



State of New Mexico Capitol Buildings Master Plan

Albuquerque Area Master Plan Update

Analysis of Options to Consolidate:



Children, Youth &
Families Department (*CYFD*)



Human Services
Department (*HSD*)



July 2017



Architectural Research
Consultants, Incorporated

In Association with

CBRE

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Introduction / Study Purpose and Process

The Capitol Buildings Planning Commission (CBPC) is an intergovernmental agency established by the State of New Mexico to study and plan for the long-range facility needs of State government. The CBPC adopted an Albuquerque Area Master Plan in 2002. This plan includes land use and implementation strategies for State-owned facilities in the metropolitan area, and recommendations to develop State-owned administrative office facilities to address the high amount of leased space in the area. The overall intent of the Albuquerque Area Master Plan is to move State agencies located in the Albuquerque area from leased space and into State-owned facilities when feasible, and to collocate State agencies to facilitate access to services and to promote economies of scale.

The purpose of this current study is to update the Albuquerque Area Plan with a specific focus to develop a strategic plan to collocate the Children, Youth and Families Department (CYFD) and the Human Services Department (HSD) into State-owned facilities in Albuquerque in a manner that reflects the long-range strategic plans for those agencies. The study excludes the existing campus of the Youth Diagnostic and Development Center (YDDC) of the CYFD and State-owned and leased facilities in Los Lunas.

The study addressed two main questions:

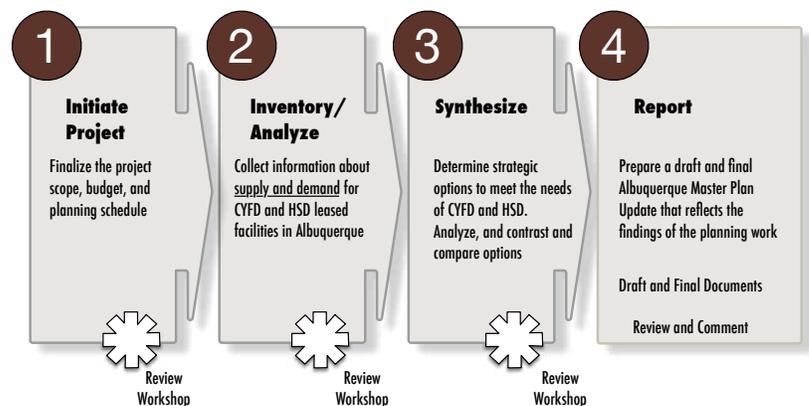
- What are the characteristics of a consolidated CYFD and HSD facility (size and location)?
- What are the benefits and costs of various consolidation alternatives available?

ARC implemented a four-step study process to address these questions (see Exhibit 1). The inventory / analysis step analyzed the supply and demand characteristics of the Albuquerque area office market place and operations of CYFD and HSD.

On the supply side, we collected and analyzed site and building information about the characteristics of the general Albuquerque metropolitan area and office marketplace, and existing space use of CYFD and HSD.

On the demand side, we identified space requirements of CYFD and HSD that reflected the long-range strategic plans for those agencies, based on review of existing information, interviews, tours of existing leased facilities, General Services Department/Facilities Management Division (GSD/FMD) lease records, SHARE personnel data, the New Mexico Inventory of Facilities and Properties database, current agency strategic plans, a recent CYFD recent lease request for proposal (RFP) that identified specialized space requirements, and application of the recently updated New Mexico space standards.

Exhibit 1
Planning Study Process



ARC reviewed study findings with State representatives in three meetings, and with the Capitol Buildings Commission in June 2017.

State Agency Background

The Albuquerque Area has the largest population base in New Mexico, and consequently, has the largest State work force outside of Santa Fe. The Albuquerque Area is also the largest beneficiary of State services. CYFD and HSD both serve a similar client base. Among the services these agencies provide are foster care, adoption, family counseling, income support, child support enforcement, healthcare, and financial and nutritional benefits. Abuse and neglect cases are another area of CYFD that has been a focus of attention in recent months. HSD is also challenged by behavioral health needs statewide.

Department Descriptions

- **Human Services Department (HSD)** – implements public assistance programs that help families break the cycle of dependency on public assistance. HSD manages a \$4.97 billion dollar budget of state and federal funds, and administers services to more than 800,000 low-income New Mexicans through programs such as:
 - Medicaid and Children’s Health Insurance Program (CHIP)
 - Supplemental Nutrition Assistance Program (SNAP)
 - SNAP Education Program (SNAP-Ed)
 - Temporary Assistance for Needy Families (TANF)
 - The Emergency Food Assistance Program (TEFAP)
 - School Commodity Foods Program
 - Meals for Homeless People
 - General Assistance for low-income individuals with disabilities
 - Community Services Block Grant (CSBG)
 - Refugee Resettlement Program (RRP)
 - Low-Income Home Energy Assistance Program (LIHEAP)
 - Child Support Establishment and Enforcement
 - Behavioral Health Services (mental illness, substance abuse and compulsive gambling)

The programs are administered through four Program Divisions:

- Medical Assistance Division (MAD) – is the direct administrator of the New Mexico Centennial Care program (Medicaid managed care)
- Income Support Division (ISD) – serves eligible low-income individuals and families through statewide programs of financial assistance, food assistance, employment assistance

All HSD divisions are represented in the Albuquerque Area, but the focus is MAD, ISD, and CSED.

See also Appendix 4a

and training services.

- Child Support Enforcement Division (CSED) – is a state and federal program to collect support from Non-Custodial Parents. Its primary mission is to maximize the collection of child support for all New Mexico Children.
- Behavioral Health Services Division (BHSD) – serves as the Mental Health and Substance Abuse State Authority for the State of New Mexico. The Authority’s role is to address need, services, planning, monitoring and continuous quality systemically across the state.

HSD is also a key member of the New Mexico Behavioral Health Collaborative and works across state agencies to collaborate on behavioral health issues.

- **Children Youth and Families Department (CYFD)** – provides an array of prevention, intervention, rehabilitative and after-care services to New Mexico children and their families within four divisions (see Exhibit 2).

All CYFD divisions are represented in the Albuquerque Area, but leased space focus is primarily Protective Services with some Juvenile Justice Services (JJS) and statewide Information Technology (IT) and training.

See Also Appendix 5a

Exhibit 2

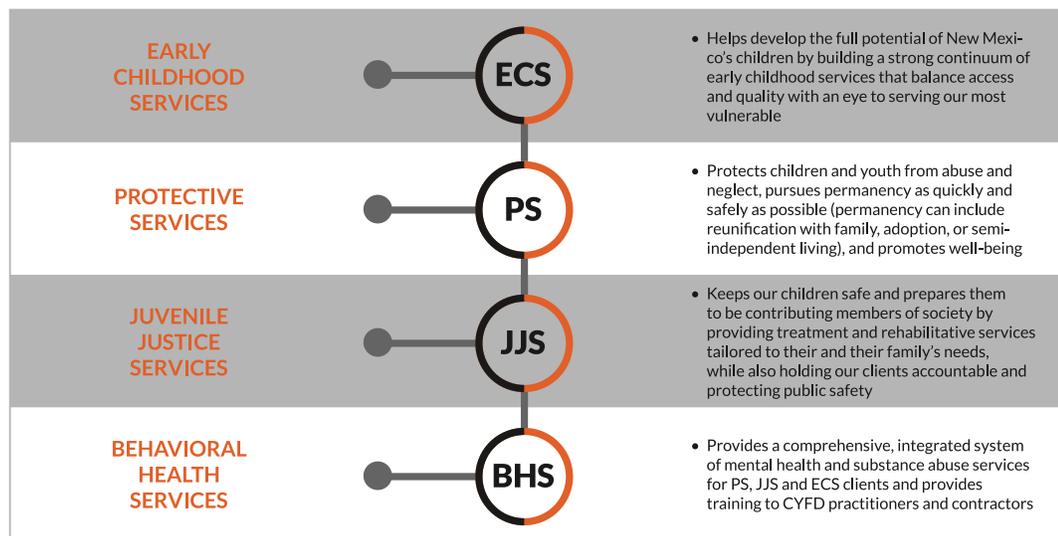
Overview of CYFD’s Division

Source: New Mexico Children, Youth and Families Department
FY 2017 Report and Strategic Plan



Overview of CYFD’s divisions

In order to make progress in meeting CYFD’s mission and vision, the department is organized into divisions and units that address the various needs of New Mexico’s children and families.



Current Leased Facilities

CYFD currently is a major occupant of an office complex located at San Mateo Boulevard and Central Avenue (with four separate leases), and another site in an office park near Menaul and I-25 (Lamberton Place). Ideally, CYFD would provide services at a single, centralized site (not including services provided at the State-owned Maloof Building providing primarily Early Childhood Services, YDDC operations, and the Bernalillo County Children's Court).

Much of HSD's space is in field offices that are distributed in each quadrant of Albuquerque for the convenience of the population served. However, HSD indicates that the Lamberton Place ISD field office, its Office of Inspector General (OIG) office and both of the CSED offices could be consolidated in a facility with CYFD. Three HSD ISD offices will remain geographically distributed in leased space.

CYFD leases approximately 119,000 rentable square feet (RSF) of office space and HSD leases approximately 71,000 RSF of office space in Albuquerque that could be consolidated (see Exhibit 3). The total combined leases have a total annual cost of about \$4.6 million (average annual rent / SF = \$24.16). Jointly, the leased space considered for consolidation currently houses 629 staff.

See Appendix 3 for definition of common space definitions and acronyms

Both agencies have leases that are approaching expiration, and both are seeking opportunities to relocate or renegotiate leases, and improve the type of facilities they occupy to more closely align with agency mission, services and programs.

CYFD's Special Needs

CYFD's Secretary has described the agency's space needs as "unlike typical office space." The agency works with families in crisis, foster children and children in the juvenile justice system. In Albuquerque, they service over 900 children in State custody who account for almost half of the statewide caseload.

CYFD has proposed a Child Wellness Center (CWC) to care for Bernalillo County children who are victims of abuse or neglect. The center is intended to offer a home-like environment for children while CYFD personnel seek foster placement. Ideally, children stay in the CWC for less than 24 hours, however, it can be more difficult to quickly place older children and those with special needs. CYFD also needs separate home-like spaces adjacent to the CWC to conduct controlled, monitored visitations with parents, children, and CYFD staff; to provide space for parent-child visitations to help families fulfill reunification plans; and to provide emergency space for children in surrounding counties who need immediate shelter.

CYFD initiated unsuccessful efforts to purchase a large existing facility (the "Sunport" property at 2501 Buena Vista Drive SE). Subsequently, the New Mexico General Services Department, Facilities Management Division (GSD/FMD) worked with CYFD to issue a RFP to lease a facility in January 2016 with 154,700 to 192,000 usable square footage – not including Early Childhood Services now in a State-owned facility. GSD/FMD judged the responses from the RFP to be too expensive and a new lease was not executed.

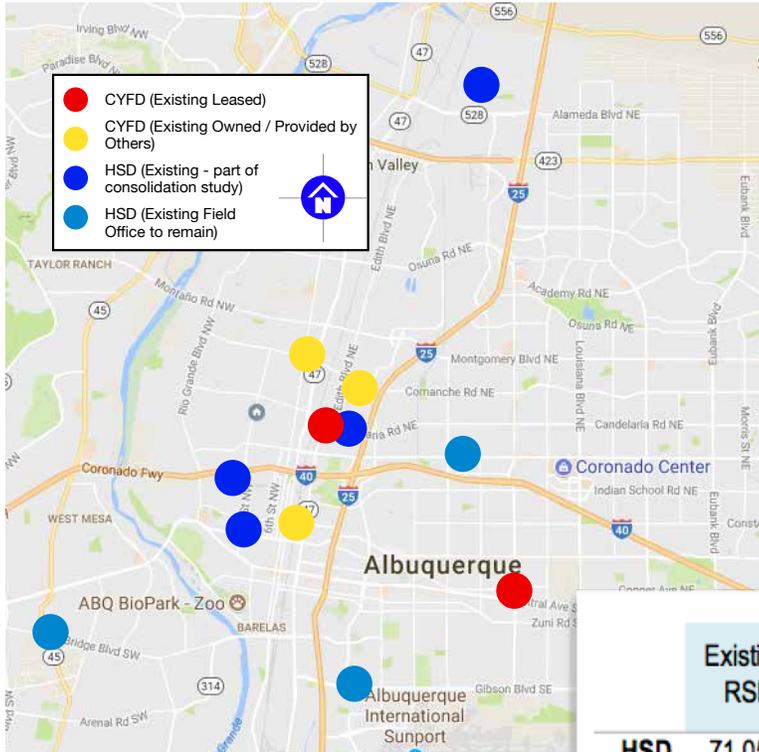


Exhibit 3
Existing Leased Facilities
Potentially Part of a Consolidated Facility

	Existing RSF	Current Lease Cost	Cost / SF	Budgeted Positions
HSD	71,058	\$1,612,171	\$22.69	193
CYFD	118,714	\$2,973,536	\$25.05	436
	189,772	\$4,585,707		629
Average Rent / SF		\$24.16		

*HSD**

#	Site Name	Address	Contractor	RSF	\$Lease	Budget FTE Filled	Budget FTE Vacant	\$/SF	SF/FTE	Lease Expiration	Years Left
1	Leased	1010 18th St NW	GEM HOLDINGS	25,267	\$448,489	43	11	\$17.75	468	12/31/24	7.6
2	Leased	1015 Tijeras Ave NW	AVALON BUILDING GROUP LLC	20,258	\$400,000	101	14	\$19.75	176	7/31/18	1.1
3	Leased	1041 Lambertson PI NE	ISD DEVELOPMENT LTD	21,253	\$672,044	0	2	\$31.62	10,627	3/31/23	5.8
4	Leased	8909 Adams St NE	T & D FORTRESS, LLC	4,280	\$91,638	19	3	\$21.41	195	7/31/19	2.1
Totals				71,058	\$1,612,171	163	30	\$22.69	368		
				Total Personnel		193					

* Does not include the 3 leased HSD ISD Field Offices that will remain geographically distributed

*CYFD***

#	Site Name	Address	Contractor	RSF	lease \$	Budget FTE Filled	Budget FTE Vacant	\$/SF	SF/FTE	Lease Expiration	Years Left
1	Leased	1031 Lambertson PI NE	CYF DEVELOPMENT LTD	40,498	\$1,080,883	127	14	\$26.69	287	4/30/21	3.9
2	Leased	300 San Mateo Blvd NE Suite 200-800	ICO CENTRAL SAN MATEO, LLC	73,044	\$1,855,903	254	41	\$25.41	248	1/31/19	1.6
3	Leased	300 San Mateo Blvd NE Suite 401	ICO CENTRAL SAN MATEO, LLC	1,274	\$19,731	0	0	\$15.49		3/31/19	1.8
4	Leased	300 San Mateo Blvd NE Suite B2	ICO CENTRAL SAN MATEO, LLC	1,098	\$17,019	0	0	\$15.50		1/31/19	1.6
5	Leased	5301 Central Ave NE	ICO CENTRAL SAN MATEO, LLC	2,800		0	0	\$0.00		1/31/19	1.6
Totals				118,714	\$2,973,536	381	55	\$25.05	273		
				Total Personnel		436					

** Does not include CYFD operations in state-owned or Bernalillo County buildings

Characteristics of a Consolidated Facility

A consolidated facility would combine the leased operations of the CYFD, and the administrative functions (Office of the Inspector General [OIG], and the Child Support Enforcement Division [CSED] with one field office of the Income Support Division [ISD]). The three remaining HSD ISD field offices would continue to be leased facilities that provide services to different geographic areas (Exhibit 4).

