

Office of the
Legislative Fiscal Analyst

Utah Square Footage Update

Executive Appropriations Interim Committee

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Introduction

More than two-thirds of state owned facilities in Utah are managed by the Utah System of Higher Education. The next largest space users are Human Services, the Department of Corrections, Courts and the Department of Transportation. Combined, these four agencies comprise more than forty-five percent of non-higher education space but only nineteen percent of total space. These space utilization patterns are repeated nationwide, an indicator that state governments are primarily responsible for education, justice and highway maintenance.

Comparing state space ownership and utilization is difficult, if not impossible. Variances in population, economy and urbanization are major factors that create unique needs for each state. Additionally, states employ different methods for counting space. Some states count all space (gross square footage), some count only useable space (net square footage) and there is wide disagreement about how to count space occupied by research and auxiliary programs within higher education.

States with growing populations are experiencing rapid growth in construction of state facilities and public schools.¹ Utah continues to grow and will have need for new facilities to provide core services to citizens. As new facilities are planned, care should be taken to ensure that facility utilization is maximized in all state agencies and institutions of higher education.

¹ General Accounting Office (March 2000). *School Facilities: Construction Expenditures Have Grown Significantly in Recent Years.*

Capital Assets in Utah

The State of Utah manages nearly 38 million square feet of building space, two-thirds of which is part of the Utah System of Higher Education. Table 1 identifies occupancy of approximately 14.5 million square feet of non-higher education space owned or leased by the State of Utah. The last column indicates the percentage of non-higher education space that each agency occupies.

Agency	1999		1999	Percent of Exec./Jud Space
	Owned Space	Leased Space	Total Space	
Administrative Services	60,016	68,202	128,218	0.89%
Agriculture	53,626	1,335	54,961	0.38%
Alcoholic Beverage Control	269,550	64,690	334,240	2.33%
Attorney General	162,280	8,260	170,540	1.19%
Capitol Hill	678,848		678,848	4.72%
Commerce	108,212	137	108,349	0.75%
Community & Economic Development	287,339	38,724	326,063	2.27%
Corrections	1,689,353	107,160	1,796,513	12.50%
Courts	1,266,985	363,317	1,630,302	11.34%
Crime Victims Reparation	-	4,093	4,093	0.03%
Environmental Quality	77,528	18,790	96,318	0.67%
Fairpark	364,557		364,557	2.54%
Financial Institutions	-	7,186	7,186	0.05%
Governor	20,754	648	21,402	0.15%
Health	309,571	42,505	352,076	2.45%
Human Services	1,693,201	494,299	2,187,500	15.22%
Industrial Commission	71,052		71,052	0.49%
Insurance	-	4,419	4,419	0.03%
Judicial Conduct Commission	-	739	739	0.01%
Juvenile Courts	-		-	0.00%
National Guard	934,065	4,187	938,252	6.53%
Natural Resources	1,224,922	41,845	1,266,767	8.81%
Navajo Trust Administration	62,813	1,224	64,037	0.45%
Public Safety	58,559	152,777	211,336	1.47%
Public Service Commission	12,752		12,752	0.09%
Tax Commission	212,987	44,312	257,299	1.79%
Transportation	1,302,317	137,121	1,439,438	10.01%
Treasurer's Office	-	7,576	7,576	0.05%
Trust Land Administration	-	17,052	17,052	0.12%
Workforce Services	587,640	135,070	722,710	5.03%
Total - State Agencies	11,508,926	1,765,668	13,274,594	
<i>Public Education</i>				
Bridgerland ATC	207,564		207,564	1.44%
Ogden/Weber ATC	312,400		312,400	2.17%
Davis ATC	212,879		212,879	1.48%
Uintah Basin ATC	98,170		98,170	0.68%
Office of Education	85,000		85,000	0.59%
Rehabilitation	182,221		182,221	1.27%
Total - Public Education	1,098,234		1,098,234	7.64%

Table 1 – Executive/Judicial Branch Square Footage (Source: DFCM and Legislative Fiscal Analyst).

Tracking Operation and Maintenance

The Executive Branch does not track building maintenance as a separate expenditure category. In the summer of 1999 the Analyst attempted to quantify total expenditures for operation and maintenance, but could only verify that the state spends at least \$20 million per year for operation and maintenance on executive branch owned space.² **The Analyst is confident that O & M expenditures actually exceed verifiable estimates by a significant amount.** In 1999, DFCM managed approximately 4 million square feet of the space detailed above at an average rate of \$3.58 per square foot. If the same rate were applied to the State’s 12.6 million square feet of owned space, total operation and maintenance expenditures would reach \$45,525,000 not counting capital improvements.

