Oregon
Tina Kotek, Governor

Employment Department
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Agency Facility Plan Summary Memo

Capital Projects Approval Board

▪ What the agency has accomplished with respect to facility stewardship and planning during the 2025-27 biennium.

Agency budgets were directed to critical energy efficiency upgrades for centralized LED lighting and controls and HVAC controls systems for (3) offices in the 25-27 Biennium.

▪ What changes the agency has experienced over this period and their impact on current and future facilities.

The agency has gone through a change in leadership over this time including a new agency Director, Deputy Director, Deputy or Operations Manager and two Chief Financial Officers that are currently invested in looking into the management of our currently owned and leased facilities with ongoing conversations on future investments in owned facilities vs the ongoing maintenance, capital projects or operations cost of these facilities that will redefine the agencies operations in the future.

The Employment Department will continue to focus on deferred maintenance and centralized energy efficiency upgrades. The agency continues to optimize its footprint through space consolidation and efficient lease management to control costs and align with changing service needs.

▪ What the agency's 2027-29 facility plan will accomplish.

Energy efficiency upgrades for LED lighting and HVAC control system upgrades for the remaining 3 offices will be completed in the 27-29 biennium, completing LED lighting and HVAC controls upgrades for a total of 10 owned offices statewide. The agency will continue to manage and improve deferred maintenance needs of its owned assets and align them with future needs of facility operations.

▪ A brief description and cost estimate for any major construction/acquisition project.

There are no major construction or acquisition projects planned during the 27-29 biennium. However, consistent with Senate Bill 1067 (2017), the agency budgets for deferred maintenance at the required 2% threshold to help preserve state assets and maintain compliance with health, safety, building code, and statutory requirements.

2027-2029 Agency Facility Plan

Presenter Name: Timothy Dunks, Construction & Facilities Maintenance Manager 2
Date: 8-14-2026
Agency Name: Employment Department

Agency Overview

- Mission
  - Support Business – Promote Employment
  - Support economic stability for Oregonians through the payment of unemployment benefits.
  - Serve businesses by recruiting, referring and providing resources.
  - Serve Oregonians by providing paid leave benefits.
  - Develop and distribute workforce and economic information.
- Business Needs
  - The Employment Department's program delivery is the primary driver of our space needs.
  - Service delivery and function determines measure for space needs and locations.
  - Primary programs that drive space needs: Unemployment Insurance, Workforce Operations (WorkSource Oregon), and Paid Leave Oregon.
- Portfolio Size (Facilities/Replacement Value)
  - 2026 Facilities Condition Index 8.5%
  - 10-Year Facility Condition Index 22.0%
  - Funding Type: General Fund **1%** Other Funds **70%** Federal Funds **29%**

Agency Overview

Facility Summary

• Total facilities	10
• Total major facilities	10
• Total minor facilities	0
• Total current replacement value (CRV)	$23,437,970
• Total gross square footage (GSF)	121,654
• Total leased facilities	30
• Total leased square footage (LSF)	186,582
• Total major leases	7

