



US Department of Housing and Urban Development
Office of Administration

Capital Plan 2024 through 2028

December 16, 2022





Dear Ms. Shalanda Young,

December 16, 2022

On behalf of the Department of Housing and Urban Development (HUD), I am submitting the following Capital Plan-FY24-28, according to the requirements detailed in Office of Management and Budget (OMB) memo M-20-03: Implementation of Agency-wide Real Property Capital Planning.

During the last decade, HUD has worked toward optimizing our real estate footprint. The COVID-19 pandemic accelerated this trend as we introduced flexible work policies that streamline our use of office space throughout the country. Additionally, we recognize the need to invest in our capital assets to strengthen our position as a workplace of the future to attract and retain the best talent.

In development of this Capital Plan, we worked collaboratively with several key contributors within the HUD organization to align on and respond to the requirements detailed in the pertinent OMB Memoranda.

In addition to my Chief Administrative Office, these contributors include:

- Adrienne Todman, Deputy Secretary
- Elizabeth de Leon Bhargava, Assistant Secretary for Administration
- Daniel Ballard, Assistant Chief Financial Officer for Budget (Budget Officer)
- Vinay Singh, Chief Financial Officer
- Elizabeth Niblock, Chief Information Officer
- Lori Michalski, Chief Human Capital Officer

This Capital Plan identifies the real estate, asset management and software needs required to continue to modernize and streamline our workplaces. Specifically, this plan calls for:

- Continuing to consolidate and optimize HUD's Field Office footprint
- Addressing the backlog of deferred maintenance in HUD's headquarters
- Space optimization and modernization in HUD's headquarters and Washington D.C. satellite offices
- Investing in an integrated workplace management system supporting space consolidation efforts

The proposed capital projects within this plan will ensure that our real property assets, including facilities and IT infrastructure, support the delivery of our programs and mission.

Sincerely,

Bradley S. Jewitt
Senior Real Property Officer

Table of Contents

Executive Summary.....	1
Introduction.....	9
A: Mission Requirements for Real Property	22
B: CFO and SRPO Responsibilities	32
C: Annual Budget Process	35
D: Major Lines of Business	37
E: Needs Assessment	40
F: Alternatives Analysis	48
G: Prioritization Process.....	64
H: Life Cycle Cost Estimates	68
I: Performance Goals and Metrics.....	70
J: List of Projects	72
APPENDIX A: Flexiplace Policy.....	78
APPENDIX B: Portfolio Assessment Detailed Data.....	80
APPENDIX C: Sustainability	83



Executive Summary



The Mission of the US Department of Housing and Urban Development is to create strong, sustainable, inclusive communities and quality affordable homes for all. We are working to strengthen the housing market to bolster the economy and protect consumers, meet the need for quality affordable rental homes, utilize housing as a platform for improving quality of life, build inclusive and sustainable communities free from discrimination and transform the way we do business.

Drivers of the Capital Plan FY24-28



Our capital investments and real properties empower the delivery of our mission by directly supporting our customers and personnel. We pursue transformative housing and community-building policies and programs and through these efforts,

we are better able to support the needs of the communities that we service. The Department's 2022 Capital Plan represents a comprehensive outlook for our capital investment requirements during fiscal years 2024 through 2028. The plan empowers us to meet mission requirements, provide impactful customer service delivery, support human capital operational requirements, and create a safe and healthy workplace.

This Capital Plan is rooted in guidance from OMB, including OMB M-21-25, OMB M-20-03, and OMB M-22-14, which detail workplace reentry and capital plan development. OMB M-21-25 provides guidance on structuring policies to support personnel, work environments, and the future of work for post-reentry. This includes the implementation of Flexiplace, which is a HUD program developed based on employee flexible work preferences. OMB M-20-03 articulates requirements for Agencies to develop annual Capital Plans, including conducting a needs assessment, estimating the life cycle costs of needs and prioritizing capital improvement projects. OMB M-22-14 was issued to enforce an enterprise-wide approach to capital planning. We used the framework of the President's Management Agenda related to space reductions, cost savings, and carbon footprint reductions in the development of this Capital Plan.

Space matters, and our current facilities are in need of modernization. Our flagship headquarters building, the Weaver Building, consists mostly of enclosed office space design. However, today's workforce expects and thrives in open workspace where they can freely collaborate, seek inspiration from seeing their colleagues, as well as enjoying the nourishment of natural light in an open floor layout. The past three years of working in the Pandemic highlighted the need to create a work environment where our employees want to come to engage with their colleagues to better serve those citizens supported by our services. New ways of working require a hybrid-enabled environment with

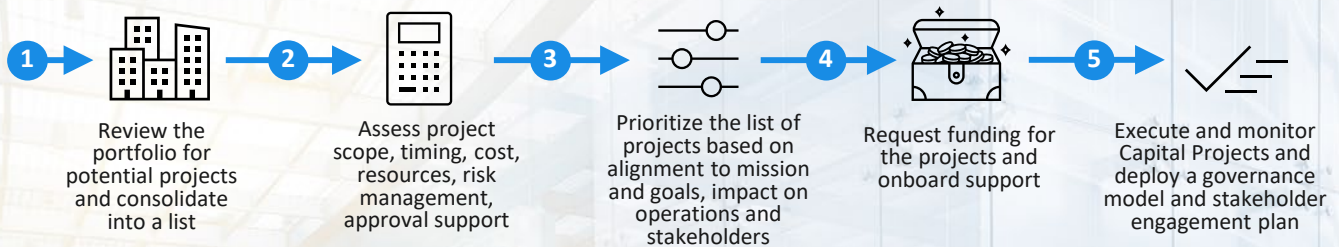


space, technology, and environment to promote virtual and in-person collaboration. We need Capital Investments to modernize our facilities to support these new ways of working.

Key Initiatives of the Capital Plan

The purpose of this Capital Plan is to guide planning, managing, and executing projects to promote a healthy work environment, environmental responsibility, and stewardship of taxpayer dollars. The foundational elements proposed in this document will enable our workforce to better service our customer throughout the country. The methodology graphic below shows our high-level approach to developing this plan. What follows is the progress that we have made and the plans we propose for FY2024-2028.

High-level Approach to Developing the HUD Capital Plan



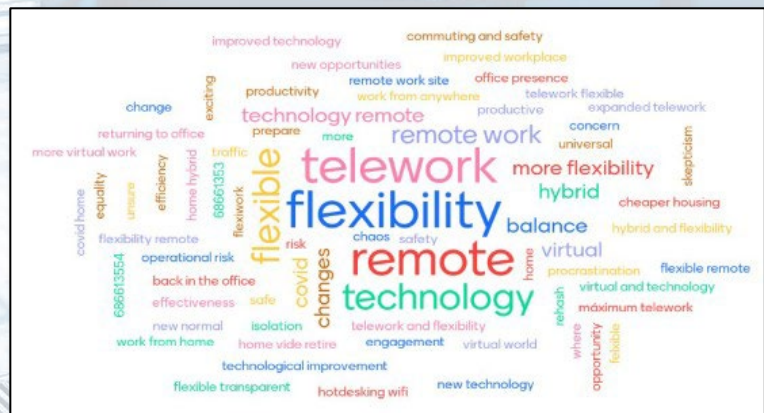
1) Creating Healthy, Safe Hybrid Work Environments

We design space that encourages equity, inclusion, innovation, collaboration, teaming, and engagement to create a healthy and safe environment for our employees and customers. A healthy workplace is one where our employees and customers can collaborate effectively. Creating innovative spaces that facilitate collaboration and engagement are a critical component to our forward-thinking space design standards.

During the pandemic, we conducted employee visioning sessions and work preference surveys to better understand the priorities of our workforce.

Employees communicated their preferences for a flexible and hybrid-enabled environment that promotes innovation, engagement, and collaboration. As a result of these surveys, we have negotiated and implemented flexible workplace policies (Flexiplace). We have aligned with the workplace preferences of our employees and enabled a hybrid approach in our scheduling program, office space design, and supporting technologies.

Responses to “What comes to mind when you hear ‘Future of Work?’” from the HUD Employee Visioning Session



To effectively support these new ways of working, modernization of our real estate portfolio is critical. Capital investments will enable us to transform our facilities, increase employee satisfaction, and better serve our customers, as well as taxpayers.

2) Real Estate Footprint Optimization

Since 2012, we have been actively capitalizing on opportunities to find efficiencies in our real estate portfolio. From FY 2012 – 2021, we reduced our portfolio by more than 700,000 sq ft across the country. While we have historically been forward-thinking in our real estate needs, the past few years have presented new opportunities for flexible workspaces.

Our ongoing real estate optimization strategy provides the opportunity to apply the Flexiplace policy to our facilities planning efforts. For these new ways of working to be successful, the Capital Plan cannot be designed and implemented in isolation and must be directly tied to Flexiplace, additional workforce planning efforts, procurement, and technology.

Acting responsibly with taxpayer dollars means acting efficiently with our real estate footprint. By opportunistically targeting field office and Washington D.C. satellite sites with expiring leases, we will continue down the path to right sizing our real estate portfolio. Flexible work scheduling has enabled us to find additional efficiencies in how we design and deliver our space.

Footprint consolidation efforts for FY2024-2028 will enable us to realize more than \$61M in total rent savings by FY2028. This includes Field Office reductions as well as collapsing four Washington D.C. satellite offices into the Weaver Building.

We developed a swift and comprehensive plan that will dramatically cut costs for our Department, optimize employee productivity and satisfaction and, in turn, support our ability to complete our mission. The savings resulting from reducing square footage and rent costs will be realized in perpetuity through diligent space management practices. Maintaining presence in communities, while strategically evaluating portfolio needs as leases expire, creates substantial cost savings and cost avoidance. Furthermore, achieving a more efficient utilization rate reduces real estate spending, allowing us to redeploy funds to other higher impact needs.

3) Talent Attraction and Retention

Our revitalized real estate spaces will help to recruit and retain the best and brightest talent. To attract and retain the next generation of our employees, it is critical that our facilities appeal to the current workforce. Recent surveys across public and private sectors have highlighted several factors that influence employee job selection. These factors include how a workplace is designed, what workspace locations are available, and the flexibility of policies for telework and remote work. The next generation of our workforce requires industry-leading space design to maintain employee satisfaction.

