

# Strategic Facility Planning

*City Council Worksession*  
*March 1, 2016*

Greg Canally, Deputy Chief Financial Officer  
Lauraine Rizer, Real Estate Services Officer  
Eric Stockton, Building Services Officer

# Overview

- Key facilities are failing and at end-of-useful-life
  - Built for a 20<sup>th</sup> century small town ... Not a 21<sup>st</sup> century global city
  - Overcrowded
  - Sub-standard and inflexible space has created unresolvable operational challenges
  - Current lease-on-demand model is expensive and inefficient
- June 2015 Council authorization with CBRE to initiate space programming efforts

## Objective of Today's Briefing

- Alternative approach to facility development
- Go forward process for Development Services and Planning & Zoning stand-alone facility
- Municipal Court replacement
- Status of other facility planning efforts

# Strategy

*How can real estate occupancy strategy improve the organization's customer service delivery?*

*How can we best steward the City's resources- financial, time, personnel- in executing our strategy?*

# A Bygone Era



PICA 13755 Austin History Center, Austin Public Library

CITY OF AUSTIN, TEXAS		864	869
ACCOUNT NO. 1003 ADMINISTRATIVE & FINANCE MUNICIPAL COURT		15	
		ESTIMATED 1954-55	PROPOSED 1955-56
<u>PERSONAL SERVICES - 100</u>			
101	Salaries & Wages	\$ 30,937	\$ 34,921
<u>OTHER SERVICES - 200</u>			
206	Juror's Fees	\$ 33	\$ 72
211	Postage	690	700
232	Printing	2,878	3,000
TOTAL - 200		\$ 3,601	\$ 3,772
<u>MATERIALS &amp; SUPPLIES - 300</u>			
355	Office	\$ 899	\$ 1,000
<u>MAINTENANCE - 500</u>			
540	Office Equipment	\$ 100	\$ 400
TOTAL EXPENSES		\$ 35,537	\$ 40,093
<u>CAPITAL OUTLAY - 900</u>			
941	Office Equipment	\$ 140	\$ 300
GRAND TOTAL		\$ 35,677	\$ 40,393
<u>PERSONAL SERVICES</u>			
NUMBER		PROPOSED 1955-56	
EMPLOYEES		NUMBER	AMOUNT
6-1-1955			
1	Judge	1	\$ 6,913
4	Clerks	4	12,937
4	Clerk Typist	4	8,517
	Deputy Clerk - Court & Parking	1	2,982
	Merit Increase & Judge Vacation Relief		565
	Part Time work at night sending Parking Notices		3,007
9		10	\$ 34,921

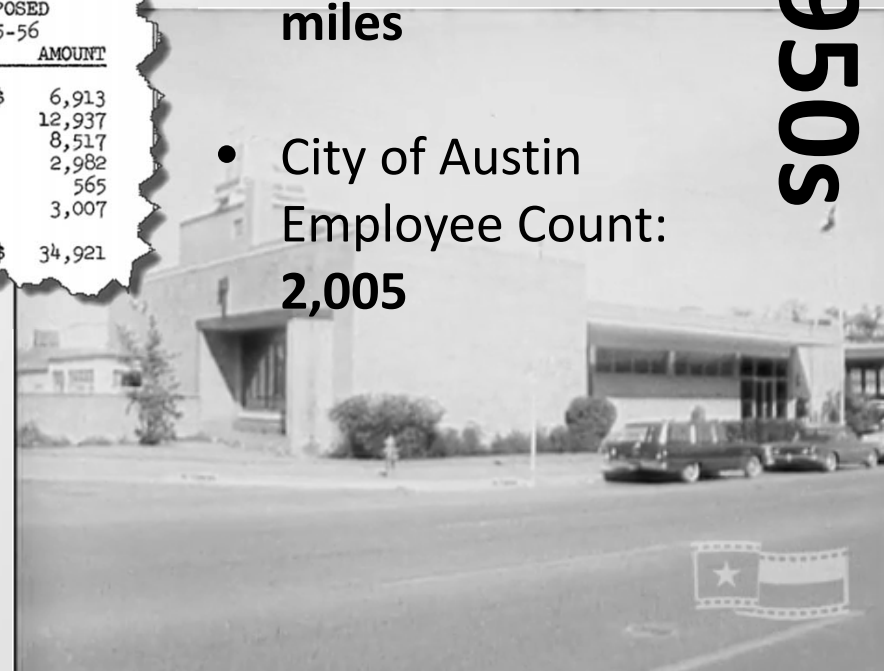
- Municipal Court opened **1955** with 10 employees

