



Real Property Policysite

News and Views on
Real Property and
Workplace Policy

Spring 2004

President
Signs
Executive
Order
13327

to Improve
Federal Real Property
Asset Management

GSA hails EO 13327 as "a positive step to promoting effective stewardship of the government's real property."

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to the Government
of the 21st Century!**



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Our mission drives us into the 21st century: "The Office of Real Property promotes collaborative and innovative Governmentwide policies, products, and services for real property, the 21st century workplace, and entrepreneurial Government activities." We reach out on a global level to share information on Federal real estate and the workplace with our industry partners and the public through this newsletter and other avenues.

This is the **twenty-eighth** issue of REAL PROPERTY POLICYSITE, a quarterly publication of the Office of Real Property (MP), Office of Governmentwide Policy, U.S. General Services Administration, Washington, DC. Our newsletter shares the latest information on public and private sector real estate and workplace initiatives, trends, and best practices. We encourage your input. Contact us to let us know what you think, to contribute articles, or to be placed on our mailing list, by contacting the editor, Richard Ornburn, at richard.ornburn@gsa.gov, or (202) 501-2873

Cover Photos: GSA Public Buildings Service



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New Federal Initiatives

President Signs Executive Order 13327 to Improve Federal Real Property Asset Management

by Ronald Whitley, GSA Office of Real Property

Overall, we see Executive Order 13327 as a positive step to promoting effective stewardship of the government's real property.

There has been a growing list of challenges in the area of real property management facing the federal government for years. The President signed Executive Order 13327 entitled "Federal Real Property Asset Management," on February 4, 2004, which will address some of these challenges.

The order expands on Executive Order 12512 "Federal Real Property Management" that was signed by President Reagan in 1985, and strengthens the landholding agency stewardship of real property.

The Executive Order sets forth specific requirements that promote efficiency and effectiveness of federal real property management. Most of the requirements in the order are acquired from the administrative provisions in the real property reform legislation. The Executive Order directs that the following actions be taken:

- **Establish a Senior Real Property Officer ...** in the agency to develop and implement the agency asset planning process. This applies to those agencies covered under sections 901 (b)(10) and 901 (b)(2) of title 31 USC.
- **Create a Federal Real Property Council (FRPC) ...** in the Office

of Management and Budget (OMB) to develop guidance and provide leadership to ensure success of implementing a comprehensive and integration transformation strategy for federal real property. The Council will consist of agency SRPO's,

published by General Services Administration (GSA).

- **Create and maintain a governmentwide database ...** to better manage the government's 3.3 billion square feet inventory of realty assets. Also, GSA, in consultation with the FRPC, may establish information technology standards to facilitate the reporting of inventory data on a uniform basis.

Executive Order 13327 of February 4, 2004

Federal Real Property Asset Management

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 121(a) of title 40, United States Code, and in order to promote the efficient and economical use of Federal real property resources in accordance with their value as national assets and in the best interests of the Nation, it is hereby ordered as follows:

Section 1. Policy. It is the policy of the United States to promote the efficient and economical use of America's real property assets and to assure management accountability for implementing Federal real property management reforms. Based on this policy, executive branch departments and agencies shall recognize the importance of real property resources through in-

Administrator of General Services, CFO at OMB and chaired by the Deputy Director of Management at OMB.

- **Provide performance measures ...** to assess real property performance. These measures will be developed by OMB's FPRC and

- **Develop and promote real property legislative initiatives ...** for passage by the Congress. OMB and GSA, in collaboration with landholding agencies, will propose legislative proposals to improve real property management through adoption of appropriate private sector management techniques. >>>

New Federal Initiatives

>>> With the signing of the Executive Order, GSA expects that these initiatives will improve landholding agency accountability. The FRPC will also bolster SRPO efforts to improve the management of real property. Additionally, the Executive Order is a new program initiative to the President's Management Agenda that demonstrates a commitment by the Administration, GSA and landholding agencies to promote and pass real property reform legislation by the Congress.

The success of implementing this Executive Order will have a major influence on the type of real property we manage in the future.

- S. 1612 (part of the President's Freedom to Manage Act of 2001) introduced by the 107th Congress (October 15, 2001)
- H.R. 3947 (passed unanimously by the House Government Reform Committee) 107th Congress (March 14, 2002)

President's Budget. The Budget Enforcement Act of 1990, and accompanying Conference Report, requires that federal leases must be scored upfront in the President's Budget unless the transaction can satisfy OMB's A-11 criteria.

Transactions that meet the A-11 criteria are considered an operating lease and are not scored against the budget.

The inability to get a real property reform bill passed by Congress continues to take its toll on landholding agencies ability to efficiently and effectively manage the 3.3 billion square feet in the federal asset inventory. Agency reliance on outdated real property authorities has resulted in many buildings and facilities becoming functionally obsolete, unable to promote worker productivity, incapable of supporting environmentally healthy workplaces, ill-equipped to support 21st century technology and unable to remedy varying conditions of advanced deterioration in federal buildings.

Overall, we see Executive Order 13327 as a positive step to promoting effective stewardship of the government's real property. The order will promote better accountability, help ensure that landholding agencies accomplish their missions, and result in greater freedom to better manage their real property inventory. The success of implementing this Executive Order will have a major influence on the type of real property we manage in the future. ■

Sec. 6. General Provisions. (a) The Director of the Office of Management and Budget shall review, through the management and budget review processes, the efforts of departments and agencies in implementing their asset management plans and achieving the Government-wide property management policies established pursuant to this order.

(b) The Office of Management and Budget and the General Services Administration shall, in consultation with the landholding agencies, develop legislative initiatives that seek to improve Federal real property management through the adoption of appropriate industry management techniques and the establishment of managerial accountability for implementing effective and efficient real property management practices.

(c) Nothing in this order shall be construed to impair or otherwise affect the authority of the Director of the Office of Management and Budget with respect to budget, administrative, or legislative proposals.

(d) Nothing in this order shall be construed to affect real property for the use of the President, Vice President, or, for protective purposes, the United States Secret Service.

Sec. 7. Public Lands. In order to ensure that Federally owned lands, other

For many years GSA has supported legislation and engaged the Congress to pass meaningful real property reform. Passing reform legislation would provide landholding agencies with the appropriate management tools and financial incentives to manage their real property more efficiently. Legislative proposals include:

- S. 2805 (Federal Property Asset Management Reform Act of 2000) introduced by the 106th Congress (April 7, 2000)

- H.R. 2548 (introduced in the House Government Reform Committee) 108th Congress (June 19, 2003): Amended and passed by the Committee (July 17, 2003)
- H.R. 2573 (passed by the House Transportation and Infrastructure Committee) 108th Congress (June 24, 2003)

However, these efforts by the Administration, and executive branch departments and agencies have been derailed by the cost impact that the legislation would have on the

New Federal Initiatives

“Federal Real Property Advisory Group” Kicks Off 2004 With New Direction

by Andrea Wohlfeld Kuhn, GSA Office of Real Property

The Federal Real Property Advisory Group (FRPAG), previously known as the Federal Real Property Council, met at GSA on February 26th to set the year's agenda and discuss high priority real property issues. Forty-nine attendees representing 21 federal agencies attended. The group passed a resolution to change their name to FRPAG to avoid conflict with the newly created and separate Federal Real Property Council (FRPC) resulting from new Executive Order (E.O.) 13327.

