ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 8672

3644 HSTA FAIRBANKS AND ANCHORAGE OFFICE COMPLEX 520

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James O Smith
Signature of Camera Operator

9/11/89
Date

02-519 (REV 8/78)

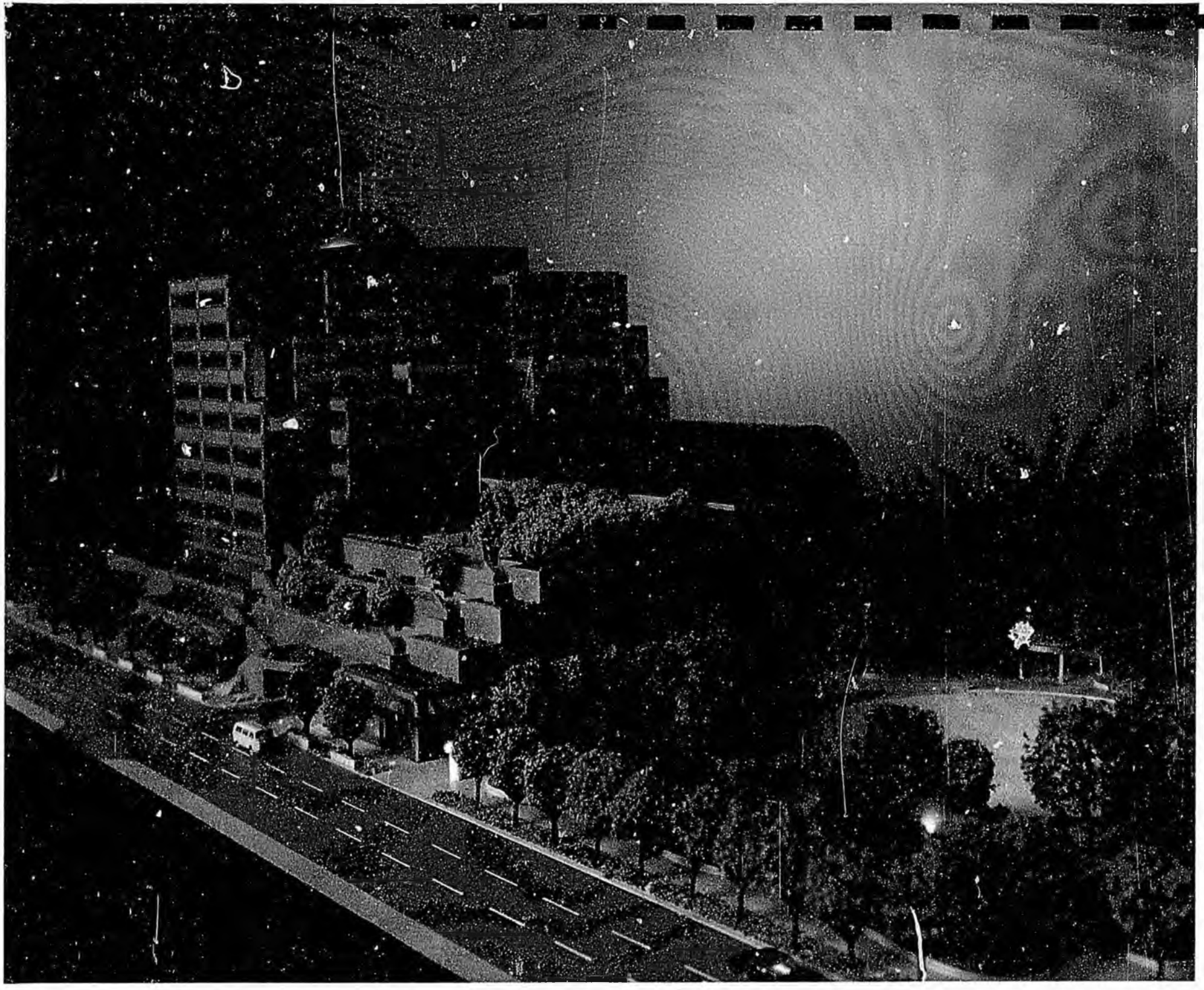
FAIRBANKS AND ANCHORAGE OFFICE COMPLEX

STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

DICK FISCHER DEVELOPMENT II

WRIGHT FORSSEN ASSOCIATES
ARCHITECTURE ENGINEERING PLANNING



THE ANCHORAGE OFFICE COMPLEX

INTRODUCTION

The Dick Fischer Development II proposal for the State of Alaska Anchorage Office Complex, designed by the local architectural/ engineering firm of Wright Forssen Associates of Anchorage and Seattle, was named winner of a national competition for the new Alaska State Office Building in Anchorage, Alaska. The firm was awarded the assignment by the State Department of Administration to design, develop and construct the governmental facility. Other team members include Morrison Knudsen Construction Company, McKinstry, Inc., Mechanical Contractors, and Cochran Electric. Consolidating some thirty-seven offices housed throughout the Anchorage area, the facility will contain nearly four hundred-sixty thousand square feet of space and parking for one-thousand vehicles.

Limited in height due to its proximity to a municipal airport, the building is eleven stories and occupies sixty-five percent of a two block site on the eastern edge of the Anchorage downtown core. The building is composed of polished and textured granite, polychromed glass, and copper awnings over a steel and concrete framed structure.

The building's curved glass entry facade with a granite colonade base opens onto the entry plaza, dramatizing the primary entrance, and is oriented to a natural pedestrian link to neighboring government facilities. The design includes several major open spaces, all oriented to maximize solar exposure. The southwest entry plaza is linked to a fourth level landscaped plaza surrounded by dining facilities. A major landscaped area on the remaining site to the east features a circular element that can be utilized for skating in the winter and an amphitheater in the summer.

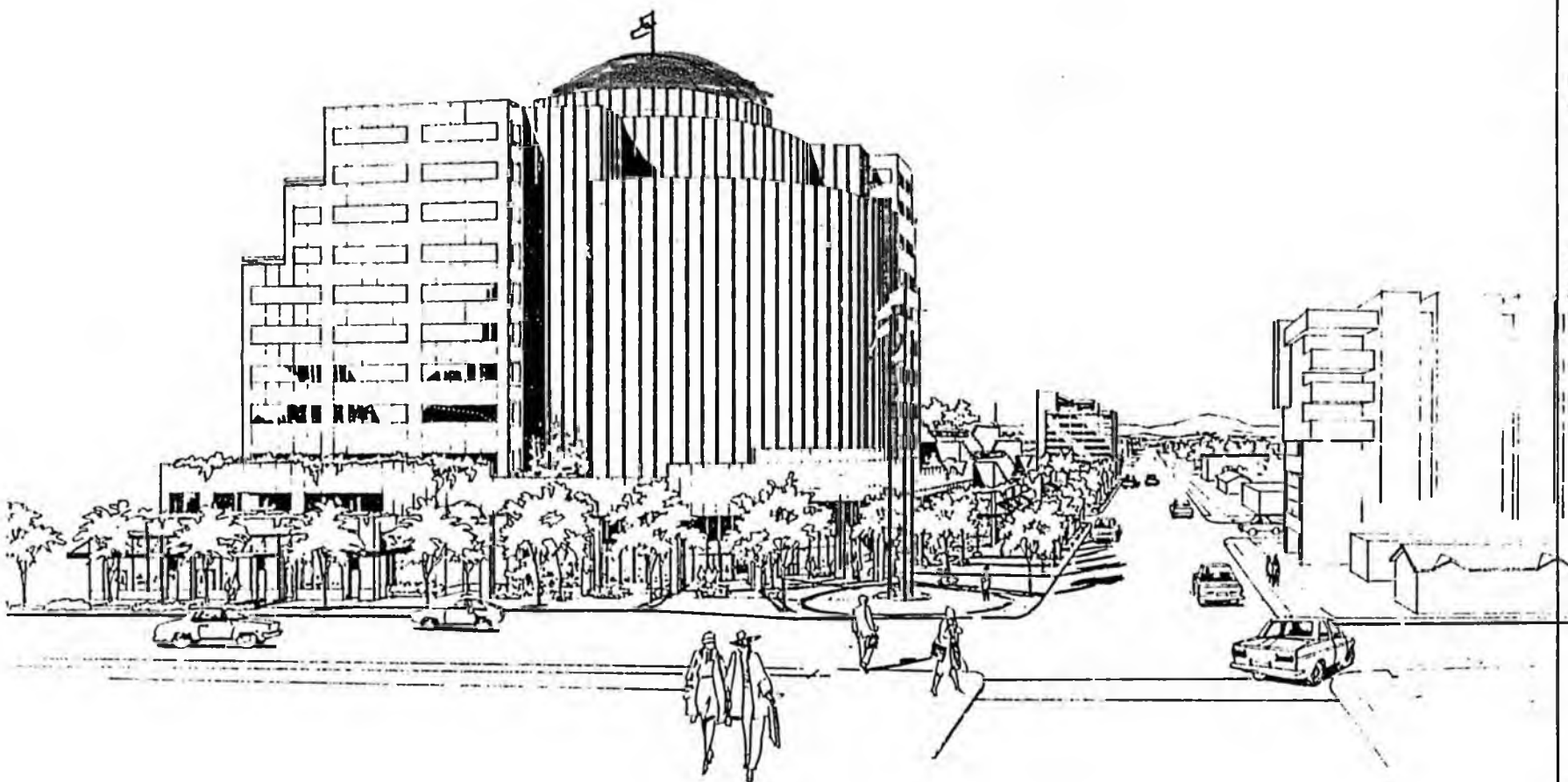
Special attention was given to the building's street side elements to intensify retail activities, provide human scale, and

provide a vital linkage to other present and anticipated developments on adjacent blocks. Virtually the entire base of the building will be protected from the elements through the use of awnings and setbacks.

The architectural design team credits the successful design to a close and intense interaction of developer, contractor and architect in pursuing a clear goal of achieving a strong image without losing sight of important ~~humanistic design factors~~.

The design is certain to create a spectacular impact on the Anchorage skyline and assure an identifyable landmark for a long time to come.