- City of Austin Population: **159,502**

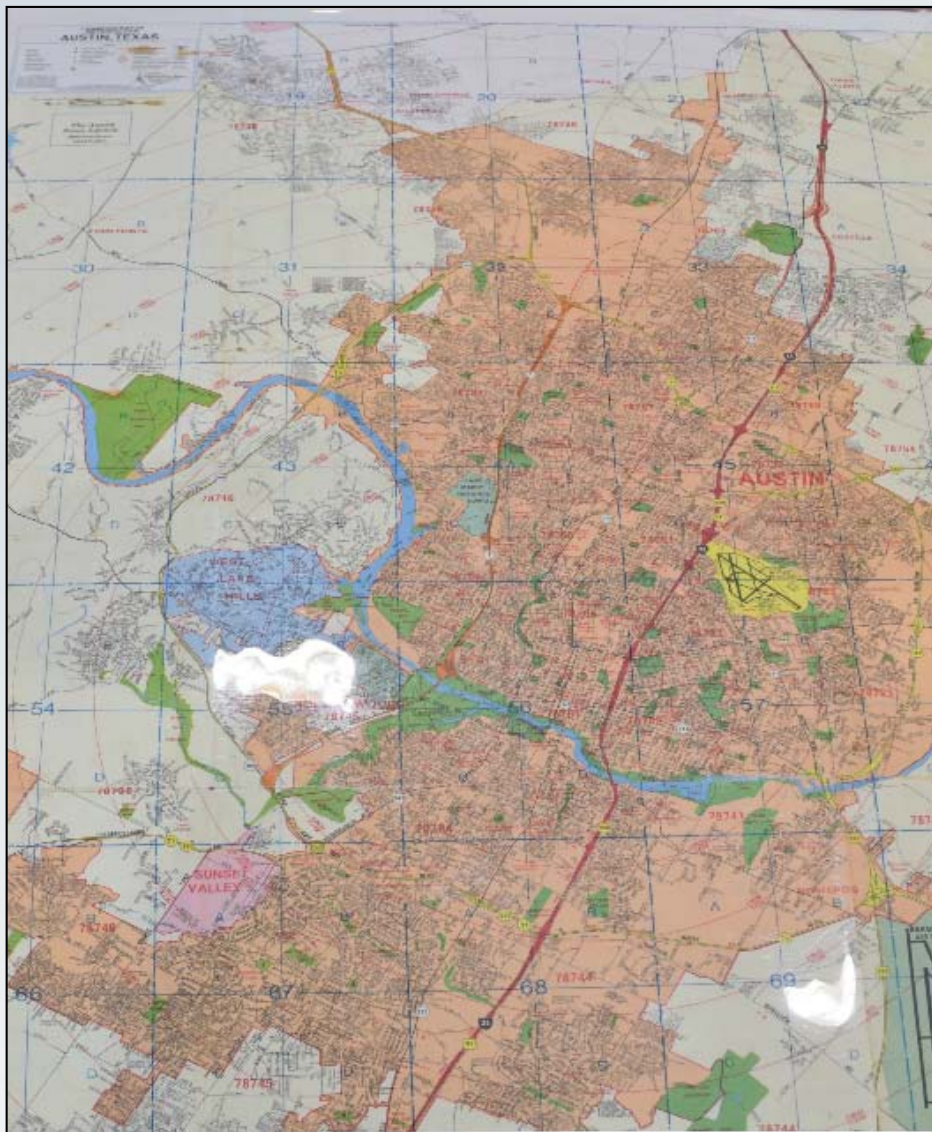
- City of Austin Land Area: **37.9 square miles**