While the FRPAG rated property reform as the number one issue to address in 2004, the group thought it best to define its role vis-à-vis the new FRPC after the first meeting of the FRPC, which occurred at the end of March.

CoreNet Global Presentations.

CoreNet Global officials Sherri S. Parman, Chief Financial Officer and Chief Administrative Officer, and Prentice Knight, Ph.D., Vice President, Discovery gave presentations. Members and agency representatives were invited to attend the CoreNet Global Summit “Corporate Real Estate 2010: Enabling Work in a Networked World”

in Chicago on May 15-19. Information and registration are available at <http://www.corenetglobal.org>. The 2010 project seeks to find answers to critical questions concerning major economic, demographic and other forces that will shape business in the near future. It is expected that the project will forge a long-term vision for the industry. In addition to research, CoreNet focuses on professional development, certification, leadership, and training.

CoreNet Global has also launched a new effort “Community of Learning: the Public Sector.” They have noticed increased growth in membership from the public sector, and think that the public and private sectors can learn from each other. Since both sectors are addressing issues such as tight budgets, aging workforces, cultural diversity, technological impacts, and security issues, it is thought that they would benefit from sharing information.

If you are interested in participating in the 2010 study, please contact Sherri Parman at (404) 589-3236 or at sparman@corenetglobal.org.

Prentice Knight, Ph.D., Vice President of Discovery for CoreNet

Global, facilitates worldwide forums and establishes dialogs with senior level executives. He cited the following as current trends in Corporate Real Estate Delivery:

- Centralization / Consolidation
- Expanding scope of responsibilities
- Repositioning – tactical to strategic
- Global cost reduction – portfolio management
- Enabling work
- Outsourcing
- Partnering
- Client Relationship Management
- Technology-enabled CRE management
- Integrated infrastructure management
- Evolution of Service Provider Industry

Executive Order 13327: Margie Lomax, Acting Deputy Associate Administrator for Real Property provided insight into the new E.O. Most importantly, it addresses >>>



New Federal Initiatives

>>> long-standing real property challenges, such as functionally obsolete buildings, need for sustainable workspaces, physical deterioration, maintenance and repair backlog, GAO high-risk designation, etc. The E.O. calls for agency designation of a Senior Real Property Officer (SRPO), establishment of a Federal Real Property Council within OMB, development and implementation of agency asset management plans, performance measures, a single database of all executive branch agency real property, and improved management of public lands. As a result, E.O. 12512 is repealed. The E.O. was signed on February 4, 2004, and is available at <http://www.whitehouse.gov/news/releases/2004/02/20040204-1.html>.

Federal Asset Sales. Mitra Nejad, GSA Public Buildings Service, Program Manager, Federal Asset Sales (FAS), provided attendees with information on the FAS program. It establishes a strategic

direction for real estate and is aimed at:

- Increasing net proceeds from real property asset sales
- Decreasing agency expenses in asset recovery and disposition
- Improving the utilization and disposal process
- Consolidating and improving governmentwide real property asset management
- Enhancing value to the citizen.

GSA's Office of Real Property will partner with PBS on this initiative and play a major role in the Governmentwide segment of the life-cycle of real property.

New Publications. Stan Kaczmarczyk, (GSA) Director, Innovative Workplaces Division, highlighted new publications from his office, including the recently published Innovative Workplace Strategies and Real Property Performance Results 2003, which

contains a new users manual for the widely-used (and newly redesigned) cost per person model.

e-RealEstate. Dennis Goldstein (GSA) Real Property Policy Division, provided an update on e-RealEstate. It is expected that an MOU will be finalized soon with the Corps of Engineers for retooling their real property information systems. He mentioned involvement with CoreNet Global, Open Standards Consortium for Real Estate (OSCRE), and the need to mesh the public and private sector.

In addition to e-RealEstate, he provided an update on the continued success of the Governmentwide Real Property Information Sharing (GRPIS) program and the innovative Federal Real Property Profile (FRPP).

For more information on the Federal Real Property Advisory Group, please contact Pat Rubino at (202) 501-1457 or pat.rubino@gsa.gov. ■



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Integrated Workplace

New Stanford Facility Enhances Collaboration

provided by Rob Obenreder, GSA Office of Real Property, from Article by James S. Russell, AIA, Architectural Record, February 2004

James H. Clark Center, California:
In the Clark Center, the task for Foster and Partners and MBT was no less than to define the way interdisciplinary research is done.

One of the great challenges in today's life sciences is turning research, such as the decoded human genome, into practices and products that people can use. Stanford University asked Foster and Partners and MBT Architecture to design a new research facility for them that encourages interaction and new ideas among related, but often discreet, scientific disciplines. The result is the James H. Clark Center, a new home for Stanford's Bio-X Program, a new research group that draws from the university's 23 life sciences disciplines.

According to David Neuman, Stanford's campus architect, a single

criterion ruled the site selection: "To pull people together." The new building is close to the departments involved, and the building is designed so people can walk through it instead of around it. The design team worked closely with the users to identify the needs of the research teams and to stretch the thinking of how a lab building should work. Through a series of workshops using cardboard models of furniture and equipment, the designers and occupants discovered the value of "immediacy" - of being able to write-up the results of an experiment right away and then move on to the next task.

Out of these exercises emerged a new lab-layout concept whose main

purpose is to foster cross-disciplinary collaboration. Except for some specialized conditions, the space is consists of large open areas where labs and office workstations share space and the users can easily move equipment and furniture to suit their needs. This open arrangement allows researchers to not only have their desk close to their lab, but also make each team's work more visible to each other. This encourages people to ask "How did you do that?" says Steven Chu, a faculty member on the project steering committee.

Everything in the building was designed to foster collaboration. The open labs, open exterior balconies, stairs, and bridges, refectory-style seating in the food court, and a coffee shop near the labs all encourage people to think in different ways and in different settings, and to share their thoughts with each other.

The research teams have taken the idea of reconfiguring their own space to heart. Some align their lab benches for easy access, others to keep open a daylight vista or to keep an eye on a fume hood from their desk. Some enjoy the daylight, others block off the windows to avoid distractions. The Clark Center culture doesn't work for all and some faculty and students have chosen not to participate.

David Nelson, the senior member of the design team, summed up the building by saying: "This was a great opportunity to explore ... how people sensibly relate to each other. Great places usually evolve over a long period. The challenge today is to make a great place that works instantly. It's tremendously difficult." The scramble to build versions of Bio-X elsewhere, however, suggest just how high the rewards of collaboration may be. ■



Sustainability

How Green Is My Roof?