Both agencies have various commonalities. Both:

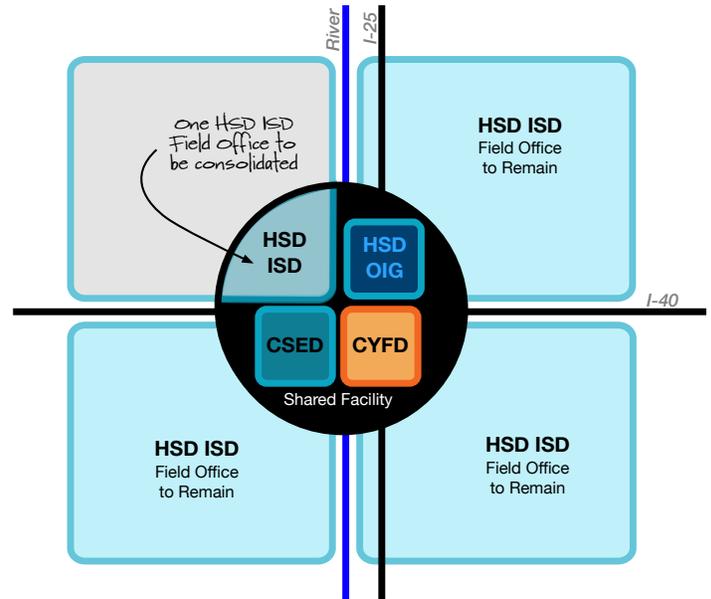
- Provide social services (often serve the same clientele)
- Have similar training needs
- Have interaction/connection to the courts (district and children’s courts)
- Participate in NM’s Behavioral Health Initiative (mental health and substance abuse prevention programs)

The main differences are:

- HSD ISD operates on a distributed services model
- There are some differences in federal privacy regulations, which can affect access control / separation requirements

Exhibit 4

Components of a Consolidated Facility



A consolidated facility would potentially combine CYFD operations with one HSD field office and other HSD administrative functions.

Combined Space Needs

A consolidated facility would be organized to address the separation and security requirements of both agencies, but provide opportunities for significant space savings by sharing common building areas such as public entryway / lobby, meeting/conference, and training facilities (see Exhibit 5).

In discussions with agency personnel and using New Mexico space standards, we determined that a consolidated facility would require about 183,000 RSF, approximately 7,000 RSF less than leased currently. HSD requires about 23,000 RSF less, and CYFD about 16,000 RSF more. CYFD requires more space to address child wellness and family reintegration issues that their current lease space lacks (see Exhibits 5 and 6). If combined in a newly constructed or purchased facility, the agencies will require 228,800 gross square feet (GSF).

Exhibit 5

High Level Relationship Diagram of a Consolidated CYFD / HSD Facility

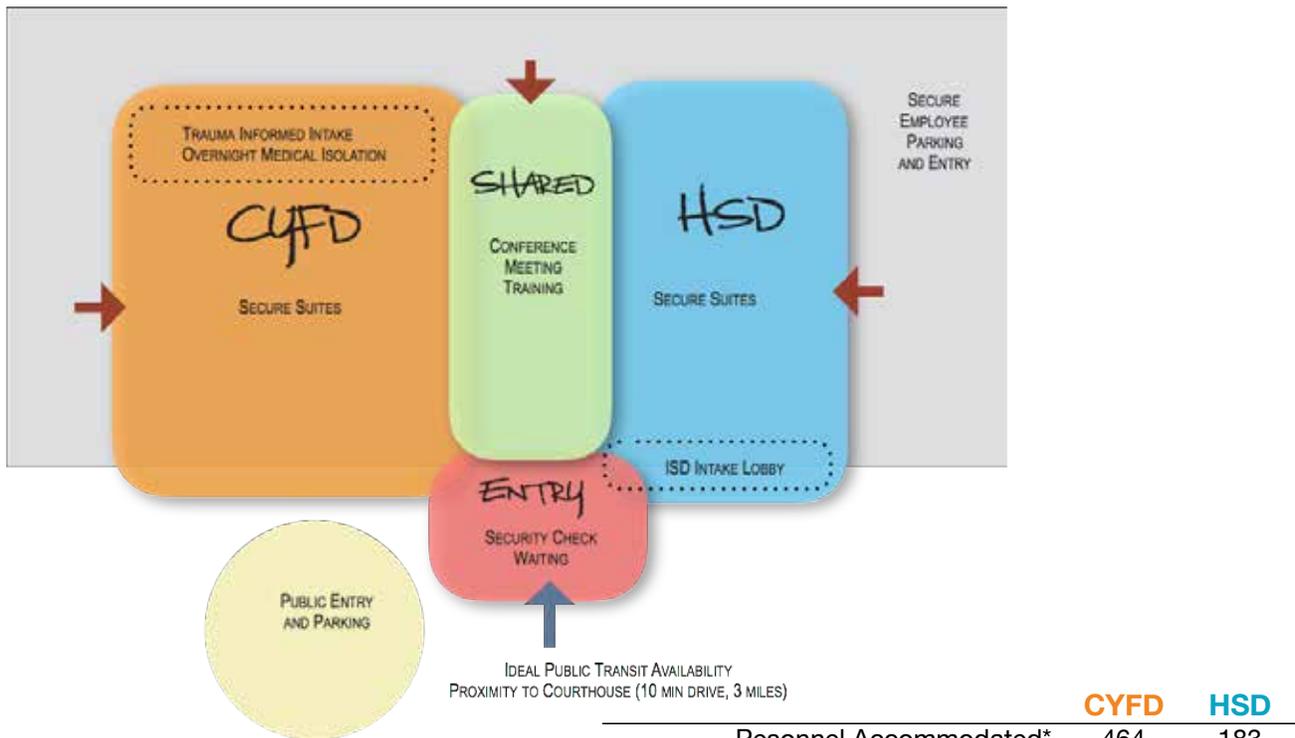


Exhibit 6

Projected Space Needs of Consolidated CYFD / HSD Facility

(See Appendices 4b and 5b for more detailed itemization of space and conceptual diagrams for a consolidated facility)

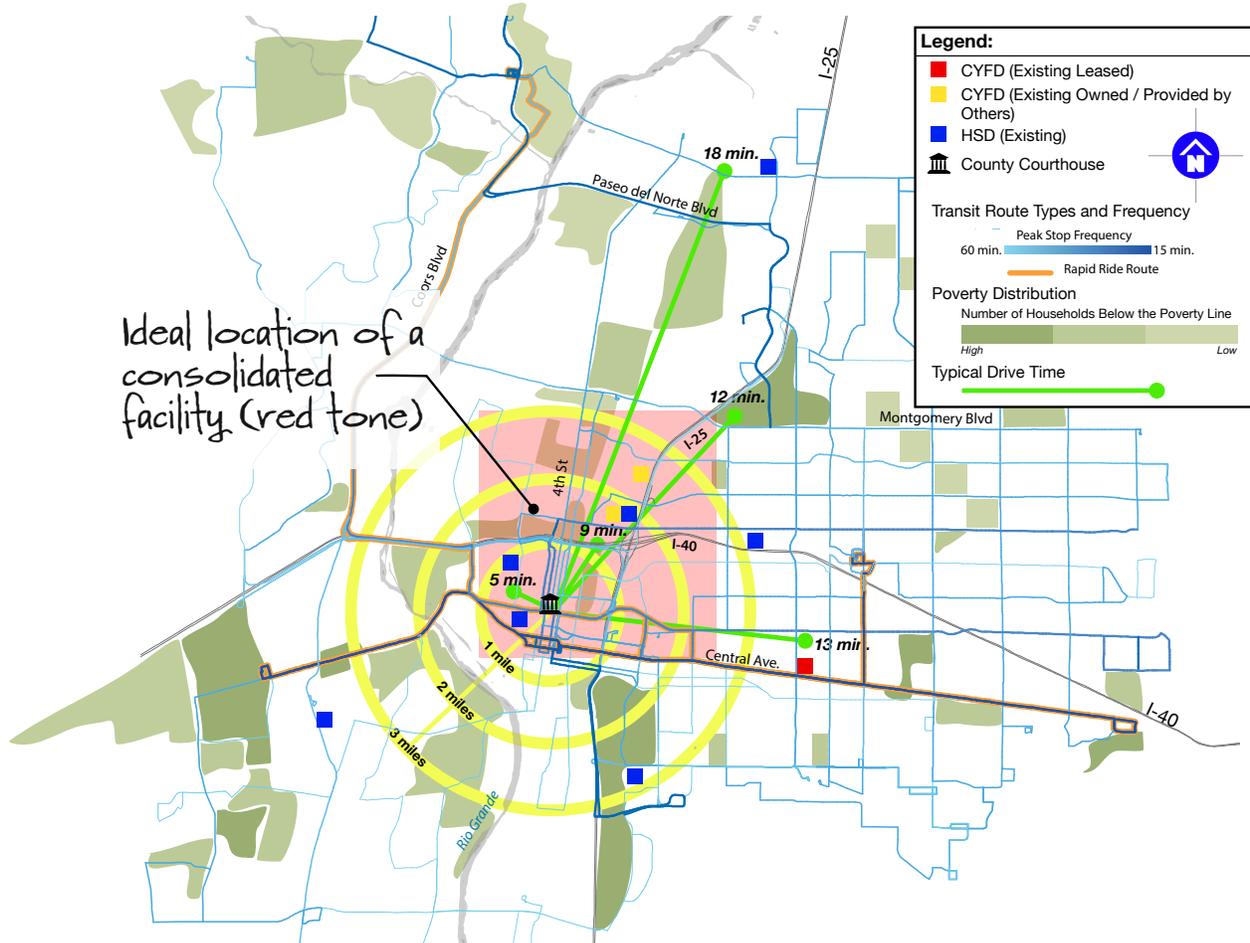
	CYFD	HSD
Personnel Accommodated*	464	183
Total Combined Personnel	647	
Space Requirements		
1. Workstations	31,044	13,784
2. Meetings / Conference	14,350	6,050
3. Equipment and Storage	7,700	3,270
4. Other Office Support Areas	3,120	1,580
Subtotal Primary Office	56,214	24,684
Internal Circulation	22,486	9,874
Subtotal USF	78,700	34,558
Non-Assignable Common	7,870	3,456
Subtotal Primary Office RSF	86,570	38,014
5. Special Areas	31,230	6,725
Internal Circulation	12,492	2,690
Subtotal USF	43,722	9,415
Non-Assignable Common	4,372	942
Subtotal Special Areas RSF	48,094	10,357
Total RSF Primary Office and Special Use	134,664	48,371
RSF Combined	183,035	
Preliminary GSF	168,300	60,500
Preliminary GSF Combined	228,800	

Ideal Site Location

Given the high interaction with the court system for both CYFD and HSD, the ideal location of a consolidated facility would be within a 10-minute drive (about 3 miles) of the County Courthouse located in downtown Albuquerque. In addition, it should have convenient access to the public — visible (easily found), ample parking, and access to public transportation (see Exhibit 7).

Exhibit 7

Ideal Site Location of a Consolidated Facility



Consolidation Benefits

In summary, our analysis shows that a consolidated CYFD / HSD facility has the potential to provide the following benefits:

- **A more supportive environment for kids and families** (providing space that currently does not exist)
- **Better service to the public** by clustering state providers in a visible, convenient, and easily accessible location

- **Improved communication** and the opportunity to cross-fertilize ideas between agencies
- **Potential to improve operational efficiency** through optimally designed facilities and cross-sharing of common space
- **Potential reduction in lease / annual operational costs**

If the State were able to simply optimize the amount of space needed (~183,000 RSF), maintaining current lease rates (\$24.16 / RSF), the potential annual net savings would be \$132,000 (Exhibit 8). Over a projected 50-year time frame, this amount equates to almost \$6.6 million in savings (\$3.4 million in present day dollars using a 3% discount rate). These savings would almost double if the State renegotiated leases to current market rates (~\$13 / RSF).

The next section will further explore the relative long-term costs of other potential space acquisition options.

Exhibit 8

Simple Savings by Optimizing Lease Space Amount

	Existing RSF	Current Lease Cost	Needed RSF	Difference RSF	Savings (-Loss)
HSD	71,058	\$1,612,171	48,370	-22,688	\$514,748
CYFD	118,714	\$2,973,536	134,000	15,286	-\$382,882
	189,772	\$4,585,707	182,370	-7,402	Net Annual Savings \$131,865
Average Rent / SF	\$24.16				50 Year Savings \$6,593,273
					Present Value \$3,392,867

Consideration of Consolidation Alternatives

There are three possible alternatives for the State to consider to implement a consolidated CYFD / HSD facility:

- Continue to lease, maintaining the current lease arrangements, or in optimized space with better market rates
- Construct a new State-owned facility
- Purchase (and renovate) an existing facility

For the latter two options, the State has a number of potential acquisition methods: using cash, debt-financing, lease-purchasing, or some form of public-private partnership.