- City of Austin Employee Count: **2,005**

Austin - 1950s



# A Bygone Era

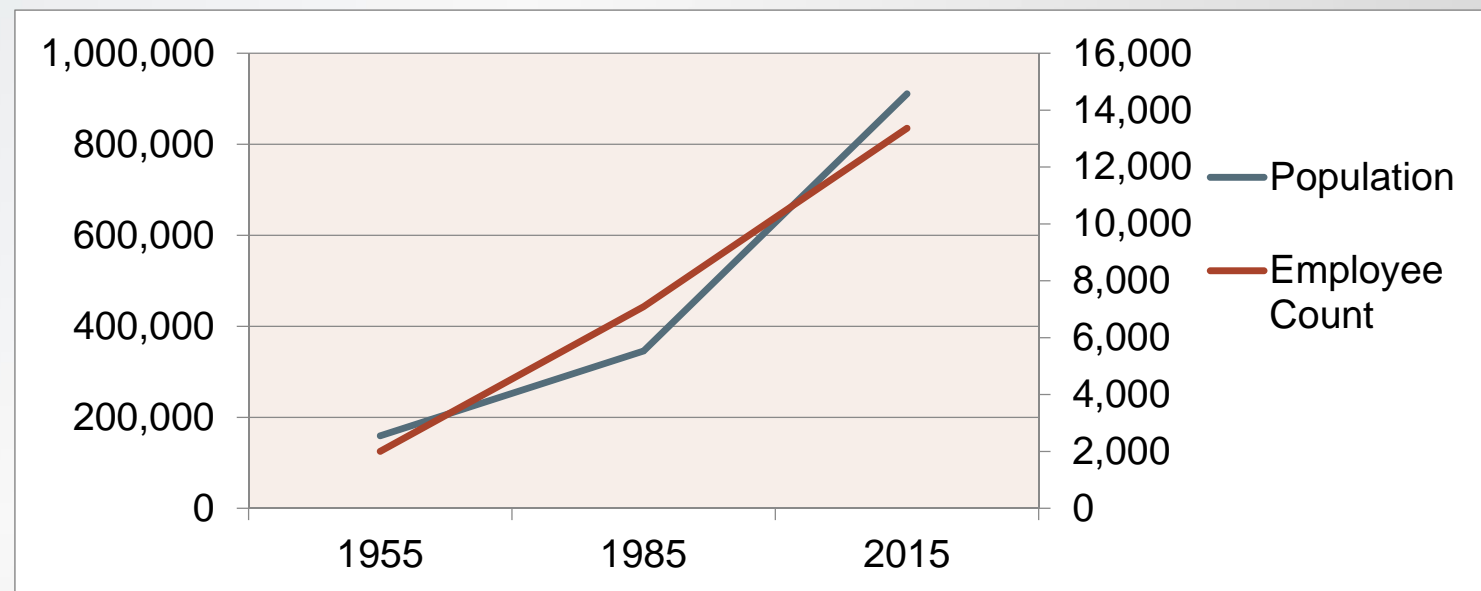
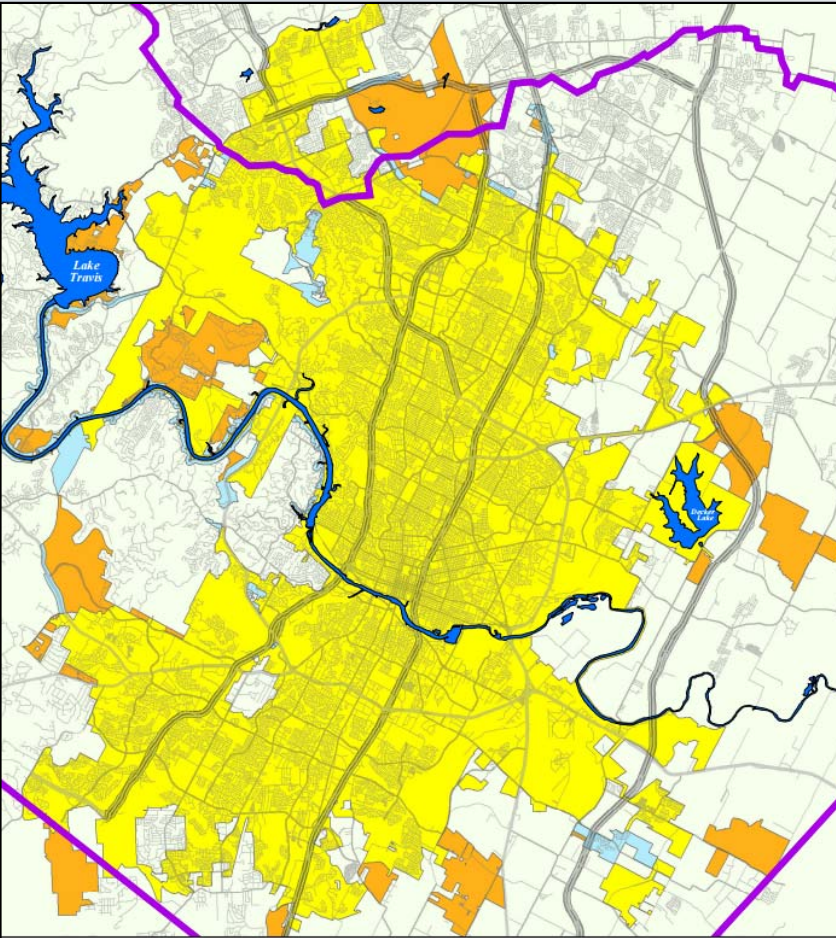