By Phil Wagner, GSA Office Of Real Property

The Green or vegetative Roof has been around for a long time. Even before European settlers of the Great Plains built their sod homesteads, the Babylonians built hanging gardens and Norsemen covered the roof of their log buildings with sod. A portion of the Boston Common covers a parking garage, and Post Office Square, in Boston, is

an urban park over a 7 story parking garage. In an effort to reduce storm water pollution of rivers and stream, today's Germans have developed a sophisticated green roofing system.

There are basically three types of vegetative or green roofing systems:

The **INTENSIVE ROOFING SYSTEM** consists of 12 or more inches of soil and weighs 80- 150 lbs per square foot and is the most complex system. This system is basically a rooftop park comes with intense plantings, possibly trees, shrubs, an irrigation system and gardeners. It will also require a substantial structural system.

The **EXTENSIVE ROOFING SYSTEM** may have 1 to 5 inches of growth medium, weigh anywhere from 8 to 50 lbs per square foot and may be more easily adapted to existing structures. (A traditional roofing system, weighs about 4 lbs per square foot.)

The **MODULAR GREEN ROOFING SYSTEM** is simply mature vegetation planted in shallow plastic pallets that can be placed directly on an existing roof. The advantage of this system is that it can be arranged to meet building owner or maintenance requirements and placed to conform to any structural limitations. This may also be an appropriate way to take advantage of the benefits of a green roof, if the existing roof membrane is old but in good condition.

While each manufacturer has developed unique roofing assemblies a typical extensive green roof in section may look like this (see diagram at top of opposite page):

Why Should We Consider A Green Roof?

A green roof can address some aspects of all of the following executive orders. No other single building system can make this claim. The typical roof must be replaced every 15-20 years. So very >>>



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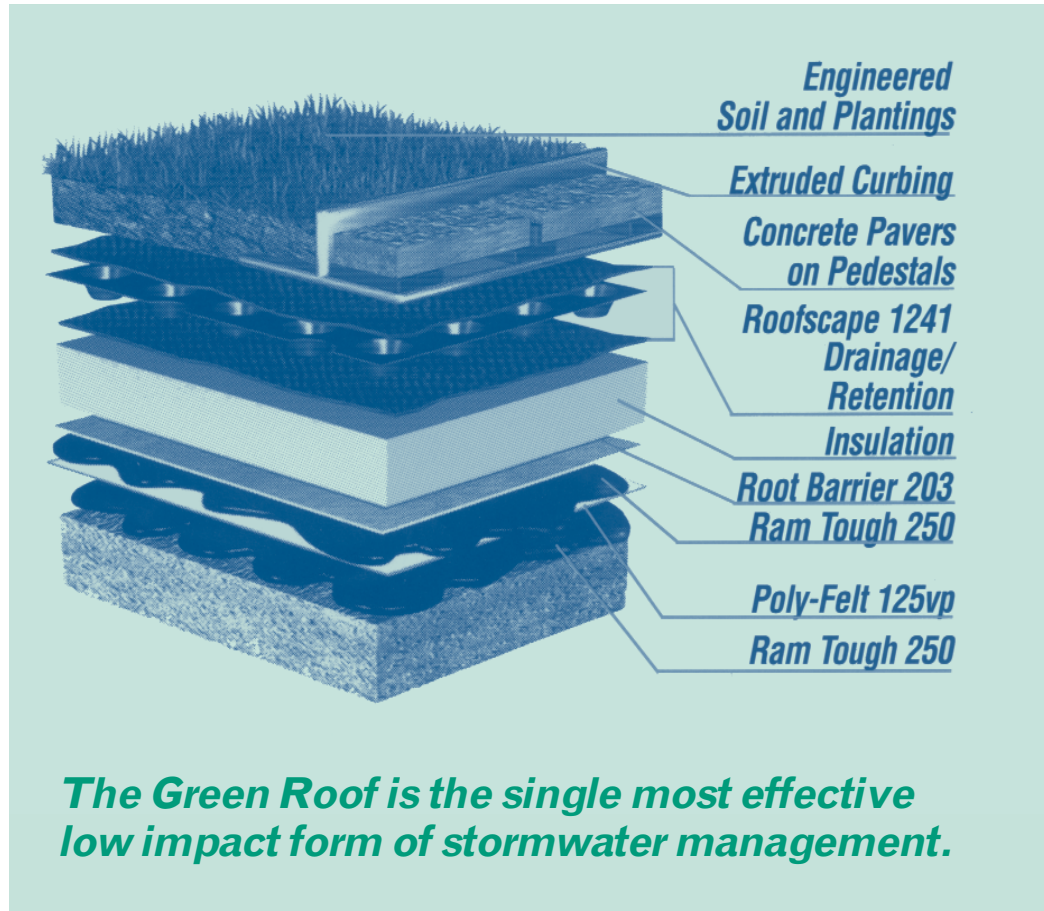
>>> soon you will have the opportunity to look very smart.

- EO 13148 Greening the Government Through Leadership in Environmental Management
- EO 13134 Developing and Promoting Biobased Products and Bioenergy
- EO 12123 Greening the Government Through Efficient Energy Management
- EO Greening the Government through Waste Prevention, Recycling and Federal Acquisition
- EO 11990 Protection of Wetlands
- EO 11988 Floodplain Management

What Does A Green Roof Do That A Regular Roof Can't Do?

While that is the primary benefit there are numerous other environmental, aesthetic and maintenance and operation benefits. In the natural condition, rain nourishes plants and replenishes the deep aquifers. There is virtually no run off. Anything greater than a 10-15% impervious surface is detrimental to the watershed causing dramatic changes to water quality, temperature, and health of aquatic life.

In the typical downtown sector more than 90% of the ground surface is impervious. 75% of the stormwater can be surface run off carrying with it surface litter, and pollutants degrading the streams and aquifers. The small permeable areas such as tree boxes are inundated with pollutants, nutrients are washed away, and the aquifer is starved. When rainwater exceeds the sewage



treatment capacity of a plant, raw sewage is discharged into the river.

New York, Chicago, Portland, Seattle and Toronto, for example, have seen the need to establish green roof programs not only because of the immediate environmental and fuel savings benefits of a green roof to building owners, but because of the overburdened infrastructures of these cities. In Germany 110 million square feet of green roofing have been installed since 1980. This is not just a decorative effort, but a necessity to reduce the load on urban sewer systems and pollution of the waterways. German scientists estimate that even if just 5% of the urban roofs are converted to extensive roofing systems, urban

water pollution problems might be controlled.

Within the Federal sector alone, it is estimated that expenditures for water and sewer run between \$ 0.5 billion and one billion dollars annually. Reducing water consumption and improving water quality are key objectives of sustainable design.