Agency Overview

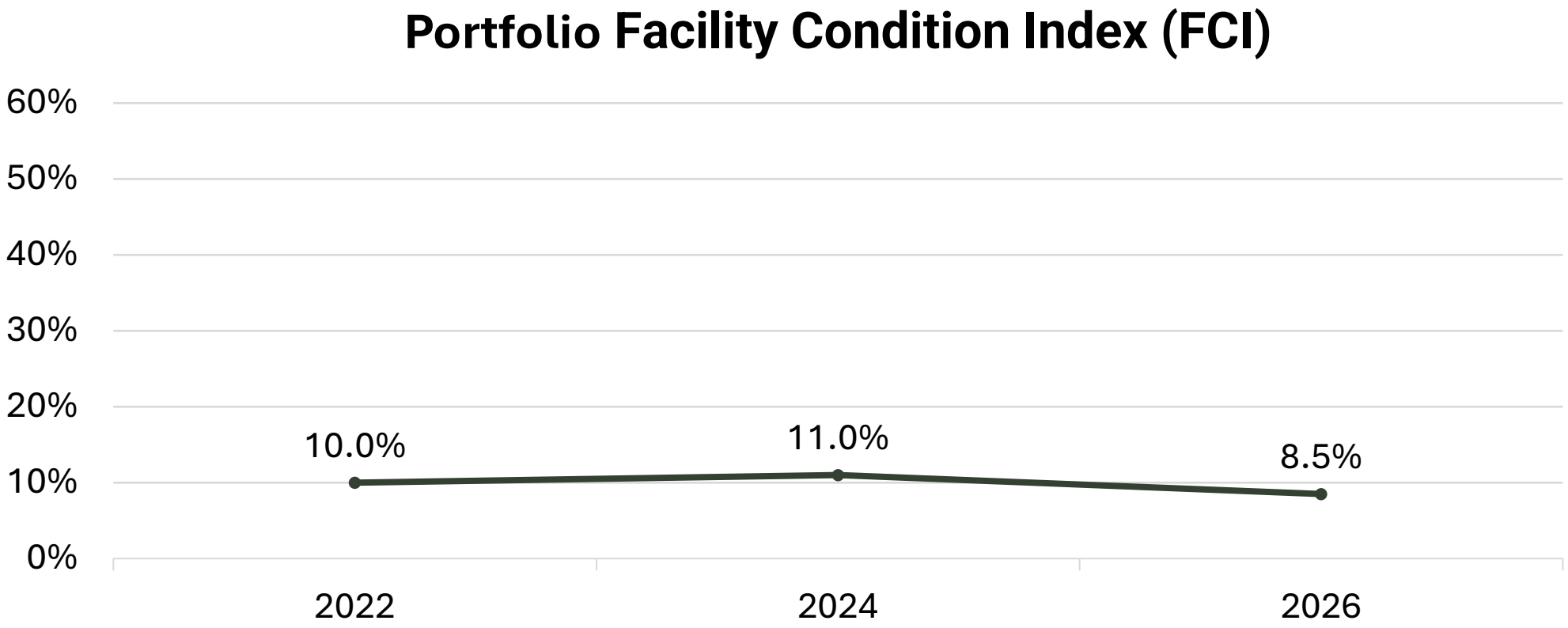
Facility Condition

• Current facility condition index (FCI)	8.5%
• Current condition rating	Poor to Good
• 10-Year FCI	22.0%
• 10-Year condition rating	Poor to Fair
• Three biennium FCI trend	11.5%

Planning Factors

- Current and future demand
  - No anticipation of future facility growth
  - Reduction to right size facilities
- Location
  - Salem Central Office Administration; potential for other leased and owned offices.
- Emergent issues
  - No emergent issues
- Business trends
  - Stable over the current and future biennium
- Strategic opportunities
  - Determine business needs, factors driving space needs and policies related to our facilities.

Facility Condition



Energy

Owned Buildings	BPS	SEED / BPS EUI	2024 EUI	2025 EUI	2026 EUI*	Remarks
Albany	**Not Covered**	**50 / 46**	**67.2**	**68.9**	**68.8**	HVAC DDC System/ LED FY26
Bend	**Not Covered**	**52 / 47**	**100.4**	**80.4**	**68**	Pending server removal TBD
Eugene	**Tier 2 Compliant**	**50 / 46**	**34.6**	**35.9**	**34.9**	
Klamath Falls	**Not Covered**	**52 / 47**	**75.9**	**71.1**	**62.2**	HVAC DDC/ LED FY25-26
Medford	**Not Covered**	**50 / 46**	**79.1**	**78.2**	**69.5**	HVAC DDC FY 26
Ontario	**Not Covered**	**52 / 47**	**113.4**	**95.1**	**59.7**	In Progress
Oregon City	**Not Covered**	**50 / 46**	**26.8**	**25.9**	**25.5**	
Roseburg	**Not Covered**	**50 / 46**	**34.4**	**34.9**	**34.2**	
Salem	**Tier 2 Compliant**	**50 / 46**	**64.6**	**44.6**	**47.2**	HVAC DDC/ LED FY26