Our commitment to reimagining our workplace strategy is demonstrated through the initiatives laid out in our plan. Our ability to provide collaboration space, open floorplan designs, access to technology, and a healthy work environment is critical. Modernization of our facilities will improve

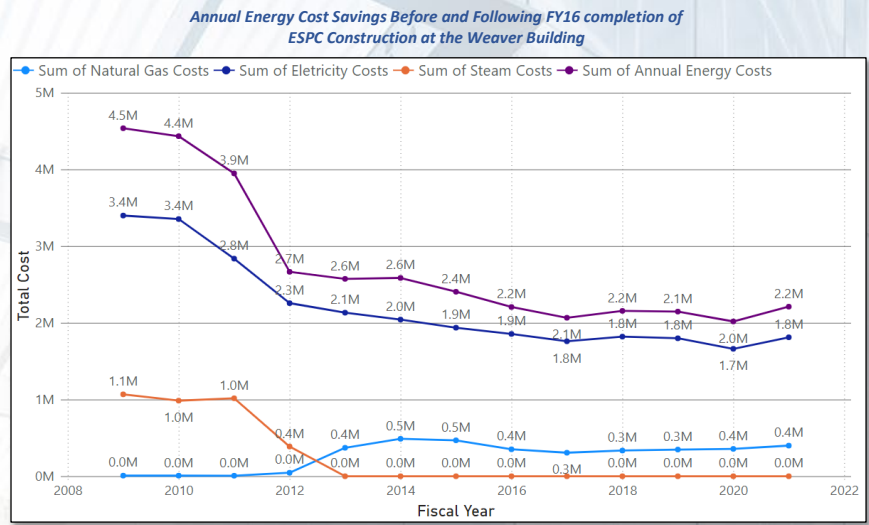
employee's work experience and enable us to better service our communities and support our mission.

4) Sustainability and Environmental Responsibility

We are committed to integrating climate action and sustainability into our operations. We recognize numerous opportunities to integrate our goals with the goals outlined within Executive Order 14057: Catalyzing American Clean Energy Industries and Jobs Through Federal Sustainability. These include:

- Utilizing Energy Savings Performance Contract funding: Executing deferred maintenance projects and energy conservation measures at the Weaver Building for Chiller Plant Improvements, chilled water and hot water valve replacements, air handler unit recommission, energy efficiency lighting upgrades, and building envelope improvements.
- Working toward 100% carbon-free electricity: Participating in a regional power purchase agreement (PPA) administered by the General Services Administration, which secures electricity pricing for multiple buildings in the region and includes renewable energy certificate (REC) purchases for our headquarters.
- Achieving 100% zero-emission vehicle fleet by FY 2027: Rightsizing the fleet and transitioning to Zero emission vehicles (ZEVs).
- Supporting net-zero emission government and private facilities: Collaborating with GSA to ensure all new construction and modernization projects greater than 25,000 gross square feet will be net-zero by 2030.
- Increasing energy and water efficiency: Engaging Honeywell for a modification to the Weaver Building's existing energy service performance contract (ESPC) to implement additional measures to improve the building's efficiency and reliability. The existing ESPC is largely responsible for our scope 1 and 2 emissions reductions to date—70% from a 2008 baseline.
- Reducing waste and pollution: Participating in the GSA National Capital Region Recycling Program, selling or recycling excess furniture and reviewing space management for opportunities to divert construction and demolition waste.
- Advancing sustainable procurement: Ensuring that contract actions meet sustainable acquisition requirements.
- Emphasizing climate and sustainability priorities: Offering climate and sustainability training and programs for staff.

Since 2008, we have reduced our Scope 1&2 Greenhouse Gas (GHG) emissions by nearly 70% using the most recent performance data from FY21. Energy Conservation Measures funded through our Energy Performance Savings Contract have resulted in these substantial carbon footprint reductions. In a twelve-year timeframe (2009 – 2021), our combined annual energy costs have decreased by 51%—from over \$4.5 million to \$2.2 million for electricity, natural gas, and steam. In this Capital Plan, we propose to use existing funding within the ESPC to further invest in the Weaver Building’s mechanical assets.



Internal Coordination is Essential

Alignment and coordination among internal stakeholders is essential to achieving the objectives and goals of our Capital Plan, such as the Deputy Secretary, Assistant Secretaries, Administrative Offices and Lines of Business.

For example, our Capital Plan synchronizes with several key stakeholders in the following ways:

- **OCHCO** – Flexiplace deployment, workforce segmentation, recruitment and retention projections
- **OCIO** - Enhancing Information Technology infrastructure and software to enable the initiatives detailed within this Capital Plan, including areas such as: Data Privacy, Cyber Security, Electronic Record Keeping, Digital Mail Operations, Supply Chain Optimization, and IWMS
- **Program Offices** – Space utilization reporting and space needs assessments through Program of Requirements and Housing Studies
- **Capital Budgeting** – Receiving funding for vetted, prioritized projects to address capital asset needs

Recommendations

We recommend the following project categories for funding in this FY2024-2028 Capital Plan:

1. Optimize Real Property Portfolio, including Space Usage in Field Offices and in Weaver Building
2. Perform Capital Improvements in the Weaver Building
3. Create a Centralized System of Records for Real Property and Occupancy Data

Performance Goals, Metrics, Project Descriptions, and Estimated Costs are detailed in the following table.

Performance Goals and Metrics

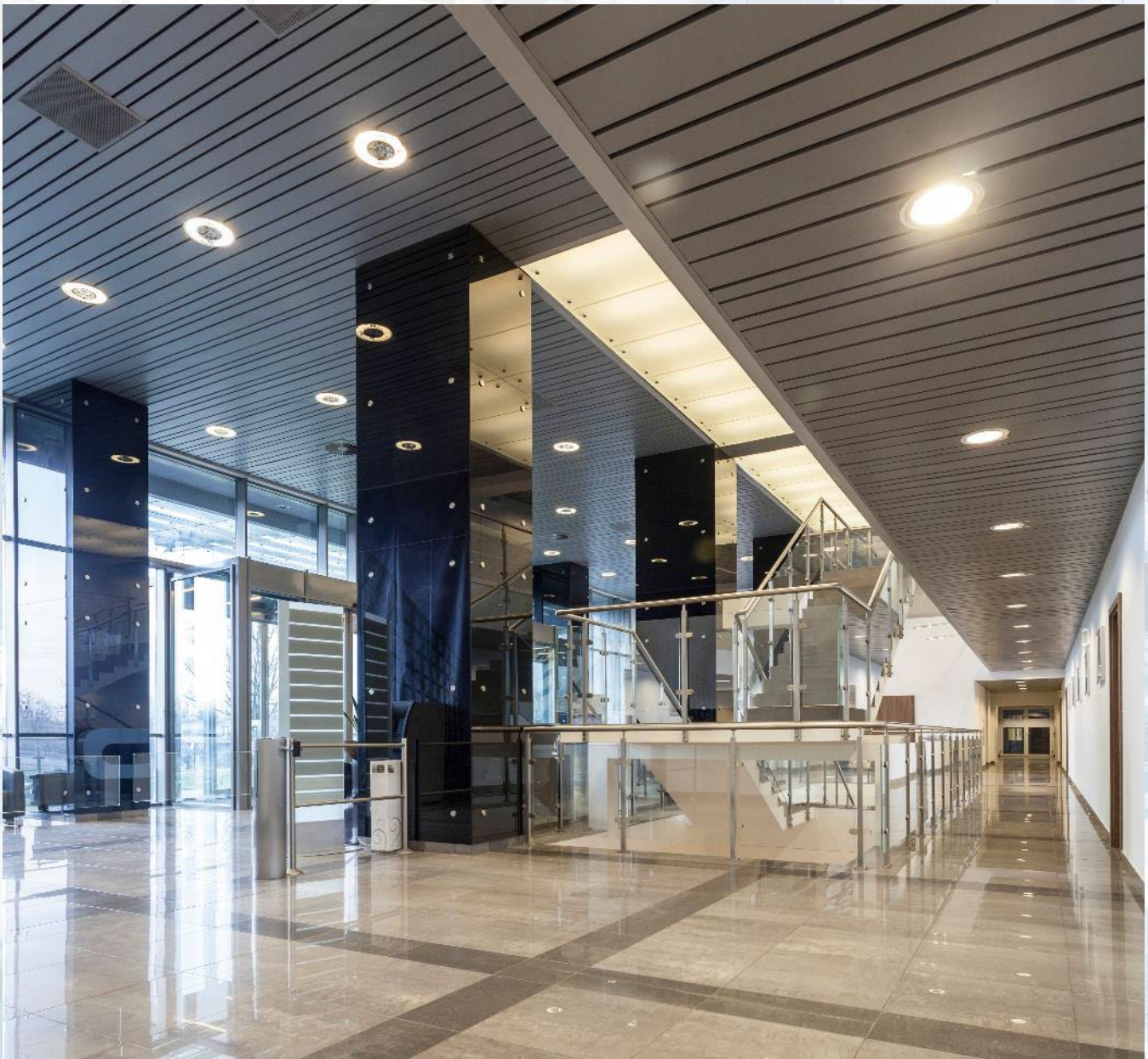
Category of Need	Need	Description of Need	Goal	Estimated Cost					Target Completion Date	Key Performance Indicators
				FY 24	FY 25	FY 26	FY 27	FY 28		
Real Estate	Need #1: Optimize Real Property Portfolio (Field Space Optimization)	Lease consolidation, request for lease space, lease restructuring, modernization of space. Estimated costs represent relocation project costs inclusive of construction build out costs, move and disposal costs, and new space needs (Furniture, Phone, Security)	Reduction of leased space occupied by field offices by 60%. Budget request included in FY 2024 budget.	\$13.5M	\$5.2M	\$4.8M	\$2.8M	\$2.3M	Ongoing	<ul style="list-style-type: none"> Total RSF Total USF Average UR Net Present Value Cost of Capital Return on Investment Payback Period Cost per Square Foot
	Need #1: Optimize Real Property Portfolio (Weaver Building Space Optimization)	Lease consolidation, modernization of space. Estimated costs represent relocation project costs inclusive of construction build out costs, move and disposal costs, and new space needs (Furniture, Phone, Security).	Collapsing Washington, D.C. leases and better utilization of the Weaver Building space. Budget request included in FY 2024 budget.	\$10M	\$10M	\$10M	\$10M	\$10M	Ongoing	<ul style="list-style-type: none"> Total RSF Total USF Average UR Net Present Value Cost of Capital Return on Investment Payback Period Cost per Square Foot
Facilities	Need #2: Capital Improvements in the Weaver Building	Funding capital projects at the Weaver Building to reduce deferred maintenance. Current deferred maintenance totals are \$14M for HUD and \$39M for GSA.	Investment of \$5M annually into deferred maintenance mitigation effort. Successful execution of proposed capital investments utilizing ESPC funding source. Budget request included in FY 2024 budget.**	\$5M	\$5M	\$5M	\$5M	\$5M	Ongoing	<ul style="list-style-type: none"> Project Work Status Project Completion % Actual to Planned Budget Variance
Technology	Need #3: Centralized System of Record for Real Property Data (Invest in an Integrated Workplace Management System)	Implementation of Nuvolo Integrated Work Management System ("IWMS").	Fully implement select IWMS modules to support HUD real estate operations.	\$0.1M	\$0.5M	\$0.5M	\$0.5M	\$0.5M	FY28	<ul style="list-style-type: none"> Project Work Status Project Completion % Project Work Status Adoption Rate
Total Budget Estimate*				\$28.6M	\$20.7M	\$20.3M	\$18.3M	\$17.8M		

*Estimated cost for further validation

**\$5M annually will be used to eradicate HUD's \$14M backlog and to continue proactive maintenance once all deferred maintenance is addressed. HUD is not requesting funds for GSA's portion of the backlog.