Metro Area Population

The Albuquerque metropolitan area has the largest population base in the state with an estimated 2015 population of almost 680,000 persons in Bernalillo County. The University of New Mexico Geospatial and Population Studies (UNM GPS) group estimates the county population will grow to about 800,000 by 2040 (Exhibit 9).

Metro Area Office Market

The existing Albuquerque metropolitan area office market conditions influence both the lease and acquisition of existing building alternatives. CBRE Group, Inc. (Tom Jenkins) provided current (as of June 7, 2017) market information to inform further option analysis.

Some of the pertinent information from the CBRE market scan (Exhibit 10) shows that:

- About 7 million square feet of multi-tenant office space is available in the Albuquerque metro area. About 40% (~3 million square feet) are large (over 75,000 square feet) facilities.
- About 1.5 million square feet is rented per year (the absorption rate). About half is space over 75,000 square feet.
- The average lease rate fluctuates between \$12.00 - \$13.00 / SF. Buildings over 75,000 square feet have a generally higher lease rate.
- Large facilities over 75,000 square feet have a higher vacancy rate (15.6% vs. 11.75% average over the last five years).
- Comparing a similar analysis conducted in February 2017 shows that the market is changing quickly, and that large multi-tenant buildings are being absorbed (coming off the market as they are purchased) as the economy continues to improve.

A more detailed analysis shows that five buildings or building complexes currently for sale or lease on the market are of sufficient size, providing at least 183,000 potential rentable square footage (see Exhibit 11 and Appendix 8). The lease costs and purchase asking prices are negotiable and time-sensitive. Renovation and tenant development costs are estimates based on CBRE's understanding of required major improvements, but require detailed due diligence to validate.

Also note that existing buildings may have current leases that require varying times for expiration before occupancy. However, existing leases, and any additional square footage also provide revenue opportunities that can offset some of the costs of ownership.

Exhibit 9

Albuquerque Metro Area Population Projections

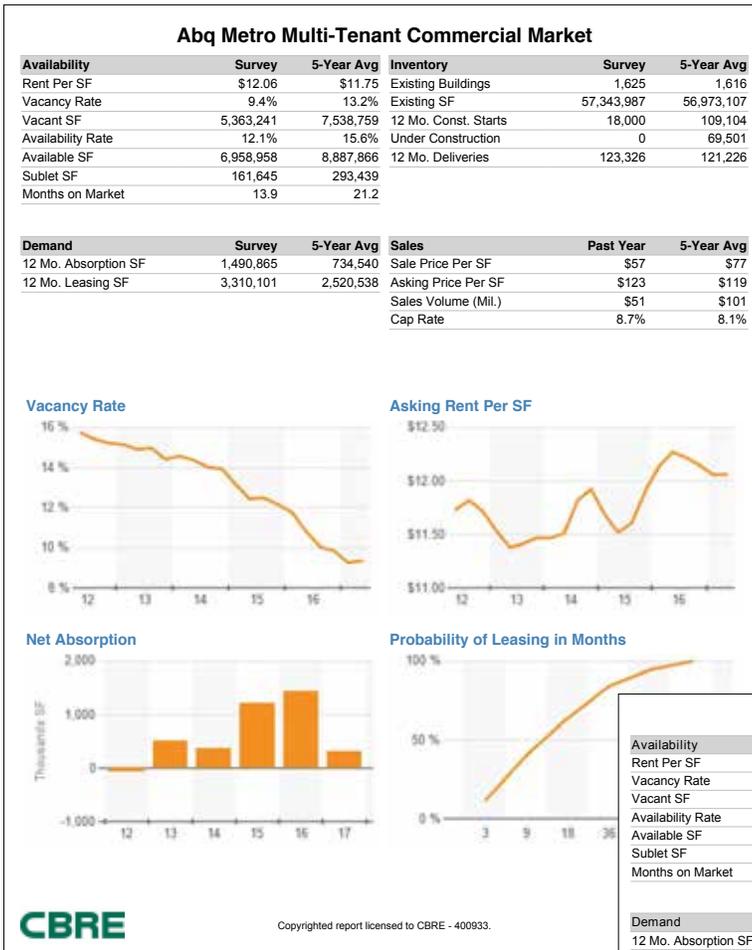


Sources: US Census and UNM Geospatial and Population Studies (GPS)

Exhibit 10

Albuquerque Metro Area Multi-Tenant Commercial Office Market - 6.07.17

Source: CBRE



Left - General Multi-Tenant Office Market



Right - Multi-Tenant Office Market above 75,000 Square Feet

Exhibit 11

Albuquerque Metro Area Multi-Tenant Buildings for Sale or Lease - 6.07.17

Source: CBRE

Site	Total Square Feet	Vacant Square Feet	Lease / SF	Asking Purchase Price (\$ millions)	Estimated Renovation / TI Cost (\$ millions)	Within Ideal Location Radius
A.	323,000	147,001	\$14.50 - \$17.50	\$13.00	\$11.15	Yes
B.	275,000	275,000	-	\$7.95	\$18.00	Yes
C.	203,223	89,871	\$13.25	\$8.00	\$7.65	No (close)
D.	326,080	326,080	\$6.50	\$8.40	\$18.00	No
E.	559,045	134,968	\$9.00 - \$15.00	\$16.00	-	No

Own vs. Lease Characteristics

There are inherent financial characteristics with respect to the acquisition alternatives considered.

- **Ownership generally has lower total life cycle costs than leasing** – All things being equal, the public sector should be able to own assets (either through construction or purchase of an existing building) at a lower total cost than leasing over the long term, due to its lower cost of capital and lesser tax obligations. An owned facility also has accrued residual value that leasing does not offer.
 - A State-constructed or purchased facility using cash resources generally has the lowest long-term life-cycle cost, simply because no financing cost is associated with the capital construction, although it may in some cases have foregone investment income. There is, however, a large initial capital cost obligation. Since many projects are usually competing for limited capital dollars, large cash expenditures may not be readily available for financing.
 - A State-constructed or purchased facility using debt financing at public sector borrowing rates has the advantage of decreasing initial capital investment, but has higher overall cost due to interest charges. There are usually other public sector projects competing for debt-financing capacity. This alternative has the advantages of ownership and accrued residual value.
 - The State can use operational sources to acquire a facility through a lease-purchase agreement. With this financing method, the State avoids large initial capital expenditures while still providing the opportunity of ownership and accrued residual value at the end of the lease term. This alternative has added costs, due to the higher cost of private sector financing.
- **Leasing generally has short-term cost and flexibility advantages** – Leasing a facility generally has lower short-term costs than owning, but due to inflation and escalation, a lease can often have the highest long-term costs.
 - A lease uses operational dollars, so the State has no large initial capital expense. However, the State has no ownership benefits or accrued residual value after the lease expires.

- Obtaining a lease is faster than constructing a facility, so leasing provides flexibility to address space needs relatively quickly.
- The cost of a private sector lease readily qualifies for full reimbursement from the federal government. Federal reimbursement is also available for the lease of a State-owned building, provided the State keeps an accurate accounting of interest expense in financing the building and the building's annual depreciation, and makes the necessary renovations to maintain the value of the building.
- Due to statutory restrictions on leasing that allows the State to break lease if sufficient funds are not allocated, space is available in another state-owned building, or it is the will of the governor, lease rates offered to the state tend to be higher than general market rates.

Alternative Analysis

ARC conducted a Life-Cycle Cost Analysis (LCCA) on the three broad acquisition alternatives for a consolidated CYFD - HSD facility.

- Continue to lease, maintaining the current lease arrangements, or in optimized space with better market rates
- Construct a new state-owned facility (cash-financed, debt-financed, or lease-purchased)
- Purchase (and renovate) an existing facility (cash-financed, debt-financed, or lease-purchased)

LCCA is a method for assessing the total cost of facility ownership, taking into account all costs of acquiring, owning, and disposing of a building or building system. LCCA is especially in comparing project alternatives that fulfill the same performance requirements, but differ with respect to initial costs and operating costs, in order to select the alternative that maximizes net savings. After identifying all costs by year and amount, and discounting them to present value, they are added to arrive at total life-cycle costs for each alternative.

See Appendix 6 for more detailed information about LCCA, key terms, and assumptions used for the analysis.

ARC used a process based on the LCCA web-based tool developed by ARC for the CBPC to evaluate lease-purchase projects for the State that examined life-cycle costs based on both constant dollars and discounted cash flow methods. Analysis used a consistent set of assumptions. But since assumptions are very time- and situation-sensitive, results should be viewed as showing relative differences between acquisition approaches rather than exact financial results.

Exhibits 12 and 13 show comparative constant-dollar and discounted cash flow costs over 50 years.

Exhibit 12
Total 50-Year LCCA
 – Constant Dollars
Alternative Comparison

TOTAL 50 YEAR LIFE CYCLE
 COST CONSTANT DOLLARS
 (\$ MILLIONS)

1A	Continue Existing Lease(s)
1B	Continue to Lease (new rate / amount)
2A	Buy (construct with cash, public sector)
2B	Buy (construct, debt finance, public sector)
3	Lease Purchase (Private Sector Build to Suit)
4A	Purchase (cash) and Renovate Existing Building
4b	Purchase and Renovate Existing Building (Debt Finance - Public Sector)
4C	Lease Purchase Existing Building (Private Sector)

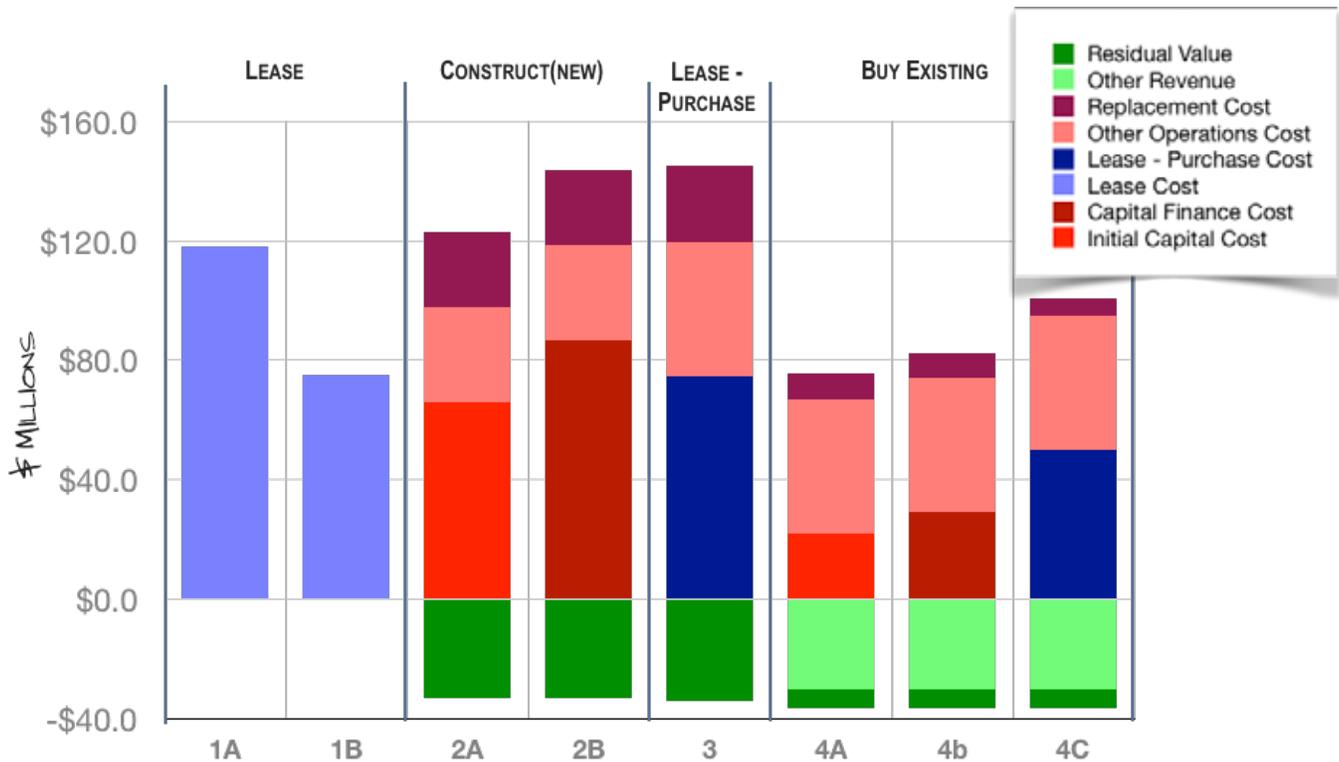
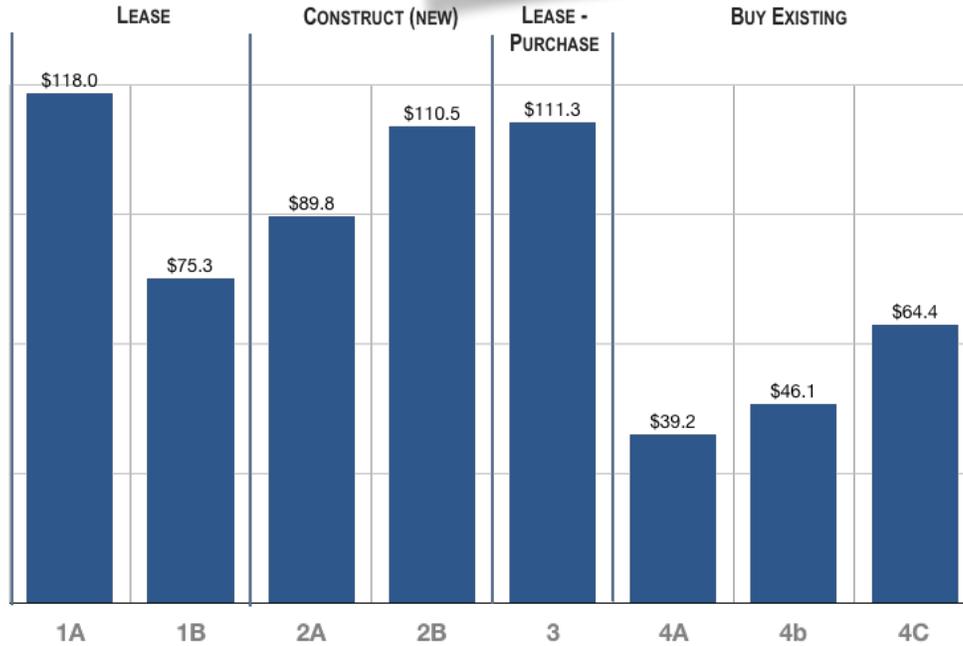
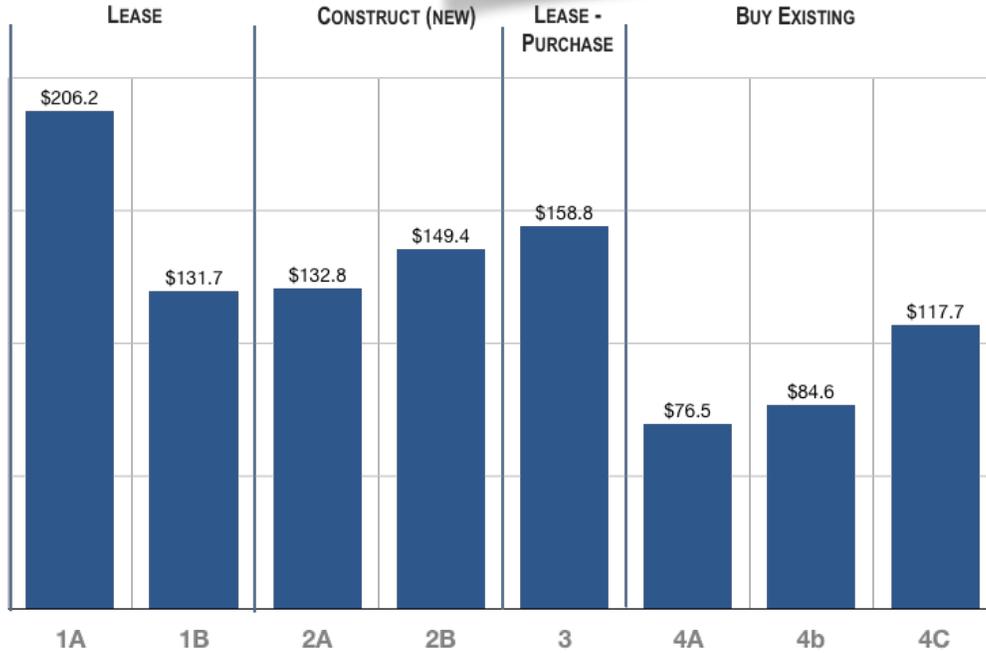


