

# Report on Leases

Department: Department of Parks, Heritage, and Tourism

Secretary: Secretary Stacy Hurst

The purpose of this report is an analysis of leases within each Department and assist in the formulation of a report to the Governor on how to achieve greater efficiency and cost savings as it relates to leases. **The report template includes sections for three projects for your convenience. This number is not a goal or target. You may add or delete boxes for as many projects as you submit.**

## ACTION PLAN FOR PROJECT 1:

### 1. Project Title:

#### **REVIEW AND CONSOLIDATION OF ADPHT LEASES**

#### 1.1. Brief description of project, goal, and action plan.

**GOAL:** Optimize Department leases through the implementation of strategies including co-location and routine lease analysis and review to ensure efficient use of space and to promote communication, transparency, and efficiency across ADPHT.

**PROJECT DESCRIPTION:** ADPHT is operating from multiple locations across the state and, in particular, multiple locations in Little Rock. Certain locations, such as state parks, museums, and other facilities have and will continue to operate from their current locations. However, ADPHT will conduct an evaluation of existing leases to determine where there are opportunities for the co-location of staff or where there are more cost- or space-efficient leases available. This evaluation will result in the development of a leasing strategy that will enable ADPHT to make strategic decisions regarding the location of personnel and facilities.

#### **ACTION PLAN:**

- *Fall 2019:* ADPHT will conduct a review of existing Department leases.
- *Winter 2019:* ADPHT will evaluate opportunities for co-location of staff with an emphasis on a location that promotes efficiencies for Administrative/Shared Services Functions and further integrates operations.
- *December 2019:* ADPHT will initiate process of relocating teams based upon lease constraints.
- *Spring 2019:* ADPHT will continue to work toward the implementation of co-location opportunities in accordance with existing lease terms and Department needs.

1.2. Identify any additional resources required for the implementation and success of this plan. No additional resources are needed at this time. When a viable co-location option has been identified, planning and project management support may be needed to coordinate timely relocation. But those resource needs will be determined and evaluated at a future date.

- 1.3. Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs?  
Anticipated costs for implementing the plan will be related to physical moves/relocation. Leases will not be terminated prematurely unless it will ultimately result in cost savings. Likewise, costs associated with any moves will be evaluated to ensure consistency with long-term savings objectives. For example, major moves will be evaluated in light of ability to support long-term cost savings/reductions.
- 1.4. How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.  
Success for this plan will be reflected in real cost savings from reductions in the overall cost of office space/leases. Likewise, ADPHT should realize savings from improved efficiencies in day-to-day work processes due to proximity to co-located staff and the development of cohesive processes. A forecast of cost savings will be determined when the review and strategy development is complete.
- 1.5. What is the implementation timeline and key action steps for this plan? How will you track progress?  
See the proposed Action Plan for 1.1
- 1.6. Identify any obstacles to the implementation and success of this plan.  
Potential challenges for this plan include (a) the ability to identify an appropriate space in close proximity to the Division of Arkansas Heritage building to maximize efficiencies based on location, (b) ability of identified space to meet specialized needs of certain subdivisions (e.g. storage or reading room space appropriate for museum collections or archival needs), and (c) appropriately timing any move, renovation, or expansion of available space while maintaining services.
- 1.7. How could Department of Transformation and Shared Services provide support to the Department?  
The Division of Building Authority will play a significant role in supporting the evaluation of properties and coordinating any moves/relocation efforts.

### **Additional thoughts/comments:**

While the timeline for this analysis and the development of the strategy will be a fairly quick turnaround, the implementation may take many months or even years as ADPHT will work to make any changes, moves, or other actions as cost-efficient as possible. The strategies developed in the coming months may be the framework for much longer term planning efforts.