Conclusion

The initiatives included in our FY24-FY28 Capital Plan align with our strategic goals and are supported by current workplace trends and sustainable initiatives. Building on our success in optimizing our real estate footprint since 2012, flexible work policies have created additional opportunities. Our plan seeks to support the delivery of our mission, better serve our customers, attract and retain talent, and create a safe and healthy workplace. Our capital investments and real properties empower us to directly support our customers and personnel. Investing in revitalized real estate solutions and creating spaces that encourage innovation, collaboration, and engagement are critical to achieving our goals. In addition, cost efficiencies are clearly articulated to support our mission with stewardship for taxpayer money.



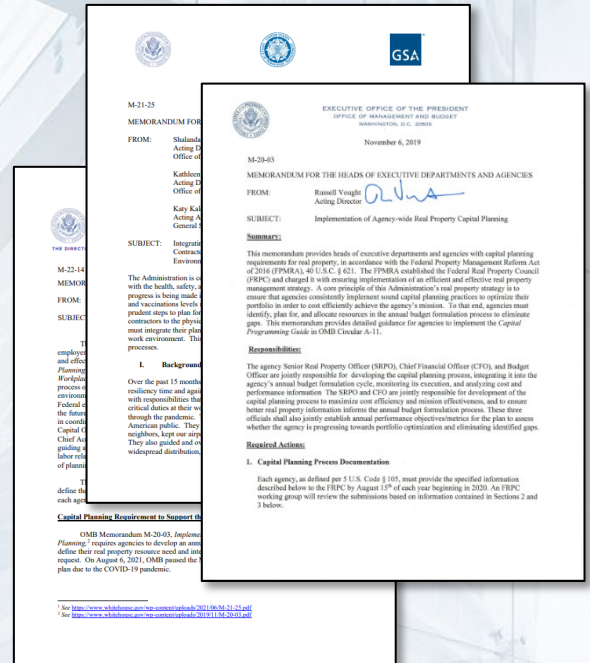
Introduction



Memoranda Guiding Agency Capital Plan Development



We are committed to ensuring the Federal Government is a model employer, improving Federal service delivery and customer experience, and facilitating efficient and effective operations. Our plan is rooted in guidance from OMB M-21-25, OMB M-20-03, and OMB M-22-14. Memorandum M-21-25 provides guidance on implementing policies to support personnel, work environments, and the future of work for post-re-entry. OMB M-20-03 outlines the requirement for agencies to develop annual agency-wide capital plans to identify their real property needs. OMB M-22-14 was enforced to ensure that agencies develop an enterprise-wide approach to capital planning.



Preface and Guidance

OMB Memorandum M-19-21, Memorandum for Heads of Executive Departments and Agencies, was issued on June 18, 2019. It was implemented to drive transformational change to modernize Government, including moving to electronic government, through multiple complementary channels.

OMB Memorandum M-20-03, Implementation of Agency-wide Real Property Capital Planning, requires agencies to develop an annual agency-wide real property capital plan to define their real property resource need and integrate that need into the agency's annual budget request. On August 6, 2021, OMB paused the M-20-03 annual requirement to complete a capital plan due to the COVID-19 pandemic.

OMB Memorandum M-21-25 directs agencies to consider “workspace/workplace usage and mobility assessments, and opportunities to integrate remote work and sharing of spaces among Federal agencies into mid- and longer-term real estate/property strategies.” Pursuant to M-21-25, OMB expects that agency decisions in these areas will be equitable and grounded in values that empower, respect, and galvanize the Federal workforce, while reflecting and emphasizing trust and accountability for the American people they serve. In making decisions regarding post-reentry personnel policies and work environments, as well as the future of work and workplaces, agencies must be guided by how they can most effectively achieve their respective missions.

Agencies should consider broader workforce and workplace trends, lessons learned from agency operations during the COVID-19 pandemic, and the need for the Federal Government to be competitive for top talent as employers in the broader labor market. M-21-25 also includes an appendix from the General Services Administration (GSA) with considerations for agencies related to the future of Federal workplaces.



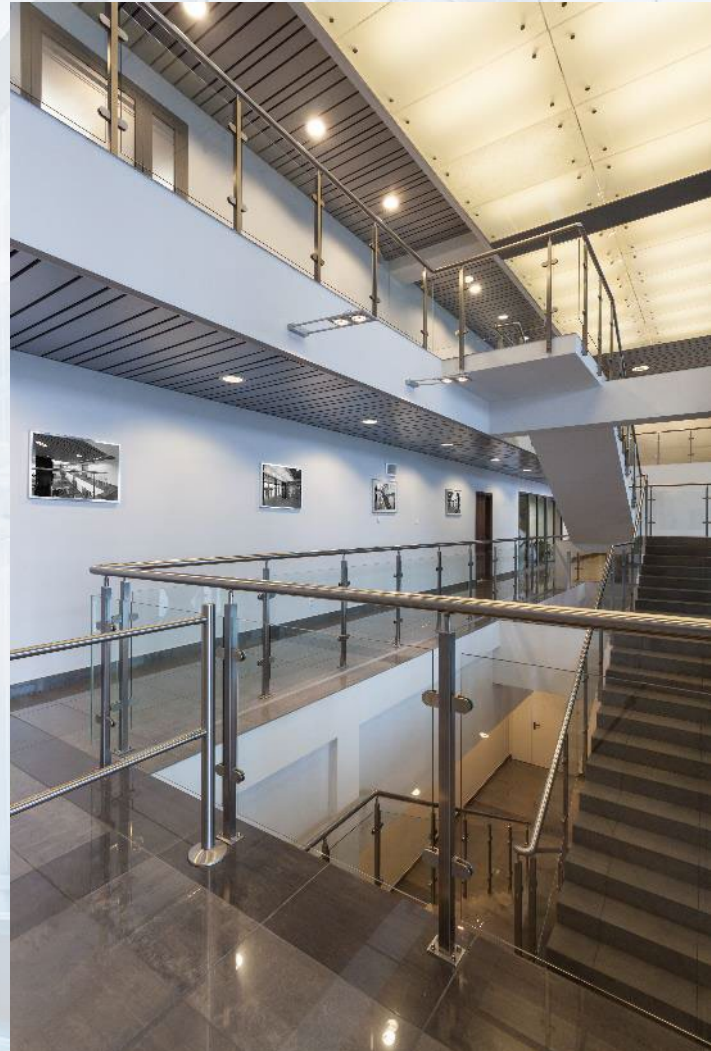
Background

Our FY24-28 Capital Plan adheres to the guidance outlined in OMB Memoranda M-21-25, M-20-03, and M-22-14. This document outlines the capital planning process we have implemented pursuant to the requirements contained within each of these memos.

As such, in accordance with OMB Memorandum M-21-25, Integrating Planning for A Safe Increased Return of Federal Employees and Contractors to Physical Workplaces with Post-Reentry Personnel Policies and Work Environment, agencies are in the process of implementing and evaluating their post-reentry personnel policies and work environments following conclusion of agency reentry processes for a safe, increased return of Federal employees and contractor employees. In addition, agencies are in the process of defining the future of work and Federal workplaces through the President's Management Council (PMC) in coordination with relevant executive management councils, including the Chief Human Capital Officer Council, Chief Information Officer Council, Chief Financial Officer Council, the Chief Acquisition Officers Council, and the Federal Real Property Council (FRPC). The PMC is guiding agencies to develop personnel policies for hybrid, telework, and remote work, satisfy labor relations obligations, and support processes to define various resource requirements as part of planning for the future of Federal work, consistent with OMB Memorandum M-21-25.

Our plan adheres to the detailed guidance outlined in M-20-03 for Implementation of Agency-wide Real Property Capital Planning. This memorandum was issued on November 6, 2019 and provides heads of executive departments and agencies with capital planning requirements for real property, in accordance with the Federal Property Management Reform Act of 2016. In our Capital Plan, we seek to implement sound capital planning practices to optimize our portfolio and cost efficiently achieve the agency's mission.

In July 2022, OMB issued M-22-14, FY 2024 Agency-wide Capital Planning to Support the Future of Work that asks agencies to prepare a holistic, enterprise-wide approach to capital asset planning. This memorandum addresses agencies' real property resource needs and agency efforts to define the amount and types of real property required to fully implement the future of work at each agency. The agency Senior Real Property Officer, Chief Financial Officer, Chief Human Capital Officer, Chief Information Officer, and Budget Officer are jointly responsible for developing the annual real property capital plan and for ensuring future of work considerations are fully integrated into the plan's



requirements. This memorandum requires agencies to restart their annual planning process by developing and submitting their FY 2024 – FY 2028 capital plans to OMB and the Federal Real Property Council no later than December 16, 2022.

The current submission request differs from past submissions in the following ways:

Executive Order 13327, Federal Real Property Management

OMB issued this EO in 2004 and it was the first real attempt to understand the Federal real property landscape. GSA assumed responsibility for the majority of leased and GSA owned facilities. A blind spot existed when trying to assess the total square footage, condition, and true need of agency owned real property. The EO established the Federal Real Property Council (FRPC) and the Federal Real Property Profile (FRPP). It required agencies to develop real property inventories and submit them to the FRPP to create a comprehensive data base from which federal holdings data could be analyzed. This effort took almost 5 years to complete, and follow-up annual reporting consisted of FRPP updates and brief narratives about portfolio changes.

M-12-12, Freeze the Footprint

This memorandum required agencies to use the data from the FRPP and its leased holdings to maintain their real property footprints at the 2012 baseline level. Reporting shifted to four-year plans updated annually and approved by OMB. The reports required mission critical justifications or offsets for any increases. For example, if the portfolio would increase by 1,000 SF in year x, a reduction in of least 1,000 SF would need to occur in year y. The reports were more of a roadmap than a plan because there was no hard requirement to tie any planned portfolio changes to budget submissions.

Management Procedures Memorandum No. 2015-01, Reduce the Footprint

In this memorandum, agencies now needed to show annual reductions from the 2012 baseline. Again, the reports were more of a roadmap than a plan because there was no hard requirement to tie any planned portfolio changes to budget submissions.

OMB Circular No. A-11

No. A-11, Preparing, Submitting, and Executing the Budget, was issued on August 15, 2022. The circular discussed the basic laws that regulate the budget process and provided guidance on how to prepare and submit the FY2024 budget. It provided instructions on budget execution, including guidance on the apportionment and reapportionment process, a report on budget execution and budgetary resources, and a checklist for fund control regulations.

Public Law 114-287, Federal Asset Sales and Transfer Act (FASTA)

FASTA allowed landholding agencies to sell excess property and retain the funds from sale instead of them reverting to the Treasury. The Act intended to spur portfolio reductions by incentivizing landholding agencies to reduce real property footprints. Non-landholding agencies like HUD still were required to reduce leased portfolios but saw no financial gain. They simply received appropriately adjusted rent funds in the annual budget.

M-20-03, Implementation of Agency-wide Real Property Capital Planning

This memorandum incorporated FASTA and required landholding agencies to create four-year capital asset plans, updated annually, demonstrating portfolio reductions through real property sales. GSA, DOD, DOI, and DHS became the major players in this effort. HUD and other landholding agencies were exempted from submitting an annual report but still were required to submit portfolio data every year to ensure reductions were occurring.