Exhibit 13

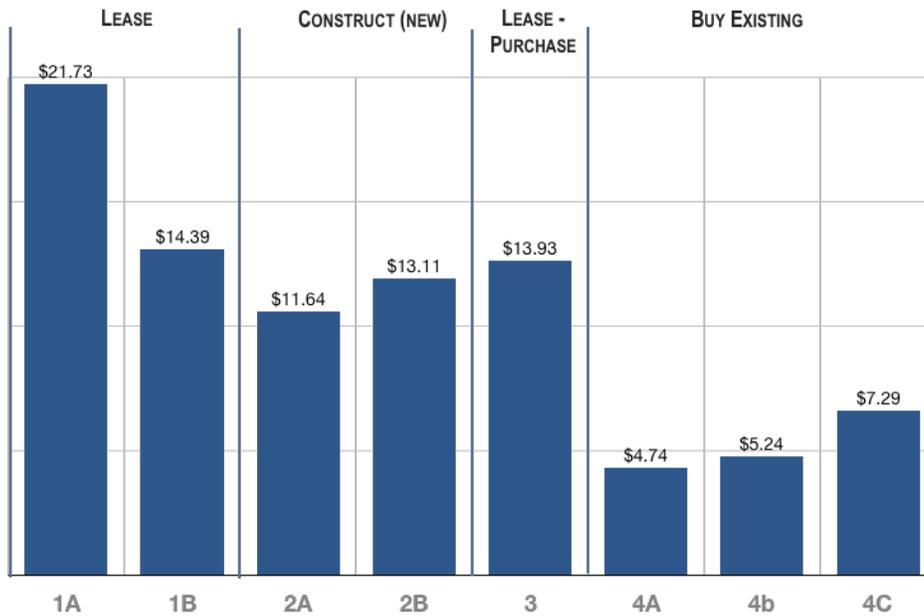
**Total 50-Year LCCA –
Discounted Cash Flow
Alternative Comparison**

1A	Continue Existing Lease(s)
1B	Continue to Lease (new rate / amount)
2A	Buy (construct with cash, public sector)
2B	Buy (construct, debt finance, public sector)
3	Lease Purchase (Private Sector Build to Suit)
4A	Purchase (cash) and Renovate Existing Building
4b	Purchase and Renovate Existing Building (Debt Finance - Public Sector)
4C	Lease Purchase Existing Building (Private Sector)

TOTAL 50 YEAR LIFE CYCLE
DISCOUNTED CASH FLOW
(\$ MILLIONS)



TOTAL 50 YEAR LIFE CYCLE DISCOUNTED CASH FLOW
- PRESENT VALUE ANNUAL COST / SF



LCCA Findings

LCCA analysis shows that:

- All alternatives (other than to continue leasing at current rates) will provide long-term cost savings to the state.
- Acquiring a suitable existing building (purchase or lease-purchase) will provide the greatest long-term savings potential. Purchasing an existing facility is particularly attractive at this point in time. Relatively low purchase prices along with additional revenue-producing opportunities offset the need for renovations for cyclical renewal and tenant improvements.

Albuquerque Area Master Plan Update Recommendations

ARC offers the following recommendations to update the Albuquerque Area Master Plan, based on the analysis and findings of this study.

1. We reaffirm the current Albuquerque Area Master Plan implementation strategy to “Create more State-owned office space in Albuquerque by building new, or acquiring, quality office space”.
2. We find sufficient justification and benefits in creating a consolidated state-owned facility to house CYFD and HSD activities currently housed in leased facilities. Ideally, the facility should:
 - Be centrally located (with 3 to 4 miles of the County Courthouse), visually prominent, and with convenient access to public transportation
 - Provide a minimum 229,000 GSF in space with sufficient public and secure staff parking (about 10 to 12 acres, assuming two-story construction and surface parking)
 - Consider housing other compatible state functions in owned or leased space that require frequent public interaction and that distribute services from a central location. One possibility is CYFD Early Childhood Services, excluded from the proposed consolidated facility since they occupy the State-owned Maloof Building at the YDDC site. Including this function would increase the size of the required facility by about 20,000 GSF, but would allow the current building to be demolished or repurposed. See also Recommendation 4.
3. We recommend that the State either construct a new facility or acquire an existing building or building complex to house State functions.
 - Acquiring an existing building or building complex is the most cost-advantageous strategy at this time. As of June 2017, several potential sites are available in the Albuquerque marketplace of sufficient size and satisfactory location (see Exhibit 11 and Appendix 8). We will provide the CBRE July 2017 Market Scan to the CBPC staff liaison for further consideration.
 - The State has a limited supply of land holdings in the Albuquerque area that are large enough to accommodate the proposed facility and are properly located (see Appendix

- 9a). One possible State-owned site is on the eastern portion of the YDDC site (see Appendix 9b and 9c). However, development here would be difficult and likely require demolition or relocation of existing State facilities. More detailed study will be necessary to determine the feasibility of constructing a large state building at this site.
- The most straightforward implementation method for constructing a new building or acquiring an existing one is to debt-finance capitalizing revenues currently allocated as lease payments. For instance, the present value of current annual lease payments is \$70 million (assuming 2.75% interest, a term of 20 years, and \$4.6 million per year in payments). This amount could potentially be increased if the facility incorporated other agencies currently leasing space. The New Mexico Finance Authority provides a possible finance mechanism, as proposed (but not finalized) for construction of the Health and Human Services Building in Santa Fe several years ago.
4. We recommend that the State develop a comprehensive and coordinated long-term implementation strategy to achieve the two key objectives of the Albuquerque Area Master Plan: (1) Move State agencies located in the Albuquerque area from leased space into State-owned facilities, and (2) Colocate State agencies to facilitate access to services and to promote economies of scale. This strategy should:
- Analyze Provision of State Services. As of July 2017, there are 43 State departments, agencies and commissions with 84 separate leases for an annual cost of \$17.12 million located in Bernalillo County. Another seven State-owned facilities house office-type functions totalling about 173,000 GSF. Currently, limited information is available (outside of this current study) to describe:
 - » What and how services are provided directly to the public by these State agencies
 - » What potentials exist to coordinate among State agencies consolidation of service delivery to promote better public access and economies of scale

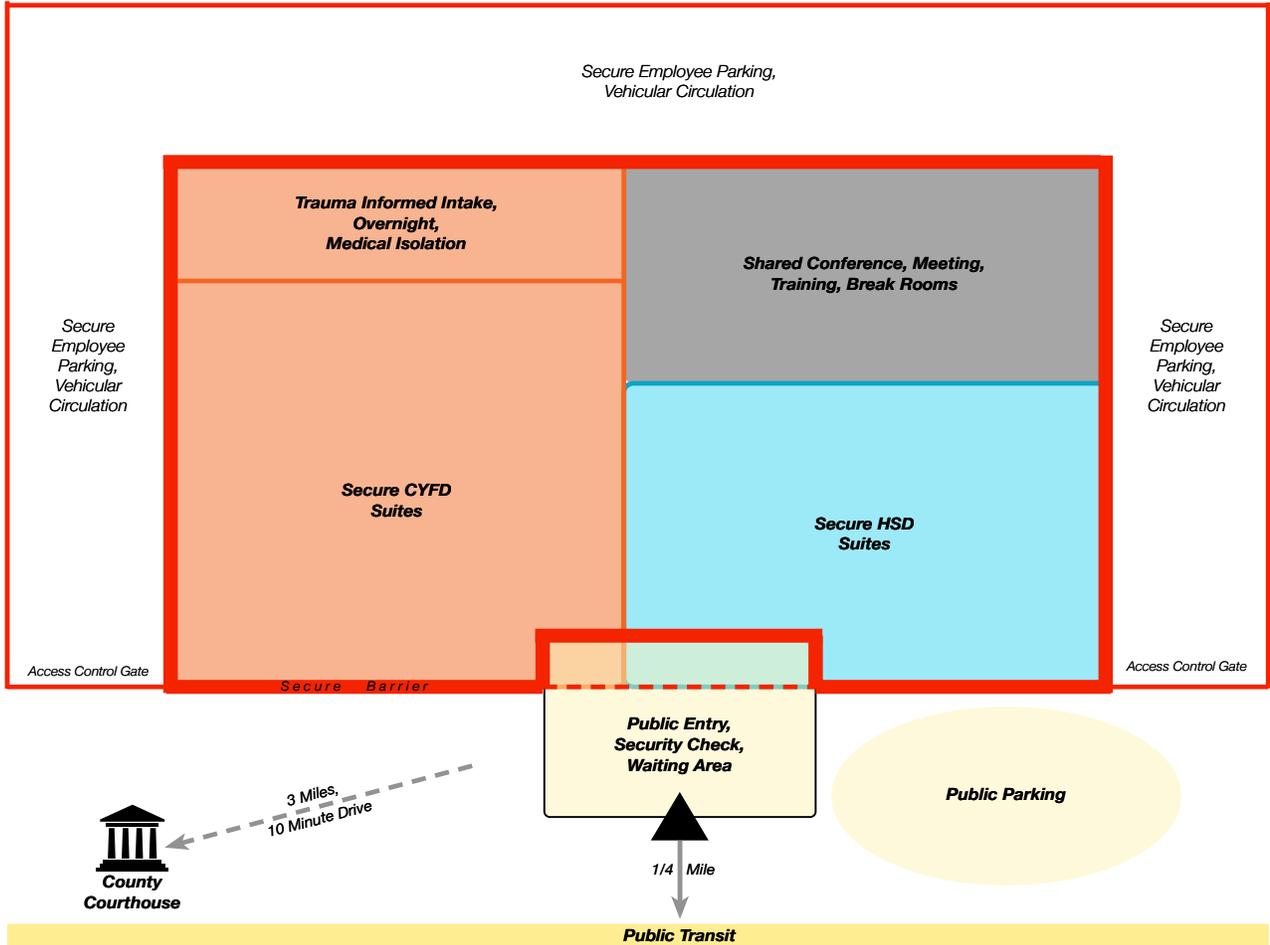
Executive Order 2012-023 requires State agencies to submit five-year facilities master plans, which would provide useful data to begin this analysis. To our knowledge, no agency master plan has been initiated to date. We urge the State to make the completion of these master plans a priority. Planning guidance promulgated by GSD should include the need to consider strategies to coordinate long-term provision with other State entities.
 - Identify and evaluate service provision options, including centralized, distributed, or combination models.
 - Recommend site or building acquisition to implement the optimum service model that includes LCCA and financing recommendations.
 - Develop a long-term implementation strategy that:
 - » Considers current lease expiration timing
 - » Evaluates the optimum use of current state-owned sites and facilities
 - » Seeks to enhance the ability to respond in a timely manner to take advantage of real estate opportunities. As a public entity, the state must obtain resources to construct new facilities, or acquire land or buildings through a lengthy legislative process that tends to drive incremental, short-term leasing solutions to address space needs. The

implementation strategy should investigate and recommend the adoption of best practices of other State and public bodies.

- » Adds State financing tools to broaden implementation opportunities. For instance, New Mexico lacks the statutory authority to enter into Public-Private Partnerships (aka “P3”) to allow State and local governments to enter into long-term agreements with private sector partners to facilitate public projects. These arrangements have been successful in other states. Bills introduced in 2013, 2015, and 2016 have not made it through the legislative process.

Appendices

Overall Consolidated CYFD / HSD Conceptual Relationships



Space Abbreviation and Acronym Definitions

ASF – Assignable Square Feet – units of area expressed in square feet required to meet general or specific functional needs (interior usable area). Assignable areas result from multiplying the number of spaces times the number of persons per area or from a specific space criteria.

