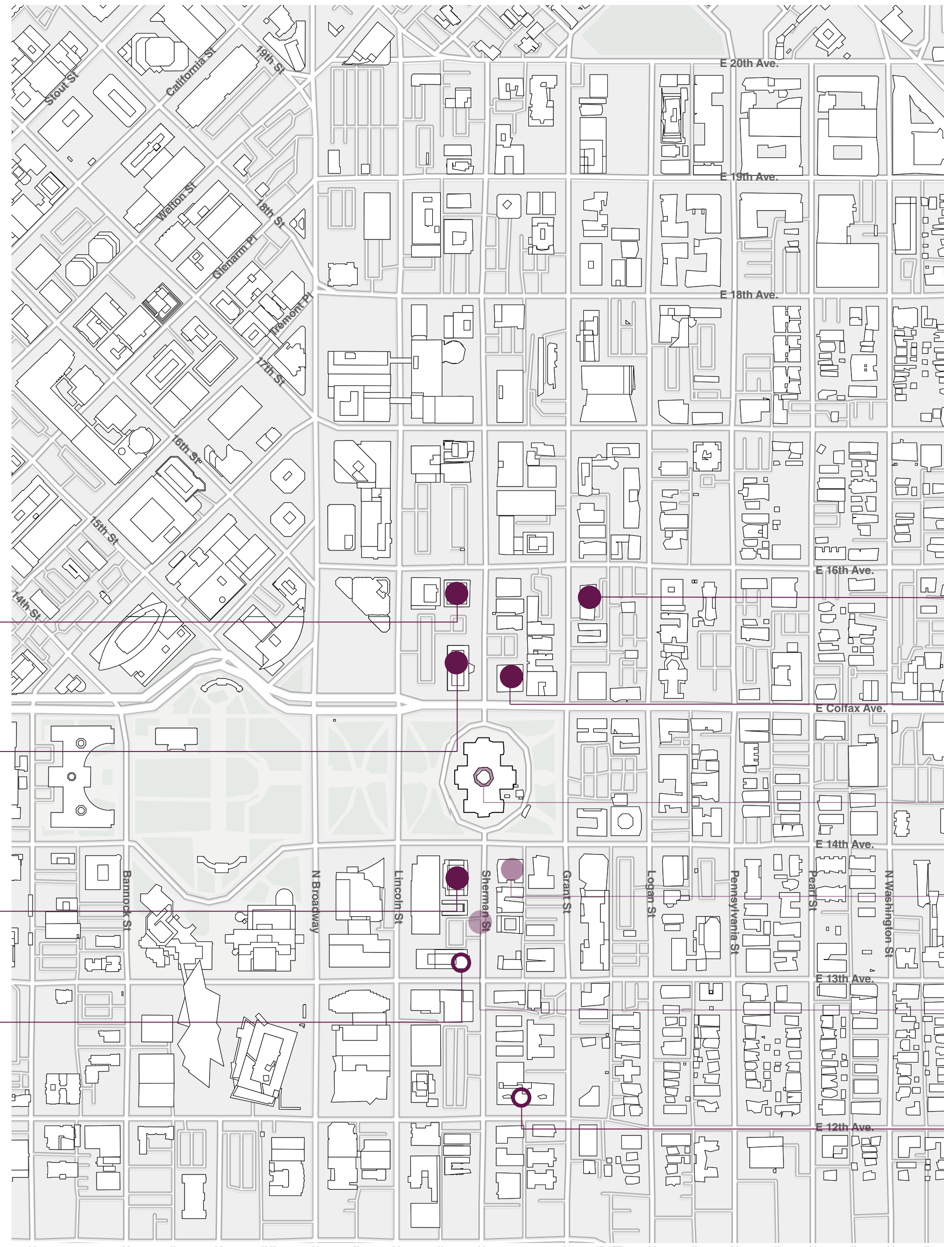
The following is a summary of the CCMP recommendations that are relevant to this Strategic Office Space Plan.

04.04.01.01 CAPITOL COMPLEX REMODEL / RENOVATE

As outlined in the CCMP, portions of the Capitol Complex are in poor condition with extensive deferred maintenance. In addition, certain buildings require comprehensive renovation that would require agencies to vacate spaces before buildings can be renovated. Remote working could alleviate the need for swing space to facilitate this kind of renovation. The CCMP prioritizes renovations for the Centennial Building (1313 Sherman) and the Annex Building (1375 Sherman). Section 07.02.03 of this report recommends a similar concept.

04.04.01.02 OUTCOME OF BUILD/BUY/LEASE ANALYSIS

The 2014 CCMP included a thorough build / buy / lease analysis of property. This analysis indicated that, in the short term, the leasing of office space has certain financial advantages. However, the CCMP took into consideration the history of agencies located downtown and found that many of those located in leased space perform ongoing (not short-term) functions of State government and have been in their leased space for long durations. The analysis recommended that, based on the rising demand for leased space and rising market costs, agencies relocate to State-owned space where possible so that the State can realize long-term savings. The demand for and cost of leased office space should be re-evaluated post-pandemic to confirm this recommendation. The CCMP concluded that it would be advantageous for the State to build space suited for its needs. However, with the reduction in State administrative office need, it may now be possible to achieve the same financial benefits of occupying State-owned space by renovating existing State-owned space rather than building new.



LEGEND:

- STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPACE SUITABLE FOR REDUCTION
- STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE SUITABLE FOR REDUCTION
- STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPACE NOT CONSIDERED FOR REDUCTION
- STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE NOT CONSIDERED FOR REDUCTION

FIGURE 04.08: Locations of Capitol Complex buildings

04.04.01.03 CCMP AGENCY RECOMMENDATIONS

Through the analysis of existing space usage and the projection of future space needs, the CCMP formulated several recommendations for the distribution and relocation of State agencies and their employees that apply to this Strategic Office Space Plan. Leased space was found to be advantageous for the few agencies experiencing changes in levels of employment and programming to address their fluctuating space needs. Conversely, the CCMP recommended that agencies and programs whose space needs do not fluctuate should be in State-owned facilities.

Key CCMP agency space recommendations, consistent with this Strategic Office Space Plan, are:

- Strategize to reduce commercially leased space in favor of State-owned space.
- Address renovation needs.
- Increase efficiency of workspace utilization.
- Leverage opportunities to consolidate.
- Plan for agencies with fluctuating needs.

04.04.02 RECOMMENDATIONS FROM ADDITIONAL PREVIOUS REAL ESTATE STUDIES

In addition to the CCMP, the Office of the State Architect (OSA) Real Estate Program conducted other studies to evaluate possible real estate strategy for the future of the State. Several of the recommendations from those studies inform the vision of this Strategic Office Space Plan.

Key components from these previous studies that are consistent with this Strategic Office Space Plan are:

- Plan for Alternative Workspace Strategies which configure space to support work activities rather than employee titles.
- Reduce employee commutes.
- Provide for deferred maintenance funding.
- Plan for opportunistic property acquisition process.

The Real Estate Program's previous studies are a baseline for the State's proposals for changes to future leasing strategy, discussed in Section 05.08 Future Leasing Strategies of this Strategic Office Space Plan.

04.04.02.01 STRATEGIC ASSETS – OPPORTUNISTIC PROPERTY ACQUISITION PROCESS

Over the last decade, the State has been presented with several opportunistic real property and office building acquisitions in key strategic locations. Opportunities have included 710 Kipling, 1290 Broadway, 101 W Colfax, 1560 Broadway, 1700 Broadway and 1580 Logan. Unfortunately, due to the structure of the current acquisition process and lack of dedicated funds, the State has not been able to react quickly enough to capitalize on these opportunities. Previous State studies explore the benefits of developing a new prescribed and accelerated process in which the Department of Personnel & Administration (DPA) and Office of the State Architect (OSA) can react quickly to capture opportunistic real property acquisitions in the marketplace. The accelerated process could also be used by agencies of the State.

Key benefits of an accelerated acquisition process are:

- Position the State to compete for strategic opportunities to acquire real property when it benefits the State.
- In some cases, opportunities for trade could be less than replacement cost thereby reducing the State's overall occupancy cost.
- Provide a more efficient and productive work environment while utilizing less space.

Post-COVID, the State need for administrative office space is projected to reduce, so property acquisition will not be driven by a need for more space. However, there may be opportunities for property trades or property disposal plus acquisition that would allow the State to consolidate office space and make it more efficient. An accelerated acquisition process would be beneficial to the State to take advantage of these opportunities.

04.05
BENCHMARKING

04.05 BENCHMARKING

All states grapple with similar issues regarding balancing leased versus owned space, and how to maximize value for their residents. During the pandemic, all states needed to adjust to remote working and all states are likely to experience profound changes in their post-COVID return-to-office workspaces. Since these issues are common, it behooves states to learn from one another regarding successful practices and best ideas. An important part of the development of this Strategic Office Space Plan was a benchmarking exercise with other states. Many of the lessons learned from this exercise inform the implementation recommendations in Section 07 of this report.

The Planning Team held interviews with real estate representatives from six peer states. These states were selected for benchmarking because they have lease portfolios similar in size to Colorado's and distribution of state office space like Colorado's with a concentration of assets in a major city's capitol campus and more remote office space serving outlying regions of the state. The states selected for benchmarking were Iowa, Montana, North Carolina, Oklahoma, Utah and Wisconsin.

The benchmarking data focuses on two areas: state leasing policy and state planning criteria for new space allocations. Not surprisingly, all the interviewed states are in a time of transition as they all grapple with the changes in workplace modalities hastened by the pandemic. The data collected represents a snapshot as of spring 2021. Policies and planning criteria are likely to evolve over the next 12 months as state workforces can return to physical offices and states determine to what degree this will be encouraged. As with Colorado, all foresee a future with some form of continued remote working along with a consequent reduction in state office space relative to pre-COVID needs. Some of the interviewed states have begun a planning process for post-pandemic return to work; others have yet to begin this process.

The key lessons from other states that have influenced the Leasing Recommendations described in Section 07.01 of this report are:

- *Short lease duration for maximum flexibility.*
  The goals for lease durations vary greatly from state to state, but the interviewed states that are most concerned about maintaining flexibility to allow moves post-COVID are currently pursuing one-year lease terms. The recommendation of this report is modeled on Oklahoma's current practice – utilized even prior to the pandemic – which is based on a goal of a one-year term with allowances for four subsequent one-year renewals. This model should provide Colorado with flexibility while also giving the State the option of avoiding moving costs and disruption if the State wishes to extend a lease. As described in Section 07.01.02, this Strategic Office Space Plan recommends one-year and three-year lease duration goals to be utilized during the State's post-COVID space-consolidation period.

- *Distinction of reusable versus non-reusable tenant improvements.*
  A challenge with short-term leases is amortization of tenant improvement costs. Some states do not recognize this amortization issue and instead structure leases as a competitive proposal process wherein landlords take on risk if the tenant leaves a space before the tenant improvement costs have been recouped. To establish a process that is fair to landlords and the State, this Strategic Office Space Plan recommends a practice modeled on Iowa's current practice in which tenant improvements are classified as reusable or non-reusable. Reusable improvements provide value to landlords and can be utilized by future tenants. Non-reusable improvements are specialized improvements that are not likely to be utilized by future tenants and therefore do not provide appreciable value to landlords. This report recommends that, if the State adopts a goal of one-year lease terms, it also adopts a policy of compensating landlords for any unpaid portion of non-reusable tenant improvements. See Section 07.01.02 for more information.

BENCHMARKING: STATE GOVERNMENT REAL ESTATE POLICIES

		IA	MT	NC	OK	UT	WI
State Data	Leased space in portfolio	865K	1.5M SF total	5.0M SF total	2.7M SF total	1.5M SF total	3M SF total
	State-owned space in portfolio	Not Available	1.2M SF total	3.3M SF in Raleigh	7.9M SF total	18.9M SF total	4M SF total
Leasing Process and Contracts	Basis of space request validation	Design standards	300 RSF / FTE maximum	Design standards	150-200 USF / FTE	250 RSF / FTE goal	Design standards
	Typical lease duration	5 yrs during COVID, utilizing 1 and 2 yr leases	10 - 20 yrs	7-10 yrs with renewal options	5 yr consisting of 1 year term with (4) annual re-up opportunities	5 yrs. Typically include (2) additional 5 yr options. Lease request greater than 10 yrs would justify purchase.	3-5 yrs
	Basis of lease	Either Usable or Rentable: negotiated with landlord.	Rentable Area	Usable Area	Usable Area	Rentable Area	Rentable Area. Usable Area listed in parenthesis
	Lease termination practices	Non-appropriation, or if agency needs to grow or shrink. If early termination, State will compensate for "non-reusable" special use components of tenant improvement, such as data center, through negotiation with landlord.	Non-appropriation only lease termination clause. Legislature must stop agency lease appropriation for clause to be invoked.	Non-appropriation only lease termination clause. Legislature must stop agency lease appropriation for clause to be invoked. If lease is terminated early, landlord pays remaining tenant improvement costs.	Past practice has been no termination in 5 year period, likely to change post-COVID. Clause requires agency compensate for tenant improvement work if lease terminated early.	Non-appropriation only lease termination clause. Legislature must stop agency lease appropriation for clause to be invoked.	Non-appropriation only lease termination clause. Legislature must stop agency lease appropriation for clause to be invoked.
Post-COVID Planning	Post-COVID flexible work policy	Some form of remote working likely. Will likely vary substantially by agency.	Some form of remote working and hoteling likely.	Some form of remote working likely.	Likely to adopt 50% remote-working model. Likely to adopt hoteling.	Likely to adopt 40% remote working model. Likely to expand hoteling.	Likely to adopt 30% remote-working model.
	Post-COVID workplace strategy	Agencies have started independent planning processes, but have not yet determined strategy.	Governor has indicated reduced footprint goal; State has not yet started planning process as to how to achieve.	Goal to reach 75% open workstation / 25% hard-walled office. Remote working seen as likely path toward space reduction.	Plan to increase efficiency of space. Improve State-owned space to Class A for recruitment / retention	Likely to adopt policy of 1.56 FTE / workstation. In Salt Lake City and Taylorsville, likely to consolidate in state-owned, renovated space.	State has not yet started planning process as to how to achieve.
	Likely post-COVID real estate strategy	Unsure because State is in early stages of planning. Past plans recommended regional hubs, but have not been implemented.	Large scale (40,000 - 150,000 SF) regional hubs in privately owned facilities. Consolidation of office space to save on IT costs, allow flexibility for small agency office needs changes.	Unsure because State is in early stages of planning. Past plans recommended regional hubs, but have not been implemented.	Consolidate in State-owned and sell off excess properties. Upgrade existing State-owned space to Class A for recruitment / retention.	Trying to use savings from reduced leases to build State-owned regional hubs. Agencies in outlying areas often request longer leases: locating in State-owned would save costs.	Co-location likely. Considering shorter term leases during immediate post-COVID period of uncertainty.

FIGURE 04.09: Benchmarking: State Government Real Estate Policies

- *Collection of usable and rentable area data.* Several states have policies in place requiring consistent lease space data, so that one lease can easily be compared to another. Many of the interviewed states utilize usable SF (USF) as the basis of leases, since this area represents the space that agencies directly use. In Colorado, there are reasons to maintain rentable SF (RSF) as the metric for commercial leases and USF as the metric for interagency leases, as discussed in Section 07.01.01.02. Using Wisconsin as a model, this report recommends that both RSF and USF data be collected for all leases so that the State can effectively compare data.

- *Consolidation strategies.* Several of the interviewed states report intentions to consolidate administrative office space post-COVID. Strategies for this consolidation are co-location, hubs, and disposing of underutilized State-owned properties to fund renovations to State-owned buildings supporting the new workplace modalities and improving state status as an employer of choice. These strategies are incorporated in this Strategic Office Space Plan.

05
STRATEGIES

05.01
INTRODUCTION

05.01 INTRODUCTION

This section of the Strategic Office Space Plan focuses on broad strategies for the State to consider. (Section 07 focuses on specific implementation recommendations.) The strategies contained in this report are proposed as ways of achieving the 1M square-foot reduction of office space. Focused on identifying underutilized assets and on opportunities to use existing space differently, these strategies attempt to maximize efficiency and reduce costs without reducing the quality of service to Coloradans, and to increase employee engagement. The strategies in this section come through the leadership of the Office of the State Architect (OSA), working in conjunction with other State agencies and the Working Group for the Reimagine State Government Reduce Our Physical Footprint initiative discussed in Section 04.03 Charter of this Strategic Office Space Plan.

The strategies included in this section are informed by the broad visions discussed in Section 04 but also by the details gleaned through in-depth data collection with the agencies discussed in Section 06 of this report. The 1M square foot reduction goal is ambitious and will require an array of approaches. The strategies, described in detail in subsequent sections, fall into the following primary themes:

1. Reevaluation of operational master planning to make it more relevant to post-COVID conditions.
2. Deployment of alternative workspace configurations including co-location, co-location hubs and hoteling.
3. Consideration of State transit infrastructure when locating future administrative offices.
4. Technology considerations for supporting remote and hybrid work models.
5. Future use considerations for the State-owned Capitol Complex.
6. Future real estate leasing strategy for a reduced State physical footprint.
7. Legislative considerations for supporting reduced physical footprint policy.
8. Creation of Design Guidelines to support agencies in planning spaces for new work models.

05.01.01 STRATEGY: CHANGE MANAGEMENT

Many of the strategies in this report — including hoteling, seat sharing and the activity-based assignment of workstations — will be new to many of the State's employees. Some employees will be open to new workplace models and others will not.

Change management will be important as the State transitions many employees to new ways of working. The State will need to educate its employees on the benefits of these policies and gather employee feedback during the design phase for applications of these ideas. Engaging key stakeholders from an agency early in the process will help address concerns by building consensus around the new ideas. Stakeholder input should also be considered when developing the design of the new workspace so that it accommodates diverse employees' needs as much as possible. If the State undertakes one of the large renovation projects discussed in Section 07.02 of this report, it is recommended that the State utilize a change management expert to help the affected agencies make the transition to new workplace modalities. In benchmarking interviews, the State of Utah described this change management process as critical to the success of a new Utah government administrative office space designed to accommodate new work modalities, incorporating strategies like the recommendations of this report.

05.02

OPERATIONAL MASTER PLANNING

05.02 INTRODUCTION

An agency's operational master plan summarizes its current and future programmatic needs and space planning parameters. The operational master plan is the first step in an agency's long-range planning process — followed by the facilities master plan and the facility program plan — to demonstrate the need for any capital investment exceeding $500,000. Operational master planning is a critical step in determining future space needs. For agencies to reduce their physical footprint in the future, it is best practice to develop operational master plans to underlie their space needs. Based on increased types of work arrangements and changes to the delivery of services, reevaluation is critical at this juncture to fully optimize the ability to reduce the footprint. An operational master plan is a powerful tool for understanding the programmatic and operational needs that fuel facilities requirements and capital requests.

An operational master plan is a planning tool for an agency to use to establish facilities needs by determining a long-term understanding of its current and future programmatic needs for the services the agency delivers. Operational master plans are intended to be a 10-year look into the future with five-year updates capturing modifications from the original document. Operational master plans are required by State statute.

While an operational master plan addresses some of the same points as an agency's annual performance plan — such as a summary of its vision, goals and mission statement — an operational master plan also includes the agency's service delivery strategies, programmatic needs, and objectives, upcoming challenges or trends, and strategy initiatives. It addresses the functional issues informing space and location requirements, which are then further analyzed in the facilities master plan and facilities program plan. As discussed below, this report recommends that the operational master plan requirement be reevaluated to focus on agency post-COVID operating conditions.

A barrier to operational master planning in the past has been the administrative work that this planning represents. To help offset that burden, for the short term this Strategic Office Space Plan recommends that: 1) agencies make use of the operational master plan template, which is available through the OSA, and 2) agencies utilize internal agency facilitators to help complete the operational master plan template. In the long term, there is a need to objectively analyze the validity of the operational master plan process. The OSA plans to engage with agencies during the FY21-22 period to improve the process and determine the validity of the statutory requirements for the process.

Because the need for adaptation has been urgent during the pandemic, the decision-making process regarding adaptation techniques related to remote working has typically prioritized expediency. An update to agency operational master plans is a chance for agencies to consider these adaptations holistically and determine which adaptations make the most sense for the agency as a whole to continue with post-COVID. A primary benefit of operational master planning is that the planning helps ensure continuity of the agency mission.

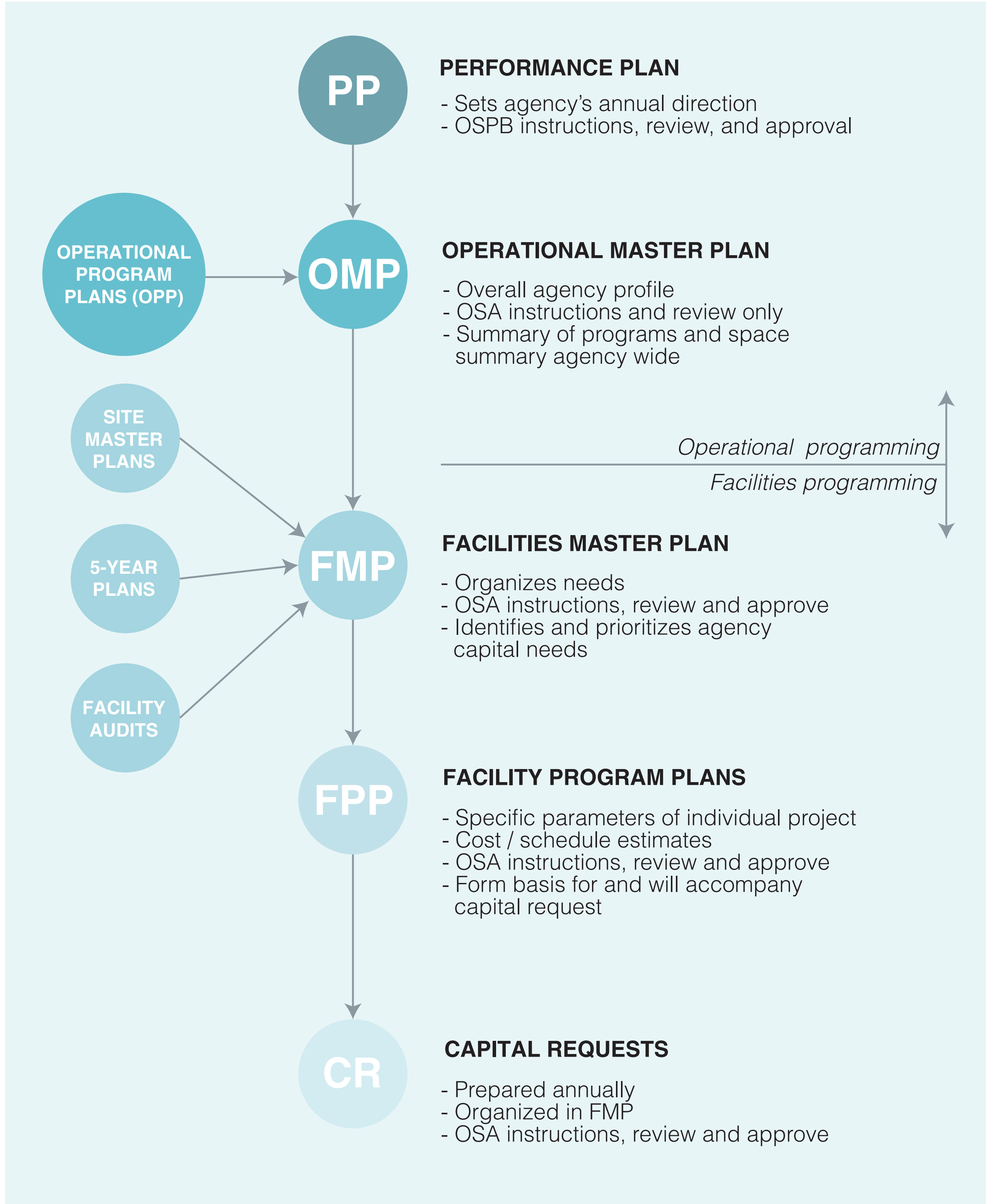


FIGURE 05.01: Planning document framework for State agencies

05.02.01 STRATEGY: AGENCY POST-COVID OPERATIONAL MASTER PLAN

The COVID-19 pandemic caused a sudden and dramatic shift in the operations of nearly every State agency. This sweeping change affected both the customer-facing and internal working of each agency by limiting personal contact, including several social distancing, "safer-at-home" variations through 2020 and 2021. The changes made during the pandemic and the benefits of maintaining many of these changes represent a paradigm shift in operational philosophies. The changes in the delivery of service make it important for agencies to update operational master plans to address the needs and desires of State government in a post-pandemic world.

Key aspects of this strategy recommendation are:

- The process for updating operational master plans should be streamlined.
- Agencies should define the criteria for remote work by position descriptions.
- Changes to service delivery methodology should be projected.
- Annual growth should be projected.

These aspects are discussed in detail in the sections below. The resulting updated operational master plans will be the basis for future space needs projections for the agencies.

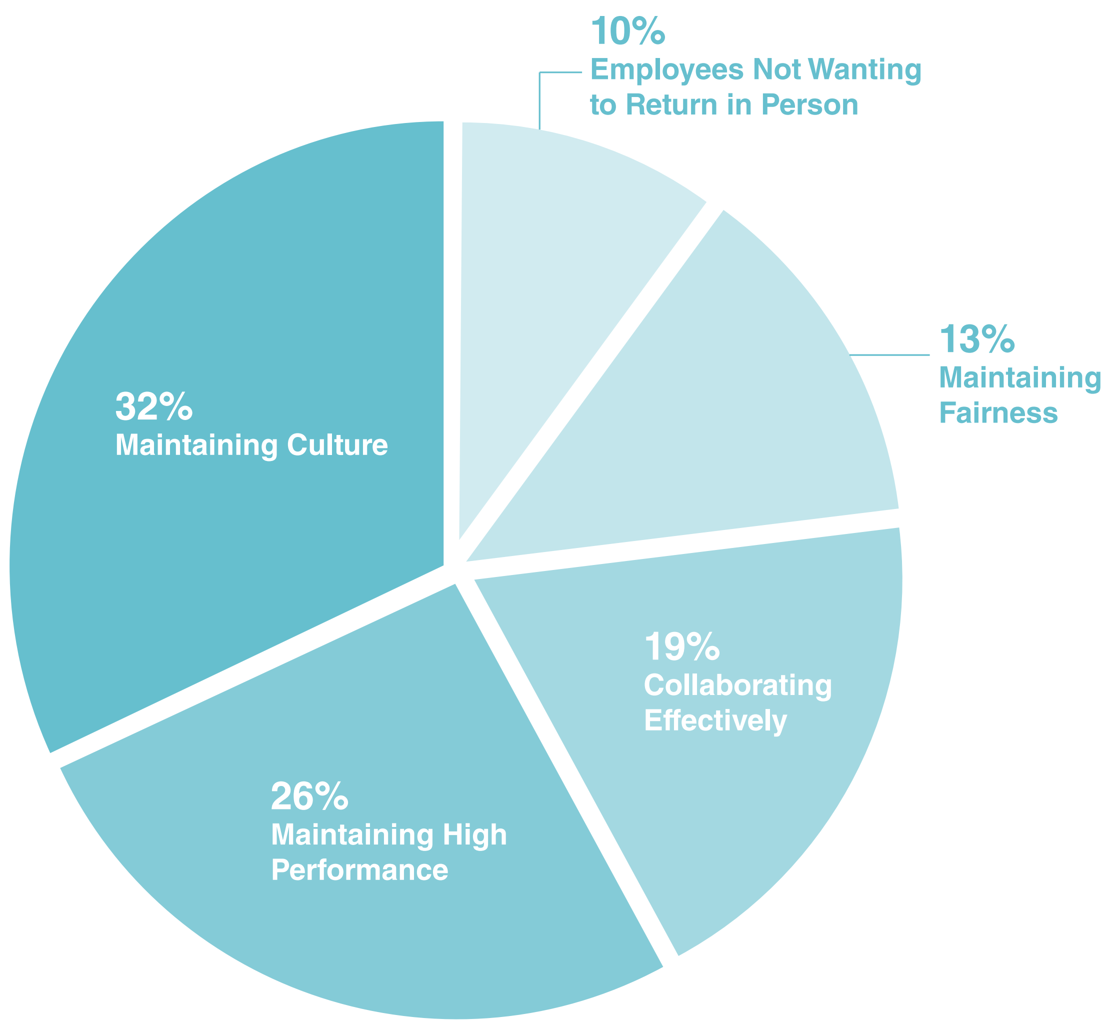


FIGURE 05.02: Employers' biggest concerns with their future on-site/remote/hybrid workplace

Deloitte Development, LLC. Return to Workplaces Survey. Deloitte Development, LLC. 2021

05.02.02 AGENCY CHANGES TO DELIVERY SERVICE METHODOLOGY

In addition to a change in how work is conducted by State employees *not* interacting with the public, a change in service delivery to Coloradans is an equally pressing reason to update an agency's operational master plan. A change to remote operations for customer service is perhaps an even greater challenge than it is for office work.

Key considerations for the delivery of service are:

- *Movement to online services.*
  Many government services moved online during the pandemic and are likely to remain online post-COVID due to customer preferences and agency efficiencies. One prominent example is the Department of Revenue's Division of Motor Vehicles (DMV) which moved many services online during the pandemic to eliminate the need for Coloradans to visit a physical office location. Such service delivery changes were widespread in other agencies and are projected to continue post-COVID. The change to online services can be a way of broadening access to service for those from different population groups and for those with different physical abilities.

- *Anticipated new service needs.*
  Future changes to service delivery methods should be described in the operational master plan as a strategy / initiative, supported by data. Agencies must evaluate the principle behind a proposed change — employee engagement, improved efficiency, improved customer service — to evaluate whether the change is appropriate. Legislative action could necessitate new service offerings and cause the growth of an agency beyond the historic rate.

- *Anticipated locations of population growth.*
  Updates to operational master plans should capture agency plans to modify the locations of customer service based on areas of projected population growth. For example, recent census data projects 18.9% growth in the Denver / Boulder / Greeley corridor between 2015 and 2025.[1] Agencies may propose to shift locations to address population changes.

1. *"LawnStarter's Quality of Life Index by City" - https://www.lawnstarter.com/quality-of-life/cities*

05.02.03 WORKPLACE CRITERIA BY POSITION DESCRIPTIONS

The assessment of whether work should be done remotely, in a shared or private space should be based on the position's job duties. At a minimum, this should consider factors like the exchange of confidential information, how much collaboration is required with other employees within that office or within other offices, accessibility of IT systems, and the method of service delivery (i.e., if face-to-face interaction is required with the public). As agencies return to the office post-COVID, it will be important that job requirements dictate which kind of workspace individuals have and whether that space is shared or not. The first step is to establish the position requirements, then establish which of these positions can be fulfilled through Flexible Work Arrangements. Finally, for those positions in which Flexible Work Arrangements are suitable, employees should be able to work with their supervisors to establish their schedules based on preference.

Where an agency's operations include a combination of remote work and hoteling, the operational master plan should note what types of work would be conducted in the office versus remotely so that this can inform the number and types of workstations that will be needed. In a workspace serving a high number of remote working staff, a high number of huddle spaces and meeting rooms with fewer offices and private workstations will be required. Such projections about the type and quantity of work that will occur should be included in the operational master plan to help inform the workspace design and equipment requirements.

The steps for considering operational plans together with space needs are:

1. *Establish which positions will need to be in the office full time.*
A significant number of positions will require a full-time presence at an office. This includes positions with a high level of public interaction, those requiring significant in-person collaboration with other colleagues, and those who need to physically access special equipment in the office. These employees will have assigned offices or workstations that are not shared.

2. *Establish which positions can perform the work partially remote but need to be in the office at times.*
While some positions may be able to be performed well fully remote, almost all will benefit from a hybrid, partially remote approach. An employee could work remotely several days a week and work in the office for the balance of the week. This could include staff with some need for collaboration with others, or where the responsibility for in-person interaction with the public is shared with other employees in the same position. An employee who does not need to have regular time in the office will likely still have occasional needs to work in the office. These employees may best be accommodated through hoteling.

    - *Able to share office through offset scheduling.*
    For those employees working partially in the office, those with limited secure storage needs and with the need for confidential conversations are good candidates to share an office through offset scheduling, so that one employee uses the office for one portion of the week and another employee uses it for the remainder of the week. Lockable storage is an important component of office-sharing. For this Strategic Office Space Plan, office sharing has been considered at a ratio of two employees sharing one office.

    - *Able to seat share in an open workstation through offset scheduling.*
    For staff with limited confidentiality requirements and storage needs, an open workstation is appropriate and is a more efficient use of space than an office. If remote working is being used, but the employee needs to be in the office regularly, a workstation can be assigned to multiple staff whose schedules are offset. Ideally, those with the same position or same technology and storage needs would share a workstation. Lockable storage is an important component of workstation sharing. For this Strategic Office Space Plan, workstation sharing has typically been considered at a ratio of two employees sharing one workstation, with some agencies considering other ratios.

    - *Able to utilize an unassigned open workstation: hoteling.*
    If remote working is being used, and the employee does not need to be in the office regularly, unassigned workstations can be made available for scheduled use, a practice commonly referred to in this report as hoteling. Lockable storage lockers help facilitate hoteling. For this Strategic Office Space Plan, hoteling typically has been considered at a ratio of one hoteling station for an employee headcount of 10.

3. *Establish which positions can perform the work fully remotely.*
Based on the needs of the position, some jobs may be able to be conducted exclusively via telework, with no office space required. This could include positions with no public interfacing and limited need for face-to-face collaboration with other staff. These remote positions contribute to an agency's "head count" and should contribute to an agency's consideration for hoteling. See the description below.

05.02.04 EMPLOYEE-CENTRIC POLICIES

Where possible, the workplace for a position could change depending on employee preference. For example, a position that is established as being partially remote and partially in-office could become fulltime in-office based on employee preference. However, because this position requires some in-office time, it would likely not be suitable for fulltime remote work. As an overlay to position descriptions, operational master planning should include policy for considering employee preference for workplace location. This inclusion of employee preference will further enhance the State as an Employer of Choice, through the provision of work-life flexibility as described in DPA's Work Perks strategy. See Section 04.02.01.01 for additional information.

Part of the State's Executive Order regarding Equity, Diversity and Inclusiveness (EDI) is State recognition of all identities and abilities (see Section 04.01.03.01). EDI should be part of an agency's analysis of remote work positions.

Some of the important EDI issues to consider relative to remote work are:

- *Broadening of the pool of job candidates.*
Fully remote work opens a position to more candidates since the position is not tied to being geographically proximate to an office. For example, an employee may not have to live in the Denver metro area to work for an agency with a Downtown Denver Capitol Complex presence, which means the State can draw from a larger workforce pool.

- *Consideration of whether position qualifies for remote work or is required to be done remotely.*
Not all employees will have home arrangements that are conducive to remote working, so agencies will need to consider on a case-by-case basis whether existing positions can be required to be done remotely.

- *Incorporating all in a hybrid workplace.*
Recent surveys indicate that, nationally, employers recognize that in the hybrid workplace it will be important to take measures which ensure that all employees are equally included in workplace culture, communication and work responsibility.[2] This may require practice adjustments such as regular team check-ins, technology adjustments such as collaboration software and / or space planning adjustments such as designation of team rooms with videoconferencing hardware that allows remote and in-person employees to communicate seamlessly.

Governor Polis is drafting an Executive Order directing DPA to lead the State in deploying Flexible Work Arrangements (FWA), as described in Section 04.01.03.04, to provide employees with flexibility in how, when and where work gets done. This policy will establish standards for agencies to use in implementing policies for remote State positions.

05.02.05 PROJECTING AGENCY GROWTH

The demographic trends and operational changes such as those described above are one set of factors that inform office locations and the number of staff accommodated at each location. A second important factor is an agency's propensity for growth and / or contraction based on the funding source for the agency. For example, in recent years the Department of Health Care Policy & Financing (HCPF) and the Department of Public Health & Environment (CDPHE) have had consistently high growth rates in number of employees, in part because those agencies have received federal funding. Agencies whose operational master plan suggests future expansion or contraction should ideally be located in space that allows this expansion and contraction to minimize the need for future moves.

The changes made to both customer-side and in-office operations during COVID-19 dramatically impacted nearly every agency. A thorough analysis of those changes should be included in the operational master plan and included in the subsequent facilities master plan and facility program plans. When space requests are submitted by agencies for review by the Office of the State Architect, the requests should be evaluated against the agency's operational master plan.

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2. Deloitte Development, LLC. 2021 Return to Workplaces Survey. Deloitte Development, LLC. 2021

05.03
CO-LOCATION

05.03 INTRODUCTION

Co-location is a key strategy to achieve a reduction of 1M SF over the next five years. The primary goal for the Reimagine State Government's (RSG) Co-Location, Hoteling and Regional Centers Focus Group was to identify interagency space utilization solutions that maximize benefits to the State and employees – with co-location and hoteling cited as examples. The establishment of new co-location / hoteling / regional centers is envisioned by the State as a long-term, cost-effective solution after funding mechanisms and design guidelines are established.

A July 2020 presentation on Reimagining State Government lists five desired goals toward reducing the area of office space:

1. Utilization
2. Service delivery
3. Employee engagement
4. Interagency collaboration
5. Cost reduction

Co-locating multiple agencies in the same space could help meet all five of these goals and would be especially helpful with meeting the goals of utilization (efficient use of space), interagency collaboration and cost reduction.

05.03.01 STRATEGY: CO-LOCATION

Co-location is a recommended strategy of the Strategic Office Space Plan. Co-location for this report refers to multiple agencies occupying one building, regardless of building size, whether the building is leased or owned, or whether the nature of the space is customer-serving or not. One type of co-location is a hub, which is discussed separately below.

One of the most direct ways to accomplish the goal of reducing the State's physical footprint is by co-locating multiple State agencies within the same workspace. This strategy allows agencies to share many of the same amenities in a workspace designed for efficiency and collaboration.[3]

There are three primary benefits to co-location:

1. Co-location reduces overhead costs by consolidating leases, consolidating amenity spaces, consolidating technology infrastructure and, for State-owned buildings, consolidating maintenance costs.

2. Co-location provides flexibility for the State. As one tenant in a co-location grows to need more workstations, a co-location increases the possibility that another tenant may have surplus space to offer.

3. In the case of hubs, described below, co-locations better serve customers through consolidation of services and expanded offerings.

3. This concept is different from, but related to, the State's recent use of the phrase of "co-located leases" in "regions" in State lease inventories. Those terms have been used to refer to leases that occur primarily within the same city or town, but in different buildings. The State is transitioning to the phrase "Real Estate Regions" to indicate county or multi-county geographic collections of leases. See Section 05.08.02 for additional information on Real Estate Regions.

The primary challenges to co-location are:

1. Some agencies offer customer services that may not be compatible in the same location. To mitigate this, this report recommends that "Best Fit" be evaluated per Section 05.03.03.

2. State standards for how agencies can share spaces do not currently exist. To mitigate this, this report recommends that standards be developed as discussed below.

3. In outlying areas, it can be difficult to find commercial lease property suitable for the co-location purpose. This could be mitigated through co-locations in State-owned property, such as agency-owned / agency-occupied Colorado Department of Transportation (CDOT) or Colorado Department of Agriculture (CDA) buildings, made possible through space needs reductions for the occupying agencies.

05.03.01.01 CO-LOCATION STATE STANDARDS

For the co-location strategy to be successful, the State must establish standards to help agencies plan and budget, and to facilitate fair and transparent treatment of all agencies.

Some of the key issues that co-location standards would address are:

- *Apportioning of costs*
  Multi-agency co-locations would raise questions of cost responsibility for shared space, equipment and maintenance. This report recommends developing standards for how these costs will be apportioned.

- *Workplace protocols*
  Co-location standards could address how spaces are reserved, who the point of contact is for any issues regarding co-location, information about the property's policies regarding health and security protocols, and hoteling reservation software. These standards should be made available to all employees accessing a co-location workspace.

05.03.01.02 COST-BENEFIT CONSIDERATIONS

There are multiple cost benefits to co-locations:

- *More efficient use of space by eliminating duplicative functions.*
  Spaces such as conference rooms, copy rooms, break areas, etc., can be shared between co-located agencies. These can be housed within the same office where a suite is shared, or in a distinct amenity area in the building where different suites are accessed by multiple agencies.

- *Flexibility to utilize surplus of leased space.*
  Because agency space needs will reduce post-COVID, there is likely to be a short-term surplus in State leased space in commercially owned buildings. Co-location is a strategy the State can utilize to make use of that available surplus until lease expiration, by backfilling the space with another agency space need.

- *Economies of scale in cost per square foot by leasing or owning larger spaces.*
  If co-located agencies can share one larger space, the cost per square foot may be less than multiple separate leases. One opportunity for cost savings is in the improved negotiating position the State would have in negotiating a larger consolidated lease as compared to several smaller individual leases. Another opportunity for cost savings is the ability to share amenities as described above. There also is an opportunity for cost savings in information technology systems, which are less expensive to provide to one address than to multiple addresses.

- *Improved collaboration between agencies.*
  Co-location can increase deliberate and serendipitous interactions between different agencies sharing workspaces, and this can increase innovation. This is particularly true of agencies with similar missions and customers.

- *Greater flexibility for individual agencies to grow or shrink in place.*
  Individual agency space needs will grow or shrink over time. Co-locating multiple agencies together would provide the State with greater space flexibility, allowing for re-allocation of space from one agency to another within the same property. Open, flexible workspaces with shared amenities would help facilitate this shifting of space.

- *Efficient hoteling.*
  As described in Section 05.05, hoteling is the use of unassigned workstations to provide as-needed workspace for employees. Hoteling can be more efficient if consolidated into large hoteling co-locations. Larger consolidations of hoteling space can allow agencies to share amenities such as food prep areas and meeting spaces and can mean more variety of workstation types – heads-down stations, lounge stations, communal team tables, quiet rooms – so that employees are more likely to find the station type that matches their work activity. If located in dispersed co-locations, hoteling would be a benefit to all State employees as it would provide access to workspace distributed around the State.

05.03.01.03 TECHNOLOGY CONSIDERATIONS

Scheduling of shared spaces is critical to the functionality of co-locations. Scheduling software can be used for both remote and in-person reservations of shared spaces like conference rooms in a co-location. See Section 05.06 Technology for further discussion on scheduling software.

Standardization of technology is an important consideration for co-locations. Having a standardized approach to technology equipment (for instance, computer monitors, LCD screens in conference rooms, etc.) allows staff to learn the technology once and then use it wherever it occurs. Having standardized technology hardware and software platforms allows employees to seamlessly move from one hoteling location to another.

05.03.01.04 POTENTIAL AGENCIES FOR CO-LOCATION

Utilizing Geographic Information System (GIS) mapping and the new leasing strategy based on real estate regions described in Section 05.08.02, the Department of Personnel & Administration (DPA) and the Office of the State Architect (OSA) can analyze current leases statewide to begin the conversation about what agencies could potentially consolidate in a reduced number of locations in a region. Section 05.08.02 defines the State's proposed Real Estate Regions.

In some of the outlying regions like the Eastern Region, there are only a handful of State agencies in a few commercial leases. In these cases, it would be advantageous to co-locate agencies into a single leased space with shared resources and amenities when circumstances are appropriate. In Section 05.08.01 Strategy: Prioritizing State-owned Space, this report recommends considering State-owned space for this type of co-location.

In Real Estate Regions with more employees and more office space, like Pueblo, it may be suitable to consolidate into more than one location to group various agencies. In this case, synergies between agencies should be considered when grouping them to take advantage of the potential for collaboration and increased productivity. See Section 07.03 Co-location Opportunities for this report's specific co-location recommendations.

05.03.01.05 AMENITY CONSIDERATIONS

With the concentration of multiple agencies in one larger co-location, the possibility for shared amenities can provide an added benefit to employees. The scale, size, location and configuration of each co-location must also be considered. Amenities to consider include the following:

- Fitness Center
- Dining/Cafe (typically from a third-party vendor)
- Daycare
- Hoteling workstations for drop-in work, if the State also exercises hoteling and/or telework

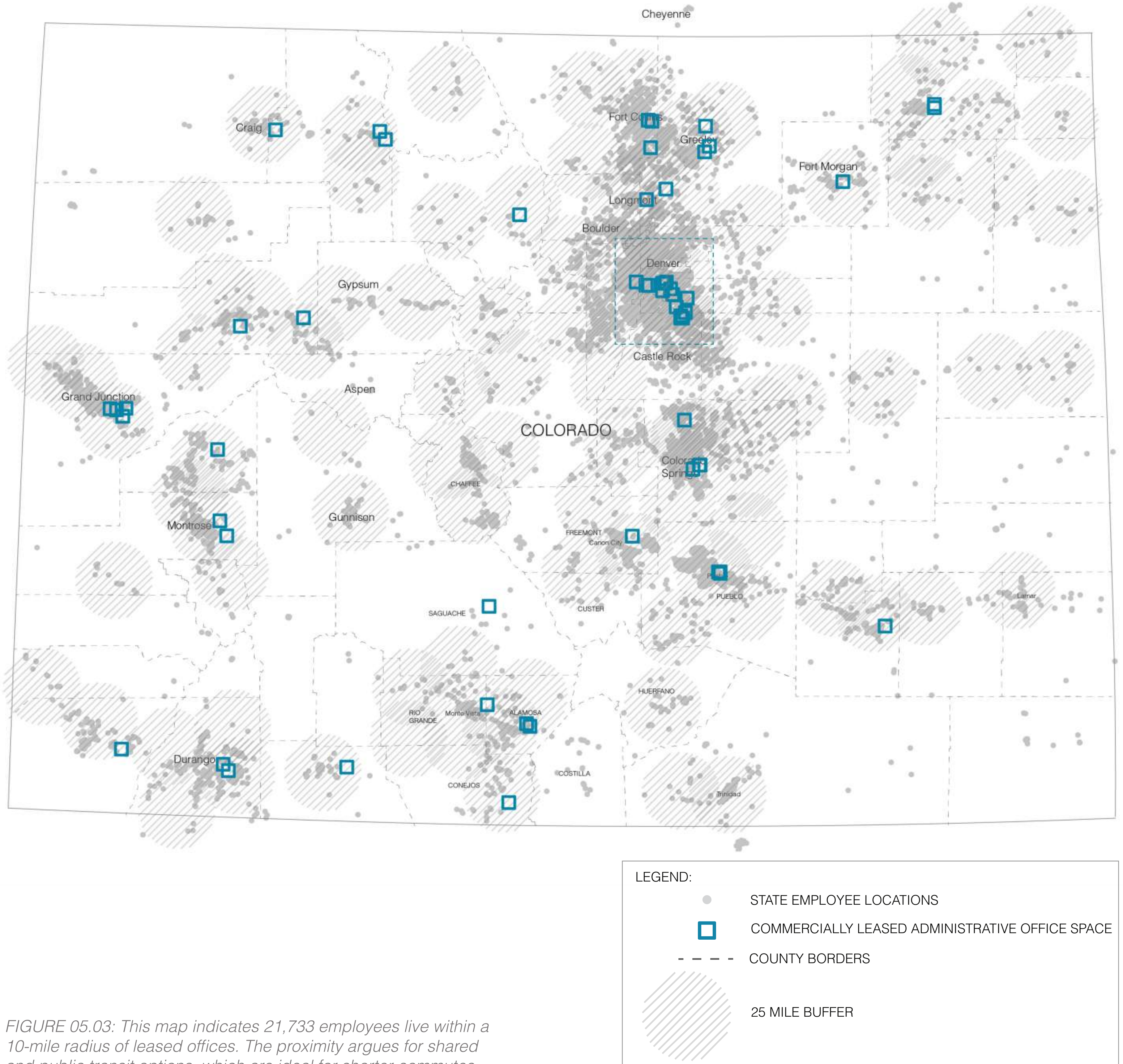


FIGURE 05.03: This map indicates 21,733 employees live within a 10-mile radius of leased offices. The proximity argues for shared and public transit options, which are ideal for shorter commutes.

05.03.02 STRATEGY: HUBS

Hubs, sometimes called regional hubs in other states, are facilities that co-locate multiple state agencies together in one location with a customer service focus. Hubs establish “one-stop shops” that provide services to a surrounding area of Coloradans. The co-location hub is a strategy that provides all the benefits of co-location, with an added emphasis on service delivery.

There are four primary characteristics of hubs:

1. They can become one-stop government centers serving a catchment area of customers. The grouping of agencies in a hub must be carefully considered to ensure compatible customer services. There may be some non-customer serving office uses that can also be part of the co-location. With State facilities co-located or grouped into a hub, the State can be more visible and more accessible to the public it serves.

2. The distance that Coloradans feel is reasonable for travel to a hub must be carefully considered.

3. Hubs typically include hoteling capacity to provide flexibility to employees and the co-locating agencies.

4. Because they co-locate several leases, and because they provide customer services for which stability is an asset, hubs are ideally located in State-owned property. This report recommends testing the hub concept in commercially leased space and, if the concept proves to be effective, transition to a policy of housing hubs in State-owned space. See Section 05.08.01 Strategy: Prioritizing State-owned Space for additional information.

05.03.02.01 LOCATION SELECTION

The locations of co-location hubs should be considered with regard to Real Estate Regions, as well as the distance the clientele served would have to travel to visit the hub. It would be strategically advantageous for hubs to be located where clusters of existing leases already exist, particularly in the metro areas of Colorado Springs, Fort Collins, Grand Junction, and suburban Denver. In Grand Junction, an existing Capitol Complex property could be re-imagined as a hub.

Within the Denver Suburbs Real Estate Region, based on feedback from several agencies in the Denver area recorded in previous State studies, the following locations have potential as future co-location hub locations:

- Periphery of Downtown Denver/South Denver
  - I-25 & Broadway (light-rail access, new development, and land available)
  - Sun Valley (near Mile-High Entertainment District)
- West – Near DOR's location close to the Colorado Mills Mall
- East – Colorado Boulevard or Aurora (both light rail locations)
- North – Anywhere along I-25
- South – Colorado Center, Tech Center or other I-25 light-rail locations

See Section 07.03.02 Recommendation: Co-Location Hubs for this report's specific hub recommendations.

05.03.03 STRATEGY: IDENTIFY "BEST FIT" SCENARIO

Some co-locations will occur simply because the space needs of the co-locating agencies align with the space available. The "best fit" concept of co-location recommended here involves considering not only space needs but compatible programmatic needs. The criteria below are meant to be part of the State's toolkit to identify agencies for potential co-location when conditions allow. Best fits can change as agency needs and services change, so best fits should be reevaluated by the State on an ongoing basis. There will also be cases where the best fit strategy does not apply and the State must make co-location decisions based simply on space availability.

05.03.03.01 SIMILAR PROGRAM REQUIREMENTS

Agency's updated operational master plans – which are recommended to be updated every five years – should be reviewed to identify those agencies with complementary program requirements that would benefit from co-location. Program requirements could be complementary if, simply, the size of space available matches the aggregate need of the agencies that would co-locate. If the agencies are customer-serving, requirements would be complementary if co-location would be a benefit to Coloradans due to increased convenience. For instance, the Department of Revenue and Department of Human Services, both of which have large operations, could potentially better serve the public in a suburban facility designed for that purpose than in their current locations in downtown Denver.

05.03.03.02 SIMILAR WORKSPACE REQUIREMENTS

Agency needs should be analyzed to better understand similar workplace requirements between agencies. Some agencies might share a need for a highly secure building. Where the same level of security clearance is required, these co-located agencies could benefit from mutual security officers and entry screening equipment.

05.03.03.03 COLLABORATION OPPORTUNITIES

Numerous agencies have cultural or functional synergies that would benefit from co-location. By placing similar agencies in one location with plentiful breakout and collaboration spaces, the State would benefit from increased innovation and collaboration.

05.03.03.04 TRANSPORTATION/SUSTAINABILITY CONSIDERATIONS

Offices that are accessible by public transit provide a significant sustainability benefit, as carbon emissions per person are substantially less for those using public transit instead of driving. In the Denver Metro area, the Regional Transportation District (RTD) operates an extensive rail network providing access to public transportation. Both state employees and Coloradans would benefit from this convenience if a co-location hub were located near a light rail station.

As a result of the market demand for office locations convenient to transit corridors, both existing office buildings and zoning classifications that are favorable to offices are likely to occur close to highways and public transit lines. Developers of office buildings typically seek out properties with such locations because this convenience is a desirable quality for commuting workers. This development trend extends beyond highways to public transit lines such as RTD light rail and bus routes. The resulting availability of leased space for office use in transit corridors could make co-locations more feasible in these areas.

Decreased availability of parking in the face of population growth in Colorado's cities makes locations with more parking, and those accessible to public transit or ridesharing, more desirable to current and prospective staff. The concept of co-locating state office space provides the opportunity to locate workspaces more centrally to where employees already live, reducing commute times. Locations accessible to public transit are preferred to limit traffic, decrease parking needs, and reduce the state's carbon footprint. Co-locations also create larger concentrations of employees which creates more potential for carpooling. See Section 05.04 Transit and Access to Parking for additional information.

05.03.03.05 AGENCY-SPECIFIC CRITERIA

Different agencies will have different criteria that must be met to allow co-location, particularly in customer-serving hubs. The OSA Real Estate Program is developing a list of this criteria to consider for future hub co-locations.
Key issues to consider for agencies are:

- *Operation*
  Some agencies have specific operational needs. The Department of Corrections Parole Office has requirements for entrances that separate parolees from staff and from other customers.

- *Visibility*
  Some agencies have needs for visibility to specific customer demographics. For example, the Department of Military and Veterans Affairs Division of the National Guard seeks proximity to large high schools and to retail areas.

- *Storage*
  Some agencies have specific needs for large amounts of indoor or exterior storage. Colorado Department of Transportation, for example, has this need.

05.04
TRANSIT AND ACCESS TO PARKING

05.04 INTRODUCTION

One aspect of Governor Jared Polis' "Bold 4 Principles" is the promotion of environment and energy policies that accelerate the adoption of clean, renewable resources and energy efficiency programming, reducing environmental impacts. The Strategic Office Space Plan recommends consolidating State administrative office space. This consolidation, if carefully planned, can provide greater access to mass transit, improved opportunities for car-sharing, and increased access to transportation amenities such as bicycle storage and electric vehicle parking.

05.04.01 STRATEGY: TRANSPORTATION PLANNING

Transportation issues are closely related to workplace strategies recommended in this Strategic Office Space Plan. Co-locations and hoteling, for example, will not be successful if the chosen sites do not consider the ways in which employees and clientele travel to and from the sites.