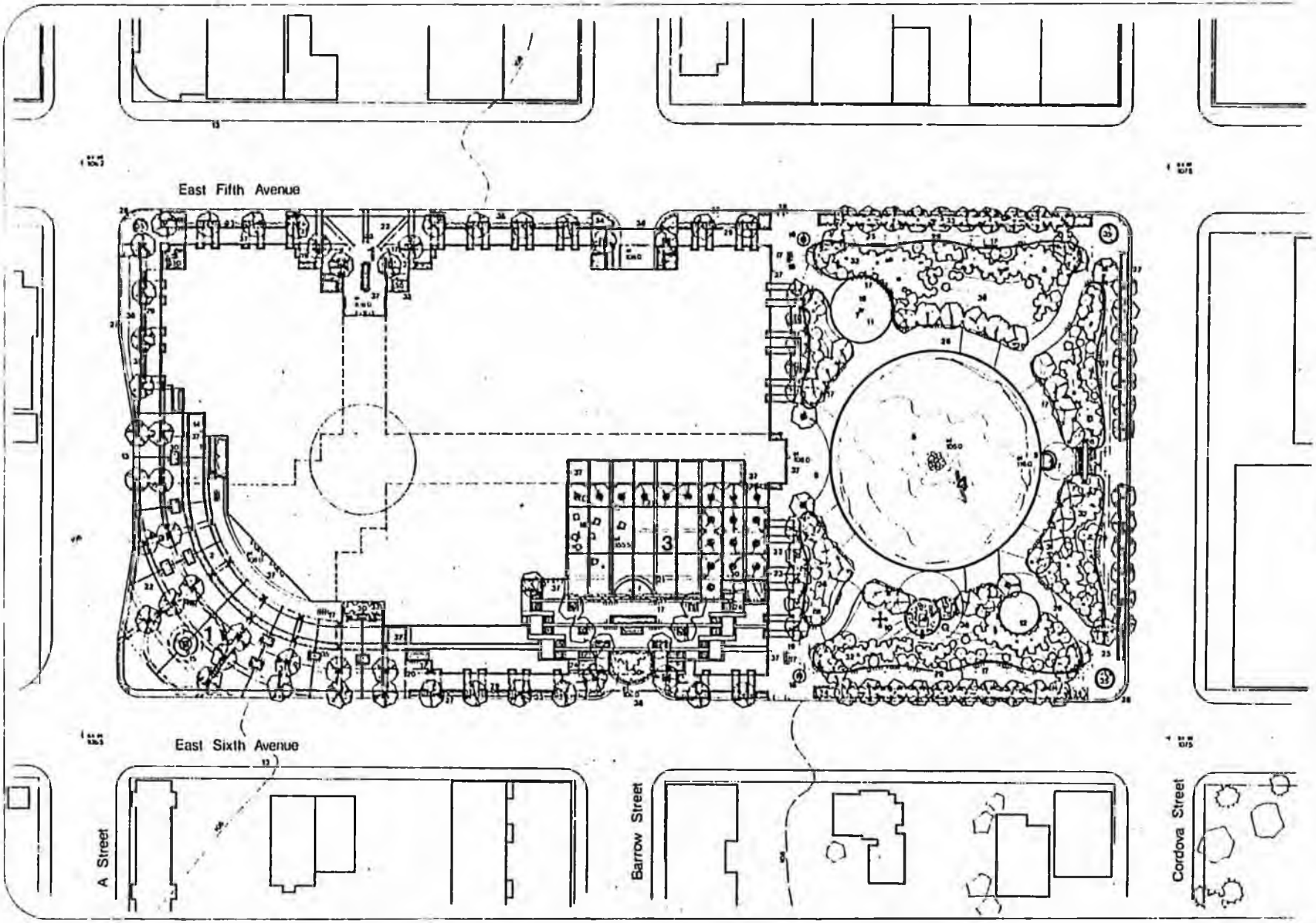
REDUCED DRAWINGS



STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

BIDDER NUMBER



STATE OF ALASKA

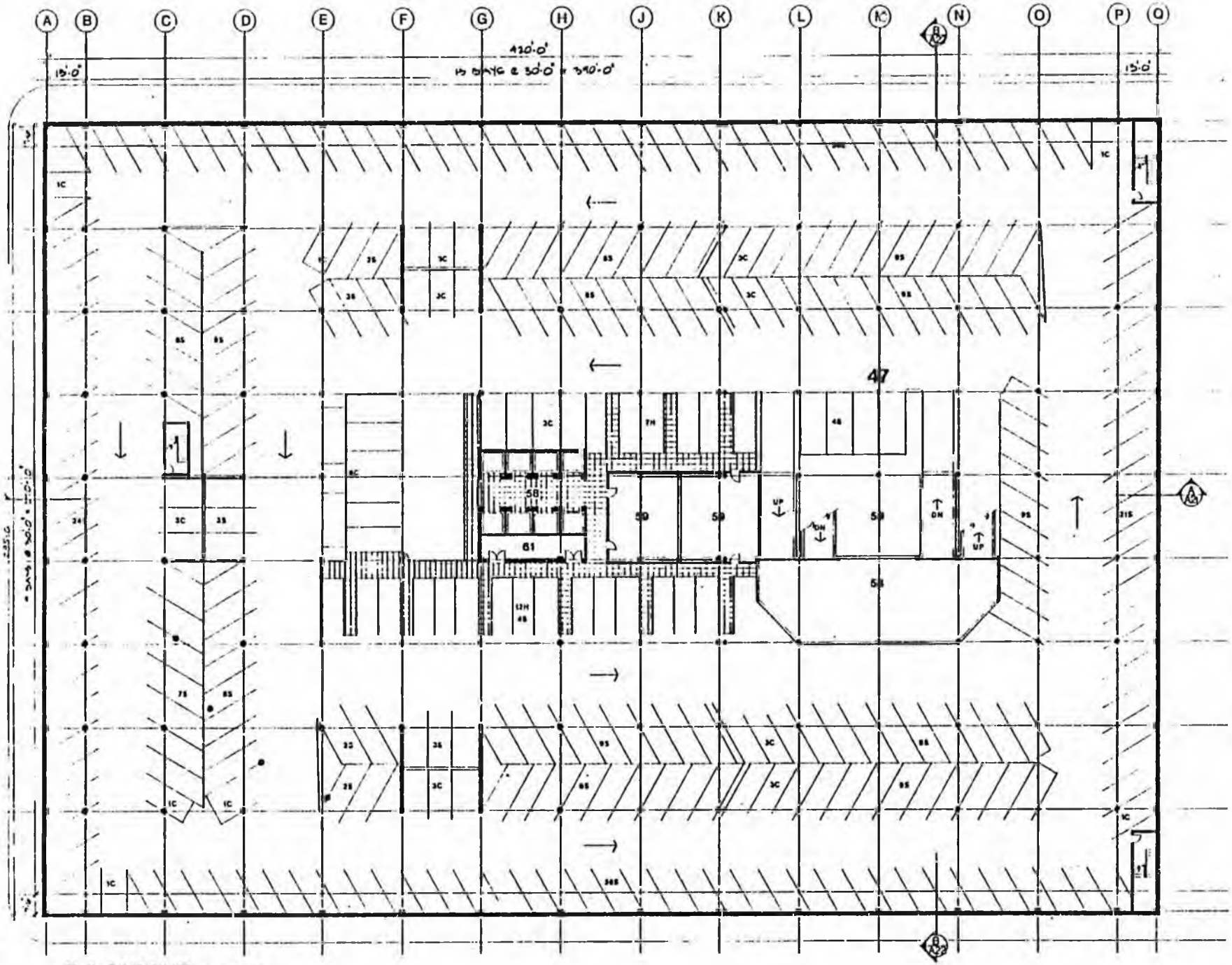
ANCHORAGE OFFICE COMPLEX

LEGEND

BIDDER NUMBER

SITE PLAN

A1



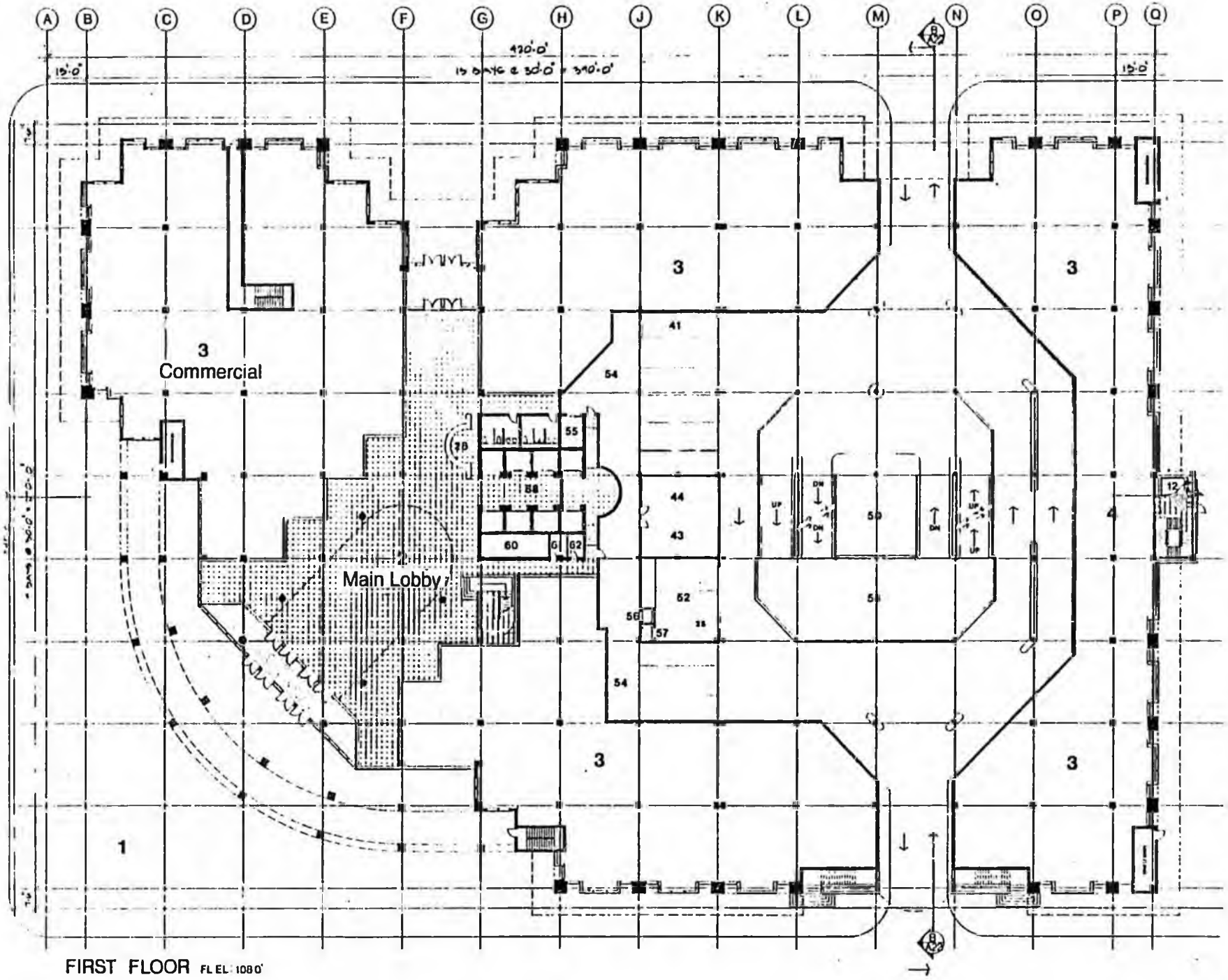
STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

LEGEND

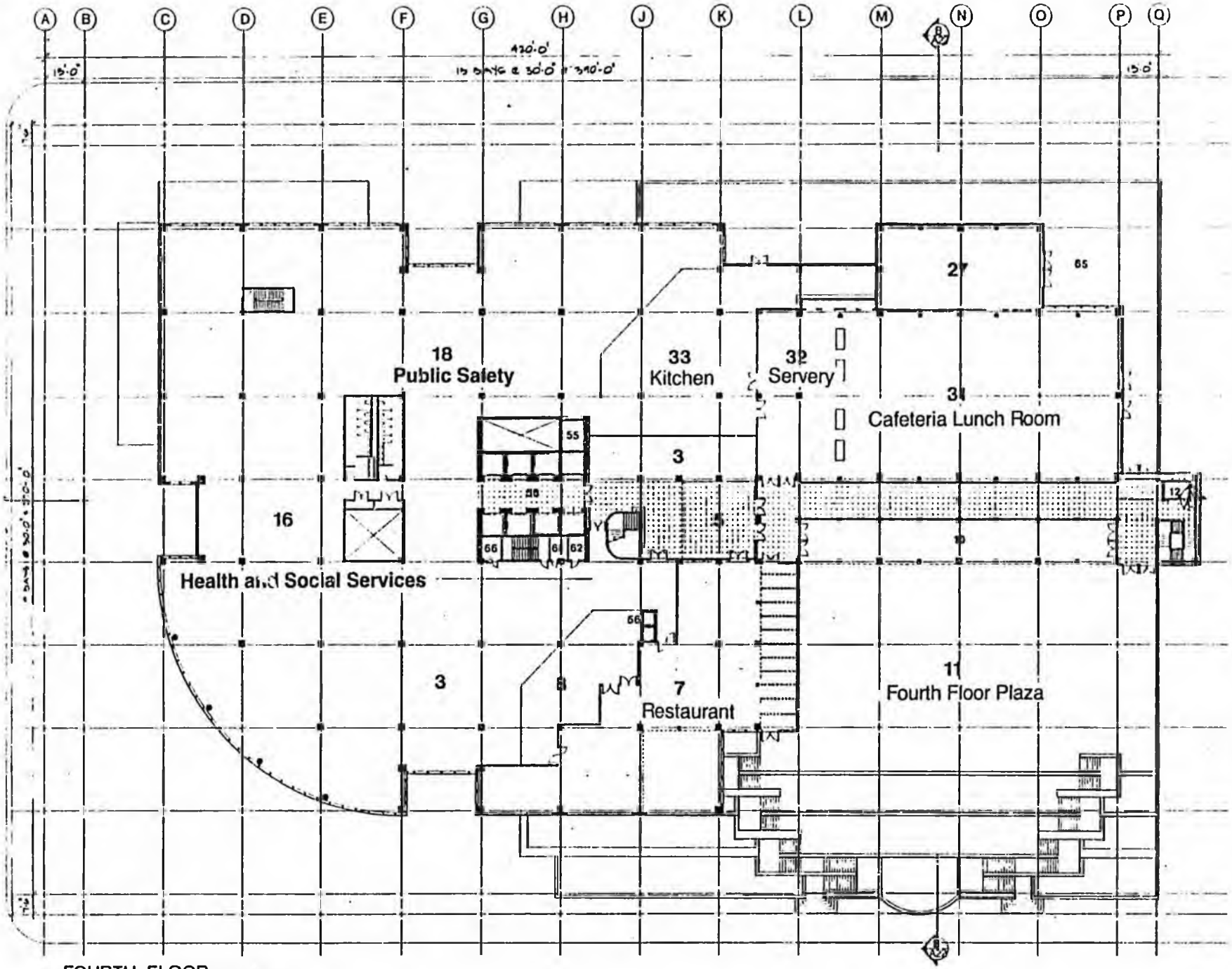
BIDDER NUMBER

A2



FIRST FLOOR FL EL 108'0"

A4



FOURTH FLOOR FL EL 155'5"

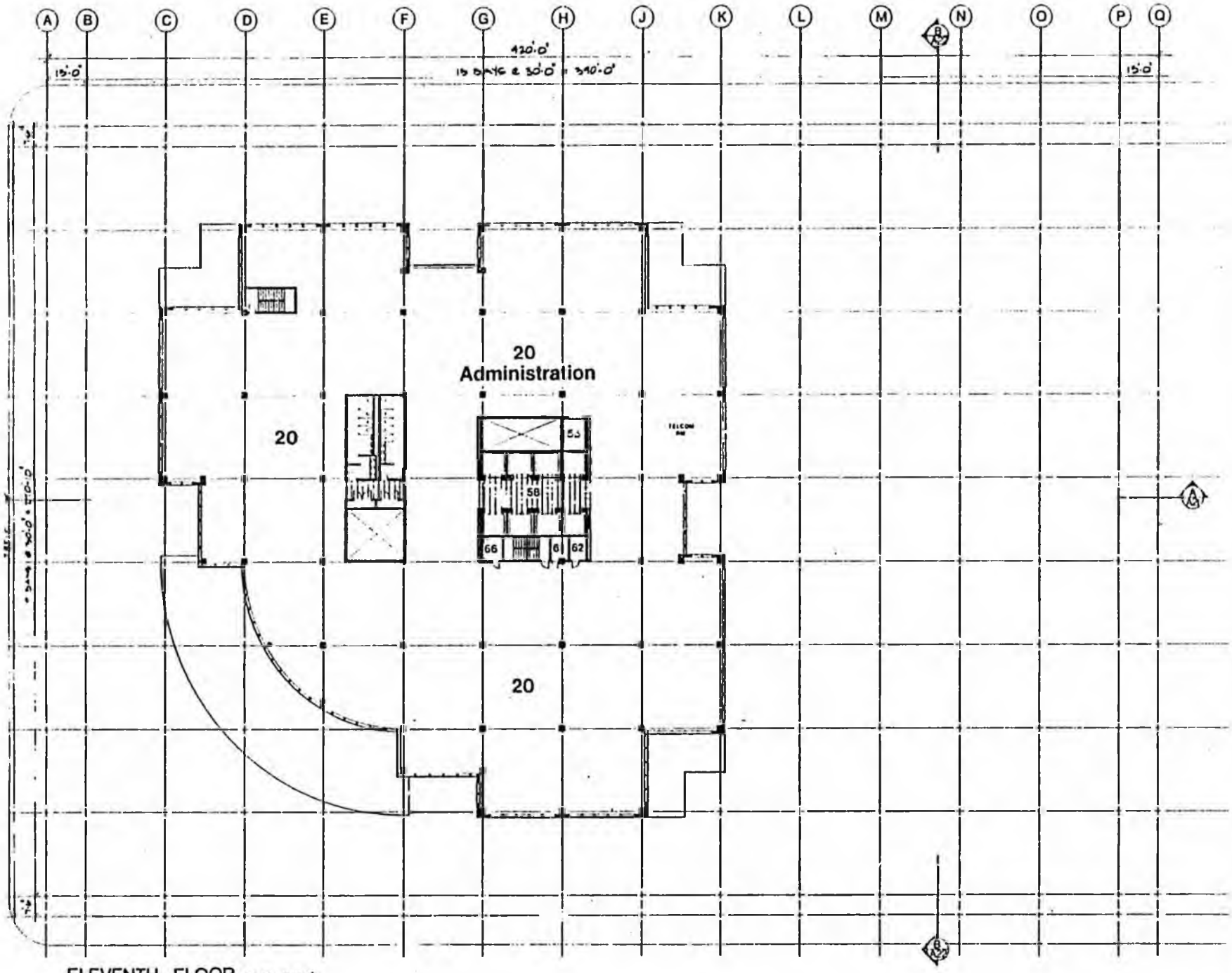
STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

LEGEND

BIDDER NUMBER

A8



ELEVENTH FLOOR FL EL: 243.0'

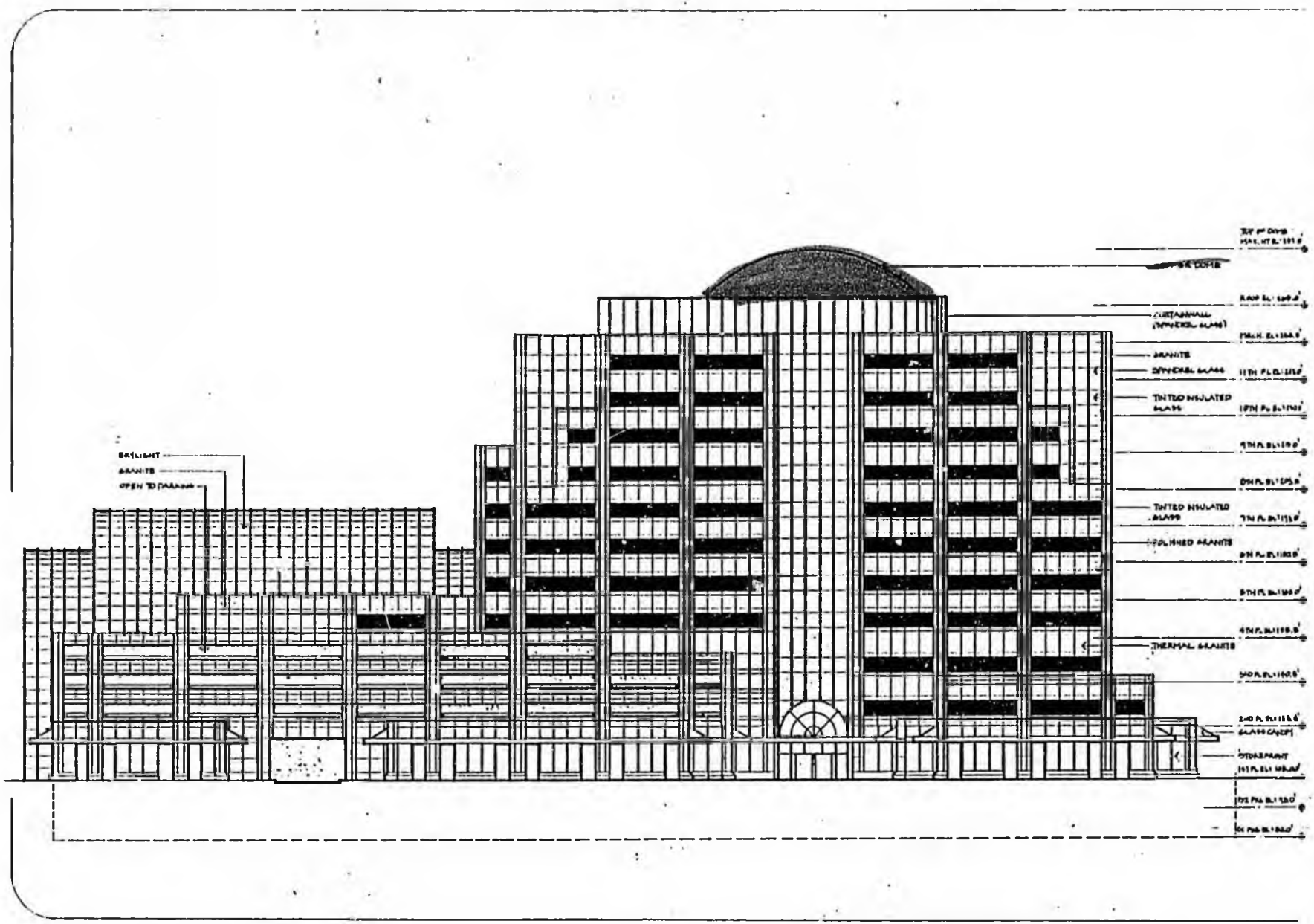
STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