The earth and plant material of a green roof retain rainwater, moderate the temperature, filter the water, as a first step in water purification. This natural system reduces storm water run off allowing that water which it does not use to evaporate or percolate slowly helping to replenish the aquifers. The green roof >>>

Sustainability

>>> also serves as a practical system of storm water control that is far more economical and far more accessible for maintenance than underground sand filters, holding tanks or retaining ponds which are otherwise required by zoning.

How Much Does It Cost?

The First Cost of an EXTENSIVE roof system for a new building is approximately \$9 to \$20 per sq ft.- as compare with approximately \$6.50/sf for a conventional PRMA (protected roofing membrane assembly).

BUT REMEMBER **-Life cycle costs**

- The average life span of a green roof is two or three times longer than that of a conventional system.
- Long life conserves building materials reducing landfill and replacement costs.
- Decreases need for storm water retention infrastructure and maintenance of infrastructure
- Can lower sewerage fees and fees for sewer hook up
- Reduces insulation requirements.

- Reduces Cooling Costs by 58-70%
- Can recapture useable recreational space
- Increase property value by an estimated 6-15%

Climatic and Zoning Limits

Green Roofs can be found all over the country. Chicago, New York, Seattle, Portland, and Atlanta, and Toronto all are developing official programs to encourage green roofs on new buildings as well as retrofits. Since these appear in every type of climate and in every major city, there appear to be no restrictions other than structural. ■

Sustainability

The Costs and Rewards of Sustainable Design

Submitted by Rob Obenreder, GSA Office of Real Property;
Article By Michael Army

Do LEED-EB buildings have a measurable economic impact?

The two year pilot phase for the U.S. Green Building Council's LEED for Existing Buildings (LEED-EB) green building rating system is coming to a close. A number of projects within the program have already submitted their applications for certification. Upon initial review of these applications, members of the review team are confident that the pilot program's objective - to ensure the rating system is applicable to real, existing buildings - can be achieved. More importantly, some of the pilot project submissions have uncovered important insight into the financial benefits offered to facility executives who choose to incorporate LEED into their strategic plans.

Reducing Energy = Reducing Costs

Energy is the single largest operating expense for commercial office

buildings. Energy upgrades typically have a 20% to 30% rate of return and are low risk. Therefore, one of the first items on any green building "to do" list is lowering energy usage by installing energy efficient technologies and operating practices. These initiatives not only lower energy costs, but also help lower operational costs while reducing greenhouse gas emissions.

Describing the Joe Serna, Jr. Cal/EPA headquarters building in Sacramento, CA, currently enrolled in the LEED-EB Pilot Program, Craig D. Sheehy, director of property management for Thomas Properties Group (TPG), describes the facility as a "great story in green building design and construction."

As operators of the 950,000 square foot structure, TPG incorporated state of the art green building practices such as high efficiency task lights and motion sensors,

improved air handlers and HVAC equipment, and 736 photovoltaic panels that generate more than 55,000 kWh at peak exposure. These efforts and others led to a reduction of 1.5 million kWh for fiscal 2002 (in comparison to 2001 costs).

With the average cost of electricity in the U.S. in 2001 at 7.61¢ per kWh, conservatively estimated energy savings will equal \$114,150 annually. (California rates tend to run as much as 20% higher than national averages, meaning savings could be as much as \$137,000 annually.)

In addition, the facility purchases 100% green energy from its local utility provider for even less environmental impact. Green power, which earns a LEED-EB point, is a utilities strategy for providing customers with electricity generated from alternative energy sources such as wind, biomass, or solar.

Beyond Energy Savings

Energy reduction measures have a very short payback schedule, sometimes as little as six months. Consequently, energy savings allow organizations to finance other green building measures (such as composting and recycling on-site, planting indigenous landscaping material, or selecting building >>>

@ LEED - Leadership in Energy & Environmental D...

Back Forward Stop Refresh Home AutoFill Print Mail

Address: @ http://www.usgbc.org/leed/LEED_main.asp

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>>> materials with recycled content) with longer or no ROIs.

Reducing water usage is a large part of the LEED measures, and it is a significant savings stream. Low flow toilets and a waterless urinal program initiated in partnership with the State of California helped to reduce annual water utility costs significantly for the Joe Serna, Jr. Cal/EPA Headquarters.

Additionally, a number of behavioral studies are coming out and providing numbers that indicate there are even greater bottom line savings to be realized by going green. Green design features such as daylighting, thermal comfort, and low VOC carpeting, wall coverings, and furniture all play a key role in

defining an interior environment. In addition, they can have some of the following effects on occupant workforces.

Because the physical workplace can affect job satisfaction as much as 24%, an enhanced indoor environment can reduce the costs of churn and turnover due to dissatisfaction.

Proper thermal comfort and lighting result in a 6% to 16% gain in productivity from increased worker effectiveness, fewer errors, and fewer sick days. While not as readily quantifiable as the energy and operational impact, the environmental and social implications of green building choices can have a dramatic affect on the bottom line as well. The

health, safety, and comfort of employees, the positive message a green building sends to shareholders and the community, and the aesthetics of a well conceived and implemented building plan are all, in the long run, tremendous economic investments.

While the philosophy of green was at the core of the renovation, the society still managed to reap significant financial benefits as well. An independent evaluation concluded that the facility's value increased \$4 for every \$1 invested. Considering the NGS invested \$6 million in green building upgrades, it can be assumed that the market value of the buildings collectively increased close to \$24 million. ■

The screenshot shows a web browser window displaying the USGBC LEED website. The browser's address bar shows the URL http://www.usgbc.org/leed/LEED_main.asp. The website header includes the USGBC logo and navigation links for Login, Your Account, Contact, and Search. A main navigation menu contains links for ABOUT USGBC, JOIN, LEED, RESOURCES, NEWS, EVENTS, MEMBERS, and CHAPTERS. The 'LEED' section is active, displaying the title 'Leadership in Energy & Environmental Design'. Below the title, a paragraph describes the LEED Green Building Rating System™ as a voluntary, consensus-based national standard. A list of project categories is provided, including New construction and major renovation projects (LEED-NC), Existing building operations (LEED-EB, Pilot version), Commercial interiors projects (LEED-CI, Pilot version), Core and shell projects (LEED-CS, Pilot version), and Homes (LEED-H). A sidebar on the left lists various resources such as certification process, register your project, training workshops, publications, accreditation, project list, tsac, cir, and leed system drafts. At the bottom, a footer mentions USGBC member committees and provides a link to check for periodic LEED updates. The page number '12' is visible in the bottom left corner.

Sustainability

Putting The Future First

submitted by **Bob Harding**, GSA Office of Real Property;
Article by **Robert C. Barrett**, March 2004 APA Magazine

The Air Force revamps its strategy for reusing contaminated sites. Until recently, the typical U.S. Air Force approach to a contaminated site such as a landfill was to cap it and post signs saying "Keep Out."