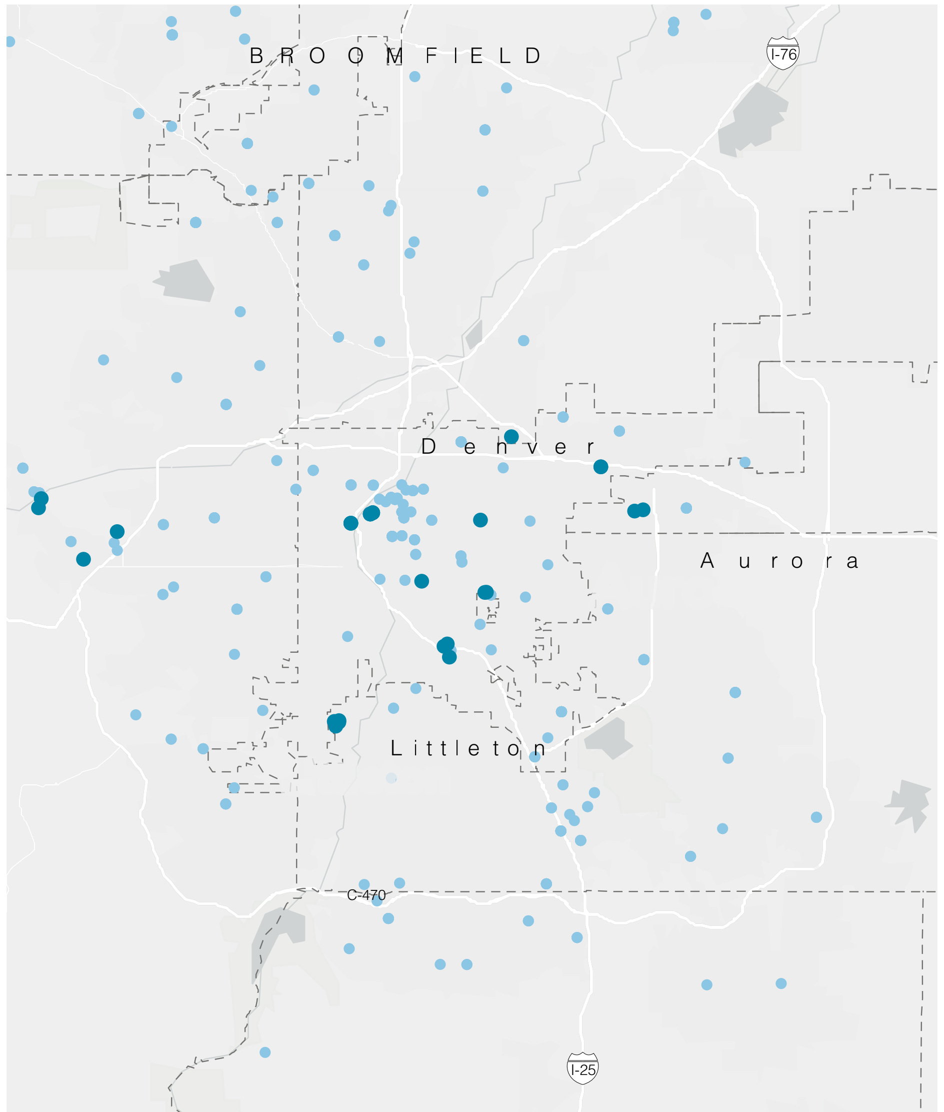
The following key transportation strategies would support the Reduce our Physical Footprint initiative:

- Analyze transportation options in metropolitan areas to help inform where large scale co-locations might optimally be located.
- Recommend standardized State policy for encouraging State employee use of mass transit. This could include options such as a mass transit stipend, reimbursement for a mass transit passes, pre-negotiation of transit pass rates, and flexible employee spending accounts earmarked for mass transit.
- Explore bicycle transportation networks to determine whether improvements to bicycle storage and security are needed to encourage bicycle use.
- Analyze possibilities for State fleet disbursement so that fleet vehicles are located optimally for remote workers to travel to pick-up locations.
- Increase number of electric vehicle charging stations at State administrative office locations for car-sharing users, the State fleet, employees and customers.

Previous State studies indicate that the upward trend of increasing population growth has led to decreased availability of parking. Locations with access to rideshare parking areas or public transit stations are therefore becoming more desirable. The studies recommend that the State consider office locations within an accessible radius of public transit and rideshare / parking lots. The Office of the State Architect (OSA) 2020 Annual Report shows agencies within specific regions / cities. By using Geographic Information System (GIS) mapping, the State can compare agency administrative office locations to transit services available such as those under RTD, Bustang, and Greyhound jurisdiction. This comparison can inform the optimal locations for future State offices.

05.04.01.01 BENEFITS

As the State considers space reduction, understanding proximity to transit and parking is another means of cost-benefit analysis. If the State were to proceed with co-location, co-location or hoteling, facilities should ideally be located near mass transit and shared parking amenities. For example, the Transportation Focus Group has highlighted Colorado Springs as an excellent opportunity to consider an administrative office location that would leverage the existing Colorado Springs mass transit system to improve transportation options to State employees.



LEGEND:

CHARGING STATIONS - NOT STATE - OWNED

CHARGING STATIONS - STATE - OWNED

FIGURE 05.04: Locations of charging stations in the greater Denver area.

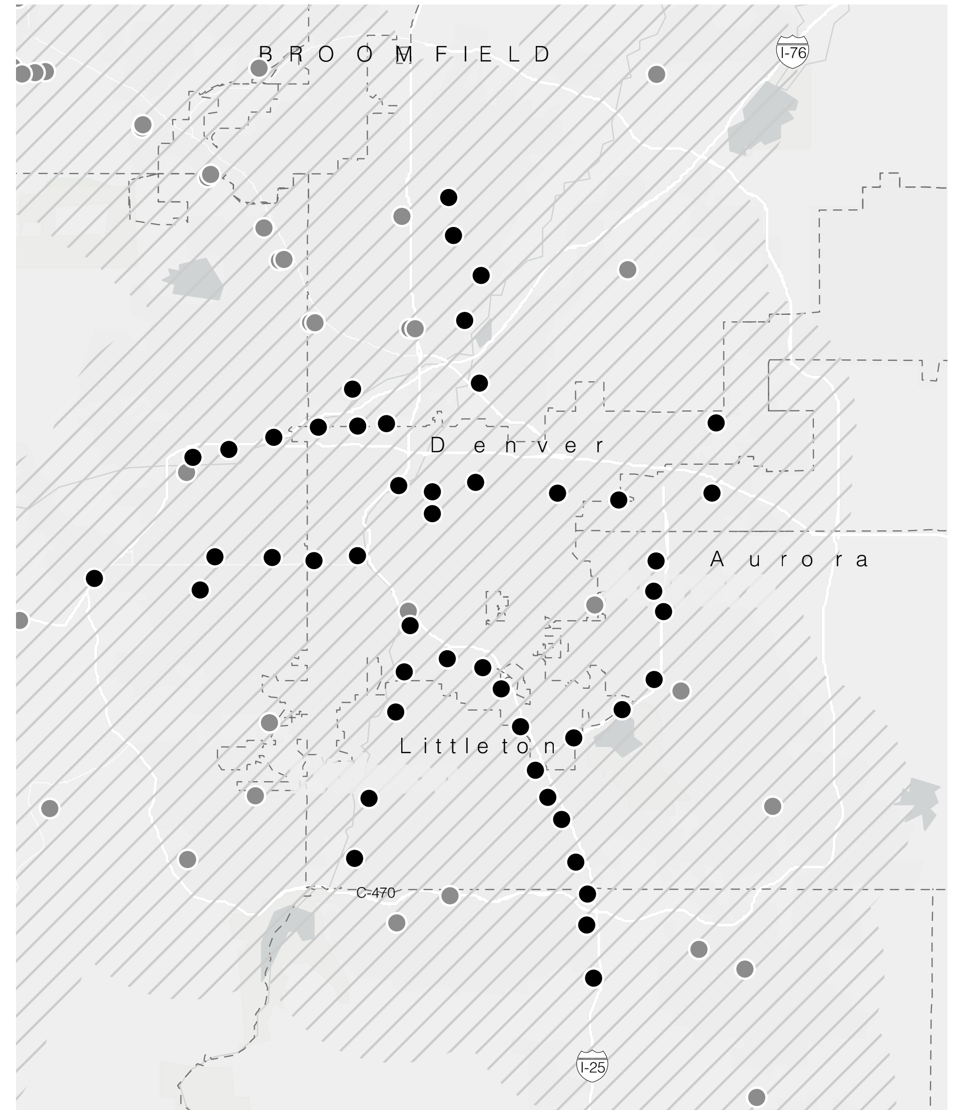


FIGURE 05.05: Locations of Park-n-Ride services in the greater Denver area.

LEGEND:

PARK-N-RIDE (RAIL SERVICE AVAILABLE)

PARK-N-RIDE (RAIL SERVICE NOT AVAILABLE)

5 MILE BUFFER

05.04.01.02 CAR-SHARING

Increased pressure on commuting costs and waning parking supply has spawned a new age of creative commuting solutions, from car-sharing to scooters, motorized bicycles, and other forms of shared inexpensive transportation solutions. A consideration for agency office locations is infrastructure to support car-sharing and ride-sharing opportunities.

05.04.01.03 USE OF BIKES

The use of existing bicycle transportation should be analyzed across the State to determine if improvements can be made for storage and security for employee equipment. Existing bike infrastructure can also be used for a healthy and carbon footprint-friendly means of commuting, especially in dense city locations. Bike infrastructure from mass transit facilities to proposed buildings is another way to promote multi-modal transportation for the workforce. This Strategic Office Space Plan recommends the State work with the Colorado Department of Transportation (CDOT) to publish bike paths connecting to State administrative office locations to encourage bike-to-work culture.

05.04.01.04 MASS TRANSIT STIPEND

The Transportation Focus Group of the Reduce Our Physical Footprint initiative has recommended that a mass transit stipend or a commuter flex spending account be considered by the State. This would function similarly to a health savings account (HSA) but focused on transit costs.

05.04.01.05 LOCATIONS FOR FLEET OPERATIONS

The Transportation Focus Group has recommended exploring the disbursement of the statewide fleet to make vehicles more available to employees at future co-locations around the State. GIS data can be analyzed for possible points of connection. Consideration should be given to converting the State vehicle fleet to fully electric cars to comply with the State's carbon footprint reduction mandate in the Greening of State Government Executive Order.

05.04.01.06 IMPACTS ON THE ENVIRONMENT

A significant advantage to the State's plan to utilize increased remote-working post-COVID is a reduction in employee commutes and an associated reduction in commute-based greenhouse gas emissions. See Section 04.02.02 for additional information on these environmental benefits.

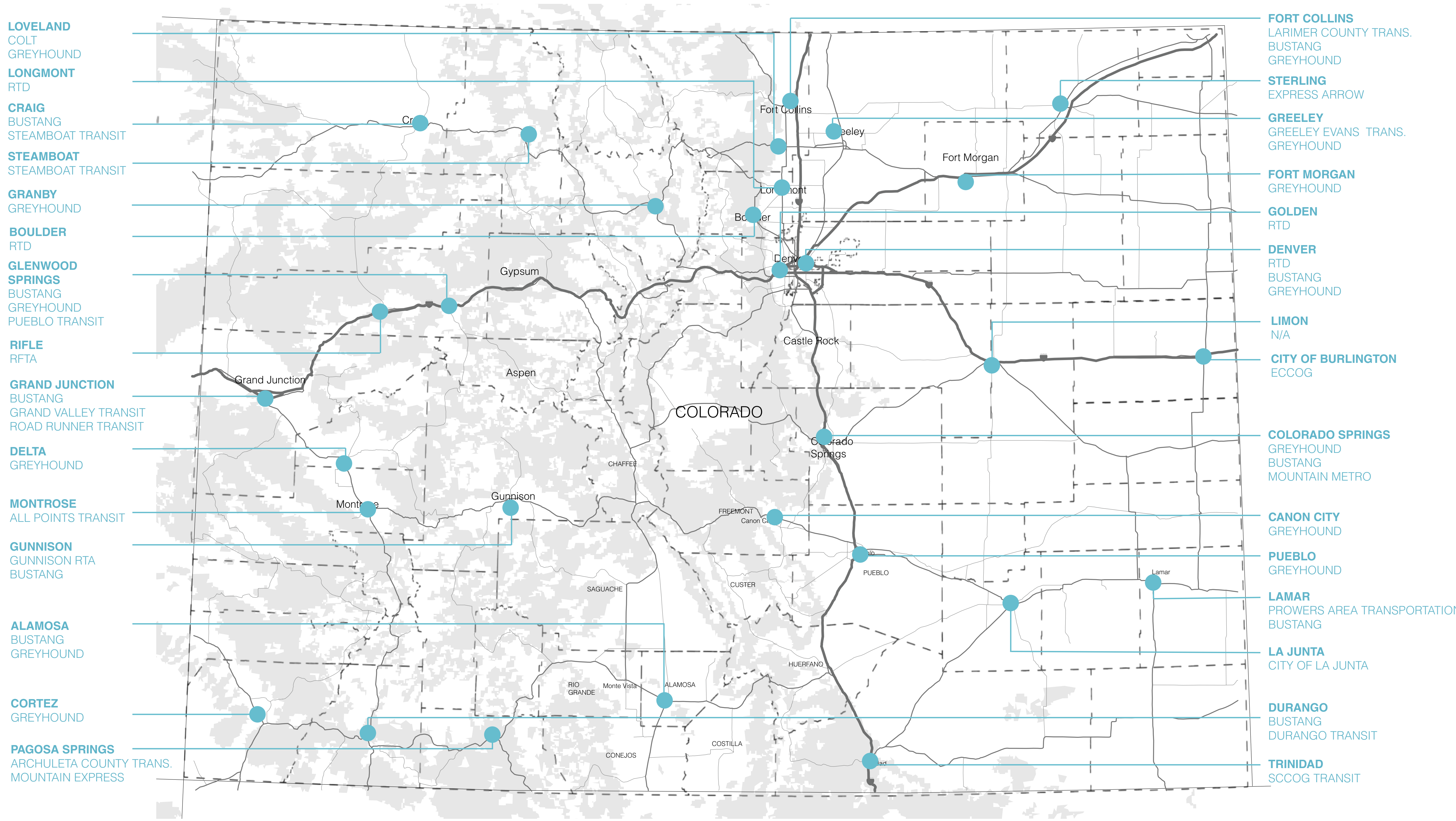


FIGURE 05.06: Transit available to State employees by market

05.05
HOTELING

05.05 INTRODUCTION

Hoteling is a workspace solution in which employees reserve workspaces on an as-needed basis, instead of each employee having an assigned workstation. Hoteling and remote working – defined as allowing employees to work one or more days a week from home or another non-office location – often occur together as they are complementary. When employees only occasionally work from the office, a hoteling strategy allows workstations to be occupied efficiently on an as-needed basis. Workstations in a hoteling environment may be desks, but they may also be communal tables or lounge furniture. Because the stations are unassigned, it is advantageous to provide a variety of station types so that employees can choose the type of station that best meets their work needs.

Flexible work arrangements (FWA) which allow for flex time and flex place, are already common in all forms of government. A recent benchmarking of federal governmental organizations performed by the General Services Administration (GSA) found that approximately 76% of the respondent government organizations already provide some form of flex time and / or flex place. Of these, 77% provided teleworking (defined in the GSA study as working from another location 1-2 days a week), 8% provided telework centers,[4] 4% provided hoteling, and 12% provided desk sharing. All four of these strategies often occur together in the same facility, as they support one another.

4. The GSA defines telework centers as facilities which are dedicated to hoteling rather than facilities which mix hoteling with assigned workstations

05.05.01 STRATEGY: HOTELING

One of the key strategic recommendations of this Strategic Office Space Plan is hoteling. Hoteling could be used in combination with assigned seat-sharing or instead of assigned seat-sharing. It is a strategy for providing highly efficient space utilization that allows remote employees the option to occasionally “touch down” in an office environment when the need arises or for employees to share unassigned stations on a more regular basis. For space needs planning in this report, hoteling stations for touch down use have generally been assumed at a ratio of one hoteling station for every 10 heads in an office group. For hoteling used to provide unassigned stations for employees who will frequently be in the office, the ratio is likely to be higher, perhaps as high as one hoteling station for every three heads in an office group. These compare to the ratio of one seat to two heads in a typical seat-sharing scenario.

The key aspects of the hoteling strategy are:

- *Hoteling saves space.*
  The total number of workstations provided within a hoteling workspace is fewer than the total number of employees, resulting in a reduction of office area and infrastructure required.

- *Technology is critical to the functionality of hoteling.*
  Software is used in hoteling to reserve workstations in advance or in person. The software should provide pictures and descriptions of the space and available technology, if any, so the employee can "order" what they need at any given time. See Section 05.06.02 for additional information.

- *Hoteling is closely associated with collaboration space use.*
  Hoteling applies to seats in workstations and offices, but it is closely associated with shared collaboration spaces such as conference rooms since often it is the use of those spaces that drives the need for remote workers to come to an office environment. This report recommends that hoteling applications include workstations and collaboration spaces.

- *Hoteling provides a variety of workstation types.*
  Without the need for an assigned station, an employee in a hoteling environment can work in different environments throughout the day - open workstation, acoustically separated workstation, lounge station, collaboration station - depending on the needs of the work activity.

05.05.01.01 BENEFITS

Key benefits of hoteling include:

- *Cost reductions to the State for real estate and infrastructure.*
  An Office of Governmentwide Policy study completed prior to widespread remote working as a result of COVID-19 showed that on average only 35-50% of federal workspace is utilized daily. Hoteling allows agencies to make the most efficient use of space and budget allotments because fewer total workstations are required.

  While real estate is costly, the furniture systems that enable hoteling are relatively affordable. The re-configurable furniture systems typically used in hoteling account for 10-15% of overall space cost but can support a significant office space reduction. Recently the Colorado Energy Office (CEO) reduced its area by 22% while accommodating growth and adding amenity spaces, through implementing a hoteling strategy.

- *Improved flexibility to accommodate fluctuations in agency size.*
  Hoteling can provide surge space that can be used to temporarily accommodate agency fluctuations in size. Hoteling space in a co-location is especially flexible because it can act as surge space for multiple agencies.

- *Improved efficiency and quality of work.*
  Workspaces designed for hoteling offer an alternative to traditional closed office designs and instead offer a variety of workstation types. This is important in hoteling scenarios because an employee can reserve a workspace that best suits their needs on a particular day. For instance, if an employee requires a few hours of "drop-in" work on a laptop, they may choose to reserve a desk in a shared open workspace that is quick to access. For a meeting with a few colleagues, an employee may choose to reserve a small conference room; or, if confidential phone calls need to be made, an employee may choose to reserve a private office or phone room.

  By contrast, an employee who works solely at their designated workstation benefits only from what that environment can provide. If an employee is assigned an open workstation, confidentiality is a challenge. If an employee is assigned a private office, collaboration may be more difficult. By instead selecting and reserving the type of workspace that suits their task need, employees may experience an improved quality of work, enhanced productivity, and less frustration.

- *Improved collaboration between employees of the same agency or between agencies.*
  Open workspaces typical of designs that include hoteling support serendipitous interactions between adjacent workers. These interactions can spark new ideas leading to innovation. The interactions can also create an improved social experience for employees, increasing retention rates. If hoteling is used as a strategy in conjunction with co-location, this collaboration can occur between agencies as employees from different agencies share the same physical space.

- *Strengthens the Employer of Choice initiative*
  The 2019 Employee Engagement Survey conducted by the State showed that 19% of employees would like to have a flexible work schedule arrangement, and over 30% would prefer remote working from a place other than the main office location. In the two years since this survey was conducted, the COVID-19 pandemic dramatically increased the number of office workers accustomed to working from home. Having experienced both the personal and environmental benefits of an eliminated commute, it is likely that a remote working option will be increasingly in demand for prospective staff who are choosing whether to work for the State. Making remote working with hoteling a viable option available to new staff would make the State increasingly favorable as an employer, especially as peers in the public and private sector begin to meet this demand.

05.05.01.02 HOTELING PRECEDENTS

One precedent for hoteling is University of Colorado (CU) Anschutz "Hub" (note that the term "hub" is used differently than in this Strategic Office Space Plan). The Hub is a renovation of approximately 23,000 SF for medical professionals. The renovation converted a space that had housed approximately 50 private offices into a shared hoteling space that can serve a membership of 400. The new space is shared by the CU School of Medicine, UC Health and Children's Hospital Colorado and addresses a general shortage of assigned office space on the campus. The space provides a range of workspaces including open workstations, loose seating and acoustically separated work areas as well as collaboration spaces that are independently reservable. Key to the success of hoteling applications are amenities that are suited to the users and make using the space an enjoyable experience. The CU Anschutz project includes amenities, such as a food bar and stand-up stations, that should be considered for State administrative office hoteling applications.

The Co-Location, Hoteling, and Regional Centers Focus Group, in its November 2020 charter, summarized many of the same goals as the CU Anschutz Hub. These include re-imagined workspace guidelines, identifying hoteling opportunities between agencies for short-term or "drop-in" work, and analyzing how technology can support scheduling. As other examples like The Hub continue to emerge post-pandemic, additional case studies can be examined and incorporated into pilot projects for the State. The Department of Public Safety (DPS), Colorado Department of Transportation (CDOT) and Department of Revenue (DOR) have already begun hoteling applications. It will be important for the State to apply lessons learned from these initial applications to future pilot hoteling projects.

05.05.02 REGIONAL USE OF HOTELING

Co-location consolidates State agencies in the same facility. This allows for shared common areas and more efficient use of space, supporting the State's goal of reducing the total area of office space statewide. If hoteling is added to a co-location, workers are no longer tied to a single desk at a particular location, which could allow workers from one region of the State to use a hoteling workstation in another region of the State. One application for this regional use of hoteling would be in the Downtown Denver Capitol Complex. Some State employees need to be near the Capitol during specific periods, for example during portions of legislative sessions, but otherwise, the employees can work outside of downtown Denver. A hoteling facility in the Capitol Complex could resolve this space need.

05.05.03 CO-LOCATION USE OF HOTELING

Hoteling is particularly appropriate in co-locations because just as a co-location allows for sharing spaces such as conference rooms and workrooms between agencies, the unassigned nature of hoteling workstations makes them ideal for sharing. While co-location and remote working alone require less area than traditional office space when used in combination with hoteling an even greater efficiency can be achieved.

Grouping multiple agencies together can also have unforeseen benefits for collaboration and innovation as discussed in Section 05.03 Co-location. Agencies with similar needs for accessibility by the public and other complementary criteria as described in Section 05.03.03 Strategy: Identify "Best Fit" Scenario would make excellent partners for a co-located hoteling workspace.

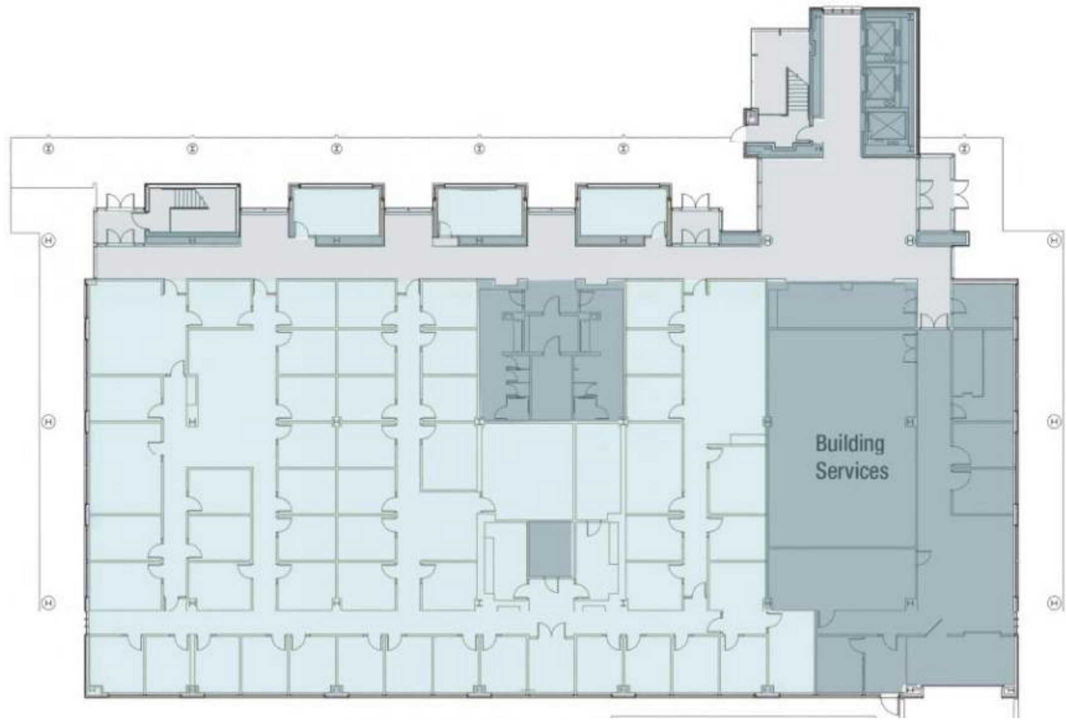


FIGURE 05.07: Existing floor plan before the transformation to "The Hub" at CU Anschutz

FIGURE 05.08: "The Hub" at CU Anschutz. Credit: CannonDesign, 2019.

Circulation

Building Services

HUB (11,180 GSF)

PM&R (2,467 GSF)

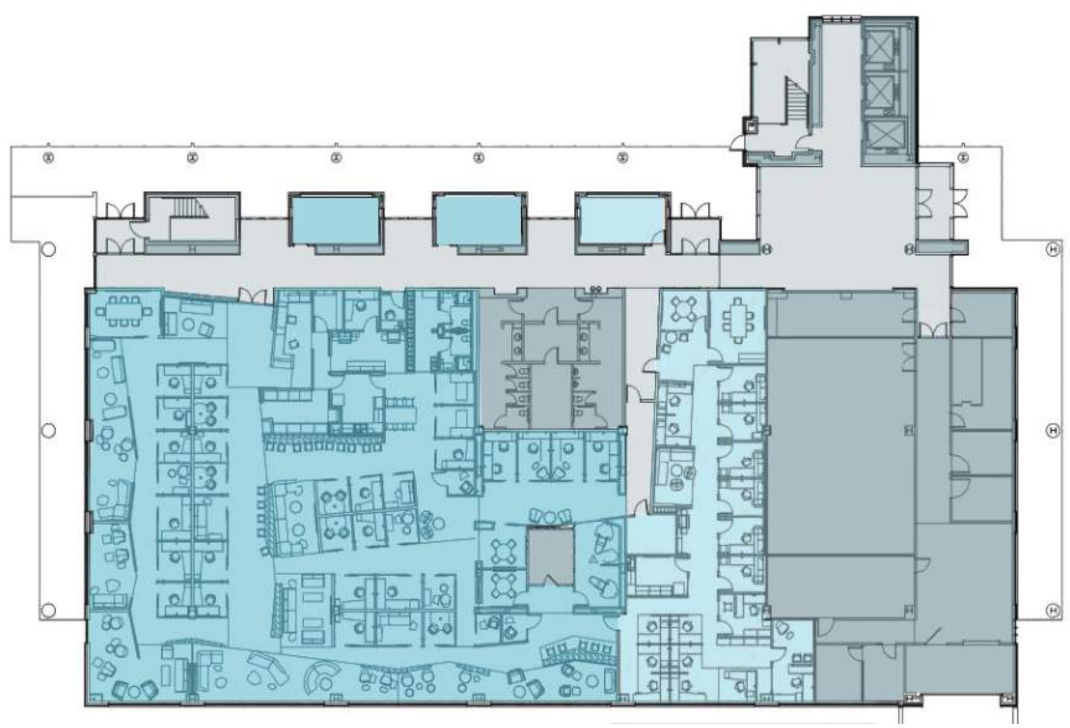


FIGURE 05.09: Completed floor plan of "The Hub" at CU Anschutz

FIGURE 05.10: "The Hub" at CU Anschutz. Credit: CannonDesign, 2019.

05.05.04 HOTELING STANDARDIZATION

State-wide standards for hoteling will help establish fair and equal treatment between employees and the State and from one agency to another, empowering all to plan and budget for hoteling. The State can use early pilot projects as an opportunity to develop these standards to apply to hoteling in the future. The State intends to issue a statewide Flexible Work Arrangements policy and executive order, which will establish State procedures regarding remote working. The State will need to develop additional standards that apply universally to all agencies for hoteling workspaces to make for a smoother experience.

Key considerations for hoteling standards are:

- *Designate responsibility for hoteling management.* Standards should designate a staff position that would manage access and reservation rights to different shared spaces and workstations.

- *Establish any use restrictions.* Establish a list of shared spaces and any restrictions by time or position as to their use by each agency or division.

- *Establish a protocol for which equipment will be shared and how this will occur.* Include a list of any shared equipment that will be available for "check out" at the front desk for drop-in work.

- *Establish cleaning protocols.* The pandemic has raised concerns over disease transmission in shared workspaces, which may create some hesitancy among employees about sharing workspaces. To address this concern, this report recommends continuing many of the hygiene practices that were developed during the pandemic, such as high-filtration mechanical systems and frequent cleaning. This report recommends that the State consider providing "high-touch" equipment such as keyboards and mice for personal employee use for employees to bring to the office as needed.

- *Educate users on building-specific policies.* Some policies will vary from one building to another or from one part of a building to another part. Hoteling standards should include a way for users to remotely access a workspace floor plan, the building's policies relating to health (i.e., COVID-19) and building access, and a list of amenities accessible in the building.

- *Standardize software and hardware.* For hoteling to work well, it is important that employees have access to standardized hoteling software for each worksite available to them and that the hardware from one hoteling location to the next is standardized so that the need to learn new technology is minimized. Hoteling standards should include recommendations from OIT on hardware and software products.

05.06
TECHNOLOGY

> **“Mobile technologies and power solutions enable people to move freely around the workplace. Workplaces have now become highly dynamic environments, full of energy.”**
>
> *The Post-COVID Workplace*, Steelcase Inc.

05.06 INTRODUCTION

Because the demand for remote work has increased, a corresponding response is needed to ensure the technological infrastructure is robust, secure and global. It has always been necessary for workplaces to provide the appropriate technology to support the growing and evolving demands of their businesses and employees, but that need is especially critical for remote work. Technology is a key factor in the success of this Strategic Office Space Plan and the evolved work environment.

Some agency platforms are not currently compatible. To increase flexibility, the State’s goal is a streamlined system and integrated processes with widespread access to hoteling, parking and vehicle reservations. This will increase employee satisfaction, lead to more sustainable practices and increase efficiency. A shift to online digitization of files once stored in physical file storage facilities also increases a workplace's overall sustainability with high levels of paper and space reduction. The State has already begun to see this practiced in many agencies, including the Colorado Department of Labor and Employment (CDLE).

05.06.01 STRATEGY: TECHNOLOGY INFRASTRUCTURE IN REAL ESTATE ASSETS

The integration of technology and the creation of more flexible workspace strategies such as hoteling and co-location create more dynamic workspaces. This Strategic Office Space Plan recommends that the State evaluate networking infrastructure when leasing space in commercially owned buildings. Buildings that house State offices need to have robust internet access, with enough connectivity to adequately support the processes. The physical requirements for network connectivity are already established in the State-owned buildings.

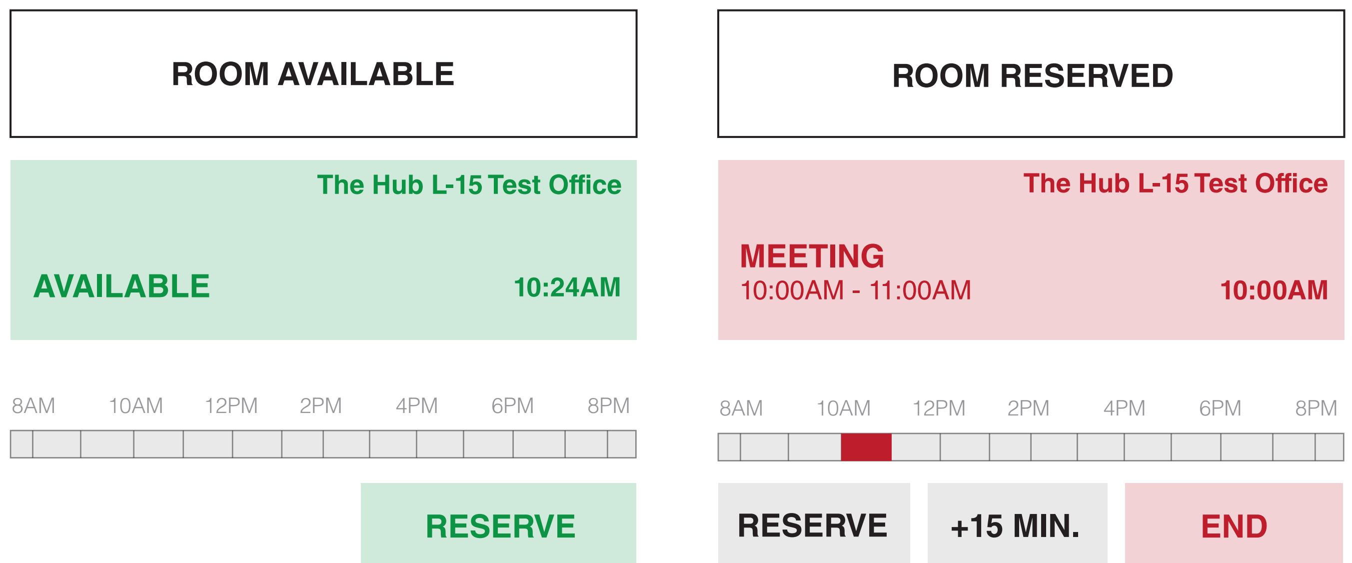


FIGURE 05.11: An example room sign at the Hub showing available and unavailable statuses.

05.06.02 STRATEGY: RESERVATION SOFTWARE

Software is critical to the success of hoteling. A reservation system provides reassurance, knowing that on a specific day, at a specific time, an employee will have a parking spot and a workstation reserved for them. Hoteling software allows agencies to track what space is available for temporary use and permits employees to reserve their workstations in advance. This software can be customized to an agency's needs, with basic or advanced applications available.

05.06.02.01 RESERVATION SOFTWARE FOR HOTELING

For a hoteling program to be successful, agencies must also empower their employees with the tools and technologies to work remotely from the main office and its server. Agencies must ensure they have the proper IT infrastructure and components necessary to easily connect employees remotely to the required applications, enabling a seamless and efficient experience. Servers, virtual private networks (VPNs), voice communications infrastructure such as VoIP, and Wi-Fi are all useful technologies when implementing a hoteling program. Personalized virtual desktops allow employees to use "their" computer wherever they are, so files, software and settings remain consistent at any workstation. At the CU Anschutz Hub described in Section 05.05.01.02, on-site IT support is available, which is good practice especially when a hoteling program is new to an organization.

The Governor's Office of Information Technology (OIT) is currently piloting a new software for use as a hoteling reservation system. As of May 2021, the Office of Economic Development and International Trade, the Colorado Energy Office and the Department of Higher Education are piloting this system. An understanding of the strengths and weaknesses of the software will be reached by the end of July 2021 and the software may be widely available to all agencies by fall 2021. Cross-agency hoteling is a longer-term consideration for the State due to space planning and financial considerations and will likely be rolled out in a later phase. While OIT may recommend the software selection, its administration will be under each agency's management. This will allow each agency to coordinate its specific operating needs and understand how to delegate and manage those needs. The heaviest burden will fall on the local agency administration, with management pushed down to the building level.

There are several key technological concerns for the State to address to better facilitate hoteling:

- *Network Architecture*
  The design of the network architecture is not currently designed for cross-agency space-sharing.
- *Hardware Compatibility*
  Models of equipment vary between agencies. The Colorado Department of Transportation uses Hewlett-Packard while other agencies use Dell, for instance. The standard configurations of existing technology in use might not be conducive to hoteling software.
- *Funding*
  Funding for hoteling software should ideally be provided to the agencies for agency acquisition of the software.

05.06.02.02 RESERVATION SOFTWARE FOR PARKING

As with the hoteling reservation system, there is potential through software to reserve a parking spot. A reservation system for shared parking would instill confidence in the user that there is a space waiting for them. The shared parking should work as the shared workstations do, with spaces occupied by personally owned cars at alternating times based on need, using the reservation system. As of now, the State's considered hoteling reservation system can accommodate some parking needs, but this functionality is out of the scope of the initial hoteling software rollout.

05.06.02.03 RESERVATION SOFTWARE FOR EQUIPMENT

There is extended potential in software to reserve equipment as needed. This includes the potential for reservation and check-out from a secure storage space or a front desk.

05.06.03 STRATEGY: EMPLOYEE COMPUTERS, LAPTOPS, SUPPORT

Access to technology is fundamental to remote work and is therefore critical to the success of this Strategic Office Space Plan. This report recommends beginning the post-pandemic technology planning process by asking each agency what its needs are and how those needs can be supported with technology. Special accommodations may be needed for people with disabilities or without internet access.

Posing the following key questions to each agency will lead to an optimized solution for each specific need:

- Why are people in the office and what kind of work are they doing?
- What are their technology needs?
- Is specific software required?
- How is the software accessed: through VPN or does it required that the employee come to the office to access the software?
- What are their hardware needs – i.e., does the employee need a docking station for a laptop, a specialized laptop based on work requirements, or just an HDMI cord and a screen?

Some employees are currently issued a laptop by the State that they can bring in and out of the office when coming to and from work. For those without a State-issued laptop, this Strategic Office Space Plan recommends that the current equipment policy be augmented with the issuance of a personal keyboard, mouse and headset to each employee who is utilizing seat-sharing or hoteling arrangements with a desktop computer. It is anticipated that disinfecting policies from the pandemic will continue post-COVID. If that is the case, a State policy of more equipment issued for personal use will reduce State disinfection costs.

The pre-pandemic IT security concerns surrounding remote work have largely been mitigated by the State through the use of the secure cloud-based software. That software uses multi-step confirmations in the server access process. The State has also updated its VPN system adding a level of encryption. At the beginning of the COVID-19 pandemic, 30,000 new virtual connections were established. There were no significant issues with the system and it was found to work well with the overall load. Most employees working remotely have not required VPN access and have sufficient access through browser-based software. OIT addresses one-off services as they arise.

Access to printers at home can be an issue for remote workers. This Strategic Office Space Plan recommends that the State encourage printing reduction and digital storage of files. Digitization is critical to facilitate online access to the records, which underlies the success of remote working.

05.06.04 STRATEGY: TRANSITION TO ONLINE SERVICES

A key component of remote working in the context of state government is the digitization of some government services, reducing the need for employees or Coloradans to come to a physical place for services and thereby improving Coloradan access to services. This transition to digital government has two primary components: 1) the offering of online customer services and 2) the digitization of processes and records that allow employees to remotely access information securely including employee processes such as evaluations and approvals. Both of these components contribute to a reduced government physical footprint.

The State has already made significant progress in both of these areas and continued progress will be needed for the implementation of this Strategic Office Space Plan. In support of the high level of security required with digital government services, the State is implementing further use of secure web-based tools and electronic signature software. The digitization of State services and information is recommended to increase the types of work that can be done remotely. The transference of these documents also frees up the physical space previously utilized for file storage. The State has a goal of moving toward cloud-based data storage and away from State managed data centers. This goal will further aid the State in reducing its footprint.

05.06.05 FUTURE TECHNOLOGY CONSIDERATIONS

Sensor technology could be a potential next step to better understand and control occupancy, cleaning frequency, and to see where, when and how often spaces are being used. In providing these new technologies, this report advocated for the introduction of hands-free devices wherever possible (doors, faucets, room scheduling, etc.) due to increased sanitation concerns in a post-COVID environment.[5]

5. Steelcase, Inc. (2021). Four Macro Shifts Organizations Need to Address. Global Report: Changing Expectations and the Future of Work. Steelcase, Inc. Accessed 11 March 2021. www.steelcase.com.

05.07
CAPITOL COMPLEX & OTHER STATE BUILDINGS

05.07.01 CAPITOL COMPLEX FOCUS GROUP

An area of focus for the Strategic Office Space Plan is the Downtown Denver Capitol Complex, which comprises 11 State-owned buildings in and around the State Capitol.[6] These buildings and sites are held by the Department of Personnel & Administration (DPA) and managed by the Division of Capital Assets, which also manages DPA-held buildings outside of those in the downtown Capitol Complex. In fall 2020, the Capitol Complex Focus Group - which was one of four groups formed to further explore and refine objectives and strategies for reducing the State's physical footprint - ranked recommendations relating to properties within the Capitol Complex:

1. Convert some of the Capitol Complex parking lots to daily/hourly parking for State employees.
2. Sell or deploy 1570 Grant to other uses (e.g., affordable housing, private office, day care, etc.).
3. Create capital accounts by charging tenants rent equal to former commercial space; the amount above the standard Capitol Complex rate would be deposited in a building/tenant capital account to be spent to improve the building and tenant space over time.
4. Convert Annex (1375 Sherman) into a multitenant building.
5. Convert the first floor of State Services Building (1525 Sherman) to shared space and conference center.
6. Convert Annex first floor into shared space.
7. Identify opportunities for non-State use of the Capitol Complex, including child day care (linking non-State use to available space).
8. Change the largely static Capitol Complex rent model to a utilization model for shared space that charges agencies based on the amount of time a space is used.
9. Create a system that allows agencies to advertise additional space (e.g., office, storage, etc.) to other departments and agencies.

6. The Ralph L Carr Judicial Center is not included in the scope of this Strategic Office Space Plan because it does not include executive branch administrative office space and is not managed by the Department of Personnel & Administration (DPA).

REDUCE PHYSICAL FOOTPRINT - RACI MATRIX CO-LOCATIONS, HOTELING, REGIONAL OFFICES

Reimagine State Government

R – Responsible
A – Accountable
C – Consulted
I – Informed

Importance	Activity or Decision	OSA	DPA/DCA	RSG Reduce Footprint (First line of customer base)	Gov Office RSG Team (Gov. Operations office)	Deputy Directors / HR Directors	OSPB	Individual Agency	Legislature	Notes
8	Change the largely static CC rent model to a utilization model	I	A, R	I	I	I	C	I	C, with Veto	
3	Create capital accounts by charging tenants rent equal to former private space. Amount above standard CC rate deposited in the building/ tenant capital account to be spent to improve building and tenant space space over time.	I	A, R	I	I	I	C	I	C, with Veto	
1	Convert some of the CC parking lots to daily/hourly parking for state employees	I	A, R	I	I	I	I	I	I, maybe C if required	
9	Create a system that allows agencies to advertise additional space (e.g., office, storage, etc)	A	R	C	I	I	C	C	I	agencies have to offer to State before outside
7	Identify opportunities for non-State use of CC including child day care (linking non-State use to available space)	R	A, R	C	C	C	C, with Veto	C	C, with Veto	
2	Sell or deploy 1570 Grant to other uses (e.g., affordable housing, private office, daycare, etc.)	A	R	C+	I	I	C	C, with Veto	C	
5	Covert first floor of 1525 Sherman to workspace shared space and conference center (Could allow for Gov Office Leg Liaison to use space as they have requested)	C	A,R	C+	I	I	C	C, with Veto	C	
4	Convert Annex into a multitenant building (Could allow for Gov Office Leg Liaison to use space as they have requested)	C	A, R	C+	I	I	C	C, with Veto	C	
6	Convert Annex first floor into shared space (Could allow for Gov Office Leg Liaison to use space as they have requested)	C	A, R	C+	I	I	C	C, with Veto	C	

FIGURE 05.12: Reduce Physical Footprint- RACI Matrix Co-locations, Hoteling Regional Offices

05.07.02 STRATEGY: PRIORITIZE STATE-OWNED SPACES TO BE FILLED

A goal of the State is to locate agencies in State-owned property, where possible, to minimize costs. The cost to rent commercially owned space is typically higher than the cost to occupy State-owned space, even if maintenance costs are considered. In addition to lowering monthly costs, occupying State-owned properties provides real estate equity gains and insulates the State from market volatility.

Pre-pandemic, the State located agencies whose size fluctuates over time in commercially leased space, since this arrangement provides the State with the flexibility to add or shed space relatively easily. Federally funded agencies have historically been more likely to grow or contract over time, which has contributed to decisions to house these agencies in commercially leased space. Another contributing factor is the federal lease reimbursement rate, which is generally higher for leases in commercially owned space than in State-owned space. State-funded agencies are relatively stable in terms of size and, because of this stability, have been considered as ideal potential occupants of State-owned buildings. An important aspect of Flexible Work Arrangements is that the impact of agency head count fluctuations on space needs is dampened, since, if an agency needs to add staff, it can consider adding remote staff. Therefore, the State may now be able to locate agencies who experience moderate head count fluctuations in State-owned space.

This section of the Strategic Office Space Plan proposes strategies for the Capitol Complex properties, including strategies for improvements to buildings, asset management and pricing of these properties. Approximately 45% of all State-owned administrative office property suitable for reduction is in the Downtown Denver campus of the Capitol Complex and, as such, it is a focus of this Strategic Office Space Plan.

05.07.03 STRATEGY: IMPROVEMENTS TO EXISTING FACILITIES

Due to a history of deferred maintenance and a backlog of capital improvement needs, many of the Capitol Complex buildings require upgrades and, in some cases, comprehensive renovations. The issues facing these facilities have a potential impact on the efficiency of use of the facilities as business needs change (e.g., remote work), and in some cases the issues may result in loss of use. To address the current and ongoing maintenance and renovation needs of the Capitol Complex a dedicated source of funding should be considered. This Strategic Office Space Plan recommends that an amount equal to 1.5% to 2% of the replacement value of existing assets be allocated annually by the State for maintenance purposes.

The current lease rates for interagency leases do not include an allotment toward deferred maintenance (e.g., roof or mechanical replacement). Rather, these rates provide for only minimal upkeep. Moreover, since interagency leases are based on usable area rather than rentable area, the lease funding stream for each building does not reflect the full size of the building (see Section 02.03 Definitions for more information on usable area and rentable area calculations). In contrast, in the private-sector lease rates are typically set to cover an owner's costs, plus profit, and leases are based on rentable area so that tenant lease payments help to cover costs for portions of the building that are shared.

There are several funding possibilities to address the current need for improvements in the Capitol Complex buildings:

- Increase interagency lease rates to be equal to market rates and utilize the increase to fund needed major maintenance projects. This strategy would provide an ongoing funding source for major maintenance projects and building improvements.

- Change policy to base interagency leases on rentable area rather than usable area so that aggregated lease areas for each building are representative of the total area of the building and not just the tenant-occupied space. Because the Capitol Building includes a significant amount of public space, the public space in that building may need to be excluded from rentable area calculations to establish equitable lease rates for the tenants of that building.

- Request appropriations for individual major maintenance projects. The Capital Renewal / Controlled Maintenance request process could be used for these projects, as discussed in Section 03.03.02. This mechanism would not address agency tenant improvement needs.

- Monetize or dispose of underutilized assets that the State deems as beyond repair.

Though all buildings in the Capitol Complex have certain system upgrade needs, the Annex Building, the Centennial Building and 1570 Grant have more immediate and pressing upgrade requirements. The needed upgrades vary, but the issues adversely impact code compliance, reliability, and energy efficiency. The deferred maintenance issues pertain to individual building systems such as roof systems, electrical systems and fire protection systems. Because the renovation needs are discrete, they could be accommodated through a phased renovation with existing occupants remaining in place. Alternatively, agencies could consider short-term remote working policies for occupants during more disruptive construction periods. The estimated renovation costs for the individual buildings in the Capitol Complex are included in Section 03.03.03 of this report. The total 2021 estimated renovation costs for the Executive Branch administrative office space, including the Capitol Complex, is approximately $123M for minimum building improvements and the implementation of new work strategies.

	DESCRIPTION	NEEDS	BENEFITS / CONCERNS
1570 GRANT			
Sell or Redeploy	1) Sell vacant building or commercially leased building (est. $5.17M to $7.82M) 2) Do not sell and rather redeploy to other uses (e.g., affordable housing, private office, etc.) 3) Use building for State agencies	HCPF consolidates in private lease space (still under consideration) and issues lease RFP Broker or OSA Real Estate Program to lease building to private tenants Market for sale Sale proceeds used to improve Capitol Complex real estate	1570 Grant is a standalone building (i.e. not on Capitol Complex loop system) The value may not be high given COVID Selling asset eliminates future use opportunity Need to resolve access dispute with a neighboring building
STATE SERVICES BUILDING - 1525 SHERMAN			
Shared work and Conference space	Convert the first floor of 1525 Sherman to workspace shared space and Conference Center	Move OSA and Colorado State Employee Assistance Program to another space Convert cafeteria to flex space Add new improvements to existing conference space (e.g., upgrade A/V, security) Ensure all agencies are aware of the space Track and charge for utilization (consider tiered rate structure?)	Fire code/fire exit considerations Need to link conference room to a central reservation system How many boards and commissions intend to return to in-person meetings? Need spending authority for space Need assigned parking options for the conference center
ANNEX BUILDING - 1375 SHERMAN			
Convert to multitenant	Annex is a single-tenant building. Need to convert to multitenant	$1.7 million supplemental plus CCMP (Capitol Complex Master Plan) funds to convert Annex to multi-tenant CCMP funding	This provides an opportunity to lease individual floors or parts of the floor Adds amenities and partially refreshes the building Need money to assist CSP with build-out of the basement Any change should consider recently renovated conference room, funded by State Historic Fund
CENTENNIAL BUILDING - 1313 SHERMAN			
Shared conference/ office space	Convert the first floor to a shared space	New security system Reservation system Billing for use Money for remodel	Provide additional shared space for State agencies and maybe even the public

FIGURE 05.13: Capitol Complex Focus Group Recommendations

05.07.04 STRATEGY: ASSET MANAGEMENT

Capitol Complex assets management must consider the long-term financial security of the State and its taxpayers, as well as the operational needs of the agencies that are the tenants. Existing individual Capitol Complex properties need to be evaluated both financially and operationally to understand if it is in the State's best interest to renovate them or liquidate them to fund other projects.

This Strategic Office Space Plan recommends the asset management strategies in Figure 05.13, put forth by the Capitol Complex Focus Group.

05.07.05 STRATEGY: UTILIZATION-BASED PRICING

The Capitol Complex Focus Group recommended that the current static lease rate model for interagency leases in the Capitol Complex be changed to include consideration of how much a particular space is utilized by a particular agency. A utilization lease rate model would be especially applicable to spaces that are shared between agencies, such as hoteling spaces. This system would require continuous appropriation or a new line item, and a space reservation system.

The key benefits of this change to a utilization model would be:

- The model would allow DPA Division of Capital Assets to manage multiple-tenant usage of spaces.
- The model would give DPA Division of Capital Assets the ability to vary rates by type of lease space (e.g., office, workstation, storage, conference, etc.).

05.08
FUTURE LEASING STRATEGIES

05.08 INTRODUCTION

The Governor has tasked the Office of the State Architect (OSA) through the Reduce our Physical Footprint initiative to take a proactive role in decision-making on leasing options, utilizing a more holistic statewide strategy. This process is to include reduction of commercial leases, maximizing the use of State-owned buildings, co-location of State agencies within buildings, and a 1M square foot reduction of the State's physical footprint by 2025.

The reduction will involve several strategies, including cross-departmental use of space, multiple new workplace models, and optimization of remote work. Reconsideration of the State's existing leasing strategy is central to the reduction of footprint. The Working Group, described in Section 04.03, with additional input from State entities, proposed the future leasing strategy discussed in this section of the report.

The Working Group provided an initial sampling of primary motivators for State agencies for re-thinking existing State leasing strategies. The primary motivators of the Working Group are:

- *Service to the public.*
  Any re-thinking of State workplaces must be done without sacrificing convenience for the public when accessing services.
- *Maximize the value of State funding.*
  There are opportunities to gain efficiencies through re-structured leasing policies that would proactively address issues such as the potential for multi-tenant occupancies and timing of lease expirations.
- *Minimize transportation impact on the environment.*
  Broadening the consideration for office space to locations near where employees live could reduce employee commutes and mitigate the environmental impacts of employee transportation.
- *Maximize employee satisfaction.*
  Reducing commutes, increasing work-life flexibility, and improving the quality of State office space may result in increased levels of satisfaction, in line with the State's Employer of Choice initiative.
- *Understand office needs considering new workplace modalities.*
  Agencies would benefit from expertise and tools geared towards quantifying office needs considering the variety of new working modalities.

These motivators underlie the State's proposal for a new future leasing strategy.

05.08.01 STRATEGY: PRIORITIZING STATE-OWNED SPACE

For any lease that is expiring or is terminated, this report recommends considering whether the tenant agency is likely to have stable space needs or fluctuating space needs over the ensuing five-years. This report recommends that agencies with stable space needs be prioritized for relocation to State-owned space, where long-term costs are lower. Agencies with fluctuating space needs have in the past been better served in the commercial real estate market, where there is greater flexibility to meet changing needs. This report recommends that this practice continue for agencies for which the fluctuations are extensive.

This report has two strategies for transitioning to State-owned space:

- *State-owned hoteling space in Capitol Complex*
  Remote working post-pandemic is likely to lessen the need for agencies to expand or contract their physical space. Hoteling space in State-owned property located adjacent to agencies, could provide for moderate expansion and contraction needs that in the past have been met through the commercial real estate market. The Department of Revenue is already pursuing this strategy of incorporating hoteling space with approximately 80,000 square feet at 1881 Pierce and approximately 40,000 square feet at the Cole Center.

- *State-owned co-locations*
  In areas of the State outside the more densely populated Front Range, the commercial market of available lease property is limited. This limitation results in cost challenges. Longer lease periods are typically required in outlying areas as landlords can require longer durations. In some cases, reduced space needs in existing agency-owned / agency-occupied buildings will create the potential for a State-owned co-location. Where this is not an option, and where the market would require a lease duration of 10 years or more for a commercial lease, it may be cost-effective for the State to acquire buildings to use for co-location purposes. To validate the effectiveness of co-locations, this report recommends that the State first attempt co-locations in leased space. If these co-locations are effective, this reports advocates reallocating some of the statewide lease savings from reduced footprints to seed funds for State-owned co-location facilities in remote areas. The State could structure interagency leases such that the tenant agencies in these facilities pay toward replenishment of the seed fund.

05.08.02 STRATEGY: REAL ESTATE REGIONS

One strategy for achieving the State's space reduction goals is to analyze the State's leases by Real Estate Regions. The OSA started this analysis, dividing the state into 12 regions along county borders, with each sector containing a group of State leases for administrative office space. The concept of analyzing the state by Real Estate Region is relatively new and was inspired by other precedents for regional mapping by organizations such as the Federal Emergency Management Agency (FEMA), Colorado Department of Transportation (CDOT) and Department of Homeland Security. An understanding of the State's real estate holdings by region allows each of Colorado's unique regions to be analyzed at an appropriate scale.