NASF – Net Assignable Square Feet – total of all assignable areas in square feet

USF – Usable Square Feet – the actual space occupied from wall to wall not shared with another tenant (or department). USF includes interior walls and corridors. (USF is generally equivalent to "Departmental Gross Square Feet" or DGSF.)

RSF – Rentable Square Feet – the usable square footage plus a portion of a building's common area (e.g., lobbies, restrooms, major hallways, etc.). This area is used to calculate a tenant's rental rate. (This space is sometimes also called the "Leasable Square Feet" or LSF.)

GSF – Gross Square Feet – the sum of net assignable square feet plus all other building areas that are not assignable. It is the amount of space constructed in a new building and the number used to calculate the construction cost of a building.

Tare – the "left over" area that is the difference between GSF and NASF (GSF- NASF). Tare includes areas such as hallways, mechanical areas, restrooms and the area of interior and exterior walls.

Building Efficiency – the ratio of NASF/GSF

Other Abbreviations and Acronyms

ALTSD – Aging and Long-Term Services Dept.
ASD – Administrative Services Division
BHSD – Behavioral Health Services Division
CBPC – Capitol Buildings Planning Commission
CHIP – Children’s Health Insurance Program
CSBG – Community Services Block Grant
CSED – Child Support Enforcement Division
CWC – Child Wellness Center
CYFD – Children, Youth and Families Dept.
DFA – Dept. of Finance and Administration
DOH – Dept. of Health
eIWO – Electronic income withholdings
FTE – Full-Time Equivalent
GSD/FMD – General Services Dept./Facilities Management Division
HR – Human Resources
HSD – Human Services Dept.
ISD – Income Support Division
IT – Information Technology
LCCA – Life-Cycle Cost Analysis
LIHEAP – Low-Income Home Energy Assistance Program
MAD – Medical Assistance Division
OIG – Office of Inspector General
RRP – Refugee Resettlement Program
SNAP – Supplemental Nutrition Assistance Program
SNAP-Ed – SNAP Education Program
TANF – Temporary Assistance for Needy Families
TEFAP – The Emergency Food Assistance Program
UNM GPS – University of New Mexico Geospatial and Population Studies
WIC – Women, Infants and Children Food Program
YDDC – Youth Diagnostic and Development Center

HSD Departmental Description

ISD - Income Support Division

Location:

1041 Lamberton Place, NE

Contacts:

- Shanita Harrison, ISD Director
- Ron Ortiz / Gerald Chavez / Robert Place, HSD ASD

Functional Description:

ISD Field Offices provide support services that help individuals and families move out of poverty. These support services include income support and healthcare assistance, through Medicaid and the Children's Health Insurance Program (CHIP). In Albuquerque, HSD uses a distributed model for providing these services to all four quadrants of the city. This study considers one of the four field offices (located at 1041 Lamberton Place NE) to be a candidate for consolidation with other HSD and CYFD functions.

Staffing:

ISD reported a total of 60 FTE at the NW field office location (Lamberton ISD), including 51 filled positions and 9 provider positions, and no vacancies.

Space Needs:

ISD requires typical office, conference and training facilities. It also requires public lobby space with a security control point with proper queueing space, sufficient seating, space for public computer kiosks/workstations on which to submit application materials electronically, and counter windows that provide sound privacy. Because ISD's service delivery model is based on public interaction at counter windows rather than interview rooms, each counter station window must have privacy wing walls to offer sound separation. The service windows must be sufficiently separated from seating and other public lobby functions.

Providers at ISD field offices occupy about 25% of the office space. They also require sub-lobby space and file storage space.

Adjacencies:

- Internal
 - ISD suites can be colocated with CSED suites, but this arrangement would require secure separation due to differing requirements to protect private information.
 - Secure, controlled access points must separate public from personnel office and support areas.

- External
 - HSD is involved with foster care (a CYFD function).
 - HSD has ties to DOH (primarily to the WIC program and to Vital Records).
 - HSD has links to the Aging and Long-Term Services Department (ALTSD) associated with Medicaid services.

Security Concerns:

The department requires a security station with visual control and oversight of the public lobby areas. It should be equipped with a metal detector.

Access:

Access to public transportation is preferred.

CSED- Child Support Enforcement Division

Locations:

1015 Tijeras Ave NW and 1010 18th St. NW

Contacts:

- Laura Galindo, CSED Director
- Ron Ortiz / Gerald Chavez / Robert Place, HSD ASD

Functional Description:

CSED supports families’ financial stability by removing barriers to child support orders and collections. CSED works to improve child support processes in order to execute child support orders sooner, and increase collections through efficiency and streamlined processes. The department engages with State and community organizations that help parents find work (CSED has a vested interest in assisting non-custodial parents to obtain job skills and employment), and endeavors to increase electronic income withholdings (eIWO) from employers (by far the best source of consistent collections).

Staffing:

CSED reported a total of 104 FTE between the Tijeras and 18th St. locations, including 90 filled positions and 14 vacancies.

Space Needs:

CSED requires typical office, conference and training facilities. It also requires public lobby space with sufficient seating, adjacent interview rooms and secure counter payment windows with proper queueing space. Counter windows should provide some sound privacy.

Adjacencies:

- Internal
 - Access to interview rooms in the public zone is critical. Personnel offices must be within a reasonable distance from the public zone.
 - CSED requires access to training facilities. These facilities can be shared if proper access and security controls are in place.
- External
 - Much of CSED's work is closely associated with the Courts. Proximity to the courts is desired.

Security Concerns:

- CSED offices use security personnel to monitor their public access points, and require a clear separation of public lobby / payment windows and staff office spaces.
- Interaction with the public is held in interview rooms adjacent to the public lobby space. Security personnel should be able to visually monitor the interview rooms.
- CSED offices take payments, often in cash. The offices require security barriers and screening of payment processing/counting areas.
- Protection of private information is a concern. CSED suites should limit access, allowing only CSED personnel.

Access:

Access to public transportation is preferred.

OIG - Office of the Inspector General

Location:

8909 Adams St NE

Contacts:

- Adrian Gallegos, OIG
- Ron Ortiz / Gerald Chavez / Robert Place, HSD ASD

Functional Description:

The OIG conducts fraud, waste and abuse investigations for the Human Services Department, including both client investigations and internal/staff investigations. OIG is a statewide operation with administrative offices in Santa Fe. The Albuquerque office houses OIG's investigation team. The office has little public visitation — most interviews take place in the field or at HSD field offices.

Staffing:

OIG reported a current staffing level of 19 FTE, including 14 filled positions and 5 vacancies.

Space Needs:

- OIG prefers to work in an open office environment, with private offices only for upper management and auditors.
- The office needs a small conference room for group meetings and private discussions / telephone calls to support the open office environment.
- OIG requires an evidence room.
- The office requires a records room with locking cabinets (to store files for up to 10 years).
- A medium-sized conference room for up to 24 people is desirable (it could be shared with others if configured appropriately to meet OIG's privacy and sound separation requirements).

Adjacencies:

- Internal
 - OIG has no critical internal adjacency requirements.
- External
 - OIG requires acoustic separation from any other facility occupants.

Security Concerns:

- The office requires an evidence room because it can be in possession of paper files and money that are part of active investigations. The chain of custody protocols must be followed to prevent tampering of key evidence.
- Auditors require lockable, full-height workstations or offices.
- OIG also has concerns about being targeted for retaliation by people under investigation or found guilty of fraud.

Access:

OIG must be accessible to all, but prefers a separate screened entrance to avoid discouraging potential whistle-blowers from filing complaints.

Access to public transportation is not required.

HSD Space Needs Summary*

Project Summary Information

Primary Office Space	Square Feet
Workspaces: Private Office / Workstation	13,784
Meeting / Conference / Conference Rooms	6,050
Equipment, Storage and Workrooms	3,270
Other Office Support Areas	1,580
Total Primary Office Area	24,684
Internal Circulation (40% x Total Primary Office Area)	9,874
Usable Square Feet (USF: Total Primary Office Area + Internal Circulation)	34,558
Non-Assignable Common Areas (10% of Usable Square Feet)	3,456
Total Primary Office Area Rentable Square Feet (RSF)	38,013

Special Areas (require justification)	Square Feet
Total Special Areas	6,725
Internal Circulation (40% x Total Special Area)	2,690
Usable Square Feet (USF: Total Special Areas + Internal Circulation)	9,415
Non-Assignable Common Areas (10% of Usable Square Feet)	942
Total Special Areas Rentable Square Feet (RSF)	10,357

Total Rentable Square Feet (RSF) = Primary Office + Special (Usable + Non-Assignable Common Areas)	48,370
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Total Workspaces	183
Primary Office RSF Per Workspace	208

Primary Office Space RSF Target*	215
Difference from Target	7

Primary Office Space USF Target*	195
Primary Office USF / Occupant	189
Difference from Target	6

* All space is allocated using GSD/FMD Space Needs Questionnaire and Worksheets based on an update to the NM Space Standards

% Private Office Target*	30%
Percent Private Office to Total Workstations	14%
Difference from Target	16%

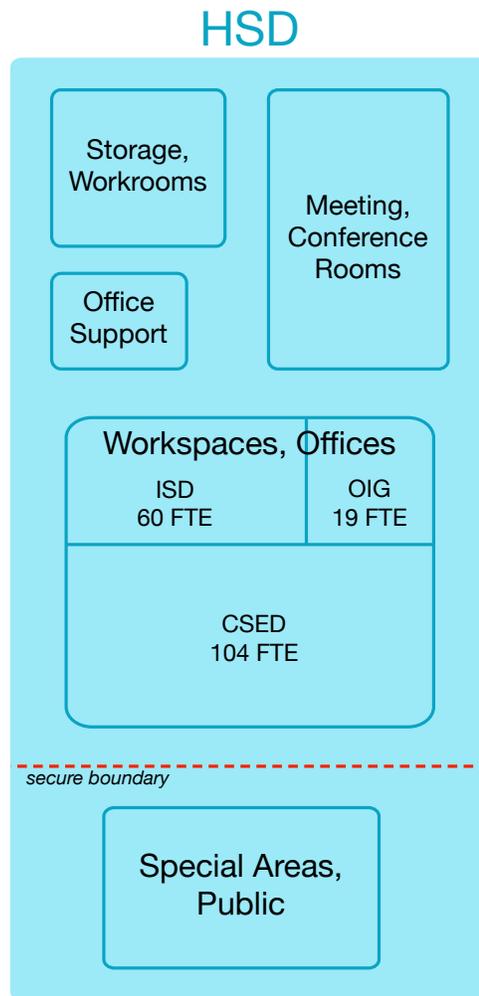
HSD Space Needs (Appendix 4b continued)

1. Workspaces						
Type of Position (Include Volunteers and Contractors)	Position Type (Budgeted, Temporary, Other FTE)	Number of Persons	Work Space Type	Square Feet per Work Space	Private Office or Open Area Workstation	Total Assignable Square Feet
Income Support Division (ISD)			Not Chosen	0	Not Chosen	0
ISD Manager	Budgeted FTE	1	2-PO-180	180	Private Office	180
ISD Supervisors	Budgeted FTE	7	5-PO-100	100	Private Office	700
ISD Staff	Other FTE	43	D-OA-64	64	Open Area	2,752
Provider Manager	Other FTE	1	5-PO-100	100	Private Office	100
Provider Staff	Other FTE	8	D-OA-64	64	Open Area	512
			Not Chosen	0	Not Chosen	0
Child Support Enforcement Division (CSED)			Not Chosen	0	Not Chosen	0
CSED Manager	Budgeted FTE	2	2-PO-180	180	Private Office	360
CSED Supervisor	Budgeted FTE	13	5-PO-100	100	Private Office	1,300
CSED Professionals	Budgeted FTE	54	C-OA-80	80	Open Area	4,320
CSED Staff/Clerical	Budgeted FTE	35	D-OA-64	64	Open Area	2,240
			Not Chosen	0	Not Chosen	0
Office of the Inspector General (OIG)			Not Chosen	0	Not Chosen	0
OIG Manager	Budgeted FTE	1	4-PO-120	120	Private Office	120
OIG Professionals	Budgeted FTE	3	C-OA-80	80	Open Area	240
OIG Staff/Clerical Workstations	Budgeted FTE	15	D-OA-64	64	Open Area	960
			Not Chosen	0	Not Chosen	0
Totals		183				13,784

2. Meetings / Conference / Training						
Type of Space	Number of Spaces	Number of Occupants	Square Feet Per Occupant	Space Criteria	Total Square Feet per Space	Total Assignable Square Feet
Large Conference	2	40.0	20		800	1,600
Small - Medium Conference	5	10.0	25		250	1,250
Small - Medium Conference	10	4.0	20		80	800
Classroom Training	1	30.0	30		900	900
Other (describe in Notes area)	2	25.0	30		750	1,500
					0	0
					0	0
Totals		20				6,050

HSD Space Needs (Appendix 4b continued)

Below – HSD Secure Suites



HSD Space Needs (Appendix 4b continued)

3. Equipment / Storage / Workrooms

Type of Space	Number of Spaces	Square Feet Per Space	Space Criteria	Total Assignable Square Feet
Storage (office supplies)	6	60		360
Copy/Printer Area	6	60		360
Workroom / Supplies	5	120		600
Storage	6	150		900
File Areas	1		800	800
Other (describe in notes area)	1		250	250
				0
Totals	25			3,270