Higher Education Space

In addition to space managed by Executive Branch agencies, the Utah System of Higher Education occupies 23.3 million square feet of space for its nine institutions. Table 2 identifies space distribution within the USHE. The totals include leased space, which comprises an minor percentage of USHE space.

<i>Gross Square Footage</i>	Fall 1999
University of Utah	9,945,604
Utah State University	5,761,780
Weber State University	2,060,543
Southern Utah University	1,044,317
Snow College	768,352
Dixie College	674,150
College of Eastern Utah	583,014
Utah Valley State College	1,157,184
Salt Lake Community College	<u>1,378,536</u>
USHE Total	<u><u>23,373,480</u></u>

Table 2 - USHE Square Footage (Source: USHE)

Higher Education tracks operation and maintenance as an expenditure category. In Fiscal Year 1999, the Utah System of Higher Education spent \$80,230,120 for O & M, an average of \$3.43 per square foot.

Anticipated Facilities

There are seventy-one projects approved over the last six General Sessions that do not appear in the FY 1999 space inventory. DFCM estimates that 2.5 million square feet of “pending space” remains in the pipeline for construction. Fifty-six percent of pending space comes from “other funds” (donations, grants, federal programs or dedicated revenue streams). Table three shows square footage totals for projects that have not yet been added to the state’s inventory. Some of the projects that are part of this table were completed in FY 2000³, some are under construction, some are awaiting groundbreaking and some are on hold until final funding from non-state sources is guaranteed.⁴ Attachment A at the end of this document provides detail on each project.

² Office of the Legislative Fiscal Analyst, 1999: Deferred Maintenance of State Assets. Available at <http://www.le.state.ut.us/lfa/reports/defmaint.pdf>.

³ All state funded projects approved in 1995 and 1996 are now complete and will be included in the FY 2000 inventory.

⁴ With some Higher Education projects, non-state funding that appears to be certain one year may disappear the next. It is likely that one or more donated projects for Higher Education will never materialize, and therefore will continue to be “anticipated” for several more years.

<i>Pending Space</i>	Year Authorized						Total Pending
	1995	1996	1997	1998	1999	2000	
State Funded Space	31,975	7,231	262,970	352,152	389,161	83,649	1,127,138
Other Funds Space	106,000	0	52,000	945,710	153,854	201,127	1,458,691
Total Space	137,975	7,231	314,970	1,297,862	543,015	284,776	2,585,829
% Other Funds	77%	0%	17%	73%	28%	71%	56%

Table 3 - Future Anticipated Space (Source: DFCM and Legislative Fiscal Analyst).

Higher Education and the Department of Corrections will manage the most square footage on the “pending space” list. The University of Utah’s student housing project approved in 1998 accounts for approximately two-thirds of all space on the “other funds” list. Other projects include 300 federally funded prison beds, a new Health Sciences building at the University of Utah, a new visual arts building at Weber State University and an expansion of the Edith Bowen school at Utah State University.

Capital Assets in a Regional Context

Higher education is the largest user of state inventories for each of the eight states of the Intermountain West. This pattern is replicated across the country without regard to state location, size or number of colleges. In most states⁵ the second largest tenant of owned space is the Department of Corrections.

Caution should be exercised in making comparisons between states. Differences between states may be caused by a number of factors including policy decisions, population density, state economy, number of highways, incarceration rates or the influence of public employee labor organizations. Tables below are for information purposes to put Utah in a regional context.⁶

<i>State</i>	<i>Agency Owned</i>	<i>Agency Leased</i>	<i>Higher Ed.</i>	<i>Total Space</i>
Arizona	20,695,689	2,888,953	23,324,659	46,909,301
Colorado	17,951,758	3,250,000	35,193,566	56,395,324
Idaho	3,521,995	1,800,000	10,420,878	15,742,873
Montana	8,128,514	0	11,099,009	19,227,523
Nevada	8,947,000	1,459,000	7,907,000	18,313,000
New Mexico	6,000,000	1,590,796	14,900,000	22,490,796
Utah	12,726,517	1,765,668	23,373,480	37,865,665
Wyoming	2,323,180	510,477	6,075,639	8,909,296

Table 4 - State Space in the Intermountain West (Source: Legislative Fiscal Analyst).

⁵ In gathering this data, some states were able to break out space utilization by agency. For each of those states, Corrections was second only to higher education in the amount of space occupied. The Analyst believes that this pattern would be replicated across the country.