Executive Order 14057, Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability and section I.D.3 of M-22-06

E.O. 14057 establishes the federal government-wide goals to achieve carbon pollution-free electricity by 2035 and net-zero emissions by 2050. To comply with this mandate, E.O. 14057 requires agencies to achieve a net-zero emissions building portfolio by 2045 (with a near-term target of 50% emissions reduction by 2032 from 2008 levels), prioritizing energy efficiency improvements and eliminating onsite fossil fuels. Further, to support the achievements of these mandates, the E.O. requires agencies to establish targets for fiscal year 2030 for agency-wide facility energy use and potable water use intensity, considering performance benchmarks for building types and the agency's building portfolio.

Section I.D.3 of M-22-06 requires agencies to ensure capital planning efforts and facility operating plans are aligned with agency strategies to achieve the targets established by E.O. 14057.



Acronyms

CFO	Chief Financial Officer	HQ	Headquarters
CX	Customer Experience	HUD	Housing and Urban Development
DC	District of Columbia	IWMS	Integrated Work Management System
DEIA	Diversity, Equity, Inclusion, and Accessibility	MSA	Metropolitan Statistical Area
DepSec	Deputy Secretary	OA	Occupancy Agreement
EO	Executive Order	OMB	Office of Management and Budget
ESPC	Energy Savings Performance Contract	PIV	Personal Identity Verification
FPS	Federal Protective Services	POR	Program of Requirements
FRPC	Federal Real Property Council	SRPO	Senior Real Property Officer
FRPP	Federal Real Property Profile	UR	Utilization Rate
FY	Fiscal Year	USF	Useable Square Feet
GSA	General Services Administration	RSF	Rentable Square Feet

Definitions

Term	Definition
Daily Occupancy Census	The number of employees who enter the office on a given day.
Energy Use Intensity	The amount of energy used to produce a given level of output or activity.
Energy Savings Performance Contract	The performance contracting vehicle appropriate for addressing the Weaver Building's deferred maintenance and improving the reliability and performance of its energy systems, which provides energy and water cost savings with guaranteed performance.
Flexiplace	HUD program governing where employees work. Flexiplace arrangement types include telework, remote work, and mobile work.
HUD Strategic Plan	Outlines this administration's strategy for ensuring everyone has an affordable, healthy place to live. Over the course of the next four years HUD will pursue two overarching priorities focused on increasing equity and improving customer experience across all HUD programs.
Real Property	HUD uses its real property to serve its constituents across the nation in an office space that often directly accommodates the client. The space portfolio has no warehouse or otherwise special spaces. It contains offices in both Federal Buildings and privately owned real property.
Regular/routine telework	The performance of work from an alternative worksite for an agreed upon portion of a pay period on a regular basis. Employees must report to the office at least two days per pay period under this type of telework. Employees who report to the HUD office on fewer

	than six days per pay period are not entitled to a dedicated office space and instead may be required to desk share or participate in hoteling or hot desking.
Remote work	A special type of alternative work arrangement in which an employee is not expected to report to an agency worksite on a regular and recurring basis. Teleworking on a full-time basis is considered remote work.
Remote work – near HUD office	Work performed at an alternative worksite within a 50-mile radius of a HUD office.
Remote work – outside commuting area	Work performed at an alternative worksite outside of a 50-mile radius of a HUD office.
Situational/ad-hoc telework	Non-recurring telework that is approved on a case-by-case basis where the hours worked were not part of a previously approved, ongoing, and regular telework schedule.
Telework	A voluntary arrangement where the employee is expected to report to work at an agency worksite on a regular and recurring basis each pay period and works from an alternative worksite on a regular and recurring or situational basis. There are two types of telework, regular/routine and situational/ad-hoc
Tranche 1	HUD's current real estate optimization efforts to correct past inefficiencies in space management
Tranche 2	Additional real estate flexibilities enabled by post-pandemic flexible workplace strategies
Utilization Rate (UR)	UR is calculated by dividing the total useable square footage in the portfolio by the total number of employees.

Introduction

Our mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. We're working to strengthen the housing market to bolster the economy and protect consumers, meet the need for quality affordable rental homes, utilize housing as a platform for improving quality of life, build inclusive and sustainable communities free from discrimination, and transform the way we do business.

This document represents a comprehensive outlook for our Capital Assets during FY24-28. Workplace modernization is a theme throughout our plan. Our success in delivering revitalized real estate solutions enables us to be successful in four main areas:

- **Aligning our strategic mission** to serving our customers by providing impactful and lasting public service. Our strategy for planning office locations is to 1) situate our offices to better serve our customers, and 2) acquiring space that meets the operational needs of our employees and contractors. Ensuring that site selection and capacity calculations are contemplated effectively directly supports the mission.
- **Designing space that encourages equity, inclusion, innovation, collaboration, teaming, and engagement** to create a healthy and safe environment for our employees and customers. A healthy workplace is one where our employees and clients can collaborate effectively. Design factors such as accessibility have a direct impact in developing safe and healthy environments. Modernization of our workplaces employs a strategy to reduce attrition and improve our employees' work experience. Creating innovative spaces that facilitate collaboration and engagement are a critical component to our forward-thinking space design standards.
- **Attracting and retaining talent.** Competition for workforce talent has never been greater. Our eminent retirement cliff and high new hire turnover rates create the need for us to contemplate talent attraction and retention strategies in the Capital Plan.
- **Upholding our fiduciary responsibility and stewardship of taxpayer dollars.** We are redirecting our resources to align with our mission by creating spaces that will enhance our employees and customers' experiences.

The insights and lessons learned through this effort will improve our future planning capabilities. We have used this effort to establish a replicable capital asset planning methodology that will continue to improve upon prior year plans and lead to an even more performance-based, data-driven real property program.

This Capital Plan seeks to support four key areas:

- Align to our mission to “create strong, sustainable, inclusive communities and quality affordable homes for all” by providing impactful and lasting public service.
- Transform space that encourages equity, inclusion, innovation, collaboration, teaming, and engagement. In the transition back to the office, it is imperative to create a healthy and safe environment for HUD’s employees and customers.
- Promote next generation talent attraction and retention.
- Support our fiduciary responsibility and stewardship of taxpayer dollars.

Figure 3 demonstrates the current snapshot of our workforce. It is imperative that we align workforce and workplace initiatives and modernize our workspace to attract and retain our future workforce and leaders. By providing spaces that are inviting and encourage positive experiences at the workplace, we can ultimately improve organizational effectiveness and our retention rate.

Space modernization efforts are critical not only increase employee satisfaction, but also to effectively address our aging workforce and growing New Hire turnover ratios.

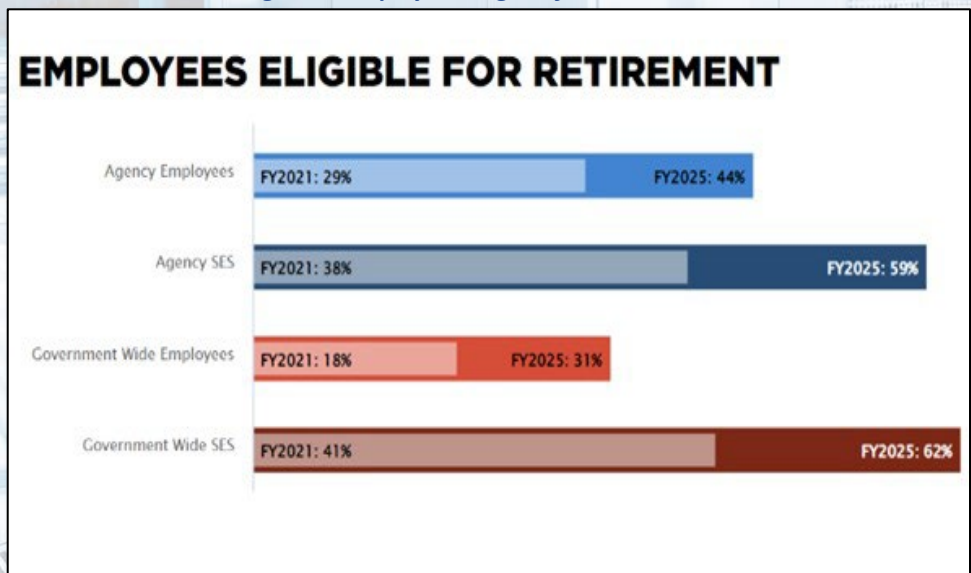
Figure 4 displays the percentages of our employees eligible for retirement in FY21 compared to FY25. Department data predicts that retirement eligible employees will jump from 29% in FY21 to 44% in FY25, and eligible Department SES staff will increase from 38% in FY21 to 59% in FY25.

Figure 3: Program Office Headcount and Turnover Rate

Program Office	Headcount	Average Age	FY22 Turnover Rate	FY21 Turnover Rate
ADMIN	517	51.22	11.11%	14.65%
CPD	880	48.94	8.29%	8.40%
DM	74	45.13	22.22%	58.82%
FHEO	535	46.09	15.84%	11.65%
FPM	345	47.13	11.66%	17.46%
GNMA	214	51.16	7.91%	7.74%
HOUSING	2543	52.30	7.98%	8.22%
OCFO	233	48.14	5.12%	7.96%
OCIO	228	52.18	17.48%	9.96%
ODEEO	15	53.12	27.78%	13.33%
OGC	585	47.93	7.34%	7.97%
OHHLHC	49	52.07	8.70%	2.17%
PD&R	159	47.43	11.92%	10.00%
PIH	1426	51.21	8.42%	8.90%
Total	7803	50.34	9.50%	9.93%

Source: “HUD OCHCO Dashboard,” data retrieved Nov. 2022

Figure 4: Employees eligible for retirement



Source: “HUD OCHCO Dashboard,” data retrieved Nov. 2022

The continued retirement wave is being felt by all government agencies and compels each department to backfill vacated positions or restructure staffing requirements.

Furthermore, we have calculated the percentage of New Hires who separate over several periods of time (Figure 5). Notwithstanding a comparison to other Federal Agencies, the New Hire Turnover Ratio within the first 3 years of an employee’s tenure is 17.88% - 42.19%

While there are multiple reasons why New Hires leave within a few years of being hired, employees cited that workplace environment was factor in their decision making. As of 8/22/2022, 34% of employees cited their motivation to leave was due to organizational culture. Workplace environments are critical to enhancing, supporting, and fostering workplace culture.

Recent surveys across public and private sectors highlighted several factors that are important in a person selecting an employer or job position:

- How a workplace is designed
- What workspace locations are available
- Flexibility of policies for telework and remote work

In February 2022, a study conducted by a global management consulting firm on the future of federal work analyzing workers’ in-person vs remote preferences. Of the federal workers who prefer working onsite, 35% cited their main incentive as the need for traditional space to ideate and innovate.

In March 2022, another global management consulting firm surveyed 52,195 individuals who are in work or active in the labor market. Results showed that 63% of individuals expect their employer to offer a mix of in-person and remote working for at least the next 12 months.

