

Real Property Asset Management Branch

Department: Business Transformation Services

Executive Director: Stephen Finnamore

Branch: Real Property Asset Management Branch

A/Director: Barry Robinson

I. Branch Overview

Branch Objectives

As the Corporate Landlord, Real Property Asset Management (RPAM) holds all real property and provides comprehensive property management and professional services to program occupants of the property assets required for their respective program delivery. RPAM is responsible for:

- Acquiring and disposing of all real property assets
- Providing management, operation, maintenance and renewal of all real property improvements
- Providing technical and professional services (i.e. Corporate Security, Real Estate Services, Environmental and Energy Management, Design and Construction management services, Architectural, Landscape Architectural and Engineering Services, Accommodation Planning and Interior Design Services)
- Conducting operational and strategic planning for and rationalization of the real property portfolio
- Providing advisory services on all aspects of the City's real property portfolio to senior City management and to Council

II. 2008 Considerations

Branch strategic directions for 2008

RPAM branch priorities will be support the following Council strategic directions and objectives:

Service Delivery

- Update Service Level Agreements, service delivery standards and undertake client satisfaction surveys.
- Integrate outcome-based performance measurement into evolving service delivery model.
- Implement Branch Process Review Program (BPRP) recommendations
- Manage increased building maintenance costs as a result of growth due to new and/or expanded facilities.
- Meet legislative compliance requirements for the maintenance of fuel dispensing and Nederman systems.

Sustainability/Infrastructure Renewal

- Develop a comprehensive plan for asset and facility rationalization.
- Close the gap in renewal of general facilities, to a LEED (Leadership in Energy and Environmental Design) standard if possible, and of parks, by 10% per year.
- Manage inflationary costs for utilities, materials and supplies and lease costs.
- Identify key municipal facilities of Citywide significance and implement an effective remediation and restoration plan for these assets where required.

Real Property Asset Mangement - Reduction Options

Program / Service Adjustment	Code	2008 Reductions				2009 Reductions				Total	
		Expend.	Rev / Rec	Net	FTE's	Expend.	Rev / Rec	Net	FTE's	Net	FTE's
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<p><u>Option - 1</u> Eliminate funding to support Enhanced Graffiti Management Strategy and Graffiti Management By-Law.</p> <p><u>Impact on Public/City Departments</u> The City will continue to remove graffiti off City-owned buildings and facilities in the zero-tolerance zones, but there will be an impact on how quickly and how frequently it will be done. This represents a 100% reduction in the proposed enhanced portion of the program.</p>	B	490	-	490		-	-	-		490	-
Total		490	-	490	-	-	-	-	-	490	-

<p>A - Revenue Solution B - Reduced Operating Need C - Deferred Capital</p>	<p>D - Program / Service Reduction - Increased Growth E - Program / Service Reduction</p>
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Operating Requirements

By Program	2006		2007			2008	
	Actual	Budget	Unaudited Actual	Budget	Actual vs. Budget	Provisionally Approved	Approved vs. Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Director's Office	306	477	383	470	87	441	(29)
Corporate Security	1,243	1,255	1,369	1,464	95	1,584	120
Business & Operational Services	787	891	804	872	68	940	68
Program Properties Mgmt	62,315	63,040	62,539	65,897	3,358	71,799	5,902
Venture Properties Mgmt	47,040	46,064	47,811	47,434	(377)	49,765	2,331
Comprehensive Asset Mgmt	2,519	2,569	2,539	2,584	45	2,614	30
Facilities Design & Construction	2,480	2,710	2,582	2,748	166	2,778	30
Real Estate Services	3,861	4,526	4,085	4,666	581	5,817	1,151
Total Expenditures	120,551	121,532	122,112	126,135	4,023	135,738	9,603
Client Recoveries *	(78,999)	(82,021)	(84,110)	(86,239)	(2,129)	(91,774)	(5,535)
Productivity Improvements	-	-	-	-	-	(533)	(533)
Water & Sewer Cost Allocation	(63)	(63)	(63)	(63)	-	(65)	(2)
Net Expenditures	41,489	39,448	37,939	39,833	1,894	43,366	3,533
Revenues							
Federal / Provincial	-	-	-	-	-	-	-
City Reserves	(425)	(425)	(340)	(255)	85	(175)	80
General/Fees/Charges	(8,522)	(8,030)	(8,775)	(8,400)	375	(8,400)	-
Total Revenues	(8,947)	(8,455)	(9,115)	(8,655)	460	(8,575)	80
Net Requirement	32,542	30,993	28,824	31,178	2,354	34,791	3,613
By Expenditure Type							
Compensation and Benefits	47,247	47,977	49,025	49,172	147	53,222	4,050
Materials and Services	65,587	66,807	63,371	68,627	5,256	73,640	5,013
Transfers/Grants/Financial Charges	2,813	2,956	2,678	2,911	233	2,911	-
Fleet Costs	2,533	2,626	2,614	2,877	263	3,344	467
Program Facility Costs	-	-	-	-	-	-	-
Other Internal Costs	2,371	1,166	4,424	2,548	(1,876)	2,621	73
Total Expenditures	120,551	121,532	122,112	126,135	4,023	135,738	9,603
Full Time Equivalents	729.80	729.80	746.70	746.70	-	759.30	12.60

