



FY09 PERFORMANCE PLAN Office of Property Management

MISSION

Support the District Government and residents through strategic real estate management, construction and facilities management.

SUMMARY OF SERVICES

The Office of Property Management (OPM) has primary responsibility for facility management services within the District government. OPM performs acquisition, construction, leasing, facility management, repair and alteration, facility modernization, and security services for the tenant agencies and occupants of its facilities. There are 64 agencies or independent operating units occupying space in 334 facilities under the control of OPM. OPM is also responsible for the disposal of all city-owned, surplus real property except for sports complexes.

OBJECTIVE 1: Maximize the efficient and effective use of District-owned property by agencies and reduce dependence on leased space.

INITIATIVE 1.1: Collect data on the space needs of 6-10 agencies and incorporate the information into a comprehensive strategy to achieve efficient and effective space use for the District.

Conducting a rigorous review of agency space needs allows OPM to maximize the fit and use of space in government buildings. With this accurate data, OPM can achieve cost savings in future space procurement through more strategic space and operational planning. By July 2009, OPM will gather detailed information of agency space needs from DOES, MPD, DOH, FEMS, DYRS, DMH and others as the need arises. In December 2008, OPM will finalize the District's first Master Facilities Plan and distribute it to District agencies.

INITIATIVE 1.2: Through a multi-year effort, institute business processes and integrated systems to improve accuracy, streamline asset management and decision-making, and provide information to client agencies.

Currently, OPM relies on a variety of manual records for information on the District's real estate assets. A computerized system will result in more effective management of assets and greater transparency to our clients. In FY09, OPM will develop business processes for our portfolio and facilities management divisions and in FY 10 OPM will implement a "best of breed" computer application to give OPM staff easy access to accurate data and streamline the work of the agency. During the 1st quarter of FY09, OPM will roll out EnergyCAP to our clients and the Office of the City Administrator. EnergyCAP is a software program which facilitates more efficient research, reporting, payment, and transparency in the calculation of fixed costs. EnergyCAP will enable customer agencies to view their energy consumption data in a more current basis and will empower agencies to cut costs by modifying their consumption. .

INITIATIVE 1.3: Consolidate agency operations and transition agencies from over 100,000 square feet of leased space to District-owned facilities.

The District is leasing over 3.7 million square feet of space. To improve its space efficiencies, the District is creating new government facilities in the Anacostia and Minnesota Avenue/Benning Road communities. In FY08, OPM awarded the Minnesota-Benning Government Center construction contract, and construction is expected to be completed in 2010. The Anacostia Gateway Project, which will be awarded in FY09 and is expected to be complete in FY12, will centralize all DDOT offices. In FY09, OPM will vacate a net of 200,000 square feet



of leased space by moving the agencies residing at 801 N. Capitol Street NE, 810 First Street NE, 51 N Street NE, 2041 MLK Ave SE, 2217 14th Street NW, and 3335 V Street NE. To more efficiently use office space, OPM will consolidate additional personnel in office space leased by OCTO, DDS, and OAG. These, combined with FY08 and FY10 efforts, will lead OPM to exceed its goal of 700,000 square foot reduction over three years.

INITIATIVE 1.4: Achieve consumption efficiencies by implementing energy conservation measures.

In FY08, the District achieved \$1 million in savings compared to FY07 in natural gas expenditures through a reverse auction in contracting and incorporated energy saving measures in several of its construction projects. In FY09, the District will conduct another reverse auction to contract for electricity services. By July 2009, OPM will implement a project to conduct audits of ten buildings, compare them with the condition assessment we are developing, and then award energy performance contracts for vendors to retrofit the buildings. Vendors will be paid from the energy savings earned after the retrofit. The audits are expected to take up to a year from commencement.

OBJECTIVE 2: Provide a clean, safe and operational work environment for District agencies through effective and efficient facility management, maintenance and protective services.

INITIATIVE 2.1: Implement a system to manage maintenance and repair work orders to enhance delivery of quality facility services to District agencies.

Currently OPM utilizes a paper-based work order system. The completion of work orders is tracked manually, which slows reporting and the identification of inefficiencies. In FY08, OPM partnered with OCTO to develop Remedy, an application which generates, assigns and tracks work orders. The initial roll out of the system included Reeves, OJS and 95 M Street SW. In FY09, OPM will finalize the business processes associated with using Remedy and roll it out to the remaining District owned facilities not under a consolidated maintenance contract. Once there is enough data, OPM will use Remedy to diagnose bottlenecks, allocate resources and find efficiencies.