To this end, it is imperative we implement more flexible work policies and modernized and diverse workspaces to support flexible work while attracting and retaining talent.

We aim to deliver our programs more efficiently as we stay mindful of our aging workforce. To combat the growing turnover ratio, it is imperative we align our workplace strategy to focus on employee engagement and satisfaction.

Real estate space modernization and flexible workplace policies appeal to employee expectations of a technologically forward-thinking workplace and integrated work-life balance.

Figure 5: New Hire Turnover Ratio by Fiscal Year

New Hire Turnover Ratio			
Fiscal Year	3 Years or Less	3 to 10 Years	Over 10 Years
2017	17.88%	5.03%	16.84%
2018	15.48%	3.10%	12.57%
2019	13.91%	6.02%	14.29%
2020	15.61%	8.74%	18.22%
2021	22.89%	8.29%	14.59%
2022	29.06%	7.34%	10.00%
2023	42.19%	14.06%	20.31%
Total	19.90%	6.60%	14.42%

Source: “HUD OCHCO Dashboard,” data retrieved Nov. 2022

Technology Support of Strategic Initiatives

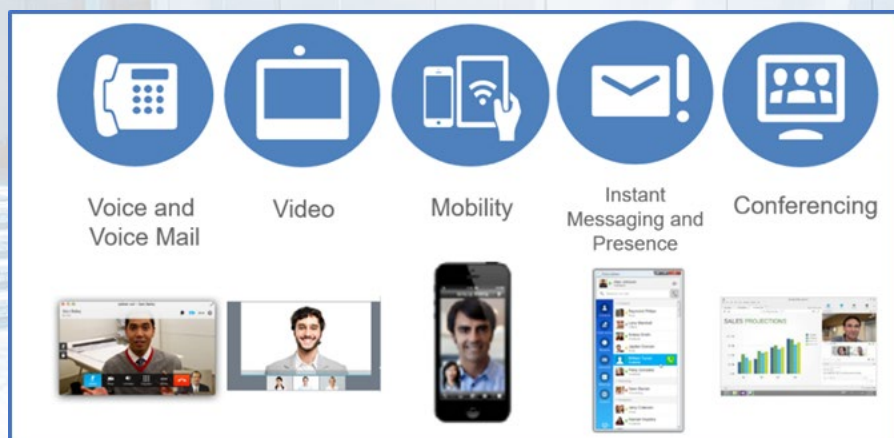
We have aligned with OCIO to enhance our Information Technology (IT) infrastructure and software to enable the initiatives detailed within our plan. The importance of privacy and cybersecurity are at the forefront of our projects:

- Electronic Record Keeping
- Digital Mail Operations
- Supply Chain Optimization

Flexible workplaces are foundational to our plan and demand a technology-forward workplace. To support remote work, Microsoft Teams was implemented and our conference rooms were updated with the proper equipment to support collaboration with a remote workforce. OCIO's helpdesk created and provided videos, pictograms, and FAQs for Flexiplace staff and conference room attendees to set up their equipment. OCIO is implementing Zscaler, a FedRamp approved cloud service Virtual Private Network (VPN) solution to improve our security posture and fortify our cyber defenses from cyber-attacks.

In addition, we have initiated the migration to an agency wide VoIP (Voice over IP) System for enhanced mobility and remote capabilities. The VoIP solution will provide:

- One-Number Access to all telephonic devices
- Ability to check voicemail from home or office as well as receive and forward calls
- Ability to answer group calls – such as 1-800 or other group numbers
- Mobility client that can be utilized on HUD issued cell phones
- Connectivity outside the HUD VPN
- Integration with Teams at no additional cost
- Video and Teleconference capabilities
- A solution that complies with Congressional, Executive Office of the President, and NARA data retention requirements



A: Mission Requirements for Real Property



Define the mission requirements that require a blend of real property assets used to implement the mission.

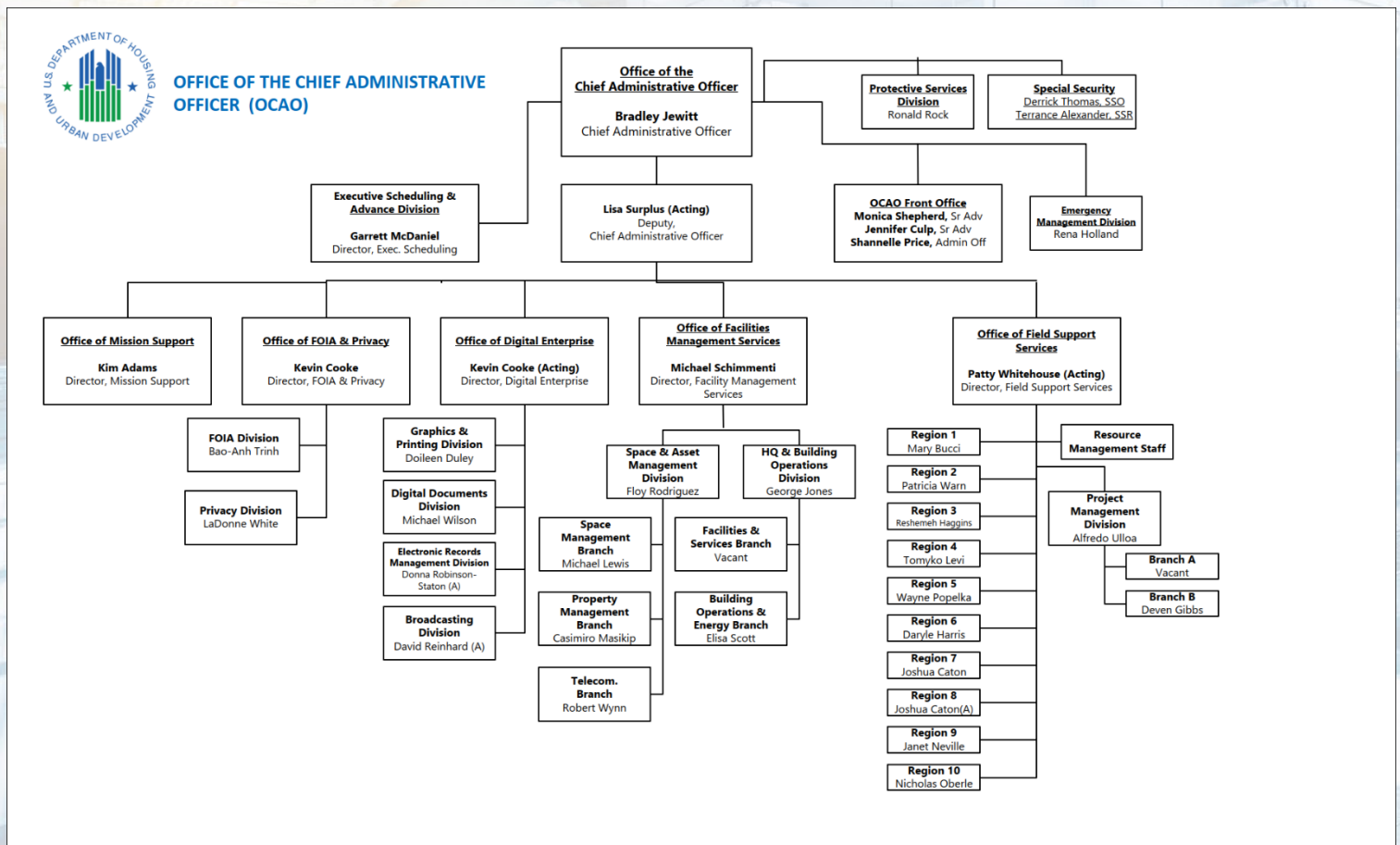


Our mission is to ensure Americans have access to fair, affordable housing and opportunities to achieve self-sufficiency, thereby strengthening our communities and nation. We use our real property to serve our customers across the nation and offer services that are equitable to all. We provide offices to meet the needs of our customers in person, through telephone requests, etc.

The direction and aims of the Office of the Chief Administrator are both internal and external. It provides premier administrative support to HUD to support its program offices. It specifically holds all authority for administrative services for the Department of Housing and Urban Development. We are tasked with the administrative functions of field support services and facilities management. Our team is integral to the Department's success and overall mission accomplishment.

The Office of the Chief Administrative Officer was designed to manage the Department's capital assets, including overseeing the planning, designing, construction and maintenance of new and existing facilities and space. This role also includes transactions support for lease and property acquisition and dispositions, as well as reporting real property data to OMB, CEQ, FRPC and GSA.

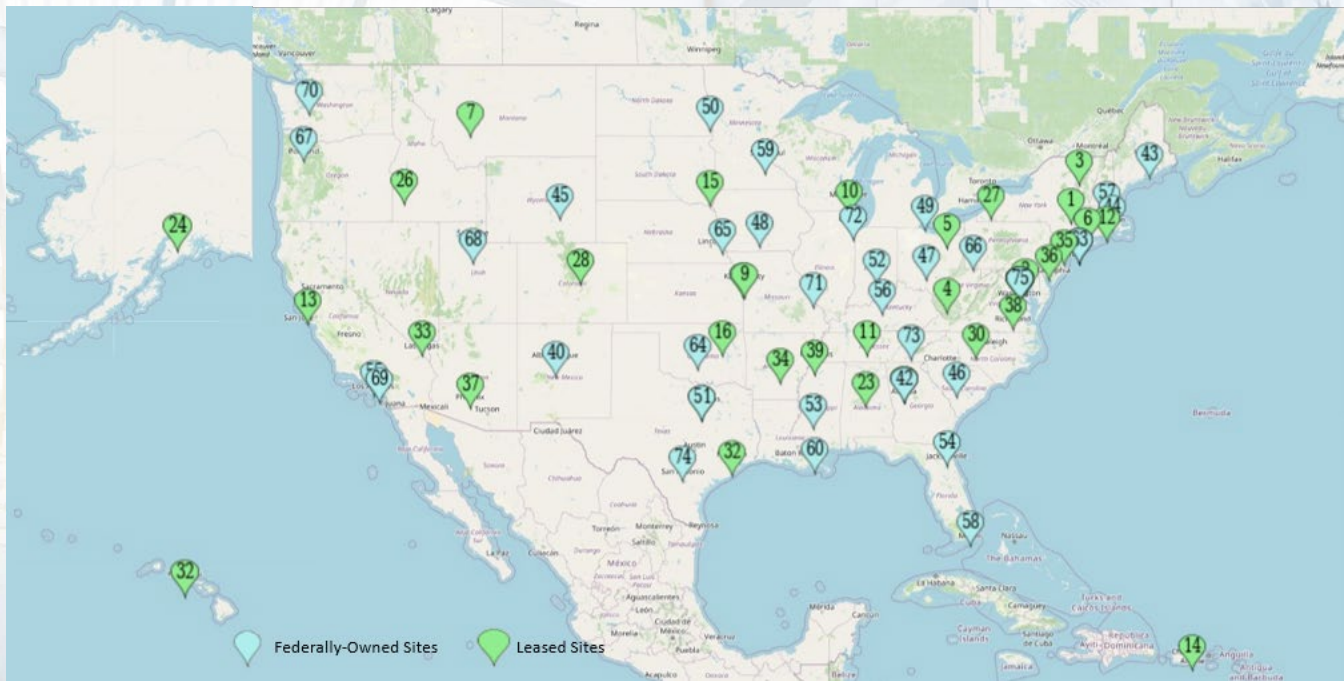
Figure 6: Organization Chart of the Office of the Chief Administrator



Source: HUD Internal

The most notable capital assets are facilities and space. Our office locations are carefully dispersed across all 50 states and territories to house 21 Administrative Departments and Program Offices and 8,351 Employees. HUD locations are bifurcated between Federally owned locations and private leased locations. It is important to distinguish between our rentable square footage (RSF) and useable square footage (USF). Our real estate portfolio consists of 3.5 million RSF and 2.7 million USF. The 39 Federally owned sites total 2,394,046 rentable square feet, representing 32% of HUD’s total RSF. Leased locations make up 39 sites at 1,142,015 rentable square feet, which is 68% of our total USF. (Figure 7).