⁶ Corrections data was not available from Wyoming; Colorado employee counts are estimates.

Space in relation to State Employment

Utah is below the eight state average of 703 square feet per state employee.

State	State Employees	Higher Ed Employees	Total Employees	Total Space Per Employee	Space Per Exec./Jud. FTE	Space per H. Ed Employee
Arizona	33,069	35,627	68,696	682.85	713.19	654.69
Colorado	23,931	50,728	74,659	755.37	885.95	693.77
Idaho	12,647	13,183	25,830	609.48	420.81	790.48
Montana	10,235	6,630	16,865	1,140.08	794.19	1,674.06
Nevada	14,463	14,721	29,184	627.50	719.49	537.12
New Mexico	19,524	32,296	51,820	434.02	388.79	461.36
Utah	18,924	36,908	55,832	678.21	765.81	633.29
Wyoming	6,926	5,745	12,671	703.12	409.13	1,057.55
<i>Average</i>	<i>17,465</i>	<i>24,480</i>	<i>41,945</i>	<i>703.83</i>	<i>637.17</i>	<i>812.79</i>

Table 5 - Space per Employee (Source: Legislative Fiscal Analyst).

Higher Education Space Measures

Differences in post-secondary education delivery make it difficult to compare space utilization numbers from one state to another. For example, Utah funds all post-secondary education through the State⁷ while Arizona funds three Universities at the state level and offers some assistance to local community colleges. Institutional types also drive differences in physical space – universities with medical schools will show significantly higher inventories, land grant schools are likely to have large farms that serve as classrooms but do not appear on “square footage” reports and small community colleges may incorporate additional space to accommodate sharing arrangements with local high schools.

State	Number of Colleges	Students	H. Ed Space %	Sq Ft per Student	Sq Ft Per School
Arizona	3	65,368	50%	356.82	7,774,886.33
Colorado	28	143,139	62%	245.87	1,256,913.07
Idaho	7	37,917	66%	274.83	1,488,696.86
Montana	7	30,230	58%	367.15	1,585,572.71
Nevada	6	44,589	43%	177.33	1,317,833.33
New Mexico	12	56,620	66%	263.16	1,241,666.67
Utah	9	83,191	62%	280.96	2,597,053.33
Wyoming	1	9,304	68%	653.01	6,075,639.00

Table 6 - Higher Education Space. (Source: Legislative Fiscal Analyst).

Conclusion: Evaluate Space for Merit

Each year the Legislature attempts to determine if facilities drive programs or if programs necessitate facilities. Facilities maintained or built for core programs are easily justified, but the State must guard against allowing “filler” programs to take up valuable space with non-essential functions. In response to Legislative requests, the Utah System of Higher Education attempt to direct large donors toward projects that will address student growth and classroom needs. This new emphasis on using non-state funds to address capital needs generated by growth helps the State defer initial costs, but still requires adequate funding to meet the needs of the institutions as they take on more students.

⁷ Since the term “community college” infers some level of local control and funding, most states would consider Salt Lake Community College to be a State College.

As the state grows the demand for new facilities will continue to be strong. This will be particularly true for institutions of higher education, applied technology centers and in more rural areas that do not have options to pursue large leases. In addressing capital needs for these circumstances, the Legislature should consider plans that allow agencies to share buildings with other state agencies or with local governments. Cooperative arrangements can enhance local facilities while improving access to state services. In education, the State should insist that local school districts work with higher education and applied technology centers to fully utilize buildings before new space is leased or built.

Full utilization could be driven by appropriation subcommittees as they address annual operation and maintenance funding. Rather than focus on aggregate data, the Legislature may want to have appropriation subcommittees ask their agencies to adopt a zero based facility planning system to justify space utilization each year. Such a system may result in agencies finding more creative ways to meet their space needs.