INITIATIVE 2.2: Develop and implement a preventative maintenance and routine replacement program to maximize longevity of assets and reduce annual operating and repair costs.

The absence of a comprehensive preventative maintenance program subjects District facilities to increased emergency repairs and deteriorating equipment which is costly to repair. In FY08, OPM reviewed and inventoried equipment to determine the condition of the equipment, researched manufacturers' suggested maintenance schedules and developed a draft maintenance program. By July 2009, OPM will develop a comprehensive preventative maintenance program, for the Reeves Center, One Judiciary Square and 95 M St SW covering areas such as HVAC, elevators, building shell conditions, plumbing and other mechanical systems. OPM will review and tailor current service contracts for compliance with building needs, tenant agency requirements and industry standards. Preventive maintenance protocols will improve management oversight, improve facility operations and extend equipment life.

INITIATIVE 2.3: Implement security assessments of District space to reduce security expenditures by leveraging technology to replace reoccurring contract guard costs.

In FY08, the District spent approximately \$28 million on contracted security services. By July 2009, OPM will analyze technological alternatives such as video monitoring and access cards to reduce the number of personnel needed to meet security requirements at District facilities. In



winter and spring of 2009, OPM will make improvements to the lobbies of One Judiciary Square and Reeves Center to better utilize technology to secure the building. Additionally, OPM will re-compete the contract for guard services in spring of 2009 to achieve cost savings and improve service delivery.

INITIATIVE 2.4: Expand waste prevention and recycling programs to increase diversion rates, increase types of commodities collected and reduce costs of trash/recycling transportation.

Under the DC Solid Waste and Multi-Materials Recycling Law the District is required to achieve a diversion rate of 45% (diversion rate = recycling tonnage/total waste stream tonnage). The law applies to owners or occupants of commercial properties and requires the separation of solid waste recyclable materials. In FY08, OPM tracked diversion rates for the following buildings: Wilson, Judiciary Square, Reeves, and Daly, and by July 2009 OPM will expand this monitoring to include the DC Armory, DC General Campus, 95 M Street, and the Unified Communications Center during the spring of 2009. Through program expansion listed supra, the District will further increase our recycling diversion rates which results in less materials going to landfills and potentially cost savings.

OBJECTIVE 3: Support the efficient provision of government services through high quality and efficient stewardship of constructed assets.

INITIATIVE 3.1: Complete or start construction on major building projects, complying with new OPM space standards and LEED Silver requirements.

The District maintains a number of aging facilities that no longer efficiently meet the needs of District agencies and hamper the provision of quality services. In FY09, OPM will execute a number of major building projects to provide new and higher quality services to residents. Construction Projects breaking ground in FY09 include: Ward 6 Senior Wellness Center; School Repurposing; Minnesota-Benning Government Center; Anacostia Gateway Government Center; and the Consolidated Forensics Lab. Construction Projects that will be completed in FY09 include: Restoration of Eastern Market; Oak Hill Youth Center; MPD Fusion Center; and the Ward 1 Senior Wellness Center.

All new construction and significant renovations are mandated to be certified as LEED Silver. In FY09, OPM will incorporate energy saving measures in the design, procurement and construction processes of all building projects.

INITIATIVE 3.2: Implement the Project Management Information System to track construction projects against time and budget.

In FY08, OPM developed a comprehensive web-based Project Management Information System (PMIS) to enhance the efficiency by which OPM manages projects. The PMIS will improve project managers' ability to monitor and track all capital construction projects. OPM will complete testing of the PMIS in the fall of 2008 to ensure the system is functioning properly. During the test phase, all OPM construction staff will be trained on how to use PMIS. OPM will fully launch PMIS in the winter of 2009. Through implementing PMIS, OPM will reduce the lag time between the funding allotment and project initiation, thus decreasing the timeline for project completion.

INITIATIVE 3.3: Repurpose 6 closed schools for agency relocation and develop plans to reuse 8 additional schools.