LEGEND

BIDDER NUMBER

A15



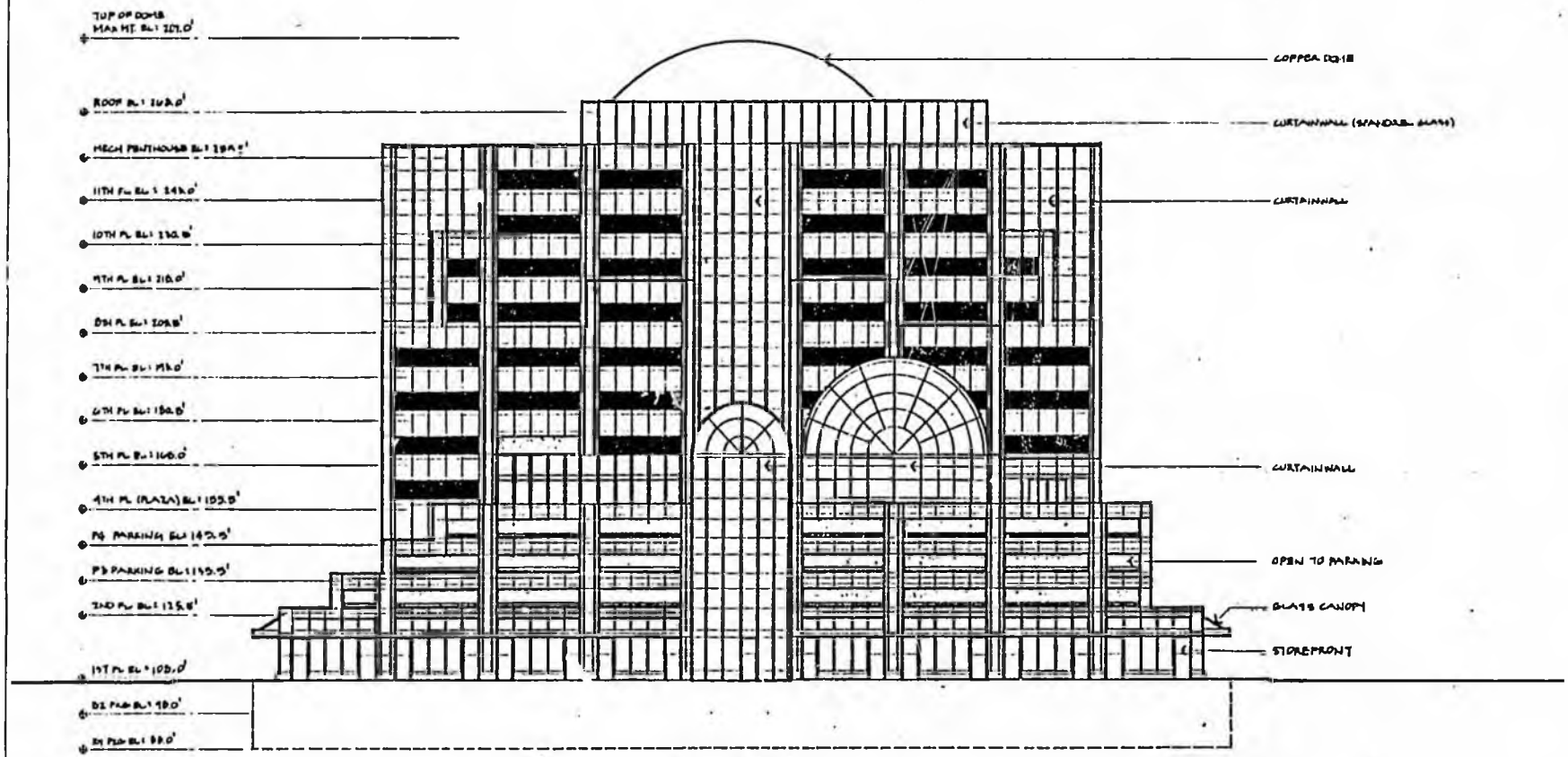
NORTH ELEVATION

STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

BIDDER NUMBER

A17



EAST ELEVATION

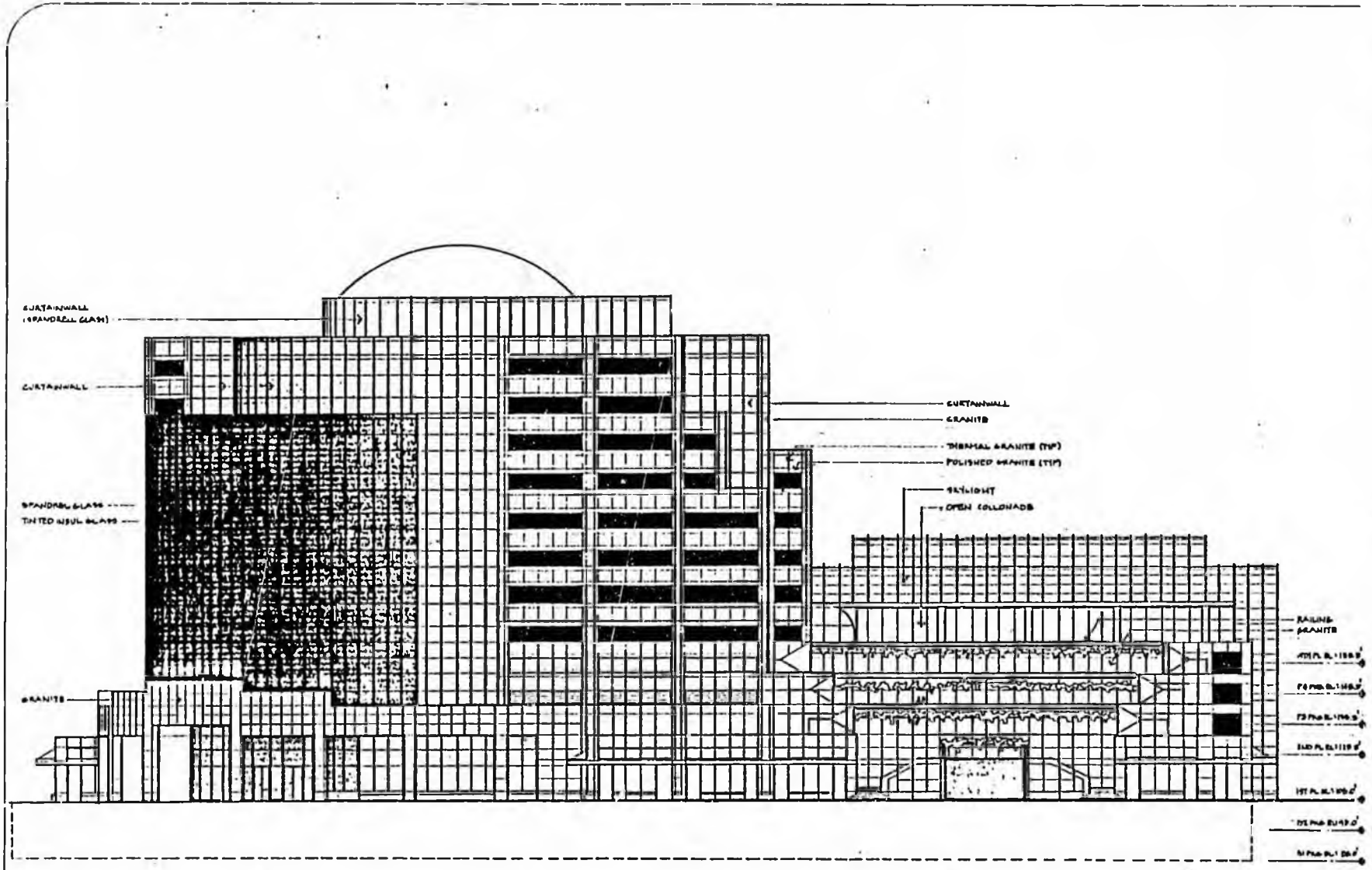
STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

0 4 8 16

BIDDER NUMBER

A18



SOUTH ELEVATION

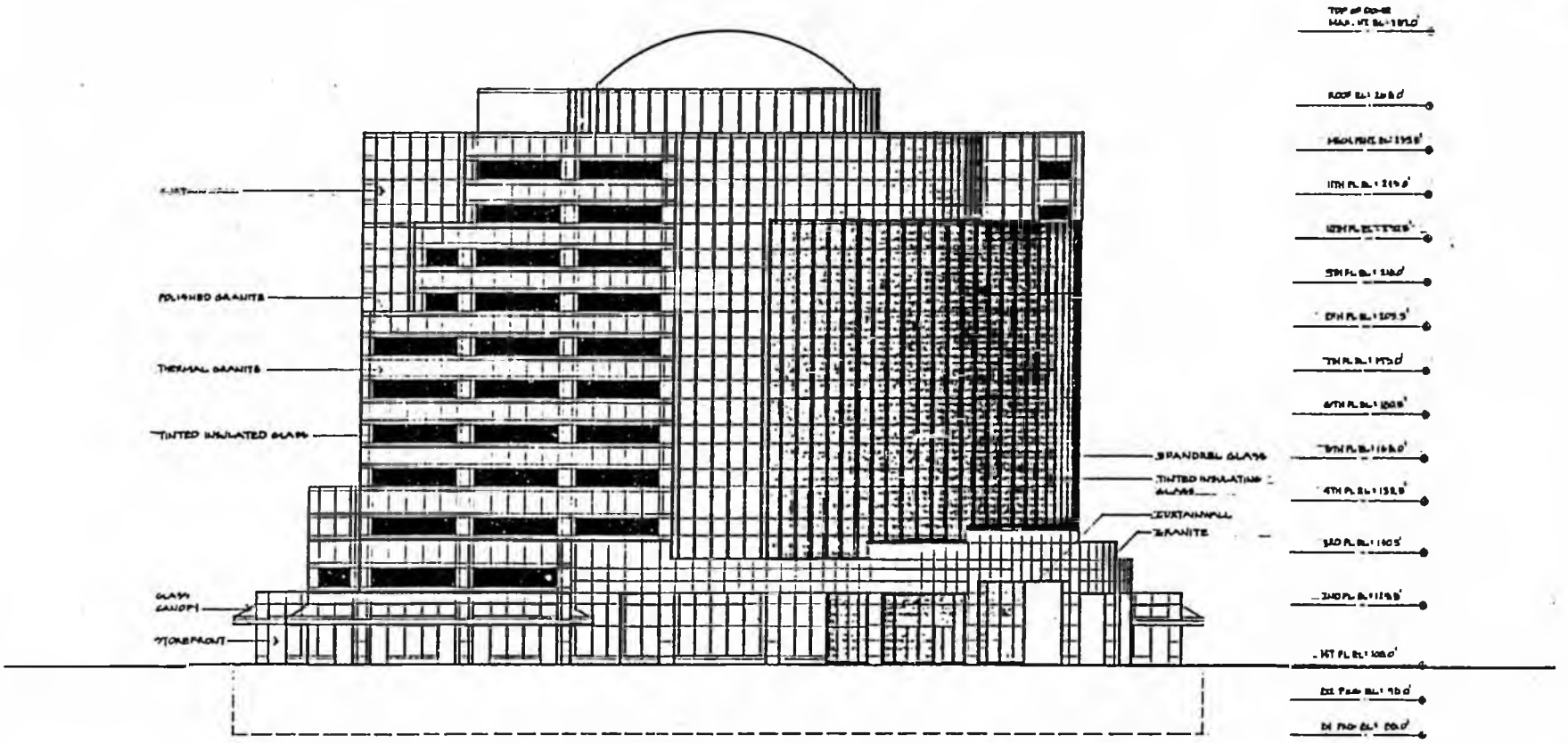
STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

0 4 8 16

BIDDER NUMBER

A19



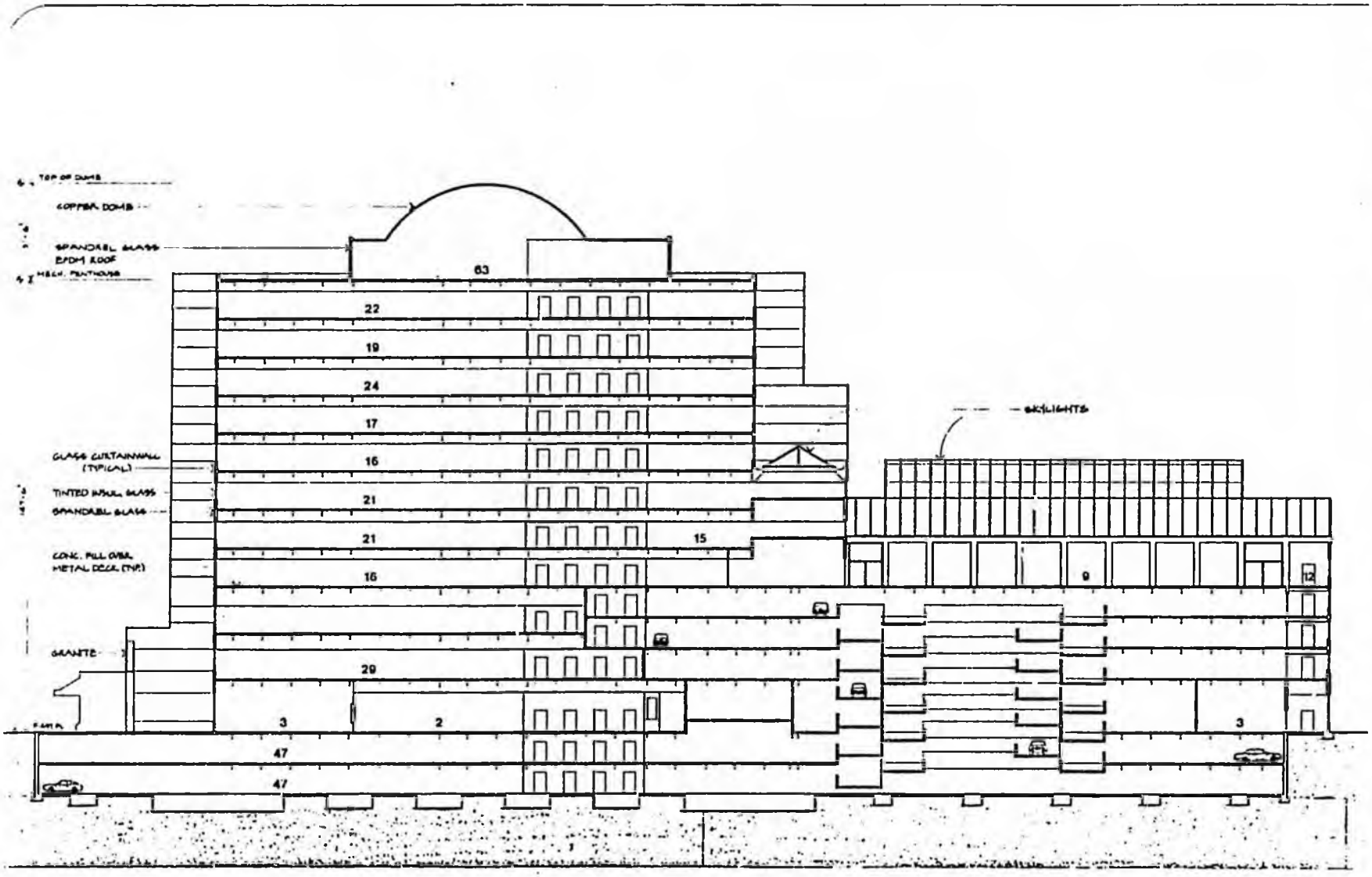
WEST ELEVATION

STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

BIDDER NUMBER

A20



BUILDING SECTION A-A

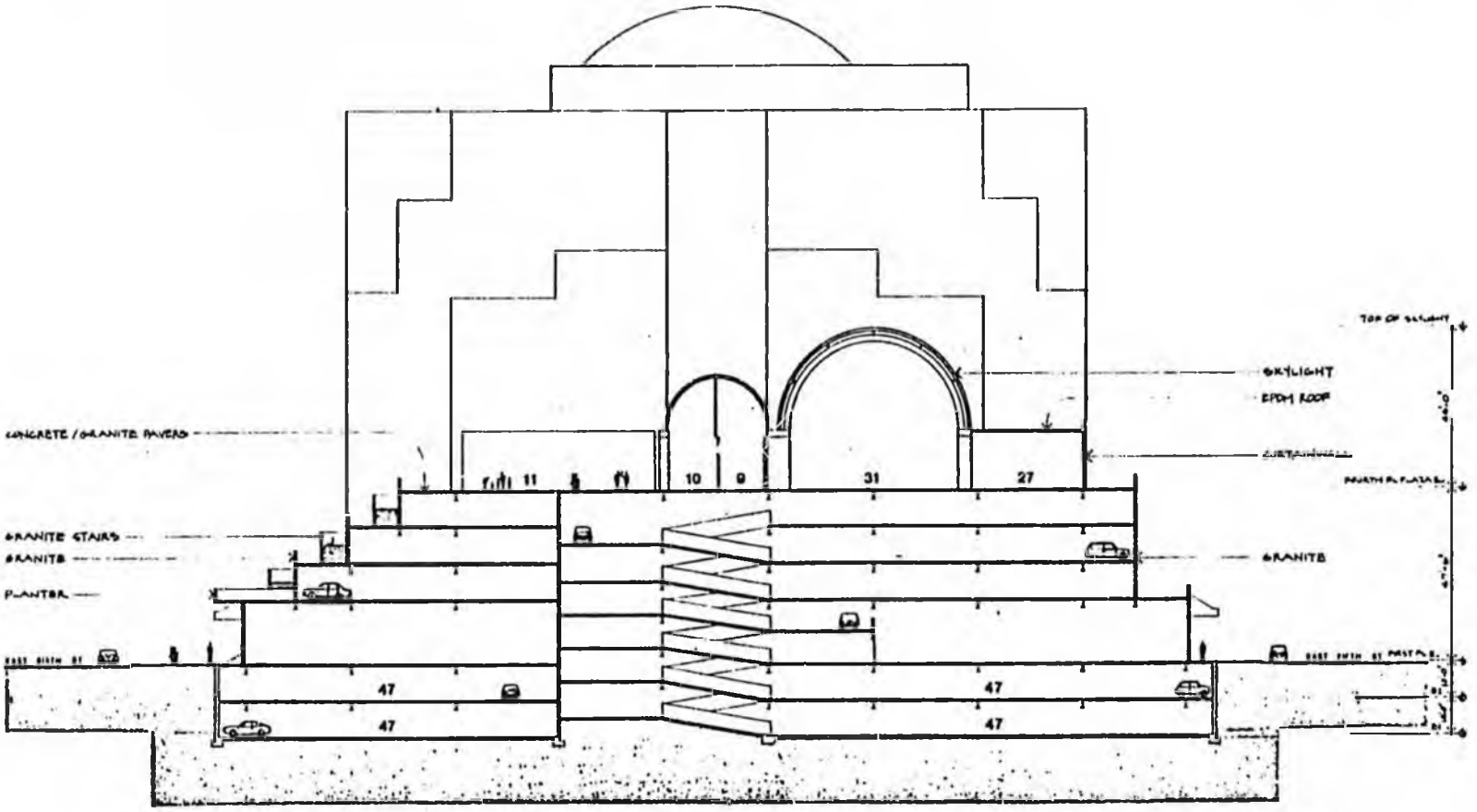
STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

LEGEND

BIDDER NUMBER

A21



BUILDING SECTION B-B

STATE OF ALASKA

ANCHORAGE OFFICE COMPLEX

LEGEND

BIDDER NUMBER

A22

GENERAL NARRATIVE

GENERAL NARRATIVE

1.0 DESIGN CONSIDERATIONS

1.1 The Site

The Anchorage Office Complex site is located between 5th and 6th Avenues and "A" and "C" Streets toward the eastern downtown core. Particular attention was given the physical built environment in which the building will be located. We see this environment as primarily the downtown Anchorage core between 2nd and 9th Avenues and from Eagle to the Inlet to the west.

