



EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

EXECUTIVE MEMORANDUM

MEMO NO. 11-09

TO: All Department Heads

FROM: Governor Neil Abercrombie

DATE: August 17, 2011

SUBJECT: Reductions in Departmental Space Assignments
for State Office Buildings and Commercial Office Lease Spaces

We have asked all departments to develop new working habits and to implement new policies to make the best use of the State's limited resources. We are continuing to reprioritize, restructure and retool government through the 2011 Program Review in a way that will minimize any negative impact on our public employees and programs and services for the public.

In conjunction with the 2011 Program Review, our administration will establish immediate, intermediate, and long-range Executive Branch policy goals that will lead the State of Hawaii towards efficient consolidation of State government functions, programs, and operations into smaller office space assignments within State office buildings and the reduction of square footage inventory for commercial office lease spaces, statewide. These Executive Branch policy goals shall generally be based on reductions in authorized office space assignments because of departmental staff positions abolished effective July 1, 2009 (start of FB 2009-2011) but still retain office space assignments for currently vacant and unfilled departmental staff positions (including exempt staff positions) which will need to be filled at a future date. Departments shall also consider these consolidation efforts within their own department controlled and managed facilities via Executive Orders (e.g., health centers, rehabilitation centers, office buildings, etc.).

My Executive Branch policy goals on this matter are summarized below:

1. Immediate policy goal: Pursue ways to reduce annual commercial office leasing costs, as a way to mitigate and/or minimize impacts of the FB 2011-2013 State budget deficits.
2. Intermediate policy goal: Allow all Executive Branch departments the opportunity to formulate consolidation plans involving their office space assignments within State office buildings or other State facilities (such as school or university buildings, hospitals, health centers, laboratories, warehouses, stadiums, armories, etc.) and commercial office lease spaces (subject to DAGS concurrence). The intent should be to maintain departmental operational efficiencies and create new vacant office spaces within existing State office buildings or other State facilities for DAGS office space re-assignments (after completion of interior renovation work).
3. Long-range policy goal: Pursue alternatives to create additional State office building spaces that will result in the reduction of the State's square footage inventory for commercial office lease spaces (as needed to further reduce annual commercial office leasing costs). The long-range policy goal should be to construct new State office buildings and have operating funds to properly maintain the new State office buildings, because over the long term, it is better to own rather than rent office space (to reduce future general fund expenditures).

Pursuant to implementation of these Executive Branch policy goals, the Department of Accounting and General Services (DAGS) will be conducting site visits to most (if not all) State office buildings on Oahu through August and September 2011 (as needed to verify the condition of readily available vacant office spaces) and will process Executive Branch departmental office space re-assignments for the readily available vacant office spaces on Oahu by September 2011. Thereafter, DAGS will conduct site visits to all State office buildings on the Neighbor Islands (as needed/if applicable) and will work with Executive Branch staff on finalizing their proposed departmental consolidation plans by September 2012.

The State Comptroller will send out additional information on this matter to all Heads of Executive Branch departments and State agencies. Please cooperate with DAGS staff for this purpose.