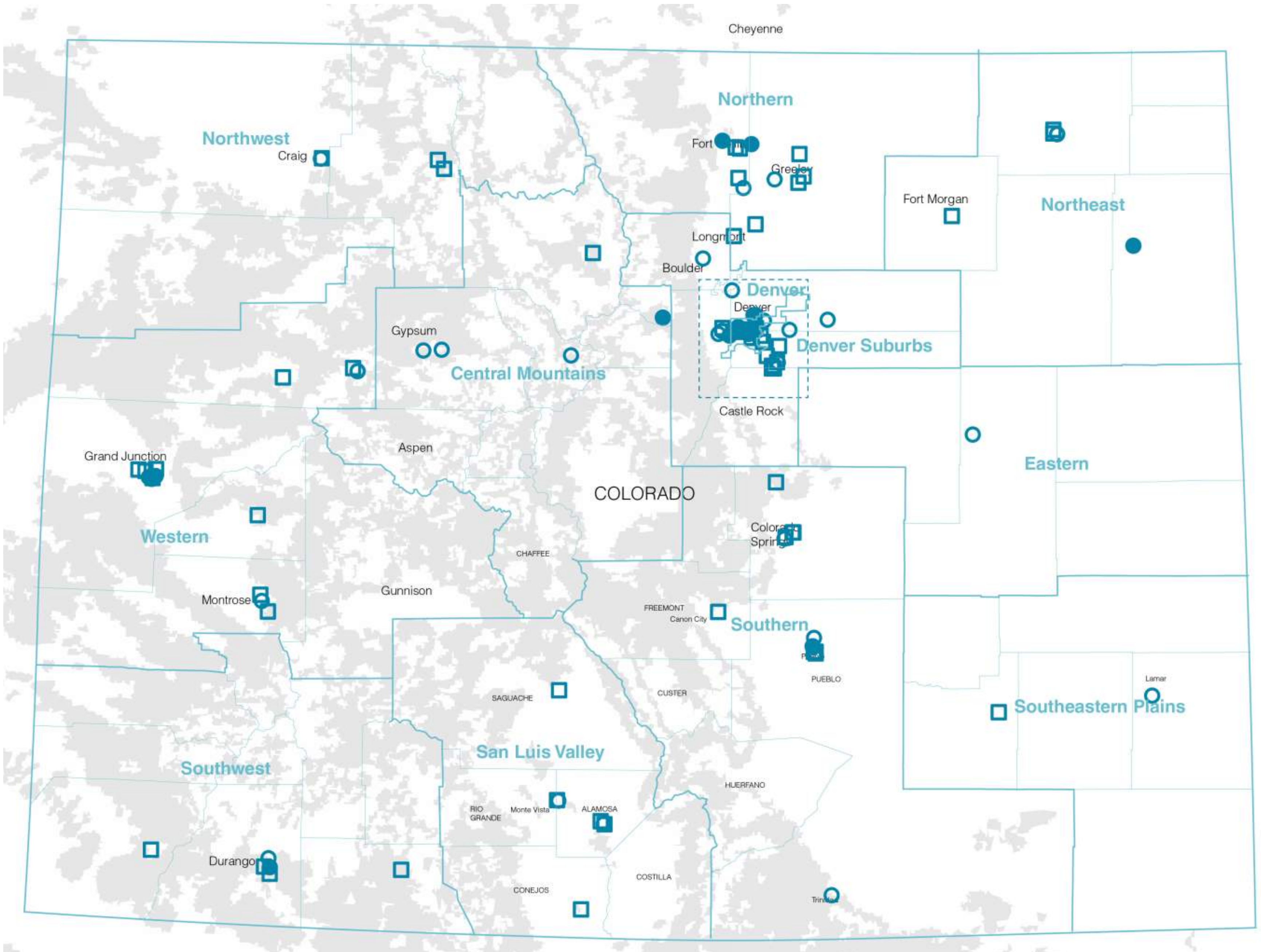
Recognizing the patterns of lease locations by region enables the State to analyze each region separately based on size and type of available office space, cost per square foot, the populations served and other factors. This added specificity gives the State the tools to better inform future leasing decisions to reduce the area of office space overall. Understanding the state by Real Estate Regions also provides an analytical tool to use when deciding where to establish a co-location hub.

05.08.02.01 BENEFITS

Key benefits of understanding Colorado by Real Estate Region include:

- *Agencies can be housed in more geographically dispersed locations for greater accessibility to staff and clientele.*
  The division of Colorado into regions allows the State to recruit staff and serve clients across Colorado. It also recognizes that, due to population density, available roadway infrastructure, and public transportation, access and expectations for travel time vary widely across the state. Especially in the mountain region, the distance and time required to travel to in-person State offices and services can be significant. For instance, the towns of Crested Butte and Aspen are geographically 25 miles apart but require over 100 miles of driving and 3 1/2 hours of travel time on mountain roads to get from one to the other. Crested Butte is in the Western Real Estate Region and Aspen in the Central Mountain Real Estate Region of the OSA's Real Estate Region map. The division of Colorado into Real Estate Regions recognizes a general level of accessibility within each region. It will allow the State to locate offices within reasonable travel distances for Coloradans and State employees, based on what is considered typical for a given area.

- *Similarities in available real estate for that region can inform State guidelines for properties.*
  The size, type and lease or ownership cost of properties appropriate for State office use will differ from one region to another. Understanding the State's real estate portfolio by region will allow the State to manage expectations for office size, type, co-location opportunities and available amenities. For instance, the greater availability of office buildings with large floor plates in suburban Denver may be more appropriate for co-location opportunities and hoteling than the central mountains, where office buildings with larger floor plates are less available due to terrain and a smaller population.



LEGEND:

- COMMERCIALLY LEASED ADMINISTRATIVE OFFICE SPACE
- STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPACE
- STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE

FIGURE 05.14: Real estate regions in the State of Colorado

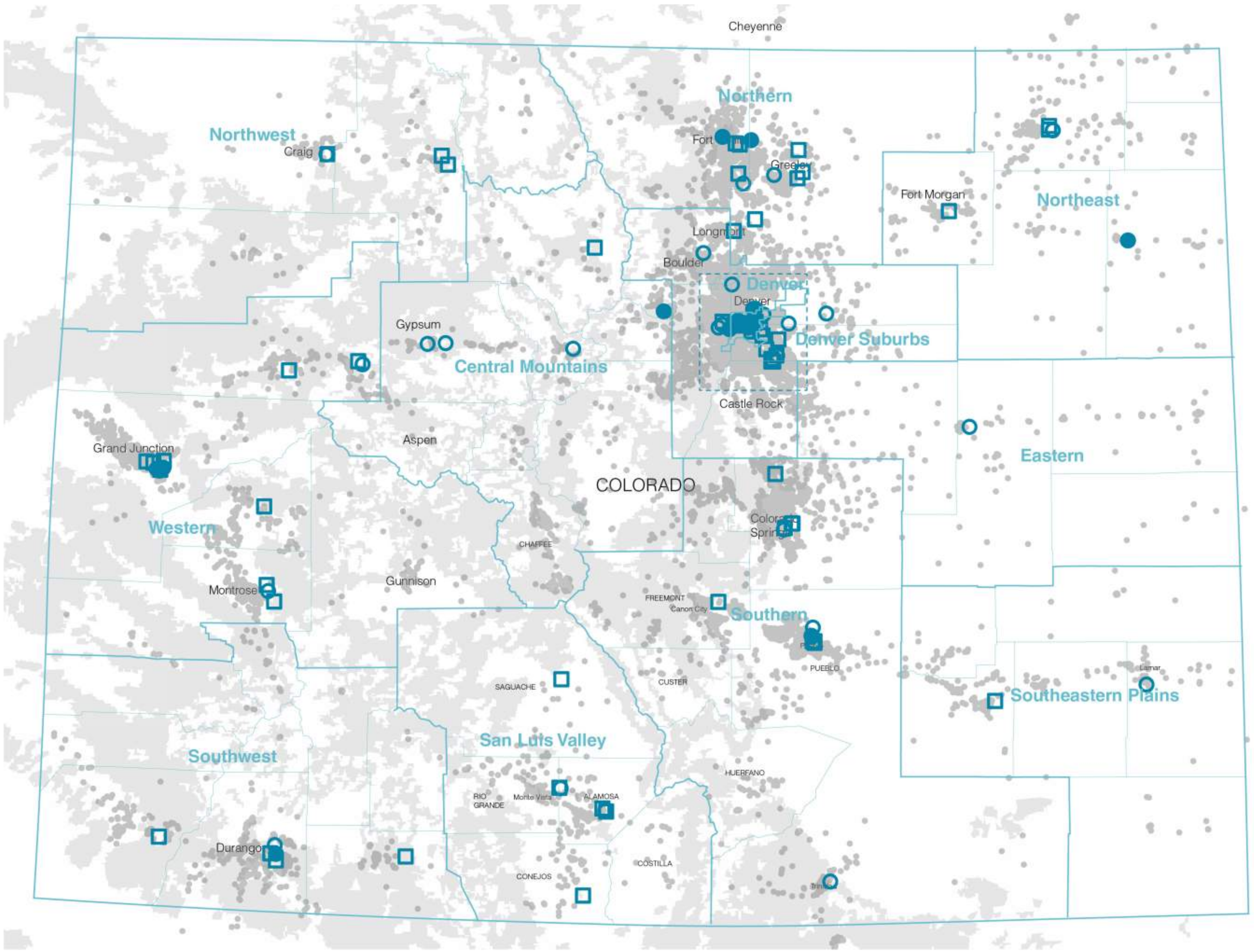
05.08.02.02 REAL ESTATE REGIONS: LOCATIONS WITHIN THE STATE

An analysis of existing lease data across Colorado by the Office of the State Architect Real Estate Program identified 12 different Real Estate Regions. Regions are divided along county lines, as shown in the adjacent map.

05.08.02.03 NUMBER OF REGIONS AND LOCATIONS

The following 12 regions, with the counties indicated, have been identified in Colorado:

1. Denver - *City and County of Denver only*
2. Denver Suburbs - *Boulder, Jefferson, Douglas, Arapahoe, and Adams Counties*
3. Central Mountains - *Grand, Clear Creek, Gilpin, Summit, Park, Chaffee, Lake, Pitkin, and Eagle Counties*
4. Northern - *Larimer and Weld Counties*
5. Northeast - *Morgan, Logan, Sedgwick, Philips, Washington, and Yuma Counties*
6. Eastern - *Elbert, Lincoln, Kit Carson, and Cheyenne Counties*
7. Southeastern Plains - *Crowley, Kiowa, Otero, Bent, Prowers, and Baca Counties*
8. Southern - *Teller, El Paso, Fremont, Custer, Pueblo, Huerfano, and Las Animas Counties*
9. San Luis Valley - *Saguache, Rio Grande, Alamosa, Conejos, and Costilla Counties*
10. Southwest - *San Miguel, Ouray, San Juan, Hinsdale, Mineral, Archuleta, La Plata, Montezuma, and Dolores Counties*
11. Western - *Garfield, Mesa, Delta, Montrose, and Gunnison Counties*
12. Northwest - *Moffat, Rio Blanco, Routt, and Jackson Counties*



LEGEND:

COMMERCIALLY LEASED ADMINISTRATIVE OFFICE SPACE

STATE - OWNED: AGENCY-OWNED & OCCUPIED ADMIN. OFFICE SPACE

STATE - OWNED: INTERAGENCY LEASED ADMIN. OFFICE SPACE

STATE EMPLOYEE LOCATIONS

FIGURE 05.15: State employee locations

05.08.02.04 ACCOMMODATIONS FOR OUTLYING AREAS

State government offices should be located where there is a customer service need for Coloradans and where there is a historically established programmatic need. Operational master planning would determine if the historical way of delivering a service is still the best way. The State can use Geographic Information System (GIS) data to compare concentrations of employee residences by zip code to current office leases to make decisions about where administrative office space would be optimally located to best serve customers, provide ease of access for current employees, and provide access to State employment for the broadest range of people, including those in outlying areas.

State employees reside in each Real Estate Region, and each Region is currently being served by a minimum of at least one State office. The table below summarizes current administrative office lease data by Real Estate Region, showing the distribution across both small, medium and large metropolitan areas as well as outlying areas. Co-location opportunities could be explored within each Real Estate Region, as each one already has an existing portfolio of office space. Leases that are currently close to one another could be grouped into single facilities with shared amenities. However, the opportunity to create a co-location that co-locates multiple customer-serving agencies into one site does not necessarily mean that existing offices serving farther outlying regions should be eliminated. The expectation of travel time and distance to serve populations in these outlying areas would likely necessitate that some of these offices be maintained to serve those populations and to provide reasonable commutes for employees.

One challenge of co-location in outlying areas is the availability of suitable lease space. See Section 05.08.01 Strategy: Prioritizing State-owned Space for more information on this issue.

NUMBER OF EMPLOYEES PER REAL ESTATE REGION

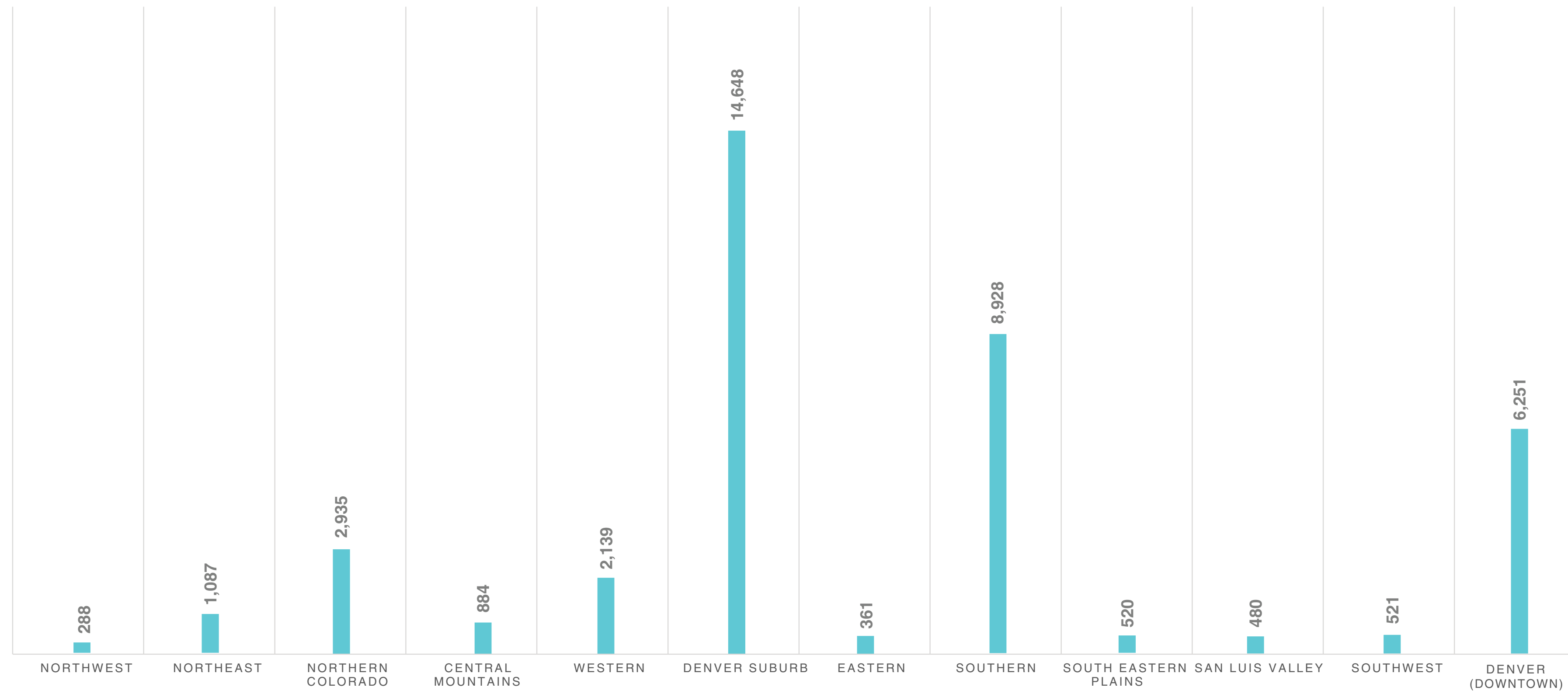


FIGURE 05.16: Number of Employees per Real Estate Region

AREA BY REAL ESTATE REGION

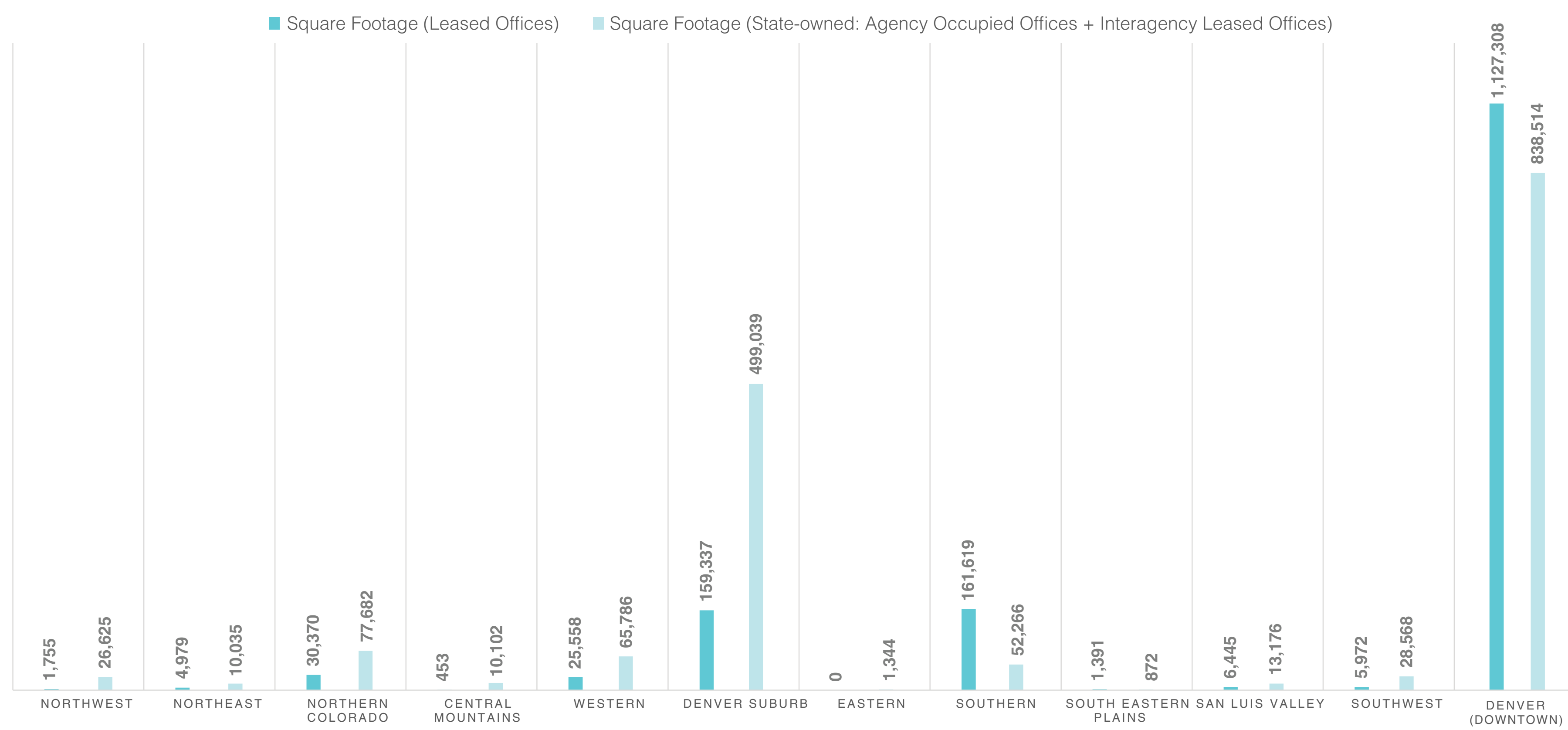


FIGURE 05.17: Area by Real Estate Region

05.08.02.05 GIS MAPPING

Geographic Information System (GIS) mapping has been a vital tool for this Strategic Office Space Plan and will be important for future space planning of State office space. The GIS mapping for the Strategic Office Space Plan was created by the State Land Board using information from the Department of Personnel & Administration (DPA), the Colorado Department of Transportation (CDOT) and the Office of the State Architect (OSA). The GIS mapping includes lease locations in commercially owned space and State-owned space, workforce locations, mass transit information, and proposed Real Estate Region boundaries. The tool has allowed the Planning Team to visualize data and better understand the lease consolidation strategies, such as co-location and hoteling.

In the future, it is expected that agencies will have access to the GIS tool to consider future office locations in Real Estate Regions by considering factors such as locations of employees and availability of State-owned space. The GIS tool could also allow the State to track changes over time. It will be a valuable tool for agencies for overlaying information to create new connections of understanding in interrelationships of departments, locations and employees.

There are several key issues to be considered for the future use of this tool:

- *Data source*
  The Department of Personnel & Administration will provide base information including locations of staff by zip code, locations of leases and locations of lease availability within State-owned buildings. Other useful information, such as mass transit availability may need to come from other sources.

- *Update frequency*
  Because the GIS tool will be used in making lease decisions, the database should be updated with a frequency of once or twice a year to remain relevant.

- *Security*
  The level of personal information data in GIS mapping can be controlled based on the security level of the viewer. While the GIS mapping tool will include employee address information, this information will be aggregated by ZIP code so that most viewers cannot access address information. Address information will only be accessible to those few who have the proper security clearances.

- *Database maintenance costsh*
  Setting up and maintaining the GIS database has a cost. The State will need to determine how these costs are budgeted for and which agency has responsibility for this cost.

05.09
LEGISLATIVE CHANGES

05.09 INTRODUCTION

Achieving the State's goal of reducing and transforming its office space will require consideration for several legislative changes. As discussed in Section 04.03.04 Focus Groups, the Reduce our Physical Footprint Working Group divided into Focus Groups for further investigation and discussion. One of those Focus Groups is the Legislative Focus Group. The vision statement for this group is "to create a dynamic and rightsized budget and statute for workspace utilization." The proposed legislative changes listed below are from the Legislative Focus Group.

05.09.01 FLEXIBILITY OF LEASE LINE APPLICATIONS

Remote working is likely to mean that agencies will need less physical space in the future, which in turn will reduce agency lease costs. The State projects these savings to be $19.7M / year based on 2021 lease costs. The State is considering a lease line statutory change that would allow agencies to use a portion of the lease savings to improve their workspace. Also under consideration is consolidating the "Capitol Complex Lease" and "Lease Space" long bill line items. Improvements will be required to allow for the reduction of office space, which relies on accommodations for new workspace modalities such as seat sharing and hoteling, with possible decreases in workstation sizes and increases in phone rooms, meeting rooms and shared collaboration areas.

05.09.02 USE OF PROPERTY SALE PROCEEDS

With a reduced office need, the State may be able to sell some State-owned property. One primary area for legislative change, identified by the Legislative Focus Group, regards how property should be sold and what the use of the proceeds should be. Legislation introduced during the 2021 Legislative Session (HB21-1274) would help accomplish this goal.

05.09.03 STRATEGY: FUNDING OPPORTUNITIES FOR IMPROVEMENTS TO STATE-OWNED SPACE

Many of the State-owned office buildings are in deteriorated condition. One of the key conclusions of the 2014 Capitol Complex Master Plan (CCMP) is that this deterioration is due in large part to deferred maintenance and lack of regular building upgrades. The CCMP recommends that funds equal to 1.5%-2% of the replacement value of existing buildings be budgeted annually to accommodate these needs in the future.

Several key funding opportunities could support first costs for State-owned building upgrades and long-term maintenance:

- *Sale of excess State-owned property*
  As discussed above, the sale of some State-owned property is potential funding source. One possible use of proceeds from property sale would be a seeding fund which agencies could borrow from to fund tenant improvements in State-owned space, with payback amortized through interagency lease payments.

- *Public-Private-Partnerships (P3)*
  As discussed in the previous State studies, P3 arrangements are a common mechanism nationally for funding improvements to State-owned buildings. Typically, P3 arrangements involve private industry paying upfront improvement costs with a payback plan amortized over time.

- *Certificates of Participation*
  The State can use Certificates of Participation (COP) which are a form of lease-purchase agreement. A certificate refers to an investor's proportionate interest in the State's lease payments. Typically, in COP financing, the State transfers its interest in a property to a lessor and then leases the property back through annual lease payments. The lessor assigns its interest to a trustee who collects payments from the State and makes payments to investors. Sale of State-owned property, discussed above, is an alternate way of funding a COP.

- *Re-allocation of lease savings*
  As described above, it is anticipated that there will be lease savings as agencies reduce their office needs. A portion of this savings could be reallocated to "core and shell" upgrades to State-owned space, addressing the deferred maintenance issues of the existing buildings and positioning the State for the continued transition from leased space to State-owned space. When an agency would realize savings moving from larger leased space to smaller State-owned space, a portion of the lease savings could be reallocated toward tenant improvements in State-owned space.

05.10
PLANNING FOR DESIGN GUIDELINES

05.10 OVERVIEW

Strategic Office Space Plan focuses on the short-term issue of where and how employees will be working post-COVID, the Design Guidelines should focus on longer-term issues regarding the qualitative aspects of the workspace. These new Design Guidelines should be a toolbox to be utilized by the State and affiliated / contracted professionals to inform design and planning decisions for ground-up and tenant finish projects.

Providing flexible space defined by a variety of settings that facilitate different activities supports the hybrid workplace ideal that "it's not where you work, it's how you work." To support the State's goals of becoming an Employer of Choice, the Design Guidelines should describe employee-centric, human-centered design concepts that should be addressed within the design to ensure employees feel supported and valued by their employer. The Design Guidelines should expand upon planning considerations related to design for public health, safety, comfort, and wellness as well as ensuring practices and protocols that support an equitable, diverse, and inclusive workplace. The Design Guidelines should include accessibility guidelines that help to ensure equity of physical access for all.

The Design Guidelines should be comprehensive, ensuring best practices across such areas as equity, diversity and inclusion, elevated workplace experience, right size space standards, flexibility, performance targets, sustainability and consistency of standards across the State. When implemented, the guidelines should support a robust hybrid workplace strategy that represents a new way of thinking about an employee-centric work experience, enabling the State to realize a dramatically reduced real estate footprint.

The Design Guidelines should also provide recommendations related to technological solutions, internal initiatives, and standards implementation processes to ensure employee engagement and high performance in both remote and in-person settings.

06

AGENCY FINDINGS

06.01
AGENCY FINDINGS

06.01 INTRODUCTION

In the fall of 2020, the Office of the State Architect (OSA) led an inquiry into agency space needs to project post-COVID space needs and determine whether the goal of a 1M square-foot reduction in State office space was feasible. See Section 04.03.02 for a record of these Basic Steps. As the State started this Strategic Office Space Plan, it was determined that the deeper investigation of space needs would be part of the report.

In spring 2021, the OSA led work by four independent Design Teams to validate the data from the Basic Steps exercise and collect additional information about individual agency space need projections. The contributing Design Teams were The Abo Group, Anderson Mason Dale Architects, EUA, and Stantec. This process had two primary goals:

1. To "test-drive" and fine-tune a process for space needs assessment that can eventually become part of OSA policy (see Section 05.08 Future Leasing Strategies)
2. To collect agency-specific data for post-COVID administrative office use that informs the implementation recommendations in Section 07 Recommendations of this report.

The OSA and its consultants gathered initial "Basic Steps" data from 18 agencies under the Governor's purview. During spring 2021, 16 agencies were either interviewed or information from recently completed studies was used to validate Basic Steps data, including more than 100 Divisions. To estimate overall statewide administrative office space changes, this report combines data from the 16 reporting agencies with Basic Steps data and self-reported data from the Department of Revenue.

The agency findings exercise involved division-by-division interviews with agencies to understand pre-COVID space utilization and projected future needs. These interviews included analysis of existing floor plans to understand the pre-COVID space utilization and in-depth discussions about future space needs through an analysis of which positions are anticipated to be full-time in the office, which positions are anticipated to be partially remote in the future, and to what degree the remote positions can share seats for the times those employees will need to be in the office.

Collaboration Spaces

The data collection exercise acknowledged that many agencies are currently deficient in supporting spaces, especially meeting and collaboration spaces. To correct for this, the five-year projections include supporting spaces that each agency felt were needed, based on industry standard sizes. Key findings are:

- *Increased proportion of collaboration space to office space*
  The number of seats per agency, which reflects the number of workstations, is projected to drop from pre-COVID to the five-year projected time. The amount of common space, which is primarily meeting space, is projected to increase over this same period. The average of the five-year projected office and meeting area of the 16 agencies who participated in the agency findings is 209 USF / seat. The 209 USF / seat number falls above the State's current planning metric of 204-232 RSF / person: assuming a 15% load factor, the current state planning metric translates to 177-202 USF / person.

- *Opportunity to consolidate spaces for increased efficiency*
  There are a number of spaces that can be shared by multiple agencies because they are not fully utilized by a single agency, including large meeting spaces. This space type is identified as "Interagency Space" in the agency findings data. The State could maximize efficiency by consolidating these spaces in places that are accessible to multiple agencies. This concept is explored for the Downtown Denver Capitol Complex in Sections 07.02.01.03, 07.02.01.05 and 07.02.01.06 of this report.

06.01.01 DATA COLLECTION PROCESS

To establish a baseline, data was reported for the pre-COVID condition - for this study assumed to be February 2020 - based on actual space usage. As a theoretical comparison, each agency was asked to project how this same head count would be accommodated in the post-COVID “new normal” workplace incorporating strategies such as remote working and seat sharing, and incorporating rightsizing of workspaces based on industry standards. Finally, each agency was asked to project head counts five years out and how that head count would be apportioned given the new workplace strategies. The process involved meeting with each division within each agency, using standardized spreadsheets, and agency building floorplans to quantify existing space use, elicit feedback around each division’s use of space and space needs, and record existing and projected data.

Data was collected for the existing, pre-COVID condition, the immediate post-COVID condition and the five-year projected condition. Existing data was collected utilizing floor plans to ascertain approximate actual space use. Space allocations for the post-COVID and five-year projected conditions utilize agency seat count data with industry standards for space allocations. All data is recorded in terms of usable area.

The following data was collected for the participating agencies:

- *Head counts*
  Head counts were collected and apportioned into full-time remote, full-time assigned office or workstation, and shared office or workstation.
- *Seat counts*
  Head count was converted to seat count using ratios provided to the agencies during the interviews for the shared seats. Generally, assigned shared seats were planned at a ratio of 2 heads to 1 seat. Generally, unassigned shared seats (hoteling stations) were planned at a ratio of 10 heads to 1 seat.
- *Dedicated office need*
  Seat counts were converted to dedicated office needs for post-COVID and five-year projections using industry-standard sizes for offices and workstations.
- *Shared common spaces*
  Spaces such as meeting rooms and reception areas were recorded for the pre-COVID condition at their existing sizes and rightsized using industry-standard planning metrics for future conditions.
- *Potential interagency shared common spaces*
  For the purposes of the agency findings exercise, interagency space was defined as any type of space of any size that can be shared among different agencies, including space that is needed but which agencies do not currently have.
- *Unique spaces*
  Those spaces that are not typical office use were recorded as “unique spaces.” Examples of unique spaces were hearing rooms and large file storage rooms.

This report records post-COVID projections for each agency, but focuses on the five-year projections for each agency, as those projections include agency growth and are a better approximation of the reduction in a physical footprint that the State can achieve over the 2020-2025 period utilizing remote work and seat-sharing strategies. The report compares pre-COVID to five-year projected needs to determine overall projected space reductions.

The post-COVID and five-year projection data is based on the following:

- *Space sizes are based on industry standards.*
  Projections are based, for now, on industry-standard sizes for office spaces, workstations, and support spaces. The State is developing Design Guidelines (see Section 05.10) that will include State-approved standard ranges for these space allocations. The agency finding projections included in this report may require minor adjustment if the State-approved space allocation standards vary from the industry standards used in the current projections.
- *Spaces are right-sized.*
  Projections are based not on the space sizes agencies have now, but on what space sizes should theoretically work for a given space need. For example, office space is calculated at 120 SF per office in the projections, and workstations are calculated typically at 54 SF per station, with hoteling stations typically calculated at 36 SF per station. Collaboration spaces such as huddle rooms, conference rooms, and informal team areas are included.
- *Projections assume agencies have settled into the “new normal.”*
  The Governor asked agencies to begin to transition back to the workplace starting June 1, 2021. However, the practices described in this report, such as remote working and seat sharing, are not likely to be fully in place starting June 1, 2021. The five-year projections in this report are intended to describe a condition after return to the workplace transition has been completed and agencies have adopted the “new normal” workplace modalities.
- *Projections are not building-specific.*
  In the projections exercise, agencies were encouraged to think about their needs abstractly, rather than as associated with a particular building. Data is expressed in terms of the usable area rather than the rentable area because usable describes an agency’s abstract needs rather than the building-specific factors of lobbies, corridors and shared restrooms, which are described in rentable area. It is acknowledged that building-specific configurations and renovation costs will impact the State’s ability to implement projected space reductions.
- *Projections are based on justifiable growth rates.*
  The Design Teams elicited growth rates from each agency that the agency could justify. The inclusion of overly aggressive growth rates would overestimate future agency space needs. Growth rates are either anticipated known rates or the five-year historic growth rate for the agency projected forward.

At the time of data collection, some agencies had relatively developed leadership-driven plans in place for the post-COVID workplace. Other agencies were in the planning stage for the post-COVID workplace, with intentions to develop plans based on employee input.

06.01.02 EXCLUSIONS

The Office of the State Architect gathered initial “Basic Steps” data from 18 agencies, with OSA and consultants conducting a validation exercise that included 16 of the Basic Steps agencies.

The deeper data validation exercise did not occur for the following groups:

- *Department of Corrections:*
  Security requirements make the agency less suitable for many of the strategies of this report including remote working and co-location.
- *The Colorado Department of Higher Education (CDHE) / History Colorado (HC):* From the Basic Steps exercise, OSA learned that there is limited opportunity to reduce the HC footprint due to the specialized nature of the agency’s customer service. The HC portion of CDHE was not included in the deeper validation exercise, but the Basic Steps information for HC is included in the total CDHE summary.
- *Department of Military and Veterans Affairs (DMVA):* A significant portion of DMVA office space is not suitable for the strategies included in this report due to security concerns, so the agency was not selected for deeper data validation exercise. However, there are components of DMVA, including recruiting and veteran’s services offices, which are suitable for the strategies described in this report.

06.01.02.01 SELF-REPORTED DATA

The Department of Revenue (DOR) was not included in the Basic Steps or agency findings exercise. The agency already implemented an aggressive remote work policy; therefore, the additional study would have been unproductive. An overview of DOR information, self-reported by the agency, supplements the Basic Steps data. A more appropriate study in the future to record the successes and lessons learned from DOR would be appropriate.

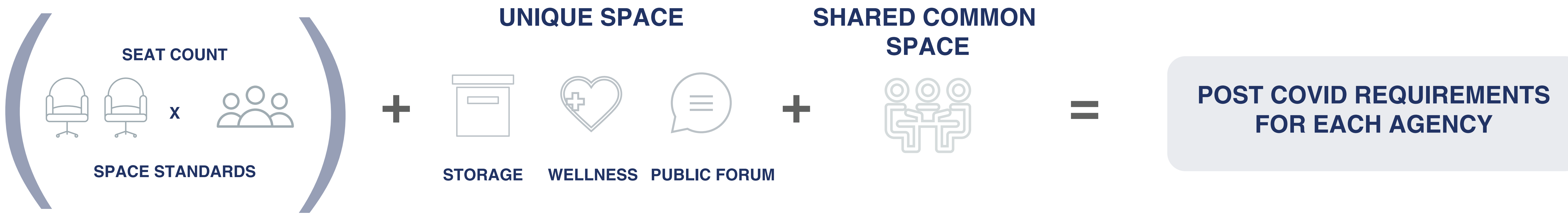


FIGURE 06.01: Calculations for post COVID requirements for each agency

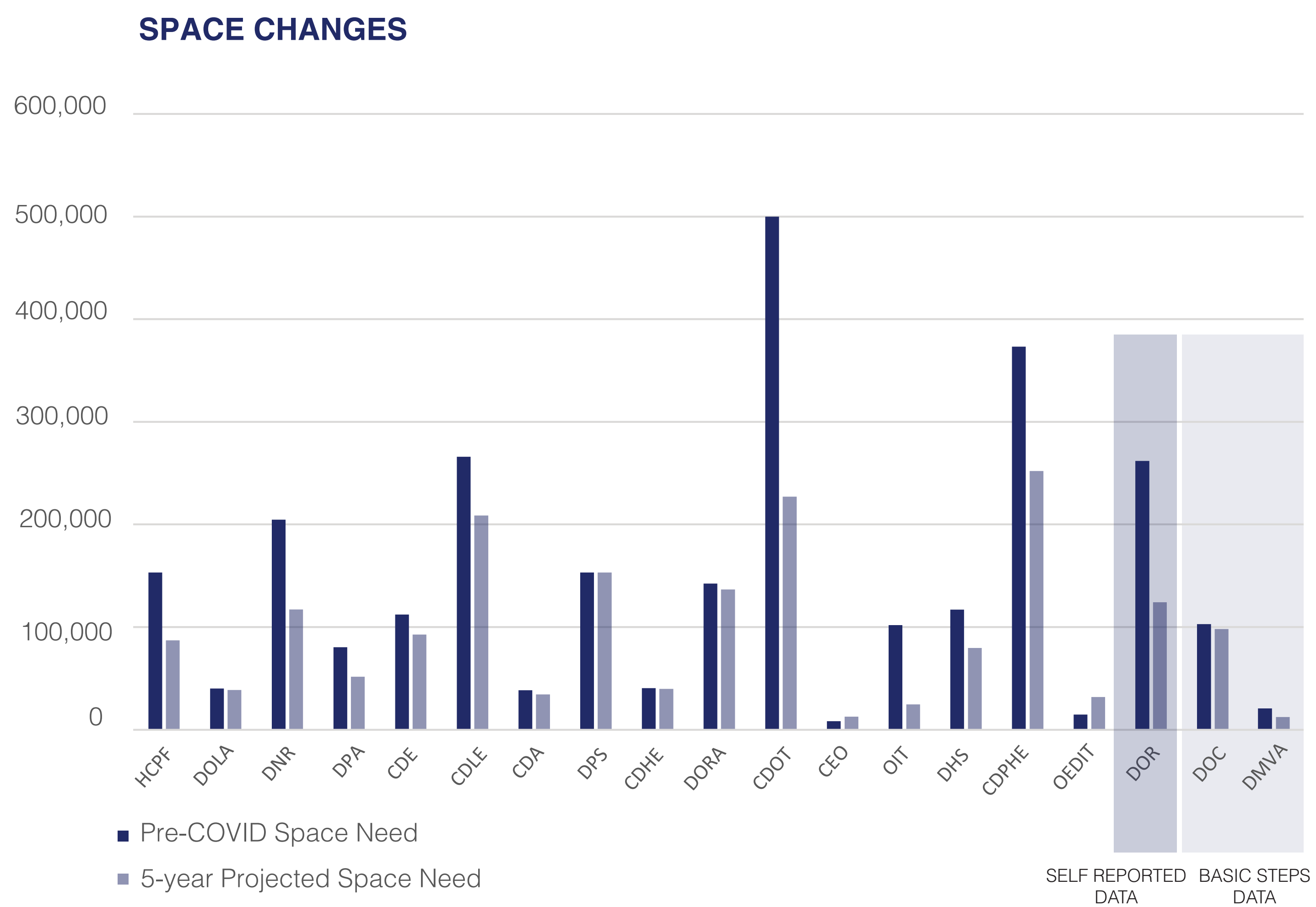


FIGURE 06.02: Overall space changes by agency

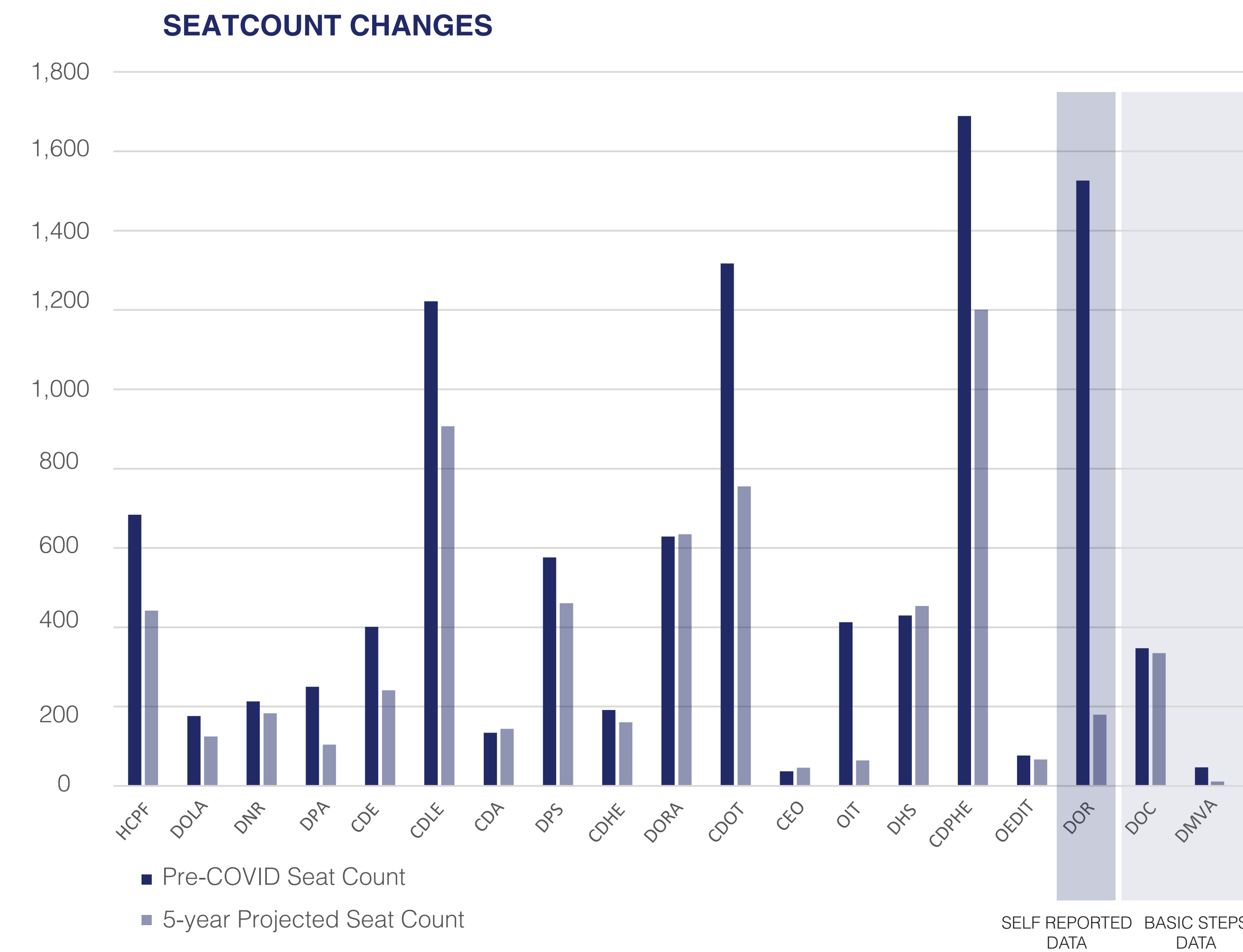


FIGURE 06.03: Overall seatcount changes by agency

AGENCY	Measured SF Pre-COVID (USF)	Agency Findings SF Post-COVID (USF)	Agency Findings 5 Year Projected SF (USF)
	BASIC STEPS UPDATED WITH AGENCY FINDINGS		
DPA (USF)	78,537	47,851	51,687
DOLA (Sherman Location) (USF)	36,361	33,794	36,359
DOLA (G.J. Leased)(RSF)	3,783	820	883
DNR (Sherman) (USF)	79,278	50,676	55,862
DNR (Other Denver)	67,954	33,620	36,209
DNR (Leased) (RSF)	57,452	24,190	26,053
CDE (Sherman Location) (USF)	4,696	2,792	3,729
CDE (Colfax) (USF)	45,523	36,197	43,862
CDE (Leased) (RSF)	37,631	19,213	21,012
CDE (Talking Book Library)	25,818	28,117	28,611
DHS (Sherman Location) (USF)	100,041	73,735	74,767
DHS (Leased)	17,004	4,510	4,857
DPS (Kipling Complex) (USF)	142,235	129,863	142,140
CDPHE (RSF)	373,179	180,516	251,953
HCPF (Grant St.) (USF)	32,630	0	0
HCPF (Leased))(RSF)	90,117	60,930	86,997
OIT (RSF)	93,635	17,661	18,074
CDHE (RSF)	15,509	16,701	17,871
CDHE (History Colo)	27,900	22,940	24,706
CDOT (Deeper Dive)	310,231	171,848	171,707
CDOT (Interagency)	13,917	7,120	7,668
CDOT(Leased)	11,910	5,650	6,085
CDOT (Other)	165,069	34,993	37,687
DORA (RSF)	142,317	129,737	136,700
CDLE (RSF)	162,304	97,891	120,120
CDLE (Owned) (251)	103,671	108,328	88,505
CDA	38,428	32,375	34,356
CEO (USF)	6,388	8,940	13,979
OEDIT (USF)	12,031	11,168	17,288
DMVA (Centennial)	6,203	9,400	10,124
DMVA (G. J.)	14,615	2,010	2,165
DOC (RSF)	102,879	91,005	98,012
DOR (Annex) (USF)	75,421	0	0
DOR (1881 Pierce) (USF)	89,884	89,884	89,884
DOR (Leased)	91,025	42,384	42,384
Totals	**2,675,576**	**1,626,859**	**1,799,568**
Reduction from Pre-COVID		1,048,717	876,008
% Change from Pre-COVID		**39.20%**	**32.74%**

Basic Steps

Agency Findings

Self-Reported Data

FIGURE 06.04: Basic Steps and Agency Findings data used for statewide totals

06.01.03 BASIC STEPS AND SELF-REPORTED DATA

To approximate state-wide administrative office space reductions, this report combines data from the 16 reporting agencies with data from the following sources:

Basic Steps data.

This report utilizes Basic Steps data, discussed in Section 04.03.02 of this report, for the Department of Corrections, History Colorado portion of Colorado Department of Higher Education and Department of Military and Veteran Affairs.

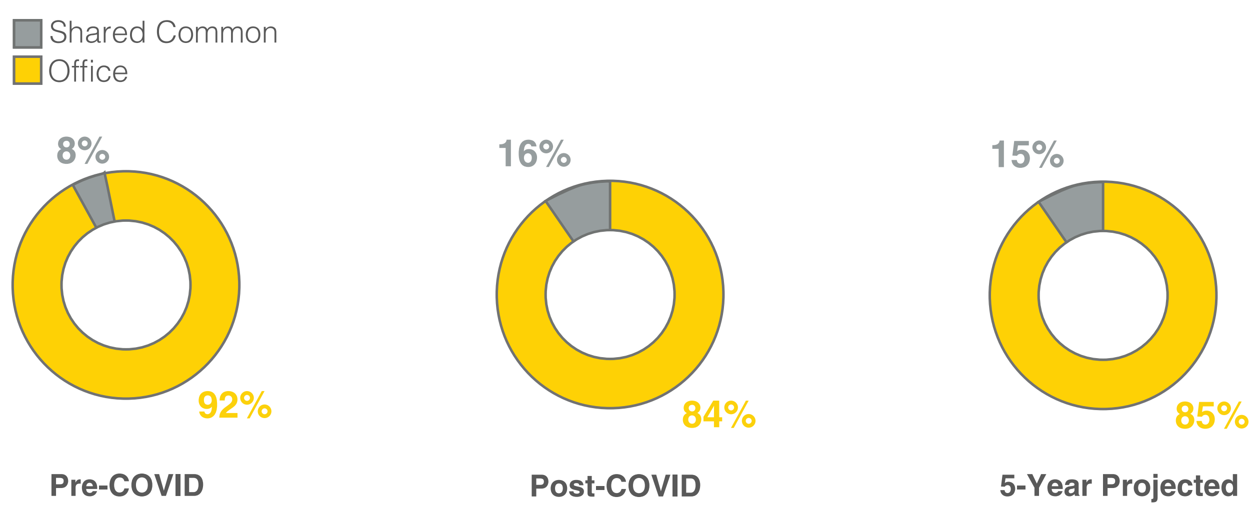
Self-reported data.

This report utilizes self-reported data for the Department of Revenue (DOR). As discussed above, DOR has already implemented an aggressive remote work policy and was therefore not included in Basic Steps or the deeper space needs evaluation.

06.01.04 CHANGING USE OF OFFICE WORKSPACE BY AGENCY

Using the data collected from each agency, it is possible to compare how agencies used office space pre-COVID to the way they project to use office space by 2025. As noted above, this is a spring 2021 projection, and it is anticipated that these projections will evolve. However, the projections do provide a snapshot of how the agencies currently envision their future workspaces, considering a goal of best utilization of space.

As discussed above, the data for this report is a combination of the agency findings exercise, Basic Steps, and self-reported data from DOR. The outcome of the data collection process is a gap analysis for each of the 16 agencies showing the difference between pre-COVID space needs, post-COVID space needs, and five-year projected space needs. This data is the foundation for the space planning recommendations in Section 07 of this report. The current data indicates that there will be a total approximately 900,000 SF reduction of usable area administrative office need, comparing pre-COVID needs to the 2025 five-year projected needs. Assuming a 15% load factor, this reduction equates to approximately a 1M SF reduction in rentable area.



STATE TOTAL	Pre-COVID	5-Year Projected	Delta	% Change
Head Count	9,445	8,363	-1,082	-11%
Seat Count	10,361	6,525	-3,836	-37%
Shared Common Space	297,660	309,801	12,141	4%
Interagency Space	11,132	57,911	46,779	420%
Total Space Needs	2,675,576	1,799,568	-876,008	-33%

* *Total Sf includes unique space, Deeper Dive SF and Basic Steps SF*
* *Head count 5-year projected for Basic Steps calculated from prjoected growth 7.7% (1.5%/yr.)*
* *5-year head count for CDPHE calculated from projected growth 7.7% (1.5%/yr.)*
* *Shared Common Space and Interagency Space breakdown reflects Agency Findings exercise only*
* *Data from Basic Steps exercise did not break out Shared or Interagency Space components*
* *Overall space savings from Basic Steps is included*

FIGURE 06.05: Overall State data

06.01.04.01 CONSIDERATIONS FOR SPACE RECONFIGURATIONS

State office space will need to be configured differently over time to accommodate new workplace modalities such as seat sharing and rightsized workstations with supplemental collaboration areas. A primary strategy of this report, discussed in Section 05.08.01, is that the State consolidate administrative office space in State-owned space. If agencies moving into State-owned space make tenant improvements to update the space, the effect will be phased improvements to State-owned assets over time.

There are funding and swing space considerations related to these reconfigurations:

- *Funding Considerations*
  Achieving the necessary reconfiguration will require funding for renovations, which in turn will require a commitment from leadership in the Legislative and Executive branches. See Section 05.09.03 for a discussion of strategies for funding renovations and Section 07.04.02.

- *Swing Space Considerations*
  If an agency wishes to re-configure a space it currently occupies, the agency will likely need to consider "swing space" options for temporary relocation. Whereas in the past, agencies would need to move to an alternative physical space to allow for renovations of their offices, agencies now have the option of temporarily shifting to 100% remote working to vacate space for renovation.

The State could lessen the need for swing space if existing vacant buildings – the Annex Building and 1570 Grant, for example – are renovated first. Tenants would move to these renovated buildings, freeing other space to be renovated and backfilled.

06.01.04.02 MINOR DATA ANOMALIES

The figures on the following pages illustrate both the deeper space validation exercise of spring 2021 and summary tables for agencies describing overall space needs changes from pre-COVID to five-year projected conditions. The spring 2021 space validation exercise was focused on agency occupancies in large buildings generally in downtown Denver; the summary tables include the space validation information and combine it with information for agency footprints outside of downtown Denver to create an overall picture for each agency. For the 16 agencies in the space validation exercise, the majority of their space was validated and any discrepancies between the validation data and the overall agency data is minor. The primary reason for discrepancies is that Basic Steps information was reported in rentable area (RSF) in some cases, while agency findings data was reported in usable area (USF).

06.01.04.03 FINDINGS BY AGENCY

The following pages record the space needs findings for agencies, utilizing Basic Steps information, data from the deeper agency findings exercise or self-reported data. The data represents the "gap" between pre-COVID conditions and the 5-year projected space needs. The data includes interagency spaces which agencies do not currently have but would benefit from. In Section 07.02.02, this report recommends consolidating those interagency spaces to maximize space efficiency for the State. For each agency, the overall state-wide agency totals are recorded. The deeper data validation exercise is also recorded, which focuses on primary agency occupancies in the Denver metropolitan area.

This Strategic Office Space Plan is a living document that should respond to the changing needs of agencies and provide a framework by which needs can be analyzed and actions can be implemented. Agency space needs will change over time, especially in the near term as agencies navigate through the uncertainty of what the post-COVID work modalities will be. The agency findings data is a snapshot in time as of spring 2021.