There are several major completed developments that are particularly relevant when envisioning this built environment. The Fine Arts Museum is significant because of the proximity across 6th and "A" Streets from the project. Some of the shapes in this building have been acknowledged in our design, primarily in the interior atrium space.

The Federal Building's importance to this project affects the major southwest entry location. Also significant are the Sheraton Hotel to the east, the other major hotels downtown, the ARCO building and the Hunt Building. Perhaps the most significant project in downtown Anchorage will be the Performing Arts Center which will break ground this Spring. Our design was particularly influenced in relation to the people scale orientation of that project. These buildings, as well as others that are

contemplated, were studied to evaluate how the Anchorage Office Complex site relates to the built environment. The photographs submitted showing the relationship of our design to downtown Anchorage were part of those studies and are provided as an aid to the jury. Also submitted is the original small scale model used in these studies. If the jury would like to view the project in the context of the Municipality CBD model, they would be able to do so by replacing the existing model blocks with the small project model. The Municipality model is located in the Hill Building.

The design team was particularly concerned with developing a design solution that was indicated or implied by past studies of the subject project. These studies and the Request for Proposals led to a configuration and massing that we believe will fulfill the goals of both the State of Alaska as well as the host city, Anchorage. The south-facing Plaza at the roof of Level 3, combined with the amount of other open space on the site, including stairs and balconies and setback plazas, represents 64% of the total site, and 53% of the first phase site. The plaza also emphasizes the relationship to the natural environment, particularly with regard to views, notably to the southeast. The same relationship will be enhanced by the use of a warm color on the exterior of the building which we believe is important in Anchorage. The plaza southeast of the main entrance to the building will face the primary pedestrian access to the project

and relates to the museum and Federal Building. The shapes found in the museum are echoed in our project in the entry atrium and dome of the building.

Care has been taken to maintain this project as a good neighbor in its present and future environment. To this end the street setbacks have been expanded with an emphasis on street level shop access. Pedestrian circulation related to retail areas occurs primarily at the sidewalk whenever possible to enliven the streetscape rather than to internalize the building. Circulation within the public areas of the office tower is clearly defined, with an obvious and dramatic main entry at the southwest corner leading to major horizontal and vertical circulation spines. A second major entry to the building at East Fifth Avenue is essential in establishing circulation through the site.

The concept addresses the broadest intent of the request for proposal rather than the minimums required. Examples are:

- The roof will be an IRMA type system, which is the best available.
- The proposed granite exterior wall system is warm, rich, textured and enduring.
- An additional elevator for freight to the fourth floor commercial space is desirable and was added. The additional elevator on the east end of the building is a

beneficial temporary enhancement and a link to the landscaped and future phase expansion area. This, as well as the terraced stair climb on the south side of the building, enhances the vertical and horizontal circulation within the building and provides numerous opportunities for public open space.

- The marble walls and granite floors, as well as the dramatic vaulted ceiling on the first level, are consistent with the quality level throughout the building.

1.2 Open Space

This design features major open spaces, all oriented to maximize solar exposure and linked together in continuous progression.

The southwest entry plaza formed by the curved building edge and the street curb is composed of complementary landscape and hardscape elements. A natural link is formed to the Federal Building and the highly developed west CBD. The patterned entry plaza leads to a richly detailed entry lobby, with an atrium. Special attention has been given to the sidewalk detail. The pattern is composed primarily of concrete pavers in warm earth tones and granite bands that extend the building to the street. Setbacks are larger than required from the street to provide more open space and to buffer these spaces from traffic. These pleasant setback areas will assure healthy commercial develop-

ment. A raised splash wall will protect landscape materials next to streets from street splash and salts. Hydronic snow melting systems will be located beneath the paving at the main and secondary entries and the entry drive pads to facilitate snow melt at these locations. The open stairs to the south are expected to be maintained in similar fashion to the sidewalk snow maintenance program.

A second major open space, and a focal point of the design, is the fourth level plaza. Oriented to the south, and surrounded by the main cafeteria to the north, the open landscaped area to the east and the restaurant to the west, the plaza will afford a pleasant retreat, landscaped and tempered by maximum solar exposure.

This orientation and situation next to casual and compatible activities will increase the use of the plaza over an extended season and will afford lovely views; this will be a place that will attract activity and encourage use.

This plaza is linked directly to the landscaped area and the three upper level park areas by a glass enclosed elevator and stairway that forms the terminus of the fourth level circulation spine. This corridor leads into the elevator core and will become a major circulation spine between this phase and the second phase expansion. The plaza is also extended to the street by graceful landscaped terraced decks connected by gentle stairs.

The decks provide more opportunities for seating, for enjoying protected sunlight and watching street activities below.

The building scales down next to the landscaped area, and thus will assure maximum solar exposure at all times. Since the building will not be built to maximum height, and by virtue of the sculpted corners and setbacks, shadows will be minimized in this area.

East of the building, in the area of future development, lies the multi-use open space. This outside continuation of the building is visually linked to the cafeteria and fourth floor terrace above and physically linked by an entry and elevator on the east side of the building. The area can be used for unstructured active and passive activities.

Located on the building's circulation axis, the central feature is a multi-use focal point, reflecting the circular theme established by the dome and southwest building facade. The area functions as an amphitheatre with a podium for dignitaries on the eastern portion and an informal stage for concerts and presentations on the western side. The circular pond will incorporate a fountain in the summer, and will become an ice rink with an ice sculpture as its central focus in the winter. Repeating the circular theme, a tree-lined walk rings the amphitheatre/pond with key support elements such as restroom/storage building, shelter, passive lawn areas and childrens' play area directly connected.

Direct connections also join the play area to the building's daycare facility, the shelter and plaza to the first floor retail food outlets and the elevator connection to the cafeteria and fourth floor terrace.

An east-west circulation axis is developed throughout the project. Access from the street is achieved with meandering paths, bordered by trees and berms, and located at the corners. The westerly walk adjacent to the building is developed for fire and emergency vehicle access as well as for pedestrian use. Entrances are highlighted with planting and site amenities. Planting is particularly important in this space as it is used to accent walks, soften structures, create open spaces and protect users. Evergreens are massed to provide enclosure and to help buffer winds, particularly winter northeasterly winds. Earth mounding aids in this function, providing a terraced lawn which is inviting on fair days. It also gives the restroom building and shelter a scaled down unobtrusive look. Flowering understory trees are used for seasonal effects and to highlight entries and other areas. Alaska's seasonal floral beauty is displayed prominently throughout the project with shade trees lining walks and street.

Also lining walks are street furnishings such as benches, trash receptacles and pedestrian lighting. Function and environment was of major importance in selecting these materials. Benches

are individual seats with backs made of vinyl coated wire to be comfortable and shed snow. Other features provided are drinking fountains, bicycle racks, and kiosks with phones, bulletin boards, and newspaper racks. Lighting increases the usefulness of this space.

Walkways, the pond, fountain/skating rink, arch, shelters and tot-lot will be lighted. At the podium and stage area, electrical and sound systems will be provided, while the shelter can be heated during winter.

A $100,000 landscaping lighting allowance has been provided in the construction pricing.

Undeveloped Site

As previously stated, we feel we have exceeded the minimum intent of the RFP in treating the remaining 35% of the site in a very special fashion. The skating rink/pond will succeed in bringing activity to the site, which is particularly important in the evening when this end of downtown Anchorage tends to be lightly used. If an agreement can be reached with the Municipality for maintenance of the parcel, we would be willing to provide freezing equipment for the rink so that it could be operated in the summer. As a summertime alternative, the rink could be a reflecting pond or could be drained, and would become a type of neighborhood assembly amphitheatre.

1.3 Views

Opportunities for views exist in all directions and from nearly any elevation. From Mt. McKinley to the north, to Cook inlet, the downtown core and the Alaskan range to the west and Chugach range to the south and east, views of the Alaskan landscape and of all of Anchorage are assured. Of particular interest was the view corridor provided to the southeast over the open space of the cemetery. This was felt to be a most dramatic and protected view and was exploited in the design of public facilities on the fourth floor roof plaza.

1.4 Exterior Form

The building's distinctive form and color will add character to the skyline and provide a recognizable landmark feature.

The building's street side elements are designed to intensify activities along the street, to enhance the sense of continuity, openness and vitality, and to provide linkage to other present and planned developments on adjacent blocks. Virtually the entire base of the building will be protected from the elements through the use of awnings and setbacks.

The base structures are reduced in scale and stepped out from the major building elements to provide an intimate, urban pedestrian scale. These base structures provide the primary interface with the retail/commercial activities that are predominantly located

at street level. The exterior perimeter of the entire building is distinguished by a three foot high by one foot thick granite base. This element forms an elegant transition between the wall and sidewalk and enhances human scale. its proportion recalls the detailing of many historic buildings and of the proposed Performing Arts Center.

The office tower is comprised of four basic quadrants, each separated from the other by deep recesses of glass. Three of the quadrants are clad in a warm toned granite and patterned with a combination of polished and thermal faced finishes. Granite conveys permanence and durability that we felt was extremely important for this institutional image. It is important to realize that the granite color cannot be adequately conveyed in a small sample. Its true color becomes apparent only in large areas where the composite color elements begin to blend. The design team investigated large assemblies of the actual granite selected to assure the warm earth tone qualities conveyed in the model will be obtained. The fourth quadrant is finished with warm tinted glass and sweeps through a graceful arc to open the entry plaza and dramatize the primary entrance to the southwest.

Three of the tower corners step back to add additional open balcony space and to add lightness to the building's top. They will also appear to echo the forms of the mountain peaks of the nearby ranges. The tower is topped with a seventy foot diameter

copper clad dome and perhaps, the Alaska State flag. The flagpole is optional and, if desired, an exception to the FAA/ Municipality Merrill Field glide slope agreement will be required.

The dome symbolizes the building's state government function and will create an identifiable and unique landmark for the Anchorage skyline. The dome's greatest presence will be above the entry where the curved forms of the building step back to expose its form. Functionally, the dome is an integral part of the mechanical penthouse.

The two major elements on the fourth level plaza, the dining lounge and circulation spine, are composed of linear vaulted forms that reflect in color and texture the curved wall surfaces of the entry plaza.

The dining lounge is situated to capture sunlight and open space. It will dominate the northern and southern elevations of the project and create a unique retreat from the general office spaces. The vaulted forms composed of warm tone reflective glass will reflect the color and texture of the sky while providing a rich and efficient spatial enclosure. Numerous tall interior plants will grow well here. The enclosure will be comprised of approximately 70% vision glass and 30% opaque and insulated material. The lounge will be an obvious center for the Phase I tower and the future facility.

The circulation spine of a smaller scale vault connects the elevator core to the dining plaza and landscaped area's elevator and stair system. The spine awaits the future addition to become a major fourth level link between the two buildings.

The low scale structures which encircle the perimeter of the building will be clad in granite of similar pattern to the tower. Special attention to detail has been concentrated here to humanize the walks and entries. The entire base perimeter is enclosed in clear glass, exposing the various shops along the street and the two and one-half story vaulted entry lobby.

Although the building will hold together on its own in composition and form, the future addition has been modeled to convey the continuity that will be achieved in form, circulation and function. Shadow patterns on the well articulated walls will reduce the apparent mass of the building and will alter its appearance from various locations over the course of the day.

1.5 Vehicles and Parking

The parking facility will provide for more than 1,000 cars in the self parking mode, and in the proportions of standard, handicapped and compact required by the program. The parking was specifically designed so it could also accommodate valet parking on two levels to provide 20% more total spaces than the minimum required.

Levels B1, B2 and P4 will be designed for state employee self-parking, accommodating more than the required 745 spaces. Level P1 and P3 will provide over the required 255 public spaces for exclusive state visitor use with valet parking and Level P2 will provide more than 200 valet parking spaces for public use for the commercial space. The valet parking proposed for these three levels will be provided by a contract with the company that presently manages the Municipal Parking Garage as well as the majority of other parking facilities in Anchorage. Level P1 and P3 valet parking services will, of course, be provided at no charge to state visitors; Level P2 valet parking will be charged per the cost of providing this service. Our estimate indicates that the income for the retail valet public parking will far exceed the cost of providing the service for both the retail and state public parking. In addition to providing controlled parking for the public visitors to the building the valet parking will have the additional benefit of monitoring and controlling the state employee parking area against infringement by others.

The parking layout on Levels P2 and P3 shows a conventional layout rather than the proposed valet parking for these levels to assure the state that the parking facility meets the minimum program requirements.

The parking garage has two major access points with both access and egress for vehicles provided for at both locations. Two

garage entries are used to greatly enhance the flow of cars in and out and to allow for interior vehicular stacking that will occur at peak hours. The entries are situated in near alignment to Barrow Street, and thus tie well into the street grid to allow for more access/egress opportunities and for traffic control lights, should they be warranted. The Barrow Street entry would also increase the capability for stacking on East Fifth and East Sixth between "A" and Cordova Street.

Parking is provided for on six levels, two levels below grade and four levels above grade. The grade level of the garage is dedicated to circulation, service, the governor's garage and valet parking.

This level has a clearance of 14'-6" and allows for truck circulation and access at the Barrow Street entries and for a service aisle alongside the loading dock area which will be totally enclosed and out of view from the street. Dedicated employee parking will be controlled by a card-key gate system or similar devices. Basement parking levels will be mechanically ventilated, and upper levels will be naturally ventilated. After expansion, it is anticipated that adequate exterior areas will be available to achieve 50% open areas. If mechanical ventilation is required, mechanical rooms and exhaust structures can be readily accommodated in the addition.

A detailed traffic study will be completed for Municipality approval during final design to confirm the adequacy of

access/egress and on-site stacking, and development of an appropriate neighborhood traffic plan.

Public Transportation

A bus drop-off is provided on "A" Street virtually at the front door of the building. Protected waiting areas are provided alongside the building, featuring lighted seating areas and information bus schedules and route maps. Transit lanes occur on East Fifth Avenue and East Sixth Avenue and are expected to have stops on those routes across the street from this site.

1.6 Interior Design

Interior Public Spaces

The entire building plan is a logical progression of interior spaces, in a sequential pattern from the most intimate scale to the very lofty public spaces. The intent of the design is to provide continuity between spaces, tie the interior with the exterior at the public circulation areas and to establish a cohesive design theme.

The monumental form of the building enclosure is reflected in the entrance lobby, with its high vaulted ceiling and distinguished building materials. Marble will be used extensively within this area on the walls and main balcony surfaces. Oxidized copper will clad the main interior columns to recall the dome and

awnings. The floor will be finished in granite tiles and will feature a complex pattern of granite and marble of varying texture and color. The pattern will become a focal point of the space and will define the major area for seating and planting. The lobby will convey a sense of elegance and permanence befitting the building's stature.

The main elevator lobby will feature a prominently displayed sculpture within a curved alcove. Materials and textures will continue the design theme established here to all other elevator lobbies within the office levels.

The commercial areas can be easily subdivided into small establishments or reserved for larger tenants. The commercial areas located adjacent to the main level will have special display window and entrance treatments compatible with the materials and colors of the lobby. The display windows and doors will be framed openings within marble walls.

The fourth floor commercial space is dedicated to special uses, that will be appropriately located away from the street noise. The restaurant, for instance, will have views, a sunny orientation, an extensive landscaped terrace, and several access points by elevators and stairs. The fourth floor is an excellent place for special tenants, such as an aerobic studio or art gallery.

The interior office spaces provide maximum flexibility. The large footprint of each floor offers an opportunity for excellent relationships between departments. With the centrally located elevator core and office landscaping, all office areas have potential views outside. The top of the exterior windows are placed at the ceiling line to increase the quantity and quality of light entering the interior spaces. Ceiling materials adjacent to the window will be highly reflective to increase light transmission. Forty percent of the floor will be cellular and arranged to maximize communications and electrical systems flexibility. Mechanical systems are also designed for flexible arrangements and zoning.

Graphic Design

Graphics should be treated as an integral part of the interior design. This can be accomplished by using similar materials, forms and composition. Regulating all the signage and directories refines and finishes the building while enhancing its architectural integrity.

The building identification sign and major directories will be free-standing forms of granite, metals and glass. Directories can be found on all floors on each side of the elevator lobbies and at all other major circulation points within the building. The major building directory is located in the lobby between the stairs and the reception/information counter. All directories

have interchangeable lettering encased in glass to maintain flexibility. The building identification sign, however, will be a large granite form with engraved lettering. This piece is to be located at the major southwest entrance to the building.

Retail signs and identification graphics throughout the building include the use of oxidized copper, stainless steel, glass, and plexiglass. All interior and exterior signs will be regulated in size, materials, lettering and placement in order to maintain continuity.

The signs for the lobby retail spaces are treated as an architectural element defined by using the same details as the typical lobby windows, smaller in scale and appropriately placed to coincide with the entrance doors to each establishment. These sign assemblies will contain an insert of oxidized copper with projecting stainless steel lettering and frame.

Open plan office furnishings will be provided with a graphics system to accommodate requirements as they are further defined.

The budget for the interior signage for the state offices is $125,000. This budget, we believe, will reflect the quality graphic design that was indicated by the request for proposal.

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF ADMINISTRATION

POUCH C (MS 0200)
JUNEAU, ALASKA 99811
PHONE: (907) 465-2200

OFFICE OF THE COMMISSIONER

June 7, 1985

Mr. Joe Thomas
Audit Manager
Legislative Budget and Audit Committee
Division of Legislative Audit
Pouch W
Juneau, AK 99811

Dear Joe:

I am enclosing several schedules which make a comparison between rent (straight lease) versus lease/purchase for office space. This analysis is taken directly from the most recent Anchorage Office Complex (AOC) procurement attempts and information surrounding those leases and space available to go into the AOC. All things considered, this gives an excellent illustration of the various issues to be considered based on actual procurement result versus extended speculation.

