Washington State Department of Transportation

Comprehensive Consolidation Plan for Administrative Space Efficiency

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Julie Meredith
Secretary of Transportation

Mark Smith
State Facilities Administrator

Introduction

Pursuant to Engrossed Substitute Senate Bill 6005, Section 219 (5), the Washington State Department of Transportation (WSDOT) submits the following report to the Office of Financial Management (OFM) and the transportation committees of the legislature regarding progress on implementing comprehensive consolidation plan for office and administrative space efficiency. This plan will be updated semiannually. See **Appendix A** for the full text of the section.

Office & Administrative Space Consolidation History

According to agency data, WSDOT occupies about 4.2 million square feet across 970 buildings, with employees in 176 buildings totaling 2.1 million square feet. Of these, 60 are primarily office space.

WSDOT routinely assesses space efficiency during lease renewals and capital projects. Over the past 12 years, the agency has reduced administrative space through lease reductions, consolidation, and co-location with other public agencies as noted in the table below.

Location	Type	Year(s)	Square Foot Reduction
Ferries Headquarters	Lease	2014, 2019, 2026	64,933 SF (52%)
Goldsmith	Lease	2021	23,291 (100%)
Lacey / Olympia PE Office	Lease	2024, 2025	12,140 SF (100%)
Aviation Office	Lease	2025	4,596 (100%)
Edna Lucile Goodrich	Lease	2026	90,729 (100%)
Spokane Valley PEO	Owned	2015	6,237 (100%)
Northwest Reion HQ	Owned/Co-loc	2021	53,698 (32%)
Olympic Region HQ	Owned	2023	16,267 (33%)
Southwest Region HQ	Owned/Co-loc	2014-2026	38,775 (32%)

Figure 1 – Office and administrative space consolidation examples

Comprehensive Consolidation Plan

The Agency's comprehensive consolidation plan will be based on the recommendations made in the *WSDOT Space Use Study 2024* and OFM *Space Use Guidelines*. The space use evaluation identified 49 buildings as candidates for consolidation based on space type and ability for assigned employees to telework. The locations identified are still valid, however WSDOT's space need and telework patterns may have evolved over the last 3 years. The comprehensive plan will take changes into account when developing an implementation plan.

WSDOT is currently in the process of coordinating with the Office of Financial Management and the Department of Enterprise Services to establish the scope of the plan. The next report, due in January 2027, will provide more detail.

Plan Progress

Below is the current timeline for planning and development of the Agency's comprehensive consolidation plan. Due to internal and external review requirements the information in this report is current as of May 15th 2026 to meet the July 1st submission deadline. Implementation of the plan assumes it will be adopted and funded by the legislature.

*Figure 2 – Consolidation plan development timeline / *legislative report due*

Challenges

Thurston County

WSDOT has an unmet need for safe, reliable and functional space to support its employees and primary headquarters functions in Thurston County. While Olympia has the largest concentration of agency office and administrative space most of it is no longer available or viable for use. At the direction of the legislature, WSDOT is vacating the Edna Lucile Goodrich building. Safety concerns are the primary reason WSDOT and its employees have significantly reduced their presence on the Capitol Campus. However, the need for a physical headquarters building remains essential to support critical operations, coordination and public service. Because of the reported poor seismic performance of the structure and relatively high likelihood of a major seismic event in the next 50 years, the agency has reassigned most of the employees who report to the Transportation building to other agency owned assets in the area namely, the

State Materials Lab (SML), Mottman Environmental Office (MEO), and the Olympic Region Maintenance and Administration Facility (ORMAF) facility.

These alternative buildings are at capacity and do not have enough space to adequately relocate functions like printing services, emergency operations, agency library, large conference rooms, and vehicle parking. These facilities are located miles apart and separate employees from files, equipment, vehicles and adjacent functions. These facilities also lack enough space for drop-ins and collaboration needed for a flexible work environment. Altogether the currently available alternatives do not provide enough safe, cohesive and functional space for the agency's headquarters organization to operate effectively and efficiently.