In FY08, OPM responded to the Mayor's call to repurpose 23 closed schools. To maximize use of owned properties, OPM will use 6 of these schools for agency relocation. The programming effort to relocate DC Government users from 10 agencies began in FY08 and will continue in FY09, with agencies slated to move in during the winter of 2010. In addition, OPM is managing the reuse of 8 schools not fit for agency relocation. In FY08 OPM issued a Request for Expressions of Interest and in FY09, the agency will work with the Deputy Mayor for Planning and Economic Development and the Office of Planning to pursue the most efficient and effective use of the closed schools.



PROPOSED KEY PERFORMANCE INDICATORS

Measure	FY07 Actual	FY08 Target	FY08 YE Actual	FY09 Projection	FY10 Projection	FY11 Projection
Objective 1						
Total electricity consumption at District-owned facilities	Baseline year	105,952,638 kwh ¹	375,340,088 kwh	337,806,079 kwh (10% reduction) ²	324,293,836 kwh (4% reduction)	311,322,083 kwh (4% reduction)
Reduction of leased space by 700,000 SF over 3 years (6% annual reduction)	Baseline year	3,483,577 SF ³	3,576,846 SF (decrease of 182, 285 SF)	3,410,652 SF ⁴ (decrease of 258,858 SF)	3,321,568 SF (decrease of 258,858 SF)	3,321,568 SF
Percent of District Government office space currently leased	Baseline year	50%	48.3%	39.1%	25%	15%
Percent of leased space that is currently occupied ⁵	Baseline year	90%	87%	87%	100%	100%
Percent of district-owned and usable space that is currently occupied	Baseline year	83%	100%	100%	100%	100%
Cost per SF for leased space vs. market	Benchmark	Benchmark	Market+\$50.26 DC Leased=\$34.91	Market=\$51.89 DC Leased=\$38.41	Market=\$53.57 DC Leased=\$42.25	Market=\$53.31 DC Leased=\$46.47
Objective 2						
Percent of emergency repair requests responded to within 2 hours	**Revision of KRM 2.3: Emergency repair requests responded to within 24 hours	80%	89%	92%	95%	98%
Percent of non-emergency repair requests responded to within 48 hours	Baseline year	50%	84%	87%	90%	93%
Number of repair requests	Baseline	60	63	50	40	40

¹ In the past, this measure was evaluated on an average consumption per facility basis. In FY08 and beyond, we are evaluating it as total consumption in all owned buildings.

² The FY09 baseline is 375,340,088 kwh.

³ The FY08 baseline was 3,716,910 SF.

⁴ The FY09 baseline is 3,655,388 SF. It differs from the square footage at the end of FY08 because at the end of FY08, OPM began a review of all leases and to update the Operation Plan with information found in the leases. This will be a continual process until we are able to verify all owned and leased square footage in our inventory.

⁵ The industry standard for optimizing occupancy rates is to maintain 5% of the space as unoccupied. This reserve space provides flexibility to accommodate additional temporary or long-term building occupants or any other changes in space configurations. A 100% occupancy rate for leased and District-owned office space therefore refers in actuality to full occupancy of 95% of the total space remaining after accounting for the 5% set-aside.



per 100,000 SF maintained	year					
Total annual recycling tonnage (Wilson, Reeves, One Judiciary Square, Daly)	Baseline year	393 tons	389 tons	413 tons (5% increase)	434 tons (5% increase)	455 tons (5% increase)
Total annual diversion of recyclables (Wilson, Reeves, One Judiciary Square, Daly)	Baseline year	45%	40%	47%	50%	53%
Percent reduction in contracted guard hours required compared to FY08 (Based on # of buildings guarded as of 9/5/08)	N/A	Baseline year		7% ⁶	10%	13%
Objective 3						
Percent of construction projects completed within 10% of allotted time for project.	**Revised measure for FY09 ⁷	85%	68% (based on previous measure)	80%	83%	84%
Percent of construction project completed within 10% of original budget	**Revised measure for FY09	85%	64% (based on previous measure)	80%	83%	84%
Percent of construction projects where OPM directed change order values do not exceed 5% of the original awarded construction contracts.	**Revised measure for FY09	85%	(76% based on previous measure)	80%	83%	84%
Percent of OPM capital projects will be assigned to a PM and a project schedule will be developed within 7 days of funding.	N/A	Baseline year		95%	95%	98%

⁶ The FY09 baseline is 1,238,336 contract guard hours for 93 buildings.

⁷ This should be calculated in calendar days, beginning at "Notice to Proceed" and ending at "beneficial Occupancy."