Some basic criteria for understanding:

1. Both the rent and AOC numbers contain operating costs. Based on our present leases, 35% of the lease rate is attributed to operating cost; the balance is building acquisition and retirement. For AOC, operating costs were based upon actual operating costs of a similar already existing structure of comparable size adjusted for AOC actual square footage.

   CPI escalation rate for operating cost used was the same for rent and AOC.

2. There is a market adjustment that takes place over time with leased space that is separate from the operating cost pass-thru. Most leases have escalation clauses after an initial term, i.e., three years which allows an increase in the base rent not related to operating cost. The structure is simply more valuable versus new construction cost. The same type of adjustment that bring up an older home's value to current market.

   Market changes do approach the change in CPI. In a recent series of lease negotiations in 1985, market adjustments approximated 3% per year during the term.

   The market adjustment used in the schedules is kept level over the full thirty year comparison term; a very conservative assumption.

We consider the 3% level a very conservative reasonable case.

3. When a lease expires it rolls over at the new market rate. An older long-term lease will have a significant adjustment at renewal time since it may have been several years since major structural market changes have taken place. We also have locked in market adjustments on the previous terms which may not have approximated the full adjustment necessary.

   Two analyses are presented. Many of the leases would be up for renewal related to AOC anyway, and are timed toward AOC; market adjustments would then take place. The "Ten Newest Actual Rollover" shows costs market adjusted at the beginning of the thirty year term based on the actual adjustment experiences on the ten newest lease negotiations in the present Anchorage market by March 1985.

   The "No Rollover" column assumes that no market adjustment takes place at the beginning of move in three years from now, that only the actual past average costs of all leases stay the same. This is very unlikely but presented here for purposes of sensitivity analysis.

   We consider the "Ten Newest Actual Rollover" case still very conservative but reasonable.

   Please note, the market adjustment is kept level for thirty years. Periods in those thirty years of higher than 3% CPI, for instance, will dramatically tilt the entire analysis toward AOC greatly enlarging the gap between lease versus AOC.

4. We have not included as savings, or alternatively, lower cost on AOC, the projected hard dollar savings from consolidation. These were estimated in June 1981 to be $1.7 million per year; probably higher now.

5. The State presently leases in excess of 650,000 square feet of office space only in Anchorage. Obviously some of that will not move. We identified a core 285,000 square feet of leases and the balance 65,000 square feet in the AOC usable for either growth, more existing leases, or expansion.

6. New system furniture was included in the AOC to obtain maximum usable space per person. Over thirty years furniture would be replaced in leased space. That cost has been excluded from both sides of the analysis.

   Since leased space persons would likely move during a thirty year period, move costs have been excluded. The cost has been excluded from both sides of the analysis.

I draw your attention to years 2016 and 2017. You will note the significant difference that takes place. This is because under the AOC the State retains

the equity and the costs associated with building acquisition are paid for. Instead of paying for the building over and over again, as in a true lease scenario, the State gets the equity. The cost difference would continue to increment upwards after the thirty year initial term as the economic useful life of the structure exceeds the thirty years.

For purposes of this analysis, the "Ten Newest Actual Rollover" at the 3% level is a very conservative but reasonable comparison. The "No Rollover" comparison is highly unlikely and extremely conservative; like a worst case scenario tilted towards the rental/lease side.

There is no magic as to what is being done here. It is simply a question as to who keeps the equity--the private lessor or the State of Alaska. The State is going to make a payment to someone to house its people.

The better delivery of services to the public from the simplification of consolidating over thirty locations is also valuable but not accounted for in this analysis.

Sincerely,

Anselm C. Staack
Deputy Commissioner
Administrative Management

ACS/rmm
5/1D2/0607-09
Enclosures

ANCHORAGE OFFICE COMPLEX (AOC)
SUMMARY COMPARISON OF COST DIFFERENCES
RENT v. AOC (IN MILLIONS OF $)
AOC MORE THAN/(LESS THAN)

FISCAL YEAR	NO ROLLOVER MARKET ADJUSTMENT 2%	3%	4%	TEN NEWEST ACTUAL ROLLOVER MARKET ADJUSTMENT 2%	3%	4%
1988	2.7	2.6	2.4	2.4	2.3	2.2
1989	2.4	2.3	2.1	.6	.4	.1
1990	2.3	2.2	1.9	.5	.2	(.2)
1991	2.2	1.9	1.6	.2	(.2)	(.6)
1992	2.0	1.6	1.2	(.1)	(.5)	(1.1)
1993	1.8	1.4	.9	(.3)	(.8)	(1.5)
1994	1.7	1.2	.6	(.5)	(1.2)	(2.0)
1995	1.6	1.0	.4	(.7)	(1.4)	(2.4)
1996	1.4	.7	---	(1.0)	(1.8)	(2.9)
1997	1.3	.5	(.4)	(1.3)	(2.2)	(3.4)
1998	1.1	.2	(.8)	(1.6)	(2.6)	(3.9)
1999	1.0	.0	(1.1)	(1.8)	(2.9)	(4.4)
2000	.8	(.2)	(1.5)	(2.1)	(3.3)	(5.0)
2001	.6	(.5)	(1.9)	(2.4)	(3.8)	(5.6)
2002	.5	(.8)	(2.3)	(2.7)	(4.2)	(6.2)
2003	.3	(1.1)	(2.7)	(3.0)	(4.7)	(6.9)
2004	.1	(1.4)	(3.2)	(3.4)	(5.2)	(7.6)
2005	.0	(1.6)	(3.6)	(3.7)	(5.6)	(8.3)
2006	(.2)	(2.0)	(4.2)	(4.1)	(6.2)	(9.1)
2007	(.3)	(2.2)	(4.6)	(4.4)	(6.7)	(9.8)
2008	(.4)	(2.6)	(5.1)	(4.8)	(7.2)	(10.6)
2009	(.6)	(2.9)	(5.6)	(5.1)	(7.8)	(11.4)
2010	(.8)	(3.2)	(6.2)	(5.6)	(8.4)	(12.4)
2011	(.9)	(3.5)	(6.7)	(5.9)	(8.9)	(13.2)
2012	(1.0)	(3.9)	(7.3)	(6.4)	(9.6)	(14.2)
2013	(1.2)	(4.2)	(7.9)	(6.8)	(10.3)	(15.2)
2014	(1.3)	(4.6)	(8.6)	(7.3)	(11.0)	(16.3)
2015	(1.4)	(4.9)	(9.1)	(7.7)	(11.6)	(17.3)
2016	(11.8)	(15.5)	(20.0)	(18.5)	(22.6)	(28.7)
2017	(11.9)	(15.8)	(20.7)	(19.0)	(23.3)	(29.9)

(6/6/85)R

ANCHORAGE OFFICE COMPLEX - COMPARISON OF CASH FLOWS - 2%, NO ROLLOVER

RENTAL PAYMENTS v. AOC LEASE PURCHASE

ASSUMPTIONS:
- AOC COSTS INCLUDE OPERATING COST PASS THRU
- RENTAL SPACE HAS 2% / YEAR INCREASE IN BASE RENT AS MARKET ADJUSTMENT
- NO RENTAL ROLLOVER WHEN LEASES RENEW
- CPI ESCALATION ON OPERATING COST SAME FOR AOC OR RENTAL
- FURNITURE COST REMOVED FROM AOC

(IN MILLIONS)

FISCAL YEAR	RENT	AOC	DIFF. AOC
1988	$ 8.4	$11.1	$ 2.7
1989	9.2	11.6	2.4
1990	9.6	11.9	2.3
1991	9.9	12.1	2.2
1992	10.3	12.3	2.0
1993	10.8	12.6	1.8
1994	11.2	12.9	1.7
1995	11.7	13.3	1.6
1996	12.2	13.6	1.4
1997	12.7	14.0	1.3
1998	13.3	14.4	1.1
1999	13.9	14.9	1.0
2000	14.6	15.4	.8
2001	15.3	15.9	.6
2002	16.0	16.5	.5
2003	16.8	17.1	.3
2004	17.6	17.7	.1
2005	18.5	18.5	.0
2006	19.4	19.2	(.2)
2007	20.4	20.1	(.3)
2008	21.4	21.0	(.4)
2009	22.6	22.0	(.6)
2010	23.8	23.0	(.8)
2011	25.1	24.2	(.9)
2012	26.4	25.4	(1.0)
2013	27.9	26.7	(1.2)
2014	29.4	28.1	(1.3)
2015	31.1	29.7	(1.4)
2016	32.9	21.1	(11.8)
2017	34.8	22.9	(11.9)

(6/6/85)6R

ANCHORAGE OFFICE COMPLEX - COMPARISON OF CASH FLOWS - 3%, NO ROLLOVER

RENTAL PAYMENTS v. AOC LEASE PURCHASE

ASSUMPTIONS:
- AOC COSTS INCLUDE OPERATING COST PASS THRU
- RENTAL SPACE HAS 3% / YEAR INCREASE IN BASE RENT AS MARKET ADJUSTMENT
- NO RENTAL ROLLOVER WHEN LEASES RENEW
- CPI ESCALATION ON OPERATING COST SAME FOR AOC OR RENTAL
- FURNITURE COST REMOVED FROM AOC

(IN MILLIONS)

FISCAL YEAR	RENT	AOC	DIFF. AOC
1988	$ 8.5	$11.1	$ 2.6
1989	9.3	11.6	2.3
1990	9.7	11.9	2.2
1991	10.2	12.1	1.9
1992	10.7	12.3	1.6
1993	11.2	12.6	1.4
1994	11.7	12.9	1.2
1995	12.3	13.3	1.0
1996	12.9	13.6	.7
1997	13.5	14.0	.5
1998	14.2	14.4	.2
1999	14.9	14.9	.0
2000	15.6	15.4	(.2)
2001	16.4	15.9	(.5)
2002	17.3	16.5	(.8)
2003	18.2	17.1	(1.1)
2004	19.1	17.7	(1.4)
2005	20.1	18.5	(1.6)
2006	21.2	19.2	(2.0)
2007	22.3	20.1	(2.2)
2008	23.6	21.0	(2.6)
2009	24.9	22.0	(2.9)
2010	26.2	23.0	(3.2)
2011	27.7	24.2	(3.5)
2012	29.3	25.4	(3.9)
2013	30.9	26.7	(4.2)
2014	32.7	28.1	(4.6)
2015	34.6	29.7	(4.9)
2016	36.6	21.1	(15.5)
2017	38.7	22.9	(15.8)

(6/6/85)6.1R

ANCHORAGE OFFICE COMPLEX - COMPARISON OF CASH FLOWS - 4%, NO ROLLOVER

RENTAL PAYMENTS v. AOC LEASE PURCHASE

ASSUMPTIONS: AOC COSTS INCLUDE OPERATING COST PASS THRU
RENTAL SPACE HAS 4% / YEAR INCREASE IN BASE RENT AS MARKET ADJUSTMENT
NO RENTAL ROLLOVER WHEN LEASES RENEW
CPI ESCALATION ON OPERATING COST SAME FOR AOC OR RENTAL
FURNITURE COST REMOVED FROM AOC

(IN MILLIONS)

FISCAL YEAR	RENT	AOC	DIFF. AOC
1988	$ 8.7	$11.1	$ 2.4
1989	9.5	11.6	2.1
1990	10.0	11.9	1.9
1991	10.5	12.1	1.6
1992	11.1	12.3	1.2
1993	11.7	12.6	.9
1994	12.3	12.9	.6
1995	12.9	13.3	.4
1996	13.6	13.6	---
1997	14.4	14.0	(.4)
1998	15.2	14.4	(.8)
1999	16.0	14.9	(1.1)
2000	16.9	15.4	(1.5)
2001	17.8	15.9	(1.9)
2002	18.8	16.5	(2.3)
2003	19.8	17.1	(2.7)
2004	20.9	17.7	(3.2)
2005	22.1	18.5	(3.6)
2006	23.4	19.2	(4.2)
2007	24.7	20.1	(4.6)
2008	26.1	21.0	(5.1)
2009	27.6	22.0	(5.6)
2010	29.2	23.0	(6.2)
2011	30.9	24.2	(6.7)
2012	32.7	25.4	(7.3)
2013	34.6	26.7	(7.9)
2014	36.7	28.1	(8.6)
2015	38.8	29.7	(9.1)
2016	41.1	21.1	(20.0)
2017	43.6	22.9	(20.7)

(6/6/85)7R

ANCHORAGE OFFICE COMPLEX - COMPARISON OF CASH FLOWS - 2%

RENTAL PAYMENTS v. AOC LEASE PURCHASE

ASSUMPTIONS:
- AOC COSTS INCLUDE OPERATING COST PASS THRU
- RENTAL SPACE HAS 2% / YEAR INCREASE IN BASE RENT AS MARKET ADJUSTMENT
- RENTAL ROLLOVER BASED ON TEN NEWEST ACTUAL LEASES IN ANCHORAGE
- CPI ESCALATION ON OPERATING COST SAME FOR AOC OR RENTAL
- FURNITURE COST REMOVED FROM AOC

(IN MILLIONS)

FISCAL YEAR	RENT	AOC	DIFF. AOC
1988	$ 8.7	$11.1	$ 2.4
1989	11.0	11.6	.6
1990	11.4	11.9	.5
1991	11.9	12.1	.2
1992	12.4	12.3	(.1)
1993	12.9	12.6	(.3)
1994	13.4	12.9	(.5)
1995	14.0	13.3	(.7)
1996	14.6	13.6	(1.0)
1997	15.3	14.0	(1.3)
1998	16.0	14.4	(1.6)
1999	16.7	14.9	(1.8)
2000	17.5	15.4	(2.1)
2001	18.3	15.9	(2.4)
2002	19.2	16.5	(2.7)
2003	20.1	17.1	(3.0)
2004	21.1	17.7	(3.4)
2005	22.2	18.5	(3.7)
2006	23.3	19.2	(4.1)
2007	24.5	20.1	(4.4)
2008	25.8	21.0	(4.8)
2009	27.1	22.0	(5.1)
2010	28.6	23.0	(5.6)
2011	30.1	24.2	(5.9)
2012	31.8	25.4	(6.4)
2013	33.5	26.7	(6.8)
2014	35.4	28.1	(7.3)
2015	37.4	29.7	(7.7)
2016	39.6	21.1	(18.5)
2017	41.9	22.9	(19.0)

(6/5/85)R

ANCHORAGE OFFICE COMPLEX - COMPARISON OF CASH FLOWS - 3%

RENTAL PAYMENTS v. AOC LEASE PURCHASE

ASSUMPTIONS:
- AOC COSTS INCLUDE OPERATING COST PASS THRU
- RENTAL SPACE HAS 3% / YEAR INCREASE IN BASE RENT AS MARKET ADJUSTMENT
- RENTAL ROLLOVER BASED ON TEN NEWEST ACTUAL LEASES IN ANCHORAGE
- CPI ESCALATION ON OPERATING COST SAME FOR AOC OR RENTAL
- FURNITURE COST REMOVED FROM AOC

(IN MILLIONS)

FISCAL YEAR	RENT	AOC	DIFF. AOC
1988	$ 8.8	$11.1	$ 2.3
1989	11.2	11.6	.4
1990	11.7	11.9	.2
1991	12.3	12.1	(.2)
1992	12.8	12.3	(.5)
1993	13.4	12.6	(.8)
1994	14.1	12.9	(1.2)
1995	14.7	13.3	(1.4)
1996	15.4	13.6	(1.8)
1997	16.2	14.0	(2.2)
1998	17.0	14.4	(2.6)
1999	17.8	14.9	(2.9)
2000	18.7	15.4	(3.3)
2001	19.7	15.9	(3.8)
2002	20.7	16.5	(4.2)
2003	21.8	17.1	(4.7)
2004	22.9	17.7	(5.2)
2005	24.1	18.5	(5.6)
2006	25.4	19.2	(6.2)
2007	26.8	20.1	(6.7)
2008	28.2	21.0	(7.2)
2009	29.8	22.0	(7.8)
2010	31.4	23.0	(8.4)
2011	33.1	24.2	(8.9)
2012	35.0	25.4	(9.6)
2013	37.0	26.7	(10.3)
2014	39.1	28.1	(11.0)
2015	41.3	29.7	(11.6)
2016	43.7	21.1	(22.6)
2017	46.2	22.9	(23.3)