Figure 7: Map of HUD Occupancy across Federally-owned and Leased Sites – FY23



Source: HUD real estate data, Nov. 2022

Figure 8: HUD RSF across Federally-owned and Leased Sites – FY23

Map #	Project Selection Criteria	Location	Space RSF
1	Lease Portfolio	Albany, NY	17,803
2	Lease Portfolio	Baltimore, MD	27,763
3	Lease Portfolio	Burlington, VT	2,343
4	Lease Portfolio	Charleston, WV	3,122
5	Lease Portfolio	Cleveland, OH	28,704
6	Lease Portfolio	Hartford, CT	21,197
7	Lease Portfolio	Helena, MT	3,132
8	Lease Portfolio	Kansas City, KS	69,437
9	Lease Portfolio	Kansas City, MO	11,465
10	Lease Portfolio	Milwaukee, WI	17,556
11	Lease Portfolio	Nashville, TN	6,375
12	Lease Portfolio	Providence, RI	5,278
13	Lease Portfolio	San Francisco, CA	53,912
14	Lease Portfolio	San Juan, PR	24,462
15	Lease Portfolio	Sioux Falls, Sd	1,862
16	Lease Portfolio	Tulsa, OK	5,682
17	Lease Portfolio	Washington, DC	76,200
18	Lease Portfolio	Washington, DC	22,195
19	Lease Portfolio	Washington, DC	28,854

20	Lease Portfolio	Washington, DC	86,000
21	Lease Portfolio	Washington, DC	34,443
22	Lease Portfolio	Washington, DC	22,195
23	Lease Portfolio	Birmingham, AL	11,555
24	Lease Portfolio	Anchorage, AK	14,805
25	Lease Portfolio	Atlanta, GA	123,370
26	Lease Portfolio	Buffalo, NY	14,910
27	Lease Portfolio	Boise, ID	2,180
28	Lease Portfolio	Denver, CO	86,809
29	Lease Portfolio	Fort Worth, TX	73,535
30	Lease Portfolio	Greensboro, NC	37,772
31	Lease Portfolio	Honolulu, HI	8,614
32	Lease Portfolio	Houston, TX	11,403
33	Lease Portfolio	Las Vegas, NV	8,722
34	Lease Portfolio	Little Rock, AR	23,294
35	Lease Portfolio	Newark, NJ	19,617
36	Lease Portfolio	Philadelphia, PA	71,118
37	Lease Portfolio	Phoenix, AZ	30,993
38	Lease Portfolio	Richmond, VA	33,338
39	Lease Portfolio	Memphis, TN	-
TOTAL for Leased Sites		1,142,015	
40	Federally-Owned	Albuquerque, NM	16,891
41	Federally-Owned	Atlanta, GA	13,845
42	Federally-Owned	Atlanta, GA	1,409
43	Federally-Owned	Bangor, ME	2,664
44	Federally-Owned	Boston, MA	75,484
45	Federally-Owned	Casper, WY	1,086
46	Federally-Owned	Columbia, SC	15,373
47	Federally-Owned	Columbus, OH	22,317
48	Federally-Owned	Des Moines, IA	7,851
49	Federally-Owned	Detroit, MI	41,774
50	Federally-Owned	Fargo, ND	3,447
51	Federally-Owned	Fort Worth, TX	8,841
52	Federally-Owned	Indianapolis, IN	24,320
53	Federally-Owned	Jackson, MS	18,974
54	Federally-Owned	Jacksonville, FL	44,596
55	Federally-Owned	Los Angeles, CA	56,223
56	Federally-Owned	Louisville, KY	17,122
57	Federally-Owned	Manchester, NH	5,515
58	Federally-Owned	Miami, FL	28,006
59	Federally-Owned	Minneapolis, MN	33,649
60	Federally-Owned	New Orleans, LA	27,938
61	Federally-Owned	New York, NY	125,499
62	Federally-Owned	New York, NY	2,637
63	Federally-Owned	New York, NY	1,542
64	Federally-Owned	Oklahoma City, OK	42,075
65	Federally-Owned	Omaha, NE	12,214
66	Federally-Owned	Pittsburgh, PA	15,520
67	Federally-Owned	Portland, OR	21,933
68	Federally-Owned	Salt Lake City, UT	9,577
69	Federally-Owned	Santa Ana, CA	61,657
70	Federally-Owned	Seattle, WA	44,401
71	Federally-Owned	St. Louis, MO	24,502

72	Federally-Owned	Chicago, IL	149,499
73	Federally-Owned	Knoxville, TN	21,987
74	Federally-Owned	San Antonio, TX	38,652
75	Federally-Owned	Washington, DC	1,121,913
75a	Federally-Owned	Washington, DC	43,543
75b	Federally-Owned	Washington, DC	77,069
75c	Federally-Owned	Washington, DC	112,501
TOTAL for Federally -owned Sites			2,594,458

**Sites 75a-c are floors within the same building*

Source: HUD real estate data, Nov. 2022

To align with our mission, we seek real property in metropolitan statistical areas (MSA) that contain a significant customer presence. By occupying space in these areas, we make our core services available to a large majority of customers.

Efficient and effective space design is also critical to support our mission. Realizing cost savings by more effectively utilizing our space exhibits our focus on responsibly utilizing taxpayer dollars in support of our mission.

Alignment with Complimentary HUD Planning Efforts

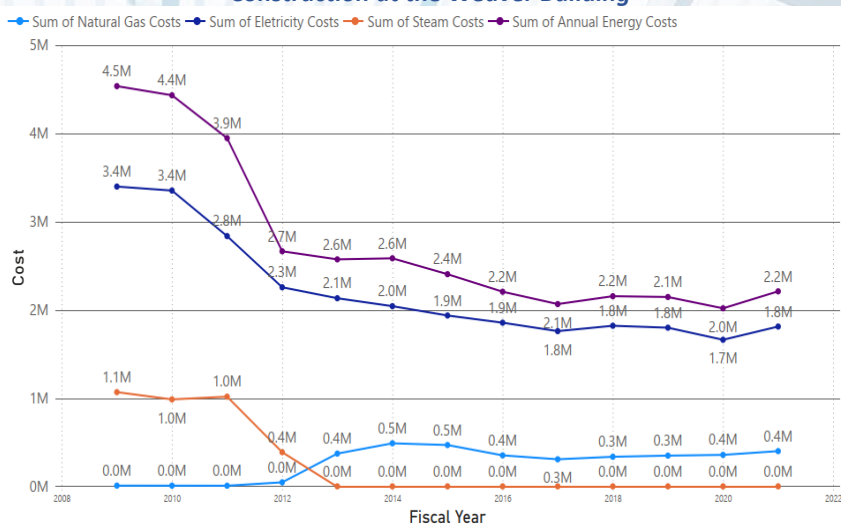
We have used our sustainability plan, climate action plan, and strategic plan to ensure that all projects and initiatives are aligned. The detailed coordination of these complimentary plans into our plan is outlined below.

HUD SUSTAINABILITY AND CLIMATE ACTION PLAN

We are committed to integrating climate action and sustainability into our operations. We recognize numerous opportunities to integrate the Department's goals with the goals outlined within Executive Order 14057: Catalyzing American Clean Energy Industries and Jobs Through Federal Sustainability. These include:

- Working toward 100% carbon-free electricity: Participating in a regional power purchase agreement (PPA) administered by the General Services Administration, which secures electricity pricing for multiple buildings in the region and includes renewable energy certificate (REC) purchases for HUD's headquarters.
- Achieving 100% zero-emission vehicle fleet: Rightsizing the fleet and transitioning to electric vehicles.
- Supporting net-zero emission government and private facilities: Collaborating with GSA to ensure all new construction and modernization projects greater than 25,000 gross square feet will be net-zero by 2030.
- Increasing energy and water efficiency: Engaging Honeywell for a modification to the Weaver Building's existing energy service performance contract (ESPC) to implement additional measures to improve the building's efficiency and reliability. The existing ESPC is largely responsible for HUD's scope 1 and 2 emissions reductions to date—70% from a 2008 baseline.
- Reducing waste and pollution: Participating in the GSA National Capital Region Recycling Program, selling or recycles excess furniture, and reviewing space management for opportunities to divert construction and demolition waste.
- Advancing sustainable procurement: Ensuring that contract actions meet sustainable acquisition requirements.
- Emphasizing climate and sustainability priorities: Offering climate and sustainability training and programs for staff.
- Incorporating environmental justice: Promoting climate justice in tribal communities, creating green job opportunities, and preventing residential lead poisoning, among other initiatives outlined in HUD's Climate Action Plan. The Inflation Reduction Act made \$837.5 million available to HUD for the provision of loans and grants to fund projects that address climate resilience. In response to the passage of this act, HUD is designing a new program, the Green and Resilient Retrofit Program (GRRP).

Figure 9: Annual Energy Cost Savings Before and Following FY16 completion of ESPC Construction at the Weaver Building

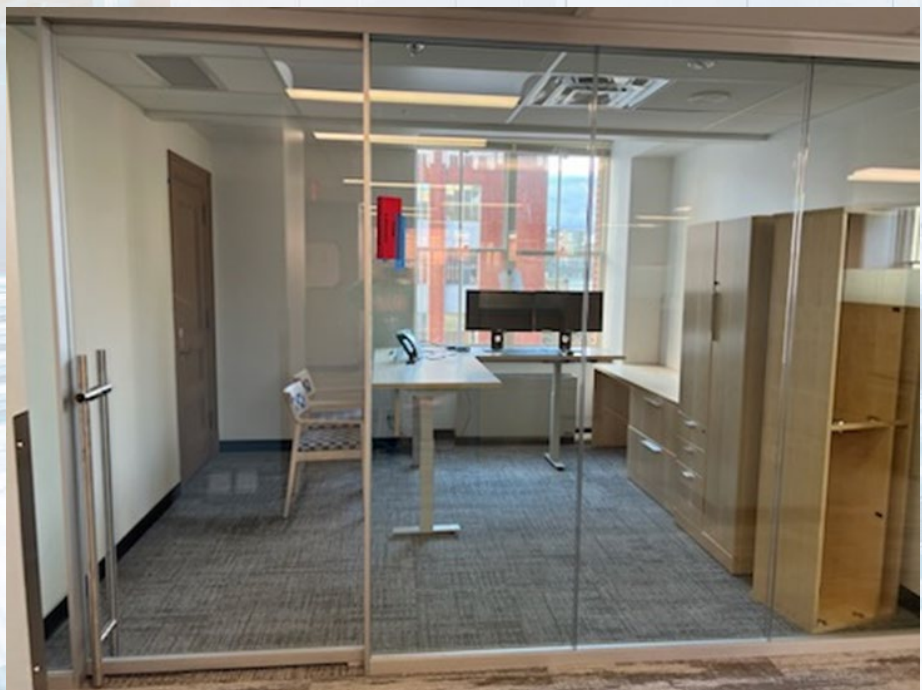


Source: Historic energy data provided by HUD

In a twelve-year timeframe (2009 – 2021), our combined annual energy costs have decreased by 51%— from over \$4.5 million to \$2.2 million for electricity, natural gas, and steam. Our plan proposes to use existing funding within the ESPC to further invest in the Weaver Building’s mechanical assets.