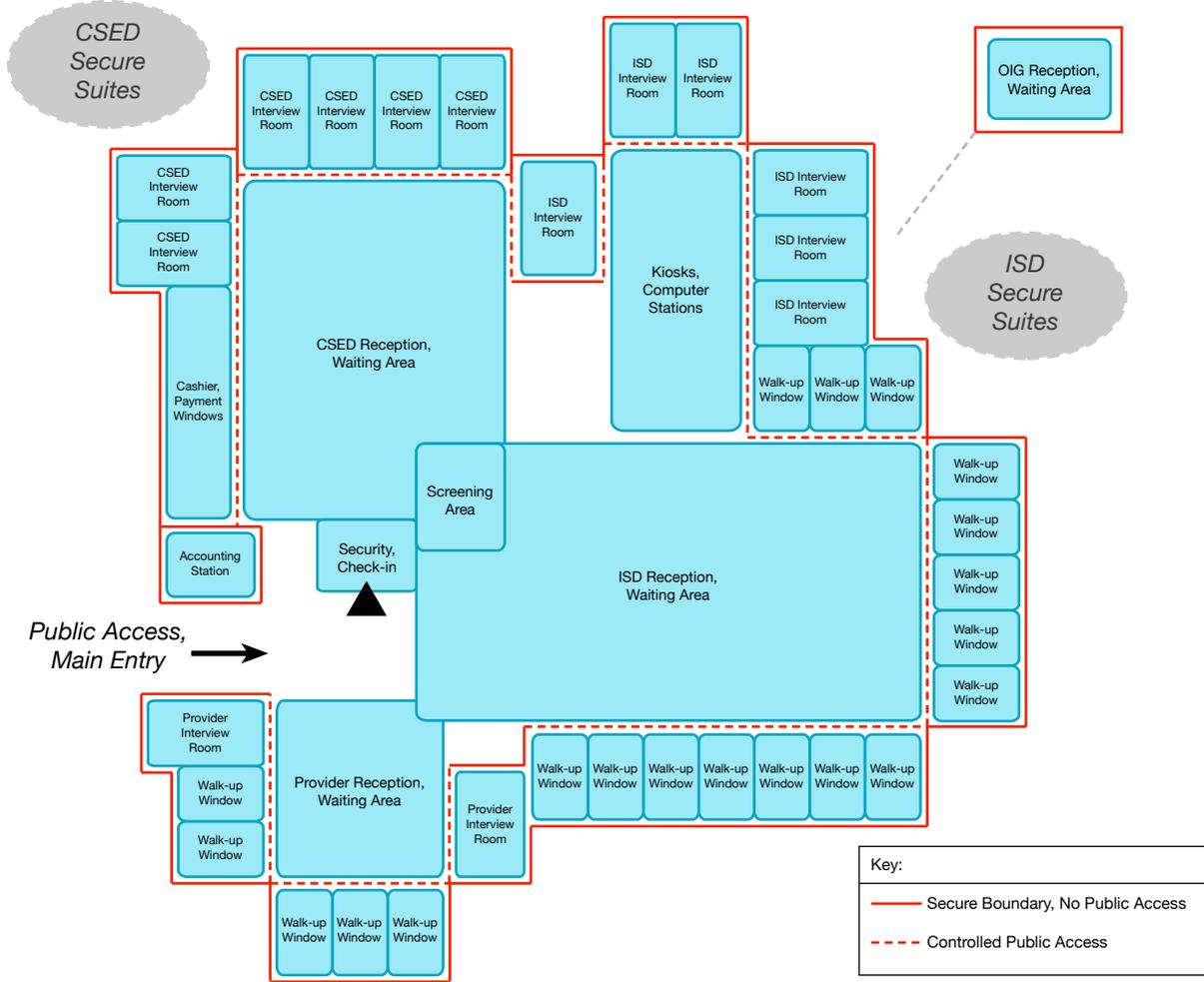
4. Other Office Support Areas

Type of Space	Number of Spaces	Number of Occupants	Square Feet Per Occupant	Space Criteria	Total Square Feet per Space	Total Assignable Square Feet
Breakroom	2	20	20		400	800
Breakroom	1	6	20		120	120
Mail Room	3			60	60	180
Refreshment Area / Coffee	6			40	40	240
Telecom / IT Closets	3			80	80	240
					0	0
Total	15					1,580

5. Special Areas

Type of Space	Number of Spaces	Number of Occupants	Square Feet Per Occupant	Space Criteria	Total Square Feet per Space	Total Assignable Square Feet
Special Spaces are all associated with Intake Process Areas					0	0
ISD Intake	1	70	20		1400	1,400
Reception/Waiting					0	0
Reception/Waiting	1	70	20		1400	1,400
Reception/Waiting	1	10	20		200	200
Reception/Waiting	1	5	20		100	100
Interview Rooms - ISD	6	4	20		80	480
Interview Rooms - Providers	2	4	20		80	160
Intake Windows - ISD	15	1	25	25	50	750
Intake Windows - Providers	5	1	25	25	50	250
Computer Kiosks - ISD	16	1	20		20	320
					0	0
CSED Intake					0	0
Reception/Waiting	1	30	20	200	800	800
Payment Windows - CSED	5	1	15	15	30	150
Accounting Station - CSED	1	2	30		60	60
Interview Rooms - CSED	6	4	20		80	480
					0	0
Shared Space					0	0
Security Station	1	3	25		75	75
Screening Area	1			100	100	100
					0	0
Total	63					6,725

HSD Space Needs (Appendix 4b continued)



CYFD Departmental Description

CYFD - Children, Youth and Families Department

Region 3 Administration

- Protective Services (Permanency, Client Services, Placement, Legal, Behavioral Health and Consultants/Contractors)
- Juvenile Justice Services (Probation and Parole, JJS, IT)
- Educational Services Administration
- Support Services (Statewide Central Intake, statewide IT and Training, HR and ASD)

Locations:

1041 Lamberton Place, NE and 300 San Mateo NE

Contacts:

At 1041 Lamberton:

- Delphine Trujillo, Regional Director
- Xuan Le, Assistant Regional Manager
- John Jaramillo, ASD

At 300 San Mateo:

- Grace Naylor, County Office Manager (Bernalillo East Investigations)
- Jeromy Bradfield, County Office Manager (Bernalillo West Investigations)
- Rachel Jaramillo, Supervisor, Juvenile Justice Services
- Deborah Gallegos, IT Deputy Director
- Kathy Luker, Training Manager
- Margaret Aragon de Chavez, Community Services Manager

Functional Description:

The Children, Youth and Families Department provides a variety of services in the Albuquerque area. The agency's leased facilities house administrative offices, protective services functions, juvenile probation and parole services, juvenile justice educational facilities, administrative services, and support services including information technology, training and human resources.

Protective services functions include fielding initial calls about child abuse or wellness concerns, investigating the calls, taking children into state custody, finding foster care, providing health counseling services to the children and their families, establishing and supervising visitation, promoting family reintegration processes, and finding permanent placement solutions (foster or adoption).

Juvenile justice services include probation and parole supervision and support.

Educational services provide administrative support to the schools at the state's juvenile detention facilities.

Staffing:

CYFD reported a total of 15 FTE at 1041 Lamberton Place NE and 307 FTE at 300 San Mateo (464 FTE total), including 444 filled positions and 20 vacancies. At the time of this study, approximately 4 positions are protective services consultants/contractors and 31 are IT staff augmentation contractors.

Space Needs:

CYFD requires spaces that include typical office and conference space.

For the protective services functions, CYFD requires specialized space including trauma-informed intake facilities with temporary housing for children taken into state custody, facilities in which to conduct intensive individual, family counseling and family reintegration sessions in home-like surroundings, and space for large group-training of foster care providers. Much of the agency's work is conducted with participation from outside providers; a significant portion of the agency's space needs are for group meetings of varying size and duration.

Additionally, CYFD requires a call center for its statewide central intake, space for support services such as information technology, and training facilities for the agency's statewide workforce, including specialized scenario training facilities to teach case workers how to conduct home visits.

The department requires storage space for records, personal belongings of the children taken into state custody, and clothing and toy donations for distribution to custodial children.

Adjacencies:

- Internal
 - Separate secure office suites for individual divisions of protective services, juvenile justice services and support services such as IT and training
 - A separate, secure call center for Statewide Central Intake with 24/7 access
 - Separate space for trauma-informed intake
 - Separate secure space for controlled, monitored visitations and meetings with clients with access to a central check-in/waiting area
- External
 - A significant amount of the work associated with protective services is tied to the courts — proximity to the courts is desired.
 - Access to other service providers such as HSD and DOH are desirable.
 - Access to law enforcement is desirable.

Security Concerns:

- Secure separation between staff office spaces and public spaces is desirable.
- The department requires separate, screened access for personnel and for custodial children/ foster care providers.
- CYFD requires secure, screened parking for staff, services providers and foster care providers .
- Because some functions operate 24/7, secure access for staff after-hours is required.

Access:

A location with convenient access to freeways and public transportation is preferred.

CYFD Space Needs Summary*

Project Summary Information

Primary Office Space	Square Feet
Workspaces: Private Office / Workstation	31,044
Meeting / Conference / Conference Rooms	14,350
Equipment, Storage and Workrooms	7,700
Other Office Support Areas	3,120
Total Primary Office Area	56,214
Internal Circulation (40% x Total Primary Office Area)	22,486
Usable Square Feet (USF: Total Primary Office Area + Internal Circulation)	78,700
Non-Assignable Common Areas (10% of Usable Square Feet)	7,870
Total Primary Office Area Rentable Square Feet (RSF)	86,570

Special Areas (require justification)	Square Feet
Total Special Areas	31,230
Internal Circulation (40% x Total Special Area)	12,492
Usable Square Feet (USF: Total Special Areas + Internal Circulation)	43,722
Non-Assignable Common Areas (10% of Usable Square Feet)	4,372
Total Special Areas Rentable Square Feet (RSF)	48,094

Total Rentable Square Feet (RSF) = Primary Office + Special (Usable + Non-Assignable Common Areas)	134,664
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Total Workspaces	445
Primary Office RSF Per Workspace	195

Primary Office Space RSF Target*	215
Difference from Target	20

Primary Office Space USF Target*	195
Primary Office USF / Occupant	177
Difference from Target	18

% Private Office Target*	30%
Percent Private Office to Total Workstations	30%
Difference from Target	0%

* All space is allocated using GSD/FMD Space Needs Questionnaire and Worksheets based on an update to the NM Space Standards

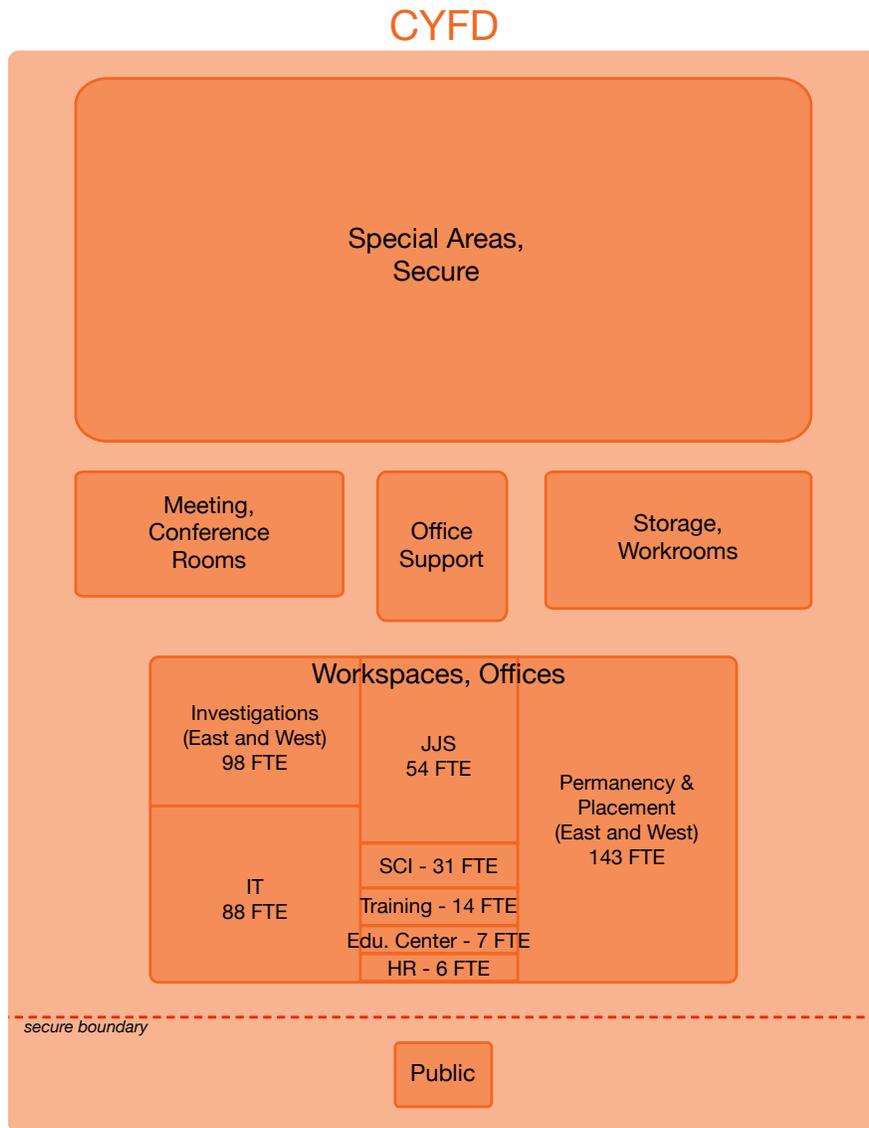
CYFD Space Needs (Appendix 5b continued)