(*) See following Supplementary Information page for additional information on the program.

Department: *Business Transformation Services*
 Branch: *Real Property Asset Management*

Draft Operating Resource Requirement Analysis

By Program	2007 Budget	2007 Adjustments	Maintain Existing Services	Provincial / Legislated	Growth	New Operating Needs	Efficiency Target	User Fees / New Revenues	2008 Estimate
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Director's Office	470	-	(29)	-	-	-	-	-	441
Corporate Security	1,464	-	120	-	-	-	-	-	1,584
Business & Operational Services	872	-	(7)	-	75	-	-	-	940
Program Properties Mgmt	65,897	(1,100)	6,137	40	745	80	-	-	71,799
Venture Properties Mgmt	47,434	(730)	1,467	-	1,134	460	-	-	49,765
Comprehensive Asset Mgmt	2,584	-	30	-	-	-	-	-	2,614
Facilities Design & Construction	2,748	-	30	-	-	-	-	-	2,778
Real Estate Services	4,666	-	966	-	185	-	-	-	5,817
Total Expenditures	126,135	(1,830)	8,714	40	2,139	540	-	-	135,738
Client Recoveries	(86,239)	-	(3,561)	(20)	(1,559)	(395)	-	-	(91,774)
Productivity Improvements	-	-	-	-	-	-	(533)	-	(533)
Water & Sewer Cost Allocation	(63)	-	(2)	-	-	-	-	-	(65)
Net Expenditures	39,833	(1,830)	5,151	20	580	145	(533)	-	43,366
Revenues									
Federal / Provincial	-	-	-	-	-	-	-	-	-
City Reserves	(255)	130	-	-	-	(50)	-	-	(175)
General/Fees/Charges	(8,400)	-	-	-	-	-	-	-	(8,400)
Total Revenues	(8,655)	130	-	-	-	(50)	-	-	(8,575)
Net Requirement	31,178	(1,700)	5,151	20	580	95	(533)	-	34,791
Full Time Equivalent	746.70	-	-	-	12.60	-	-	-	759.30

Department: *Business Transformation Services*
Branch: *Real Property Asset Management*

Supplementary Information
Draft Operating Resource Requirement

Program: *Client Recoveries*

By Client	2006		2007			2008	
	Actual	Budget	Unaudited Actual	Budget	Actual vs. Budget	Provisionally Approved	Approved vs. Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<u>Program Facility Costs</u>							
Parks and Recreation	33,799	35,705	34,898	36,500	1,602	39,917	3,417
Transit Services	17,151	18,985	19,612	19,789	177	21,478	1,689
Police Services	4,483	4,652	4,903	4,984	81	4,964	(20)
Ottawa Public Library	3,309	3,572	3,155	3,664	509	3,707	43
Employment and Financial Assistance	3,934	4,045	3,217	3,287	70	3,145	(142)
Long Term Care	2,669	2,838	2,906	3,035	129	3,049	14
Fire Services	2,113	2,059	2,050	2,405	355	2,429	24
Ottawa Paramedic Services	1,465	1,545	1,699	1,579	(120)	1,615	36
Cultural Services & Community Funding	1,111	1,018	1,220	1,226	6	1,304	78
Child Care	652	636	683	670	(13)	671	1
Housing	582	637	543	657	114	660	3
Traffic and Parking Operations	701	716	646	605	(41)	607	2
Public Health	403	310	407	411	4	422	11
Other non-program facility cost recoveries	6,627	5,303	8,171	7,427	(744)	7,806	379
Total Recoveries	78,999	82,021	84,110	86,239	2,129	91,774	5,535