Then the Air Force looked somewhere else for the land needed to build a new facility. Now that approach is changing. A new concept called "Future First Planning" is finding new uses for environmental cleanup sites.

Future first planning was born in 2003 after the environmental staff at Air Combat Command, the war fighting arm of the Air Force, asked the command's Civil Engineer, Brig. Gen. Patrick Burns, to take a look at a newly capped landfill at Langley Air Force Base in Virginia. He drove by the site on his way to lunch that day and immediately called his environmental staff.

"Let me get this straight," he said. "We capped the landfill. We put up large red and white signs every 100 feet around the property saying, 'Do not enter or dig on this site.' And we're proud of that? Come and see me tomorrow to discuss how we could have a future vision for that site before we start to clean it up."

Before you knew it, future first planning emerged and the signs came down.

Viewing land with new eyes

Now future first planning has its own acronym (F2P) and is taking on a life of its own. In 2003, the Air Combat Command (ACC) Civil Engineer did \$2.4 billion worth of planning, design, building, housing, environmental remediation, and facility

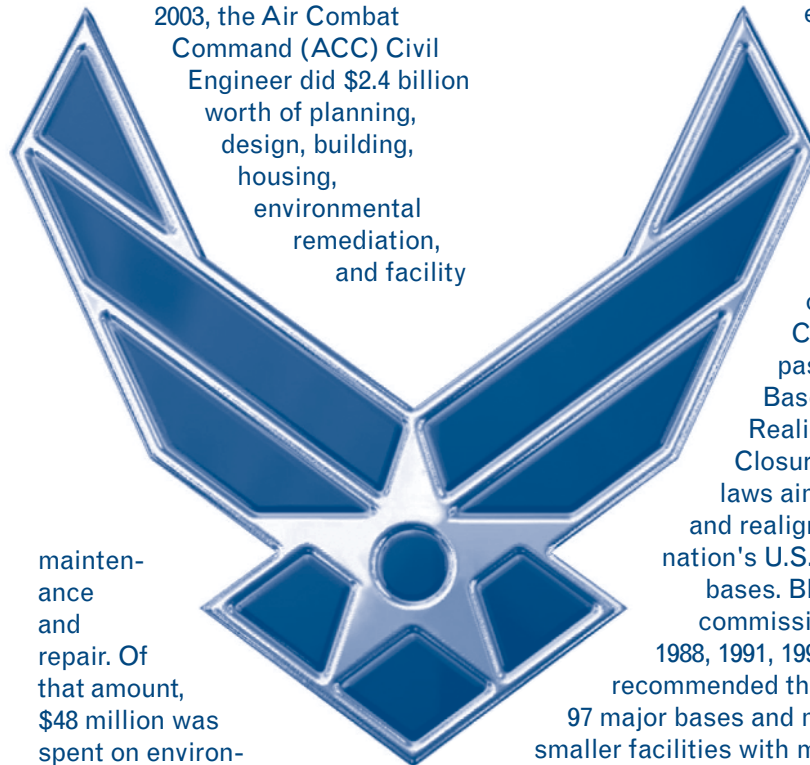
maintenance and repair. Of that amount, \$48 million was spent on environmental remediation alone.

Three F2P efforts are now under way at three ACC bases. All of them involve remediation efforts, but the scope of F2P is being expanded to also involve planning efforts.

F2P is a comprehensive framework designed to synchronize the Air Force's land-use planning, environmental planning, and eventual construction activities. F2P's major objectives are to improve the overall quality of Air Force facilities — places where Air Force people work, live, and play — while treating environmental restoration sites in a way that is consistent with future use. In other words, environmental restoration programs are being

linked directly to future planning in order to ensure the Air Force can use its real estate effectively.

All this has a history, of course. Congress has passed four Base Realignment and Closure (BRAC) laws aimed at closing and realigning the nation's U.S. military bases. BRAC commissions formed in 1988, 1991, 1993, and 1995 recommended the closure of 97 major bases and more than 100 smaller facilities with major changes, or realignment, to scores of other installations.



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This helps explain why each branch of the military must make the most efficient use of its real estate. The Air Force has closed 22 major bases and realigned 17 large facilities. In light of these changes, the Air Force has begun to look at environmental restoration sites as prime real estate, not discarded land. Remediation, redevelopment, and reuse are the crucial next steps.

To make all this happen, Air Force planners using F2P concepts will be required to develop partnerships with all the key players involved in managing installations. These include architects, construction agents, federal and state regulators, environmental professionals, and staff of the Air Force's Major Command and the Air Force base's senior decision makers.

It is the planners' job to evaluate the infrastructure system using F2P as a performance tool for real estate planning decisions. But they must also put those decisions in the context of the Air Force's long-term plans for each Air Force base.

Six elements

F2P has six key components:

- **Visualize.** The Air Force traditionally makes real estate decisions based on local requirements and current needs. In contrast, F2P promotes long-

term planning with an eye toward overall Air Force mission requirements, changing real estate circumstances, and evolving regulatory guidelines. This becomes the framework under which the F2P will operate to support the overall Air Force vision.

- **Conceptualize.** Numbers and dollars come next. Are potential projects feasible? Will the resources be available, including funding and real estate? This is where the tough issues surrounding environmental restoration will be addressed.
- **Plan.** The quality of upfront planning, synchronized with the overall vision and concept, will pay big dividends over the life of any project.
- **Design.** F2P will take advantage of industry standards, advances in technology, and time savings resulting from a performance-based approach. Designs will be aimed at site cleanup and reuse. Design based on these components will make the environmental restoration much more palatable.
- **Build.** Designers and builders will team up throughout the F2P process, ensuring that everyone shares the vision of what the Air Force expects for each project.
- **Deliver.** The F2P process will allow project managers to assign

various responsibilities, track financial milestones, and focus priorities on key details.

Benefits

Future first planning is not a totally new concept to those outside the federal government. But even in the private sector, developers shy away from contaminated sites due to cleanup costs.

Yet that may not be necessary. The F2P concept would work just as well in the private sector if private industry could link together the transfer of real estate ownership with cleanup and development instead of absorbing the cost associated with separate site remediation and construction efforts. F2P is nothing more than an organized management framework used to synchronize engineering planning within the overarching guidelines of a vision for future land use, Air Force or otherwise.

F2P enables planning, engineering, and building to occur under the umbrella of future land use, whether or not the land in question is military land. In other words, it is a way to put a vision into effect — and to do it efficiently and quickly.

At this point, the Air Force is counting on F2P to use all its real estate resources more effectively, to the benefit of both the Air Force and the American taxpayer. ■

VISUALIZE
CONCEPTUALIZE
PLAN
DESIGN
BUILD
DELIVER

Regulations

GSA Updating General Reference Guide and FMRs

by Ken Holstrom, GSA Office of Real Property

GSA's General Reference Guide for Real Property Policy is being updated. The guide consists of a listing, by subject area, of the legal authorities and requirements associated with various areas of real property activities. An update of the Guide is needed to incorporate changes in law since 1998 and to reflect changes in many legal citations resulting from the recent

recodification of Title 40 of the U.S. Code. The updated General Reference Guide is scheduled for release later this year.

