

Lead Agency: Department of County

Program Contact: John Lindenthal

Program Offer Type: Internal Service

Related Programs: 78003, 78005, 78007, 78012

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 (CIP) creates an annual 5-year Capital Plan that focuses on the County's 17 primary owned Tier II and III buildings. A Tier II building is one that is a desirable part of the County's long-term portfolio but has significant deferred maintenance needs which must be addressed. A Tier III building is one that is not economical or impractical to bring to County standards and is therefore designated for disposition. Capital expenditures are avoided or minimized in Tier III facilities pending disposition of the building, if possible. The plan works in conjunction with the 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. 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 that benefit the building users and extend the useful life of the building.

The 5-year CIP Plan sets clear goals and fosters communication with departments as well as providing a tool to facilitate collaboration with both internal and external clients and building users. The program is working on modifying the Facility Asset Management Evaluation (FAME) database into PULSE (Planned Useful Life - System Evaluation). The modified database will more closely reflect our business practices on capital improvements. This effort will be complete for the FY 14 budget cycle.

The Facilities Asset Strategic Plan (FASP) will also alter the projections on Capital needs into the future. There is currently an identified capital need estimated at \$25,000,000 per year in fiscal years just outside the current 5-yr Capital plan (FY17-FY21). Current Countywide, Facilities and Capital efforts are working on this issue. Based on 8% fee increases each year FY18 Capital revenue is projected to be \$11,000,000.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY10-11)	Current Year Purchased (FY11-12)	Current Year Estimate (FY11-12)	Next Year Offer (FY12-13)
Output	Completed CIP Projects	80.7%	85.0%	84.4%	85.0%
Outcome	Percent of Primary Owned Buildings which are rated as	65.4%	66.7%	66.7%	66.7%
Outcome	Project Management costs (\$/hr)	91	91	91	92

Performance Measure - Description

The metric (output) for completed projects are those adopted stand-alone projects that are scheduled to be completed in current fiscal year. Only multi-year projects which are scheduled for completion in the subject year are included in the metric. The project completion metric is set at 85%. This allows for flexibility in adjusting project schedules due to County needs and unforeseen circumstances.

A Tier I building is one which is designated for long-term retention and which meets current County standards. East County Courthouse (ECC) will be completed in FY12. Penumbra Kelly Bldg. disposition transaction will close June 30, 2012. These are in the FY12 estimate for Tier 1 building metric.

Comparable project management costs at the City of Portland in FY12 are \$106/hr.

Legal/Contractual Obligation

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2012	2012	2013	2013
Personnel	\$0	\$109,951	\$0	\$30,724
Contracts	\$0	\$800,000	\$0	\$3,273,855
Materials & Supplies	\$0	\$3,700,000	\$0	\$7,594,000
Internal Services	\$0	\$475,000	\$0	\$450,000
Capital Outlay	\$0	\$33,668,659	\$0	\$17,244,221
Total GF/non-GF:	\$0	\$38,753,610	\$0	\$28,592,800
Program Total:	\$38,753,610		\$28,592,800	
Program FTE	0.00	0.00	0.00	0.00
Program Revenues				
Fees, Permits & Charges	\$0	\$4,679,274	\$0	\$3,129,267
Intergovernmental	\$0	\$1,019,700	\$0	\$367,656
Other / Miscellaneous	\$0	\$33,054,636	\$0	\$25,095,877
Total Revenue:	\$0	\$38,753,610	\$0	\$28,592,800

Explanation of Revenues

Estimated capital fees collected at \$3.20 per square foot on Tier II & III owned space are \$3,129,267 for FY 2013.

Estimated Beginning Working Capital of \$19,648,190 includes restricted funds of \$9,143,950 from the Portland Development Commission for redevelopment of Hawthorne Bridge Ramp.

Intergovernmental agreement with the City of Portland for the Justice Center is \$367,656.

Interest Earnings \$60,000.

Cash Transfer from fund 3505 (Facilities Fund) \$379,411.

Cash Transfer from Animal Services \$8,276 FY13 pmt.

Significant Program Changes

✔ Significantly Changed

Last year this program was: #78008A, Facilities Capital Improvement Program (CIP)

The Penumbra Kelly Bldg. has been removed from the Tier II building calculation as it has been sold effective June 30, 2012.

The large budget reduction reflects the completion of the East County Courthouse during the spring of 2012.

The Sheriff's Office Willamette River Boathouse is in need of replacement and has been added as a project in the Capital program. A Capital funding strategy for future replacements of Sheriff's office boathouse's is being formulated and will be implemented.

\$5 million in debt proceeds is included in anticipation of the need to pay for pre-development costs associated with the potential construction of a new facility to replace the McCoy Building in FY 2013.