HCPF DEPARTMENT OF HEALTH CARE POLICY & FINANCING

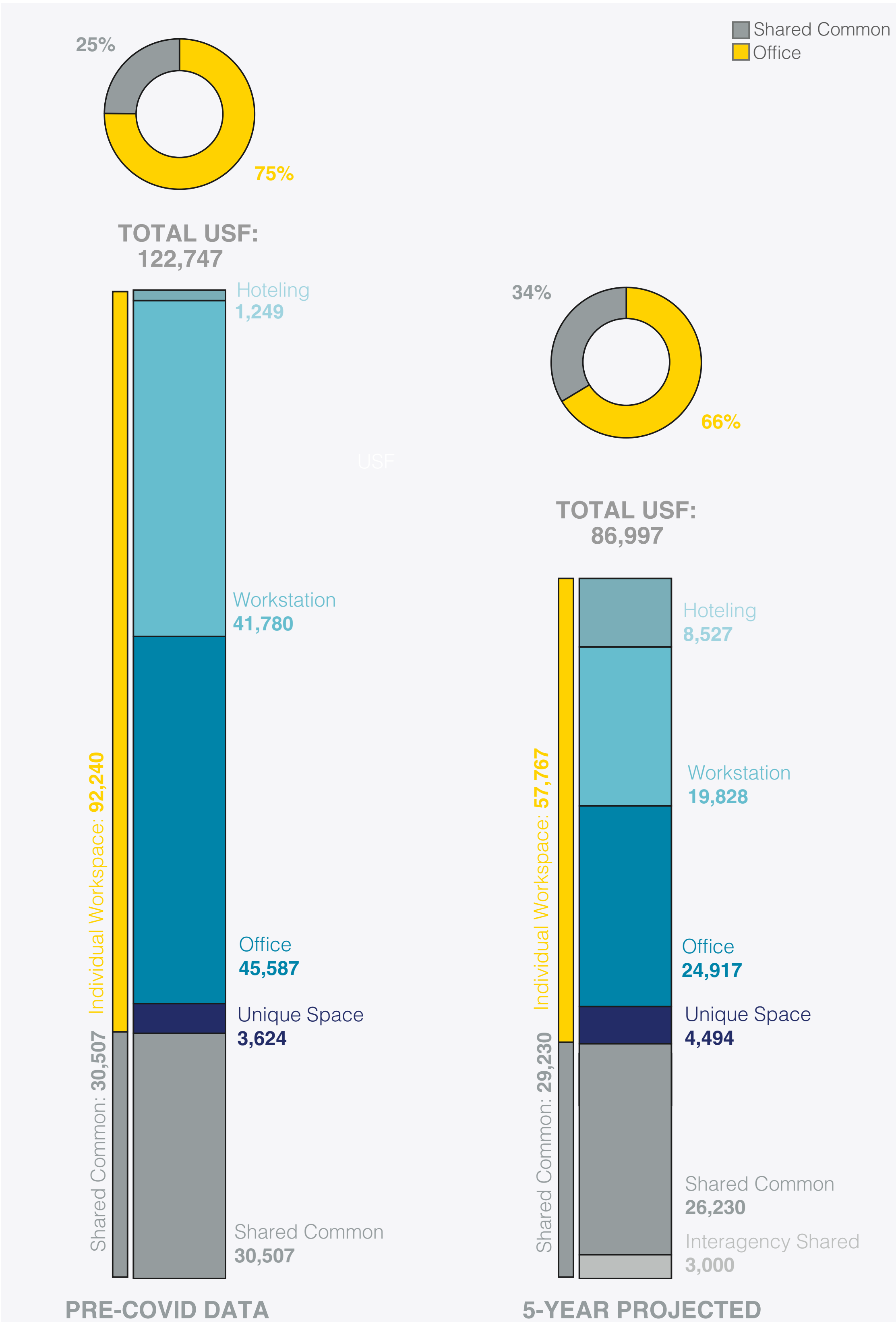


FIGURE 06.06: Gap analysis for HCPF. Graphic: courtesy of Stantec.

-35,750 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

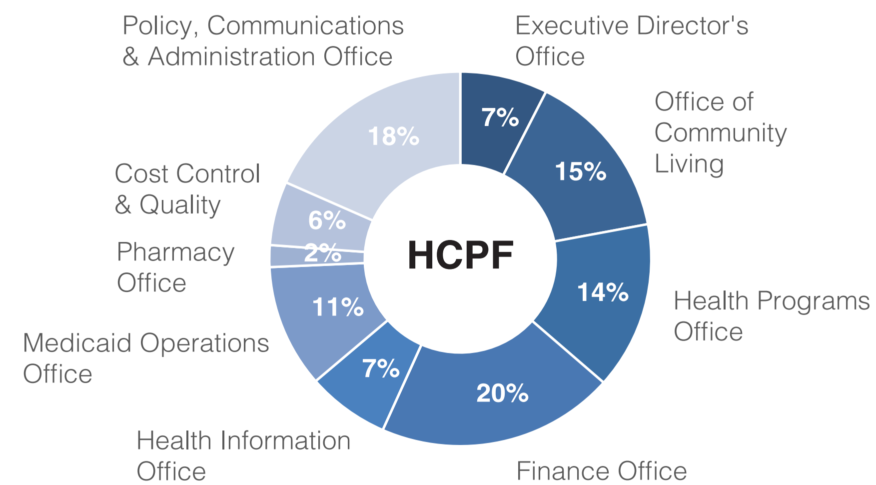


FIGURE 06.07: Interviewed divisions within HCPF by % of 5-year projected space need.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

HCPF	Pre-COVID	5-Year Projected	Delta	% Change
Head Count	710	1130	420	59%
Seat Count	684	442	-242	-35%
Shared Common	30,507	26,230	-4,277	-14%
Interagency	0	3,000	3,000	
Total Space Needs	122,747	86,997	-35,750	-29%

FIGURE 06.08: Summary data for HCPF

The Department of Health Care Policy & Financing (HCPF) is in the Capitol Complex and downtown Denver across three locations. They occupy one owned location at 1570 Grant Street and two leased locations at 225 E. 16th Street and 303 E. 17th Street. Ideally this agency would be in a single location, but HCPF continues to see significant growth year after year, with an average annual growth rate of nearly 12% for the entire agency. Constraints on available space for expansion with their existing facilities have been the primary driver for their decision to expand to additional nearby locations. While growth continues, however, HCPF has realized the benefits of remote work over the course of the past year, including increased productivity, and they are prepared to move forward with an assertive policy to embrace remote work and seat sharing strategies long term. Their five-year projections suggest a 20-fold increase in remote work, and a 10-fold increase in seat sharing from their pre-COVID numbers.[1] Its shared common spaces saw a modest reduction as primarily meeting spaces were rightsized for its reduced projected seat counts. HCPF also sees the opportunity for shared interagency meeting space, assuming convenience and proximity to these shared spaces. Due to the space efficiencies of seat-sharing possible through remote working, HCPF reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 62,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 25% / 75% pre-COVID to 38% / 62% for current post-COVID needs.

1. The federal American Rescue Plan Act, issued in January 2021, is likely to result in an immediate influx of term-limited employees in this agency. Remote work and seat-sharing strategies could be used to accommodate these employees, as discussed with the agency in the data verification interview process.

DOLA DEPARTMENT OF LOCAL AFFAIRS

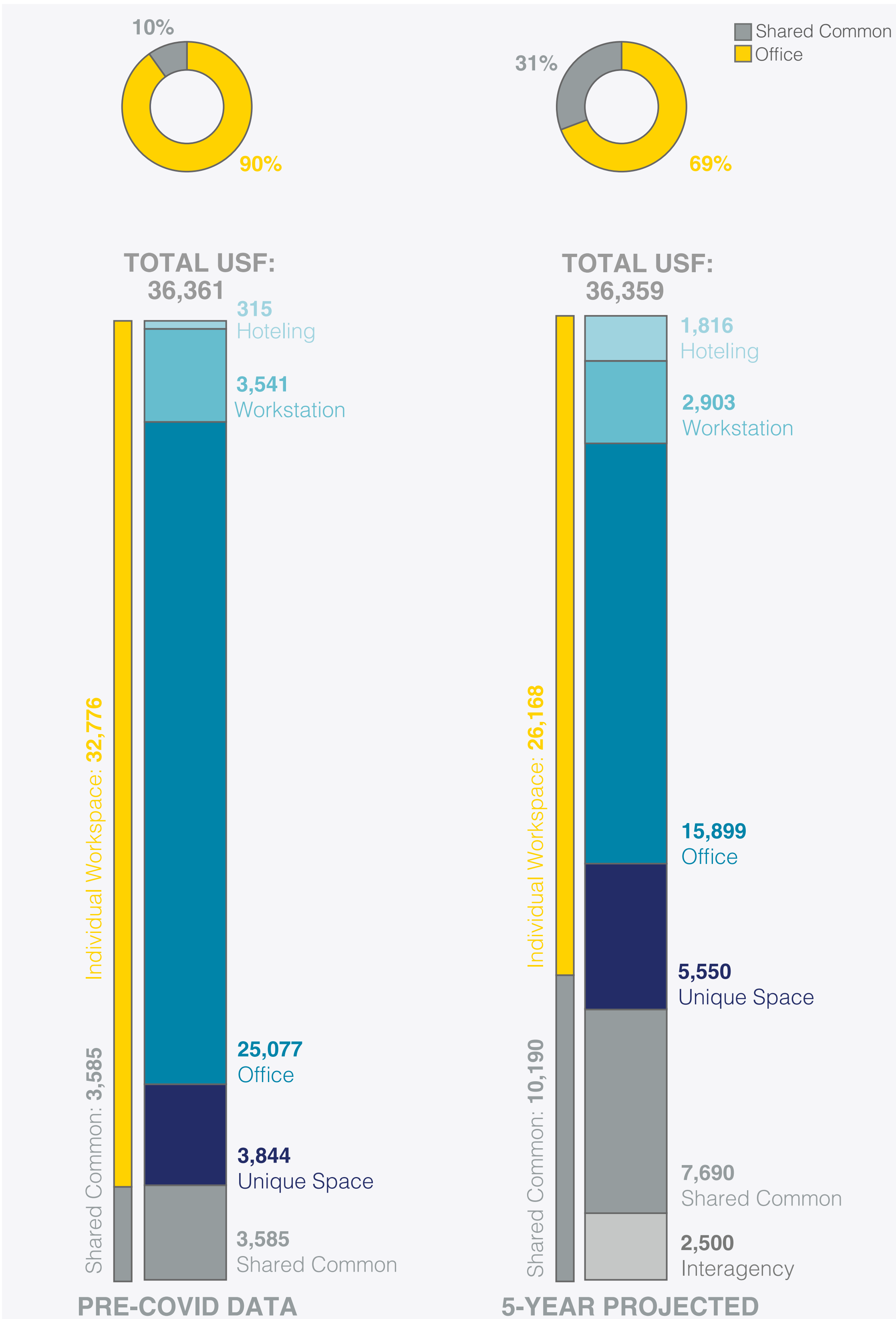


FIGURE 06.09: Gap analysis for DOLA. Graphic: courtesy of Stantec.

-3 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

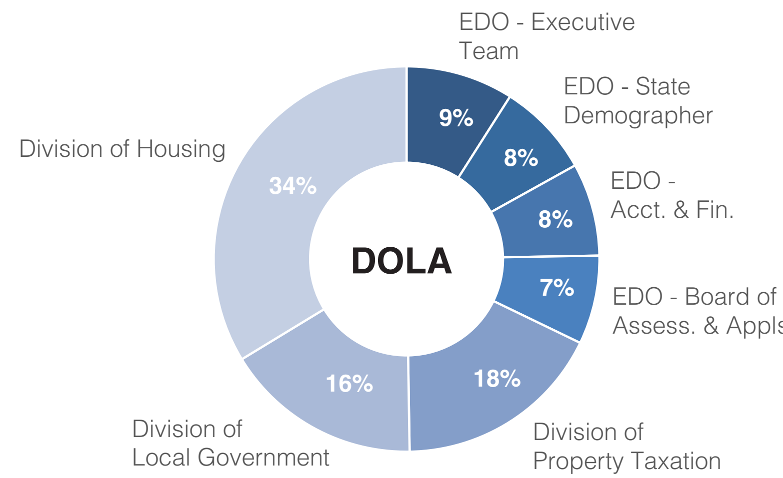


FIGURE 06.10: Interviewed divisions within DOLA by % of 5-year projected space need

The Department of Local Affairs (DOLA) occupies State-owned space and is located in the Downtown Campus at 1313 Sherman Street. The department's interaction with several other agencies requires that it be centrally located in the Capitol Complex. While the DOLA head count indicates a modest increase over five years, and strong percentage decrease in seat count, the agency overall still reported an overall square-footage increase over the next five years. This is largely due to the categorization of several meeting and training spaces, a dedicated unique space with certain divisions and an increase of shared common space beyond the standards defined by the space criteria. Due to the space efficiencies of seat-sharing possible through remote working, DOLA reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 1,000 USF comparing pre-COVID needs to current post-COVID needs, although this changes to a need for added space in the 5-year projections. The ratio of office to shared common space need increases from 10% / 90% pre-COVID to 29% / 71% for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

DOLA	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	211	233	22	10%
Seat Count	176	125	-51	-29%
Shared Common	3,585	7,690	4,105	115%
Interagency	0	3,920	3,920	
Total Space Needs	40,144	37,242	-2,902	-7%

FIGURE 06.11: Summary data for DOLA, Basic Steps and Agency Findings

DNR DEPARTMENT OF NATURAL RESOURCES

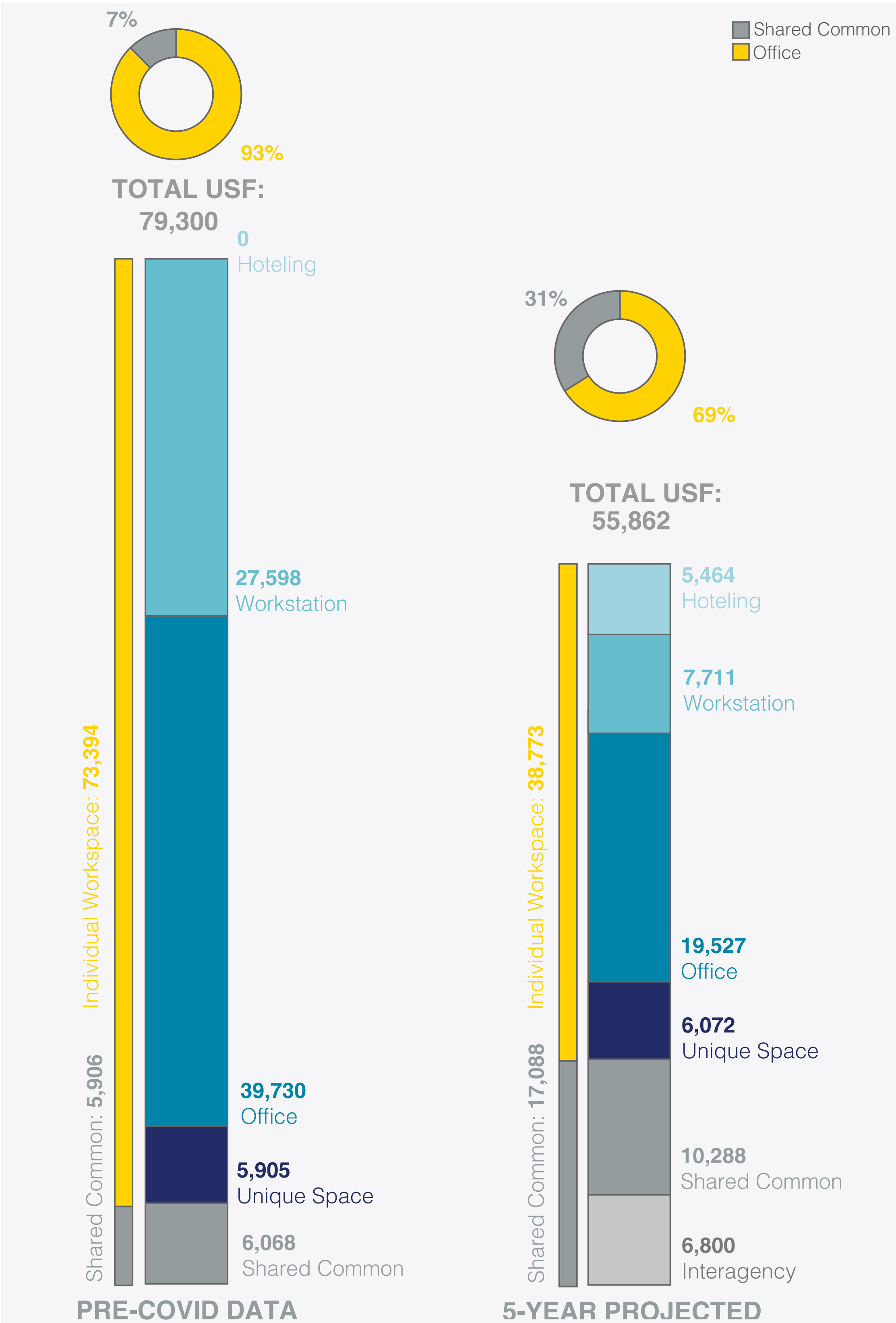


FIGURE 06.12: Gap analysis for DNR. Graphic: courtesy of Stantec.

-23,439 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

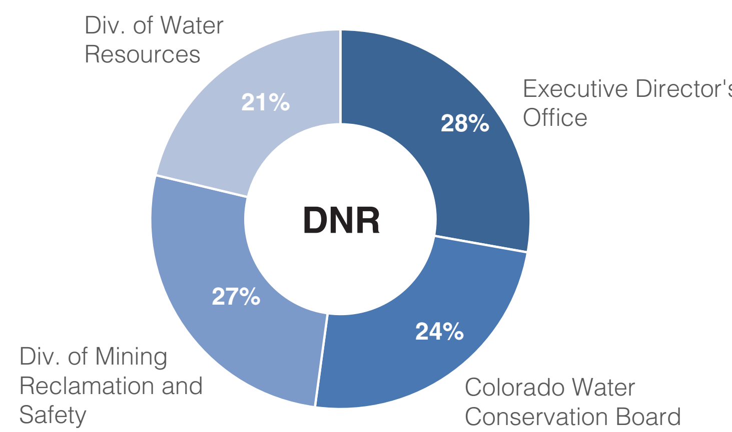


FIGURE 06.13: Interviewed divisions within DNR by % of 5-year projected space need.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

DNR	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	262	252	-10	-4%
Seat Count	213	183	-30	-14%
Shared Common	5,906	10,180	4,274	72%
Interagency	0	6,800	6,800	
Total Space Needs	204,684	118,123	-86,561	-42%

FIGURE 06.14: Summary data for DNR, Basic Steps and Agency Findings

The Department of Natural Resources (DNR) main office is located at 1313 Sherman Street in the Downtown Campus and was the focus of this study. Of the 6 DNR offices plus the Executive Director's Office, the following 4 groups were interviewed for the Agency Findings exercise: Executive Director's Office, Division of Water Resources, Division of Reclamation, Mining & Safety, and Colorado Water Conservation Board. Head count is projected to decrease slightly over the next five years, and the agency supports some degree of remote work. However, existing shared common and unique spaces were reported to be undersized, and the rightsizing of these spaces yielded an increase in square footage. With the addition of the opportunities for interagency shared space, the agency is reporting a modest increase in square footage. It should also be noted that the pre-COVID USF includes Colorado Parks and Wildlife which has since relocated to a DNR facility at 6060 N. Broadway in Denver. Due to the space efficiencies of seat-sharing possible through remote working, DNR reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 2,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 7% / 93% pre-COVID to 32% / 68% for current post-COVID needs.

DPA DEPARTMENT OF PERSONNEL & ADMINISTRATION

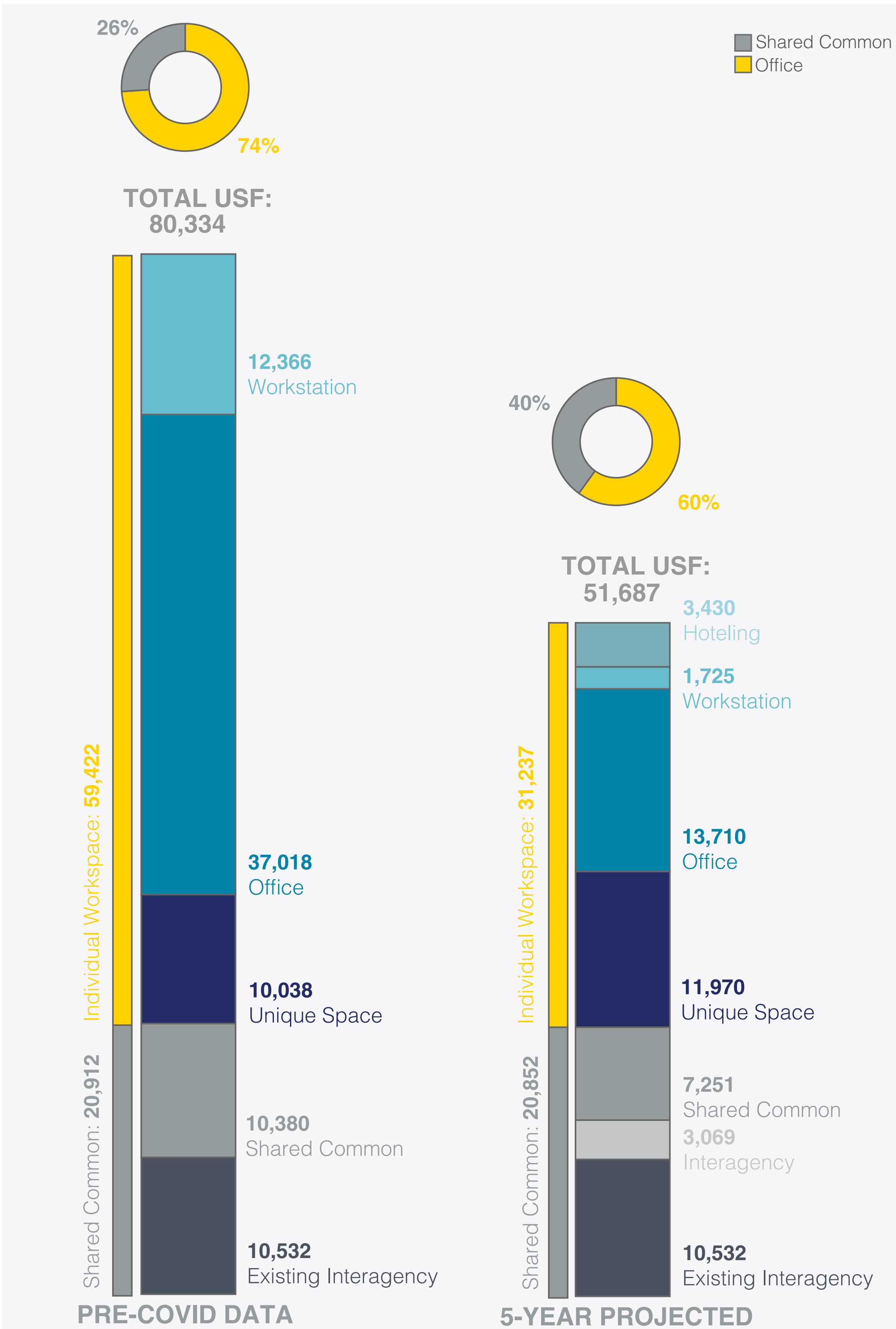


FIGURE 06.15: Gap analysis for DPA. Graphic: courtesy of Stantec.

-28,647 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

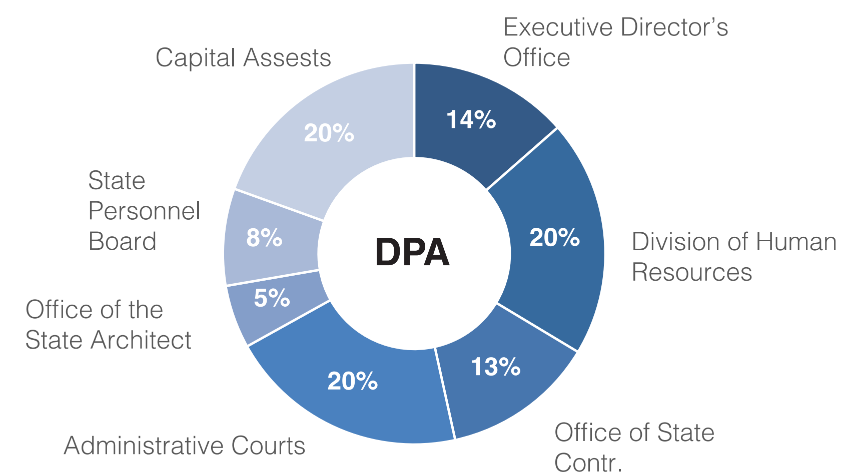


FIGURE 06.16: Interviewed divisions within DPA by % of 5-year projected space need

The Department of Personnel & Administration (DPA) is primarily located in the Downtown Denver Capitol Complex at 1525 Sherman Street, with other smaller locations in north Denver, Colorado Springs, Pueblo and Grand Junction. For the purposes of this study, only the Downtown Denver campus location, where the executive and administrative functions are housed, was evaluated. DPA is realizing significant space savings primarily due to a reduction in dedicated workspace and an increase in remote work strategies. Unlike other agencies, DPA has existing interagency area, including shared conference, cafeteria, storage, exercise and locker rooms and lobby. However, it still has a need for additional meeting and training interagency shared space. Due to the space efficiencies of seat-sharing possible through remote working, DPA reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 32,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 26% / 74% pre-COVID to 42% / 58% for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

DPA	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	250	295	45	18%
Seat Count	250	104	-146	-58%
Shared Common	10,380	7,251	-3,129	-30%
Interagency	10,532	13,601	3,069	29%
Total Space Needs	80,334	51,687	-28,647	-36%

FIGURE 06.17: Summary data for DPA

CDE COLORADO DEPARTMENT OF EDUCATION

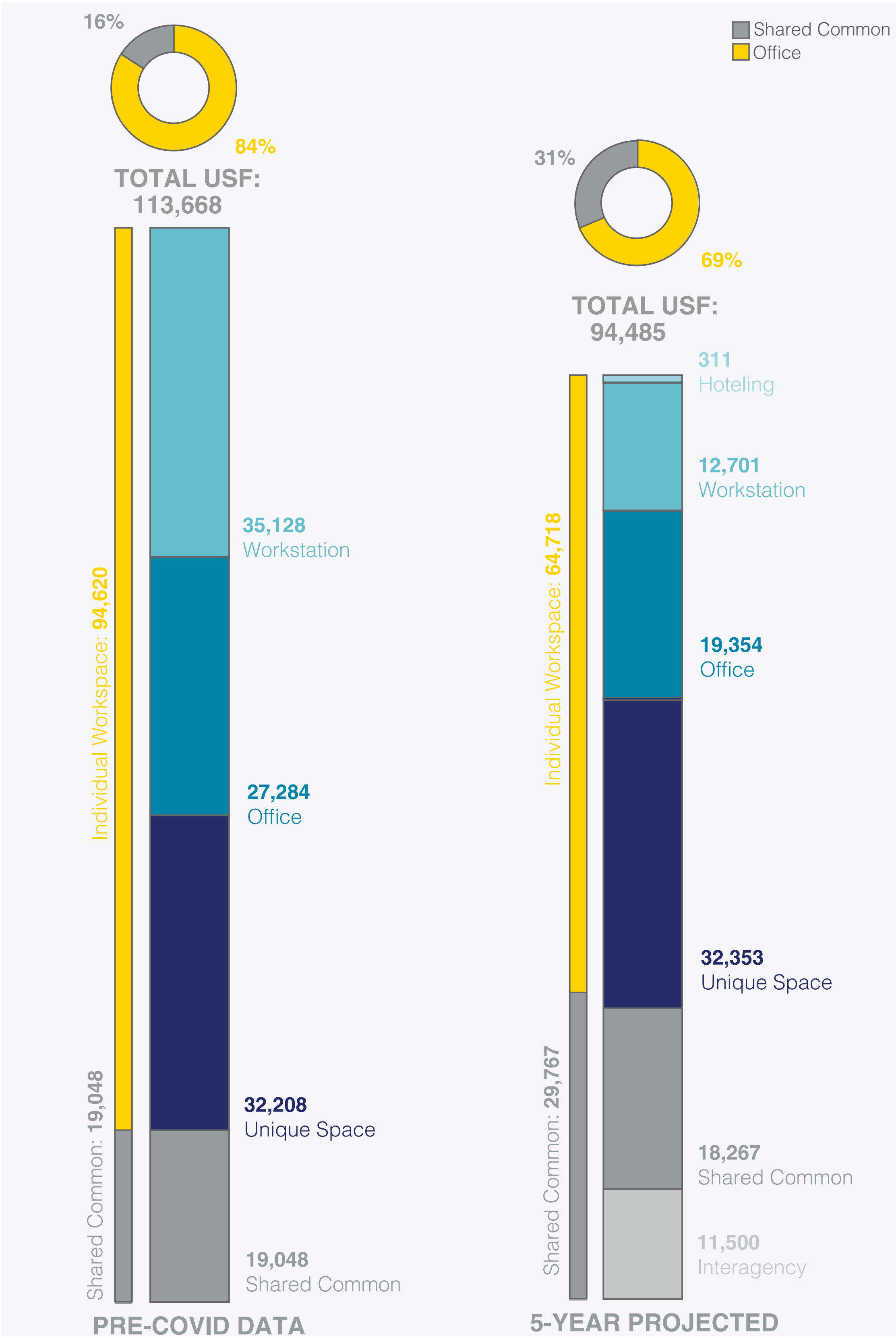


FIGURE 06.18: Gap analysis for CDE. Graphic: courtesy of Stantec.

-19,183 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

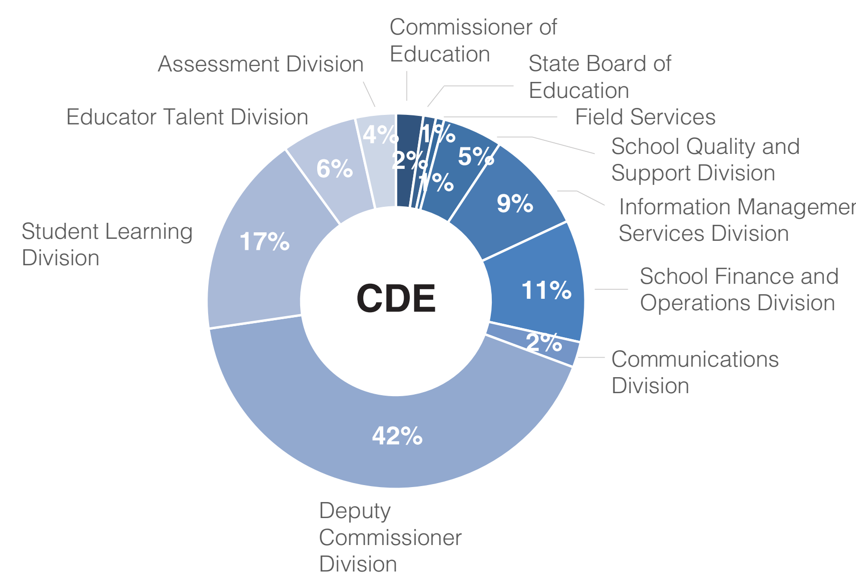


FIGURE 06.19: Interviewed divisions within CDE by % of 5-year projected space need.

The Colorado Department of Education (CDE) is housed in multiple Denver area locations, with most staff located at three facilities in the Downtown Campus at the State Services Building (1525 Sherman), 1560 Broadway and 201 E Colfax. The Division of Educator Talent is located at 6000 E. Evans, which is considered ideal by that division. Colorado Talking Book Library (CTBL) is located at 180 Sheridan Boulevard. 2,438 SF of storage is moving from 201 E. Colfax to the CTBL location. CDE is realizing significant space savings due to a reduction in dedicated workspaces, and high transition to shared workstations. While CDE's shared common space remains nearly the same, there is a significant need for interagency shared space, which is driving the overall total space needs up, while still demonstrating a modest overall reduction of space. Interagency space needs are predominantly comprised of meeting and training rooms, which CDE would need access to either in its space or within walking distance. Due to the space efficiencies of seat-sharing possible through remote working, CDE reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 21,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 16% / 84% pre-COVID to 33% / 67% for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

CDE	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	559	648	89	16%
Seat Count	401	241	-160	-40%
Shared Common	17,002	18,006	1,004	6%
Interagency	0	11,500	11,500	
Total Space Needs	113,668	94,485	-19,183	-17%

FIGURE 06.20: Summary data for CDE, includes Talking Book Library and Agency Findings

CDLE DEPARTMENT OF LABOR & EMPLOYMENT

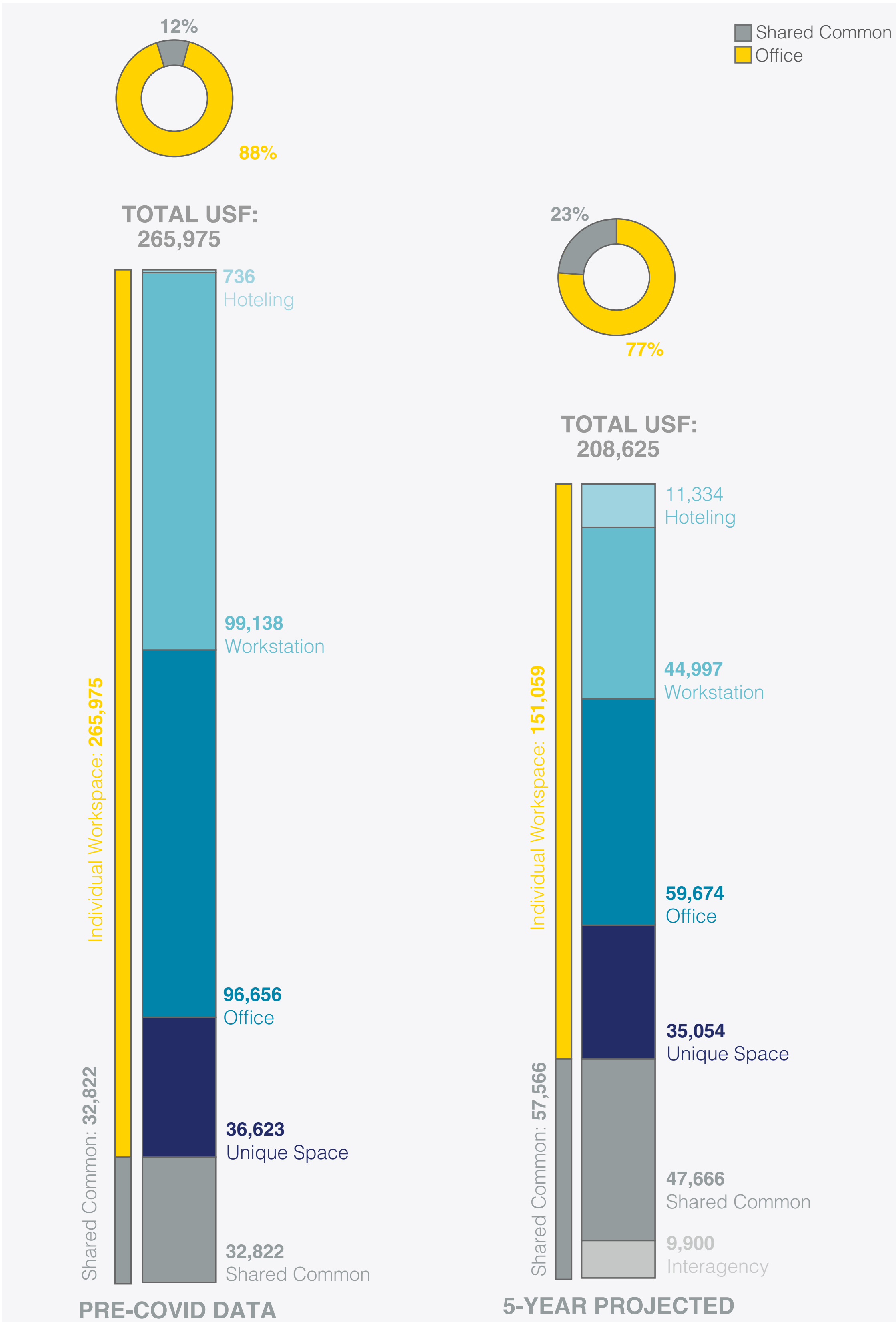


FIGURE 06.21: Gap analysis for CDLE. Graphic: courtesy of Stantec.

-57,350 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

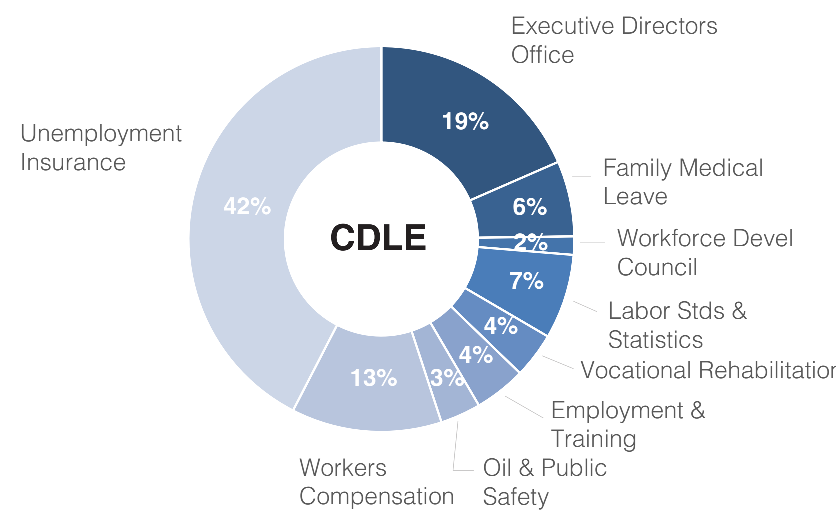


FIGURE 06.22: Interviewed divisions within CDLE by % of 5-year projected space need.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

CDLE	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	1,382	1,473	91	7%
Seat Count	1,222	907	-315	-26%
Shared Common	32,822	34,565	1,743	5%
Interagency	0	7,100	7,100	
Total Space Needs	265,975	208,625	-57,350	-22%

FIGURE 06.23: Summary data for CDLE

The Colorado Department of Labor and Employment (CDLE) is a progressive agency that was already on board with some degree of remote work prior to the pandemic. The agency occupies two locations, one of which is owned. Over this past year, however, it has fully realized the benefits of remote work, and has overcome technology hurdles while realizing increases in productivity and service to its stakeholders and customer base. The overall agency numbers, however, do not reflect the rather dynamic story that is playing out within the divisions.

Two main drivers within its head count and seat counts are tied to two divisions, the new Division of Family and Medical Leave Insurance (FAMLI) and the Division of Unemployment Insurance (UI). UI head count numbers simply exploded during the pandemic as the division strove to keep up with the dramatic increase of unemployed Coloradans seeking unemployment benefits.

Over the next five years, however, UI is hopeful that it will be able to significantly taper its staffing levels as the economy stabilizes. FAMLI, on the other hand, is a new division that is planning to substantially ramp up staffing from a current core planning group of three to 200 over the next five years. The balance of agency growth is largely tied to legislation and historic growth.[2] Over the next five years, CDLE plans to continue to embrace remote work and seat sharing, while also investing in additional technology resources and enacting policy changes that will further support the remote workforce. Due to the space efficiencies of seat-sharing possible through remote working, CDLE reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 21,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 12% / 88% pre-COVID to 23% / 77% for current post-COVID needs.

2. T he federal American Rescue Plan Act, issued in January 2021, is likely to result in an immediate influx of term-limited employees in this agency. Remote work and seat-sharing strategies could be used to accommodate these employees, as discussed with the agency in the data verification interview process.

CDA DEPARTMENT OF AGRICULTURE

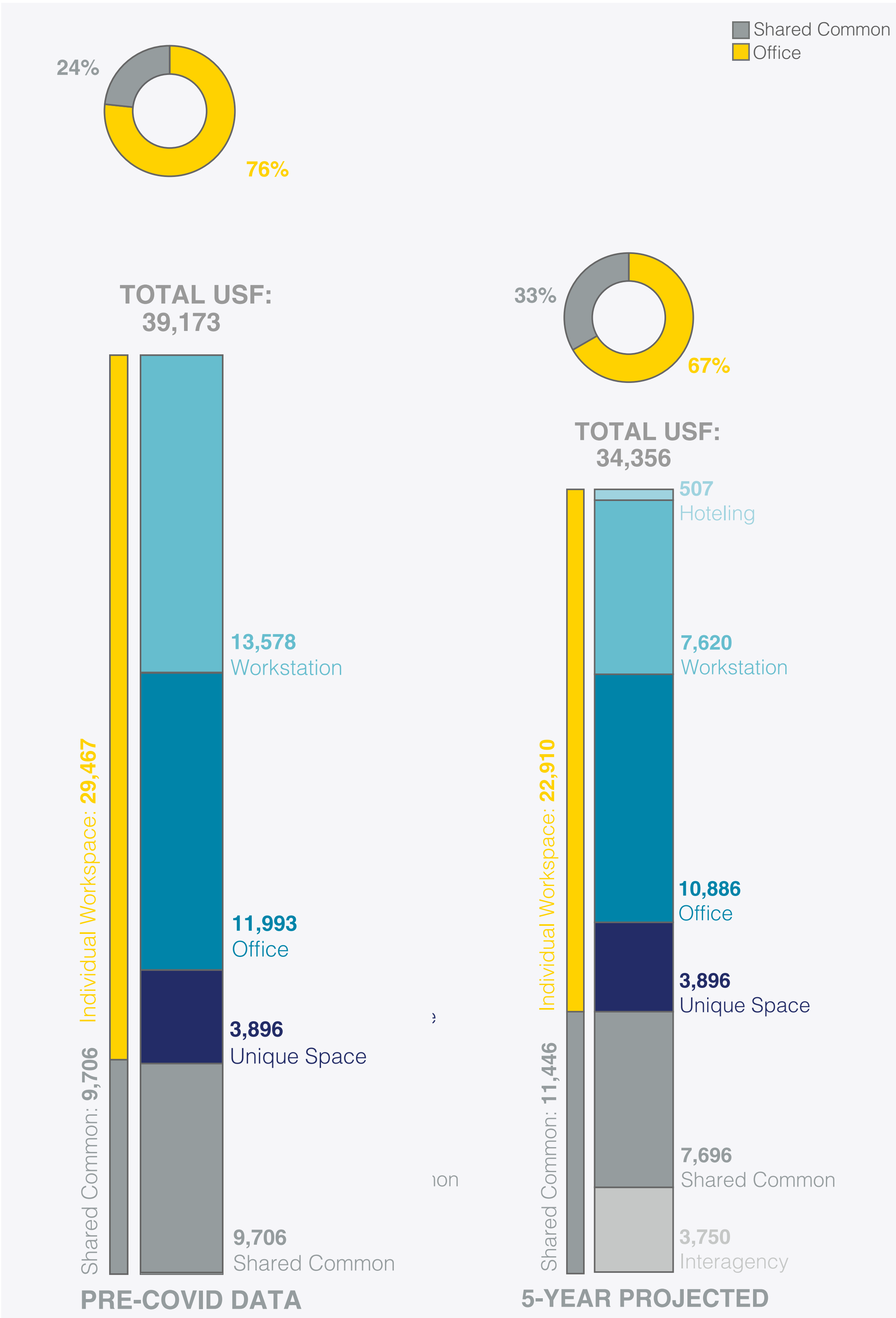


FIGURE 06.24: Gap analysis for CDA. Graphic: courtesy of Stantec.

-4,072 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

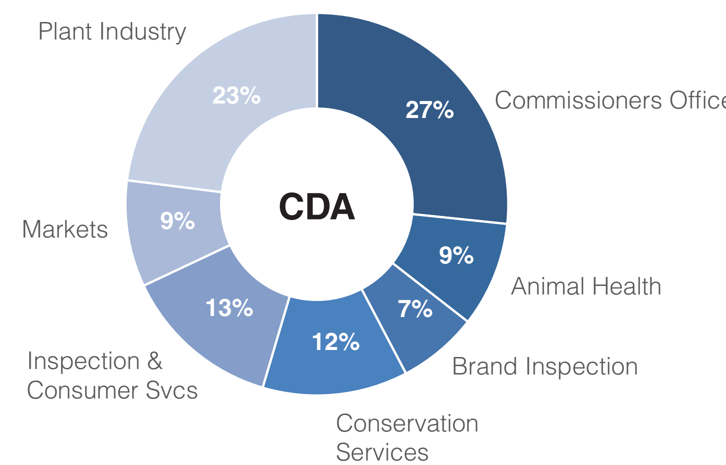


FIGURE 06.25: Interviewed divisions within CDA by % of 5-year projected space need.

The Colorado Department of Agriculture (CDA) is moving forward with a rather conservative approach to remote work and seat sharing. There is a strong "in-person" culture within the agency. And collectively, each division is looking forward to getting back to business as usual, generally returning to pre-pandemic workplace arrangements. The agency's goals for remote work and shared desking do increase for the five-year projections by modest measures. But on average, the agency stated a strong preference to afford staff the flexibility of working from home on an as needed basis, as opposed to a regular schedule of remote work. For this reason, its projection statistics are not as robust as other agencies by comparison. The Department of Agriculture will also continue to realize moderate 3% annual growth over the coming years, generally attributed to new or expanding State and federal programs. Space savings over the next five years are largely attributed to rightsizing of existing office and shared space. Due to the space efficiencies of seat-sharing possible through remote working, CDA reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 6,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 24% / 76% pre-COVID to 34% / 66% for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

CDA	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	185	213	28	15%
Seat Count	134	144	10	7%
Shared Common	9,706	7,557	-2,149	-22%
Interagency	0	6,000	6,000	
Total Space Needs	38,428	34,356	-4,072	-11%

FIGURE 06.26: Summary data for CDA

DPS DEPARTMENT OF PUBLIC SAFETY

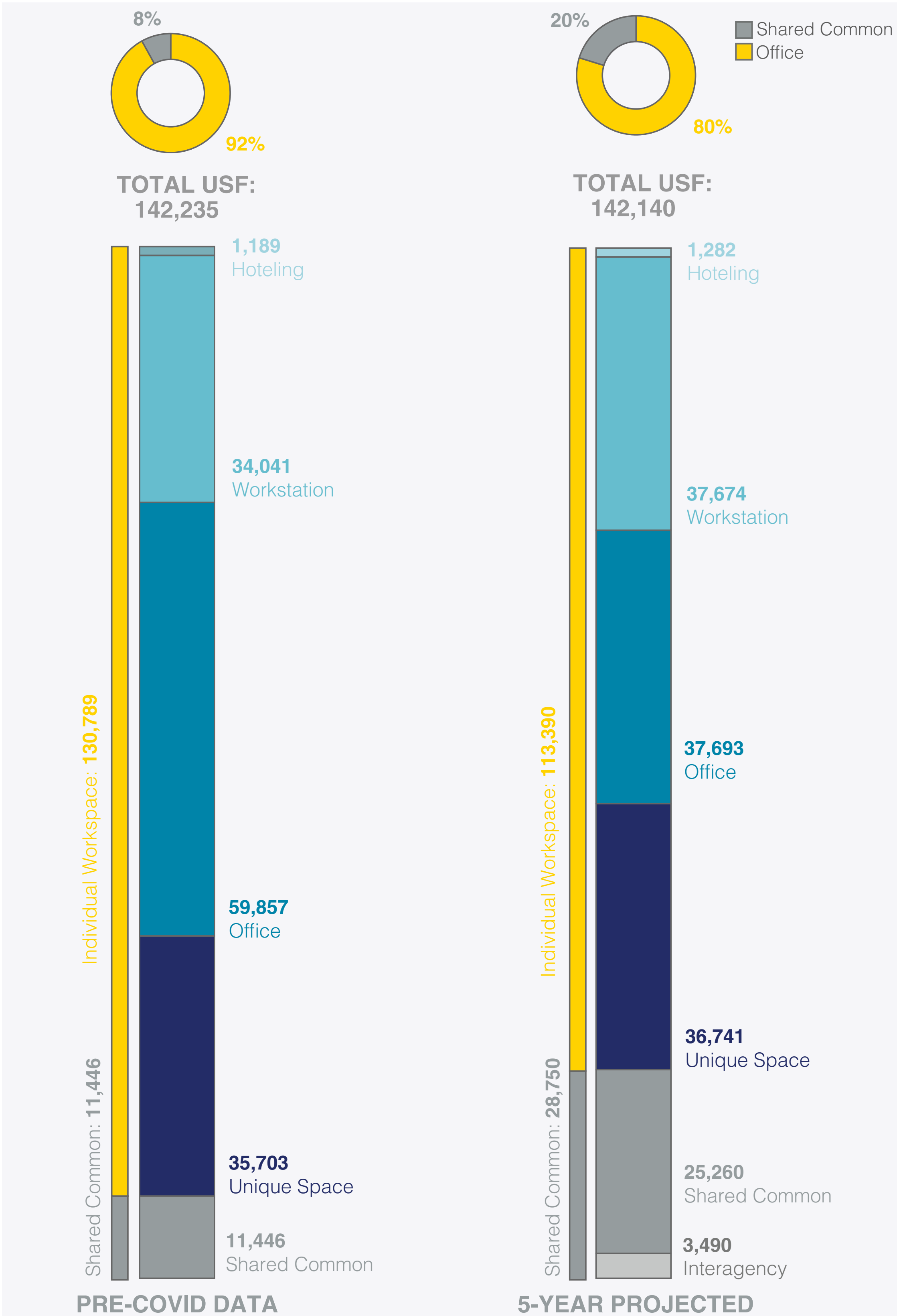


FIGURE 06.27: Gap analysis for DPS. Graphic: courtesy of Stantec.

-95 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

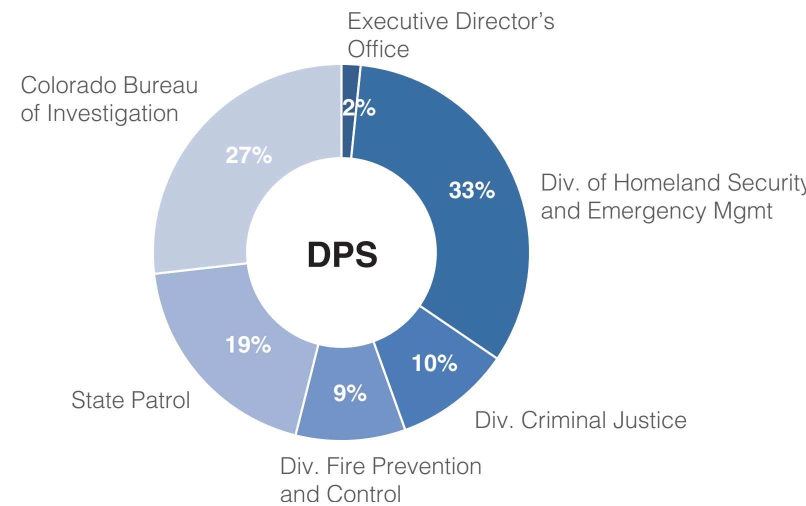


FIGURE 06.28: Interviewed divisions within DPS by % of 5-year projected space need.

The Department of Public Safety is spread across multiple facilities throughout the Denver metro area, including three locations on the Kipling Campus. The DPS divisions interviewed for the agency findings were: Executive Director's Office, Colorado Division of Homeland Security & Emergency Management, and Division of Criminal Justice. Given the nature of work and job responsibilities of many of the DPS staff, remote work has proven difficult, and many roles within DPS are not well suited for either remote work or seat sharing strategies. For this reason, lasting operational changes will be minimal in the long term. Even so, DPS is committing to remote work and seat sharing where they can, and their 5-year outlook proposes a 20% reduction in seat count over the next 5 years. Shared Common space for the agency more than doubled through the process of rightsizing as existing meeting and break spaces across all their locations were significantly undersized given the population they were meant to serve. DPS also identified meeting, training and webinar space that could be shared across agencies. Due to the space efficiencies of seat-sharing possible through remote working, DPS reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 12,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 8% / 92% pre-COVID to 20% / 80% for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

DPS	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	751	847	96	13%
Seat Count	576	461	-115	-20%
Shared Common	11,446	25,260	13,814	121%
Interagency	0	3,490	3,490	
Total Space Needs	142,235	142,140	-95	0%

FIGURE 06.29: Summary data for DPS

CDHE DEPARTMENT OF HIGHER EDUCATION

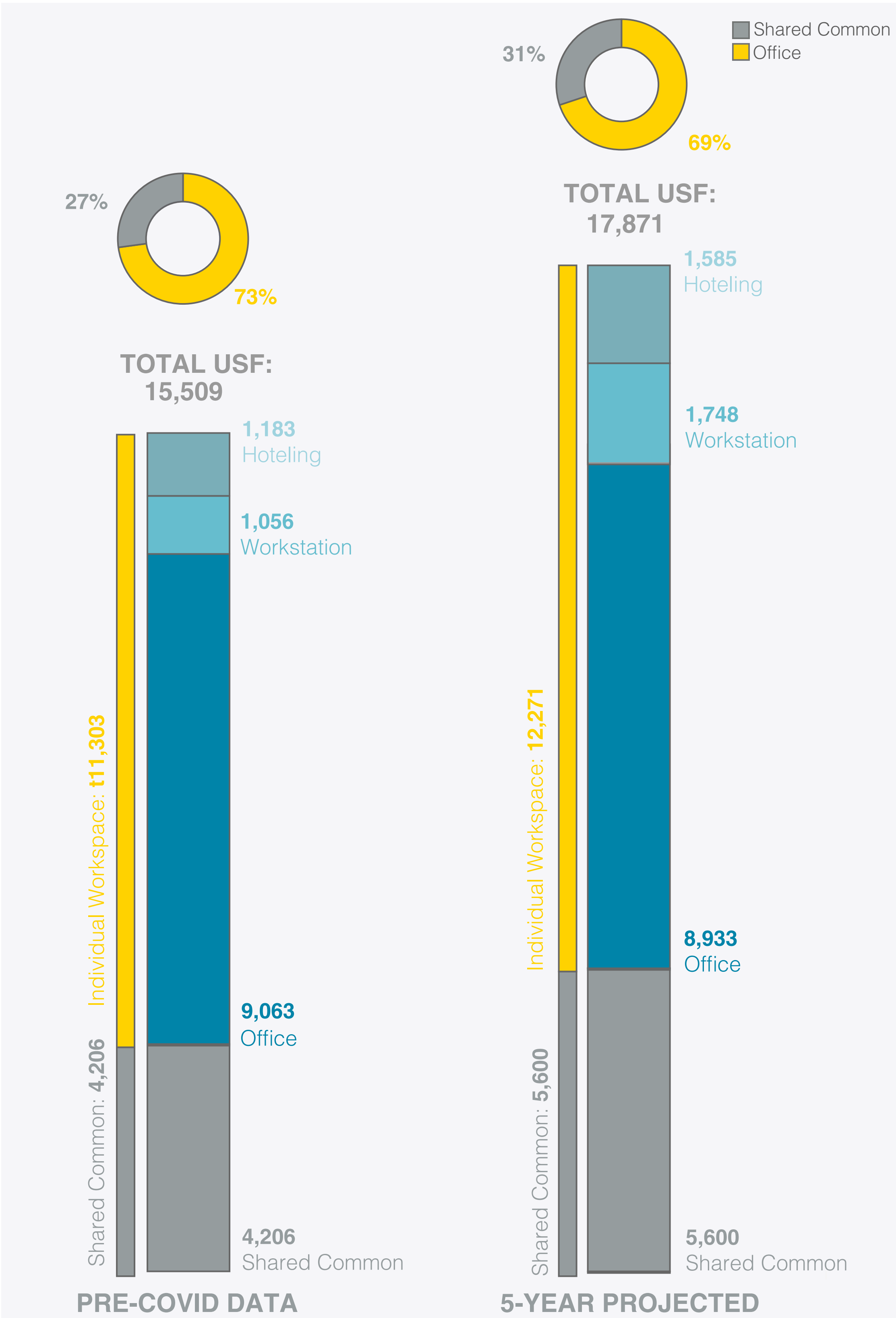


FIGURE 06.30: Gap analysis for CDHE. Graphic: courtesy of Stantec.