- One Texas Center opened **1982**
- City of Austin Population: **345,890**
- City of Austin Land Area: **123.9 square miles**
- City of Austin Employee Count: **7,089**

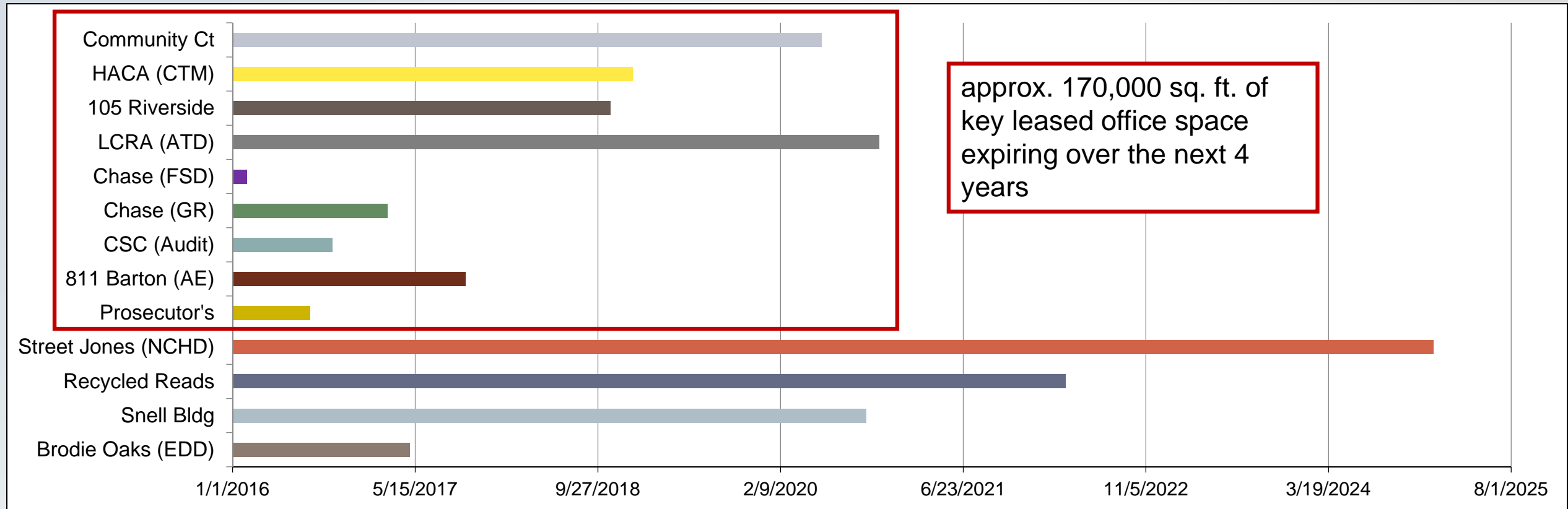
**Austin- 1980s**

# 21st Century Austin

- City of Austin  
Population:  
**910,833**
- City of Austin Land  
Area:  
**322.51 square  
miles**
- City of Austin  
Employee Count:  
**13,365**