Age & Condition

The advanced age and poor condition of most WSDOT facilities make them challenging for occupancy by agency personnel and may present a barrier to other organizations looking for space. Without better funding for maintenance, repairs, renovations, or replacements, poor reliability and lack of functional space to meet modern expectations will present risks to current occupants and those looking to co-locate.

Facilities built in 1930's, 40's, 50's and 60's are past their useful life and present many operational challenges.

- Don't support current staffing levels, agency operational needs, modern equipment and material storage.
- Failing systems are increasingly expensive and challenging to maintain.
- Life-safety, seismic codes and energy use codes have evolved significantly over time.

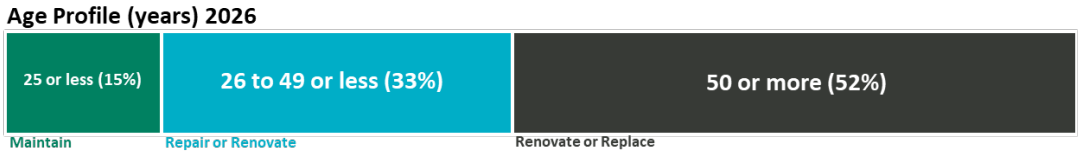

Figure 3 - Program D primary buildings age profile as of May 2026

Facilities in poor or critical condition are unsafe and unreliable.

- Unsafe when damaged materials create potential health hazards.
- Under-maintained and unrepaired heating, cooling, and lighting affect employee productivity and morale.

- Leaking windows, doors, walls and roofs jeopardize equipment, materials, and security.

Figure 4 - Program D primary buildings condition profile as of May 2026

Cost vs. Savings

Successful consolidation requires funding and time. The cost to achieve efficient reduction of space and the reorganization of people, equipment, materials and vehicles can be complex to implement across a large multimodal transportation agency. Relocating employees who regularly engage in a mix of office and field work, such as those that work at WSDOT, requires careful planning to avoid operational disruptions and ultimately the risk of impacts to the transportation system and the traveling public. The work performed by WSDOT employees often involves more than an office workstation. The space and staging needs for personal protective equipment, files, tools, parts and vehicles are typically much greater than the desk and file cabinet of an office only worker.

Underutilized space is not discrete from a saving perspective. Vacating space and/or co-location of space with other organizations does not result in direct savings to the agency or enterprise. Vacating half of a building does not reduce facility operational costs nor is it practical to demolish or sell half a building or a single building that is part of a campus. In fact, given the condition and age of most of WSDOT's facilities assets, the capital investment needed to make space functional for others may exceed any saving identified in a fiscally reasonable time frame.

Also, as noted in two recent reports, unlike typical leases, due to financial constraints, WSDOT cannot recover the total cost typical for a landlord, resulting in a negative saving to the agency budget. While invoiced activities such as utilities are recoverable, maintenance and repair costs performed by agency staff on leased space are not. See *WSDOT Telework Impact Study 2022* and the *WSDOT Space Use Study 2024* for further details.

Contact Information

If you have questions, comments, or would like to learn more about the WSDOT Facilities Capital Program, please contact Mark Smith, State Facilities Administrator at 360-705-7890 or Mark.Smith@wsdot.wa.gov.

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Appendix A

Full Text: Engrossed Substitute Senate Bill 6005, Section 219 (5).

The appropriations in this section are subject to the following conditions and limitations:

(5) $1,500,000 of the motor vehicle account—state appropriation is provided solely for additional costs associated with the planned consolidation of staff at a variety of facilities in Thurston county. As part of the request, the department must submit a comprehensive consolidation plan that does not include new space and that identifies the best use of existing state owned or leased space, developed in conjunction with the department of enterprise services and the office of financial management, that details the planned action steps and timeline to achieve the office and administrative space efficiency as detailed in recent reports identifying opportunities for savings and cost avoidance while prioritizing employee safety. Beginning July 1, 2026, and semiannually thereafter, the department must provide a report on the progress in meeting the outcomes specified in the comprehensive consolidation plan to the office of financial management and the transportation committees of the legislature.