+2,362 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area. Calculations exclude History Colorado data.*

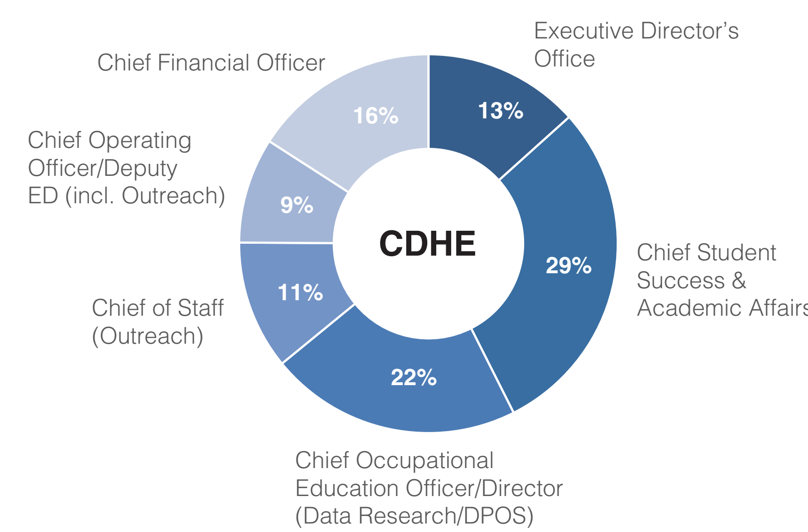


FIGURE 06.31: Interviewed divisions within CDHE by % of 5-year projected space need.

The Colorado Department of Higher Education (CDHE) is located at 1600 Broadway, just north of the Capitol Complex. Prior to the pandemic, the agency had a policy in effect that allowed staff to work from home 1-2 days per week. CDHE is now looking to expand the policy to accommodate one to four days for work from home, provided there is supervisor approval. This policy adjustment is reflected in the strong seat count reduction over the next five years, while also supporting modest growth. Shared common space saw an increase of roughly 30% as meeting and break spaces were rightsized according to seat count. CDHE does not have any requirements for interagency shared space. The agency does utilize several external sites for meetings of 100 or more people, or non State-owned space in 1600 Broadway. The agency anticipates a reduction of storage needs in the long term as it transitions to electronic filing. However, paper processes will remain in the near term and transfer activities to electronic filing will be ongoing. CDHE reports a space need increase in primary buildings in the Denver metropolitan area of approximately 19,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 27% / 73% pre-COVID to 36% / 64% for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

CDHE	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	196	209	13	7%
Seat Count	196	169	-27	-14%
Shared Common	4,206	5,600	1,394	33%
Interagency				
Total Space Needs	43,409	42,577	-832	-2%

FIGURE 06.32: Summary data for CDHE, Basic Steps data for History Colorado and Agency Findings
** Shared Common excludes History Colorado*

DORA DEPARTMENT OF REGULATORY AGENCIES

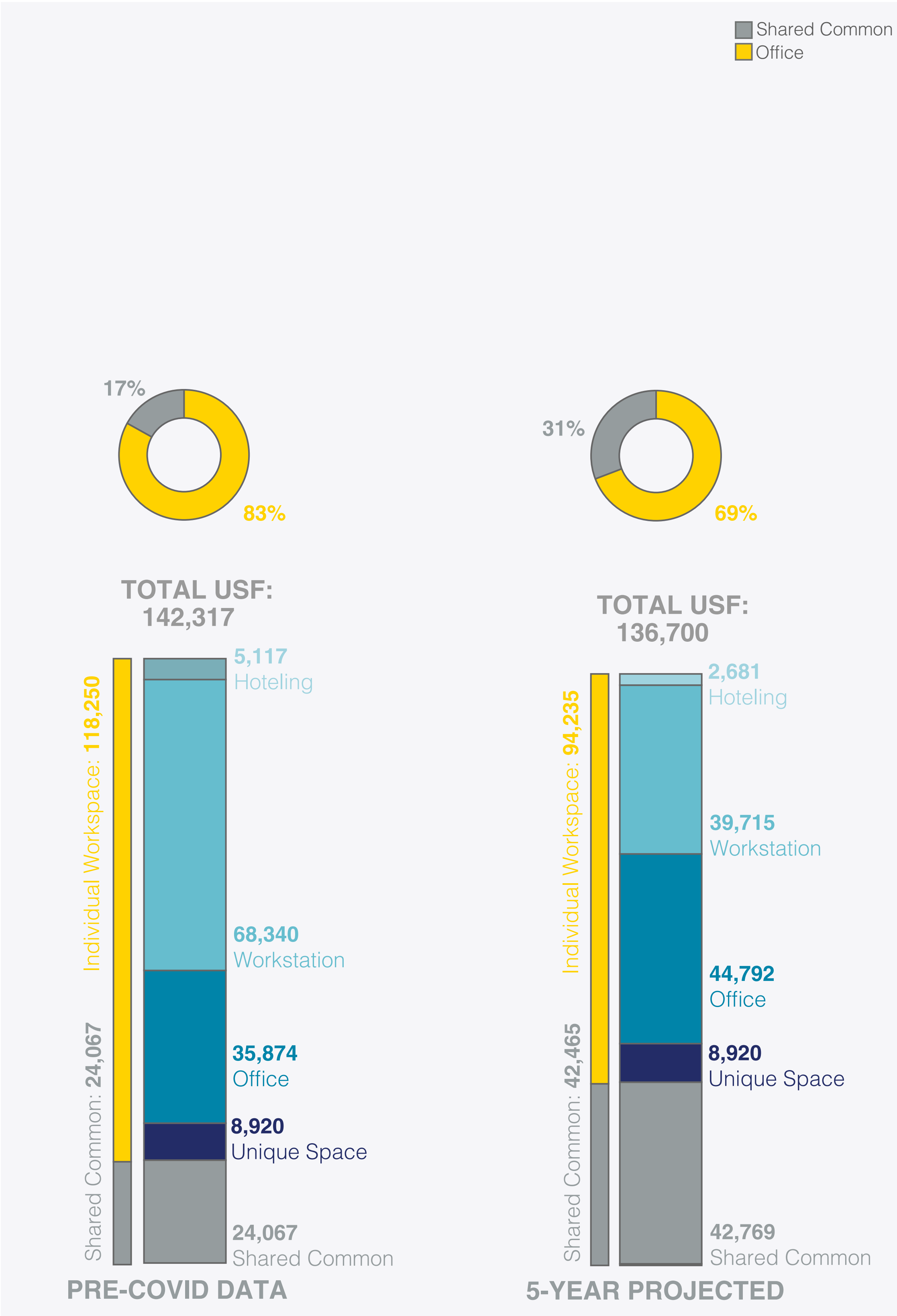


FIGURE 06.33: Gap analysis for DORA. Graphic: courtesy of Stantec.

-5,618 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

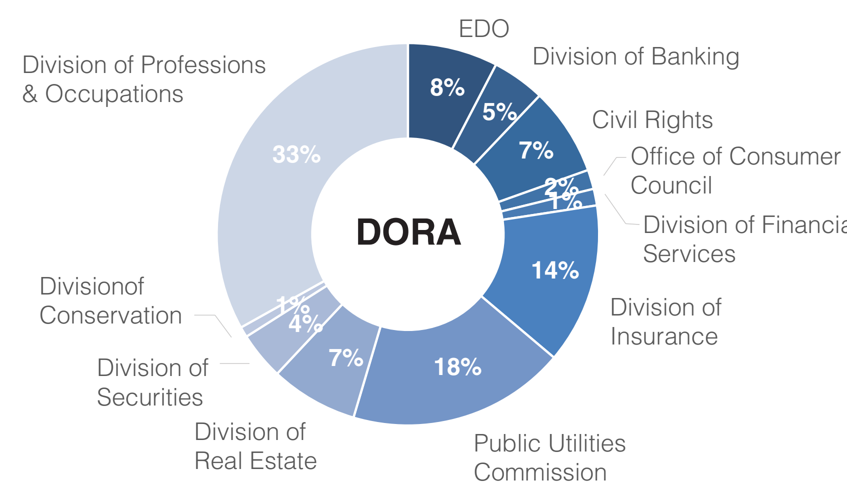


FIGURE 06.34: Interviewed divisions within DORA by % of 5-year projected space need.

The Department of Regulatory Agencies (DORA) is housed proximate to the Capitol Complex at 1560 Broadway. Over two decades, DORA has implemented space planning measures to find the best-suited location within their footprint for their teams based on size, public / private access and co-location of divisions. They continue to meet regularly to optimize space utilization as new programs are approved. The agency has highly optimized its current location but are open to the possibility of improving upon their current space. The agency already had a telecommuting policy in place prior to the pandemic, which was not widely utilized due to their service model. DORA also found that remote work during the pandemic negatively impacted those it serves. As such, the agency intends to phase back into the office and return to its pre-COVID working environment as quickly and safely as possible. DORA's numbers reflect these agency sentiments and objectives, indicating roughly 5% growth across the agency over the next five years, a similar but smaller increase in seat count and a small decrease in total space needs, as corrected through rightsizing of shared space. Due to the space efficiencies of seat-sharing possible through remote working, DORA reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 13,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 17% / 83% pre-COVID to 32% / 68% for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

DORA	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	646	679	33	5%
Seat Count	629	635	6	1%
Shared Common	24,067	42,465	18,398	76%
Interagency				
Total Space Needs	142,317	136,700	-5,618	-4%

FIGURE 06.35: Summary data for DORA

CDOT DEPARTMENT OF TRANSPORTATION

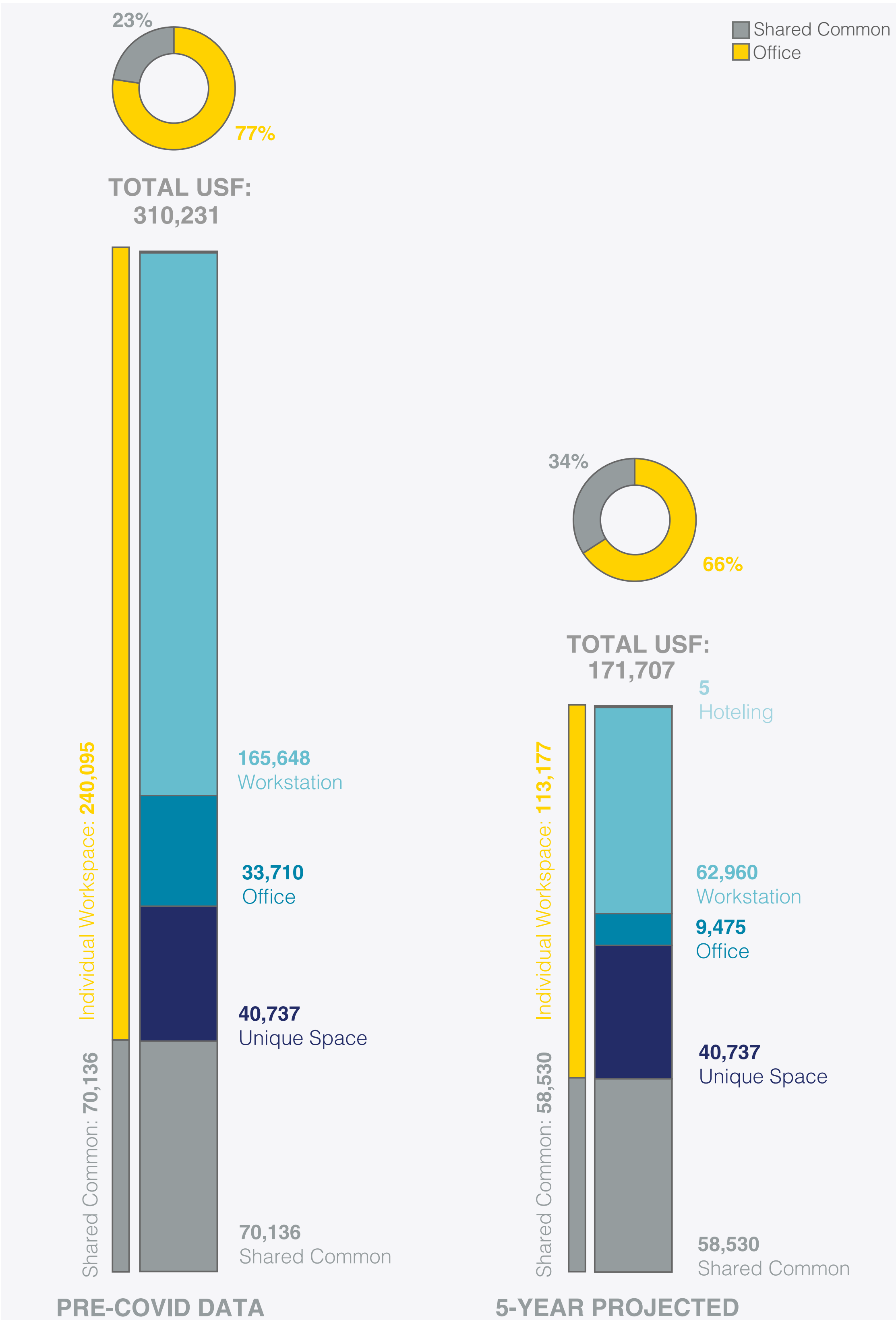


FIGURE 06.36: Gap analysis for CDOT. Graphic: courtesy of Stantec.

-138,524 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

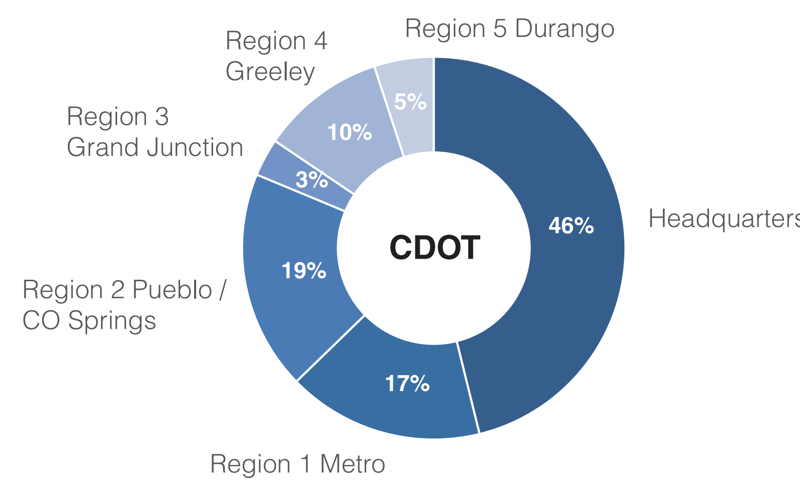


FIGURE 06.37: Interviewed divisions within CDOT by % of 5-year projected space need.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

CDOT	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	1,334	1,337	3	0%
Seat Count	1,318	755	-563	-43%
Shared Common	31,451	27,686	-3,765	-12%
Interagency				
Total Space Needs	501,127	223,148	-277,979	-55%

FIGURE 06.38: Summary data for CDOT, Basic Steps and Agency Findings

The Colorado Department of Transportation (CDOT) is housed in multiple facilities across the State, including Greeley, Grand Junction, Durango, Pueblo, Colorado Springs, Golden and Denver. It is important to note that CDOT resides in several buildings that have been customized for the agency and are very well suited to its needs. Most staff are in Denver at 2829 W Howard Place. CDOT is committed to consolidating and implementing new work from home policies. Over the course of the past year, the agency learned that it can be equally or more productive working from home with the right technological support and flexible space needs in the office (hoteling, desk sharing, open meeting spaces). As such, CDOT is realizing a tremendous space savings due to a reduction in dedicated workspaces, and a substantial transition to shared workstations. CDOT does not have any interagency shared space, and its existing shared common areas realized some space savings following the rightsizing of these spaces. Due to the space efficiencies of seat-sharing possible through remote working, CDOT reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 139,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 23% / 77% pre-COVID to 13% / 87% for current post-COVID needs.

OIT OFFICE OF INFORMATION TECHNOLOGY

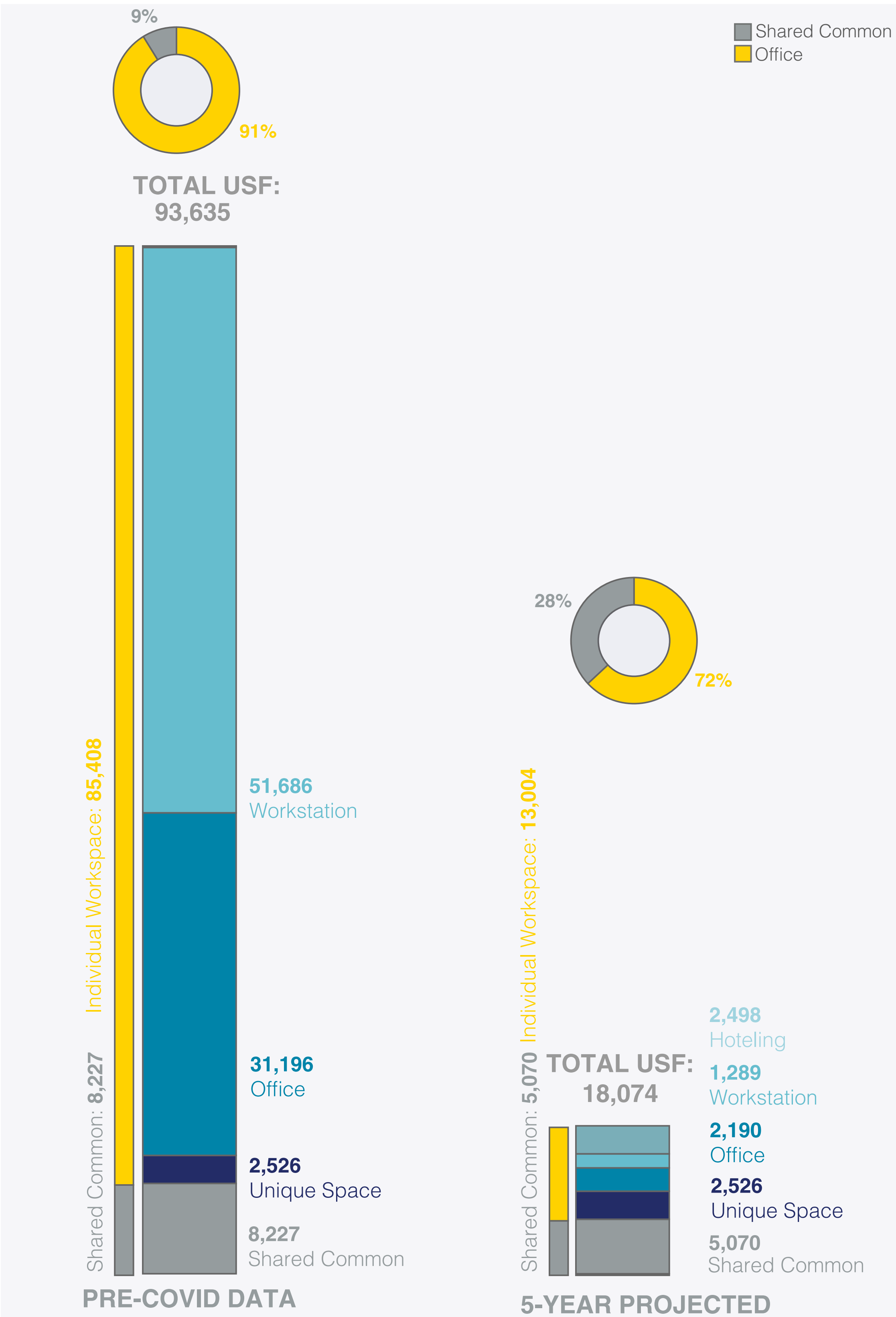


FIGURE 06.39: Gap analysis for OIT. Graphic: courtesy of Stantec.

-75,561 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

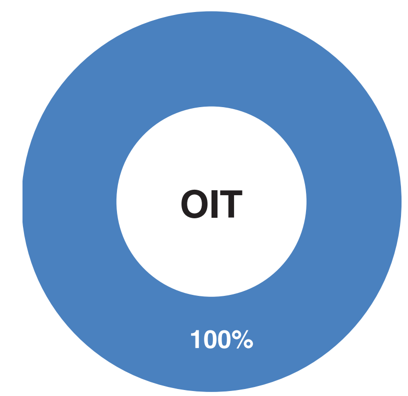


FIGURE 06.40: Interviewed divisions within OIT by % of 5-year projected space need.

The Office of Information Technology (OIT) is predominately based in Denver, outside the Capitol Complex, in a State-owned building at 601 E 18th Ave. Since the start of the pandemic, nearly 90% of the workforce for OIT has been working remotely, and the agency largely intends to continue this dynamic and bring back as few people as needed as it moves forward. With the assumption that roughly 10% of staff will need to be in the office in some capacity, and little to no projected growth, OIT is reporting a dramatic decrease in both seat count and total space required. It should be noted that OIT will also maintain a presence within other agencies, as approximately ½ of OIT staff is embedded in agencies. The number of embedded OIT staff is projected to remain approximately the same post-COVID, but those staff are projected to work remotely (the impact of this change on agency space needs is still being evaluated). The OIT space needs captured here are for those OIT staff who are located at the OIT main office. The agency has also realized space savings through the rightsizing of its existing shared common space, specifically for meeting and break space, both of which are directly tied to seat count. OIT does not require any interagency shared space. Due to the space efficiencies of seat-sharing possible through remote working, OIT reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 80,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 9% / 91% pre-COVID to 37% / 63% for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

OIT	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	413	425	12	3.0%
Seat Count	413	67	-346	-83.8%
Shared Common	8,227	5,070	-3,157	-38.4%
Interagency				
Total Space Needs	93,635	18,074	-75,561	-80.7%

FIGURE 06.41: Summary data for OIT

OEDIT OFFICE OF ECONOMIC DEVELOPMENT AND INTERNATIONAL TRADE

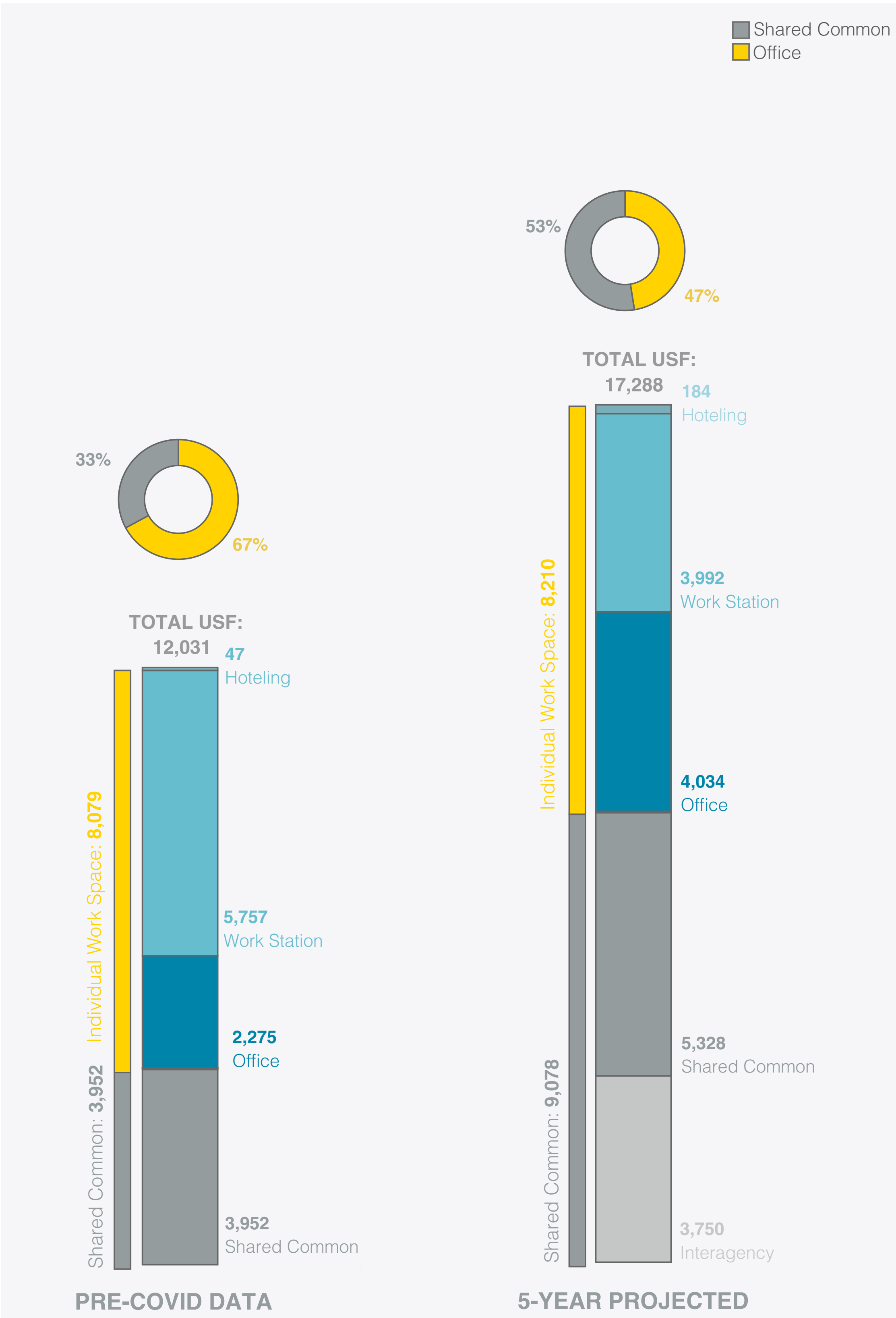


FIGURE 06.47: Gap analysis for OEDIT. Graphic: courtesy of Stantec.

+5,257 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

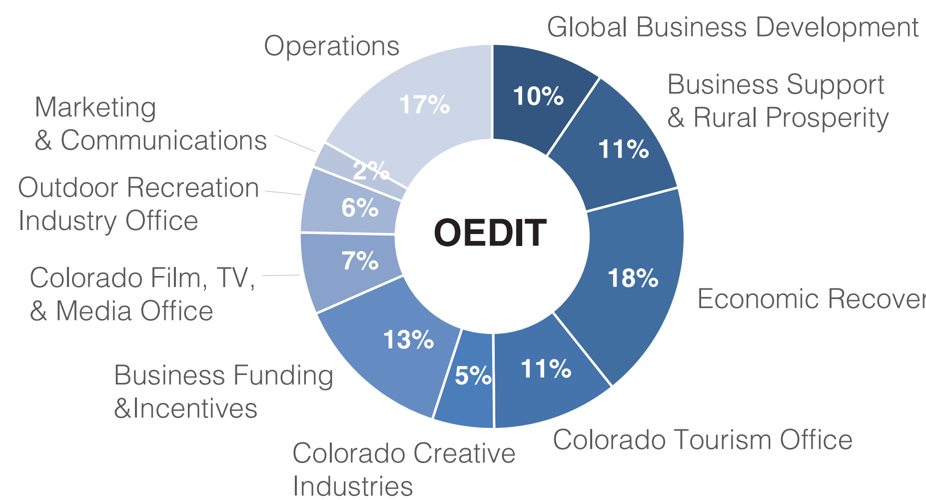


FIGURE 06.48: Interviewed divisions within OEDIT by % of 5-year projected space need.

The Colorado Office of Economic Development & International Trade (OEDIT) currently occupies commercially leased space at 1600 Broadway in Denver. OEDIT expects to utilize a hybrid work policy post-COVID, with almost all employees working remotely with the option to use shared office workspace when needed. Rather than assigned shared workstations, the agency has tested utilizing almost entirely unassigned hoteling stations and has acted as a pilot program for the State in this regard. OEDIT plans to continue with this hoteling model post-COVID. The agency currently expects to grow by 20-40 employees over the next one to three years, with a reduction in FY25. The agency reports a lack of conference space pre-COVID which is projected to become more urgent post-COVID as the purpose of the office space becomes more focused on collaboration time. Due to the space efficiencies of seat-sharing possible through remote working, OEDIT reports a space need increase in primary buildings in the Denver metropolitan area of approximately 1,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 33% / 67% pre-COVID to 58% / 42% for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

OEDIT	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	79	130	51	64.6%
Seat Count	74	67	-7	-9.0%
Shared Common	3,952	5,328	1,376	34.8%
Interagency	0	3,750	3,750	
Total Space Needs	12,031	17,288	5,257	43.7%

FIGURE 06.49: Summary data for OEDIT

CEO COLORADO ENERGY OFFICE

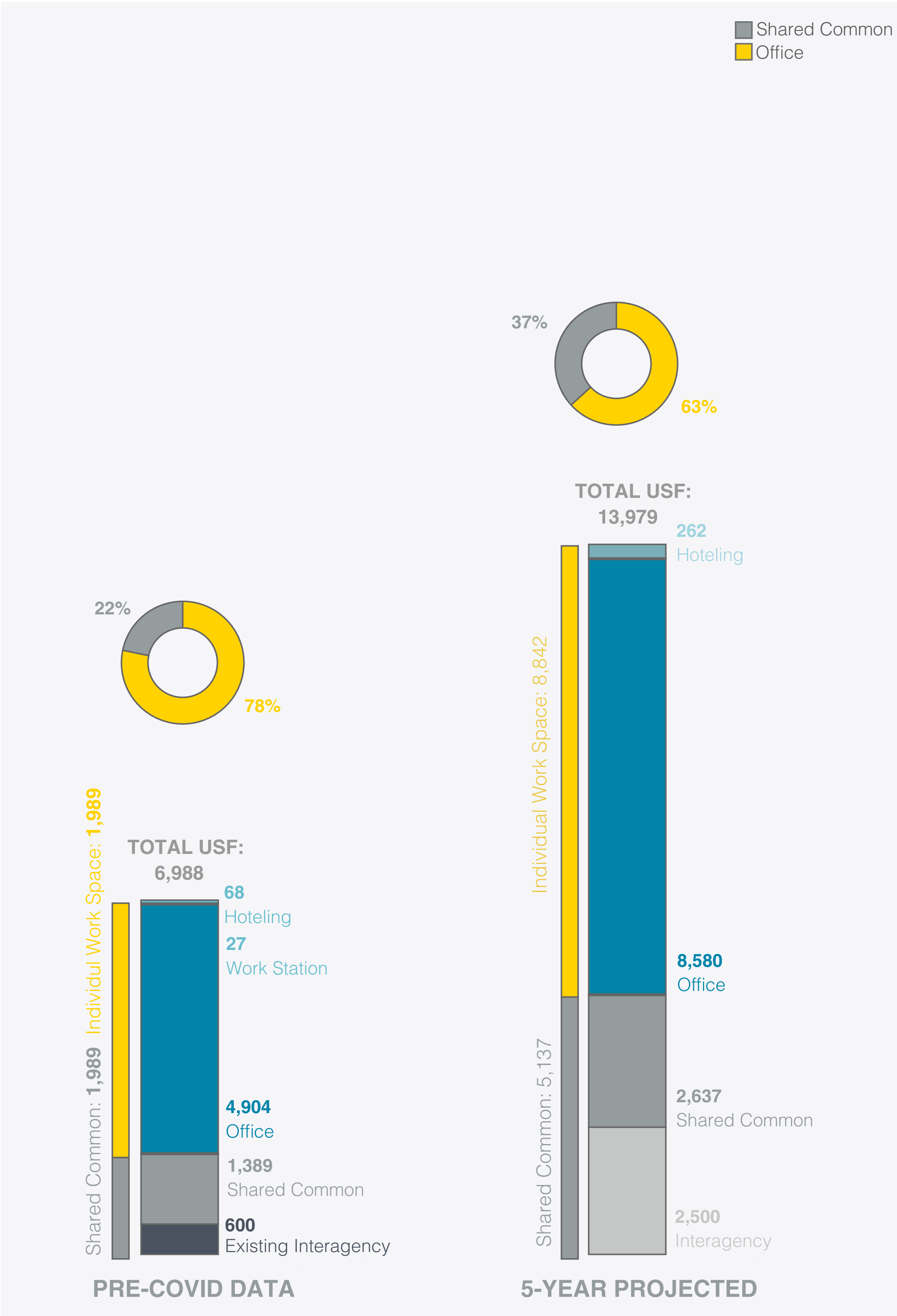


FIGURE 06.50: Gap analysis for CEO. Graphic: courtesy of Stantec.

+7,591 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

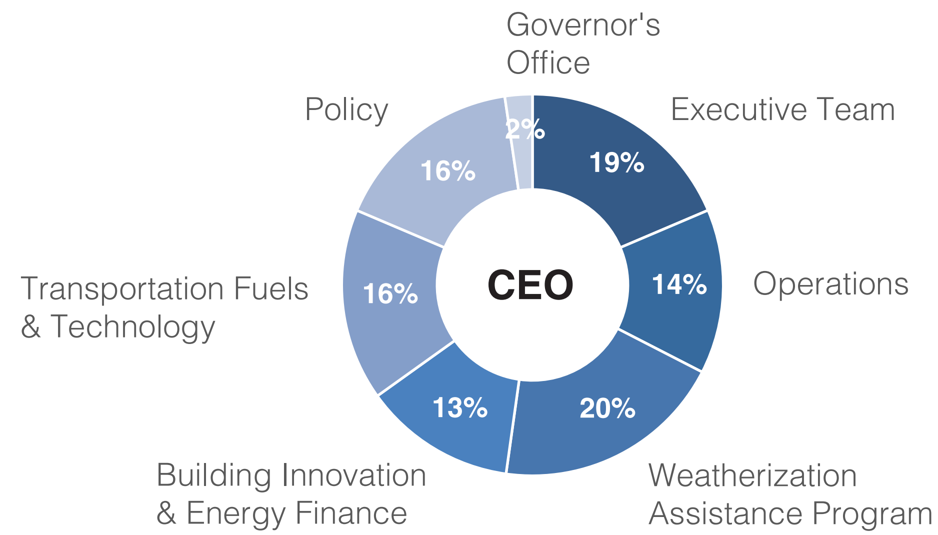


FIGURE 06.51: Interviewed divisions within CEO by % of 5-year projected space need.

The Colorado Energy Office (CEO) currently occupies commercially leased space at 1600 Broadway in Denver. The agency has transitioned to minimize assigned offices and move towards unassigned hoteling workstations. CEO has acted as pilot program for testing hoteling software for the State. Currently, CEO is not requiring any staff, other than the Office Manager, to regularly be in the office. All other staff are utilizing hoteling to work remotely with access to the office on an as-needed basis. The agency expects to continue with this model post-COVID. The agency anticipates sporadic growth over the next 1-6 years. While CEO anticipates modest growth over the next five years, its space requirements are projected to increase through rightsizing. Shared common space is also anticipated to increase slightly, also as a function of rightsizing meeting and break spaces. CEO reports a space need increase in primary buildings in the Denver metropolitan area of approximately 2,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 22% / 78% pre-COVID to 23% / 73% for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

CEO	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	39	50	11	28.4%
Seat Count	37	45	8	20%
Shared Common	1,389	2,637	1,248	90%
Interagency	600	2,500	1,900	317%
Total Space Needs	6,388	13,979	$\boxed{7,591}$	119%

FIGURE 06.52: Summary data for CEO

CDPHE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

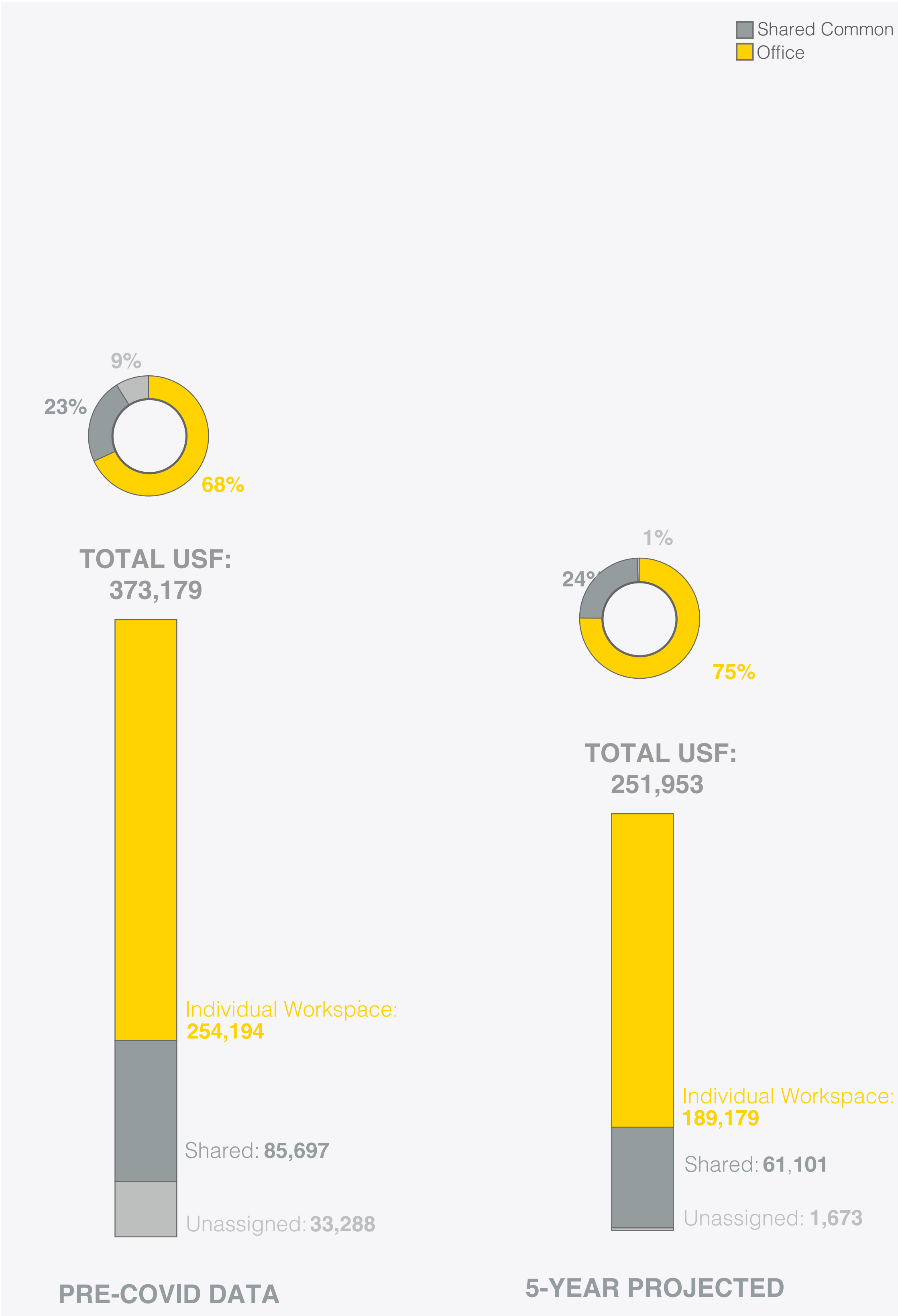


FIGURE 06.45: Gap analysis for CDPHE. Graphic: courtesy of Stantec.

-121,226 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

CDPHE's gap analysis is based on a simple seat count to understand if they are able to eliminate the need for one of their three currently occupied buildings. The analysis examines if the amount of available seats in buildings A & B will accommodate their new seat need after seat sharing practices and remote work are implemented. The seats available in buildings A & B (1,375 seats) will accommodate their future seat need.

CDPHE does not occupy all seats available in Post COVID, but nearly fill all seats available by 5-year projected. SF reduction was estimated on this basis.

The Colorado Department of Public Health & Environment (CDPHE) has four strategic office and lab locations around the state, with the main campus, comprised of three buildings, located a short drive southeast of downtown Denver along Cherry Creek. The intent of the analysis for CDPHE was to determine if they would be able to eliminate the need for one of their three currently occupied buildings on the main campus. Decisions for remote work and seat sharing were made at the division level, and even while the pandemic has driven significant growth for the agency, they will still realize a significant reduction of seats over the course of the next 5 years. Furthermore, and most importantly for CDPHE, the seat reduction should allow them to consolidate their workforce into two buildings (A & B). Due to the space efficiencies of seat-sharing possible through remote working, CDPHE reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 193,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 23% / 68% with 9% unassigned pre-COVID to 34% / 65% with 1% unassigned for current post-COVID needs.

Difference State-wide for Agency*

Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

CDPHE	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	1,816	1,956	140	7.7%
Seat Count	1,689	1,201	-488	-28.9%
Shared Common	85,697	61,101	-24,596	-28.7%
Interagency				
Total Space Needs	373,179	251,953	-121,226	-32.5%

FIGURE 06.46: Summary data for CDPHE

DHS DEPARTMENT OF HUMAN SERVICES

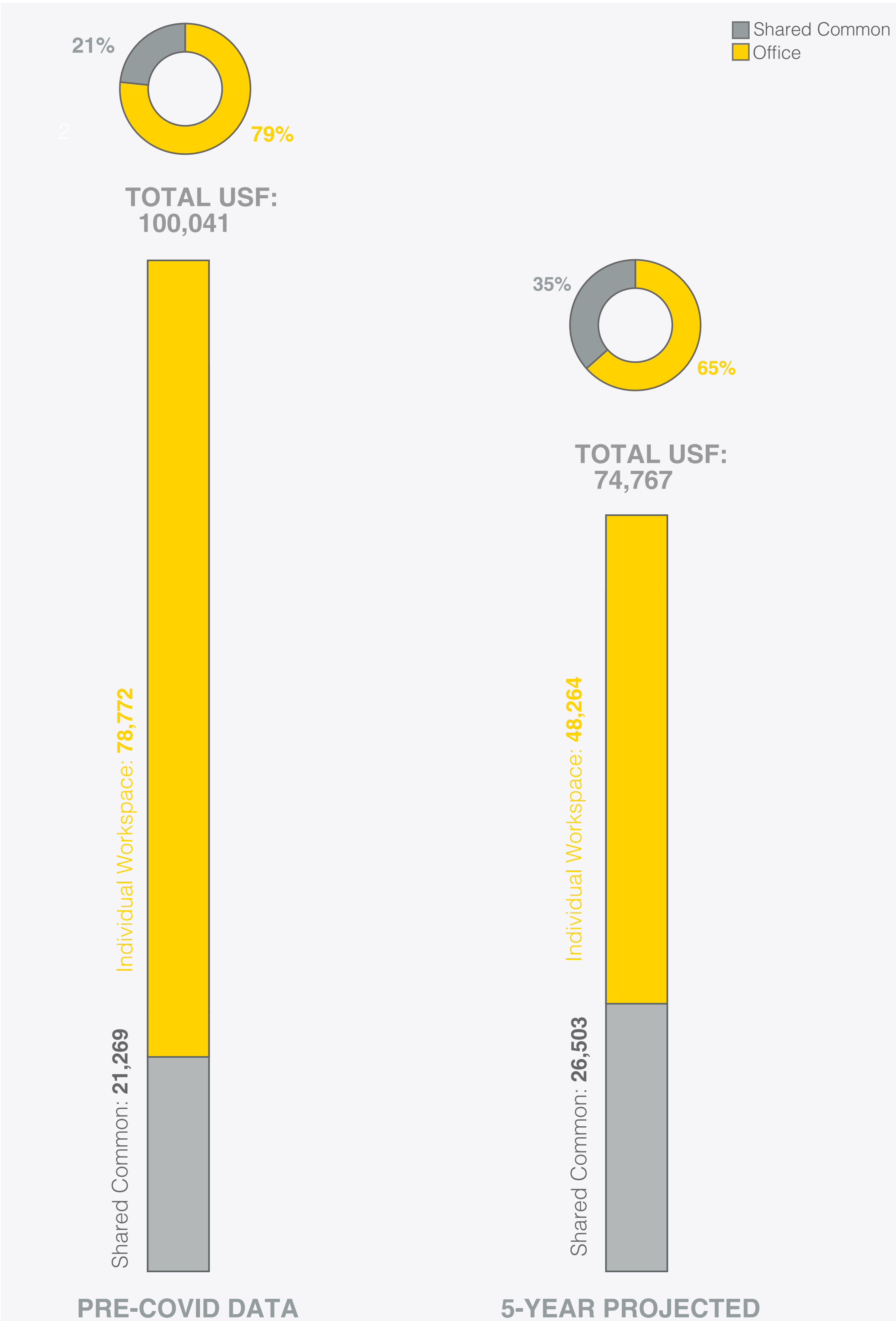


FIGURE 06.42: Gap analysis for DHS. Graphic: courtesy of Stantec.

-25,274 USF difference*

Pre-COVID occupied to 5-year projected (2025) area

** Primary agency-occupied buildings in Denver metropolitan area.*

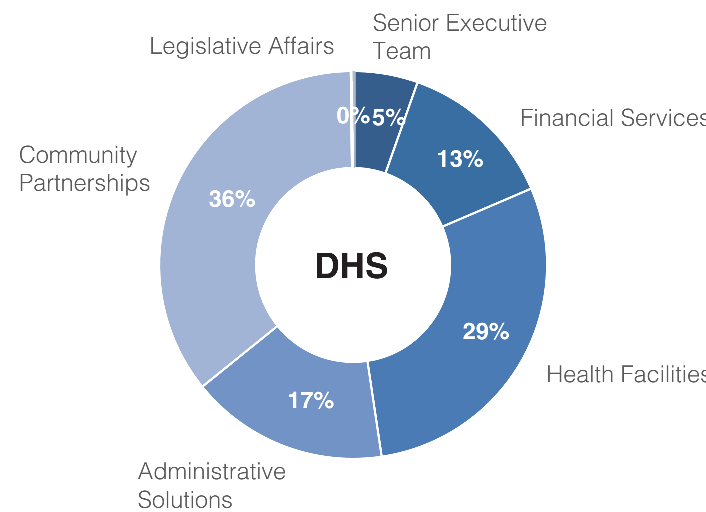


FIGURE 06.43: Interviewed divisions within DHS by % of 5-year projected space need.

The Department of Human Services (DHS) has a most staff located throughout the metro Denver area, with their primary office at 1575 Sherman St. in the Capitol Complex. DHS also has a presence on the Fort Logan campus, which was excluded from the study. While DHS anticipates modest growth over the next five years and will continue to support staff in the office, its space requirements are projected to decrease through rightsizing and application of the new state office standards. Shared common space is also anticipated to increase slightly, also as a function of rightsizing meeting and break spaces. DHS space needs require further study. Due to the space efficiencies of seat-sharing possible through remote working, DHS reports a space need reduction in primary buildings in the Denver metropolitan area of approximately 27,000 USF comparing pre-COVID needs to current post-COVID needs. The ratio of office to shared common space need increases from 21% / 79% pre-COVID to 36% / 64% for current post-COVID needs.

Difference State-wide for Agency*

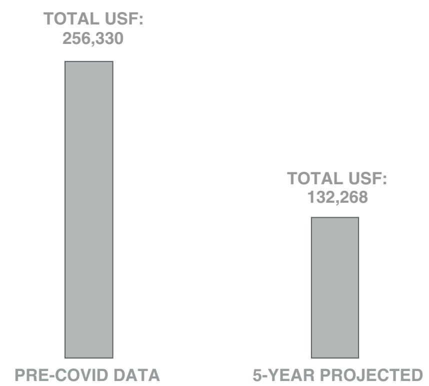
Pre-COVID occupied to 5-year projected (2025) area

** Includes Denver metropolitan area and any other agency locations*

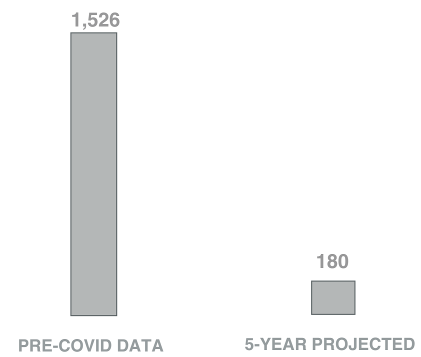
DHS	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	716	733	17	2.4%
Seat Count	430	454	24	5.6%
Shared Common	21,269	28,503	7,234	34.0%
Interagency				
Total Space Needs	117,045	79,624	-37,421	-32.0%

FIGURE 06.44: Summary data for DHS, Basic Steps and Agency Findings

DOR DEPARTMENT OF REVENUE



-124,062 USF difference
DOR - BASIC STEPS DATA



Seat Count
-1,346 difference
DOR - BASIC STEPS DATA

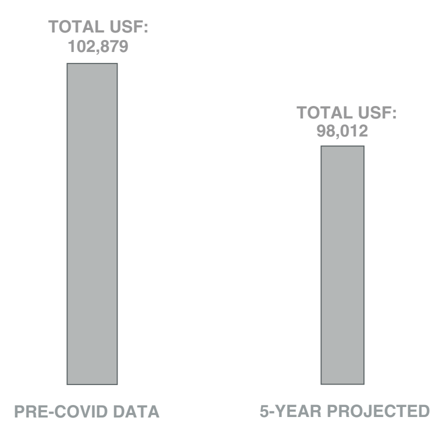
-124,062 USF difference

Pre-COVID occupied to 5-year projected (2025) area.
Data gathered from initial Basic Steps.

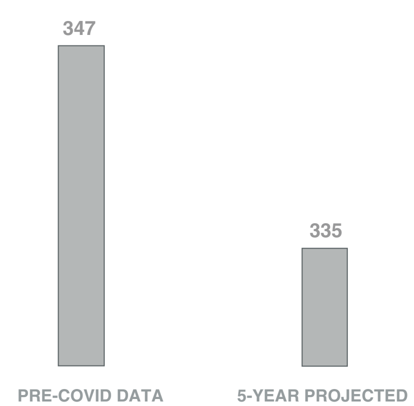
DOR	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	1,526	1,644	118	7.7%
Seat Count	1,526	180	-1,346	-88.2%
Shared Common				
Interagency				
Total Space Needs	256,330	132,268	-124,062	-48.4%

FIGURE 06.53: Summary data for DOR

DOC DEPARTMENT OF CORRECTIONS



-4,867 USF difference
DOC - BASIC STEPS DATA



Seat Count
-12 difference
DOC - BASIC STEPS DATA

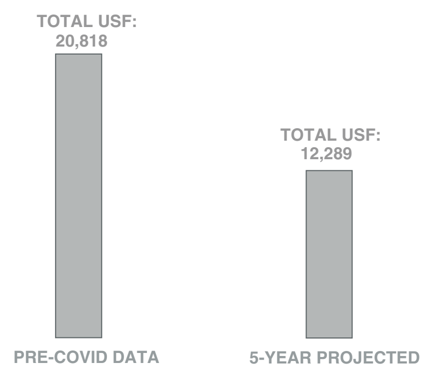
-4,867 USF difference

Pre-COVID occupied to 5-year projected (2025) area.
Data gathered from initial Basic Steps.

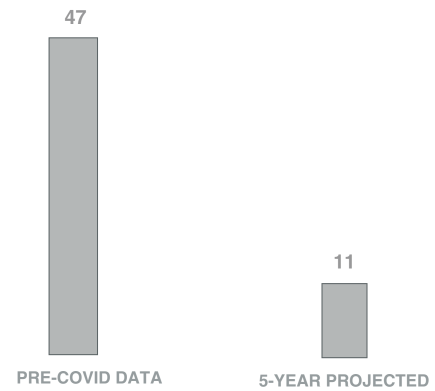
DOC	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	355	382	27	7.7%
Seat Count	347	335	-12	-3.5%
Shared Common				
Interagency				
Total Space Needs	102,879	98,012	-4,867	-4.7%

FIGURE 06.54: Summary data for DOC

DMVA DEPARTMENT OF MILITARY AND VETERANS AFFAIRS



-8,529 USF difference
DMVA - BASIC STEPS DATA



Seat Count
-36 difference
DMVA - BASIC STEPS DATA

-8,529 USF difference

Pre-COVID occupied to 5-year projected (2025) area.
Data gathered from initial Basic Steps.

DMVA	Pre-COVID	5-Year Projected	Delta	%Change
Head Count	16	17	1	7.7%
Seat Count	47	11	-36	-76.6%
Shared Common				
Interagency				
Total Space Needs	20,818	12,289	-8,529	-41.0%

FIGURE 06.55: Summary data for DMVA

07 RECOMMENDATIONS

07.01
LEASING RECOMMENDATIONS

07.01 INTRODUCTION

It is the State's goal to reduce its office footprint by approximately one-third and to do so over a short five-year timespan. Achieving this goal will require several critical changes to the current leasing policy and procedures. These changes fall into three primary categories:

1. *Changes to the existing leasing process*
   The State's recent real estate processes have been centered on agency needs, without prioritizing optimization of efficiency in the larger State real estate portfolio. This report recommends that the State change its approach to leasing decisions to consider needs more comprehensively.

2. *Changes to the existing leasing policy*
   This report recommends that the State change its leasing policy to achieve greater flexibility, particularly in the initial five-year space consolidation period, for the State to maximize the efficiency of space use. The State will need to maximize its ability to shift agency locations to take advantage of opportunities as they arise.

3. *Changes to existing leasing language*
   This report recommends that the State revise its lease termination language to allow for greater flexibility for the State and greater clarity for landlords.

The goal of this report's recommendations is to modify the current template commercial leasing contract to increase flexibility and do so in a way that is fair to landlords in the commercial real estate sector.

07.01.01 RECOMMENDATION: PROCESS

This report recommends that the State adopt a leasing process that involves the Office of the State Architect (OSA) in a stronger planning role. This would be a change from the current policy in which the OSA, through its Real Estate Program, acts primarily to aid agencies in pursuing and securing leases. This report recommends that in the future the OSA provide expertise to agencies to help agencies determine space needs and ideal locations. This new role would facilitate a coordinated State leasing process for office space in which the needs of each agency are considered comprehensively with the needs of the other agencies. This revised process would allow the State to better explore alternatives and better leverage State assets. The overall process, depending on lease size and location, is expected to take 12-30 months. See Section 07.01.01.01 for related lease notification recommendations.

The key proposed steps for the future leasing process are as follows:

1. OSA proactively notifies agencies of leasing milestone dates, beginning typically 12-15 months before the lease termination date.
2. OSA engages agencies in the preparation of lease changes.
3. For administrative office space needs, the agency establishes needs with assistance from OSA, utilizing the Real Estate Program Process Initiation Form (PIF).
4. Agency and OSA meet to review the process, criteria, and options. Agency provides basic information on lease needs.
5. OSA Statewide Planning & Real Estate collaborate with agency to determine space and lease needs utilizing the Space Request Form (SRF).
6. OSA makes a recommendation on lease size and collaborates with agency on location recommendations.
7. If the agency disagrees, OSA will revisit the recommendation to address agency concerns and identify the best path forward.

Figure 07.03 compares the current state leasing process to the proposed leasing process.