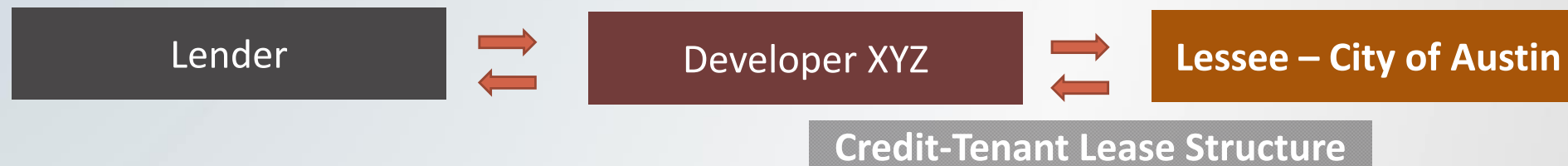
# Lease-on-Demand Model



- Have had to address growing and evolving city services by leasing space on-demand
  - the City currently leases nearly 210,000 square feet of office space, costing \$5.6 million per year
  - incur repeated up-front costs such as move expenses, technology connections, space remodeling, furniture ... all for an assets we don't own

# Facility Development – Alternative Approach

## Build-to-Suit / Lease-Purchase



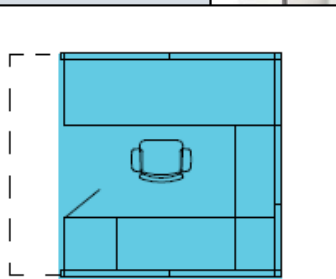
### How It Works

- Via Request for Proposal (RFP) process, city selects developer
- Developer brings land and financing to the deal
- Utilizes “Credit Tenant Lease” Structure
- City makes annual “lease-to-own” payment
- Fully amortized at end of 20-years; City owns asset

### Advantages

- Produces significant savings vs traditional bond funded model
- Transfer risk of construction/schedule/delivery to developer, which is their core business
- Achieve 3-4 years time savings
- Achieve City policy objectives – MBE/WBE, prevailing wage/living wage, workplace safety, green building

# Space Programming Process



Staff:	Position	Size Future	Qty 2020	Net SF 2020	Remarks
	Office	150	3	450	
	Workstation - 8' x 8'	80	23	1,840	
	Staff in Support Space	0	2	0	
Staff for Development Services 1/9			28	2,290	
	Embedded Staff		7		
	Provide Workstations				Austin Water Utility, City 3, Austin Energy, City 2, 2020 - Fiscal Year, City 2.
	Field Personnel				
Total Staff Group for Development Services 1/9			35	2,290	