1. Workspaces						
Type of Position (Include Volunteers and Contractors)	Position Type (Budgeted, Temporary, Other FTE)	Number of Persons	Work Space Type	Square Feet per Work Space	Private Office or Open Area Workstation	Total Assignable Square Feet
Region 3 Administration						
Region 3 Admin Manager	Budgeted FTE	1	2-PO-180	180	Private Office	180
Region 3 Supervisor	Budgeted FTE	1	5-PO-100	100	Private Office	100
Region 3 Staff/Clerical	Budgeted FTE	5	D-OA-64	64	Open Area	320
Permanency & Placement						
Mgr/Supervisor-Perm & Placement	Budgeted FTE	4	5-PO-100	100	Private Office	400
Professional Staff at Lamberton	Budgeted FTE	29	5-PO-100	100	Private Office	2,900
Staff / Clerical at Lamberton	Budgeted FTE	66	C-OA-80	80	Open Area	5,280
Staff / Clerical at Lamberton	Budgeted FTE	40	D-OA-64	64	Open Area	2,560
Consultants at Lamberton	Other FTE	4	5-PO-100	100	Private Office	400
Information Technology						
IT at 300 San Mateo - Managers	Budgeted FTE	3	5-PO-100	100	Private Office	300
IT at 300 San Mateo - Supervisors	Budgeted FTE	8	5-PO-100	100	Private Office	800
IT at 300 San Mateo - Staff	Budgeted FTE	41	D-OA-64	64	Open Area	2,624
IT at 300 San Mateo - Help Desk	Budgeted FTE	5	E-OA-36	36	Open Area	180
IT at 300 San Mateo - Staff Aug	Other FTE	31	D-OA-64	64	Open Area	1,984
Investigations						
Investigations - Management	Budgeted FTE	4	5-PO-100	100	Private Office	400
Investigations - Supervisors	Budgeted FTE	19	5-PO-100	100	Private Office	1,900
Investigators	Budgeted FTE	75	E-OA-36	36	Open Area	2,700
Juvenile Justice Services (JJS)						
JJS - Managers	Budgeted FTE	4	5-PO-100	100	Private Office	400
JJS - Professionals	Budgeted FTE	36	5-PO-100	100	Private Office	3,600
JJS - Staff/Clerical	Budgeted FTE	11	D-OA-64	64	Open Area	704
Education Center						
Education Center- Superintendent	Budgeted FTE	1	2-PO-180	180	Private Office	180
Education Center- Staff	Budgeted FTE	6	C-OA-80	80	Open Area	480
Human Resources (HR)						
HR - Manager & Staff	Budgeted FTE	6	5-PO-100	100	Private Office	600
Training						
Training - Manager	Budgeted FTE	1	5-PO-100	100	Private Office	100
Training - Staff	Budgeted FTE	13	D-OA-64	64	Open Area	832
Statewide Central Intake Mgmt						
SCI - Manager	Budgeted FTE	1	4-PO-120	120	Private Office	120
SCI - Supervisor	Budgeted FTE	10	5-PO-100	100	Private Office	1,000
SCI - Call Center Staff	Budgeted FTE	20	Not Chosen	0	Not Chosen	0
Totals		445				31,044

Average Square Feet Per Workspace	70
Percent of Private Offices to Open Space	30%

CYFD Space Needs (Appendix 5b continued)

Below - CYFD Secure Suites



CYFD Space Needs (Appendix 5b continued)

2. Meetings / Conference / Training

Type of Space	Number of Spaces	Number of Occupants	Square Feet Per Occupant	Space Criteria	Total Square Feet per Space	Total Assignable Square Feet
Large Conference	3	40.0	20		800	2,400
Small - Medium Conference	7	10.0	25		250	1,750
Small - Medium Conference	12	5.0	20		100	1,200
Classroom Training	4	30.0	30		900	3,600
Other (describe in Notes area)	2	25.0	30		750	1,500
Classroom Training	1	100.0	15		1500	1,500
					0	0
Other (describe in Notes area)	1	20.0	30		600	600
Classroom Training	2	30.0	30		900	1,800
					0	0
					0	0
Totals	32					14,350

3. Equipment / Storage / Workrooms

Type of Space	Number of Spaces	Square Feet Per Space	Space Criteria	Total Assignable Square Feet
Storage (office supplies)	10	60		600
Copy/Printer Area	10	60		600
Workroom / Supplies	10	120		1,200
Storage	10	150		1,500
Central File Area	1		1000	1,000
File Areas	1		400	400
File Areas	5		200	1,000
Storage	1		1000	1,000
Other (describe in notes area)	1		400	400
				0
Totals	49			7,700

4. Other Office Support Areas

Type of Space	Number of Spaces	Number of Occupants	Square Feet Per Occupant	Space Criteria	Total Square Feet per Space	Total Assignable Square Feet
Lobby	1	20	20		400	400
Breakroom	3	15	20		300	900
Mail Room	5			60	60	300
Refreshment Area / Coffee	10			40	40	400
Telecom / IT Closets	4			80	80	320
Telecom / IT Closets	1			800	800	800
					0	0
					0	0
Total	24					3,120

CYFD Space Needs (Appendix 5b continued)

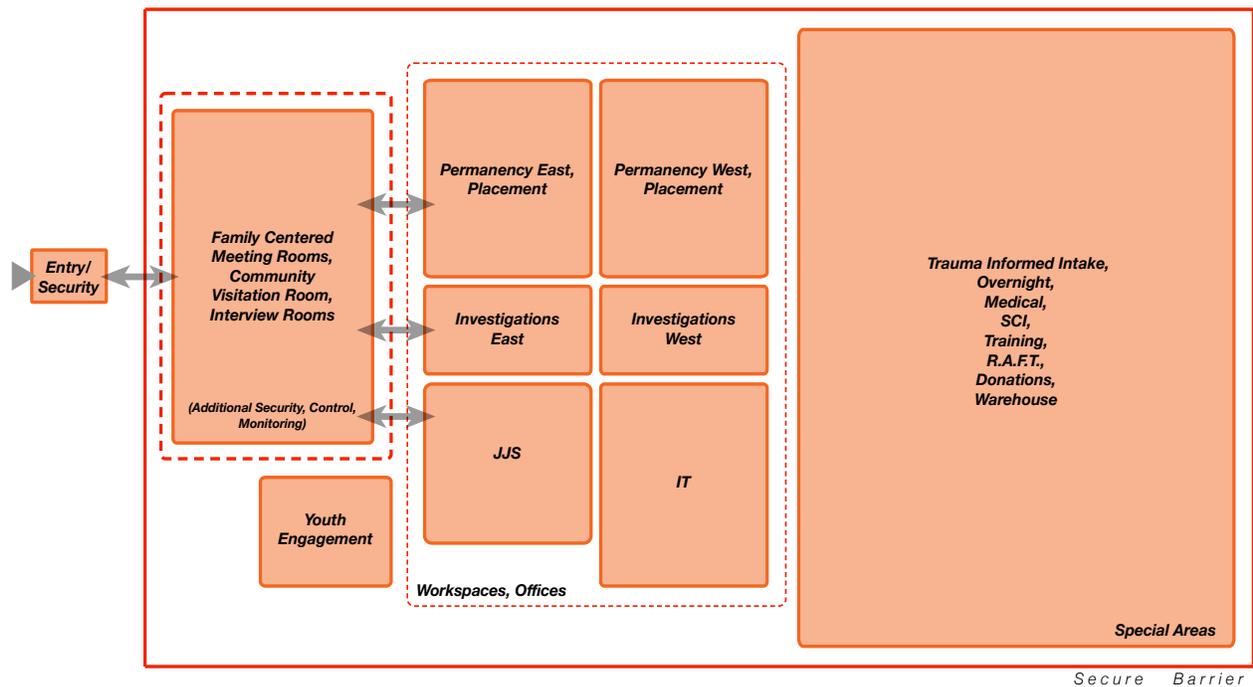
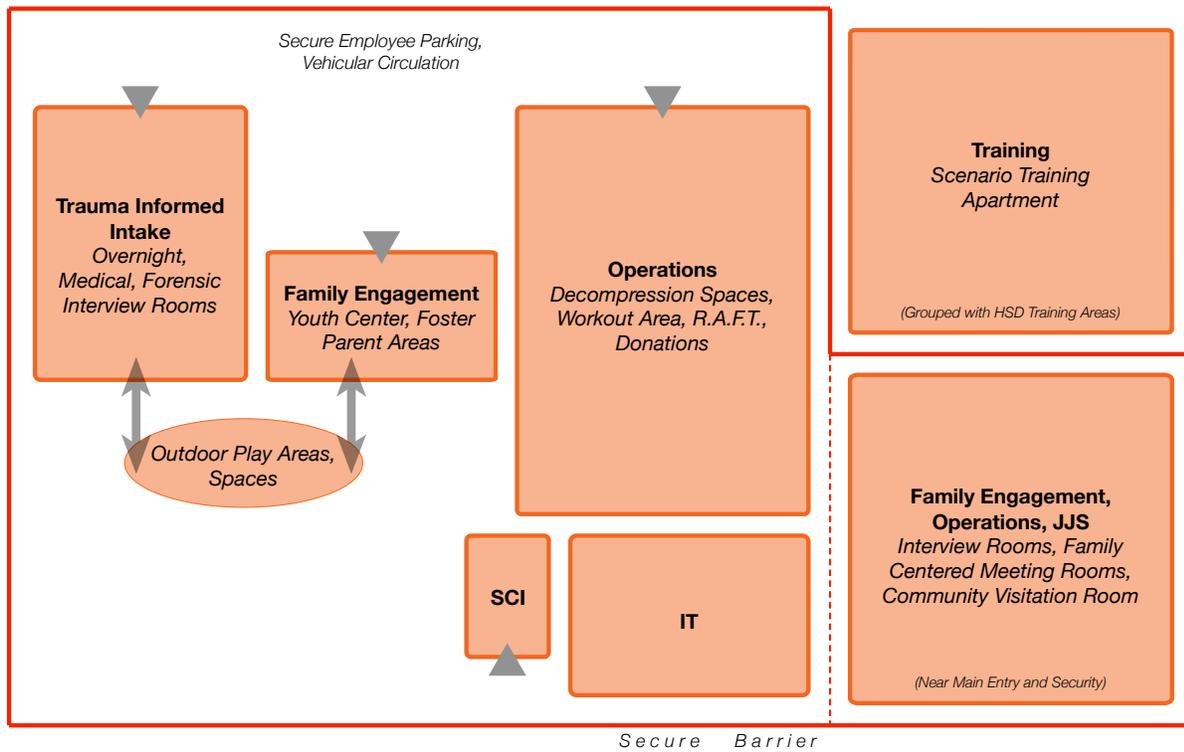
5. Special Areas						
Type of Space	Number of Spaces	Number of Occupants	Square Feet Per Occupant	Space Criteria	Total Square Feet per Space	Total Assignable Square Feet
Reception/Waiting	2	5	20		100	200
					0	0
Statewide Central Intake (SCI)					0	0
Statewide Central Intake (SCI) Reception/Waiting	1			100	100	100
SCI Interview Room	1	10	20		200	200
SCI Call Center	20	1	36		36	720
					0	0
Trauma Informed Intake (TIR)					0	0
TIR Kitchen	1			300	300	300
TIR Laundry	1			120	120	120
TIR Clean Room	1			200	200	200
TIR Showers	2			300	300	600
TIR Medical Triage	1			900	900	900
TIR Medical Supply Storage	1			120	120	120
TIR Forensic Interview Rooms	2			150	150	300
TIR Observation Rooms	2			80	80	160
Provider Intake Workstations	10	1	64		64	640
Child Sleeping Quarters	3	5	70		350	1,050
Youth Sleeping Quarters	2	2	75		150	300
Work/Monitoring Stations	2	1	50		50	100
Play Spaces	3			400	400	1,200
					0	0
Family Engagement + Youth Center (FE+YC)					0	0
Child / Foster Parent Waiting Area	1	20	20		400	400
Parent Waiting Area	1	20	20		400	400
Private Visitation Rooms	8	6		200	200	1,600
Observation Rooms	4			80	80	320
Visitation Pods	4			660	660	2,640
Community Visitation Room	1	40	25		1000	1,000
Youth Lounge	1	15	25	400	775	775
Personal Storage lockers	1			375	375	375
Kitchen and Food Pantry with Dining Space	1			300	300	300
Computer Lab	1			250	250	250
Youth Engagement Room	1	30	20		600	600
					0	0
Operations					0	0
Operations - Decompression Room	1			200	200	200
Operations - Decompression Work-Out Gym	1			800	800	800
Family Centered Meeting Rooms - Investigations & In-Home Svcs	4	20	25	50	550	2,200
Family Centered Meeting Rooms - Permanency	4	20	25	50	550	2,200
Placement - R.A.F.T. Orientation Room	1	180	25		4500	4,500
Warehouse / Loading Dock / Food Pantry	1			1,000	1000	1,000
Donations	1			1,000	1000	1,000
Other (describe in notes area)	1			200	200	200
Other (describe in notes area)	1			200	200	200

CYFD Space Needs (Appendix 5b continued)

5. Special Areas						
Type of Space	Number of Spaces	Number of Occupants	Square Feet Per Occupant	Space Criteria	Total Square Feet per Space	Total Assignable Square Feet
Training					0	0
Scenario Training Apartment	1			1,100	1100	1,100
Classrooms / Computer Labs					0	0
					0	0
Information Technology					0	0
Data Center					0	0
Service Desk (Call Center)	1			200	200	200
Workbench / Build / Testing Areas	3			200	200	600
Meeting / Conference Space					0	0
IT Assets / Inventory Storage and Staging Area (with Staging Office)					0	0
					0	0
Juvenile Justice Services					0	0
UA Restrooms	2			80	80	160
Interview Rooms	4	8	25		200	800
Training Lab					0	0
Conference Space					0	0
JJS IT Team					0	0
JJS Youth Engagement Room	2	5	20		100	200
					0	0
Investigations (part of Protective Services)					0	0
See Trauma Informed Receiving above for requested special space needs					0	0
					0	0
Outdoor Areas					0	0
Picnic Areas	1				0	0
Outdoor Play Areas					0	0
Turf Area					0	0
Secure Parking	1	600			0	0
General Parking	1	170			0	0
Total	110					31,230

CYFD Space Needs (Appendix 5b continued)

Below – CYFD Special Areas



Key LCCA Terms*

Key LCCA Terms

Time Value of Money (TVM) – The idea that money available at the present time is worth more than the same amount in the future, due to its potential earning capacity. This core principle of finance holds that, provided money can earn interest, any amount of money is worth more the sooner it is received. Also referred to as “present discounted value.”

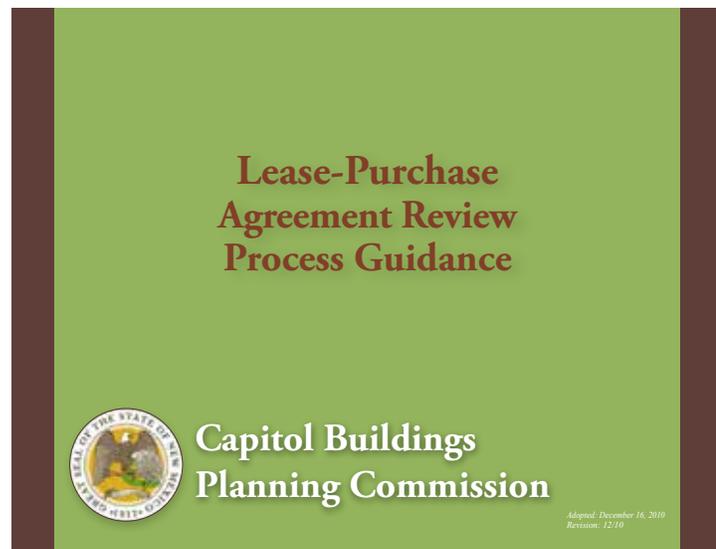
Constant Dollars – Dollars that have been adjusted for the impact of inflation (using the consumer price index), as opposed to current dollars, which are actual dollars paid or received.