PROPOSED PROCESS: STATE AGENCY REQUEST FOR OFFICE SPACE

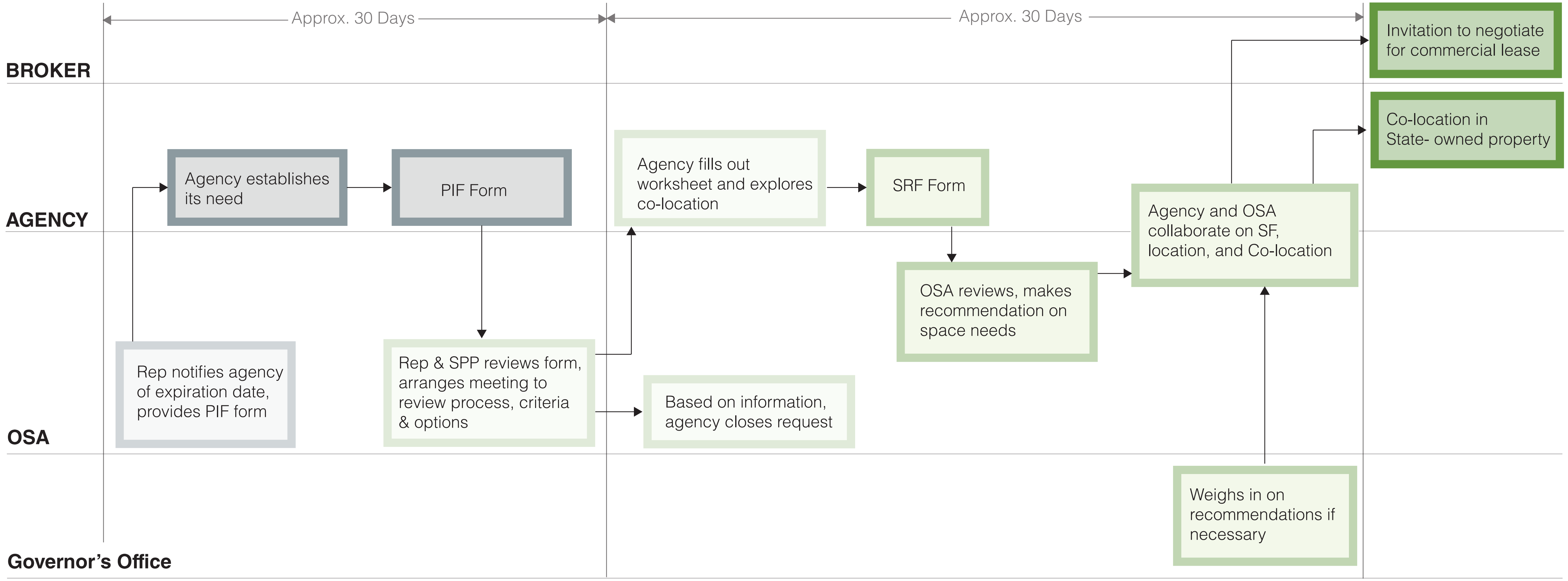


FIGURE 07.01: Agency request for office space

PROPOSED PROCESS: STATE AGENCY REQUEST FOR NON-OFFICE SPACE

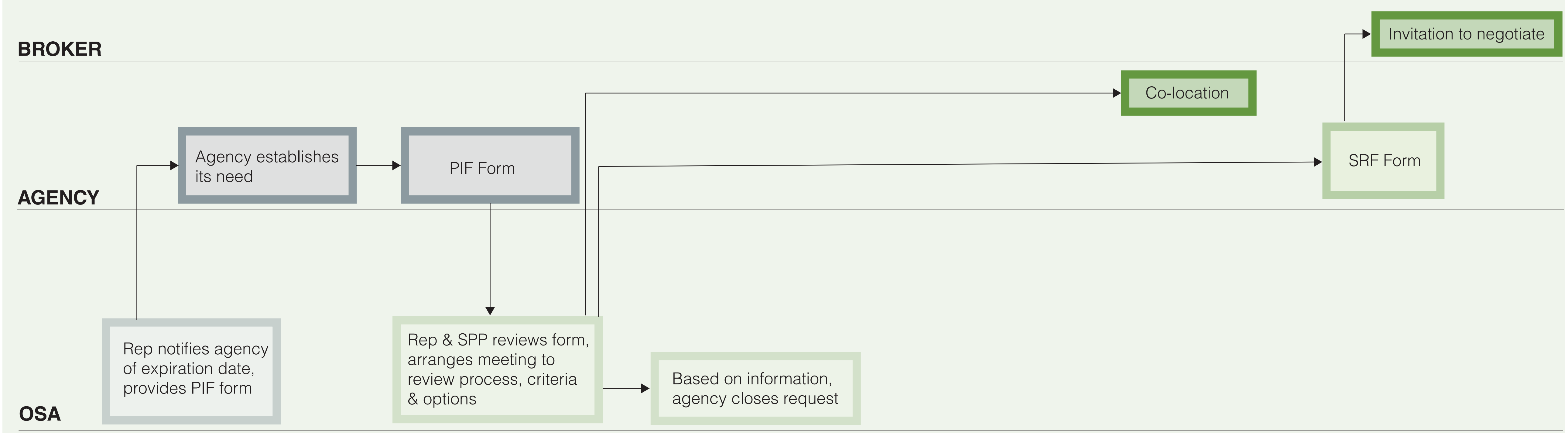


FIGURE 07.02: Agency request for non office space

CURRENT PROCESS	AREAS OF IMPROVEMENT	RECOMMENDED PROCESS	POTENTIAL CONSEQUENCES
An established process that is familiar to agencies and institutions and is applied evenly to everyone who engages in real estate transactions.	Quality and quantity of information gathered on space needs and lease requirements before engaging in transactions.	The OSA should have an enhanced influence over decisions relating to space requirements with a stronger focus on careful planning for the real estate needs of each agency.	With more involvement with agencies and the extension of the process, additional OSA staff may be required.
Agencies and institutions have flexibility and latitude in making business decisions for themselves that fit their unique real estate requirements and accommodate market norms.	Agencies and institutions prioritize what is best for them and may not account for the real estate needs of other agencies/institutions or what is best for the State government.	The new policy provides a more thorough, comprehensive space/asset needs analysis that will benefit the entire State government.	
Emphasis placed on utilizing the contracted real estate vendor to assist agencies and institutions throughout the real estate process, thus allowing the Real Estate Program (REP) more time to focus on things like other unexpected/urgent matters, assisting agencies that are not working with the vendor, other long-term projects, and fulfilling its statutory reporting requirements.	The real estate vendor's effort in keeping REP in the loop with important and timely information. Issues with transparency and accountability can arise that can result in consuming the REP's time "putting out fires" and performing damage control on matters that were not immediately addressed or contemplated before or during the transactional phase.	The new policy will improve the efficiency of the leasing process and will therefore lower the volume of work and create more thoughtful decisions regarding real estate needs.	New process will provide for a broader view in establishing not only agency best interests, but State best interests. There are factors such as available lease vacancies and size of lease desired which will impact the final lease.
The REP is allowed to focus more attention on the critical transactional phase of the real estate process and has the chance to allocate more time and resources toward keeping pace with the bulk of the workload.	Lack of proper planning and vetting at the beginning of the process has the risk of leading to inefficient and unnecessary work during the middle to end of the process that is usually the most time-consuming for the REP.	Creating more efficient work environments through enhanced space and asset planning will allow for hoteling and remote work opportunities, which should improve employee well-being and save the State money on real estate expenses.	There is a risk of potentially high turnover for employees who are exposed to unexpected and undesirable changes in their work environments. Those changes could ultimately hinder the State's objective of becoming an "Employer of Choice."
The current policy provides the REP with an opportunity to focus on fostering partnerships with agencies and institutions, which helps the REP build and maintain their trust and support and creates mutually beneficial business relationships.	Strong relationships with agencies and institutions may have unintended, adverse consequences such as providing them with opportunities to take advantage of the REP and circumventing established policies and procedures since they know that there will not be any severe consequences for their malfeasance.	The new policy only focuses on office space needs for State agencies, so it should not have much of an effect on the leasing process for agencies that are not leasing office space or any of the institutions of higher education.	The policy is applied differently for agencies that need office space versus agencies that need non-office space and institutions of higher education. Consequently, the unequal treatment may lead to animosity, confusion, and situations where agencies may try to avoid the extended planning process.

FIGURE 07.03: Current vs proposed leasing process

07.01.01.01 RECOMMENDATION: LEASE NOTIFICATIONS

The proposed future leasing process involves a comprehensive evaluation of agency space needs. The OSA and the agencies must have sufficient time to take full advantage of this process. To achieve this, the OSA will need to recommit to proactive early lease conclusion notification to the agencies. The current policy establishes that agencies should be notified 12 months before lease expiration typically and 15 months before lease expiration for large leases in especially competitive markets. For particularly large leases, this report recommends that the State notify 30 months before expiration.

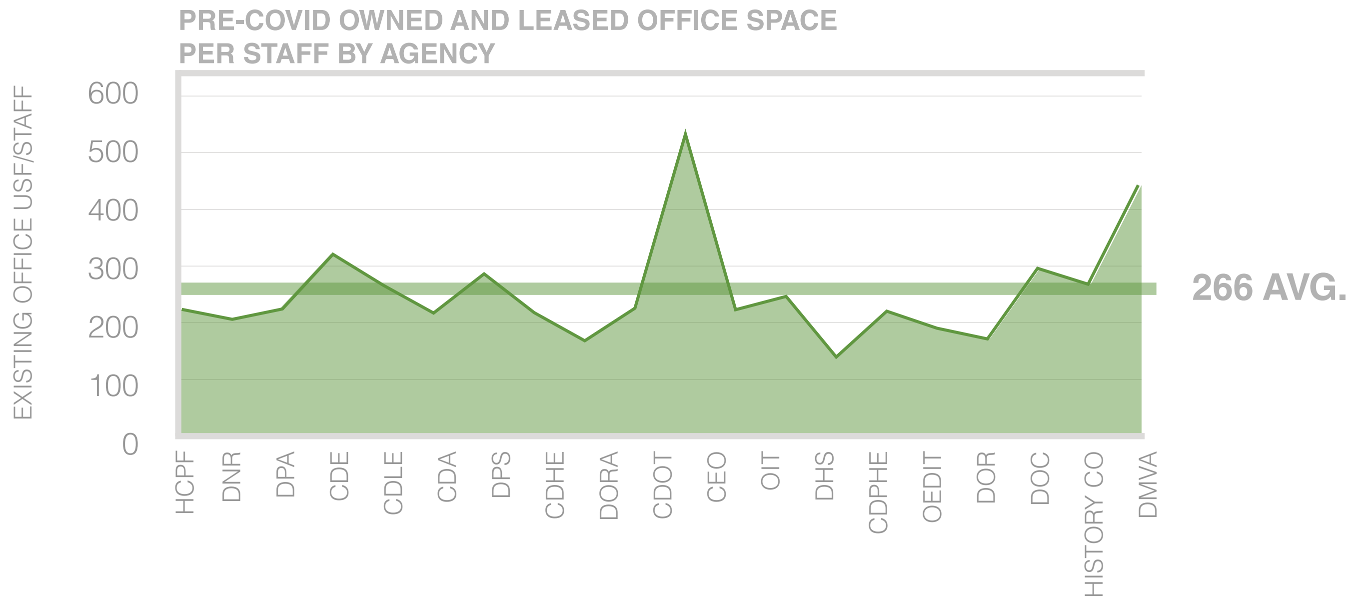


FIGURE 07.04: Pre-COVID owned and leased office space per staff by agency

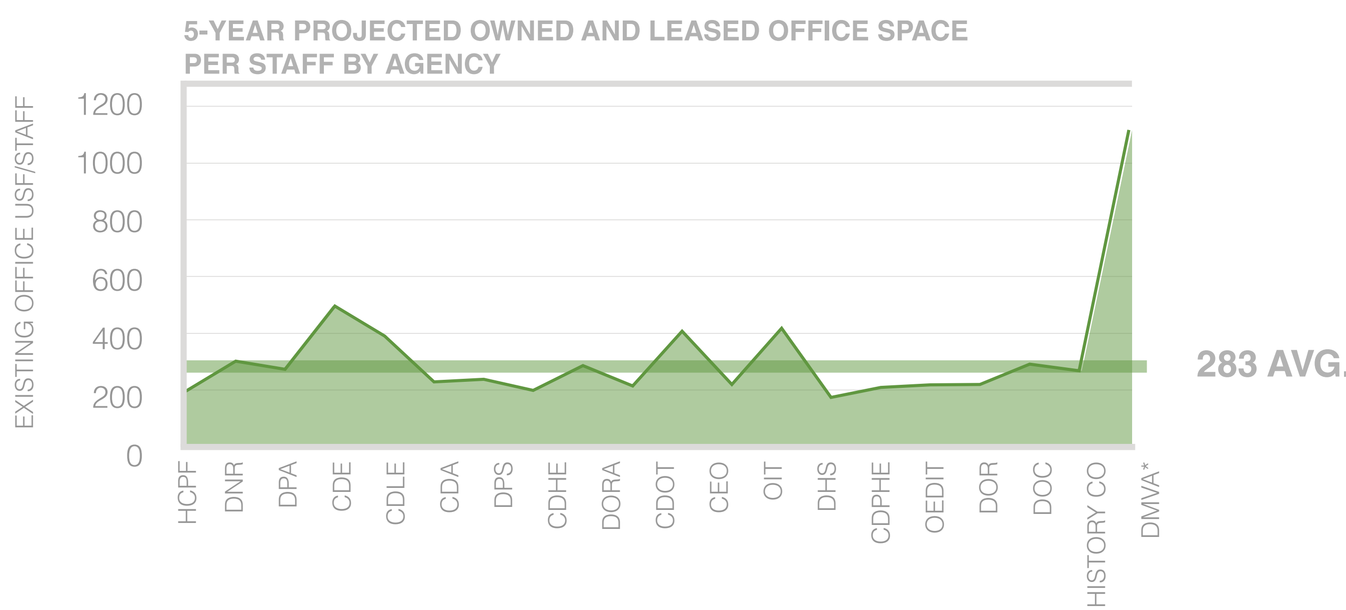


FIGURE 07.05: 5-Year projected owned and leased office space per staff by agency

** Estimated. Incomplete headcount data available.*

07.01.01.02 RECOMMENDATION: SPACE NEEDS PLANNING REFINEMENTS

The State's existing Real Estate Policies and Procedures Manual includes a planning metric of 204-232 rentable square feet (RSF) per office staff (see Section 03.02 Commercial Leases). This report recommends that future space needs planning be refined as follows:

- *Plan for data gathering.*
  Currently, State leases are recorded using two different metrics which are difficult to compare. Occupancies in State-owned buildings are measured and recorded in terms of usable area (USF) while State commercial leases are measured and recorded in terms of rentable area (RSF). The use of the two measurement systems greatly complicates evaluations of whether an agency could move from commercially owned to State-owned space. This report recommends that the State revise policy to require that USF and RSF data be collected for both interagency leases and commercial leases so that the State can readily analyze different options in these categories.
  - For commercial leases, this report recommends that lease agreements be structured so that the landlord is required to submit USF data for the lease, in addition to the RSF data, which is currently required. Under current Colorado law, when a lease in a commercially owned building is at least one year, the portion of the building that is used for State government purposes is tax-exempt. The current Gross Lease Agreement requires that the State tenant's monthly lease amount shall be decreased by an amount equal to the landlord's tax savings, an arrangement that significantly reduces the cost of State leases in commercially owned space. The tenant's portion of building common areas is included in the tax-exempt calculation, and for this reason, State leases in commercially owned buildings are based on rentable areas.
  - For interagency leases and agency-owned / agency occupied space, this report recommends that the occupying agency provide the OSA RSF for each lease using current Building Owners and Managers Association (BOMA) standards and that this information be recorded as part of the interagency lease.

- *Relate space needs to seats, rather than staff.*
  The allocation of space per seat provides an allocation of an overall area that agencies can use, supplemented by unique spaces they may need, to determine overall space needs. While the current policy refers to this allocation as per office staff, this report recommends refining this allocation to be per seat to account for cases where seats are shared by more than one staff.

- *Utilize a single planning metric.*
  This report recommends that the State change from area per staff to area per seat and, over time, narrow the variation in area per seat so that agencies have more equal space allocations. The average area per seat from the agency findings data was 209 USF / seat, as discussed in Section 06.01.01. This report recommends that the State, as part of the future Design Guidelines document, refine this number to establish a single planning area per seat metric. An agency's overall space need could then be approximated using the following equation:

  Approximate Agency Space Need =
  (# of Seats) x (Area / Seat) + (Unique Space Need)

- *Plan for unique spaces.*
  The metric of area per seat accounts for standard administrative office use including a mix of private offices and workstations and typical support areas such as waiting areas, conference spaces for groups of up to 10 people based on seat counts, copy/print rooms and kitchenettes. Some agencies will have unique space needs, such as training rooms or large file storage areas, that are beyond standard administrative office use. This report recommends that the State adopt, as part of the space needs process, a way of accounting for these unique spaces as additional space needs beyond the USF / seat metric. Unique spaces would be recorded as “non-office” in short-term lease agreements, as discussed below. Tenant improvements for unique spaces would be subject to State reimbursement for leases lasting less than five years as described in Section 07.01.02 below.

- *Plan for a range for rentable area.*
  Although usable area can be quantified with a single planning metric, rentable area varies because rentable area considers shared spaces in a building and different buildings have differing amounts of this kind of space. The State has analyzed its 10 largest commercial leases and found that the load factors for those leases range from 14% to 22%. This report recommends that the State adopt this range as the standard for projecting agency needs in terms of rentable area. Rentable area is calculated using the following equation:

  Rentable Area =
  (100% + Load Factor) x (Usable Area)

07.01.02 LEASE CHANGES

To achieve the State's goals of space consolidation and higher utilization of State-owned space, the State will require more flexibility in its leases. This report recommends revisions to State goals for lease durations and to State lease termination language to provide this necessary flexibility.

07.01.02.01 RECOMMENDATION: REVISE GOAL FOR LEASE DURATION

Current State commercial lease durations vary. The average current lease duration is for a five-year term, which reflects current State practice recognizing the five-year term as generally optimal. This report recommends three lease duration goals for administrative office space:

1. *Short-term leases: One-year.*
   For the 2020-2025 space consolidation period, when possible, this report recommends that the State modify its lease duration goal to a one-year term with an option for renewal. The State of Oklahoma utilizes this short-term lease goal and is a reference example for the State of Colorado.

   - *Market-Specific Considerations*:
     A revision to a shorter guaranteed lease term will be less attractive to landlords but has the advantage of giving the State much more flexibility to relocate agencies if space becomes available. This report's one-year lease recommendation is largely dependent on market conditions. It is likely to be feasible in large commercial real estate markets such as Denver and Colorado Springs, especially in periods of reduced market demand for office space. The State is likely to have an unprecedented opportunity for short-term leases in the larger markets in the immediate post-pandemic period as private sector businesses consolidate office space needs due to an increase in private sector remote working. One-year leases are likely less feasible in remote areas with small populations and little office space inventory. In these areas, this report recommends a transition to State-owned space (see Section 05.08.01). Where State-owned space is not feasible, longer-term duration leases in remote areas may continue to be needed.

   - *Tenant Improvement Considerations:*
     A driver for the current leasing policy of a five-year lease term goal has been payment for tenant improvement work. In the current leasing process, landlords typically finance tenant improvements and amortize payback from the agency over the length of the lease. A lease with only a one-year guarantee will likely be unacceptable to landlords unless there is a guarantee of tenant improvement payback. The State could either target lease property that does not require tenant improvements or the State, rather than the landlord, could pay for tenant improvements. See Section 07.04.02 for a discussion of funding tenant improvements.

2. *Medium-term leases: Three-year.*
   In some markets, one-year leases may not be available, as discussed above. If a one-year lease duration is not available, this report recommends a three-year lease duration goal with (2) options for one-year renewals.

   - *Market-Specific Considerations*:
     A three-year lease duration with renewal options involves less risk to a landlord than a one-year lease. Expanding to a three-year lease duration will give the State additional property options when the property market is limited and may result in lower lease rates. The three-year lease option may be appropriate for timing a lease expiration to a future co-location opportunity.

- *Tenant Improvement Considerations*:
Utilizing a three-year lease guarantee with renewal options, the State may could either pay for tenant improvements or negotiate with the landlord for the landlord to finance the improvements with payback amortized through lease payments. This report recommends that, if the State negotiates amortized tenant improvement, language be added to the Gross Lease Agreement distinguishing between the office use portion of a tenant improvement – consisting of typical office-use spaces such as offices, workstations, conference rooms, copy rooms, and kitchenettes – and non-office use portions of the tenant improvement. The non-office use portions of the tenant improvement are those portions that are unique spaces not typical office use – spaces such as data rooms or training rooms – and are therefore not particularly of value to the landlord in securing future tenants. This report recommends that the value of the tenant improvement work for the unique non-office space be quantified, the payoff of the non-office tenant improvement work be tracked as part of lease payments, and only the unpaid balance for the non-office tenant improvement costs be paid to the landlord if the State decides to terminate the lease before the overall five-year lease period. The State of Iowa is a model for this office / non-office distinction to compensate landlords for tenant improvements upon early lease termination. Taking this approach to three-year leases will make the cost of a potential lease termination less than the State's current practice.

3. *Long-term leases: Five-year*
After the 2020-2025 space consolidation period, this report recommends that Colorado use the five-year lease goal for all leases. Longer lease durations are a tool that can provide stability for the agency and the ability to amortize tenant improvement costs over a longer duration.

    - *Market-Specific Considerations:*
    The five-year lease duration is likely to be more attractive to landlords than one-year or three-year lease durations. This could result in more options for the State and lower lease rates.

    - *Tenant Improvement Considerations:*
    As discussed above for the three-year lease option, this report recommends that, if the State negotiates amortized tenant improvement for a five-year lease, language be added to the Gross Lease Agreement distinguishing between the office use portion of a tenant improvement and the non-office portion. As discussed, this report recommends that the value of the tenant improvement work for the unique non-office space be tracked and only the unpaid balance for the non-office tenant improvement costs be paid to the landlord if the State decides to terminate the lease before the overall five-year lease period.

07.01.02.02 RECOMMENDATION: LEASE TERMINATION LANGUAGE

The current Gross Lease Agreement includes three termination clauses: A lease can be terminated due to non-availability of federal funds, non-availability of State funds, or because the State wishes to move an agency to co-locate it with other agencies. In some cases, the moving agency may be the first in a facility that the State intends to use for future co-locations.[1]

This report recommends that lease termination language be modified as follows:

- *Recommended Short-term Lease Termination Clause Revision*
For a one-year term with options for renewal, as described above, this report recommends that the co-location clause be stricken from the Gross Lease Agreement. The shorter lease durations would provide the State with the flexibility it needs without the need for the co-location clause.

- *Recommended Medium-term and Long-term Lease Termination Clause Revision*
For leases that are three years or more, this report recommends that the co-location clause remain, but that the Gross Lease Agreement be modified to indicate that, in cases where the co-location clause is utilized, the State will enter negotiations with the landlord to buy out the lease. In cases where tenant improvements are landlord-financed, the language should indicate that the basis of the negotiation would be payback of the non-office space tenant improvement work as discussed above.

1. Note that the use of the spelling "co-location" in this report is intended to have the same meaning as "Collocation" in the Gross Lease Agreement. The State has used "co-location" in the past in lease inventories to describe lease addresses in the same geographic area, but the Planning Team recommends the State use the phrase "Real Estate Regions" in future inventories to avoid confusion with the more common use of "co-location"

07.02
LEVERAGING STATE-OWNED ASSETS

07.02 INTRODUCTION

To minimize long-term costs and maximize State flexibility, a primary strategy of this report is consolidation of agencies from commercially leased property into State-owned space to fully leverage State assets (see Section 05.08.01 for additional information). To do this, this report recommends that the State consider ways of fully utilizing State-owned property across Colorado. This will require both the new leasing strategy described in Section 07.01.01 for considering the State's best interests in accommodating agency needs and committing to renovating / maintaining State buildings so that they are suitable for agency use.

To fully leverage State-owned assets, the State will need to reconsider the way that both interagency leased space and agency-owned / agency-occupied space is utilized. Agency-owned / agency-occupied space has historically not been thought of as an opportunity for multi-agency space consolidation. However, agencies such as Colorado Department of Transportation (CDOT), Colorado Department of Agriculture (CDA) and the Department of Natural Resources (DNR) own space across Colorado and have five-year projected space need reductions, creating opportunities for the State to infill with other agency needs. This could create co-locations across the State, serving outlying areas in an efficient way. See Section 07.03 for detailed recommendations regarding co-locations.

The greatest opportunity for consolidation in State-owned assets is in interagency leased space since the tenant arrangements in these spaces are more flexible than commercial leases or agency-owned / agency-occupied arrangements. Because of its high concentration of agencies, the interagency leased space in the Downtown Denver Capitol Complex is a prime chance to reduce the State's footprint. Some of the space in the Downtown Denver campus was under-utilized pre-COVID. Additional space in these holdings will become available post-COVID as agencies reduce their footprints due to remote working. Because this space is available, the State has an unprecedented opportunity to re-think how the holdings in the Downtown Denver Capitol Complex are utilized to maximize the use of State-owned space.

07.02.01 RECOMMENDATION: CONSOLIDATE GENERAL-FUNDED AGENCIES IN STATE-OWNED ASSETS, CONSOLIDATE FEDERALLY FUNDED AGENCIES IN COMMERCIAL SPACE WHERE POSSIBLE

Agencies who receive federal funding can be ideal for commercially leased space because 1) the sizes of those agencies tend to fluctuate more than the sizes of State general-funded agencies and 2) federal reimbursement policies favor leases in commercially leased space over leases in State-owned space. For these reasons, it is advantageous to prioritize State general-funded agencies for State-owned space.

For those federally funded agencies with similar location requirements, such as those that require proximity to the Capitol, this report recommends that the State consolidate leases in a minimal number of commercial properties. Consolidation will provide the State with more flexibility to accommodate fluctuations in federally funded agency sizes through backfilling vacant space rather than terminating leases.

07.02.02 RECOMMENDATION: CONSOLIDATE OVERLAPPING AGENCY NEEDS IN THE CAPITOL COMPLEX

To achieve improved space utilization in its assets the State will need to shift from a historic view of the assets on a building-by-building basis to a comprehensive view of the campus. This section of the report describes recommendations for the Downtown Denver Capitol Complex based on a holistic view of space availability and space needs across the campus. The recommendations are based on the agency findings data described in Section 06 of this report.

There are two primary types of space for which agencies have reported an occasional, but not full-time need:

- *Interagency conference space*
  Many agencies reported an occasional need for large meeting spaces. Rather than providing dedicated large meeting spaces for these needs, the State could maximize efficiency by combining these needs in one location.

- *Interagency hoteling space*
  Many agencies report an occasional need for employees to be near the Capitol, particularly during the legislative session, and hoteling would be an ideal application for meeting this need. A hoteling location with State-wide employee access in the Capitol Complex would provide workspace adjacent to the Capitol Building for those agencies that do not have occupancy in the Capitol Complex. Pairing hoteling with a conference center would provide for the drop-in use needed during legislative sessions and provide break-out workspace for those who are utilizing the location for conferences.

In Sections 07.02.04.03 and 07.02.04.04, this report explores possibilities for a state-of-the-art conference center in the Capitol Complex. The conference center would consolidate agency needs in one, efficient location and provide the agencies with the meeting collaboration technology which will be necessary for new workplace modalities, including meetings in which some of the participants are in-person and others are remote.

Key considerations for a centralized conference center include:

- *Location of agencies adjacent to the Capitol Complex*
  To enhance utilization of consolidated campus functions such as the proposed conference center, this report recommends moving federally funded agencies in the downtown region to commercially leased space as close to the Capitol Complex as possible. This proximity would also give the federally funded agencies important access to other Capitol Complex agencies and to leadership in the Capitol Building.

- *Accommodation of increased parking needs*
  Consolidating campus needs, if it means an increase in visitors to the campus, could impact parking needs in the Capitol Complex. This report recommends that the State consider hourly / daily parking in a dedicated visitor lot, or expanding the Merrick Parking Garage, which has been designed to allow expansion, to meet the additional capacity need.

07.02.03 RECOMMENDATION: RENOVATE STATE-OWNED BUILDINGS IN THE CAPITOL COMPLEX

This report is focused on ways of reducing the State's footprint and maximizing the utilization of existing State assets. To make full use of the downtown Denver holdings, many buildings will need to be renovated. Several buildings in the downtown holdings have extensive capital improvement needs related to building systems, including electrical, mechanical and plumbing systems. In addition to these needs, many of the downtown buildings will need to be renovated to accommodate new work modalities, support making the State an Employer of Choice, and increase the utilization of the assets. A significant benefit to renovations is that they would improve the accessibility of the buildings and, in doing so, improve access for employees and customers. See Section 03.03.03 for a discussion of the renovation needs for the Capitol Complex. See Sections 05.09.03 and 07.04.02 for strategies and recommendations for funding these renovations.

Renovation of buildings before agency moves is ideal for cost-efficiency and minimizing disruption to occupants. Alternatively, buildings can be renovated after moves with a phased approach of renovations to individual floors and affected occupants temporarily working off-site. A phased approach is more complex, more disruptive, and likely to be more expensive than a non-phased approach.

If the State cannot provide funding for renovation, this report recommends that the State consider sale or repurposing of properties that need significant maintenance. Section 07.02.04.01 describes a scenario that would allow sale or repurposing of 1570 Grant or the Centennial Building.[2]

2. Note: HCPF is gradually moving from 1570 Grant to commercially leased space. There may be a short-term need for HCPF to utilize a portion of 1570 Grant as the agency determines how to optimize the newly leased space.

07.02.04 CAPITOL COMPLEX SCENARIO-PLANNING

To study the implications of specific recommendations for the Capitol Complex, the Planning Team undertook a scenario planning process. In that process, a scenario was established and the team projected the theoretical moves that would be necessary to implement the scenario.[3]

As discussed in Section 05.07.01, there are 11 State-owned buildings in the downtown Denver Capitol Complex. Of those, six buildings house primarily Executive Branch administrative office space and are managed by the Department of Personnel & Administration. The six buildings considered in the scenario planning for this report are:

1. 1570 Grant
2. Human Services Building (1575 Sherman)
3. State Services Building (1525 Sherman)
4. State Office Building (201 E. Colfax)
5. Annex Building (1375 Sherman)
6. Centennial Building (1313 Sherman)

To consider ways in which these buildings could be filled to maximize utilization, the Office of the State Architect (OSA), DPA Division of Capital Assets Capitol Complex Architect and Anderson Mason Dale Architects (AMD) collaborated with Stantec, which led the State's previous Capitol Complex Master Plan. The team developed various scenarios for filling the six buildings, presented in this section of the Strategic Office Space Plan.

All scenarios are based on the following:

- The scenarios utilize five-year projected space needs for the agencies, as developed through the agency findings process described in Section 06 of this report. The needs, therefore, include projected space reductions from remote working, rightsizing of spaces and projected growth over five years. The scenarios assume renovations, where needed, would occur to allow for rightsizing of the spaces.

- The scenarios prioritize moving general-funded programs, rather than federally funded programs, out of leased space and into State-owned space. There are 16 commercial leases for State use in the Downtown Denver area and nearby areas, totaling 434,100 RSF. Nine general-funded agencies occupy space within those leases.

- The scenarios assume that the Centennial Building (1313 Sherman), the Annex Building (1375 Sherman) and 1570 Grant (scenarios 2 and 3), are renovated to a Class B commercial standard to make them suitable for agency use.

- The scenarios consolidate Colorado Department of Education (CDE) in the Capitol Complex with the possible exception of the Division at 6000 Evans Boulevard due to programming requirements for that Division.

- The scenarios consider available commercial leases with proximity to the Downtown Denver Capitol Complex to potentially move to the Capitol Complex. The scenarios do not consider lease expiration dates.

- The scenarios anticipate hoteling space for each agency. In the Downtown Denver Capitol Complex, this space could accommodate the need for additional Capitol-adjacent space during the legislative sessions for agencies, including for Executive Directors Office and agency liaison presentation preparation. The hoteling space would also provide the State with swing space to adapt to some fluctuations in agency sizes which in the past have been accommodated through the commercial real estate market.

- If the scenario fill amount for a building marginally exceeds the available space, it is assumed that through follow-up planning additional efficiencies could be found so that the fill amount fits.

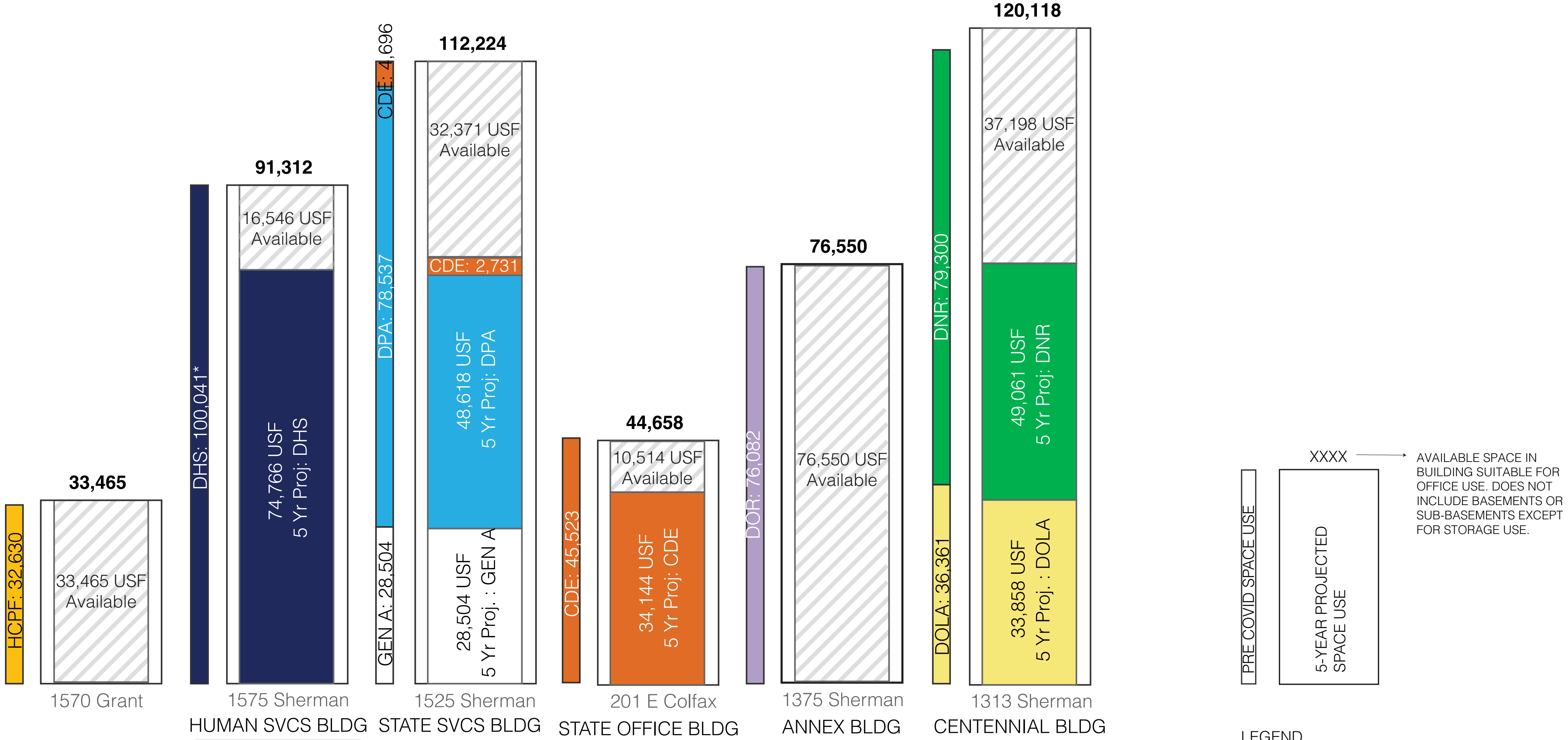
- For the most part, the areas represented include existing agency shared common space types with adjustments (typically increases) in the amount of shared common space for the 5-year projected needs.

- Scenarios 1 and 2 do not include interagency space other than existing interagency space in the State Services building. Interagency space is space that is needed by agencies but can be shared. In almost all cases, the interagency space would be new to the agency. If interagency space is not provided, agencies could continue to do without it or could rent it on an as-needed basis. Scenario 3 includes interagency space, plus some current dedicated meeting space that could become interagency space, in a consolidated conference center.

3. Note: Because the Strategic Office Space Plan has a focus on the Downtown Denver Capitol Complex, portions of this document may suffice as an update to the Capitol Complex Master Plan

BASELINE SCENARIO

The baseline for the scenario planning process is indicated in Figure 07.06. The baseline indicates the amount of usable area (USF) in each of the six buildings, totaling approximately 480,000 USF. The five-year projected space need for the agencies currently occupying the six buildings is approximately 272,000 USF, leaving approximately 208,000 USF to be backfilled. The baseline indicates the existing locations of agencies within buildings, and the amount the agency would fill its current location based on five-year projections. The Annex Building and 1570 Grant are assumed to be vacant in the baseline since the Department of Revenue (DOR) and the Department of Health Care Policy & Financing (HCPF) have recently moved out of these buildings in part or whole and plan on having employees return to other locations when fully returned to work.



HUMAN SVCS BLDG

DHS	74,766
Total	74,766

* DHS 100,041 SF includes space at 1120 Lincoln Street

STATE SVCS BLDG

CDE	2,731
DPA	48,618
GEN A	28,504
Total	79,853

STATE OFFICE BLDG

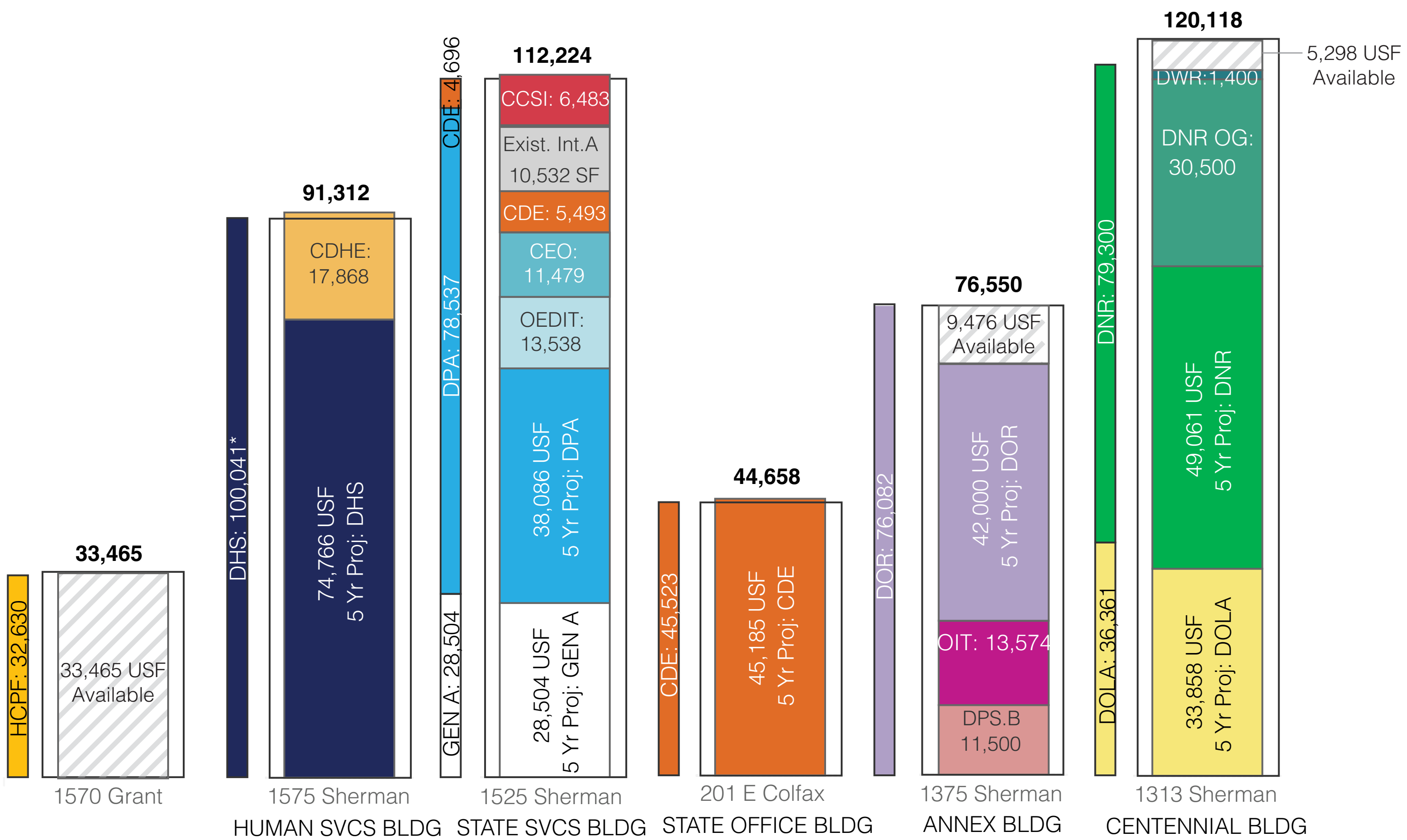
CDE	34,144
Total	34,144

CENTENNIAL BLDG

DNR	49,277
DOLA	33,858
Total	82,920

FIGURE 07.06: Baseline scenario. Graphic courtesy of Stantec.

SCENARIO 1: MINIMAL MOVES AND SELL OR REPURPOSE 1570 GRANT



HUMAN SVCS BLDG

DHS	74,766
CDHE	17,868
Total	92,634

* DHS 100,041 SF includes space at 1120 Lincoln Street

STATE SVCS BLDG

CDE	5,493
OEDIT	13,538
DPA	38,086
Ex. Int.A	10,532
GEN A	28,504
CEO	11,479
CCSI	6,483
Total	114,115

STATE OFFICE BLDG

CDE	45,185
Total	45,185

ANNEX BLDG

DOR	42,000
DPS.B	11,500
OIT	13,574
Total	67,074

CENTENNIAL BLDG

DNR	49,061
DOLA	33,858
DNR OG	30,500
DWR	1,400
Total	114,820

FIGURE 07.07: Scenario 1: Minimal moves and sell or repurpose 1570 Grant. Graphic courtesy of Stantec.

07.02.04.01 SCENARIO 1: MINIMAL MOVES AND SELL OR REPURPOSE 1570 GRANT

Scenario 1, indicated in Figure 07.07, keeps Capitol Complex agencies in their existing building locations while filling space that is now available due to remote working with agencies that have been in commercially leased space near the Capitol Complex. 1570 Grant is left vacant. Because 1570 Grant is not part of the Capitol Complex utility loop, it could be considered for sale or repurposed by the State. When possible, backfill is used to group existing agencies together at one location.

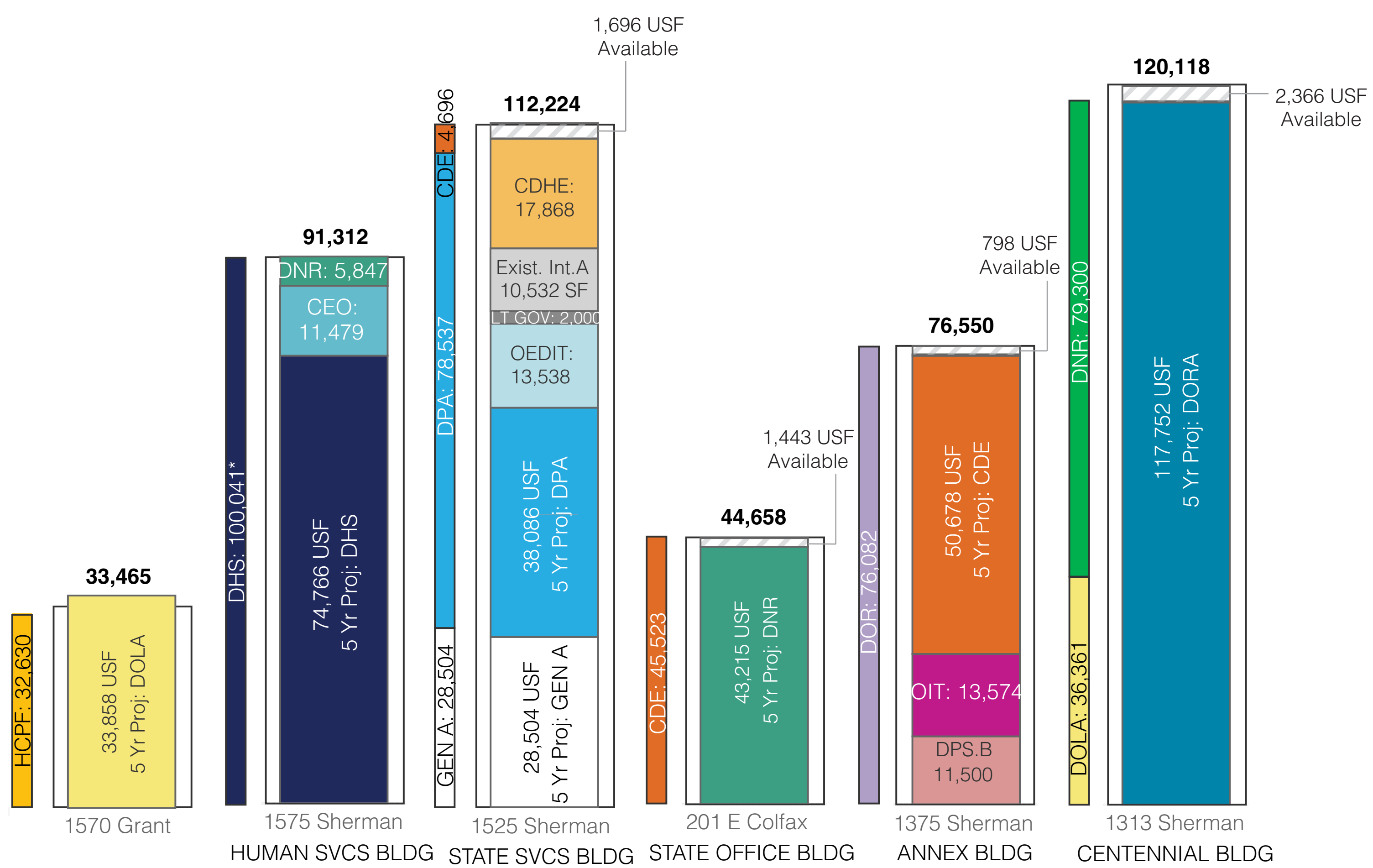
Sale of 1570 Grant would be one possible way of establishing a fund for renovations of other State property, as discussed in Section 05.09.03. An alternate scenario would shuffle agencies to fill 1570 Grant but empty the Centennial Building so that it is available for State sale or re-purpose. Selling or re-purposing either 1570 Grant or the Centennial Building would be dependent on State decisions to retain more space in the commercial lease market.

The minimal moves scenario minimizes disruption to the agencies. The challenge with the scenario is that keeping agencies in place limits infill efficiency because the remaining spaces available in each building are relatively small.

Key aspects of Scenario 1 are:

- Department of Personnel & Administration (DPA) and the General Assembly remain in place, along with the existing interagency space (conferencing, wellness, café), in the State Services Building (1525 Sherman).
- Department of Human Services (DHS) remains in the Human Services Building.
- Department of Public Safety (DPS) has already moved into a portion of the Annex Building (1375 Sherman).
- Colorado Department of Education (CDE) existing commercial lease is consolidated into the State Office Building (201 E. Colfax) and the State Services Building.
- Department of Natural Resources (DNR) is consolidated into the Centennial Building (1313 Sherman) by relocating two existing leased spaces into the Capitol Complex (DNR Oil & Gas and DNR DWR).
- Office of Information Technology (OIT), Office of Economic Development and International Trade (OEDIT), Colorado Energy Office (CEO), Colorado Department of Higher Education (CDHE), leased portion of Department of Revenue (DOR), CDE, CDE Charter School Institute, DNR Oil & Gas and DNR DWR move from commercially leased space to State-owned space.
- No existing Capitol Complex tenants move within the Capitol Complex.
- The amount of commercially leased space that would be eliminated in Scenario 1 is approximately 257,000 USF.

SCENARIO 2: CONSOLIDATE GENERAL-FUNDED AGENCIES IN CAPITOL COMPLEX



DOLA	33,858
Total	33,858

DHS	74,766
CEO	11,479
DNR	5,847
Total	92,092

* DHS 100,041 SF includes space at 1120 Lincoln Street

CDHE	17,868
OEDIT	13,538
DPA	38,086
Ex. Int.A	10,532
GEN A	28,504
LT GOV	2,000
Total	110,528

DNR	43,215
Total	43,215

DOR	50,678
DPS.B	11,500
OIT	13,574
Total	75,752

DORA	117,752
Total	117,752

FIGURE 07.08: Scenario 2: Consolidate general-funded agencies in Capitol Complex. Graphic courtesy of Stantec.

07.02.04.02 SCENARIO 2: CONSOLIDATE GENERAL-FUNDED AGENCIES IN CAPITOL COMPLEX

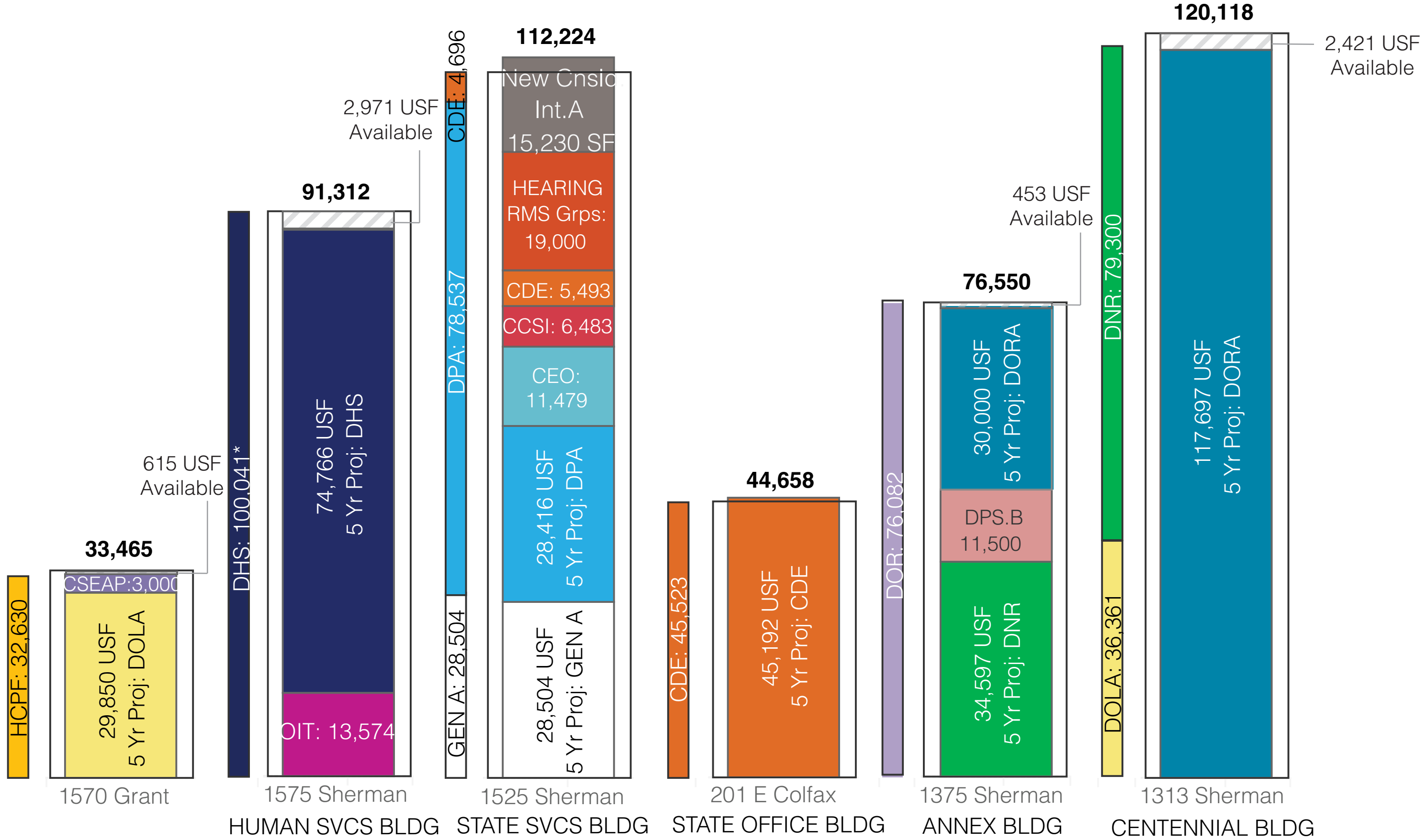
Scenario 2, indicated in Figure 07.08, prioritizes moving general-funded agencies out of commercial leases and into State-owned property. The scenario partially moves DORA, a large general-funded agency currently located in commercially leased space, to the Capitol Complex.

The scenario for moving general-funded agencies into the State-owned assets accommodates funding mechanisms, consolidates agencies in single buildings and provide opportunities for efficient backfill. The scenario involves agency re-locations from existing space, acknowledging that these moves could be disruptive.

Key aspects of Scenario 2 are:

- DPA and the General Assembly remain in place, along with the existing interagency space (conferencing, wellness, café), in the State Services Building (1525 Sherman).
- DHS remains in the Human Services Building.
- DPS has already moved into a portion of the Annex Building (1375 Sherman).
- CDE is consolidated from four locations into a single building in the Capitol Complex.
- OIT, CDE, CEO, CDHE, OEDIT, Lt. Governor's Serve Colorado and a portion of DORA move from commercially leased space to State-owned space.
- Three existing Capitol Complex tenants move within the Capitol Complex: CDE, DOLA and DNR.
- The amount of commercially leased space that would be eliminated in Scenario 2 is approximately 314,000 USF.

SCENARIO 3: STATE CONFERENCE CENTER



1570 Grant

CSEAP	3,000
DOLA	29,850
Total	32,850

1575 Sherman – HUMAN SVCS BLDG

DHS	74,766
OIT	13,574
Total	88,341

* DHS 100,041 SF includes space at 1120 Lincoln Street

1525 Sherman – STATE SVCS BLDG

CDE	5,493
CEO	11,479
DPA	28,416
GEN A	28,504
HEARING	19,000
INT.A	15,230
CCSI	6,483
Total	114,605

201 E Colfax – STATE OFFICE BLDG

CDE	45,192
Total	45,192

1375 Sherman – ANNEX BLDG

DNR	34,597
DPS.B	11,500
DORA	30,000
Total	76,097

1313 Sherman – CENTENNIAL BLDG

DORA	117,697
Total	117,697

FIGURE 07.09: Scenario 3: State Conference Center. Graphic courtesy of Stantec.

07.02.04.03 SCENARIO 3: CONSOLIDATION OF STATE INTERAGENCY SPACE NEEDS

Scenario 3, indicated in Figure 07.09, establishes the State Services Building as an interagency center, with an expanded state-of-the-art conference center with ample meeting and training space required to meet all interagency needs, additional hoteling, breakout and café amenities and a consolidated hearing room group. Because the shared interagency center consolidates the interagency space needs in one location, the overall space needs of some agencies in the Capitol Complex are reduced. This efficiency is enhanced if agencies in remaining downtown commercial leases consolidate in Capitol Complex adjacent space so that those agencies too have access to centralized interagency space in the Capitol Complex. The scenario also consolidates many agencies in individual buildings. To fit full agency needs in single buildings and achieve maximum utilization of the Capitol Complex space, two Capitol Complex agencies would move from current Capitol Complex locations and five agencies would move from commercial leases into the Capitol Complex. This is the fewest agency moves of the three scenarios discussed.