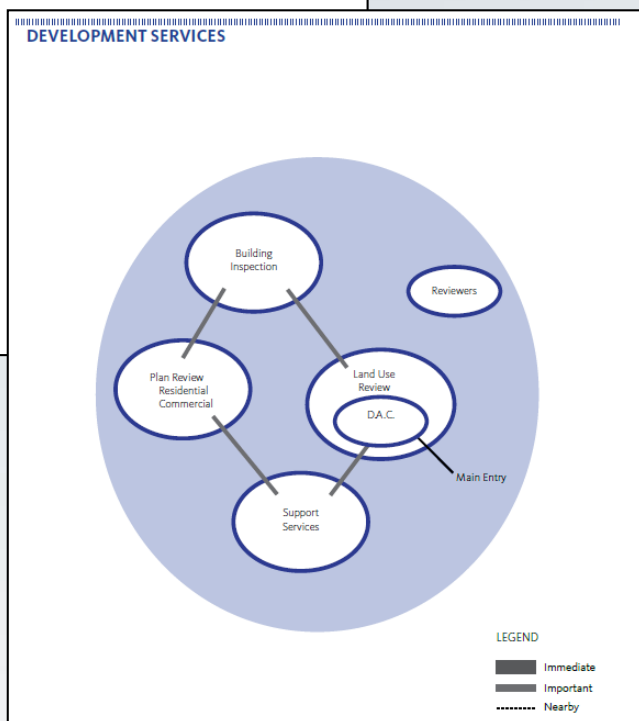
  

Space	Size	Qty 2020	Net SF 2020	Remarks
DAC Reception lobby for 40	Size 175	1,000	1	1,000 Dedicated. Large reception/waiting area with comfortable chairs, and work chairs with counter for customer workspace. Includes large display monitor for information and customer wait list, division reception desk / customer service counter (with 2 windows), employee mailboxes, storage/displays for information handouts and application packets.
DAC Budget table	Size 175	240	1	240 Seat 8. Large table in open area surrounded by planners' cubicles. Used as last-minute meeting space when conference rooms unavailable.
DAC Conference Room	Size 150	150	2	300 Seats 5-6.
DAC Research file area	Size 150	1,500	1	1,500 Square Footage Estimated. Dedicated. Contains large display case file storage, plan storage tubs, vertical display 3D plan storage units, staging area for shipping/receiving plans and boxes from off-site storage.
DAC Research/Document Sales waiting area	Size 150	0	1	0 Dedicated. Provides 4-6 chairs, 2 tables and surfaces for customers reviewing files and plans. Incorporate as an inner area into Research file area in the future. See 8 included above.
DAC Document Sales area	Size 150	200	1	200 Dedicated. Contains 1 wide-format scanner/plotter, and 1 wide-format copier.
DAC Document Sales vault	Size 150	150	1	150 Dedicated. Printers/copiers storage area for paper / supplies.
Correction/Exemption area	Size 175	450	1	450 Sq ft estimated. Dedicated. Includes two staff work stations along with two operating drafting tables for customer plan correction space, storage for approved plans awaiting pick-up.
DAC Research break room	Size 150	0		0 Existing space is dedicated. Sink, refrigerator, cabinets, dining table. See Shared Support for future space.
	Size 175			

- Needs based approach to determining space program of requirements

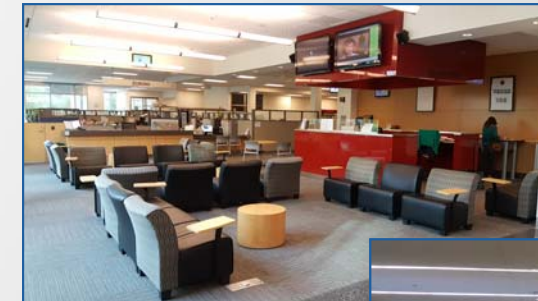
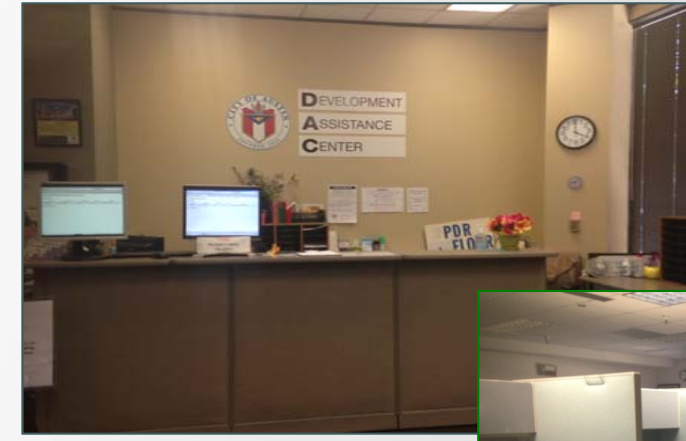
- Detailed questionnaires
- Group planning sessions
- Staff interviews
- Adjacency analysis
- Utilization factors
- Space standard designs