Seattle Federal Office Building

The Historic Seattle Federal Office Building (FOB) was constructed in 1931 - 1933 and was the first building in Seattle specifically designed for offices of the federal government. GSA requested that tenant agencies (including HUD) fund sustainable modernization of the property’s building envelope. The exterior renovation project was completed in March of 2021. Specific areas of work are the exterior brick, granite, terra cotta and aluminum panel restoration; roof replacement; and window restoration. Exterior restoration included replacement of over 7,000 exterior bricks, complete repointing of all brick and terra cotta mortar, replacement of all single pane windows with low-E, vacuum insulated double pane window glazing, stripping and repainting all steel window frames with marine-grade paint, 80% roof replacement and code-compliant parapet seismic bracing. The expectation is a 25% energy use reduction, resulting in reduced emissions and lower utility costs for all tenants, including HUD.



Case Studies: Energy Efficiency Upgrades for HUD Office Buildings

HUD Headquarters

Since 2008, we have reduced our Scope 1&2 Greenhouse Gas (GHG) emissions by nearly 70% according to our FY21 performance data. Energy conservation measures funded through our Energy Performance Savings Contract have resulted in these substantial carbon footprint reductions. In a

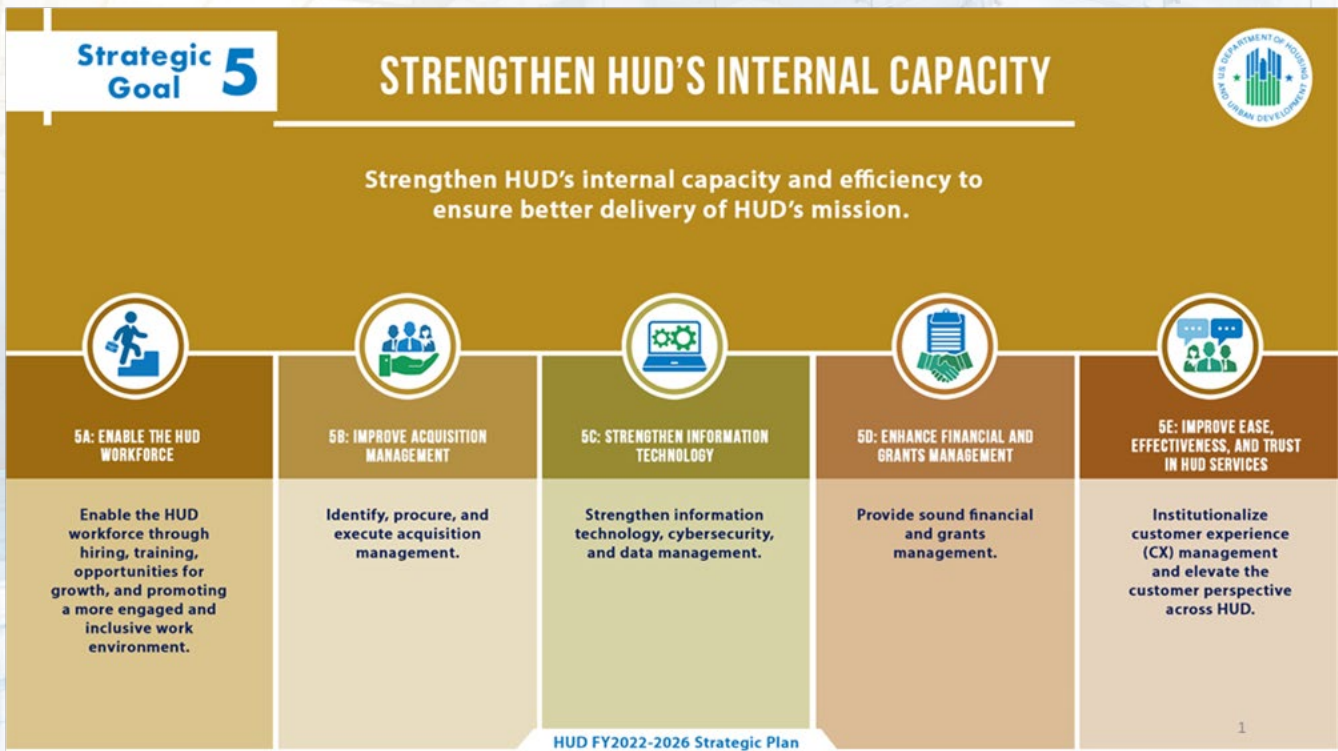
HUD STRATEGIC PLAN

Our Capital Plan represents a comprehensive outlook for our capital asset requirements from FY24-28. We seek to optimize our real property portfolio to satisfy the needs of our customers and align with our mission. Our real properties strategies align with several goals outlined in our FY 2022-2026 Strategic Plan.

Strategic Goal 5: Strengthen HUD's Internal Capacity

Our Real Properties Strategy closely aligns with Strategic Goal 5 of our FY2022-2026 Strategic Plan. As illustrated in Figure 10, Goal 5 is to strengthen our internal capacity and efficiency to support better delivery of our mission. Through seeking and occupying a blend of real property assets in metropolitan areas, we can effectively enable our workforce. Our real property portfolio allows us to empower our workforce through hiring, training opportunities for growth, and promoting a more engaged and inclusive workforce. In turn, we are better able to satisfy the needs of our clients. Employee enablement and engagement has a direct link to the workplace and real estate goals of this Capital Plan.

Figure 10: HUD Strategic Goal 5



Source: Attachment B – FY23 Q1 QPR- Dashboard November 17, 2022

5A: Enable the HUD Workforce

We recognize an inclusive culture, supportive of employee engagement, is essential to supporting our workforce. In doing so, we will implement strategic improvements to create a safe, engaged, and high-performing work culture.

Strategic Goal 5A Milestones

- Create a strategic facility planning process to timely identify, program for, and deliver facility support requirements.
- Ensure workspace availability and configuration meets short-term staffing needs.
- Research and pilot new, flexible workplace concepts.
- Update the Departmental Space Handbook to incorporate hiring and workplace flexibilities.
- Develop a centralized mail system to enable digitalization and electronic distribution of mail.
- Fully incorporate data from multi-year talent acquisition planning efforts into workspace plans for FY24-26.
- Implement a Unified Communications System to eliminate the current disparate telecommunications network.

5C: Strengthen Information Technology

Improvements in cybersecurity and data management will help support our mission. This can be achieved through implementation of highly connected real estate with IT infrastructure tools that are safe, secure, and resilient. Increasing our leaders' ease of access to relevant and reliable data will better equip them to make timely, well-informed policies and decisions. Our strategic plan includes milestones and objectives that align with the objectives of our Capital Plan:

Strategic Goal 5C Milestones

- Develop a HUD-wide IT modernization plan that supports resilient operations.
- Identify HUD-wide data sources and available program information which can be reviewed and utilized for CX purposes.
- Initiate the creation of the Enterprise Data Asset and Resource Management Solution (eDARMS), including identifying Data Stewards who will help provide the priorities and important data elements that go into the Enterprise Data.



- Acquire an Integrated Work Management System to improve Departmental space and facilities management.
- Develop a department plan to manage all records, permanent and temporary, in an electronic format as required by the Office of Management and Budget (OMB) M-19-21.
- Develop and implement a compliant records and information management process to properly organize, protect, classify, and properly dispose of HUD records.



B: CFO and SRPO Responsibilities



Define the responsibilities and actions the CFO and SRPO will take to develop and implement the capital plan, including those required by this policy. To the extent that other CXO organizations are implicated, those organizations should also be involved in the planning process.



Several key collaborators were included in developing our Capital Plan. Our Deputy Secretary manages the

Department's operations, including the budget. As such, the Deputy Secretary makes final decisions regarding our overall real property strategy and budget. The Department Senior Real Property Officer (SRPO) is the asset manager for the entire Department, with responsibility for the oversight of our real property policy, the rent budget, and response to real property-related requests from the Office of Management and Budget (OMB) and GSA. The SRPO's staff works to develop our plans for space reductions, relocations, and real property budgets. These are then coordinated with the Chief Financial Officer (CFO). The SRPO meets with the CFO to coordinate the real property budget request.

The SRPO, CFO, and the Budget Officer are jointly responsible for developing the capital planning process, integrating it into the Department's annual budget formulation cycle, monitoring its execution, and analyzing cost and performance information. These three officials jointly establish annual performance objectives/metrics for the plan to assess whether we are progressing towards portfolio optimization and eliminating identified gaps.

