Central Administration Building Assessment
Overview of Presentation

- Background on SamTrans Headquarters Facility
- Building is Inefficient
- Opportunities
- Recommended Next Steps
Background

- Building and parking garage was built in 1979
- SamTrans purchased May 9, 1990
- It has been retrofitted over the years, but never completely remodeled
The Building is Inefficient

- Building is functionally obsolete
  - Core is too big
  - Floor plan layout is inefficient
    - Some offices are too big, others too small, limited conference rooms
    - As a legacy from previous use, the building includes a commercial kitchen, a living room and large scale residential kitchen and a sunken den
The Building is Carbon Intensive

- Electrical costs is about 3X of that for a building of the same general age range (1960-1989)
  - 10X the cost of a new building
- Gas costs are about 3X that of a building of a similar age range and about 8X of a new building
High Operating Costs

- Operating costs are high and unpredictable
  - Yearly cost are about $1.4M, about 50% higher than a typical building of this size
    - Utility inefficiency is a big driver of costs
Necessary Capital Improvements

- If the building is not replaced, a series of capital improvements are necessary
  - Total cost could exceed $50M, in 2017 dollars
  - Costs and work could be spread out over 6 to 7 years
  - For example
    - Elevators: $1.7M
    - HVAC: $11.5M
      - Includes new ducting and well as the system itself
    - Roofing: $3.1M
Examples of Other Improvements

- Electrical (to allow lighting to be brought to current case using LED lights): $12.5M
- Plumbing; $3.8M
- Carpet, paints, ceiling and improvements to employee areas and common space will cost up to $6M

Even with these improvements, the building would still not be to modern standards
Opportunities

- The lot (building and garage) is 78,242 SF (1.8 acre) and inefficiently laid out
- The 4-story building is significantly over-parked with 450 spaces for 100,000 SF of usable area
- Location near transit in San Carlos is very desirable
  - San Carlos lacks office space, creating pent-up demand
- A new building will be less costly to operate
Staff Recommended Approach

- Maximize the value of our existing assets to create a modern, sustainable facility while minimizing out of pocket costs to SamTrans
- Hire a consultant team to lead a formal process to look at options
- General Scope
  - First Steps: Hone the approach, analyze the opportunity and right-size expectations
Questions?