(6/5/85)R

ANCHORAGE OFFICE COMPLEX - COMPARISON OF CASH FLOWS - 4%

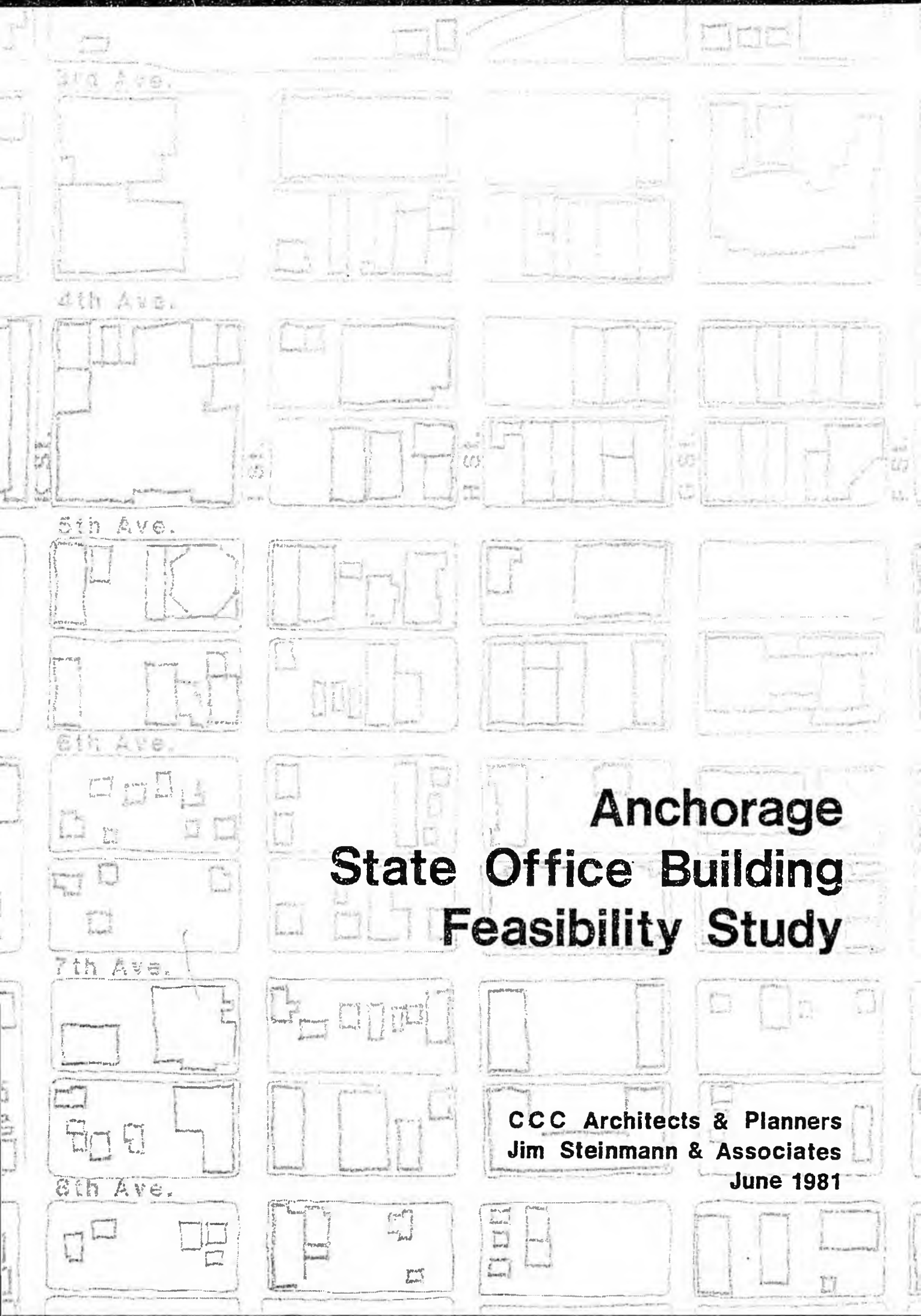
RENTAL PAYMENTS v. AOC LEASE PURCHASE

ASSUMPTIONS:
- AOC COSTS INCLUDE OPERATING COST PASS THRU
- RENTAL SPACE HAS 4% / YEAR INCREASE IN BASE RENT AS MARKET ADJUSTMENT
- RENTAL ROLLOVER BASED ON TEN NEWEST ACTUAL LEASES IN ANCHORAGE
- CPI ESCALATION ON OPERATING COST SAME FOR AOC OR RENTAL
- FURNITURE COST REMOVED FROM AOC

(IN MILLIONS)

FISCAL YEAR	RENT	AOC	DIFF. AOC
1988	$ 8.9	$11.1	$ 2.2
1989	11.5	11.6	.1
1990	12.1	11.9	(.2)
1991	12.7	12.1	(.6)
1992	13.4	12.3	(1.1)
1993	14.1	12.6	(1.5)
1994	14.9	12.9	(2.0)
1995	15.7	13.3	(2.4)
1996	16.5	13.6	(2.9)
1997	17.4	14.0	(3.4)
1998	18.3	14.4	(3.9)
1999	19.3	14.9	(4.4)
2000	20.4	15.4	(5.0)
2001	21.5	15.9	(5.6)
2002	22.7	16.5	(6.2)
2003	24.0	17.1	(6.9)
2004	25.3	17.7	(7.6)
2005	26.8	18.5	(8.3)
2006	28.3	19.2	(9.1)
2007	29.9	20.1	(9.8)
2008	31.6	21.0	(10.6)
2009	33.4	22.0	(11.4)
2010	35.4	23.0	(12.4)
2011	37.4	24.2	(13.2)
2012	39.6	25.4	(14.2)
2013	41.9	26.7	(15.2)
2014	44.4	28.1	(16.3)
2015	47.0	29.7	(17.3)
2016	49.8	21.1	(28.7)
2017	52.8	22.9	(29.9)

(6/5/85)R



Anchorage State Office Building Feasibility Study

CCC Architects & Planners
Jim Steinmann & Associates

June 1981

STATE OF ALASKA

ANCHORAGE STATE OFFICE BUILDING

FEASIBILITY STUDY

by

CCC Architects and Planners
and
Jim Steinmann and Associates

June 1981

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Under the direction of Mr. William R. Hudson, Commissioner of the DOA, this study proceeded in a very organized and timely manner and was completed as originally scheduled. During the course of the study, the Consultant conducted three interactive review sessions with members of the Project Advisory Committee. During these meetings, data was reviewed, alternatives discussed, and decisions made relative to narrowing the site selection process and selecting those State departments and divisions that would be candidates to initially occupy the new Anchorage State Office Building.

A draft of this report was submitted for review by the Project Advisory Committee and their comments have been incorporated into this final report. Any questions regarding its content can be directed to Mr. Ed Crittenden or Ms. Daphne Brown at CCC Architects and Planners in Anchorage, or to Mr. Jim Steinmann at his office in Juneau or Beverly Hills.

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CHAPTER I

Executive Summary

This report was prepared by CCC Architects and Planners of Anchorage, Alaska in association with Jim Steinmann and Associates of Juneau, Alaska and Beverly Hills, California.

The report presents a summary of the findings and recommendations of the Consultant relative to the feasibility of developing a consolidated State government office facility in Anchorage. Included is a review and analysis of alternative sites and a comparison of the costs associated with and the advantages and disadvantages of alternative facility development concepts. The report also identifies the scope of the Project, narrows the location to the Central Business District (CBD), and identifies three sites from which a final site can be selected.

Presented below is a summary of the major findings and recommendations developed in greater detail throughout the remainder of this report. A summary is provided at this point to serve as a quick reference for future use by the reader, to place into proper perspective the detailed analysis which follows, and to provide an executive summary of the study.

A. Summary of Findings

1. There are approximately 2,300 State "office type" employees within the Executive branch in Anchorage occupying approximately 368,000 net square feet (NSF) of leased space and approximately 140,000 NSF of State-owned space.

2. This 500,000 NSF of State occupied general office space is located in over seventy State-owned locations or leases throughout the Anchorage metropolitan area.

3. Those twelve Executive branch departments included in this study currently employ 1,906 personnel and occupy 368,185 NSF in a total of 33 State-owned facilities and leased locations.

4. For those included departments, personnel requirements are projected to increase to a maximum of 2,435 personnel by the year 1995 to provide additional services, to fill vacant positions, or to implement regionalization and decentralization programs.

5. Significant opportunities are available to reduce the growth of State government through centralization of common functions into a consolidated office location in Anchorage.

6. The 368,185 NSF currently occupied by those departments included in this study has an area factor of 193 NSF per person.

7. A space utilization analysis of current space revealed an under-utilization of up to 60% in some instances while in other cases a space deficiency of up to 30% was found. Overall, it was found that if all space was optimally utilized and all space requirements satisfied, a total of 368,651 NSF would be required. This is, coincidentally, quite close to the 368,185 NSF currently occupied.

8. Based on the personnel projections and appropriate space assignments, space requirements for the year 1985 are projected to be 473,640 NSF, 1990 requirements are for 552,560 NSF, and by the year 1995, 626,275 NSF will be required.

9. A total of 8,943 contacts or visits per week with all levels of government, the general public, and the business community were found for the departments included in the study. The resulting average of 4.7 weekly visits or contacts per employee indicates that visitor loads will be extremely heavy in a consolidated State Office Building and that adequate accommodations for visitors must be provided.

10. Of the total visitor load, approximately 16% was from other State departments or divisions, 7% from federal and municipal government offices, 8% from the business community, and 69% from the general public.

11. A central business district location for a consolidated State Office Building would require parking for up to 80% of the building population plus visitor parking. A suburban location, not being as accessible by public transportation, would require parking requirements of 85% of the building population plus visitor parking. Hopefully, this would be reduced in the future through car-pooling and more extensive use of improved public transit systems.

12. Approximately 45% of all State employees would regularly utilize a cafeteria if provided in a new State Office Buildint, 27% would prefer to bring their own lunch, and 28% would either not eat lunch or leave the building for lunch.

13. Relocation of the State Capital from Juneau to Willow would probably have only a modest impact on State government employment levels in Anchorage. Of the 1,906 employees included in the data base, a net total of less than 100 positions were believed to be potentially subject to relocation to a new Capital City.

14. A survey of existing space in Anchorage identified no available lease space that could support even a small percentage of the 1,800 personnel recommended for consolidation into one location. Additionally, no large building was identified that could be procured for State occupancy by 1,800 employees.

15. Consolidation of a number of State departments and divisions into a combined facility should produce significant long term operational savings totaling approximately $21,114,303 over a twenty year timeframe for a Project housing 1,800 employees. Annual savings should exceed $1,700,000. Specific identifiable cost savings include:

- Improved internal communications,
- Improved service delivery,
- Shared common facilities,
- Reduced logistics costs,
- Reduced annual operating costs, and
- Elimination of labor duplication.

16. The development of a consolidated Anchorage State Office Building will entail initial annual costs in excess of those associated with a continuation of the current leasing strategy ($8,952,807 versus $7,200,000). However, between the fifth and tenth years the annual costs of a lease/purchase arrangement for a new building will be less than those for continued leasing of existing and additional space as would otherwise be necessary. The economic break-even point is, therefore, somewhere between the fifth and tenth years.

17. In addition to quantifiable cost savings resulting from the development of a consolidated State Office Building, non-quantifiable benefits will include enhanced public accessibility and the more efficient and effective delivery of services to the public.

These findings and other data developed by the Consultant during the course of the study led to a number of recommendations that were sequentially developed by the Consultant and the Project Advisory Committee. These recommendations built upon the findings and previous recommendations to evolve into a specific recommended plan of action.

B. Summary of Recommendations

1. Of the 1,906 personnel included in the data base, it is recommended that the consolidated State Office Building accommodate a staff compliment of approximately 1,800 employees. Larger future staff levels can be accommodated through a phased construction program.

2. Departments and divisions considered to be not appropriate for inclusion in a consolidated State Office Building due to their special adjacency or unique space requirements include the Public Defender, Department of Law, Data Processing,

13. A construction budget of approximately $55,000,000 will be required for the recommended 426,000 GSF building, exclusive of parking. Inflation until construction is completed will add another $10,000,000, and two levels of below grade parking for 1,000 spaces will add another $16,000,000. Total construction costs are thus estimated to be $81,000,000 for Phase I.

14. Land acquisition, site development, and utility upgrading costs will approximate $10,000,000 for a three block site. Total Project costs will thus approach $91,000,000.

15. The State should engage a real estate consultant to work with DOT/PF to conduct additional investigations relative to acquisition costs and procedures and to act as necessary to acquire the property. To minimize the cost of inflation, site acquisition should be completed by September 1981.

16. Negotiations should continue towards the procurement of a third block contiguous with the selected site. This block should be procured outright or a purchase option secured.

17. A comprehensive space requirements data base and a building performance and design specification for the Project should be initiated in June of 1981 and completed prior to December of 1981.

18. The State should evaluate alternative financing and development methods, explore financing opportunities that may be provided by the Alaska Industrial Development Authority, and explore all legal issues surrounding the acquisition and lease/purchase recommendations.

19. Current and projected personnel and space requirements for those departments and divisions compatible with occupancy in the Project should be thoroughly reviewed by DOA so decisions relative to definitive building occupancy patterns can be made at the earliest opportunity.

CHAPTER II

Introduction

In 1980 a Facility Needs and Recommended Plan-of-Action Study was prepared for the State of Alaska. The Study was completed under the direction of Jim Steinmann while President of Facility Sciences Corporation in association with CCC Architects and Planners. The Study evaluated the current State occupied space in thirteen communities, including Anchorage, identified existing space surpluses or deficiencies, and developed general recommendations for future space management and facility development programs.

For Anchorage, this Facility Needs Study recommended that substantial amounts of leased space be eliminated from the space inventory and consolidated into a combined facility that would initially provide a minimum of 200,000 net square feet (NSF). As a follow-up to this statewide facility development study, the Department of Administration (DOA) contracted for a more definitive analysis of current and future space requirements and for determining the feasibility of developing a consolidated State Office Building in Anchorage to accommodate long range needs through the year 1995. This report, prepared by CCC Architects and Planners and Jim Steinmann and Associates (together referred to as the "Consultant") is the result of those efforts.

A. Report Outline

Chapter II presents a discussion of background information that led to this study, states the goals, objectives, and purpose of the Project, identifies the Consultant's work methodology, and summarizes the results expected to be achieved by constructing the Anchorage State Office Building.

Chapter III discusses the overall feasibility of the Project and develops a preliminary comparative analysis of the costs and economics associated with developing the Project.

Chapter IV develops a comprehensive program of current and future personnel and space requirements for those departments and divisions that might be included in the Project, identifies important adjacency relationships that should be satisfied, and provides a comprehensive building space program.

Chapter V discusses a number of general locations throughout the Anchorage metropolitan area that might be appropriate for the Project and documents the selection of the CBD as the most appropriate location.

Chapter VI analyzes a number of alternative sites within the CBD and narrows the list of candidate sites considerably.

Chapter VII then evaluates alternative sites and develops additional technical information and a comparative analysis of the four final sites within the CBD.

Chapter VIII presents a comprehensive recommended implementation program, a Project schedule, refines the overall cost estimate, and presents a number of recommendations made by the Consultant to guide the implementation process during the next many months.

B. Background

The total State employee base in the Anchorage area is greater than that for any other city in the State, including Juneau, the Capital City. The peak employment base, which usually occurs during the summer months, may reach 4,500 personnel in the Executive, Legislative and Judicial branches. With the University of Alaska, Anchorage, approximately 1,000 additional State employees are located in the Anchorage area. By comparison, Juneau and Fairbanks have a State employment base of approximately 4,000 and 1,000 respectively.

While the above 4,500 employment base estimate for Anchorage represents the maximum number of employees, the real, full-time work force, as reflected on the payroll, is closer to 4,033 employees. Of these 4,033 Anchorage based employees, about 2,300 are classified as Executive branch, office space users. A portion of the remainder provide staffing at the Pioneers' Homes, the McLaughlin Youth Center, other institutions, or the airport. Other "non-office" workers include Public Safety Troopers, Highway Maintenance, Data Processing and Communications technicians, and Legislative and Judicial branch staff.

These 2,300 employees presently occupy approximately 368,000 net square feet (NSF) of leased office space and approximately 140,000 NSF of State-owned space. This total of approximately 500,000 NSF is located in over seventy offices and separately identifiable leases throughout the greater Anchorage area.

With the exception of the Department of Labor, no single department has all of its divisions or functions located in one building or, for that matter, even in the same general area within Anchorage. Most departments, with the additional exception of the DOT/PF and the Department of Public Safety, both of which are primarily located in State-owned facilities, are scattered throughout six or more separate locations in the greater Anchorage area.

This fragmentation not only creates significant inefficiencies, costly duplication, and productivity losses, but it also does a disservice to the very public the State government is supposed to serve. To attack this problem, combining State offices was viewed by the State as having many advantages including improved public service, making government more accessible, and increasing the level of its accountability.

An additional consideration that prompted the State to proceed with this Project is the current trend toward State government regionalization. To better serve all population centers of Alaska through this regionalization program, additional and improved quality office space in all regions of the State will be necessary. This Project represents the first step towards achieving that goal.

C. Purpose

The State wishes to improve services to its citizens and at the same time to improve the efficiency of providing those services by developing a consolidated facility or facilities on the same or adjacent sites. It is the State's desire to have these facilities located in a manner that maximizes their accessibility to the public while remaining compatible with the long range goals of the community and neighborhood in which they are located.

To facilitate the implementation of this Statement of Purpose, the State of Alaska contracted with the Consultant to conduct a Facility Needs Study for the Anchorage State Office Building Project. The specific purposes of the study were to review current and future personnel and space requirements for the majority of State departments located in the Anchorage area, to determine which departments and divisions best serve and are best served by a consolidated facility, and to recommend specific sites which would be suitable for the development of the combined facility.

This report documents that process, the findings, and the recommentations made by the Consultant. Throughout the process, the findings were reviewed and approved by the Department of Administration and the Project Advisory Committee which is composed of representatives of DOA, DOT/PF, the municipality of Anchorage Planning Department, and the Anchorage Development Company.

D. Goals and Objectives

A number of goals and objectives were established by the State for the Anchorage State Office Building Project study. They include:

1. Determine which departments and divisions best serve and will be served by a consolidated facility.

2. Select the optimum location(s) within the Anchorage metropolitan area for the consolidated facility.

3. Analyze life-cycle costs and future growth patterns and determine functional efficiencies and energy and cost savings which may result from consolidation.

4. Determine the size and type of facility or facilities to best meet the State's needs, including future growth requirements.

5. Based on existing ownership and lease arrangements, annual costs, and future requirements, develop a Project schedule and an occupancy plan for the recommended facility or facilities with options and phasing alternatives.