The Office of Real Property Policy is in the process of updating Chapter 102, Subchapter C of the FMR, Real Property, initially issued in 2001 to replace the Federal Property Management Regulations. Many of

the legal citations in FMR Parts 102-71 through 102-83 are being changed to conform to Public Law 107-217, which revised, restated, and recodified certain laws related to public buildings, property, and works in Title 40 of the U.S. Code.

In addition, Subchapter C is being amended to provide real property policy coverage on the integrated workplace, sustainable development, outleasing, siting antennas on Federal property, seismic safety, telework, and the National Environmental Policy Act of 1969. The updated regulations are scheduled for publication in the Federal Register later this summer. ■

1998

1999

2000

2001

2002

2003

2004

Performance Measures

Real Property Performance Results 2003 Released

Provided by Ray Wynter, GSA Office of Real Property

Organizations throughout the world in both the private and public sectors have embraced strategic planning, performance measurement and benchmarking initiatives. We want to support the Federal real property community in this important transformation.

Introduction

The Office of Real Property, Innovative Workplaces Division (Office), is pleased to issue *Real Property Performance Results 2003*, our sixth annual analysis of real property performance in the Federal office space sector.

In this publication you will find our annual update on the seven key measures of Federal real property performance. This edition also features an update on the number of Federal teleworkers, the most current private sector benchmarks, and an update on sustainability. A special feature included this year is a section on the use and application of our Cost per Person Model, Version 2.

What is real property performance?

From an initial 5 measures of Governmentwide real property activity, and 2 broad statistical measures in 1998, we assessed nine indicators of performance in 2003:

- Cost per square foot (owned)
- Cost per square foot (leased)
- Vacancy rate
- Cost per person
- Customer satisfaction
- Employees housed
- Total square feet
- Federal teleworkers
- Sustainability

What is the Cost per Person Model?

A special feature included this year is a section updating the Cost per Person (CPP) Model and its accompanying users guide.

The Office developed this Excel-based model in 1999 to help Federal agency customers estimate their

total cost per person, including other administrative cost components in addition to real estate, as a new approach to measuring the 21st Century workplace. The cost per person is one of GSA's seven original governmentwide performance indicators and continues to be a useful benchmark for Federal agencies. The model estimates the average cost per person in each of the following areas: real estate (space usage), telecommunications, information technology (IT), and alternative work environment. An additional feature is a "what-if" tool that calculates potential cost savings resulting from an alternative work environment, such as hoteling or desk sharing.

Recently, the Office introduced the Cost per Person Model, Version 2, with an overwhelming response. The Office has received over 80 new requests from the Federal sector and from an extremely powerful network of private sector firms including Pacific Northwest National Lab, United Properties, Blue Cross and Blue Shield, Shell Chemical LP, Los Alamos National Labs, Booz, Allen, and Hamilton, Pfizer, Northrop Grumman Corp., Lockheed-Martin Space Systems, MCI, Bell South, and CB Richard Ellis.

What are the benefits of real property benchmarking?

The Office of Governmentwide Policy presents this information to the Federal real property community to facilitate more informed decision-making leading to improved asset management. Our goal is to clearly summarize the relevant data and to provide our customers with a concise reference document. We expect >>>

Performance Measures

>>> this to be useful to Federal real property asset management decision-makers, as well as our stakeholders. The publication will also benefit interested professionals in other governments, the private sector, and academia.

The advantages to real property benchmarking are numerous and exceed the investment time:

1. Reality check on your real property information system's ability to generate very basic inventory cost information.
2. Enrollment in one of the original Government Performance and Results Act-inspired performance measurement efforts in Government, and still one of the very few cross-cutting initiatives.
3. Annual confirmation of the overall effectiveness of Federal real property asset management compared to private sector alternatives.
4. An individual, private analysis of how your own data compares to the rest of Government and the private sector. (Several contributors have taken advantage of this offer over the years and received valuable feedback to improve their real property asset management.)

How can our agency participate?

You are invited to participate in our benchmarking study, **Real Property Performance Results 2004** and benefit from the report. The Office launches the seventh annual performance measurement benchmarking effort with a data call to our core group of Federal agency partners in mid August; our contributing customers generally

report only on the first three measures. For owned buildings, we collect data on cost per square foot (defined as cleaning, maintenance and utilities). These are current operating costs, not the historical or replacement cost. For leased buildings, we collect data on cost per square foot (defined as fully serviced lease cost). In either case, we collect data on vacancy rate. Vacancy rate is the difference between total space and space occupied. Please be assured that your data will be kept confidential and reported in aggregate.

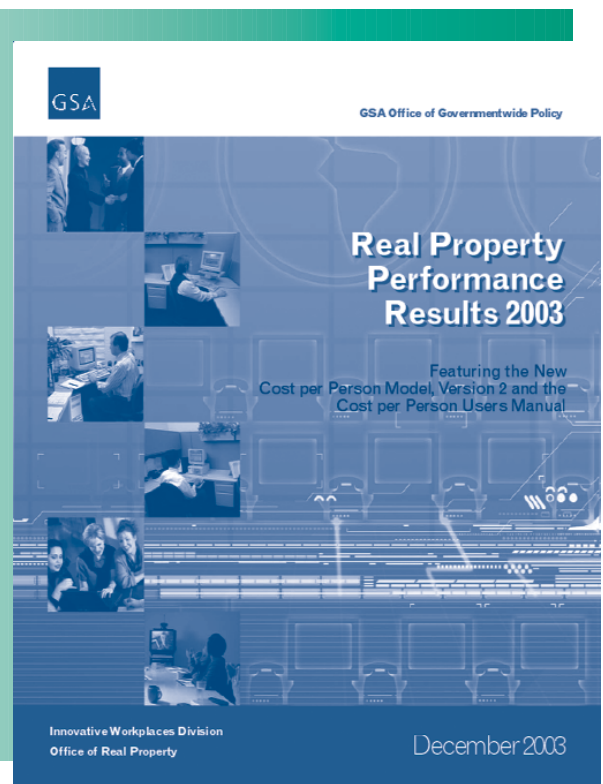
How can we learn more about this program?

The results are compiled into a useful report that is always in great demand. *Real Property Performance*

Results 2003 and previous reports are available electronically for download from our web site at www.gsa.gov.

Questions?