- Office/workstations
- Shared space needs
- Storage & filing needs
- Design factors, i.e. lighting, acoustics, well-being
- Best Practices



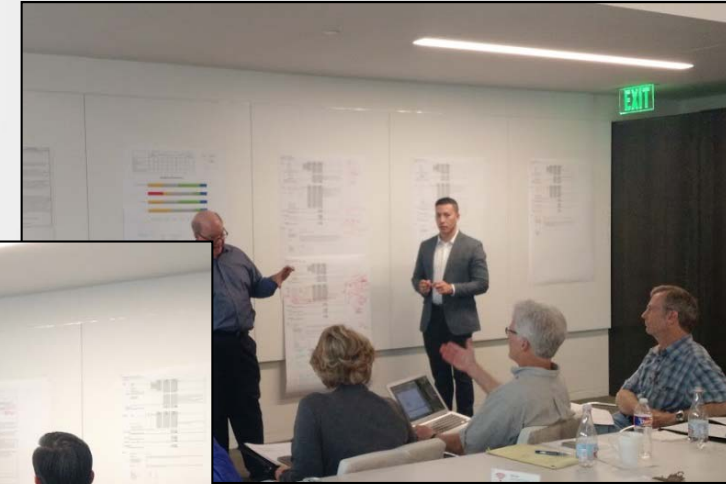
# Permit Center

- Current Development Services and Planning & Zoning function are spread over 6 floors in One Texas Center
  - Not oriented to citizen needs or customer service
  - Overcrowded/sub-standard space for our employees
- Zucker Report findings
  - Eliminate multi-floor approach to customer-facing functions
  - Pursue stand-alone facility
- Successful new and efficient buildings purpose-built for Permit Centers
  - San Antonio, San Diego, Portland
  - Resulted in improved customer service and improved employee morale

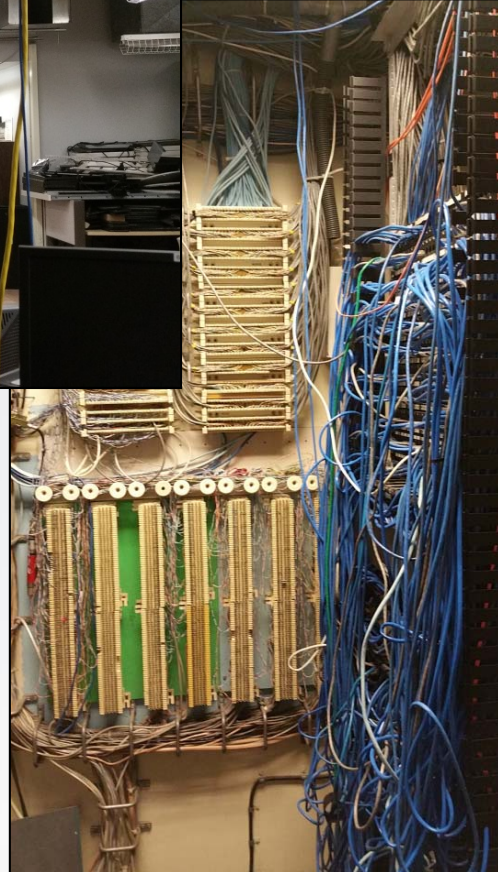
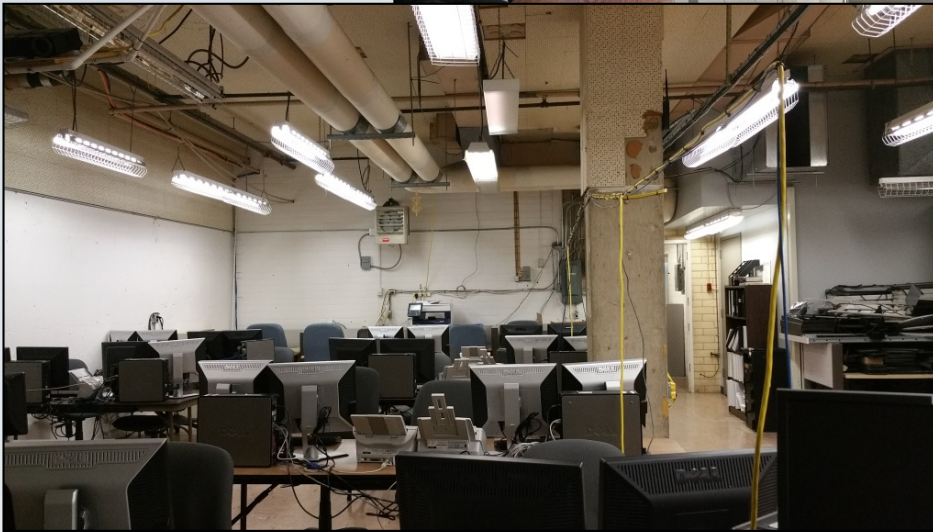
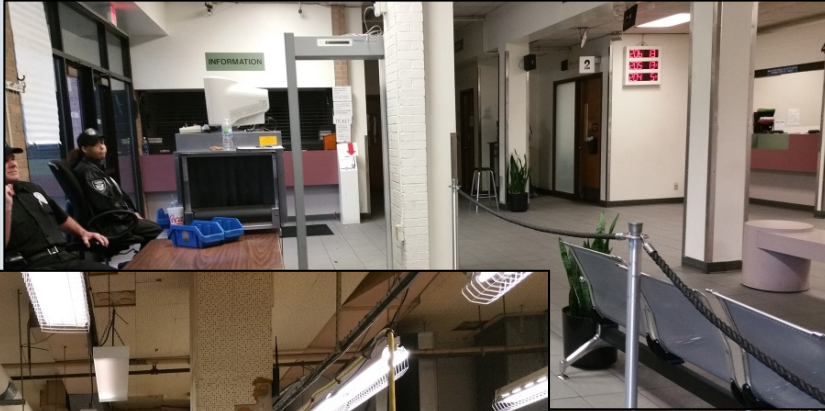


