

Priority: Accountability
Program Offer Type: Internal Service
Related Programs:

Lead Agency: County Management
Program Contact: Doug Butler

Program Characteristics:

Executive Summary

Facilities Asset Management supports and enhances the County's objectives for its real estate portfolio by developing the ideas, concepts, and strategies for a cost effective portfolio. This focus provides programs with efficient optimal space that meets spatial needs at a reduced cost.

Program Description

Asset Management is broken down into two sections: Special Projects and Real Estate. The two sections provide distinct expertise and direct a strategic focus that provides County Officials with the ability to make tactical and informed decisions regarding the County property portfolio. Collectively, Asset Management supports County programs by striving to complete the County's Consolidation and Disposition Strategy and fulfilling the focus set forth in the Facilities Strategic Plan of a well-sited, affordable, and high performance building portfolio which will lower operating costs when fully implemented.

Program Justification

Asset Management supports the Accountability Priority by managing the future direction of the County's portfolio of 135 buildings which is comprised of 3.2 million sq. ft. of owned and leased space.

Asset Management manages over 100 leases, permits, and agreements which total over \$4 million annually. It serves critical operational needs through lease representation, documentation, administration, legal support, and enforcement. The section's aggressive management of leases of the County in the market can result in savings of as much as 10%.

The Special Projects section completed a draft of a 2008 update to the Long Term Strategic Plan which evolved the original document from a philosophy to an actual plan that could be implemented. They have also produced a draft 2008 Space Utilization Approach which, when combined with the County space standard, gives the Board an additional tool with which to aid them in making proper spatial decisions. They have diligently worked on public partnerships with City of Gresham, City of Portland, State of Oregon, and PDC to combine new or existing development opportunities in order to combine functions which would save tax payer dollars by providing joint facilities.

Currently Asset Management has plans in place to reach all the goals within the Disposition Strategy in FY 09 which will lower operating costs by an estimated \$2.5 million, reduce overall square feet by 479,232, reduce deferred maintenance by \$21.6 million, and reduce the number of sites by 26. The section will then shift its focus toward full implementation of the Long Term Strategic Plan.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY06-07)	Current Year Purchased (FY07-08)	Current Year Estimate (FY07-08)	Next Year Offer (FY08-09)
Output		0	0	0	0
Outcome	90% of leases renewed or terminated 1 month prior to expiration	0.0%	0.0%	90.0%	90.0%
Outcome	Real Estate files updated 10 days after receipt of executed documents	0.0%	0.0%	90.0%	95.0%
Outcome	Approval of Strategic Plan update	0.0%	0.0%	0.0%	100.0%

Performance Measure - Description

 **Measure Changed**

Performance measures have been changed from 2008 program offer to reflect the inclusion of special projects. This modification creates a potential to add the approval of the strategic plan update as a measure and represents both sections work within the measures.

Legal/Contractual Obligation

No legal/contractual obligations. Real Estate Section does significant work with the County Attorney (saving them over 200 hours of estimated staff time per year).

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2008	2008	2009	2009
Personnel	\$0	\$207,872	\$0	\$478,620
Contracts	\$0	\$10,000	\$0	\$20,000
Materials & Supplies	\$0	\$5,900	\$0	\$4,432,012
Internal Services	\$0	\$12,445	\$0	\$12,871
Subtotal: Direct Exps:	\$0	\$236,217	\$0	\$4,943,503
Administration	\$4,569	\$89,136	\$11,203	\$161,756
Program Support	\$5,161	\$0	\$9,781	\$0
Subtotal: Other Exps:	\$9,730	\$89,136	\$20,984	\$161,756
Total GF/non-GF:	\$9,730	\$325,353	\$20,984	\$5,105,259
Program Total:	\$335,083		\$5,126,243	
Program FTE	0.00	2.00	0.00	5.00
Program Revenues				
Fees, Permits & Charges	\$0	\$236,217	\$0	\$3,498,570
Intergovernmental	\$0	\$0	\$0	\$1,444,933
Program Revenue for Admin	\$0	\$0	\$151	\$161,605
Total Revenue:	\$0	\$236,217	\$151	\$5,105,108

Explanation of Revenues

Asset Management's main revenue source is the internal facilities charges to other Depts. Real Estate services are becoming more self-sustaining through in-house representation in major transactions including over \$18m in sales; saving over \$250,000 in outside commissions. In 2009 an anticipated sales volume of \$6m will result in cost avoidance of at least \$120,000.

Significant Program Changes

✔ Significantly Changed

Last year this program was: #72046, Facilities Asset Management

Offer includes both Real Estate & Special Projects. Changes include:

* Adds a Property Management Specialist. (Reclass. of existing Fin. Spec. I which has been assigned to Real Estate for more than a year.)

* Eliminates a Project Manager in Special Projects; transfers and reclassifies a Limited Duration FS1 in Capital (PO#72053) to a permanent FS-3.

Changes create no net different to FTE count