If you have questions about the Performance Measurement Program, contact Shirley Morris, Team Leader on 202-501-1145 or e-mail at Shirley.Morris@gsa.gov. GSA Cost per Person Model, Version 2 is available by e-mail request only. There is no charge. Please e-mail your requests for the GSA Cost Per Person Model, Version 2 to ray.wynter@gsa.gov. For more information about other initiatives and programs of the GSA Office of Real Property, Innovative Workplaces Division, visit our web site at www.gsa.gov/realpropertypolicy, or contact Stan Kaczmarczyk, Division Director on 202-501-2306 or e-mail at Stanley.Kaczmarczyk@gsa.gov. ■



Telework

Virtual Presence: A Second Time Around for Videoconferencing

by **Wendell Joice, GSA Office of Real Property**

Some years ago, videoconferencing was widely tried but, bottom line, it was too expensive, too unstable (too many incompatible configurations which would not talk/connect with each other), and too counter-cultural (most folks looked at it as an oddity and even when they tried it, they handled its use poorly). We also did not have the kind of widely available broadband that we have now; oftentimes, the resulting video images looked like cartoons.

That was then. Now we have new technology, widely available broadband, telework, increased worker comfort with technology, and globalization. We also have a pressing need to facilitate our growing use of distributed workforces, increase the

effectiveness and efficiency of our telecommunications, and reduce travel and associated expenses, dangers, and inconvenience.

This has led to a renewed interest in face-to-face communication via videoconferencing, now called virtual presence. The general assumption and hope is that virtual presence is an improvement over simple audio conferencing and that being able to see the communicator(s) will improve the effectiveness, efficiency and comfort of our telecommunications and collaboration. Unlike its predecessor, virtual presence goes beyond group videoconferencing (in special rooms or studios) to include individual communications conducted at one's desktop with a simple and inexpensive camera, software, and the communicators' computer monitors.

With the above as a goal, GSA's Innovative Workplaces Division has joined forces with the Telework Consortium to pilot test virtual presence. The pilot began in February and includes communications between teleworkers at alternate worksites (homes and telework centers) as well as individuals located at GSA's central office. The Telework Consortium, a Congressionally funded non-profit organization established to promote the development and use of technology to facilitate telework, currently has virtual presence pilots underway at the following organizations:

***Department of the Treasury's
Inspector General for Tax
Administration,***

***Two GSA telework centers
(Winchester NetTech Center and
Hagerstown Telework Center),***

University of Virginia,

Tulane University, and

***A variety of other educational or
economic development
organizations.***



Telework

Workplace Consortium Symposium Features Novel Telework Concept

by **Chris Coneeney**, GSA Office of Real Property

The Flexspace 21 company plans to offer a novel telework center in the San Francisco Bay Area.

Last spring, the Workplace Consortium (WPC), an association of real property and workplace executives from various Fortune 500 companies, held its symposium in Emeryville, CA, at the Flexspace 21 facility.

Similar to the telework centers in the Washington, DC metro area, the Flexspace 21 facility offers companies and their employees a touch down space other than the office or home to work. The project team envisions Flexspace 21 to be a third place for people to work, more intimate and flexible than the traditional office and more businesslike than the home office. The facility will officially open later this spring, offering memberships to companies and individuals. For more information on the facility or the Flexspace 21 concept contact Mr. Charlie Grantham at 928-771-9138 or via e-mail at charlie@thefutureofwork.net. You may also contact Mr. Jim Ware at 510-558-1234 or via e-mail at jjim@thefutureofwork.net. The Flexspace 21 web site is www.thefutureofwork.net.

In addition, Microsoft presented their Workplace Advantage program, very similar to GSA's Workplace 20/20 initiative. Microsoft recently completed a contract to develop a comprehensive plan in the 4 following areas:

- Research
- Design Strategy
- Telework
- Campus Planning

Once complete, the project will provide Microsoft with a strategic direction in workplace research - results which inform optimizing the

global workplace, telework, and the design of their workplace as well as a tool for ongoing research. The process will improve the total real estate costs per person, worker productivity as well as the attraction and retention rates. For more information on Microsoft's Workplace Advantage program, please contact Ms. Melissa Morgan at 425-703-5876 or via e-mail at mmorgan@microsoft.com.

Contact Mr. Chris Coneeney for information on the WPC and its activities at 202-208-2956 or via e-mail at chris.coneeney@gsa.gov. ■



Planning

GRPIS Program Stimulates Networking for Federal Community

by Mike Mulloy, GSA Office of Real Property

GRPIS Continues to be a Catalyst for Networking Within the Federal Real Property Community

The Governmentwide Real Property Information Sharing (GRPIS) Program continues to provide the working-level Federal real property professional opportunities to network with colleagues from other agencies and bureaus. GRPIS is working hard to encourage and facilitate the sharing of real property information among Federal agencies, so that better asset management decisions can be made. The 10 established councils serve as the forum for sharing real property related information, for networking, and as a vehicle for informal training and discussion in areas of mutual interest at the local level.

Over the past year the GRPIS councils have discussed a variety of issues and concerns including:

- various bio/chemical detection devices that are commercially available for use at Federal facilities
- information and an overview of the skills and services available to Federal agencies through the Job Corps Centers in or near the local communities
- the challenges of managing

Cultural Resources within a National Park - specifically the challenges of managing Biscayne National Park, a park that is 99% submerged: including how the various cultural resources are being preserved and protected; impacts on the Park due to destructive misuse; environmental impacts on the Park; measures being taken to ensure the preservation of the Park; how to protect 10,000-year-old Native American sites and the U.S.'s only coral reef nursery (in the Park); and the harmful affects of negligent recreational boaters.

- there have been several presentations on the Federal Energy Management Program (FEMP) and the ways FEMP can assist Federal Agencies in meeting mandated energy-use reduction goals with additional discussions focused on the status of energy savings performance contracts (ESPC) and the impact of proposed Energy legislation.
- EPA presentations on the Energy Star Program, which includes numerous software programs designed to assess and improve energy efficiency.

- At the Veterans Affairs American Lakes Campus, Lakewood, WA, the VA Engineering Staff made a presentation of its Seismic Reconstruction program, in response to damage from the Nisqually Earthquake of February 2001.

The GRPIS-Gram, a monthly ListServ newsletter, provides regular communications with our colleagues and highlights best practices, sources for real property information, conference and training opportunities related to real property, as well as a listing of Council meetings and happenings.

The GRPIS Program continues to evolve, as new ways of meeting the needs of Federal real property professionals are being developed. The premise of the GRPIS Program is, 'Better information leads to better real property asset management decisions.'

Follow the program through future editions of Policysite. You can also get any GRPIS related information or subscribe to the GRPIS-Gram by contacting Sheldon Greenberg on 202-841-4868 and sheldon.greenberg@gsa.gov; or Gary Jordon on 202-501-1219 and gary.jordon@gsa.gov.