- Multiple sites enrolled in Energy Trusts SEM program spring 2026
- 2026 EUI* - Preceding 12 months from June 2026

Seismic

- **Seismic Risk (Executive Order 25-22 Compliance)**

Facilities that meet Life Safety Performance	50%
Buildings above 10,000 Sq. Ft. threshold	6 of 10
Previous FEMA 154 surveys last conducted • Re-evaluate 2 sites due to site classification errors	2019
Sites that can be retrofitted for 2060 standards • 2 sites require further detailed evaluation due to identified • Unreinforced Masonry Construction	8 of 10
Prioritization Plan – TBD • Anticipate additional guidance for EO 25-22 to be released.	

Plan Summary

Plan Cost Summary by Type and Priority	Total
Deferred Maintenance and Life Safety – Priority 1	$1,140,000
Capital Renewal – Priority 2 + 3	$10,764,000
Seismic and Risk – Priority 4	$0
Modernization (Net) – Priority 5	$0
Total	**$11,904,000**

Major Project

- There are no major projects scheduled for 27-29 Biennium.

Major Projects Summary

Project Name	Priority 1-3	Priority 4	Net Priority 5	Total	Phase
Office Remodel	$0	$0	$0	$0	I
New Building	$0	$0	$0	$0	II

Tim Dunks

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Facilities Summary Report

2027-29 Biennium

Facility Plan - Facilities Planning Narrative 107bf02a
2027-29 Biennium

Agency Name **Oregon Employment Department**

1. What are the key drivers for your agency's facility needs, and how do you measure space/facility demand?
The Employment Departments program delivery is the primary driver for our space needs. Each programs unique service delivery and function - based on both mandate and strategic vision - determine our measure for space needs and location/facility demand. Employment has 3 primary programs that dive space need, Unemployment Insurance (UI) , Business and Employment Services (B&ES) & Paid Family Medical Leave Insurance (PFMLI) that drive our space requirements. Smaller scale programs that have unique delivery needs are the Office of Administrative Hearings (OAH) and Research & Economic Development.

2. What are the key facility-related challenges over the next 10-years? (Please answer in order of priority) 1) The agency is looking into its owned and leased profile and what its long term investment looks like for the leased and owned locations. It is currently calculated cost leased vs. owned and determing best pathway forward of what the best interest of facilty managment is for OED. 2) Working with each individual program within OED to develop key program delivery needs that will establish wheater we own or lease locations in the future, and how porogram delivery is changing that may affect the space needs of the agency. 3) Determine what improvements need to be made a current owned facilites and what that future investment looks like for the agency.

3. What do you need to meet these challenges?1) Current working on an assesment which includes the FCI and anticipated investment needed vs. the overall value of the property owned. 2) It will require a broker appraisal of curernt market value to compare to prosed cost and upgrades to the facilites.

Major Construction/Acquisition Project Narrative

Note: *Complete a separate form for each project*

Agency:		Priority (Agency #):		Schedule	
		Cost Estimate	Cost Est.Date	Start Date	Est. Completion
Project Name:	N/A				
		GSF	# Stories	Land Use/Zoning Satisfied	
Address/Location:				Y	N

Funding Source(s): Show the distribution of dollars by funding source for the full project cost.	General Fund	Lottery	Other	Federal

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

Project Scope and Alternatives Considered

ESTIMATED PROJECT COST

DIRECT CONSTRUCTION COSTS				
		$	**% Project Cost**	**$/GSF**
1	Building Cost Estimate			
2	Site Cost Estimate (20 Ft beyond building footprint)			
3	**TOTAL DIRECT CONSTRUCTION COSTS**	$ -	0%	$ -
INDIRECT CONSTRUCTION COSTS				
4	Owner Equipment / Furnishings / Special Systems			
5	Construction Related Permits & Fees Other Indirect Construction Costs Including 1% Art, 1.5%			
6	Renewable Energy and other state or unique regulatory requirements not in hard costs			
7	Architectural, Engineering Consultants			
8	Other Design and PM Costs			
9	**TOTAL INDIRECT COSTS**	$ -	0%	$ -
10	**OWNER'S PROJECT CONTINGENCY** insert %			
		$	**% Project Cost**	**$/GSF**
	TOTAL PROJECT COST	$ -	0%	$ -