Category	Note	Exp \$000	Rev \$000	Net \$000	FTE'S #
2007 Adjustments	Savings in heating fuels and hydro due to optimal weather in 2007.	(1,700)	-	(1,700)	-
	Removal of one time funding at Lansdowne Park.	(130)	130	-	-
		(1,830)	130	(1,700)	-
Maintain Existing Services	All programs include an adjustment for 2008 contract settlements.	1,765	-	1,765	-
	Inflation on Hydro costs.	1,054	-	1,054	-
	Inflation on Natural Gas costs.	1,219	-	1,219	-
	Inflation on Water and Sewage costs.	180	-	180	-
	Increased Fleet costs due to inflation on fuel and maintenance.	224	-	224	-
	Increase to Police Facility as approved by the Police Service Board.	75	-	75	-
	Ray Friel facility costs	2,760	-	2,760	-
	Purchase of Surplus School Property	166	-	166	-
	City's contributions towards Kanata West Owners Group.	400	-	400	-
	Increased Facility Costs due to the City take over of Para Transpo.	231	-	231	-
	Inflation on service contracts (Janitors, HVAC equipment etc.).	215	-	215	-
	Maintenance costs related to City facility parking lots.	150	-	150	-
	Maintenance of undeveloped/vacant City owned lands.	120	-	120	-
	Inflation on joint use agreements with School Boards.	70	-	70	-
	Inflation on existing lease costs.	85	-	85	-
Increase in water and sewer allocation due to inflationary cost factors.	(2)	-	(2)	-	
Facility costs recovered from the Programming area.	(3,561)	-	(3,561)	-	
		5,151	-	5,151	-
Provincial / Legislated	Maintenance and inspection of fuel dispensing equipment at City ward yards plus inspection of new nederman systems installed at fire stations.	40	-	40	-
	Facility costs recovered from the Programming area.	(20)	-	(20)	-
		20	-	20	-
Efficiency Savings	Allocation of the 2008 productivity improvements as identified by the City Manager, which will be achieved through continuous process improvement initiatives to ongoing administrative and service delivery operations.	(533)	-	(533)	-

Description of Pressure - Growth	Metrics Calculation	Exp \$000	Rev \$000	Net \$000	FTE'S #
Full year impact of Swansea expansion for Transit operations.	Expansion of Swansea garage as a result of the fleet capacity optimization project.	130	-	130	2.00
Maintenance of the new bus garage parking facility opening in 2008.	The new garage parking facility will have 132 plug-in bus parking spaces.	50	-	50	-
Maintenance of new facilities.	Nine new or expanded facilities opening in 2008 require funding to cover the cost of maintaining these facilities.	520	-	520	4.60
Corporate Accommodations - Lease cost for Barrister House (180 Elgin).	Additional space requirement for the Risk Management Division of Legal and the MFIPA Division of City Clerks.	250	-	250	-
Maintenance of new bus shelters.	Addition of 50 new bus shelters.	80	-	80	1.00
Maintenance of new security systems installed in 2007 within City facilities and parks.	Installation of security systems within various City owned buildings and parks.	100	-	100	-
Support for the management and maintenance of electronic plans and drawings database.	New technology to manage facility plans and drawings.	75	-	75	1.00
Maintenance costs as a result of the Vulnerable Building capital project.	Three new generators are being installed at designated lodging facility, long term care facility and emergency family shelter.	30	-	30	-
Two additional staff to support acquisitions.	Increase in acquisitions as a result of capital works within Public Works.	185	-	185	2.00
Cost of Appraisals to be recovered from capital.		(185)	-	(185)	
New Transit Station and Park and Ride.	New park and ride supports the 3% growth in Transit ridership.	475	-	475	2.00
Fleet equipment purchases - Depreciation, fuel and maintenance.	New vehicles/equipment are required to support the programming and service growth as a result of new and expanded facilities opening in 2008.	244	-	244	-
Facility costs recovered from the Programming Area.		(1,374)	-	(1,374)	-
		580	-	580	12.60

Description of Pressure - New Operating Needs	Recommended Category	Service Impacts on Public	Exp \$000	Rev \$000	Net \$000	FTE'S #
Graffiti Removal.	Council Approved	To meet the Council approved enhanced graffiti removal management strategy.	490	-	490	-
Graffiti Removal - Facility costs recovered from the Programming areas.	-	-	(395)	-	(395)	-
One - time funding for Lansdowne legal settlement - Subject to funding from capital closures.	One-Time Funding	-	50	(50)	-	-
			95	-	95	-