(There are GRPIS councils, or forums, in: Puget Sound, WA; New England; South Florida; Arizona; New Mexico; Kansas City, KS/MO; the Front Range of Colorado; Atlanta, GA; the San Francisco Bay Area; and Pittsburgh area.) ■

Best Practices

What Are The Lessons Learned “On The Road”?

by **Chris Coneeny**,
GSA Office of Real Property

The Office of Real Property in GSA has published the Lessons Learned on the Road to Real Property Partnerships and Alliances, which compiles lessons learned from the office's affiliations with various real property and workplace associations. GSA has been able to leverage the expertise and resources of these groups and its members to gather the latest information and data in the areas of:

- Alternative Financing
- Integrated Workplace
- Performance Measurement
- Security
- Sustainable Development
- Telework
- Urban Planning
- Workplace Design and Construction
- Workplace of the Future

The Office of Real Property has applied the research and knowledge gained through these groups to its own initiatives, as well as sharing the information with the Federal real estate sector with the goal of providing a better workplace for the Federal employee. This report describes the activities of each of these organizations and provides a summary of the research, knowledge,

GSA Issues Call For Real Estate Best Practices For 2004

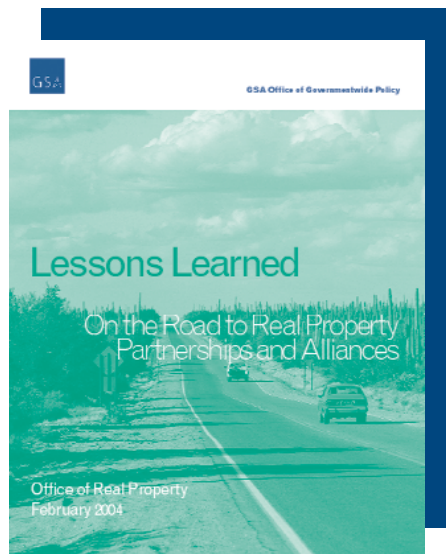
by **Richard Ornburn**, **GSA Office of Real Property**

GSA calls on all the champions, innovators and promoters of real estate and workplace practices and policies in the federal government to send in your innovative best practice or policy, or an adopted practice or policy.

Picked by an independent jury, winners receive cash awards totaling \$5,000 for an individual or \$10,000 for a team, in each category. Entries are due May 20, and all eligible federal employees may submit an entry. GSA established the Award in 1997 to serve as a catalyst to improve real property management in the Government, generating and sharing over 300 great ideas from throughout the Federal real property community.

The Adopt-A-Practice award will recognize that agency which has adopted a practice or policy submitted by another agency through our Award program.

The Call for Entries and an electronic application form are available on our website at www.gsa.gov/realpropertypolicy, under Achievement Award. In addition, check out our new E-Practice Database, under Best Practices on our website. It's an easy to use, innovative electronic database of best practices and policies for agencies to adopt. Contact Pat Rubino on (202) 501-1457 or pat.rubino@gsa.gov for more information. ■



and information gained from the partnership. You can access the report on the Internet at www.gsa.gov/realpropertypolicy. Hard



copies of the report can be obtained by contacting Mr. Chris Coneeny at 202-208-2956 or via e-mail at chris.coneeney@gsa.gov. ■

Asset Management

Selling Assets To Raise Capital

Provided by Sheldon Greenberg, GSA Office of Real Property; summarized from the NASFA State Facilities Quarterly, Fall 2003 issue

State-owned real property and facilities for governmental operations have been the norm for most states with just a small quantity of leased facilities. With several states facing record deficits and considering options, public real property sales and "privatization" have become realities to some. Surplus property sales have been

used to raise state revenues for many years, but that is not the only property being considered now. As the demand for capital infusions and reduced overhead continues to grow, some states are considering an increase in the percentage of leased facilities to reduce the capital tied up in property, facilities maintenance, and management.

Lease or own? That is the question. With significantly increased real property values in the last several years, selling assets now certainly looks attractive to recapture funds while appearing to reduce operating costs. Selling assets to regain capital funds while reducing immediate costs certainly has some attraction and less public scrutiny than standard options like cutting services or increasing taxes.

For example, California's record deficit brought about a recent volley of questions about selling assets to balance budgets. California Senate Bill 669 requires their Department of General Services to identify \$1 billion worth of state property that can be sold immediately to help close the budget deficit.

Whether in large or small organizations, state facilities managers are looking with a legislated microscope at state-owned real property. Find out how states are looking at their inventories and determining what property is excess, and what inventory data management tools are being used (or need to be improved).

Find out more about this important issue through the National Association of State Facilities Administrators (NASFA) and its website, www.nasfa.net, and the article "Selling Assets to Raise Revenue," in the Fall 2003 State Facilities Quarterly. NASFA was formed in 1987 to bring together state officials involved in the planning, development, operations and maintenance of state facilities. ■

Asset Management

Federal Real Property Profile Available Online

by Mac Peoples, GSA Office of Real Property

The 2003 Federal Real Property Profile (FRPP) was released earlier this spring. The FRPP is the summary report of the Federal Government's real property assets, as reported to the General Services Administration by the managing agency. It provides an overview of Federal real property assets categorized in three major areas – buildings, land, and structures.

The detailed information for this summary report is held in a password-protected Web-based database. This database allows agency representatives to update data on-line and to produce ad hoc reports. The FRPP reporting system provides information regarding Federal real property holdings to stakeholders including the Congress, the Federal community and the public. Its purpose is to assist

Federal asset managers with their stewardship responsibilities.

To ensure data accuracy, reporting agencies confirmed their FY 2003 data summary figures prior to publication of the FRPP. The majority of agencies provided data based on their real property holdings as of September 30, 2003. In a few instances, data provided in a previous year was used when updated information was unavailable.

The FRPP may be viewed at www.gsa.gov/realpropertyprofile. For more information, contact McDonald Peoples on 202-501-1785 or mcdonald.peoples@gsa.gov. ■

The screenshot shows a web browser window with the address bar containing www.gsa.gov/realpropertyprofile. The page header includes navigation links: Home | QuickLinks | For Citizens | Contact Us | Jobs, and a search bar. The main navigation menu includes BUILDINGS, PRODUCTS, SERVICES, TECHNOLOGY, POLICY, and ABOUT GSA. The breadcrumb trail is: Home > Policy > Real Property > Federal Real Property Profile (FRPP) > FRPP Literature. The main content area features a large heading "Real Property" and a sub-heading "FRPP Literature". Below this, there are two bullet points: [Customer Guide to Reporting Real Property Inventory Information](#) and [Federal Real Property Profile Summary Reports](#). A section titled "Customer Guide to Reporting Real Property Inventory Information" contains a table with the following data:

Doc ID	Name	Format	Size	Publish Date
	Customer Guide to Reporting Real Property Inventory Information	Word	373k	

At the bottom right of the page, the number "23" is displayed. The left sidebar contains a list of links: Overview, Achievement Award, Alternative Officing Information, Best Practices, E-Real Estate, Evaluation **Spring 2004**, Federal Real Property Profile (FRPP), and FRPP Literature.

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