6. Review the impact on projected Anchorage space requirements of a potential Capital relocation from Juneau.

E. Methodology

To accomplish these goals and objectives, the Consultant developed a study methodology encompassing a three phase scope of work. This methodology can be summarized as follows:

Phase I - Projection of Requirements

This phase of the study entailed the compilation and review of existing space and personnel documentation, updated and refined personnel projections for planning years 1985, 1990, and 1995, and applied area factor analysis techniques to project future space needs for all departments and divisions included in the study.

In conjunction with the development of personnel and space projections, the Consultant, through a questionnaire and interview process, identified adjacency relationships within each department and overall relationships with other State departments or divisions in Anchorage. Adjacency relationships with the local and federal governments, general public, and the business community were also identified. These relationships were quantified in terms of frequency of contact per division employee.

The Consultant also identified employee and visitor parking requirements, calculated the annual costs of occupying existing space, and identified opportunities to reduce overall staff levels, consolidate operations, share common support spaces, and reduce annual operating costs as a result of department, division, and facility consolidation into a combined facility. At the conclusion of Phase I, the Consultant developed a priority list of those departments and divisions to be included in a consolidated facility.

Phase II - Locational Analysis

This phase of the study commenced with a review of local codes and ordinances, land use patterns, long range community development plans, and transportation networks to identify and analyze alternative general locations in the Anchorage metropolitan area appropriate for a consolidated facility.

Area analysis and selection criteria were developed and reviewed. Five general geographical areas were compared to the criteria, and one specific area was selected.

Next, within the selected area, all available sites were identified, quantitative data was gathered, and site selection evaluation criteria and weights were established by the Consultant with the assistance of the State and the Advisory Committee. Preliminary facility size and parking requirements were also established based on Phase I findings.

An analysis of each site was conduced, using the established criteria, and a limited number of alternative sites were identified for further consideration.

Phase III - Development of Recommended Space Utilization Plan

The final phase of the study identified specific implementation recommendations in support of the requirements identified in Phase I and the site candidates selected in Phase II. The development of a recommended master plan required the identification of the specific departments and divisions to occupy the consolidated facility and their initial and long term personnel and space requirements.

Phased construction and occupancy profiles were developed and pre-architectural planning concepts were presented for each alternative site. The Consultant identified the costs of site acquisition, facility construction, development overhead and related expenses, fees, relocation costs, and total life-cycle costs for each alternative. Costs were then compared to those anticipated if the current dispersed leasing pattern was continued.

Finally, implementation schedules, cost estimates, and development options for a consolidated facility were developed and a recommended course of action presented to the State.

CHAPTER III

Project Feasibility Analysis

A. Introduction

As noted in Chapter II, there are approximately 2,300 State "office type" employees currently within the Executive branch in Anchorage occupying approximately 500,000 NSF in over seventy State-owned and leased locations throughout the Anchorage metropolitan area. The significant dispersal and fragmentation of departments and divisions raises immediate concerns for the effective and efficient delivery of services to the public.

To improve the responsiveness of State agencies to the public, the consolidation of certain departments and divisions into one facility on the same or adjacent sites was initially thought to offer benefits far exceeding any detriments or incurred costs. With few exceptions, the study conducted by the Consultant supports this hypothesis.

The recommended consolidation program detailed in Chapter VII optimizes the concepts of department and division consolidation and public accessibility, promotes the economic development and enhancement of the Anchorage CBD, facilitates the delivery of services in the most cost effective and efficient manner possible, minimizes life-cycle costs for new construction, leasing, and continued occupancy of the Anchorage space inventory, allows for the accommodation of projected staff levels in an orderly and cost effective manner, accommodates critical adjacency requirements within and among departments and divisions, and provides for an orderly phased occupancy profile minimizing internal disruptions and any temporary adverse impact on the delivery of services.

It is important to quantify the economic advantages of consolidating activities in one location to determine the relative costs, benefits, advantages, and disadvantages of alternative space acquisition strategies and locations. These advantages are presented in the balance of Chapter III.

B. Long Term Consolidation Savings

The consolidation of a number of State departments and divisions in a combined facility should produce significant long term operational savings. Savings will most likely be achieved by reducing transportation costs and travel time between various State offices and to Federal and Municipal government operations. Additionally, information communications will certainly be enhanced by proximity to one another in a common facility.

A number of building support services can be provided on a centralized basis to all State departments and divisions included in the Project. Annual material procurement and supply costs should be reduced on a per capita basis, and fewer support personnel should be necessary to provide State government services in Anchorage. Consolidation of a number of departments and divisions should reduce total related staff levels.

Energy costs should also be reduced in a new facility. The State currently occupies a number of rather energy inefficient leased buildings and, directly or indirectly, pays for energy costs in the associated lease rates. A new facility should be exemplary in energy management, and reduced annual operating costs should result.

Specifically, a number of operational savings resulting from combining State departments and divisions in a combined office facility can be quantified. Operational savings that could result will relate to:

- Improved internal communications,
- Improved service delivery,
- Shared common facilities,
- Reduced logistics costs,
- Reduced annual operating costs, and
- Elimination of labor duplication.

These six operational cost savings are discussed as follows:

1. Improved Internal Communications

   Operational savings to be realized through consolidation into a multi-level combined office building include reduced travel and communication costs for those departments and divisions having face-to-face adjacency requirements with other State departments or divisions. This co-location of interfacing departments and divisions will tend to increase the quantity and quality of interactions thereby impacting operational efficiencies and effectiveness. Although it is at best difficult to quantify this result in specific monetary terms, it is generally recognized that significant savings will result by co-locating departments and divisions with similar resonsibilities and potentially overlapping duties in the same location.

2. Improved Service Delivery

   Consolidation will also tend to facilitate public access and therefore both the demand for and delivery of services. Overall service levels could possibly increase simply due to improved public accessibility.

3. Shared Common Facilities

   Significant savings will also result from the ability to share common facilities and services such as waiting and

reception areas, word processing, mail and reproduction facilities, conference rooms, public hearing rooms, data processing and telephone lines, lunch facilities, libraries, and reference areas.

It is estimated that the sharing of common facilities and services can reduce overall space requirements by upwards of 7,500 NSF. At an assumed present value, life-cycle cost of $231 per NSF for leasing space in the Project over a twenty year timeframe, an assumed twenty year cost reduction of $1,732,500 is calculated. This calculation is developed by assuming an initial lease rate of $21 per NSF per year (an approximation), annual rental escalation of 4.5%, and a discount rate of 11%. The discount rate takes into consideration the time value of money and is generally equal to the most attractive borrowing rate available to the State.

4. Reduced Logistics Costs

Of the 8,943 interfaces per week that those State government employees included in the data base have with other government representatives, the general public, and the business community, it is estimated that 800 of these interfaces require the State employee to leave his or her office and travel to another location. Consolidation in one facility would reduce the number of "trips" to 400 per week. Additionally, trips to visit the general business community and Federal and Municipal employees would be minimized for a number of agencies by location in the CBD.

Conservatively estimating that only 400 trips per week would be eliminated and that the value of eliminating a trip saves only thirty minutes of employee travel time, this saves 200 staff hours per week. On an annual basis, this equates to 10,400 staff hours which, at an average cost of $20 per hour, indicates the value of time saved annually is $208,000. The present value of this savings over a twenty year timeframe is calculated to be $4,160,000 if labor costs are assumed to increase at the same annual percentage rate as the applied discount rate.

5. Reduced Annual Operating Costs

For a facility of an assumed scale of 350,000 NSF, it is very reasonable to project that annual operating costs can be reduced by $.70 per NSF per year. Primary cost reductions are in the area of energy management and reduced maintenance costs for a new facility. A $.70 per NSF reduction equates to an annual savings of $245,000. Allowing energy costs to inflate on an annual basis at a rate equal to the discount rate indicates a twenty year potential savings of $4,900,000 as a result of consolidating operations in a combined office facility. This is a very conservative estimate given indicated price increase trends for energy.

6. Elimination of Labor Duplication

It is reasonable to assume that total State employment levels in the Anchorage area should be reduced by consolidating most departments and divisions in one location from the employment level that would otherwise be required if those departments and divisions continue to be located in upwards of seventy different locations. In actual practice, it is difficult to prove or document these savings. It is also recognized there may be resistance to implementing these reductions in view of other needs to expand service levels to meet increasing population levels and to provide new services and programs in response to legislative activity. However, if the only reduced staff levels are found in clerical and word processing, reproduction and mail clerks, messengers and receptionists, telephone operators, and other service related employees, it is estimated by the Consultant that a total of 45 positions could be reduced from the consolidated facility base of 1,800 employees. This represents a 2.5% reduction. Earlier estimates developed by the State projected savings of up to 5%. Again, this analysis is conservative.

The annual cost of 45 clerical and support positions is estimated at $675,000. Allowing for wage inflation at a rate that is 4% less than the discount rate indicates a present value, life-cycle cost savings of $9,173,470. In addition, an employment level reduced by 45 positions would reduce overall space requirements by a minimum of 5,000 NSF. This further reduces life-cycle costs by a minimum of $1,148,333.

Total Estimated Operation Cost Savings

Annual total cost savings of approximately $1,700,000 are anticipated during the first year of occupancy in the Project. Savings will then increase every year.

If inflation continues to take its toll at even a modest 9% annual rate, costs that will be avoided would escalate to over $4,000,000 per year ten years after initial occupancy. This is over one-half of the total anticipated annual mortgage payment on the Project.

The identifiable cost savings that would accrue to the State of Alaska as a result of consolidating approximately 1,800 State employees in the combined Anchorage State Office Building totals $21,114,303 over a twenty year timeframe. This projected savings is significantly greater than the cost of land acquisition and development for the site to be selected, regardless of location, and produces significant additional savings that can easily justify initial and short term increased space occupancy costs for a higher quality, more appropriately located, consolidated facility.

These projected savings and the inherently improved levels of service provided to the public indicate that consolidation can be economically justified based on the conservative estimates and projections developed by the Consultant.

C. Project Feasibility

To achieve the operational savings identified above, a significant initial investment will be required by the State to procure an appropriate site. This section of the report will develop a preliminary Project feasibility analysis. This will be accomplished by comparing costs anticipated to be incurred by the State as a result of developing a combined Anchorage State Office Building with the costs that might otherwise be incurred if the current diversified and multiple location leasing program were continued.

The following analysis has been updated to reflect the final building program, estimated Project costs, and all detailed cost analyses presented in Chapter VIII.

The State estimates that by 1985 annual lease payments will increase to over $7,200,000 for leased space equivalent in amount to that provided in the Anchorage State Office Building. First year anticipated lease costs in the new building are estimated at $8,952,807.

Consolidation of approximately 1,800 personnel into one location will allow the State to reduce annual operating costs by at least $1,700,000 as indicated in the previous section of this chapter. These cost savings will nearly offset the increased lease cost in the first year of occupancy.

In subsequent years the cost of leasing space in many buildings in Anchorage will escalate much faster than the costs associated with the consolidated facility. By the tenth year the total annual costs of the new Project will be less than the otherwise necessary costs of leasing existing and additional space scattered throughout the community. If operating cost savings resulting from consolidation are included, the new building has an annual cost that is less than continued leasing by the fifth year.

The economics associated with the Project are very favorable when lower annual lease payment escalation rates, the annual building operating cost savings that will be achieved, and the significant benefits of locating in the CBD in close proximity to businesses, transit routes, and Federal and Municipal government offices are considered.

The initial cost of land acquisition in the CBD area is reasonably comparable to the cost of purchasing a suburban site that would demand the acquisition of a significantly larger acreage due to zoning regulations and the need to provide increased parking accommodations. The long term appreciation and the property values of the site and the surrounding area will have a very positive impact

on the investment by the State, the developer, and the entire CBD.

Any increased initial costs will quickly be recovered, and the State will reduce total actual costs below that of available alternatives sometime between the fifth and tenth years depending on the assumptions made in the analysis.

The implementation of the recommended building development program can successfully fulfill the goals and objectives as set forth in Chapter II. Furthermore, and most importantly, this master plan for a consolidated Anchorage State Office Building will result in improved public accessibility and the more efficient and effective delivery of services to the public. For any consolidation project, the public service delivery benefits should, and must, be of primary importance.

Chapter IV will develop a statement of requirements for those departments and divisions that can benefit from inclusion in the Project and those that can facilitate the development of a more efficient and cost effective service delivery system.

CHAPTER IV

Requirements Program

A. Approach

The Consultant distributed focused questionnaires to all departments and divisions included in the study. These questionnaires were designed to gather baseline data relative to current personnel levels and occupied spaces, future requirements, special area needs, locational and adjacency requirements, consolidation benefits, and other important information needed to complete the study commissioned by the State of Alaska.

The Consultant conducted follow-up interviews with each department and division to refine and verify the reported data. Occupied spaces were toured and evaluated to identify current deficiencies or opportunities to improve space utilization efficiencies. Preliminary data was reviewed with the DOA and adjustments were made as appropriate. The compiled data which documents current and future requirements is presented here in Chapter IV.

B. Projected Requirements

The projection of future space requirements, for planning years 1985, 1990, and 1995, entailed the development of general personnel projections for each department and division located in Anchorage which was included in this study, the inventory and evaluation of existing space, the development of space utilization efficiency potentials, the calculation of current as-occupied and optimum area factors, and the application of those area factors to future personnel projections. This methodology enabled the Consultant to develop projections of future space requirements for all included departments and divisions. This data must be refined and detailed by subsequent study before selecting a developer, developing implementation documentation, and completing the design of the Project.

Included Departments

The Anchorage State Office Building Project study included twelve departments that currently occupy space in the Anchorage area. These departments, plus the number of divisions within each department which were viewed as candidates for initial occupancy in the Project, include:

Department	Divisions
• Office of Governor	4
• Administration	7
• Law	2
• Revenue	7
• Education	8
• Health and Social Services	9
• Commerce and Economic Development	16
• Military Affairs	5
• Natural Resources	8
• Public Safety	1
• Environmental Conservation	2
• Community and Regional Affairs	6
TOTAL DIVISIONS	75

Excluded Departments or Divisions

A number of departments and divisions were totally or partially excluded from the study. These were excluded for one or more of the following reasons:

- The type of space required to support functional requirements were specialized in nature and viewed to be incompatible with occupancy in an "office type" facility - for example, maintenance and warehouse facilities and institutions.

- The department or division was currently adequately accommodated in a facility that was owned by the State of Alaska which could adequately satisfy long term requirements. This included the DOT/PF, Courts, and most divisions of Public Safety. Initial exclusion does not imply future exclusion from the Project if future requirements for these departments or divisions exceed the space available in State-owned buildings and functional requirements are compatible with an office facility in the selected location for the Project.

- The department or division had recently entered into a long term lease for appropriate facilities that were specifically constructed and/or located to satisfy functional needs.

- Direct proximity to court activities was required by the department or division and current plans to construct

additional court related facilities by the Court System would satisfy these future requirements.

- The department or division was seen as a permanent occupant in an existing State-owned facility and/or the location of the department or division in a consolidated facility would not be generally advantageous to the department or division, the State, or the clientele.

Departments generally excluded from this study for these reasons included Labor, Fish and Game, Legislative Affairs, Courts, and DOT/PF.

The excellent condition and acceptable location of the Aviation building and its entire occupancy by DOT/PF suggested that DOT/PF not be considered a primary candidate for initial occupancy although future growth and further regionalization may suggest that certain divisions be included in the Project if space is available.

The Department of Labor, currently occupying new space specifically designed for its needs and having a ten year lease on the space, was deleted from the study because existing accommodations are quite appropriate and well located.

The Department of Fish and Game was deleted from the study because of its highly specialized and unique spaces, storage and warehouse needs, laboratories, and other interior improvements that are generally incompatible with a general purpose office building.

Personnel Projections

Those twelve departments included in the study currently employ 1,906 personnel and occupy 368,185 NSF in a total of 33 State-owned and leased facilities located throughout the Anchorage metropolitan area. As indicated in Exhibit 4A, total personnel included in these departments are projected to increase to 2,435 by the year 1985. This represents a 6.3% annual growth rate. Requirements were forecasted to increase to 3,188 personnel by the year 1995. This represents a 3.7% annual growth rate. Growth rates from 1985 to 1990 are projected at 3.1% per year and from 1990 to 1995 at 2.1% per year. These increases are not, however, necessarily authorized or planned for by this Project. Should growth be encountered for one reason or another, the Project will nevertheless be flexible enough to accommodate those needs and to continue to allow the consolidation of general offices in a combined facility.

Exhibit 4A presents detailed personnel projections for each planning year for each department and division included in the study for which data was collected. These projections are not necessarily the basis for determining the size of the Project but rather are an expression of the degree of future expansion flexibility the Project should have. These personnel projections did serve,

however, as the basis for developing future space requirements as detailed in the next section of this chapter.

The projection of future personnel levels for each department and division reflects the department's or division's estimate of future personnel requirements. They do not constitute an approved plan nor do they necessarily represent any statistical or programmatic trend.

It is likely that the personnel projections indicated in Exhibit 4A may be reduced as a result of implementing productivity improvement projects, regionalization, or simply exercising economy in government as is the State's current direction. Certain of the personnel projections may be further tempered as a result of consolidating a number of departments and divisions into a combined facility.

On the other hand, it is possible that future staff levels may increase to the levels indicated if it is necessary to provide new services and programs in response to legislation, to increase the level of services provided to support increasing population levels, or to fully regionalize government in Alaska.

In some instances, increased personnel levels do not suggest an overall growth of State government but simply reflect a transfer or re-alignment of existing positions from other departments or divisions or a transfer of staff from other areas of the State. This is particularly true in response to a regionalization program. In many instances the future personnel projections reflect anticipated on-board personnel compliments that are within the authorized staff levels and therefore do not reflect an increase in the number of positions but only the filling of current vacancies.