Discount Rate – The interest rate used to determine the present value of future cash flows. This interest rate reflects the time value of money that is used to convert cash flows occurring at different times to a common time (e.g., to convert future values to present values and vice-versa). The discount rate represents the opportunity cost of money and is often selected as the after-tax rate of return on an alternative investment or the cost of borrowing money.

Discounted Cash Flow Analysis (DCF) – A valuation method for estimating the attractiveness of an investment opportunity. Discounted cash flow (DCF) analysis uses future free cash flow projections and discounts them (most often using the weighted average cost of capital) to arrive at a present value, which is used to evaluate the potential for investment. If the value arrived at through DCF analysis is higher than the current cost of the investment, the opportunity may be a good one.

Present Value (PV) – The current worth of a future sum of money or stream of cash flows at a specified rate of return.

- * LCCA was based on methods underlying the LCCA tool adopted by the Capitol Buildings Planning Commission to use for lease-purchase proposal analysis



LCCA Summary Table of Alternatives Considered

	189,772 RSF	183,000 RSF	228,000 GSF	228,000 GSF	228,000 GSF	228,000 GSF	323,000 GSF
SF Constructed or Leased	189,772 RSF	183,000 RSF	228,000 GSF	228,000 GSF	228,000 GSF	228,000 GSF	323,000 GSF
SF Used for Operations	189,772 RSF	183,000 RSF	182,400 GSF	182,400 GSF	182,400 GSF	182,400 GSF	258,400 GSF
Lease - Purchase Rate	\$24.16	\$16.00					
Finance Period			20	20	20	20	20
Finance Rate			2.75%	2.75%	2.75%	2.75%	2.75%
Acquisition Cost							\$11,000,000
Renovation Cost							\$4,500,000
Tenant Improvement Cost							\$6,650,000
Operating Cost Rate			\$6.75	\$6.75	\$7.75	\$6.75	\$6.75
Replacement Cost (% cost of building)			1.5%	1.5%	1.5%	1.5%	1.5%
Residual Value (% cost of investment)			100% land / 50% building	100% land / 50% building	100% land / 25% building	100% land / 25% building	100% land / 25% building
Other Revenue							
Discount Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Variables Used

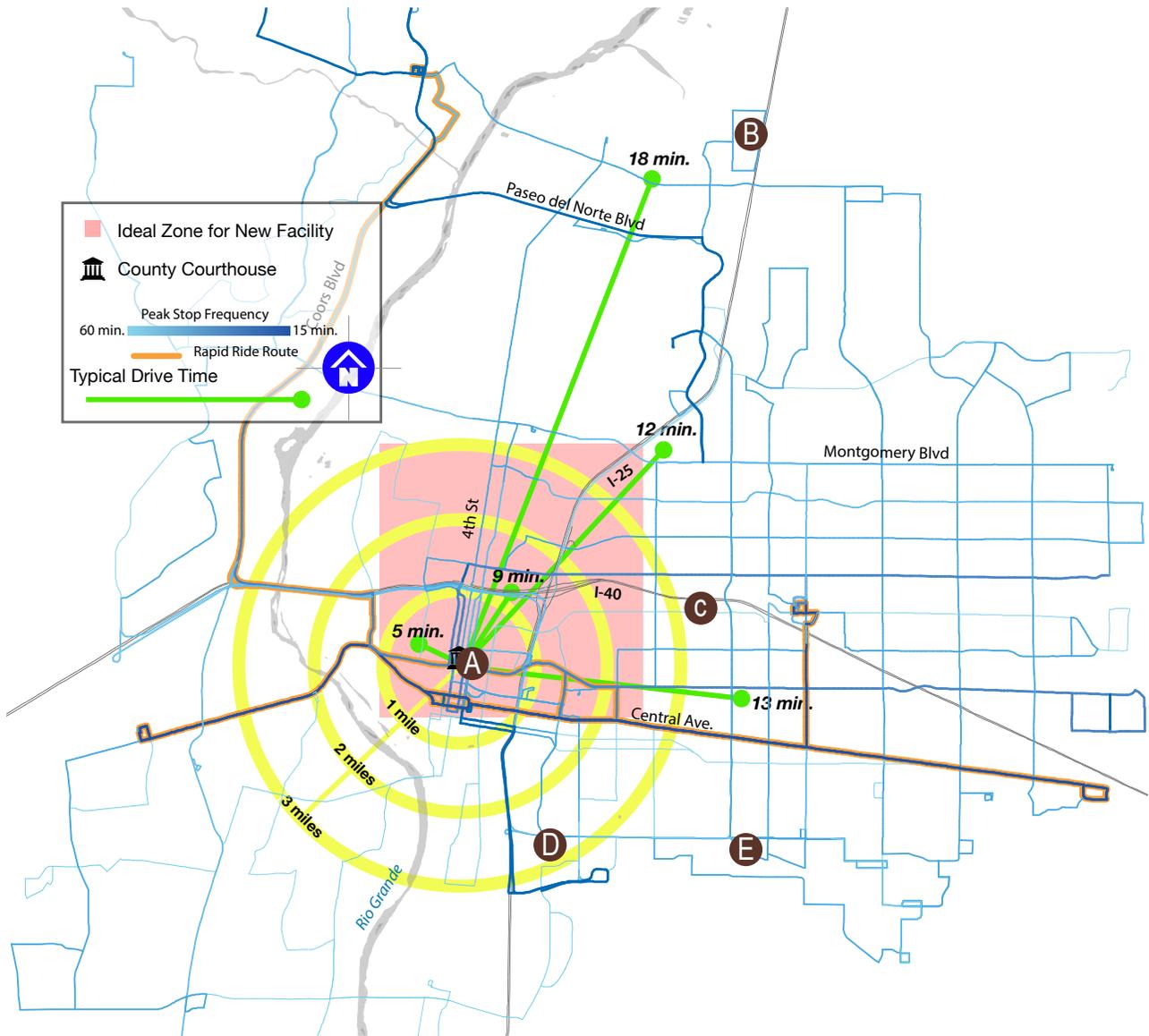
50 Year Constant Dollar Life Cycle Costs of Project Alternatives

	Alternative #1A Continue Existing Lease(s)	Alternative #1B Continue to Lease (New Rate / Amount)	Alternative #2A Buy (Construct with Cash, Public Sector)	Alternative #2B Buy (Construct, Debt Finance, Public Sector)	Alternative #3 Lease Purchase (Private Sector Build to Suit)	Alternative #4A Purchase (cash) and Renovate Existing Building	Alternative #4b Purchase and Renovate Existing Building (Debt Finance - Public Sector)	Alternative #4C Lease Purchase Existing Building (Private Sector)
Initial Capital Cost			\$66,050,000	\$86,752,356		\$22,150,000		
Capital Finance Cost		\$75,336,749					\$29,092,577	
Lease Cost	\$117,989,159							\$50,127,389
Lease - Purchase Cost			\$31,678,485	\$31,678,485	\$74,625,414	\$44,877,854	\$44,877,854	\$44,877,854
Other Operations Cost			\$25,298,790	\$25,298,790	\$25,298,790	\$8,548,714	\$8,548,714	\$5,785,518
Replacement Cost						-\$30,380,684	-\$30,380,684	-\$30,380,684
Other Revenue								
Residual Value			-\$33,275,000	-\$33,275,000	-\$33,825,000	-\$6,037,500	-\$6,037,500	-\$6,037,500
Total Life Cycle Cost	\$117,989,159	\$75,336,749	\$89,752,276	\$110,454,632	\$111,262,066	\$39,158,384	\$46,100,961	\$64,372,578
Project Size	189,772 RSF	183,000 RSF	228,000 GSF	228,000 GSF	228,000 RSF	323,000 GSF	323,000 GSF	323,000 GSF
Initial Cost/GSF	\$0.00	\$0.00	\$289.69	\$0.00	\$0.00	\$68.58	\$0.00	\$0.00
Average Annual Cost / GSF	\$12.43	\$8.23	\$7.87	\$9.69	\$9.76	\$2.42	\$2.85	\$3.99

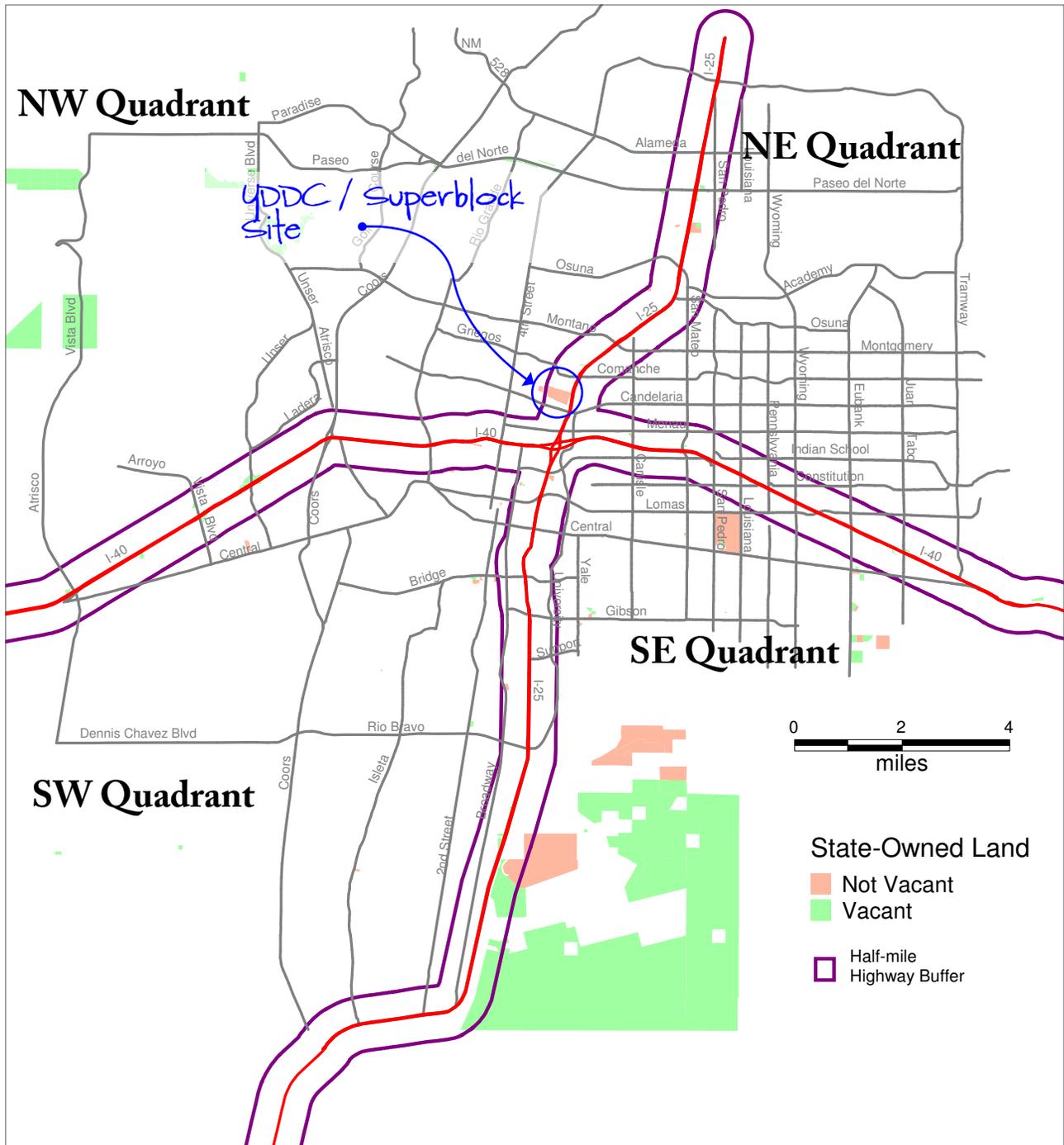
50 Year Discounted Cash Flow LCCA of Project Alternatives

	Alternative #1A Continue Existing Lease(s)	Alternative #1B Continue to Lease (New Rate / Amount)	Alternative #2A Buy (Construct with Cash, Public Sector)	Alternative #2B Buy (Construct, Debt Finance, Public Sector)	Alternative #3 Lease Purchase (Private Sector Build to Suit)	Alternative #4A Purchase (cash) and Renovate Existing Building	Alternative #4b Purchase and Renovate Existing Building (Debt Finance - Public Sector)	Alternative #4C Lease Purchase Existing Building (Private Sector)
50 Year Costs	\$477,516,339	\$304,896,898	\$304,318,604	\$350,079,509	\$372,606,575	\$236,620,308	\$255,864,052	\$278,338,434
50 Year Costs (present value)	\$206,209,473	\$131,665,921	\$166,025,897	\$182,704,606	\$192,628,014	\$112,940,581	\$121,058,499	\$154,073,634
First Year Costs	\$4,585,707	\$2,928,000	\$66,050,000	\$5,587,286	\$6,429,600	\$22,150,000	\$3,531,079	\$6,275,450
Residual Value	\$0	\$0	\$33,275,000	\$33,275,000	\$33,825,000	\$6,037,500	\$6,037,500	\$6,037,500
Other Revenue	\$0	\$0	\$0	\$0	\$0	\$30,380,684	\$30,380,684	\$30,380,684
Total Present Value Cost Less Residual Value	\$206,209,473	\$131,665,921	\$132,750,897	\$149,429,606	\$158,803,014	\$76,522,397	\$84,640,314	\$117,655,450
PV Average Annual Cost / SF	\$21.73	\$14.39	\$11.64	\$13.11	\$13.93	\$4.74	\$5.24	\$7.29

Potential Purchase Locations (see also Exhibit 11)



State-Owned Land in Albuquerque



YDDC / Superblock Complex Existing Facilities





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