# Permit Center

- Space Programming Results
  - Approx. 185,000 sq. ft.
  - Customer-focused
  - Larger floor plates
  - Open, flexible space standards
  - Expanded, larger meeting space
- Continued Outreach
  - Employees
  - Customers
- Request for Proposal (RFP) process
  - Engage with private sector
  - Developer brings land and financing to the deal
  - Open-book evaluation and selection process
  - Recommendation to Council by late summer 2016



# Municipal Court



- Opened in 1955
- Severe building condition issues
  - Asbestos
  - Failing data and phone wiring
  - Mechanical/engineering failures – HVAC, elevators, windows, roof, foundation
- Operational issues
  - Lack of space for current needs ... yet alone future
  - Too few, and undersized courtrooms
  - Lack of jury empaneling space
  - Parking
  - Substandard security/safety for employees and citizens
- Pursuing emergency back-up sites in case of system failures

# Municipal Court

- Initial space programming results
  - Approx. 100,000 sq. ft.
  - Additional courtrooms
  - Lobby / Customer Service windows
  - Enhanced security
- Continue planning efforts
  - Detailed programming and space specifications
  - Evaluation of best practices in Court design
  - Joint City / County analysis of siting options



# Other Facility Efforts

*Continue work on planning/programming for other replacement facilities*

- Sobriety Center
- Austin Energy administrative needs (lease exit)
- Fire / EMS Warehouse
  - US 183 toll-road project will make existing warehouse space inoperable
- Police / Fire / EMS administrative space
  - APD Headquarters on site designated by Waller Creek Design Plan for redevelopment
- Maintenance Service Yard consolidation
- Daugherty Arts Center
- Relocation of Building Services
  - Redevelopment of 411 Chicon site per Council direction

# Next Steps

- March 31<sup>st</sup> Council Action for additional planning work with Development Advisor
  - Programming and space specifications to continue work on existing projects (previous slide)
  - Analysis for City / County siting options
  - Building Services relocation / 411 Chicon Redevelopment
- Issue RFP for Permit Center
- Municipal Court
  - Create emergency back-up plan
  - Aggressively complete space programming/building specifications for a replacement court facility in advance of Request for Proposal process