The scenario described below consolidates interagency space in the State Services Building. An alternative scenario would provide for two smaller interagency conference centers, one in the State Services Building and a second conference center in the Centennial Building.

The scenario for consolidating interagency space needs maximizes utilization of the Downtown Denver Capitol Complex. The scenario involves agency re-locations from existing space, acknowledging that these moves could be disruptive. However, if funded properly, the work could be phased to minimize disruption with renovations to primarily vacant buildings first (1570 Grant and the Annex Building), allowing agencies to move to those buildings, followed by renovations to the State Services Building and Centennial.

Key aspects of Scenario 3 are:

- Federally funded programs – Colorado Department of Health Care Policy & Financing (HCPF), Colorado Department of Labor & Employment (CDLE) – are envisioned to consolidate in commercially leased space near the Capitol Complex.
- Over time, all of CDLE could consolidate in commercially leased space near the Capitol Complex. That commercially leased space could become a co-location with capacity to absorb fluctuations in tenant agency sizes without needing to utilize lease terminations.
- DPA's Colorado State Employee Assistance Program (CSEAP) moves to 1570 Grant for better customer access.DPA remains largely in place, along with the existing interagency space (conferencing, wellness, café) incorporated in an expanded conference center as discussed below, in the State Services Building. General Assembly remains in place in State Services Building.
- Department of Human Services (DHS) remains in the Human Services Building.
- DORA is moved out of commercially leased space to the Centennial Building and the Annex Building.
- DPA State Personnel Board & Administrative Courts; DNR Division of Reclamation, Mining and Safety, DOLA Board of Assessment Appeals and DOLA Executive Director's Office Accounting & Financial Services consolidate to form a hearing room center. One additional courtroom may be required.
- New interagency meeting space is consolidated in a State Conference Center in the State Services Building, where it would benefit from adjacency to other interagency spaces such as the existing wellness center and café. Consolidating meeting space would allow the State to meet most agency needs for large meetings in a center of approximately 15,000 USF. Because the need for large meetings is infrequent, it is efficient to meet the needs of multiple agencies in one location with shared meeting rooms. By contrast, if the space need for large meetings is not consolidated (see Scenario 1) the space need is approximately 30,000 USF.
- OIT, CDE, CEO, DORA and CDE Charter School Institute move from commercially leased space to State-owned space.
- Two existing Capitol Complex tenants move within the Capitol Complex.
- The amount of commercially leased space that would be eliminated in Scenario 3 is approximately 315,000 USF and adds approximately 15,000 USF for underserved agency needs.

CONFERENCE CENTER: OPTION A

ROOM LEGEND

1 800 SF
53 SEATS
32 TABLES & CHAIRS

2 650 SF
43 SEATS
26 TABLES & CHAIRS

3 600 SF
40 SEATS
25 TABLES & CHAIRS

4 550 SF
32 SEATS
22 TABLES & CHAIRS

5 600 SF
40 SEATS
25 TABLES & CHAIRS

6 750 SF
50 SEATS
26 TABLES & CHAIRS

7 800 SF
53 SEATS
32 TABLES & CHAIRS

8 1500 SF
100 SEATS
60 TABLES & CHAIRS

9 170 SF
12 SEATS
7 TABLES & CHAIRS

10 170 SF
12 SEATS
7 TABLES & CHAIRS

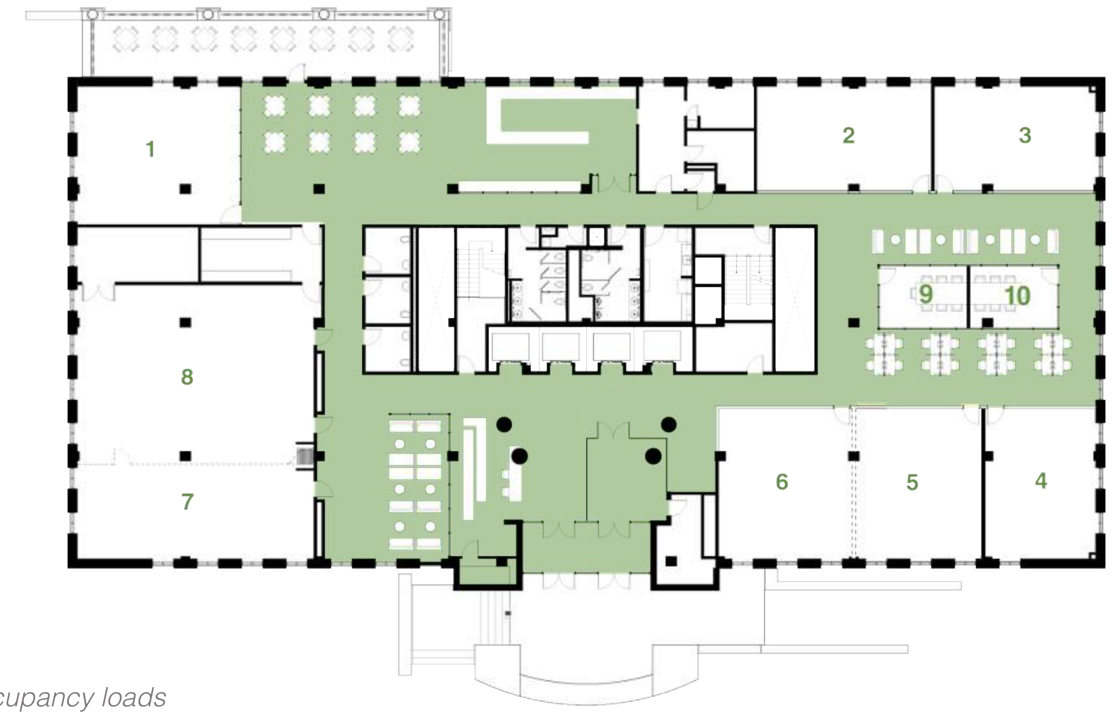


FIGURE 07.10: Option A - Occupancy loads

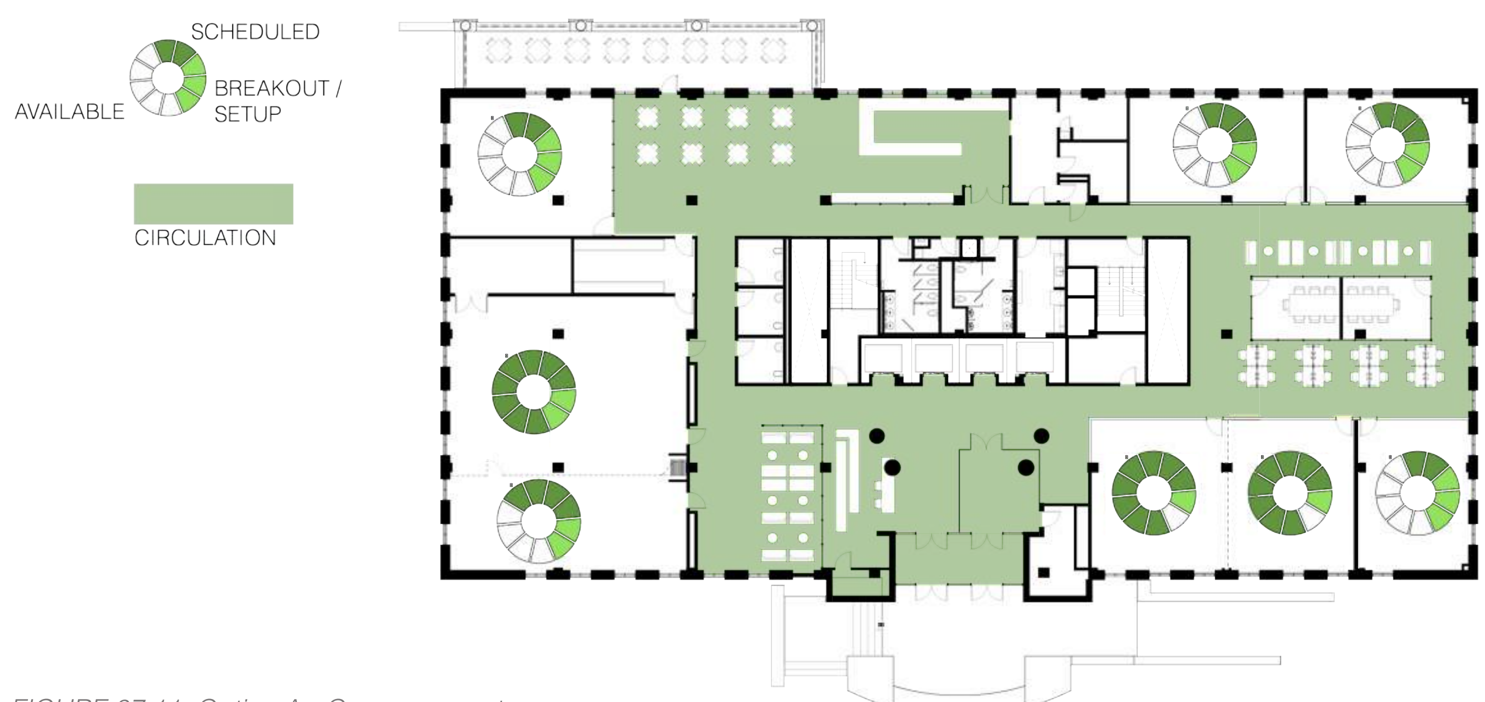


FIGURE 07.11: Option A - Occupancy rates

07.02.04.04 STATE CONFERENCE CENTER TEST FITS

To demonstrate the State Conference Center concept, the Planning Team studied test fits for a conference center in the State Services Building. This report recommends that, if a State Conference Center is pursued, the State further study each of the buildings in the Capitol Complex to determine which is best suited for a conference center.

The data from the agency findings exercise suggests that a combination of conference spaces, food vending amenities and flexible hoteling spaces will accommodate interagency conference needs in the Capitol Complex. This report recommends grouping these spaces for maximum efficiency. The utilization rates point to the need for various sized spaces; however, the highest demand spaces appear to be 100-person, 80-person and 50-person conference rooms. Smaller conference spaces will likely be used ad hoc or as breakout functions for larger events.

The test fits utilize operable partitions in larger spaces to accommodate groups up to 120 that can be subdivided to manage the 30-, 50- and 80-person meeting needs. In both options A and B, existing restroom and service kitchen cores remain. Several single-use restrooms are added to accommodate the expected increase in occupant load and improve accessibility.

Two test fit alternatives were studied. The alternatives are similar in seating capacity but distribute hoteling space and large conference spaces differently:

- Option A attempts to maintain most of the existing conference room on the south side of the floor plan. The conference rooms on the north half of the floor plan flank a centralized hoteling center with a diversity of desking options and small conference rooms. The food vending amenity and kitchen spaces are envisioned to open to the remainder of the floor.

CONFERENCE CENTER: OPTION B

ROOM LEGEND

1 400 SF
27 SEATS
16 TABLES & CHAIRS

2 1500 SF
100 SEATS
60 TABLES & CHAIRS

3 1500 SF
100 SEATS
60 TABLES & CHAIRS

4 400 SF
27 SEATS
16 TABLES & CHAIRS

5 650 SF
43 SEATS
26 TABLES & CHAIRS

6 650 SF
43 SEATS
26 TABLES & CHAIRS

7 450 SF
30 SEATS
20 TABLES & CHAIRS

8 450 SF
30 SEATS
20 TABLES & CHAIRS

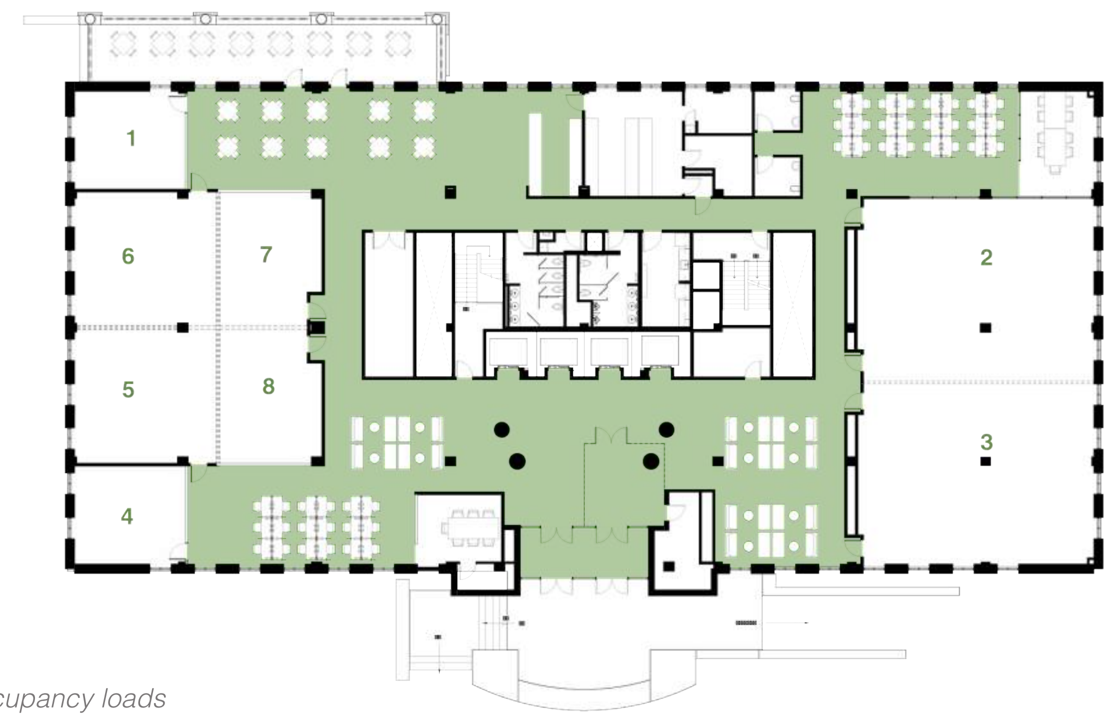


FIGURE 07.12: Option B - Occupancy loads

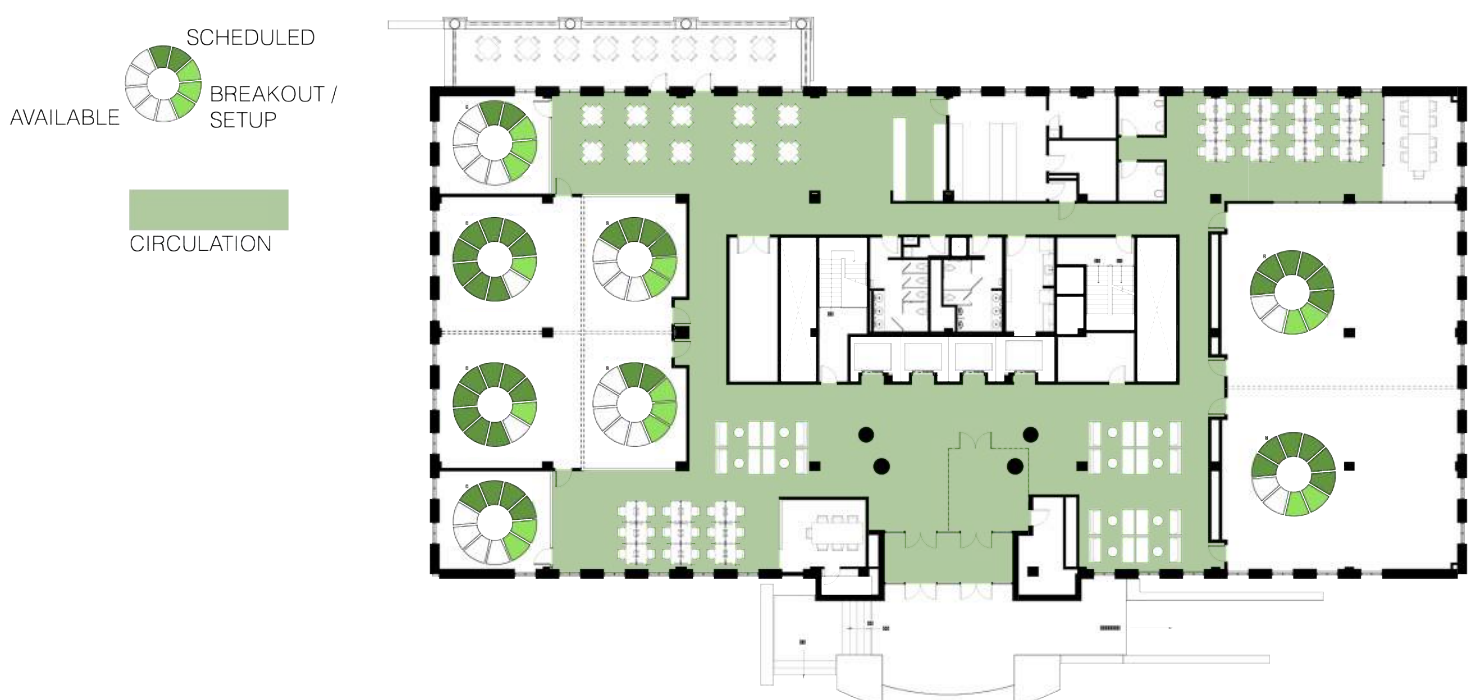


FIGURE 07.13: Option B - Occupancy rates

- Option B incorporates a grouping of sub-dividable conference spaces at the south half of the floor plan and two larger conference rooms on the north side. The option incorporates two smaller hoteling centers servicing each half of the floor plan. The lobby is opened to provide queuing and pre-function space to each side of the floor plan. Like Option A, the food vending amenity and kitchen spaces are envisioned to open to the remainder of the floor.

07.03
CO-LOCATION OPPORTUNITIES

07.03 INTRODUCTION

As discussed in Section 05.03 of this report, co-location is a strategy by which multiple agencies are housed together in one building. A “hub,” for this report, is any co-location that offers customer services, making it a government center for a geographic area. Co-locations are particularly efficient because they consolidate amenity spaces, infrastructure needs such as technology and security, and, in the case of hubs, customer services. Additionally, co-locations can provide the State with the flexibility to accommodate changes in agency space needs: As one agency’s needs grow, a co-location makes it possible to utilize surplus space that may be available from another tenant agency.

The Office of the State Architect (OSA) Real Estate Program currently analyzes the State real estate portfolio by sorting leases into town locations. As indicated in Section 05.08.02, this report recommends broadening the filter of this sorting into Real Estate Regions consisting of one or more counties. Using this information, existing lease expirations dates and trends from the agency’s operational master plans, the OSA could plan for co-locations. For this section of the report, the Planning Team has undertaken an initial analysis to propose scenarios for co-location opportunities available to the State in the short term.

07.03.01 CO-LOCATION SCENARIO-PLANNING PROCESS

To propose co-location scenarios, the Planning Team has reviewed data for State administrative office locations, sorting leases by Real Estate Regions. The exercise is based on the following assumptions:

- Moves to co-locations are somewhat dependent on the alignment of lease expirations. To achieve this alignment, the planning team has assumed the State will adopt the policy of one-year leases with renewal options, discussed in Section 07.01.02.01. This report recommends extending individual leases by one-year increments to achieve the alignments of lease expirations that would make co-locations feasible. An alternative alignment technique is to utilize the co-location lease termination clause in the existing Gross Lease Agreement for early lease terminations. This option would likely involve a negotiated buyout of the remainder of the lease.
- This report’s recommendations for co-locations prioritize geographic proximity of existing agency offices, lease expiration dates that are close to aligning, and the size of existing leases.
- The “Best Fit” considerations discussed in Section 05.03.03 regarding which agencies would have programmatic, workspace or collaboration benefits from co-locating are not considered in the co-location scenarios. The scenarios assume that if it would be important to separate customers at one hub location, this could be achieved with multiple entrance locations to the hub.
- This report assumes that no co-location can occur before summer 2022. The OSA and agencies must have at least one year to plan for future moves, as discussed in Section 07.01.01.01.
- This report assumes that the co-location would occur in leased space. The primary co-location scenarios involving moves to State-owned space involve the downtown Denver holdings in the Capitol Complex and are described in Section 07.03.

LARGEST FIVE HUB OPPORTUNITIES

Division/Office	Street Address	City	SF	Expiration
DNR Reclamation Mining & Safety	14960 Woodcarver Rd.	Colorado Springs	135	06/30/2021
Division of Vocational Rehabilitation	1365 West Garden of the Gods Rd	Colorado Springs	9,447	11/30/2021
Division of Unemployment Insurance	1295 Kelly Johnson Blvd., #250	Colorado Springs	1,069	09/30/2024
DOR Regional Service Center	2447 N. Union Blvd	Colorado Springs	13,127	06/30/2028
Parole	888 Garden of the Gods Road	Colorado Springs	20,376	06/30/2028
COLORADO SPRINGS			**44,154**	
DOR Motor Vehicle Division	11900 N. Washington Street	Northglenn	3,480	06/30/2021
Division of National Guard	550 Thornton Parkway	Thornton	1,334	08/31/2022
Parole	8800 Sheridan Blvd	Westminster	29,364	09/30/2022
DOR Motor Vehicle Division	8430 Federal Boulevard	Westminster	3,536	06/30/2023
Division of Vocational Rehabilitation	11990 Grant Street	Northglenn	5,183	07/31/2024
NORTH DENVER SUBURBS			**42,897**	
Parole	4109 North Elizabeth Rd.	Pueblo	12,200	09/30/2021
Division of Vocational Rehabilitation	720 North Main	Pueblo	6,116	06/30/2022
Rural Workforce Consortium	212 W. 3rd Street	Pueblo	13,048	09/30/2023
DOR Regional Service Center	827 West 4th Street	Pueblo	4,670	06/30/2024
DNR Water Resources	310 E. Abriendo Avenue	Pueblo	6,405	06/30/2025
PUEBLO			**42,439**	
Division of Vocational Rehabilitation	822 7th Street	Greeley	1,686	06/30/2021
DNR Water Resources	810 9th Street	Greeley	8,465	06/30/2021
DOR Regional Service Center	2320 Reservoir Road	Greeley	4,849	06/30/2023
Division of National Guard	3489 West 10th Street	Greeley	800	06/30/2023
Parole	3257 W. 20th Street	Greeley	7,432	06/30/2026
GREELEY			**23,232**	
Division of Vocational Rehabilitation	6974 S Lima St.	Centennial	918	06/30/2021
Division of National Guard	12150 and 12200 E. Briarwood Ave	Centennial	6,203	06/30/2021
DOR Motor Vehicle Division	5030-5290 East Arapahoe Road	Centennial	4,980	09/30/2030
Parole	300 Hampden East	Englewood	8,387	06/30/2031
SOUTH DENVER SUBURBS			**20,488**	

FIGURE 07.14: Largest five hub opportunities

07.03.02 RECOMMENDATION: CO-LOCATION HUBS

Co-locations can occur with customer-serving agencies or with agencies that do not have public customer services. For the purposes of this report, if a co-location has at least one customer-serving agency, it is defined as a "hub." The two types of co-locations are different in that customer-serving hubs have different security and parking requirements than non-customer-serving co-locations. Because hubs have a direct service benefit to Coloradans, there may be more legislative support for hub funding.

Figures 07.14 and 07.15 describe the largest scenarios for customer-serving co-locations in the Real Estate Regions described in Section 05.08.02. These scenarios are based on leases that are due to expire in the next 10 years (2021 – 2031). The largest opportunities for co-location hubs occur in several regions along the Front Range, including Colorado Springs, Pueblo, north and south metro Denver and Greeley. In some cases, like the north metro Denver example, lease expirations are clustered within a few years of each other, and the timing for assembling a co-location hub would be relatively straightforward with either a few short-term lease extensions or early terminations. In the cases of both Colorado Springs and south metro Denver, several leases are expiring in the near term with the rest expiring up to nine years in the future. If early lease terminations do not make sense financially in either instance, then the Real Estate Program could either consider splitting these up into two smaller hubs in each region (one in the short term and one in the long term) or explore this as a possible solution eight to nine years in the future.

SOUTH DENVER

Parole
8,387 SF
300 Hampden East
Expires : 6/30/2031

Division of National Guard
6,203 SF
12150 and 12200 E. Briarwood Av.
Expires : 6/30/2021

DOR Motor Vehicle Division
4,980 SF
5030-5290 E. Arapahoe Rd.
Expires : 9/30/2030

Division of Vocational Rehabilitation
918 SF
6974 S. Lima St.
Expires : 6/30/2021

NORTH DENVER

Division of Vocational Rehabilitation
5,183 SF
11990 Grant St.
Expires : 7/31/2024

Parole
29,364 SF
8800 Sheridan Blvd.
Expires : 9/30/2022

DOR Motor Vehicle Division
3,536 SF
8430 Federal Blvd.
Expires : 6/30/2023

DOR Motor Vehicle Division
3,480 SF
11900 N. Washington St.
Expires : 6/30/2021

Division of National Guard
1,334 SF
550 Thornton Parkway
Expires : 8/31/2022

PUEBLO

Parole
12,200 SF
4109 N. Elizabeth Rd.
Expires : 9/30/2021

Division of Vocational Rehab
6,116 SF
720 N. Main
Expires : 6/30/2022

Rural Workforce Consortium
13,048 SF
212 W 3rd St.
Expires : 9/30/2023

DOR Regional Service Center
4,670 SF
827 W 4th St.
Expires : 6/30/2024

DNR Water Resources
6,405 SF
310 E. Abirendo Av.
Expires : 6/30/2025

GREELEY

DNR Water Resources
8,465 SF
810 9th St.
Expires : 6/30/2021

Division of Vocational Rehab
1,686 SF
822 7th St.
Expires : 6/30/2021

Parole
7,432 SF
3257 W 20th St.
Expires : 6/30/2026

Div. OF National Guard
800 SF
3489 W 10th St.
Expires : 6/30/2023

DOR Regional Service Center
4,849 SF
2320 Reservoir Rd.
Expires : 6/30/2023

COLORADO SPRINGS

DNR Reclamation Mining & Safety
135 SF
14960 Woodcarver Rd.
Expires : 6/30/2021

Division of Vocational Rehab
9,447 SF
1365 W. Garden of the Gods
Expires : 11/30/2021

Division of Unemployment Insurance
1,069 SF
1295 Kelly Johnson Blvd. # 250
Expires : 9/30/2024

DOR Regional Service Center
13,127 SF
2447 N. Union Blvd.
Expires : 6/30/2028

Parole
20,376 SF
888 Garden of the Gods Rd.
Expires : 6/30/2028

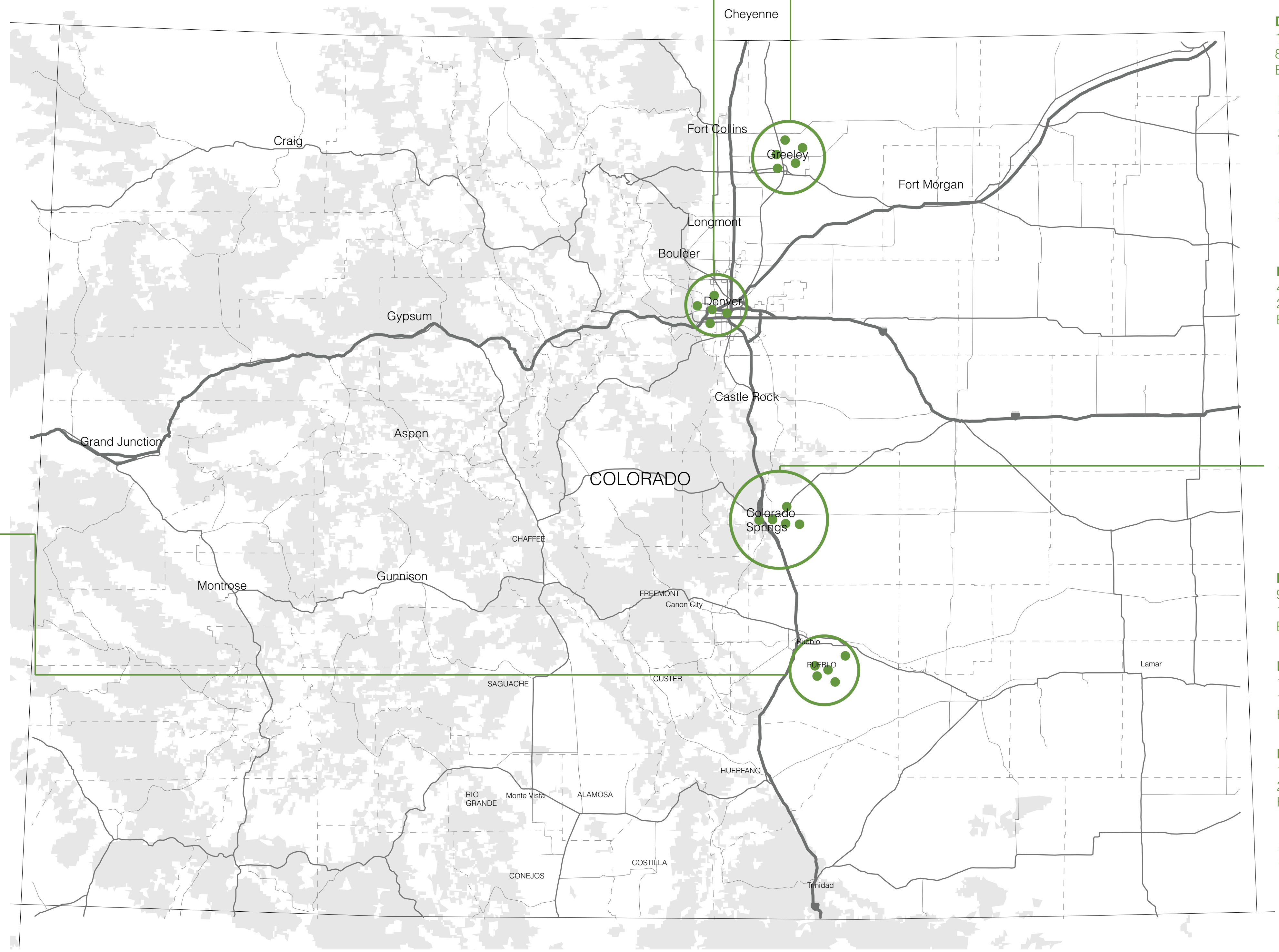


FIGURE 07.15: Largest five hub opportunities

LARGEST FIVE CO-LOCATION OPPORTUNITIES WITHOUT CUSTOMER SERVICE

Division/Office	Street Address	City	SF	Expiration
Youth Corrections	321 S. Tejon Street	Colorado Springs	7,648	06/30/2022
DOR Marijuana Enforcement	1030 S. Academy Blvd	Colorado Springs	5,306	06/30/2022
DPA Administrative Courts	2864 S. Circle Drive	Colorado Springs	4,350	08/31/2025
COLORADO SPRINGS			**17,304**	
DOR Marijuana Enforcement	632 Market Street	Grand Junction	2,670	09/30/2021
DHS Administration	703 23 2/10 Road	Grand Junction	10,500	04/30/2023
Youth Corrections	801 Grand Avenue	Grand Junction	5,528	06/30/2025
GRAND JUNCTION			**18,698**	
Division of Vocational Rehabilitation	720 North Main	Pueblo	6,116	06/30/2021
DOR Lottery	225 N. Main St and 212 W. 3rd St	Pueblo	21,386	06/30/2022
DPHE Administration	140 Central Main Street	Pueblo	4,379	06/30/2024
Department of Local Affairs	222 West. B Street	Pueblo	800	06/30/2025
PUEBLO			**32,681**	
Division of Vocational Rehabilitation	2850 McClelland	Fort Collins	5,744	06/30/2021
DOR Regional Service Center	3030 S. College Avenue	Fort Collins	9,540	06/30/2021
Youth Corrections	2629 Redwing Road	Fort Collins	1,495	12/31/2025
Parole*	3000 S. College Avenue	Fort Collins	6,104	06/30/2030
FORT COLLINS			**22,883**	
DPS DHSEM	9195 E. Mineral Avenue	Centennial	4,233	12/31/2020
CDOT	400 Inverness Prkwy	Centennial	11,910	08/31/2025
DPS DHSEM	8000 S. Chester #575	Centennial	6,486	06/30/2027
SOUTH DENVER SUBURBS			**22,629**	

* Parole has a customer service component but since it requires a separate entrance it could be considered for co-location with non-customer service components

FIGURE 07.16: Largest five co-location opportunities without customer service

07.03.03 RECOMMENDATION: CO-LOCATIONS WITHOUT CUSTOMER SERVICES

Figures 07.16 and 07.17 describe the largest scenarios for administrative office co-locations without customer services, in the Real Estate Regions described in Section 05.08.02. These scenarios are based on leases that are due to expire in the next 10 years (2021 – 2031). The largest opportunities for co-location without customer service occur in several regions along the Front Range, including Pueblo, Fort Collins, south metro Denver, Grand Junction and Colorado Springs. As in the scenarios above, some lease expirations are clustered within a few years of each other, and timing for co-location would be relatively straightforward with either a few short-term lease extensions or early terminations. In other cases where several leases are expiring in the near term with the rest expiring in the five to 10-year range, the Real Estate Program will have to weigh the pros and cons of either waiting to co-locate agencies or look at splitting these into more than one co-location office in a region. In the case of Fort Collins, the Real Estate Program could explore including Parole within a co-location space as long as it has a separate entrance and parking for visitors.

07.03.04 RECOMMENDATION: HOTELING IN CO-LOCATIONS

Co-locations are ideal locations for hoteling, as described in Section 05.05.03. Hoteling in a co-location can be a highly efficient use of space. Also, if co-locations are geographically dispersed, they provide an opportunity for dispersing hoteling throughout the State. Dispersed, unassigned workstations available for drop-in work would allow the State to expand on its Flexible Work Arrangements (FWA) for employees.

This report recommends that all future State co-locations include an allocation for hoteling space. Outside of the downtown holdings in the Capitol Complex, this report recommends that these hoteling workstations be available to all State employees, rather than to just the tenant agencies, to fully leverage the flexibility of remote working. To achieve hoteling with statewide employee access, this report recommends that the State plan for hoteling standards as described in Section 05.05.04. In the Capitol Complex, this report recommends single-agency and multi-agency hoteling applications as described in Section 07.02.02.

07.03.05 RECOMMENDATION: CO-LOCATIONS IN CDOT-OWNED BUILDINGS

Based on projected space needs reductions in Colorado Department of Transportation (CDOT) owned office space and the statewide distribution of these buildings, there is an opportunity to co-locate smaller agencies and divisions with CDOT to achieve smaller co-locations distributed throughout the State. CDOT is projecting a reduction of space need in CDOT-owned buildings in many regions across the State. This report recommends that the OSA Real Estate Program analyze agency leases nearing expiration in those regions to determine if there is an opportunity to move agencies into CDOT space. For example, the CDOT building in Sterling is projected to have an approximately 4,000 SF reduction in space needs that could accommodate both the Department of Natural Resources (DNR) and the Department of Local Affairs (DOLA) commercial leases that are expiring in that region in the near term.

SOUTH DENVER SUBURBS

DPS DHSEM
4,233 SF
9195 E. Mineral Ave.
Expires : 2/31/2020

DPS DHSEM
6,486 SF
8000 S. Chester #575
Expires : 6/30/2027

CDOT
11,910 SF
400 Inverness Pkwy
Expires : 8/31/2025

GRAND JUNCTION

DHS Administration
10,500 SF
703 23 2/10 Road
Expires : 4/30/2023

DOR Marijuana Enforcement
2,670 SF
632 Market Street
Expires : 4/30/2023

Youth Corrections
5,528 SF
801 Grand Av.
Expires : 6/30/2025

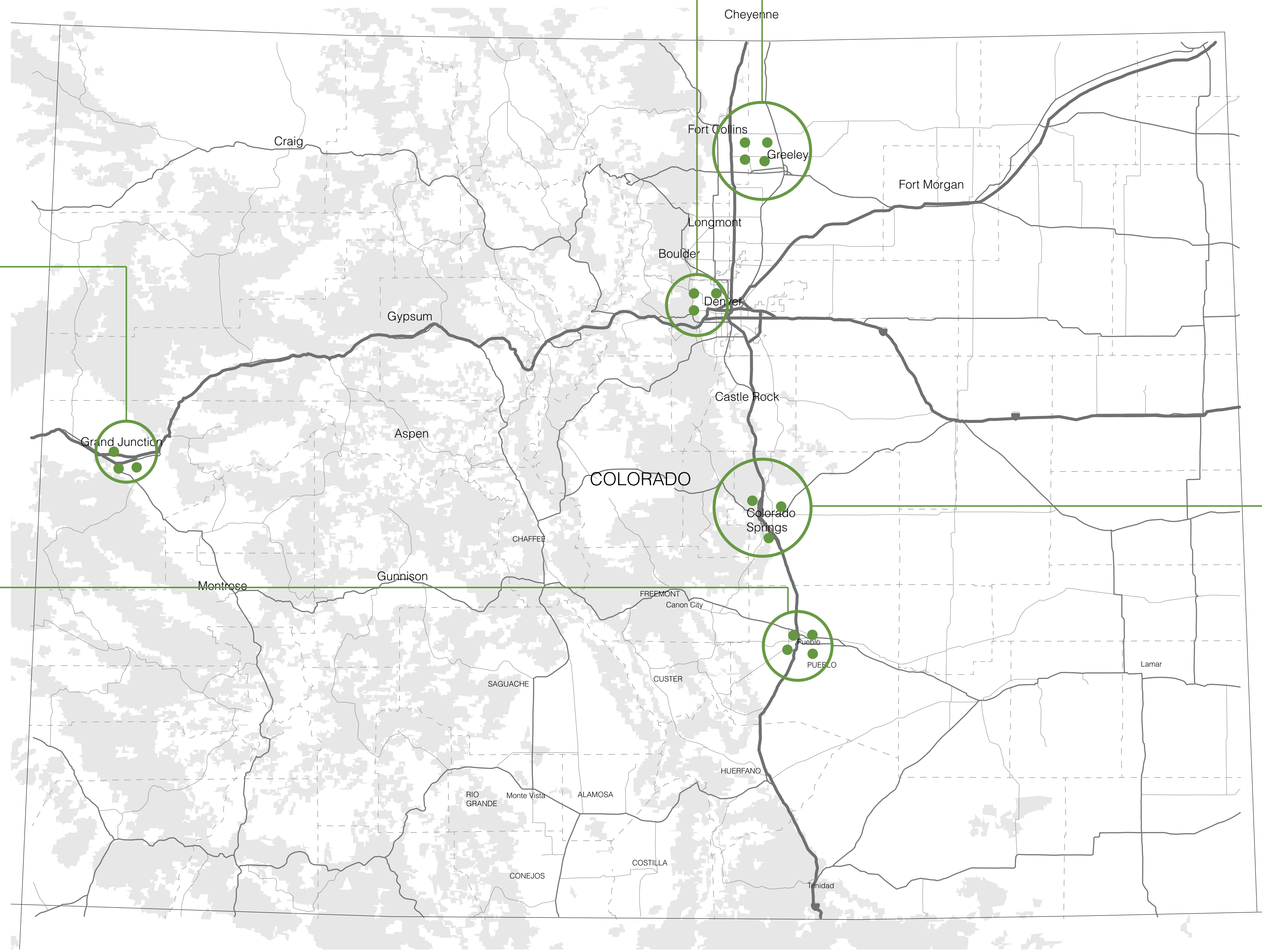
PUEBLO

DOR Lottery
21,386 SF
225 N. Main St. and 212 W. 3rd
Expires : 6/30/2022

DPHE Administration
4,379 SF
140 Central Main Street
Expires : 6/30/2024

Division of Vocational Rehabilitation
6,116 SF
720 N. Main St.
Expires : 6/30/2021

Department of Local Affairs
800 SF
222 W. B Street
Expires : 6/30/2025



FORT COLLINS

Division of Vocational Rehab
5,744 SF
2850 McClelland
Expires : 6/30/2021

Youth Corrections
1,495 SF
2629 Redwing Road
Expires : 12/31/2025

DOR Regional Service Center
9,540 SF
3030 S. College Ave.
Expires : 6/30/2021

Parole
6,104 SF
3000 S. College Ave.
Expires : 6/30/2030

COLORADO SPRINGS

DOR Marijuana Enforcement
5,306 SF
1030 S. Academy Blvd.
Expires : 6/30/2022

Youth Corrections
7,648 SF
321 S. Tejon St.
Expires : 6/30/2022

DPA Administration Courts
4,350 SF
2864 S. Circle Drive
Expires : 8/31/2025

FIGURE 07.17: Largest five co-location opportunities without customer service

07.04
COSTS

07.04 INTRODUCTION

To help agencies budget for possible moves, Anderson Mason Dale Architects has provided budgetary costs below. These cost projections are made using second quarter 2021 costs in the Colorado Front Range marketplace, in consultation with the Colorado Governor's Office of Information Technology and Colorado Correctional Industries, the State statutory furniture vendor.

07.04.01 IDENTIFYING COSTS ASSOCIATED WITH MOVING

Cost factors associated with re-locating an agency vary widely depending on the scope of tenant improvement required, condition of the new space and location. The primary driver for costs associated with moving is whether an agency seeks to move to commercially owned space or State-owned space. A secondary consideration is whether the prospective space requires light tenant improvement (principally updated finishes), extensive tenant improvement (involving moving walls and modifying building systems) or full building renovation (involving mechanical, electrical and plumbing systems and the envelope). Figure 07.18 summarizes approximate projected costs for these scenarios. Costs are typically listed in usable square feet (USF), which is the total area of an office space dedicated to the tenant. For the full renovation scenario, costs are listed in gross square feet (GSF) which describes the building as a whole. As costs can vary widely depending on the size, scope, quality, and market timing of the tenant fit-out, cost ranges are provided.

This cost data is representative of historical averages for the State using a traditional office design. The re-configurable furniture systems typical of Alternative Workspace Solutions (AWS) generally account for approximately 10-15% of an overall space cost but can result in a 20-30% potential office space reduction. These furnishing costs can be higher than the costs of traditional office furnishings, but the costs can be offset by reduced construction costs with AWS since these alternative configurations typically rely on more open space and less fixed-wall offices than traditional office design.

The typical costs per lease type described in Figure 07.18 are based on typical State administrative office projects. For atypical projects, a variety of factors can increase costs. The key factors that would increase costs are:

- *Requirement for hazardous materials abatement, such as asbestos or lead.*
  This would vary based on the amount and type of abatement required, which is typically unknown until the demolition of a space is complete.

- *Project location outside of the Front Range marketplace.*
  Mountain or remote locations should expect costs to be 120% - 140% of Front Range costs.

- *Escalation after the second quarter of 2021.*
  The costs listed in Figure 07.18 reflect the Front Range marketplace as of second quarter (Q2) 2021. This report recommends an escalation factor of 4% per year for construction cost and FF&E, for projects starting after Q2 2021. This is common practice for construction pricing and aligns with the escalation factor used for leases in the Real Estate Program Policies and Procedures, which is 3.5%-4% per year. However, escalation is subject to many factors and can vary widely from this number. Some construction cost estimators are predicting steep price increases in the post-COVID construction marketplace related to predictions of intensive economic expansion during that period. This report recommends that the State revisit escalation predictions on an annual basis.

- *Costs assume a scale of space at or above 10,000 USF.*
  Spaces smaller than 10,000 SF would likely experience a premium on a cost-per-square-foot basis.

07.04.01 MOVING COSTS

Moving costs depend primarily on the manpower required for the move, which varies based on the number of items moved, and the relative difficulty or ease of moving from one space to another. The moving distance is also a factor. Moving costs typically range from $1 – $2 / USF. As a benchmark, Colorado Correctional Industries (CCI) offers moving services and currently provides a move requiring a six-person crew at a rate of approximately $800/day, with the duration of the move subject to the factors noted above. There is no statutory requirement to use CCI for moving services.

LIGHT TENANT IMPROVEMENT

(updated finishes, no wall moves, minimal MEP changes, new data cabling)

Project Cost Components	State Lease from Private Owner		Inter-Agency Lease from State	
	Typical Landlord Cost	*Typical Agency Cost*	*Typical Landlord Cost*	*Typical Agency Cost*
PROFESSIONAL SERVICES FEE	$4 - $7 / USF	$0*	$0	$4 - $7 / USF
RENOVATION CONSTRUCTION COST	$60 - $90 / USF	$0*	$0	$60 - $90 / USF
FURNITURE, FIXTURES & EQUIPMENT (FF&E)	$0	$25 - $45 / USF	$0	$25 - $45 / USF
IT - DATA CABLING	$0	$3 - $6 / USF	$0	$3 - $6 / USF
MOVING COSTS	$0	$1 - $2 / USF	$0	$1 - $2 / USF
TOTAL PROJECT COSTS	**$64 - $97 / USF**	**$29 - $53 / USF**	**$0**	**$93 - $150 / USF**

EXTENSIVE TENANT IMPROVEMENT

(updated finishes, layout changes with demo and new walls, MEP changes, new data cabling)

Project Cost Components	State Lease from Private Owner		Inter-Agency Lease from State	
	Typical Landlord Cost	*Typical Agency Cost*	*Typical Landlord Cost*	*Typical Agency Cost*
PROFESSIONAL SERVICES FEE	$5 - $9 / USF	$0*	$0	$5 - $9 / USF
RENOVATION CONSTRUCTION COST	$100 - $140 / USF	$0*	$0	$100 - $140 / USF
FURNITURE, FIXTURES & EQUIPMENT (FF&E)	$0	$25 - $45 / USF	$0	$25 - $45 / USF
IT - DATA CABLING	$0	$3 - $6 / USF	$0	$3 - $6 / USF
MOVING COSTS	$0	$1 - $2 / USF	$0	$1 - $2 / USF
TOTAL PROJECT COSTS	**$105 - $149 / USF**	**$29 - $53 / USF**	**$0**	**$134 - $202 / USF**

FULL RENOVATION

(Extensive Tenant Improvement + building MEP systems + core and shall improvements)

Project Cost Components	State Lease from Private Owner		Inter-Agency Lease from State	
	Typical Landlord Cost	*Typical Agency Cost*	*Typical Landlord Cost*	*Typical Agency Cost*
PROFESSIONAL SERVICES FEE	$14 - $28 / GSF	$0*	$0	$14 - $28/ GSF
CORE AND SHELL IMPROVEMENTS	$20 - $60 / GSF	$0*	$0	$20 - $60 / GSF
MEP SYSTEMS IMPROVEMENTS	$45 - $80 GSF	$0*	$0	$45 - $80 / GSF
TENANT IMPROVEMENT CONSTRUCTION COST	$100 - $140 / GSF	$0*	$0	$100 - $140 / GSF
FURNITURE, FIXTURES & EQUIPMENT (FF&E)	$0	$18 - $33 / GSF	$0	$18 - $33 / GSF
IT - DATA CABLING	$0	$3 - $6 / GSF	$0	$3 - $6 / GSF
MOVING COSTS	$0	$1 - $2 / GSF	$0	$1 - $2 / GSF
TOTAL PROJECT COSTS	**$179 - $308 / GSF**	**$22 - $41 / GSF**	**$0**	**$201 - $349 / GSF**

** Professional services fees and construction costs are built into lease rate and amortized over time*

Additional Cost Factors (See narrative for more detail):

- Costs are based on Q2 2021; apply 4% per year escalation factor
- Costs exclude hazardous material (asbestos & lead) abatement, if required.
- Costs are based on Front Range marketplace; mountain locations should be 120%-140% of Front Range costs.
- Costs assume a scale of space at or above 10,000 USF; smaller spaces would likely experience a premium on cost/SF basis.

FIGURE 07.18: Project costs

07.04.01.02 IT COSTS

Data Cabling costs are typically $3 – $6 / USF, assuming that all data cabling is removed and replaced with new leases, based on property that has adequate internet connectivity service. If a property does not have adequate service, substantial additional costs may be incurred to install infrastructure for service.

There are additional software and hardware requirements associated with agency decisions regarding employee needs to support Flexible Work Arrangements policy. These are assumed to be operational costs.

07.04.01.03 FURNITURE, FIXTURES AND EQUIPMENT COSTS

Furniture, Fixtures & Equipment (FF&E) costs vary depending on what specialty equipment an agency may require. Since specialty equipment is typically funded separately, FF&E costs here refer exclusively to furnishings. An agency can save funds by moving existing furniture or re-using existing State furniture from other sites. Unused furniture should be stored for future State use. If new furniture is needed, a typical range of costs for new furnishings for State administrative offices is approximately $25 – $45 / USF, based on standard office furniture.

By statute, State agencies must purchase furnishings through Colorado Correctional Industries (CCI) unless a particular item cannot be provided by CCI. Historical figures from CCI indicate furnishings in a range of $8 – $12 / USF for strictly office furniture. This report projects the higher $25 – $45 based on comprehensive office space needs, including lounge furniture and hoteling stations and the need for high-quality adjustable furniture that will occur if an agency adopts widespread seat-sharing practices.

If an office space requires extensive audiovisual equipment, these costs would be in addition to the furnishings costs indicated above.

07.04.01.04 TENANT IMPROVEMENT ALLOWANCES

Typically, spaces to which agencies move require some level of renovation to meet agency needs. For commercialcommercial leases, tenant improvement costs are typically borne by the landlord, and payback is amortized through the lease structure. If the State adopts the goal of shorter lease durations described in Section 07.01.02.01 for the space consolidation period, landlords will be less likely to provide a tenant improvement allowance sufficient for renovation needs. For those leases, this report recommends that the State either find spaces that do not require tenant improvement, or that the State fund the improvements.

For leases in State-owned property, tenant improvement costs are borne by the State, typically by the tenant agency. For light tenant improvements where mechanical and electrical work above the ceiling does not require extensive rework, wall moves are not substantial and primarily finish upgrades are required, costs are approximately $60 – $90 / USF. For more extensive tenant improvements where space is unfinished with only system stub-outs provided, costs are approximately $100 – $140 / USF. For full building renovation, costs are approximately $201 - $349 / GSF. See also the discussion above regarding additional cost factors

In a lease of commercially owned space, when the upfront construction costs are higher than the landlord is willing to accommodate, the State has the option of paying the difference. Sometimes agencies have operational funds that can be used for such a purpose, but the State's purchasing requirements often restrict these funds from being used for tenant improvements. It is more likely that the State will consider design test fits for one or more spaces, and select whichever lease meets its budgetary, location and operational requirements.

07.04.01.05 PROFESSIONAL SERVICES FEES

Architects, engineers, and other consultants are typically retained to design test fits and for the detailed design of tenant improvements. The landlord pays these professional services fees and amortizes them into the lease when the State leases from a commercialZ landlord or borne by the State when using an interagency lease. The costs of professional services fees vary according to the scope of the work being done. For detailed design, costs are typically $4 – $7 / USF for light tenant improvement and $5 – $9 / USF for more extensive renovations. For full renovations, professional service fees are typically based on the full size of the building, expressed as gross area (GSF). The professional service costs for full renovation for office use are typically $14 - $28 / GSF depending on the scope of the renovation. Specialty consultants where audiovisual or acoustical needs are more intense can increase professional service fees. For conceptual test fits, professional service fees are typically minimal.

07.04.02 RECOMMENDATION: ESTABLISH EQUALITY OF FUNDING FOR TENANT IMPROVEMENTS

The current State practice for tenant improvements in commercial leases is that they are funded by the landlord with payback amortized through the lease payments whereas the State practice for tenant improvements in State-owned space is that tenant improvements are paid upfront by the agency. This creates inequality between commercial space and State-owned space because historically there has been little or no funding for tenant improvements in State-owned buildings.

This report recommends that the Office of State Architect investigate creating a mechanism that allows the state to fund and amortize tenant and controlled maintenance costs of State-owned buildings, which will better align its practices with the commercial sector albeit continue to provide a more cost-effective option to private commercial leases.

07.05
FUTURE CONSIDERATIONS

07.05 OVERVIEW

Remote work provides an opportunity for the State to consolidate administrative office space. The scope of this report is limited to those State agencies who fall under the Governor's purview. Agencies outside of the Governor's purview may benefit from applying the strategies described in this report or may already have adopted similar strategies. Those agencies could realize the same benefits described in this report: saving expenses, increasing employee satisfaction and reducing environmental impacts. In the future, it may be beneficial for the State to involve the Office of the State Architect (OSA) as a facilitator in space needs planning for these agencies to identify synergies between the various components of State government.

To do this, the OSA would need to first work with these agencies to understand what they are currently doing for space reduction and where opportunities exist for more collaboration. The OSA could work with the agencies to apply the strategies listed in this report – including co-location, hoteling, space needs analysis and prioritization of State-owned space – to determine where and how space reductions could occur.