Attachment A: Square Footage of Pending Projects (see note explanation on next page)

<i>Project</i>	<i>Year Authorized</i>	<i>Complete in FY2000</i>	<i>Complete in FY2001</i>	<i>Complete after FY2001</i>	<i>Authorized in 2000 Session</i>
ABC - Orem Liquor Store (Note B)	1997	5,800			
DUP Museum Addition - Fire Engine Garage	1998	1,600			
Union Pacific Station Property Exchange (Note A)		-70,008			
Corrections - Draper 300 Bed Minimum Security	1999	15,104			
Corrections - Gunnison 288 Bed	1998		62,851		
Corrections - Gunnison UCI Facility	1998		4,000		
Corrections & Pardons Office Building (Note B)	1999		61,080		
Corrections - Privatized Parole Transition Center	2000				???
Vernal District Court (Note B)	1999			33,331	
Fair Park Multi Purpose Building	2000				140,000
Health - Children's Special Needs Clinic (Note A)	1998	15,684			
Price Youth Corrections	1997	12,800			
State Hospital Forensic Facility	1997	67,435			
Millcreek Youth Corrections	1997		32,560		
Logan Youth Corrections (Note A)	1998	21,195			
Vernal Youth Corrections	1998	21,536			
Richfield Youth Corrections	1999		20,031		
State Hospital Rampton Phase II (Note A)	2000		-34,684		
St. George Youth Corrections	2000				8,000
National Guard Orem Armory (Note A)	1995	31,975			
National Guard American Fork Armory (Note A)	1998			2,542	
National Guard - Replace Sunnyside Armory (Note A)	1999		0		
DNR/Wildlife - Kamas Fish Hatchery (Note A)		4,000			
DNR/Parks - Soldier Hollow Biathlon Center			5,000		
DNR/Parks - Soldier Hollow Day Lodge	2000				5,600
DNR/Parks - Bear Lake Campground	2000				1,264
Public Safety - Murray Highway Patrol	1998	9,290			
UDOT - Bluffdale Maintenance Station	1996	7,231			
UDOT - Santaquin Maintenance Station (Note A)	1998	4,394			
UDOT - Bothwell Maintenance Station Addition	1998	1,150			
UDOT - Logan Summit Salt Storage Building	1998		2,560		
UDOT - Junction Maintenance Station Addition	1998		2,070		
UDOT - Region 3 Headquarters & Maint. Station Exchange	1998		0		
UDOT - Cache Junction Maintenance Station	2000				10,500
UDOT - Kimball Junction Maint. Station Exchange	2000				0
Workforce Services - Davis County Employment Center (Note B)	1998			32,000	
Bridgerland ATC - Southwest Wing Remodel/Addition	1999		7,300		
Ogden/Weber ATC - Maintenance Building Replacement	2000				0
Office of Rehabilitation - Deaf Center Addition	2000				6,327
UofU - Gardner Hall Renovation/Expansion	1997	49,220			
UofU - Christensen Business Case Method Building	1995	42,000			
UofU - Price Fine Arts Museum Expansion	1995	64,000			
UofU - Student Housing	1998		930,000		
UofU - Eccles Broadcast Center Expansion	1998		22,722		
UofU - Cowles Building Renovation/Expansion	1999			5,200	
UofU - Pioneer Memorial Theater Remodel/Expansion	1999		16,500		
UofU - Math Center	2000				6,000
UofU - Burbidge Athletics and Academics Building	2000				13,067
UofU - Bookstore Expansion	2000				3,060
UofU - Health Sciences/Basic Sciences Building	2000				100,000
USU - Widstoe Hall Replacement	1997		95,155		
USU - Roosevelt Campus	1998		33,000		
USU - Edith Bowen School Renovation/Expansion	2000				40,000
Weber State - Visual Arts Building	1999			76,250	
Weber State - Football Stadium Expansion	2000				29,000
SUU - Purchase of Middle School (Note C)	1998				
SUU Physical Education Building	1999		119,714		
SUU Weight Training Room	2000				5,000
SLCC High Tech Center - Jordan Campus	1998		97,678		
SLCC Applied Technology Center (Detroit Diesel Building)	1999		48,242		
SLCC Student Activity Center - Redwood Campus	1999			28,000	
SLCC Student Activity Center - Jordan Campus	1999			12,000	
UVSC Student Center Addition	1997			52,000	
UVSC Information Sciences Building	1999			94,263	
UVSC Classroom Addition	2000				7,650
UVSC Baseball Stadium	2000				5,000
Snow College South - Multi-Purpose Center	1997			???	
Snow College South - Washburn Shop Expansion	1998	21,880			
Snow College South - Student Housing	2000				N/A
Dixie College Hurricane Center	1999		6,000		
CEU San Juan Arts & Conference Center	1998		11,710		
TOTALS		326,286	1,543,489	335,586	380,468

- ◆ Note A - The square footage for projects that involve the demolition of existing state facilities is shown net of the demolished facilities.
- ◆ Note B - This project replaces space that is leased.
- ◆ Note C - No square footage is shown as this property was purchased as a site for the PE Building and for a land bank.
- ◆ Other funds projects indicated with *italic type*.