Future staff level increases are projected at a level that is approximately one-half of the personnel growth rate experienced by the total State government during the past decade. The Project will be planned to support only current personnel requirements and to accommodate the development of additional space through phased construction in the future should staff increases occur. This will minimize initial costs while still providing flexibility to respond to future changes.

Exhibit 4A

Projected Future Staff Levels

No.	Department	Division	Staff Levels			Growth Rates		
			1981	1985	1995	To 1985	To 1995	81-95
1A	OFF. OF GOVERNOR	Admin. Services	3	3	5	0%	67%	67%
B	"	Human Rts.Comm.	18	20	30	11%	50%	67%
C	"	Lt.Gov./Elect.	7	10	25	43%	150%	257%
D	"	Status of Women	4	5	6	25%	20%	50%
	"	Subtotal	32	38	66	19%	74%	106%
2A	ADMINISTRATION	Public Off.Comm.	7	9	10	29%	11%	43%
B	"	Public Defender	28	30	36	7%	20%	29%
C	"	Gen.Serv.& Sup.	29	48	52	66%	8%	79%
D	"	Data Processing	23	35	65	52%	86%	183%
E	"	Labor Relations	1	1	1	-	-	-
F	"	Personnel	12	14	23	17%	64%	92%
G	"	Equal Emp. Opp.	3	4	1	33%	(75%)	(67%)
	"	Subtotal	103	141	188	37%	33%	83%
3A	LAW	Criminal	66	81	113	23%	40%	71%
B	"	Civil	62	72	95	16%	32%	53%
	"	Subtotal	128	153	208	20%	36%	63%
4A	REVENUE	Enforcement	22	25	35	14%	40%	59%
B	"	Alc.Bev.Con.Bd.	10	13	14	30%	8%	40%
C	"	Petroleum Rev.	26	28	32	8%	14%	23%
D	"	Audit	14	21	31	50%	48%	121%
E	"	Admin. Services	2	3	4	50%	33%	100%
F	"	Bond Bank Auth.	2	2	2	-	-	-
G	"	Child Sup. Enf.	65	100	170	54%	70%	162%
	"	Subtotal	141	192	288	36%	50%	104%

Exhibit 4A

Projected Future Staff Levels

No.	Department	Division	Staff Levels 1981	1985	1995	Growth Rates To 1985	To 1995	81-95
5A	EDUCATION	Mgmt, Law & Fin; Teach.Prac.Comm; School Act.Assoc	7	10	12	43%	20%	71%
B	"	Lib. & Museums	16	21	33	31%	57%	106%
C	"	Pub.Brdcst.Comm.	13	15	24	15%	60%	85%
D	"	Historical Comm.	3	4	4	33%	-	33%
E	"	Council on Arts	8	12	16	50%	33%	100%
F	"	Vocation Rehab.	56	76	116	36%	53%	107%
	"	Subtotal	103	138	205	34%	49%	99%
6A	HEALTH/SOC.SERV.	Plan.& Develop.	7	8	11	14%	38%	57%
B	"	Mental Health	3	5	6	67%	20%	100%
C	"	Alc. & Drug	9	10	10	11%	-	11%
D	"	Admin. Services	15	22	30	47%	36%	100%
E	"	Comm. Office	2	5	10	150%	100%	400%
F	"	Family & Youth	81	90	110	11%	22%	36%
		Admin.	(12)	(13)	(16)	(8%)	(23%)	(33%)
		Clinical	(69)	(77)	(94)	(12%)	(22%)	(36%)
G	"	Corrections	34	34	34	-	-	-
		Admin.	(25)	(25)	(25)	-	-	-
		Corr.Center	(4)	(4)	(4)	-	-	-
		Clinical	(5)	(5)	(5)	-	-	-
H	"	Public Health	68	96	123	41%	28%	81%
		Lab	(14)	(36)	(54)	(157%)	(50%)	(286%)
		Clinical	(15)	(16)	(18)	(7%)	(13%)	(20%)
		Other	(39)	(44)	(51)	(13%)	(16%)	(31%)
I	"	Public Assist.	71	75	85	6%	13%	20%
	"	Subtotal	290	345	419	19%	21%	44%
7	LABOR	(Deleted)						

Exhibit 4A

Projected Future Staff Levels

No.	Department	Division	Staff Levels 1981	1985	1995	Growth Rates To 1985	To 1995	81-9
8A	COMMERCE & ECON. DEVELOP.	Admin. Services	1	2	2	100%	-	100%
B		Business Loans	9	9	9	-	-	-
C	"	Housing Auth.	61	65	75	7%	15%	23%
D	"	Fishery	4	6	15	50%	150%	275%
E	"	Oil & Gas Cons.	24	36	45	50%	33%	88%
F	"	Power Authority	16	50	125	213%	150%	681%
G	"	Insurance	5	6	10	20%	66%	100%
H	"	Banking Securts.	6	8	12	33%	50%	100%
I	"	Occup. Licensg.	6	8	8	33%	-	33%
J	"	Pub.Util.Comm.	45	47	47	4%	-	4%
K	"	Real Estate	2	7	9	250%	29%	350%
L	"	Oil & Gas Dev.	2	2	2	-	-	-
M	"	Energy/Power	35	35	35	-	-	-
N	"	Pipeline Comm.	8	8	8	-	-	-
O	"	Trans. Comm.	28	43	43	54%	-	54%
P	"	Ind.Dev. Auth.	14	25	30	79%	25%	114%
	"	Subtotal	266	357	475	34%	33%	79%
9	MILITARY AFFRS.	All Off.Space	111	128	146	15%	14%	32%
		Subtotal	111	128	146	15%	14%	32%
10A	NATURAL RESRCS.	Admin. Services	27		55	63%	25%	104%
B	"	Res. & Develop.	83	98	100	18%	2%	20%
C	"	Geo Surveys	26	70	90	169%	29%	246%
D	"	Agriculture	3	4	6	33%	50%	100%
E	"	Forest,Ld,Water	173	180	190	4%	6%	10%
F	"	Min. & Energy	36	70	150	94%	114%	317%
G	"	Parks	115	138	208	20%	51%	81%
H	"	Tech. Services	160	192	205	20%	7%	28%
	"	Subtotal	623	796	1,004	28%	26%	61%

Exhibit 4A

Projected Future Staff Levels

No.	Department	Division	Staff Levels			Growth Rates		
			1981	1985	1995	To 1985	To 1995	81-95
11	FISH AND GAME	(Deleted)						
12A	PUBLIC SAFETY	Fire Protection	14	16	22	14%	38%	57%
13	ECON.DEV./TOURISM	(Deleted)						
14A	ENVIRON.CONSERV.	Seafood & Anim.	6	6	8	-	33%	33%
B	"	So.Cent.Reg.Off	22	30	44	36%	20%	100%
	"	Subtotal	28	36	52	29%	44%	86%
15A	COMMUNITY & REGIONAL AFFRS.	Admin. Services	4	6	6	50%	-	50%
B	"	Community Plan.	26	28	30	8%	7%	15%
C	"	Local Govt.Asst	16	20	20	25%	-	25%
D	"	CETA	10	15	25	50%	67%	150%
E	"	Priv.Ind.Counc.	3	7	10	133%	43%	233%
F	"	Housing Asst.	8	19	24	138%	26%	200%
	"	Subtotal	67	95	115	42%	21%	72%
16	DOT/PF	(Deleted)						
17	LEGIS.AFFAIRS	(Deleted)						
18	LEGIS.AUDIT	(Deleted)						
19	COURT SYSTEM	(Deleted)						
	T O T A L		1,906	2,435	3,188	28%	31%	67%

Space Programming

The 12 departments and 75 divisions included in the study currently occupy a total of 368 185 NSF in 33 locations. The area factor (the net square feet per person) is currently 193 NSF per person. The Consultant reviewed all currently occupied space to determine whether it was being optimally utilized, whether space utilization efficiency improvements were possible, or whether space deficiencies were evident.

As a result of this analysis, it was found that in some cases space utilization improvements of as much as 60% were possible, while in other instances a space deficiency of up to 30% was found. For all departments combined, it was found that if all space was optimally utilized and all 1980 divisional space requirements were satisfied, a total of 368,651 NSF would be required. This is, coincidentally, almost identical to the 368,185 NSF actually occupied when the study was conducted.

For each division, the current as-occupied area factor was adjusted by the space utilization improvement potential or deficiency requirement. The resulting adjusted area factor, which for all departments and divisions combined is nearly identical to the current unadjusted area factor, was then used to develop future space requirements by taking into consideration the personnel projections included in Exhibit 4B. Space requirements for the year 1985 are projected to be 473,640 NSF which would be occupied by 2,435 personnel. The maximum 1990 requirements would project to a need for 552,560 NSF occupied by 2,836 personnel. Maximum projected 1995 requirements are for 626,275 NSF for 3,188 personnel.

These personnel projections, current space occupancies and utilization adjustments, resulting adjusted area factors, and space projections for each department and division are presented in Exhibit 4B.

Comparison of Projected Requirements

In the Facility Needs Study completed in 1980 by the Consultant, the total inventory of State-owned and leased office space in the Anchorage area included 483,796 NSF and was occupied by 2,316 personnel at an average area factor of 209 NSF per person. That study suggested that a nominal 3% space utilization improvement could be obtained, and overall space requirements therefore reduced to 468,030 NSF with an average area factor of 202 NSF per person.

The current study, after excluding certain special areas and departments occupying fixed space, includes 1,906 personnel occupying 368,185 NSF at an area factor of 193 NSF per person. This equates to approximately 83% of total Anchorage State Executive branch office employment levels. Since a greater number of specialized areas have been deleted from the current study, the overall current area factor of 193 NSF per person for those departments and divisions included in the data base is veiwed as quite appropriate in comparison to the slightly higher community average area factor of 209 NSF per person as recorded in the Facility Needs Study.

Exhibit 4B

Space Requirements Data Base

No.	Department	Division	Address	Staff Levels					Area Factors				Space Requirement		
				1981	1985	1990	1995	Curr NSF	AREA FACTOR	SPACE UTILZ'N ADJ'MT	1981 NSF	ADJUSTED AREA FACTOR	1985	1990	1995
1A	OFF. OF GOVERNOR	Admin. Services	338 Denali St	3	3	3	5	2,500	833	-40%	1,500	500	1,500	1,500	2,500
B	"	Human Rts.Comm.	204 E 5th Av	18	20	25	30	5,376	299	-20%	4,300	239	4,780	5,976	7,170
C	"	Lt.Gov./Elect.	211 E 5th Av	7	10	15	25	2,000	286	-10%	1,799	257	2,570	3,855	6,425
D	"	Status of Women	338 Denali St	4	5	5	6	644	166	- 5%	631	158	790	790	948
	"	Subtotal		32	38	48	66	10,520	329	-22%	8,230	257	9,640	12,121	17,043
2A	ADMINISTRATION	Public Off.Comm	610 "C" St	7	9	10	10	1,638	234	-10%	1,475	210	1,890	2,100	2,100
B	"	Public Defender	716 W 4th Av	28	30	33	36	5,300	189	+10%	5,830	200	6,240	6,054	7,488
C	"	Gen.Serv.& Sup.	330 E 4th Av	29	48	50	52	5,766	198	- 5%	5,478	188	9,024	9,400	9,776
D	"	Data Processing	5700 Tudor Rd	23	35	50	65	7,000	304	+10%	7,700	334	11,690	16,700	21,710
E	"	Labor Relations	3341 Fairbanks	1	1	1	1	168	168	0	168	168	168	168	168
F	"	Personnel	3341 Fairbanks	12	14	18	23	1,962	164	+ 5%	2,060	171	2,403	3,078	3,933
G	"	Equal Emp. Opp.	3301 Eagle	3	4	1	1	720	.240	-25%	540	180	720	180	180
	"	Subtotal		103	141	163	188	22,554	219	3%	23,251	226	32,135	38,480	45,355
3A	LAW	Criminal	941 W 4th Av	66	81	100	113	13,495	204	-15%	11,471	173	14,013	17,300	19,549
B	"	Civil	420 "L" St	62	72	84	95	11,742	189	- 5%	11,155	179	12,888	15,036	17,005
	"	Subtotal		128	153	184	208	25,	197	-10%	22,626	177	26,901	32,336	36,554

Exhibit 4B

Space Requirements Data Base

No.	Department	Division	Address	Staff Levels					Area Factors				Space Requirement		
				1981	1985	1990	1995	Curr NSF	AREA FACTOR	SPACE UTILZ'N ADJ'MT	1981 NSF	ADJUSTED AREA FACTOR	1985	1990	1995
4A	REVENUE	Enforcement	201 E 9th Av .	22	25	30	35	2,688	122	0	2,688	122	3,050	3,660	4,270
B	"	Alc.Bev.Con.Bd.	201 E 9th Av	10	13	14	14	2,000	200	-10%	1,800	180	2,340	2,520	2,520
C	"	Petroleum Rev.	201 E 9th Av	26	28	30	32	5,304	204	-10%	4,774	183	5,124	5,490	5,856
D	"	Audit	201 E 9th Av	14	21	25	31	3,984	284	-25%	2,988	213	4,473	5,325	6,603
E	"	Admin. Services	201 E 9th Av	2	3	3	4	*3,750	166	0	*3,750	166	*3,916	*3,916	*4,082
F	"	Bond Bank Auth.	601 W 5th Av	2	2	2	2	715	357	-20%	572	286	572	572	572
G	"	Child Sup. Enf.	201 E 9th Av	65	100	140	170	10,000	154	-	10,080	154	15,400	21,560	26,180
	"	Subtotal		141	192	244	288	28,441	202	- 7%	26,572	188	34,875	43,043	50,083
				*Includes special areas of 3,448 square feet. Area factor of 166 excludes this space.											
5A	EDUCATION	Mgmt, Law & Fin; Teach.Prac.Comm; School Act.Assoc	650 W Int Arpt	7	10	11	12	1,800	257	-10%	1,620	230	2,300	2,530	2,760
B	"	Lib. & Museums	650 W Int Arpt	16	21	27	33	10,600	662	-	10,680	662	13,900	17,874	21,846
C	"	Pub.Brdcst.Comm.	400 Gambell	13	15	19	24	2,500	192	-	2,500	192	2,880	3,648	4,608
D	"	Historical Comm.	3321 Providence	3	4	4	4	800	267	-15%	680	227	900	900	900
E	"	Council on Arts	619 Warehouse	8	12	15	16	1,750	219	+20%	2,100	262	3,144	3,144	3,144
F	"	Vocation Rehab.	4100 Spenard Rd	56	76	96	116	12,500	330	-15%	15,725	281	21,341	26,376	32,596
	"	Subtotal		103	138	172	205	29,950	291	11%	33,305	323	44,465	54,472	65,854

Exhibit 4B

Space Requirements Data Base

No.	Department	Division	Address	Staff Levels					Area Factors				Space Requirement		
				1981	1985	1990	1995	Curr NSF	AREA FACTOR	SPACE UTILZ'N ADJ'MT	1981 NSF	ADJUSTED AREA FACTOR	1985	1990	1995
6A	HEALTH/SOC.SERV.	Plan.& Develop.	338 Denali St	7	8	10	11	900	129	+ 5%	945	135	1,080	1,350	1,485
B	"	Mental Health	338 Denali St	3	5	6	6	850	283	-20%	680	227	1,135	1,362	1,362
C	"	Alc. & Drug	338 Denali St	9	10	10	10	900	100	+25%	1,125	125	1,250	1,250	1,250
D	"	Admin. Services	338 Denali St	15	22	27	30	2,700	180	-10%	2,430	162	3,564	4,374	4,060
E	"	Comm. Office	338 Denali St	2	5	7	10	1,163	581	-20%	930	233*	1,163	1,631	2,330
F	"	Family & Youth	338 Denali St	81	90	100	110	20,432	252	-11%	18,179	224	20,160	22,400	24,640
		Admin.	338 Denali St	(12)	(13)	(15)	(16	(1,516	(126)	(+ 5%)	(1,592)	(133)	(1,729	(1,995	(2,128)
		Clinical		(69)	(77)	(85)	(94	18,916	(274)	(-12%)	(16,587)	(240)	(18,431	(20,405	(22,512)
G	"	Corrections		34	34	34	34	8,500	250	+76%	14,950	440	14,950	14,950	14,950
		Admin.	338 Denali St	(25)	(25)	(25)	(25	(5,000	(200)	(-13%)	(4,350)	(174)	(4,350	(4,350	(4,350)
		Corr.Center		(4)	(4)	(4)	(4	(3,000	(750)	+230%)	(10,000)	(2,500)	(10,000	(10,000	(10,000)
		Clinical	338 Denali St	(5)	(5)	(5)	(5	(500	(100)	(+20%)	(100)	(120)	(600	(600	(600)
H	"	Public Health		68	96	107	123	15,505	228	-	15,415	228	26,732	31,314	36,566
		Lab		(14)	(36)	(45)	(54	(5,800	(414)	(+15%)	(6,670)	(476)	(17,136	(21,420	(25,704)
		Clinical		(15)	(16)	(17)	(18	(4,000	(267)	(-15%)	(3,400)	(227)	(3,560	(3,732	(3,896)
		Other	338 Denali St	(39)	(44)	(45)	(51	(5,705	(146)	(- 6%)	(5,345)	(137)	(6,028	(6,162	(6,966)
I	"	Public Assist.	400 Gambell	71	75	79	85	11,825	167	+10%	13,007	183	13,725	14,457	15,555
	"	Subtotal		290	345	380	419	62,775	216	8%	67,661	233	83,759	93,028	102998
				*Based on 1985 personnel projections.											
7	LABOR	(Deleted)													