Project Image/Illustration (optional)

Major Construction/Acquisition 10-Year Plan, Lease Plans, Disposals

2027-29 Biennium

Oregon Employment Department

Proposed New Construction or Acquisition - *Complete for 5 Biennia*

Biennium	Priority	Concept/Project Name	Description	GSF	Position Count	General Fund	Other Funds	Lottery Funds	Federal Funds	Estimated Cost/Total Funds
2027-29		n/a								-
2029-31		n/a								-
2031-33		*n/a*								-
2033-35		*n/a*								-
2035-37		n/a								-

Proposed Lease Changes over 10,000 RSF - *Complete for 5 Biennia*

Biennium		Location	Description/Use	Term in Years	Total RSF[2] +/- (added or eliminated)	USF[3]	Position Count[1]	Biennial $ Rent/RSF[2]	Biennial $ O&M[4]/RSF[2] not included in base rent payment	Total Cost / Biennium
					A	B	C	D	E	(D+E)*A
2027-29		n/a								-
2029-31		n/a								-
2031-33		*n/a*								-
2033-35		*n/a*								-
2035-37		n/a								-

Planned Disposal of Owned Facility

Biennium		Facility Name	Description

Definitions:

Position Count: **1** Total Legislatively Approved Budget (LAB) Position Count assigned to (home location) each building or lease as applicable.

RSF **2** Rentable SF per BOMA definition. The total usable area plus a pro-rated allocation of the floor and building common areas within a building.

USF **3** Usable Square Feet per BOMA definition for office/administrative uses. Area of a floor occupiable by a tenant where personnel or furniture are normally housed plus building amenity areas that are convertible to occupant area and not required by code or for the operations of a building. If not known, estimate the percentage.

O&M **4** Total Operations and Maintenance Costs for facilities including all maintenance, utilities and janitorial.

Facilities Summary Report

2027-29 Biennium

Agency Name: **Oregon Employment Department**

Owned Facilities Over $1 million	**FY 2025 DATA**			
Number of Facilities	10			
Current Replacement Value $ (CRV)	$ 23,437,970	Source	8.5	Risk or FCA
Gross Square Feet (GSF)	*121,654*			
Usable Square Feet (USF)	*107,055*	*Estimate/Actual*	*88*	% USF/GSF
Occupants Position Count (PC)	372	**USF/PC**	**285**	

Owned Facilities Under $1 million	
Number of Facilities	0
CRV	
GSF	

Leased Facilities				
Total Rentable SF	313,022			
Biennual Lease Cost	$11,356,323			
Additional Costs for Lease Properties (O&M)	$877,108			
Usable Square Feet (USF)	*266,068*	*Estimate/Actual*	*85*	% RSF/GSF
Occupants Position Count (PC)	1559	**USF/PC**	**171**	

Definitions

CRV Current Replacement Value Reported to Risk ***or Calculated Replacment Value Reported from Facility Conditions Assessment (FCA)***

RSF Rentable SF per BOMA definition. The total usable area plus a pro-rated allocation of the floor and building common areas within a building.

USF Usable Square Feet per BOMA definition. Area of a floor occupiable by a tenant where personnel or furniture are normally housed plus building amenity areas that are convertible to occupant area and not required by code or for the operations of a building.
If not known, estimate precentage.

PC Legislatively Approved Budget (LAB) Position Count

O&M Total Operations and Maintenance Costs for facilities including all maintenence, utilities and janatorial.