The key groups for future collaboration on physical reductions are:

- Administrative Offices of the Legislative Branch
- Administrative Offices of the Judicial Branch
- Administrative Offices of the Executive Branch, not under the Governor's purview
    - Attorney General's Office
    - Treasurer's Office
    - Secretary of State's Office
- Institutions within the Department of Higher Education

08
APPENDICES

08.01
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08.02
APPENDIX FIGURES

08.02.03.01 COMMERCIAL LEASES BY LOCATION

CURRENT COMMERCIAL LEASES BY LOCATION

	Division	Address	City	Real Estate Region	Number of Leases	Pre-COVID Commercially Leased SF
						96,672
DENVER REGION					**20**	**675,192**
	Department of Education	6000 E. Evans Avenue, #100/110	Denver	Denver		9,039
	Department of Education	1560 Broadway # 1100, 1150, 1175, 1195	Denver	Denver		28,625
	Department of Education	1560 Broadway, Suite 500	Denver	Denver		9,890
	Department of Higher Education	1600 Broadway	Denver	Denver		18,182
	Admin	633 17th Street	Denver	Denver		172,240
	Admin	633 17th Street	Denver	Denver		12,324
	DNR Oil and Gas Conservation Comm.	1120 Lincoln Street	Denver	Denver		30,538
	HCPF	303 E. 17th Avenue, Suite 335	Denver	Denver		847
	HCPF	303 E. 17th Avenue, Suite 700	Denver	Denver		25,935
	HCPF	303 E. 17th Avenue, Suite 1080	Denver	Denver		3,218
	HCPF	303 E. 17th Avenue, Suite 1000	Denver	Denver		15,866
	HCPF	303 E. 17th Avenue, Suite 1060	Denver	Denver		7,241
	HCPF	303 E. 17th Avenue, Suite 1100	Denver	Denver		50,599
	HCPF	1670 Broadway	Denver	Denver		6,302
	DORA	1560 Broadway	Denver	Denver		305
	DORA	1560 Broadway	Denver	Denver		165,764
	Governor's Office CEO	1600 Broadway, #1690	Denver	Denver		8,261
	Governor's Office Economic Development	1600 Broadway, #2500	Denver	Denver		14,698
	Governor's Office OIT	601 E. 18th Avenue, #130	Denver	Denver		92,369
	Governor's Office OIT	601 E. 18th Avenue, #200	Denver	Denver		2,949
DENVER SUBURB REGION					**13**	**488,359**
	Child Care Services	5670 Greenwood Plaza Blvd	Greenwood Village	Denver Suburb		6,504
	Division of National Guard	12150 and 12200 E. Briarwood Avenue	Centennial	Denver Suburb		6,203
	DPS DHSEM	9195 E. Mineral Avenue	Centennial	Denver Suburb		4,233
	DPS DHSEM	8000 S. Chester #575	Centennial	Denver Suburb		6,486
	DOR Lottery	720 S. Colorado Blvd.	Glendale	Denver Suburb		6,486
	DOR Tax Audit & Compliance	720 S. Colorado Blvd.	Glendale	Denver Suburb		6,486
	DPHE Administration	4300 Cherry Creek Drive South	Glendale	Denver Suburb		6,486
	DPHE Administration	4300 Cherry Creek Drive South	Glendale	Denver Suburb		11,910
	DPHE Administration	710 South Ash Street	Glendale	Denver Suburb		6,311
	DPS Public Safety - Criminal Justice	710 Kipling Street #200	Lakewood	Denver Suburb		6,486
	CDOT	400 Inverness Prkwy	Centennial	Denver Suburb		6,486
	DOR Marijuana Enforcement	1697 & 1707 Cole Blvd., Suites 200, 300	Golden	Denver Suburb		11,910
	DOR Regional Service Center	1687 Cole Blvd., Suites 100, 200	Golden	Denver Suburb		6,311

FIGURE 08.01: Current commercial leases by location

CURRENT COMMERCIAL LEASES BY LOCATION, continued

Division	Address	City	Real Estate Region	Number of Leases	Pre-COVID Commercially Leased SF
NORTHERN REGION				**1**	**8,465**
DNR Water Resources	810 9th Street	Greeley	Northern		8,465
NORTHWEST REGION				**1**	**1,174**
DNR Water Resources	505 Anglers Drive	Steamboat Springs	Northwest		1,174
SAN LUIS VALLEY REGION				**1**	**580**
DNR Board of Land Commissioners	305 Murphy Drive, Suite A	Alamosa	San Luis Valley		580
SOUTHERN REGION				**3**	**109,284**
DOC - Administration	1250 Academy Park Loop	Colorado Springs	Southern		90,763
DOC - Administration	1150 Academy Park Loop	Colorado Springs	Southern		12,116
DNR Water Resources	310 E. Abriendo Avenue	Pueblo	Southern		6,405
SOUTHWEST REGION				**1**	**3,897**
DNR Water Resources	160 Rockpoint Drive	Durango	Southwest		3,897
WESTERN REGION				**3**	**16,893**
DNR Water Resources	202 Center Drive	Glenwood Springs	Western		4,200
DHS Adminstration	703 23 2/10 Road	Grand Junction	Western		10,500
DWR	1541 Oxbow Drive	Montrose	Western		2,193
TOTAL				**43**	**1,303,844**

FIGURE 08.01: Current commercial leases by location

08.02.03.01 COMMERCIAL LEASES BY AGENCY

CURRENT COMMERCIAL LEASES BY AGENCY

Agency	Division	Address	City	Real Estate Region	Number of Leases	Pre-COVID Privately Leased SF
CDE (DEPT OF EDUCATION)					**3**	**47,554**
	Department of Education	6000 E. Evans Avenue, #100/110	Denver	Denver		9,039
	Department of Education	1560 Broadway # 1100, 1150, 1175, 1195	Denver	Denver		28,625
	Department of Education	1560 Broadway, Suite 500	Denver	Denver		9,890
CDHE (HIGHER ED)					**1**	**18,182**
	Department of Higher Education	1600 Broadway	Denver	Denver		18,182
CDHS (DEPT OF HUMAN SERVICES)					**2**	**17,004**
	DHS Adminstration	703 23 2/10 Road	Grand Junction	Western		10,500
	Child Care Services	5670 Greenwood Plaza Blvd	Greenwood Village	Denver Suburb		6,504
CDLE (DEPT OF LABOR AND EMPLOYMENT)					**2**	**184,564**
	Admin	633 17th Street	Denver	Denver		172,240
	Admin	633 17th Street	Denver	Denver		12,324
CDPHE (DEPT OF PUBLIC HEALTH AND ENVIRONMENT)					**3**	**355,687**
	DPHE Administration	4300 Cherry Creek Drive South	Glendale	Denver Suburb		312,338
	DPHE Administration	4300 Cherry Creek Drive South	Glendale	Denver Suburb		6,661
	DPHE Administration	710 South Ash Street	Glendale	Denver Suburb		36,688
DMVA (DEPT OF MILITARY AND VETERANS AFFAIRS)					**1**	**6,203**
	Division of National Guard	12150 and 12200 E. Briarwood Avenue	Centennial	Denver Suburb		6,203
DNR (DEPT OF NATURAL RESOURCES)					**8**	**57,452**
	DNR Board of Land Commissioners	305 Murphy Drive, Suite A	Alamosa	San Luis Valley		580
	DNR Oil and Gas Conservation Comm.	1120 Lincoln Street	Denver	Denver		30,538
	DNR Water Resources	810 9th Street	Greeley	Northern Colorado		8,465
	DNR Water Resources	505 Anglers Drive	Steamboat Springs	Northwest		1,174
	DNR Water Resources	160 Rockpoint Drive	Durango	Southwest		3,897
	DNR Water Resources	8000 S. Chester #575	Glenwood Springs	Western		4,200
	DNR Water Resources	310 E. Abirendo Avenue	Pueblo	Southern		6,405
	DWR	1541 Oxbow Drive	Montrose	Western		2,193
DOC (DEPT OF CORRECTIONS)					**2**	**102,879**
	DOC - Administration	1250 Academy Park Loop	Colorado Springs	Southern		90,763
	DOC - Administration	1150 Academy Park Loop	Colorado Springs	Southern		12,116
HCPF (DEPT OF HEALTH CARE AND POLICY FINANCING)					**7**	**110,008**
	HCPF	303 E. 17th Avenue, Suite 335	Denver	Denver		847
	HCPF	303 E. 17th Avenue, Suite 700	Denver	Denver		25,935

FIGURE 08.02: Current commercial leases by agency

CURRENT COMMERCIAL LEASES BY AGENCY, continued

Agency	Division	Address	City	Real Estate Region	Number of Leases	Pre-COVID Privately Leased SF
	HCPF	303 E. 17th Avenue, Suite 1080	Denver	Denver		3,218
	HCPF	303 E. 17th Avenue, Suite 1000	Denver	Denver		15,866
	HCPF	303 E. 17th Avenue, Suite 1060	Denver	Denver		7,241
	HCPF	303 E. 17th Avenue, Suite 1100	Denver	Denver		50,599
	HCPF	1670 Broadway		Denver		6,302
DOR (DEPT OF REVENUE)					**4**	**91,025**
	DOR Lottery	720 S. Colorado Blvd.	Glendale	Denver Suburb		11,962
	DOR Tax Audit & Compliance	720 S. Colorado Blvd.	Glendale	Denver Suburb		16,339
	DOR Marijuana Enforcement	1697 & 1707 Cole Blvd., Suites 200, 300	Golden	Denver Suburb		42,384
	DOR Regional Service Center	1687 Cole Blvd., Suites 100, 200	Golden	Denver Suburb		20,340
DORA (DEPT OF REGULATORY AGENCIES)					**2**	**166,069**
	DORA	1560 Broadway	Denver	Denver		305
	DORA	1560 Broadway	Denver	Denver		165,764
DPS (DEPT OF PUBLIC SAFETY)					**3**	**17,030**
	DPS DHSEM	9195 E. Mineral Avenue	Centennial	Denver Suburb		4,233
	DPS DHSEM	8000 S. Chester #575	Centennial	Denver Suburb		6,486
	DPS Public Safety - Criminal Justice	710 Kipling Street #200	Lakewood	Denver Suburb		6,311
CDOT (DEPT OF TRANSPORTATION)					**1**	**11,910**
		400 Inverness Prkwy	Centennial	Denver Suburb		11,910
GOVERNOR'S OFFICE					**4**	**118,277**
	Governor's Office CEO	1600 Broadway, #1690	Denver	Denver		8,261
	Governor's Office Economic Development	1600 Broadway, #2500	Denver	Denver		14,698
	Governor's Office OIT	601 E. 18th Avenue, #130	Denver	Denver		92,369
	Governor's Office OIT	601 E. 18th Avenue, #200	Denver	Denver		2,949
TOTAL					**43**	**1,303,844**

FIGURE 08.02: Current commercial leases by agency

08.02.03.01 COMMERCIAL LEASES IN METRO DENVER VS REMAINDER OF STATE

CURRENT COMMERCIAL LEASES IN METRO DENVER VS REMAINDER OF STATE

Agency	Division	Address	City	Real Estate Region	Number of Leases	Pre-COVID Commercial Leased SF	$/SF
DENVER METRO					**33**	**1,163,551**	**$22.27**
	Department of Education	6000 E. Evans Avenue, #100/110	Denver	Denver		9,039	$17.97
	Department of Education	1560 Broadway # 1100, 1150, 1175, 1195	Denver	Denver		28,625	$27.81
	Department of Education	1560 Broadway, Suite 500	Denver	Denver		9,890	$27.81
	Department of Higher Education	1600 Broadway	Denver	Denver		18,182	$28.50
	Admin	633 17th Street	Denver	Denver		172,240	$22.90
	Admin	633 17th Street	Denver	Denver		12,324	$28.00
	DPHE Administration	4300 Cherry Creek Drive South	Glendale	Denver		312,338	$21.32
	DPHE Administration	4300 Cherry Creek Drive South	Glendale	Denver		6,661	$24.00
	DPHE Administration	710 South Ash Street	Glendale	Denver		36,688	$25.00
	DNR Oil and Gas Conservation Comm.	1120 Lincoln Street	Denver	Denver		30,538	$27.89
	HCPF	303 E. 17th Avenue, Suite 335	Denver	Denver		847	$25.85
	HCPF	303 E. 17th Avenue, Suite 700	Denver	Denver		25,935	$25.85
	HCPF	303 E. 17th Avenue, Suite 1080	Denver	Denver		3,218	$28.00
	HCPF	303 E. 17th Avenue, Suite 1000	Denver	Denver		15,866	$28.00
	HCPF	303 E. 17th Avenue, Suite 1060	Denver	Denver		7,241	$30.50
	HCPF	303 E. 17th Avenue, Suite 1100	Denver	Denver		50,599	$28.00
	HCPF	1670 Broadway	Denver	Denver		6,302	N/A
	DORA	1560 Broadway	Denver	Denver		305	$12.00
	DORA	1560 Broadway	Denver	Denver		165,764	$18.00
	Governor's Office CEO	1600 Broadway, #1690	Denver	Denver		8,261	$29.65
	Governor's Office Economic Development	1600 Broadway, #2500	Denver	Denver		14,698	$29.50
	Governor's Office OIT	601 E. 18th Avenue, #130	Denver	Denver		92,369	$21.92
	Governor's Office OIT	601 E. 18th Avenue, #200	Denver	Denver		2,949	$10.00
	DOR Lottery	720 S. Colorado Blvd.	Glendale	Denver Suburb		11,962	$20.25
	DOR Tax Audit & Compliance	720 S. Colorado Blvd.	Glendale	Denver Suburb		16,339	$23.00
	Child Care Services	5670 Greenwood Plaza Blvd	Greenwood Village	Denver Suburb		6,504	$23.50
	Division of National Guard	12150 and 12200 E. Briarwood Avenue	Centennial	Denver Suburb		6,203	$22.00
	DPS DHSEM	9195 E. Mineral Avenue	Centennial	Denver Suburb		4,233	$24.58
	DPS DHSEM	8000 S. Chester #575	Centennial	Denver Suburb		6,486	$28.38

FIGURE 08.03: Current commercial leases in metro Denver vs remainder of State

CURRENT COMMERCIAL LEASES IN METRO DENVER VS REMAINDER OF STATE, continued

Agency	Division	Address	City	Real Estate Region	Number of Leases	Pre-COVID Privately Leased SF	$/SF
	DPS Public Safety - Criminal Justice	710 Kipling Street #200	Lakewood	Denver Suburb		6,311	$22.25
	DOR Marijuana Enforcement	1697 & 1707 Cole Blvd., Suites 200, 300	Golden	Denver Suburb		42,384	$25.50
	DOR Regional Service Center	1687 Cole Blvd., Suites 100, 200	Golden	Denver Suburb		20,340	N/A
	CDOT	400 Inverness Prkwy	Centennial	Denver Suburb		11,910	$23.31
REMAINDER OF STATE					**10**	**140,293**	**$20.11**
	DNR Water Resources	810 9th Street	Greeley	Northern		8,465	$14.81
	DNR Water Resources	505 Anglers Drive	Steamboat Springs	Northwest		1,174	$31.30
	DNR Board of Land Commissioners	305 Murphy Drive, Suite A	Alamosa	San Luis Valley		580	$18.00
	DNR Water Resources	310 E. Abirendo Avenue	Pueblo	Southern		6,405	$16.89
	DOC - Administration	1250 Academy Park Loop	Colorado Springs	Southern		90,763	$20.88
	DOC - Administration	1150 Academy Park Loop	Colorado Springs	Southern		12,116	$22.18
	DNR Water Resources	160 Rockpoint Drive	Durango	Southwest		3,897	$23.89
	DHS Adminstration	703 23 2/10 Road	Grand Junction	Western		10,500	$16.41
	DNR Water Resources	202 Center Drive	Glenwood Springs	Western		4,200	$26.48
	DWR	1541 Oxbow Drive	Montrose	Western		2,193	$20.17
TOTAL					**43**	**1,303,844**	**$22.07**

FIGURE 08.03: Current commercial leases in metro Denver vs remainder of State

08.02.03.01 STATE - OWNED ADMINISTRATIVE OFFICE BY LOCATION

STATE - OWNED ADMINISTRATIVE OFFICES BY LOCATION

	Division	Address	City	Real Estate Region	Number of Locations	Pre-COVID Interagency Leased USF	Pre-COVID State-Owned/Agency Occupied USF
CENTRAL MOUNTAINS REGION					**3**	**0**	**8,816**
R3-Eagle RE	CDOT	714 Grand Ave.	Eagle	Central Mountains			2,266
R3-Gypsum Patrols 17, 18, 89	CDOT	10519 Hwy 6	Gypsum	Central Mountains			1,980
R3-Silverthorne Patrols 43, 47	CDOT	1198 S Adams Ave, Silverthorne, 80498	Silverthorne	Central Mountains			4,570
DENVER REGION					**15**	**445,890**	**436,574**
	DOR	1375 Sherman St.	Denver	Denver		75,421	
	Department of Education	1525 Sherman Street #309	Denver	Denver		4,841	
	Department of Education	201 E Colfax	Denver	Denver		42,049	
	Administration	1575 Sherman Street	Denver	Denver		91,313	
	Admin/UI	251 E 12th Ave	Denver	Denver			91,470
	Natural Resources	1313 Sherman St (suites 110-122, 220)	Denver	Denver		79,278	
	State Land Board	1127 Sherman	Denver	Denver			11,343
	CPW - Bldg 1 - NE District Office	6060 Broadway	Denver	Denver			5,123
	CPW - Bldg 3 - CPW Denver Office	6060 Broadway	Denver	Denver			51,488
	HCPF	1570 Grant Street	Denver	Denver		33,264	
	Department of Local Affairs	1313 Sherman Street, 315-323, 419, 419A, 500-523	Denver	Denver		38,107	
	Personnel & Admin.-CC	1525 Sherman St.	Denver	Denver		81,617	
HQ, R1 HQ	CDOT	2829 W Howard Pl, Denver, 80204	Denver	Denver			175,000
North Holly	CDOT	4670 Holly St, Denver, 80216	Denver	Denver			74,250
	CDHE	1200 Broadway, Denver	Denver	Denver			27,900
DENVER SUBURB REGION					**9**	**179,747**	**169,168**
	Department of Agriculture	305 Interlocken Parkway	Broomfield	Denver Suburb			50,000
	Public Safety	690 Kipling, 3rd & 4th floor, portion of PH fl.	Lakewood	Denver Suburb		39,632	
	Public Safety	700 Kipling, 1st & 3rd floor, portion of 2nd fl	Lakewood	Denver Suburb		50,231	
	DOR	1881 Pierce St.	Lakewood	Denver Suburb		89,884	
Front Range Airport	CDOT	5126 Front Range Pkwy	Watkins	Denver Suburb			5,340
R1-Aurora KOA	CDOT	18500 E. Colfax Ave.	Aurora	Denver Suburb			60,000
Front Range Airport	CDOT	1050 Lee Hill Rd, Boulder, 80302	Boulder	Denver Suburb			4,100
Camp George West 43, 45, 83	CDOT	15285 S Golden Rd.	Golden	Denver Suburb			9,575
Golden Corp Cir	CDOT	425 Corporate Cir.	Golden	Denver Suburb			40,153
NORTHEAST REGION					**2**	**0**	**6,323**
R4-Sterling Engr N	CDOT	120 N Riverview Rd, Sterling, 80751	Sterling	Northeast			5,923
R4-Sterling Mtc	CDOT	118 N Riverview Rd, Sterling, 80751	Sterling	Northeast			400

FIGURE 08.04: State-owned administrative offices by location

STATE - OWNED ADMINISTRATIVE OFFICES BY LOCATION, continued

	Division	Address	City	Real Estate Region	Number of Locations	Pre-COVID Interagency Leased USF	Pre-COVID State-Owned/Agency Occupied USF
NORTHERN REGION					**2**	**0**	**45,170**
R4-HQ	CDOT	10601 West 10th St.	Greeley	Northern			37,670
R4-Loveland N Engr/Patrol 05	CDOT	2207 Hwy 402	Loveland	Northern			7,500
NORTHWEST REGION					**1**	**0**	**26,625**
R3-Craig Mtc HQ	CDOT	260 Ranney St, Craig, 81625	Craig	Northwest			26,625
SAN LUIS VALLEY REGION					**3**	**0**	**18,336**
R5-Alamosa Mtc HQ, RE	CDOT	1205 West Ave.	Alamosa	San Luis Valley			11,384
R5-Monte Vista Mtc	CDOT	401 Monroe St.	Monte Vista	San Luis Valley			1,792
R3-Montrose Townsend	CDOT	2424 N Townsend Ave.	Montrose	San Luis Valley			5,160
SOUTHEASTERN PLAINS REGION					**2**	**0**	**2,216**
R2-Lamar S Engr/Patrols 12, 16	CDOT	2402 S Main St.	Lamar	Southern Plains			872
R4-Limon RE	CDOT	401 A Ave.	Lamar	Southern Plains			1,344
SOUTHERN REGION					**3**	**0**	**51,055**
R2-Colo Spgs N Engr	CDOT	1480 Quail Lake Loop, Colorado Spgs, 80906	Colorado Springs	Southern			15,278
R2 - HQ	CDOT	5615 Wills Blvd.	Pueblo	Southern			30,050
R2-Trinidad/Patrols 01, 22, 35	CDOT	10201 County Rd 69.3	Trinidad	Southern			5,727
SOUTHWEST REGION					**2**	**0**	**30,053**
R5-HQ North Bldg	CDOT	20581 Hwy 160	Durango	Southwest			2,403
R5-Durango Mtc HQ	CDOT	3803 Main Ave.	Durango	Southwest			27,650
WESTERN REGION					**5**	**17,700**	**22,723**
		482 28 Rd.	Grand Junction	Western			14,615
	Department of Local Affairs	222 S Sixth St., #404, -09, -10, -18, -22	Grand Junction	Western		3,783	
R3-Glenwood HQ	CDOT	202 Centennial Dr.	Glenwood Springs	Western			4,220
R3-HQ*	CDOT	222 6th S. St.	Grand Junction	Western		13,917	
R3-GJ Mtc HQ, Engr E/W	CDOT	606 S 9th St.	Grand Junction	Western			3,888
TOTAL					**47**	**643,337**	**817,059**

* Non-Capitol Complex Interagency

FIGURE 08.04: State-owned administrative offices by location

08.02.03.01 STATE - OWNED ADMINISTRATIVE OFFICE BY AGENCY

STATE - OWNED ADMINISTRATIVE OFFICES BY AGENCY

Agency	Division	Address	City	Real Estate Region	Number of Locations	Pre-COVID Interagency SF	Pre-COVID State-owned/Agency Occupied SF
CDA (DEPT OF AGRICULTURE)					**1**	**0**	**50,000**
	Department of Agriculture	305 Interlocken Parkway	Broomfield	Denver Suburb			50,000
CDE (DEPT OF EDUCATION)					**2**	**46,890**	**0**
	Department of Education	1525 Sherman Street #309	Denver	Denver		4,841	
	Department of Education	201 E Colfax	Denver	Denver		42,049	
CDHS (DEPT OF HUMAN SERVICES)					**1**	**91,313**	**0**
	Administration	1575 Sherman Street	Denver	Denver		91,313	
CDLE (DEPT OF LABOR AND EMPLOYMENT)					**1**	**0**	**91,470**
	Admin/UI	251 E 12th Ave	Grand Junction	Western			91,470
DMVA (DEPT OF MILITARY AND VETERANS AFFAIRS					**1**	**0**	**14,615**
		482 28 Rd.	Denver	Denver			14,615
DNR (DEPT OF NATURAL RESOURCES)					**4**	**79,279**	**67,954**
	Natural Resources	1313 Sherman St (suites 110-122, 220)	Denver	Denver		79,278	
	State Land Board	1127 Sherman	Denver	Denver			11,343
	CPW - Bldg 1 - NE District Office	6060 Broadway	Denver	Denver			5,123
	CPW - Bldg 3 - CPW Denver Office	6060 Broadway	Denver	Denver			51,488
HCPF (DEPT OF HEALTH CARE AND POLICY FINANCING)					**1**	**33,264**	**0**
	HCPF	1570 Grant Street	Denver	Denver		33,264	
DOLA (DEPT OF LOCAL AFFAIRS)					**2**	**41,890**	**0**
	Department of Local Affairs	1313 Sherman Street, 315-323, 419, 419A, 500-523	Denver	Denver		38,107	
	Department of Local Affairs	222 S Sixth St., #404, -09, -10, -18, -22	Grand Junction	Western		3,783	
DOR (DEPT OF REVENUE)					**2**	**165,305**	0
	DOR	1881 Pierce St.	Lakewood	Denver Suburb		89,884	
	DOR	1375 Sherman St.	Denver	Denver		75,421	
DPA (DEPT OF PERSONNEL & ADMINISTRATION)					**1**	**81,617**	**0**
	Personnel & Admin.-CC	1525 Sherman St.	Denver	Denver		81,617	
DPS (DEPT OF PUBLIC SAFETY)					**2**	**89,863**	**0**
	Public Safety	690 Kipling, 3rd & 4th floor, portion of PH fl.	Lakewood	Denver Suburb		39,632	
	Public Safety	700 Kipling, 1st & 3rd floor, portion of 2nd fl	Lakewood	Denver Suburb		50,231	

FIGURE 08.05: State-owned administrative offices by agency

STATE - OWNED ADMINISTRATIVE OFFICES BY AGENCY, continued

Agency	Division	Address	City	Real Estate Region	Number of Locations	Pre-COVID Interagency SF	Pre-COVID State-owned/Agency Occupied SF
CDOT (DEPT OF TRANSPORTATION)					**28**	**13,917**	**565,120**
R5-Alamosa Mtc HQ, RE	CDOT	1205 West Ave.	Alamosa	San Luis Valley			11,384
Front Range Airport	CDOT	5126 Front Range Pkwy	Watkins	Denver Suburb			5,340
R1-Aurora KOA	CDOT	18500 E. Colfax Ave.	Aurora	Denver Suburb			60,000
Front Range Airport	CDOT	1050 Lee Hill Rd.	Boulder	Denver Suburb			4,100
R2-Colo Spgs N Engr	CDOT	1480 Quail Lake Loop, Colorado Spgs, 80906	Colorado Springs	Southern			15,278
R3-Craig Mtc HQ	CDOT	260 Ranney St, Craig, 81625	Craig	Northwest			26,625
HQ, R1 HQ	CDOT	2829 W Howard Pl, Denver, 80204	Denver	Denver			175,000
North Holly	CDOT	4670 Holly St, Denver, 80216	Denver	Denver			74,250
R5-HQ North Bldg	CDOT	20581 Hwy 160	Durango	Southwest			2,403
R5-Durango Mtc HQ	CDOT	3803 Main Ave.	Durango	Southwest			27,650
R3-Eagle RE	CDOT	714 Grand Ave.	Eagle	Central Mountains			2,266
R3-Glenwood HQ	CDOT	202 Centennial Dr.	Glenwood Springs	Western			4,220
Camp George West 43, 45, 83	CDOT	15285 S Golden Rd.	Golden	Denver Suburb			9,575
Golden Corp Cir	CDOT	425 Corporate Cir.	Golden	Denver Suburb			40,153
R3-HQ*	CDOT	222 6th S. St.	Grand Junction	Western		13,917	
R3-GJ Mtc HQ, Engr E/W	CDOT	606 S 9th St.	Grand Junction	Western			3,888
R4-HQ	CDOT	10601 West 10th St.	Greeley	Northern			37,670
R3-Gypsum Patrols 17, 18, 89	CDOT	10519 Hwy 6	Gypsum	Central Mountains			1,980
R2-Lamar S Engr/Patrols 12, 16	CDOT	2402 S Main St.	Lamar	Southeastern Plains			872
R4-Limon RE	CDOT	401 A Ave.	Lamar	Southeastern Plains			1,344
R4-Loveland N Engr/Patrol 05	CDOT	2207 Hwy 402	Loveland	Northern			7,500
R5-Monte Vista Mtc	CDOT	401 Monroe St.	Monte Vista	San Luis Valley			1,792
R3-Montrose Townsend	CDOT	2424 N Townsend Ave.	Montrose	San Luis Valley			5,160
R2 - HQ	CDOT	5615 Wills Blvd.	Pueblo	Southern			30,050
R3-Silverthorne Patrols 43, 47	CDOT	1198 S Adams Ave, Silverthorne, 80498	Silverthorne	Central Mountains			4,570
R4-Sterling Engr N	CDOT	120 N Riverview Rd, Sterling, 80751	Sterling	Northeast			5,923
R4-Sterling Mtc	CDOT	118 N Riverview Rd, Sterling, 80751	Sterling	Northeast			400
R2-Trinidad/Patrols 01, 22, 35	CDOT	10201 County Rd 69.3	Trinidad	Southern			5,727
CDHE					**1**	**0**	**27,900**
	CDHE	1200 Broadway, Denver	Denver	Denver			27,900
TOTAL					**47**	**643,337**	**817,059**

* Non-Capitol Complex Interagency

FIGURE 08.05: State-owned administrative offices by agency

08.02.03.03 CONDITION OF CAPITOL COMPLEX STATE - OWNED BUILDINGS

Annex Building (Currently Vacant)

The Annex Building is in extremely poor condition with an FCI of 35.8%. Maintenance has been deferred and the building is in urgent need of renovation. The main concerns are related to the presence of asbestos, a deteriorated roof, single glazed windows, accessibility concerns, building code compliance issues, energy inefficiency and the near failure of exterior and some interior finishes in this historic 1937 structure. Renovations for this building would cost approximately $53M in 2021.

1575 Sherman St., Human Services Building

The 1575 Sherman Building is in fair condition with a current FCI of 60.3%. Calculated deficiencies total $1.3M and code deficiencies total $816K in 2021. Specific deficiencies to be addressed include replacement of electrical panels and receptacles, accessibility upgrades, roof replacement and light fixture and controls upgrades.

CAPITOL ANNEX BUILDING

1375 Sherman Street
Denver, CO 80203 Updated: June 19, 2015

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
SUB-BASEMENT	15,787	8,418	11,092
BASEMENT	15,785	11,423	15,050
FIRST FLOOR	14,919	10,073	13,272
SECOND FLOOR	11,356	8,070	10,633
THIRD FLOOR	11,356	8,137	10,721
FOURTH FLOOR	11,356	7,800	10,278
FIFTH FLOOR	11,356	7,993	10,532
SIXTH FLOOR	11,356	8,242	10,859
SEVENTH FLOOR	8,455	5,266	6,938
PENTHOUSE	3,474	0	0
BUILDING TOTAL	**115,204**	**75,421**	**99,375**

* RENTABLE AREA LOAD FACTOR = 1.3176

HUMAN SERVICES BUILDING

1575 Sherman St.
Denver, CO 80203 Updated: June 19, 2015

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
BASEMENT	12,808	0	0
GROUND FLOOR	12,808	8,547	11,525
FIRST FLOOR	12,650	7,799	10,516
SECOND FLOOR	12,650	9,397	12,669
THIRD FLOOR	12,471	9,409	12,686
FOURTH FLOOR	12,471	9,316	12,561
FIFTH FLOOR	12,471	9,447	12,737
SIXTH FLOOR	12,471	9,390	12,661
SEVENTH FLOOR	12,471	9,333	12,584
EIGHTH FLOOR	12,650	9,390	12,661
NINTH FLOOR	7,844	4,391	5,921
TENTH FLOOR	7,844	4,893	6,597
PENTHOUSE 1	1,593	0	0
PENTHOUSE 2	1,593	0	0
BUILDING TOTAL	**144,797**	**91,313**	**123,118**

* RENTABLE AREA LOAD FACTOR = 1.3483

1525 Sherman St., State Services Building

The 1525 Sherman Building is in fair to good condition with a current FCI of 70%. Calculated deficiencies total $1.4M in 2021 and code deficiencies have not been identified. Specific deficiencies include:

- Replace fire alarm
- Insulate exterior walls
- Replace roof
- Repair/replace exterior sealant

201 E. Colfax St., State Office Building

The State Office Building is in fair condition with a current FCI of 67%. Calculated deficiencies total $9.0M and code deficiencies total $1.5M in 2021. Specific deficiencies to be addressed include replacement of fire sprinkler piping, provision of fall protection at roof, replacement of north chiller, window replacement and replacement/repair of exterior sealant and grout.

STATE SERVICES BUILDING

1525 Sherman St.
Denver, CO 80203 — Updated: June 19, 2015

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
BASEMENT	18,424	9,699	12,374
GROUND FLOOR	18,424	11,358	14,490
FIRST FLOOR	18,112	12,236	15,610
SECOND FLOOR	17,684	14,421	18,398
THIRD FLOOR	17,684	14,290	18,231
FOURTH FLOOR	17,684	14,284	18,224
FIFTH FLOOR	17,684	14,266	18,201
SIXTH FLOOR	17,684	14,376	18,341
SEVENTH FLOOR	17,684	14,128	18,204
1st P.H. FLOOR / ROOF	7,500	0	0
2nd P.H. FLOOR	1,317	0	0
BUILDING TOTAL	**169,879**	**119,057**	**151,893**

* RENTABLE AREA LOAD FACTOR = 1.2758

STATE OFFICE BUILDING

201 East Colfax Avenue
Denver, CO 80203 — Updated: June 19, 2015

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
BASEMENT	12,937	4,763	7,264
FIRST FLOOR	12,924	6,385	9,738
SECOND FLOOR	10,749	6,859	10,459
THIRD FLOOR	12,571	8,258	12,594
FOURTH FLOOR	12,571	8,991	13,712
FIFTH FLOOR	11,758	7,664	11,688
ATTIC	5,721	0	0
BUILDING TOTAL	**79,232**	**42,921**	**65,454**

* RENTABLE AREA LOAD FACTOR = 1.5250

200 E. 14th Ave., Legislative Services Building

This building is listed in this study for informational purposes only. Although it is DPA-owned, it is currently occupied and controlled by the Legislative Branch and therefore is not suitable for consideration in the planning efforts of this report.

The Legislative Services Building is in poor condition with a current FCI of 53.5%. Calculated deficiencies total $8.3M and code deficiencies total $1.7M in 2021. Specific deficiencies to be addressed include code and fire protection upgrades, accessibility upgrades, replacement of electrical panels and replacement of windows and exterior doors.

LEGISLATIVE SERVICES BUILDING

200 East 14th Avenue
Denver, CO 80203 — Updated: June 19, 2015

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
BASEMENT	11,183	4,173	6,870
MEZZANINE	2,654	1,963	3,232
GROUND FLOOR	11,183	5,333	8,779
FIRST FLOOR	9,730	4,447	7,321
SECOND FLOOR	9,730	6,226	10,249
THIRD FLOOR	10,157	6,030	9,926
PENTHOUSE	4,734	0	0
BUILDING TOTAL	**59,372**	**28,172**	**46,377**

* RENTABLE AREA LOAD FACTOR = 1.6462

This building is listed in this study for informational purposes only. Although it is DPA-owned, it is currently occupied and controlled by the Legislative Branch and therefore is not eligible for consideration in any of the space planning efforts of this report.

Centennial Building

The Centennial Building has not experienced a complete renovation since its construction in 1976. The current FCI is 46.3%. Significant issues include a poorly functioning HVAC system with limited controls, an unsafe electrical distribution system, an outdated fire alarm system, lack of accessibility, building code compliance, energy efficiency issues and deteriorated conditions of exterior and interior finishes. Another major concern is the age and condition of the automatic sprinkler system throughout the building. Energy upgrades would generate significant cost savings in future years. Renovation has been estimated to cost $75M - $77M in 2021.

CENTENNIAL BUILDING

1313 Sherman St.
Denver, CO 80203 — Updated: August 17, 2016

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
3B BASEMENT	18,443	16,188	19,657
2B BASEMENT	18,443	9,865	11,979
1B BASEMENT	18,443	12,780	15,519
FIRST FLOOR	18,132	13,927	16,912
SECOND FLOOR	18,155	14,822	17,999
THIRD FLOOR	18,155	14,822	17,999
FOURTH FLOOR	18,155	14,822	17,999
FIFTH FLOOR	18,155	14,822	17,999
SIXTH FLOOR	18,155	14,822	17,999
SEVENTH FLOOR	18,155	14,822	17,998
EIGHTH FLOOR	18,155	14,822	17,999
PENTHOUSE LOWER	5,389	0	0
PENTHOUSE UPPER	1,156	0	0
BUILDING TOTAL	**207,090**	**156,515**	**190,056**

1570 Grant Building (Currently Vacant)

The 1570 Grant Building is in poor to fair condition (FCI of 57.1%) with issues related to building systems, code compliance, accessibility and asbestos. Two significant issues are the age and condition of the windows and the absence of a fully automatic sprinkler system. Energy upgrades would generate significant cost savings in future years. The cost of renovation is approximately $8.4M in 2021.

1570 GRANT STREET OFFICE BUILDING

1570 Grant Street
Denver, CO 80203 Updated: June 19, 2015

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
BASEMENT	12,148	6,592	8,270
GROUND FLOOR	9,163	7,214	9,050
FIRST FLOOR	9,084	7,354	9,226
SECOND FLOOR	9,084	7,343	9,212
THIRD FLOOR	9,084	7,337	9,204
ROOF	524	0	0
BUILDING TOTAL	**49,086**	**35,841**	**44,962**

* RENTABLE AREA LOAD FACTOR = 1.2545

1881 Pierce

1881 Pierce has an FCI of 71.6%. Calculated deficiencies total $4.9M and code deficiencies total $2.2M in 2021. Deficiencies to be addressed include addition of a fire sprinkler system, limited asbestos abatement, HVAC system upgrades, handicap accessibility modifications and site and parking lot improvements in this high public-use facility.

1881 PIERCE BUILDING

1881 Pierce Street
Lakewood, CO 80124 Updated: June 19, 2015

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
BASEMENT	40,034	24,319	34,183
FIRST FLOOR	82,492	65,565	92,148
PENTHOUSES	6.616	0	0
BUILDING TOTAL	**129,142**	**89,884**	**126,341**

* RENTABLE AREA LOAD FACTOR = 1.4054

222 South 6th St., Grand Junction, Grand Junction State Services Building

The Grand Junction State Services Building is in fair condition with a current FCI of 72%. Calculated deficiencies total $2.7M in 2021 and code deficiencies have not been identified. Specific deficiencies to be addressed include repair/replacement of exterior paving, roof replacement and provision of fall protection, replacement of condensing unit, lighting upgrades and replacement of waterproof membrane along the foundation on the south side of the building.

Kipling Campus

The two State buildings on the Kipling Campus, 690 and 700 Kipling Street (FCI of 56.9% and 69% respectively), present issues related to fire alarm systems, repair and replacement of window systems, HVAC upgrades in 700 Kipling and electrical upgrades in 690 Kipling. The cost of renovation is currently estimated at $26M.

GRAND JUNCTION STATE SERVICES BUILDING

222 South 6th Street
Grand Junction, CO 81501 Updated: June 23, 2016

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
FIRST FLOOR	12,344	7,881	10,512
SECOND FLOOR	12,410	9,107	12,147
THIRD FLOOR	12,811	9,723	12,968
FOURTH FLOOR	12,811	8,434	11,249
PENTHOUSE	2,008	0	0
BUILDING TOTAL	**52,383**	**35,145**	**46,876**

* RENTABLE AREA LOAD FACTOR = 1.3338

690 KIPLING BUILDING

960 Kipling Street
Lakewood, CO 80215 Updated: June 23, 2016

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
FIRST FLOOR	18,411	13,674	15,493
SECOND FLOOR	15,015	12,316	13,954
THIRD FLOOR	15,735	13,263	15,027
FOURTH FLOOR	15,735	12,858	14,568
PENTHOUSE	1,413	0	0
BUILDING TOTAL	**66,310**	**52,111**	**59,042**

* RENTABLE AREA LOAD FACTOR = 1.1330

700 KIPLING BUILDING

700 Kipling Street
Lakewood, CO 80215 Updated: August 17, 2016

Building Summary

Level	Gross Area Sq.Ft.	Occupant Area Sq.Ft.	Rentable Area* Sq.Ft.
FIRST FLOOR	14,472	0	0
SECOND FLOOR	15,015	11,149	12,715
THIRD FLOOR	15,729	12,423	14,169
FOURTH FLOOR	15,729	13,428	15,314
		13,475	15,369
BUILDING TOTAL	**60,945**	**50,747**	**57,566**

* RENTABLE AREA LOAD FACTOR = 1.1405

TOP GREAT IDEAS

Rank	Agency	Idea Name	Description	Total Votes	Buckets	Term	Actionable/ Strategic
1	CDOR	SaaS Reservation System	State Enterprise agreement for software of system to coordinate hoteling/flex space available in buildings. This will allow for a streamlined and standardized process agency/state wide.	50	7	S	Actionable
2	DPA	Statewide hotel space	DPA would create hotel space that can be used for all state agencies in Denver and Grand Junction through a statewide hotelling software system. DPA would install daily/weekly office lockers as well as provide individual offices, team pod spaces, and conference rooms for daily, weekly, or monthly rental. Provides centrally available hoteling space for all state agency use.	50	10	M	Strategic
3	CDPS	EDO: Hoteling Pilot	21 workstations will be set up. EDO will experiment using Google Tables for its reservation system - Online November 1, 2020	48	3	S	Actionable
4	CDOR	Capitol Complex Facility - WeWork Model	Is there an opportunity to designate a portion of, or an entire building, that Capitol Complex owns to hoteling, flex space for the entire State to use?	48	10	M	Strategic
5	CDOT	Better Share Large Conference Facilities	As agencies move out of leases and potentially struggle to find large conference rooms and auditoriums for events, such as Boards and Commission meetings, work together to inventory and "share" these large rooms/auditoriums for the benefit of all.	47	1	S	Strategic
6	CDLE	633 Lease	CDLE headquarters most of its services out of our leased space at 633 17th Ave central downtown. We currently lease about 185,000 sq feet across 11 floors. When our lease expires in 2025, we'd like to shed between 1 and 3 full floors using a combination of Work from Home and the first big idea at the building we own.	47	5	L	Actionable
7	DPA	Lease space budget flexibility and coordination	DPA should have increased administrative control over all lease space line item appropriations, collapse capitol complex and lease space lines, and allow lease space line items to fund tenant and building improvements. This allows the state to manage lease space more efficiently and effectively across all agencies.	44	8	L	Strategic
8	CDOR	Cross Agency Space Collaboration	Ability to use space in other state agencies such as hoteling or conference rooms. A big part of this is how lease appropriation is allocated. For example if DOR uses CDPHE's large training room 3 times a month would DOR need to pay "rent" for that time it uses?	43	1	S	Strategic
9	HCPF	Move out of DTC space	saves approximately 1400 square feet of space; currently in process	43	5	M	Actionable
10	CDPHE	Space Consolidation Project	CDPHE has hired Stantec to assist us with developing a space consolidation plan for our 355,000 SF main campus with the goal to reduce our physical footprint by 105,000 SF which is almost 1\3 of our overall footprint. Our plan will be complete by December 31st, in which CDPHE will then coordinate with OSA in early 2021 to determine if another state agency can sublet our excess space or a private sector company. CDPHE's lease cost in FY22 is estimated to be $7.8 million with annual increases. By subletting 1\3 of our footprint we would save $2.59 million in FY22 which would increase proportionately each year thereafter.	43	2	S	Actionable
11	CDPS	Lease Termination Efforts	Seek to terminate leases at Building 710 and our Waterview location. This encompasses three leases - on-going discussions with OSPB	43	5	M	Actionable
12	CDA	Sharing of Conference Room Space	Make conference room space available for other agency use.	42	1	S	Actionable
13	CDPS	CDPS Establishes Multi-Division Work Centers	Agencies within CDPS will find opportunities to share workspace across the state.	42	2	L	Actionable
14	HCPF	Move out of IBM space	saves approximately 6300 square feet of space; currently in process	41	5	S	Actionable

SUMMARY OF TOP 11 GREAT IDEAS

Bucket	Idea	# of Ideas in Bucket
5	Lease expirations or terminations to reduce space	3
1	Statewide workplace sharing (hoteling), large conference meeting space, auditoriums, etc. accessible to all State agencies.	2
10	Capitol Complex	2
2	Co-location of agencies	1
8	Legislative Change	1
3	Agency consolidation and use of hoteling within an agency	1
7	Technology	1

SUMMARY OF TOP 11 GREAT IDEAS

	# of Ideas in Bucket
Short Term	5
Medium Term	4
Long Term	2

15	DNR	Consolidate CPW administrative departments to owned building at 6060 Broadway	CPW owns the complex at 6060 Broadway. Plans have been in the works prior to COVID-19 to consolidate all administrative departments. This represents 90 employees moving from 1313 Sherman Street. CPW will now including in planning a space reduction plan based on remote workers and less employees coming to the office on a daily basis. We are targeting July 2021 for the move	40	10	S	**Actionable**
16	Department of Corrections	Training Academy Relocation & Consolidation	The relocation of the Training Academy from the current Canon City leased site to the Headquarters site in Colorado Springs will create efficiencies by centralizing onboarding operations. Benefits include – •Central location to all twenty DOC Facilities. •This initiative is dependent upon OIT working remotely. Discussions are underway to determine their direction. •Improved space utilization will improve efficacy, align with current technology delivery methods and reduce square footage from 15,688 SF to 14,056 SF. •Financial impact to vacate existing Training Academy Lease, set to expire 6/03/2023, with payment of lease (co-location struck in 2002) and repayment of amortized tenant improvement costs (Vacate of lease - $658,381 that includes s TI payback of $140,145 for 31 remaining months).	40	5	M	**Actionable**
17	Governor Office	Co-locate other agencies at 1776 LIncoln Street, #800	If staying in current lease, could accommodate other State staff.	40	2	M	**Actionable**
18	HCPF	Savings to current lease	negotiating a better rate through an upcoming RFP, possible small reduction to sq ft pending results of basic steps info; and invite other agencies to share our space	40	5	M	**Actionable**
19	CDLE	251 E 12th Ave	CDLE built this building with federal dollars, and owns and maintains it using federal dollars. Currently our Unemployment Insurance division is the only division that utilizes the building. Using work from home, we plan to consolidate several more divisions out of our leased space and into 251. We will need to invest in updating and modernizing the building for this to be a success.	40	5	L	**Actionable**
20	DOLA	Maintain at least 70% work from home options for all staff that are able to perform work remotely.	Long term goal	40	3	L	**Strategic**
21	DPA	Commuting strategy for Front Range area employees.	This idea is aimed at creating and coordinating transportation options for Front Range employees that daily or periodically need to commute to the office. This includes daily rented bike lockers, and office lockers, discounted RTD/Bustang passes (including a single employee reimbursement rate for all agencies), and converting some or all of the large surface lot at Colfax and Lincoln to daily parking.	39	6	M	**Strategic**
22	DORA	Leveraging of Online Board Meetings	Leveraging of Online Board Meetings: DORA is responsible for over 40 boards, commissions, and advisory committees, which are charged with administering over 50 regulatory programs governing professions, occupations, and businesses comprising over 886,000 individual licensees and approximately 65,000 businesses and institutions. The expansion of online board meetings has been necessary to mitigate the risk of the pandemic. Although in a post-pandemic environment, a physical component may continue to be needed to ensure accessibility, leveraging the expanded model of online board meetings will reduce the size of meeting space; encourage and increase meeting participation from the public and board members in outlying areas; and help with recruitment and retention of board members from across the state.	38	1	S	**Strategic**
23	DORA	Field Inspectors and Examiners	Field Inspectors and Examiners: Build on the department's proven successful remote work arrangements by expanding the number of inspectors and field staff working remotely to maximum possible, including completing a focused review in the areas of Banking and Financial Services.	38	9	M	**Actionable**
24	Governor Office	Terminate Lease at 1776 LIncoln Street, #800	Terminate lease for office space for Serve Colorado (in Lt. Gov Office). Lease goes until 2024 and only 8 current FTE. Future flexible work arrangements will not require this custom, dedicated space long-term for Serve CO.	37	5	S	**Actionable**

25	Department of Corrections	Consolidation & Relocation of CCi Showroom, Distribution & Surplus Warehouse	This project will reduce the lease footprint of the CCi Warehouse in Denver by approximately sixty percent. This project is currently in the beginning stages with the anticipated benefits to include – Existing 50,050 SF lease expires 07/31/2021. o Potential sub-lease of 20,000 SF to the Department of Public Safety. o Sub-lease negotiations continue with OSA and Governor's Office involvement. Relocation of the distribution warehouse portion to the Department's Denver Complex vacated Canteen location. The relocation impact includes - o Reduction of square footage o Reduced lease cost o Provides DWCF inmate employment opportunities o Utilization of State-owned building area in lieu of leased space The Surplus portion of the warehouse must stay in the Denver market for the program to remain financially viable. Potential solutions for this lease include - o Reduced square footage of 15,000 to 20,000 SF o Numerous sites have been investigated o Potential sub-lease of a State Central Warehouse managed by the Department of Public Safety. While discussions are in the early stages, this has the potential for benefit to all parties involved. Potential relocation of the CCi showroom to the Capital Complex. This would provide CCi a small showroom at the hub of State government. Potential solutions include – o Reduced square footage of Potential agreement with the Business Enterprise Program (BEP) within CDLE for basement space at 1313 Sherman. This may be a win-win solution by providing CCi a small showroom while increasing foot traffic for the BEP. o Discussions began end of September 2020 and are ongoing with DPA, Capital Complex, OSA, CCi and CDLE.	37	5	S	**Actionable**
26	OIT	Auditorium Space	2. Create large collaboration multi-purpose spaces with technology. An excellent example of this space is CDOT's auditorium. This allows for flexibility in the use of the space. Will save cost on renting larger spaces for events for example All Hands meetings.	37	1	M	**Strategic**
27	CDA	Identify Space Available for Office Hoteling at 305 Interlocken Facility	Identify the amount of space available and/or areas of the current office space that may be available for office hoteling.	36	2	M	**Actionable**
28	DNR	Reimagine what DNR at 1313 Sherman will look like	With the CPW vacancy and a space/footprint reduction up to 40% with other DNR administration departments at 1313 Sherman, our space requirements will be significantly reduced. We have an opportunity to consolidate or move. Considerations will include looking for long term options that improve on safety and building quality, parking and public transportation, public access. Upgrade amenities to support large commission meetings, upgraded technologies and flexibility to support post COVID workforce planning.	36	10	L	**Strategic**
29	CDOT	Analyze Job Classifications & WFH	Review Job Classifications and assign draft assumptions for each on whether the position can Work From Home full time, part-time, or must be in the office at all times. Use those assumptions to complete the required spreadsheet.	35	9	S	**Strategic**
30	CDOT	Institutionalize Work From Home Assumptions	Job Announcements (less than one year) and PDQ (1-3 years) should incorporate decisions on WFH status post COVID.	35	9	M	**Strategic**
31	CDPHE	Electronic records\digital transformation	Along with reducing our paper footprint, CDPHE has been diligently working to; a) implement incoming documents such as permits, applications, RFP's, etc to an electronic format and b) launch an on-line payment portal which allows customers to pay on-line versus sending in paper checks and copies of invoices. Both of these efforts compliment our paper reduction efforts and modernizes old outdated processes.	33	7	S	**Actionable**
32	DOLA	Hoteling Options	Provide staff with flex space and hoteling options in each Division	33	3	M	**Actionable**

33	Department of Corrections	Consolidation of HQ Staff to HQ Location	Relocation of current dispersed Headquarters personnel to DOC Headquarters in Colorado Springs. Benefits include – Creates efficiencies for centralized operations, reducing overcrowding conditions in State-owned prison office space. All of each work group team under one roof improving communication, transparency and accountability. Improved recruitment of new Department personnel. While there are no lease cost savings to the State, the DOC will benefit from co-locating key functions with the management team in Colorado Springs.	**33**	9	**M**	**Actionable**
34	DNR	Consolidate field offices as appropriate	DNR has 7 divisions that all have some field presence all across the state. Some owned buildings, some leased. We are looking at how we can consolidate operations where cost effective and efficient. This may expand to offering space to other agencies with like mission statements. We have short term opportunities with Steamboat Springs and Montrose in 2021 and then expanding that as we find opportunities within DNR and as the state overall plan becomes more mature.	**32**	2	**S**	**Strategic**
35	DORA	Maximize DORA Leased Space	Maximize Leased Space: Make contiguous parcels of space available within existing DORA floor plates for possible DORA division space consolidation; this would include the transition of OIT employees housed at DORA to permanent remote work (with the exception of deskside support staff) in order to allow for the potential consolidation of another DORA division to move to this previously OIT occupied space, also possibly making DORA vacated space available to another state agency.	**32**	2	**L**	**Strategic**
36	CDA	Assess Better & More Efficient Use of Space	Assess the use of the State Fair facilities in Pueblo to determine office space needs for existing staff and how to efficiently consolidate staff into one location with common use areas. This assessment would also consider repurposing vacated office space for office hoteling or potentially leasing space to other employees or agencies in the Pueblo area.	**31**	2	**S**	**Strategic**
37	OIT	Regional Remote workspaces	Consolidate current physical space into smaller regional locations and in outlying metro areas. Recommend all office positions be hoteling/collaboration and not have a permanent physical office or cubicle. Rethink the notion that locations need to be downtown near the Capital complex.	**30**	4	**M**	**Strategic**
38	CDHE	Regional state government workplace hubs	Have locations around the metro area and around the state where any gov't employee can come in to work and get access to printers, copiers, wifi, and all other basic technology so that employees can live and work from anywhere in state.	**29**	4	**M**	**Strategic**
39	CDLE	Co Location	In 2017, CDLE absorbed the Division of Vocational Rehabilitation from CDHS. With regional offices across the state, we have begun an effort to co-locate our DVR offices and our workforce centers. This allows customers to get a variety of services without additional barriers.	**26**	3	**M**	**Actionable**
40	DOLA	Construction and Building Concerns	Assess the needs of the Department and maintain 90% work from home options for employees through the construction of our building.	**25**	3	**S**	**Strategic**
41	OEDIT	Transition private offices into team shared/collaboration spaces	For divisions with less than 3 employees, directors' closed door offices can be transitioned into shared office space with their teams. This will reduce the number of permanent seats at OEDIT by approximately 10%.	**24**	3	**S**	**Actionable**
42	CEO	Moving Human Capital Closer to Work	An analysis of common state employees positions (in addition to the space consolidation work), to understand what employees with similar jobs are working far from their jobsites. Can we reduce commuting, by considering swapping some FTE to better align workforce locations with where they live.	**19**	9	**L**	**Strategic**
43	History Colorado	Lease GHM Carriage House	Convert Grant-Humphreys Mansion Carriage House to hotel workspaces for other state agencies. (Carriage House previously brought in revenue from renters, but the leasing agreement expired in the fall. Rental is unlikely in this market. HC would look to lease property again post-COVID, but could provide temporary hotel workspace to others.)	**18**	9	**S**	**Actionable**

44	CEO	Fleet Electric Vehicle Take Home	Enable employees who need access to a state fleet vehicle for their work to take them home - and transition best use cases to electric vehicles. Continue shift to EVs by expanding the current CEO/DPA pilot with DOR on at home charging for state fleet vehicles. This also saves the state $ by removing the need to install as many state owned level II chargers at worksites. Instead employee can charge the vehicles primarily at home with level I chargers and be compensated for that charging.	17	6	S	**Strategic**
45	History Colorado	Seasonally Close Ft. Vasquez	Seasonally close Ft. Vasquez Community Museum. Space is unavailable for rental to other state agencies, but will contribute to a reduction in operational costs through a reduction in services.	17	9	S	**Actionable**
46	CEO	Transit Policy with Remote Work	As the workforce moves to more remote work. The state needs to continue to make progress on incentivizing transit to meet our statutory climate goals. For example, if EcoPasses begin to not longer be paid for by agencies, employees with part-time commuting into the office will have less options for reducing their VMT and commuting my car. The state should centrally pay for all metro employees to have EcoPasses, as away to maintain transit access in a part-time commuting environment. Employees could opt-out too if they do not choose to have a pass. State agencies should also reduce parking space needs by stopping state agencies from providing free state parking.	17	6	M	**Strategic**
47	CDHE	Single phone number for state government assistance	While most agencies likely need to provide the public with a phone number; having a central "call center" where basic questions could be answered and then calls routed to specific agency staff (who may be working from home) as needed could reduce the need for having in-person staff just answering calls.	16	9	M	**Strategic**
48	CDHE	Employee Incentive Program	Implement a program under which government employees are incentives to significantly reduce their carbon footprint. Administrative leave or other incentive could be provided to employees who limit use of paper, use an electric vehicle, recycle and compost at home, ride their bike to the workplace, and so forth.	14	6	S	**Strategic**

Bucket Color	Color #	Number of Items in Bucket	Bucket Description
	1	5	Statewide workplace sharing (hoteling), large conference meeting space, auditoriums, etc. accessible to all state agencies.
	2	7	Co-location of agencies
	3	6	Agency consolidation and use of hoteling within an agency
	4	2	Provided regional work centers
	5	9	Lease expirations or terminations to reduce space
	6	4	Transit/Parking or environmentally oriented
	7	2	Technology
	8	1	Legislative Change
	9	8	Operational & HR changes
	10	4	Capitol Complex

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