

Priority: Accountability
Program Offer Type: Existing Operating
Related Programs: 72042, 72043, 72044, 72048, 72050, 72051, 72054
Lead Agency: County Management
Program Contact: Doug Butler

Program Characteristics:

Executive Summary

The Capital Improvement Program actively monitors, upgrades, and improves the County's portfolio of Tier II* and III* (substandard) buildings. The Program preserves the County's assets by investing in improvements that maintain building values and provide accessible, functional, and energy efficient facilities.

Program Description

The Capital Improvement Program creates an annual 5-year Capital Plan that focuses on the County's 20 primary owned Tier II* and III** buildings. It works in conjunction with the long-term Facilities Strategic Plan which provides a basis for a sound investment strategy that addresses building needs and includes projects ranging from equipment upgrades to construction of new facilities.

* A Tier II building is one that is a desirable part of the County's long-term portfolio but that has significant deferred maintenance needs which must be addressed.

** A Tier III building is one that is uneconomic or impractical to improve to current County standards and is therefore designated for disposition. Capital expenditures are avoided or minimized in Tier III facilities pending disposition of the building.

Program Justification

The program allows Capital, bond/levy, grants, and other funding components to be distributed based on priorities established with the aid of a detailed needs assessment and a decision-scoring matrix. The program looks for project efficiencies and improvements that benefit the building users and extend the useful life of the building. The 5-year CIP Plan sets clear goals and fosters communication for all departments as well as providing a tool to facilitate collaboration with both internal and external clients and building users.

Currently, the program is performing an estimate update that will more accurately project the required CIP fee rates over the next 30 years. This will better determine future funding potential and create a reliable device that can balance building requirements with program needs.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY05-06)	Current Year Purchased (FY06-07)	Current Year Estimate (FY06-07)	Next Year Offer (FY07-08)
Output	Completed CIP Projects	90.0%	100.0%	85.4%	100.0%
Outcome	Portion of Primary Owned Buildings which are rated as Tier I	57.7%	63.8%	57.7%	60.0%
Outcome	Project Management Costs (\$/hr)	80	96	96	96

Performance Measure - Description

In FY'07, seven projects that were planned for completion have been postponed in order to address critical needs which were identified since the budget was adopted. This change reflects our active management of project impacts and an on-going need to adjust and balance priorities.

* A Tier I building is one which is designated for long-term retention and which meets current County standards. The percent of Tier I buildings will be lower than originally forecast due to delays in projected building disposals.

The comparable project management costs at the City of Portland are \$100/hr in FY '08.

Legal/Contractual Obligation

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2007	2007	2008	2008
Personnel	\$0	\$89,078	\$0	\$83,054
Internal Services	\$0	\$35,000	\$0	\$25,000
Capital Outlay	\$0	\$27,855,749	\$0	\$35,262,167
Subtotal: Direct Exps:	\$0	\$27,979,827	\$0	\$35,370,221
Administration	\$0	\$0	\$0	\$0
Program Support	\$0	\$423,917	\$0	\$470,828
Subtotal: Other Exps:	\$0	\$423,917	\$0	\$470,828
Total GF/non-GF:	\$0	\$28,403,744	\$0	\$35,841,049
Program Total:	\$28,403,744		\$35,841,049	
Program FTE	0.00	1.00	0.00	1.00
Program Revenues				
Fees, Permits & Charges	\$0	\$20,050,000	\$0	\$27,550,000
Intergovernmental	\$0	\$255,752	\$0	\$167,427
Other / Miscellaneous	\$0	\$7,674,075	\$0	\$7,652,794
Program Revenue for Admin	\$0	\$423,917	\$0	\$470,828
Total Revenue:	\$0	\$28,403,744	\$0	\$35,841,049

Explanation of Revenues

Revenues totaling \$27.5 million come from disposition initiatives and are programmed to pay for the disposition expenditures. CIP fees of \$2.35 per square foot of Tier II and III buildings raises about \$3.0 million, and interest income is estimated at \$885k. The significant rise in the estimated interest income is partially based on the sale of the Edgefield properties and the significant expenditures for East County Justice Center will not occur until late in FY'08 and throughout FY'09. Energy Trust Incentives and Business Energy Trust Credits (BETC) estimated at \$50,000. Projected FY08 Disposition Revenue:

2507 Hansen 2,500,000
 2507 Childrens Trust 4,450,000
 2507 Kelly 2,000,000
 2507 City of Gresham 2,000,000
 2507 Edgefield 16,600,000

Significant Program Changes

Last year this program was:

Program Offer #72049 Facilities CIP Fund