Facilities Operations and Maintenance and Deferred Maintenance Report

2027-29 Biennium

Agency Name: Oregon Employment Department

Facilities Operations and Maintenance (O&M) Budget	2023-25 Actual	2025-27 LAB	2027-29 Budgeted	2029-31 Projected
Personal Service (Maintenance)	$2,888,119.00	$3,009,420.00	$3,365,565.20	3,517,015.43
Services & Supplies (Maintenance)	$689,007.00	$719,827.00	$752,386.36	$782,482.00
O&M $/GSF (Maintenance)	$3,577,126.00	$3,729,246.92	$4,117,951.56	$4,282,670.00
Personal Service (Utilties & Janitorial)				
Services & Supplies (Utilties & Janitorial)				
O&M $/GSF (Utilities & Janitorial)	8.96	9.33	9.61	10

	General Fund	Lottery Fund	Other Funds	Federal Funds
O&M Estimated Fund Split %	1		70	29

Short and Long Term Deferred Maintenance Plan for Facilities Value Over $1M	Current Value (2023)	Ten Year Projection	2025-27 Budgeted	2027-29 Projected
Priorities 1-3 - Currently, Potentially and Not Yet Critical	3,100.00.00	$ 12,000,000	$ 1,102,062	1,034,006.98
priority 4 - Seismic & Natural Hazard				
Priority 5 - Moderization				
Total Priority Need	$ -	$ 12,000,000.00	$ 1,102,061.61	$ 1,034,006.98
Facility Condition Index (Need/CRV)				

Assets Over $1M CRV

Process/Software for routine maintenance (O&M)	770,000.00	68,000	74000
Process/Software for deferred maintenance/renewal			
Process for funding facilities maintenance			

2026-2028Agency Facility Plan

State of Oregon
Department of Administrative Services (DAS)

Report Date: Jul 23, 2026

					Current				10 Year			
Property	Building	CRV	GSF	Age (yrs)	FCI	Condition	Priority 1 Costs	Total Costs	FCI	Condition	Priority 1 Costs	Total Costs
OED Group	Eugene Field Office	$4,134,126	31,657	50	20.5%	POOR		$849,420	39.5%	POOR	$79,058	$1,632,236
OED Group	Oregon City Field Office	$2,989,052	9,200	5	6.2%	FAIR	$14,086	$185,564	10.2%	POOR	$14,086	$305,398
OED Group	Salem Field Office	$2,821,269	21,219		0.3%	GOOD		$9,574	26.3%	POOR		$742,652
OED Group	Roseburg Field Office	$2,684,821	10,340		9.0%	FAIR		$242,918	23.1%	POOR		$620,452
OED Group	Klamath Falls Field Office	$2,649,478	7,769	63	6.0%	FAIR		$158,280	8.8%	FAIR		$234,348
OED Group	Medford Field Office	$2,266,374	9,744	66	3.5%	GOOD		$80,320	21.6%	POOR		$490,614
OED Group	Ontario Field Office	$1,863,579	5,744	60					7.1%	FAIR	$29,666	$131,784
OED Group	Albany Field Office	$1,467,493	11,205	61	9.4%	FAIR		$137,808	24.5%	POOR	$42,836	$359,488
OED Group	Baker City Field Office	$1,460,360	3,476	76	2.3%	GOOD		$33,062	3.8%	GOOD		$55,952
OED Group	Bend Field Office	$1,101,419	11,300	37	25.8%	POOR	$40,340	$283,864	51.9%	POOR	$64,012	$572,126
		$23,437,970	121,654		8.5%		$54,426	$1,980,810	22.0%		$229,658	$5,145,050

Oregon
Tina Kotek, Governor

Department of Administrative Services
155 Cottage Street NE
Salem, OR 97301

MEMORANDUM

DATE: August 18, 2026

TO: Timothy Dunks, Property and Risk Management, Oregon Employment Department

FROM: Daniel Christensen, Department of Administrative Services

SUBJECT: Agency Facility Plan Acceptance

The Capital Projects Advisory Board (CPAB/Board) has reviewed the Oregon Employment Department's 2027-29 facilities plan in accordance with ORS 276.227. Following your Board presentation on August 14, the Board voted to accept your agency facility plan without comments.

DAS DEPARTMENT OF ADMINISTRATIVE SERVICES

Capital Projects Advisory Board

Agency Facility Plan Acceptance

CPAB Meeting Date 08/14/26

Presenting Agency

OED

Does the board accept the agency facility plan?

Yes

Additional Comments