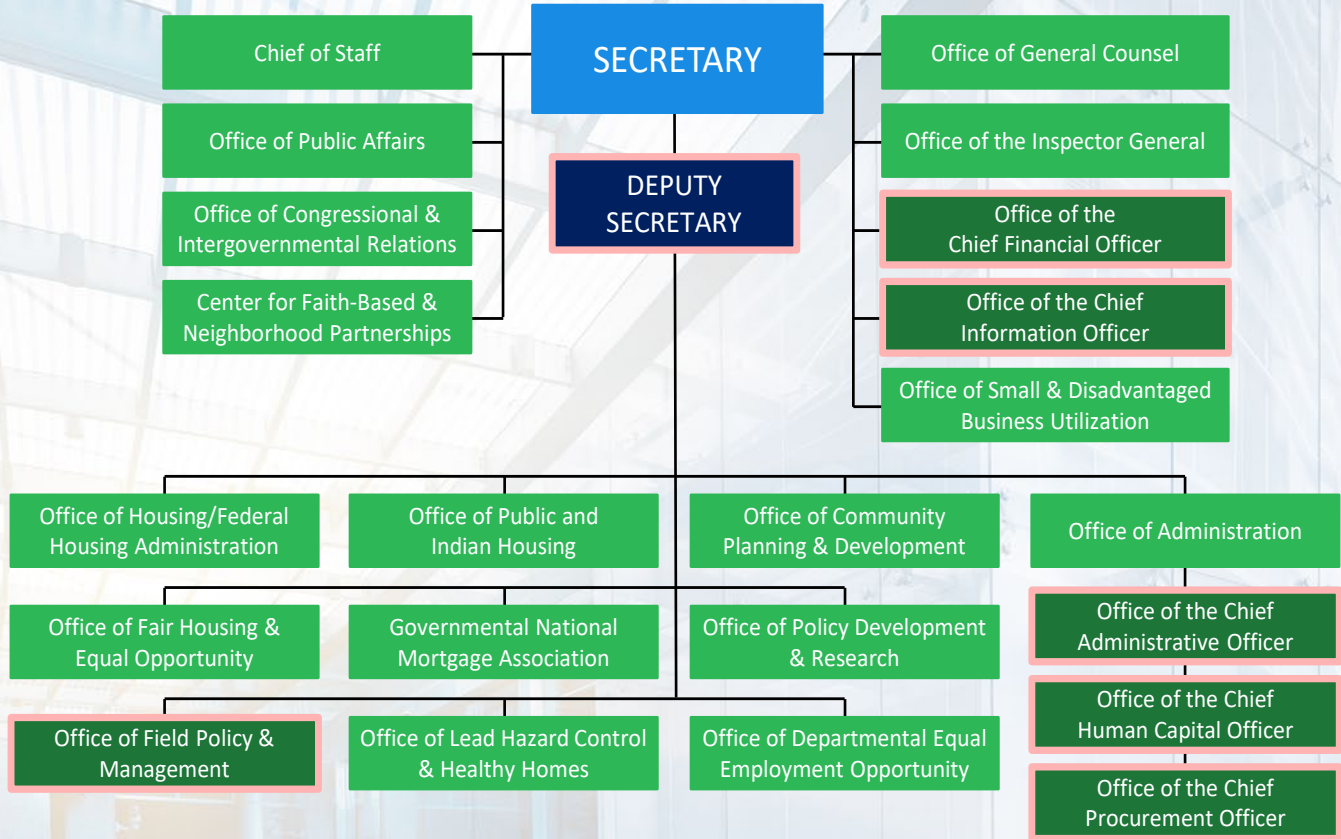
We collaborate with the Chief Human Capital Officer and the Chief Information Officer in the development and execution of this Capital Plan. With the CHCO we assess the status of post-reentry personnel policies supporting the future of work and the need for office space. We also work with the Chief Information Officer for the implementation of online collaboration tools, cloud-based software, and cybersecurity to support a flexible workforce.



Departmental Structure

Figure 11 details HUD's departmental structure and highlights key collaborators.

Figure 11: Key Collaborators and Signatories on the HUD Capital Plan



Source: FY2022-2026 Strategic Plan

C: Annual Budget Process



D: Major Lines of Business



Identify major business lines for the agency and discuss each briefly, including how the agency assesses whether asset types within a business line and the business line as a whole, have sufficient capacity to meet mission requirements and how asset types within each business line are assessed for utilization. Any existing planning standards or unique real property requirements that support those major business lines should also be outlined at a high level in this section. This section should be written to help identify potential operational and analytic synergies among agencies and provide enough information for potential standardization to be discussed in more detail in an FRPC chartered workgroup. Workgroup discussion may lead to the development of standard definitions and business processes among the agencies for those business lines where synergies are identified.



We support numerous non-real property lines of business in the pursuit of our mission to “create strong, sustainable, inclusive communities and quality affordable homes for all.” We are working to strengthen the housing market to bolster the economy and protect consumers, expand homeownership and meet the need for quality affordable rental homes, utilize housing as a platform for improving the quality of life, build inclusive and sustainable communities free from discrimination, and transform the way we do business. We pursue transformative housing and community-building policies and programs.

Major public-serving HUD program activities are highlighted in Figure 13 below. This includes:

- **Office of Housing:** plays a vital role for the Nation’s homebuyers, homeowners, renters, and communities through its nationally administered programs. It includes FHA which is the largest mortgage insurer in the world and provides mortgage insurance on mortgages for Single Family homes, Multifamily properties, and Healthcare facilities.
- **Government National Mortgage Association (Ginnie Mae):** through federally insured mortgage programs, GNMA makes affordable housing a reality for millions of low- and moderate-income households across America by channeling global capital into the National’s housing market.
- **Office of Public & Indian Housing (PIH):** oversees and monitors a range of programs for low-income families, including Housing Choice Voucher (HCV) Programs; Public Housing Programs; and Native American Programs.
- **Office of Community Planning & Development (CPD):** seeks to develop viable communities by promoting integrated approaches that provide decent housing, suitable living environments, and expansion of economic opportunities for low- and moderate-income persons. The primary means toward this end is the development of partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations.

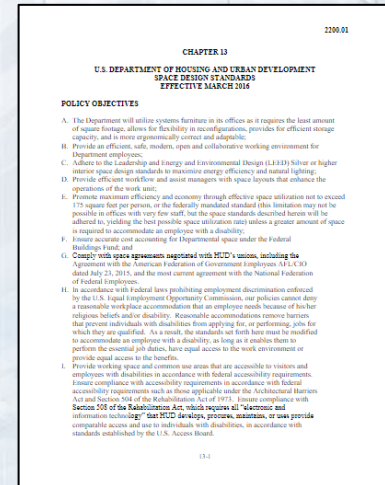
Figure 13: HUD major lines of business



Source: HUD FY22 Agency Financial Report

- **Office of Lead Hazard Control & Healthy Homes:** provides funds to state and local governments to implement cost-effective ways to reduce lead-based paint hazards and provides funds for these entities and nonprofit organizations to reduce other health and safety hazards in the home.
- **Office of Policy Development & Research (PD&R):** supports the Departments' efforts to increase housing affordability and create cohesive, economically healthy communities by advancing the robust use of evidence to inform policy and improve programs.
- **Office of Fair Housing & Equal Opportunity (FHEO):** enforces laws to protect people from discrimination based on race, color, religion, sex, national origin, disability, and familial status. In addition, FHEO ensures fair housing compliance by housing providers that receive HUD funding.

Figure 14: HUD Chapter 13 - Space Design Standards

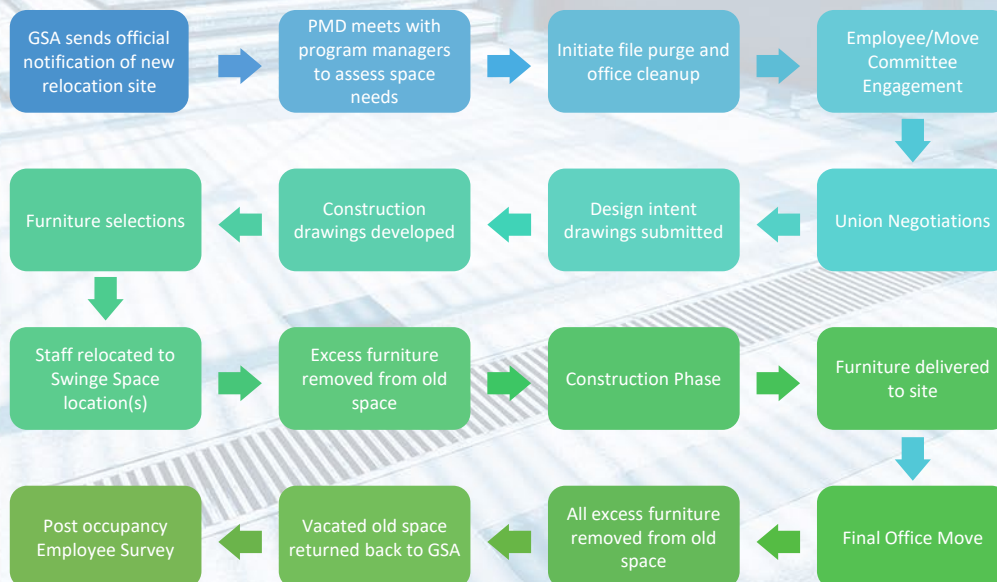


Our “Space Design Standards” include utilizing furniture systems that require the least amount of square footage and allow for flexibility in reconfigurations. A key goal is providing an efficient, safe, modern, open, and collaborative working environment for Department employees while acting in accordance with laws and collectively bargained utilization rates.

The document details the unique real property space allocation requirements for the Weaver Building (headquarters) and Regional/Field offices.

Collaboration amongst the space management teams and local leadership is facilitated through stakeholder interviews, design charrettes, and the development of the office space requirements. The space requirement package details the number of offices, workstations, support space, specialty space, customer facing space and collaboration space needed for a particular office location. Local Office Space committees are formed and are made up of an equal number of bargaining unit and management employees who make design decisions and recommendations on behalf of individual program areas.

Figure 15: HUD Process for Space and Alterations Requests



E: Needs Assessment



Describe the processes the agency used to execute the comprehensive needs assessment. Note whether the assessment uncovered trends, gaps or imbalance in the composition of the portfolio or in its condition.



Our comprehensive needs assessment identified needs across facilities and technology. These needs include optimizing real property portfolio, capital improvements in the Weaver Building, and implementing a centralized system of data for real property data. First, to assess our real property portfolio needs, we evaluated office space utilization data. This analysis provided insights as to where we can reduce space and optimize our utilization rates to create cost savings.

Our second need recognizes the significant deferred maintenance in the Weaver Building. We acknowledge our joint responsibility with GSA to address the projects. To assess our need for an IWMS, we collected occupancy data from multiple sources. The assessment revealed inefficiencies in five different data collection methods including badging data from card access scans, property Turnstile Data, Wi-Fi Usage Data, WebTA Timekeeping System, and Flexiplace Scheduling.

The needs outlined in this document address three key areas:

- Alignment to the strategic mission of the Department and its clients
- Design of space to create a healthy and safe environment for our employee base and clients
- Attracting and retaining the next generation talent
- Uphold our fiduciary responsibility and stewardship of taxpayer dollars

Need 1: Optimize Real Property Portfolio

Leased real estate is a significant cost as we do not own real property. Selection of sites that align with our mission requirements is critical to serving customers. Optimizing our space requirements to support our program execution can create substantial cost savings and cost avoidance.

We have identified opportunities for cost savings and avoidance by optimizing the utilization rate (“UR”) of our office space. UR is calculated by dividing the total useable square footage at an office location by the total number of employees. While UR varies by location, the average UR across our entire portfolio exceeds 300 square feet per person which is nearly double the collectively bargained 175 square feet per person standard for office space. This document details our methodology for applying the necessary headcount allocations per property as a determinant for future space needs. Moving to a more efficient utilization rate reduces real estate spend, allowing us to redeploy funds to other higher impact needs. We expect that additional opportunities to right-size space will be identified through the application of our flexible workplace initiatives.

Figure 16 shows benchmark utilization data for our commercial leases expiring between 2024 and 2028. The data set presented shows the national median utilization rate of 198 sq ft per employee. Based on this benchmark, our UR goal of 175 sq ft per employee was validated as an industry appropriate approach.

Figure 16: Pre-Covid UR data noting US state level space for SF/FTE, SF per workstation, and FTE per workstation

State	Code	Metrics	25th Percentile	Median	75th Percentile	No. of Companies	No. of Buildings	Total Space
Alabama	AL	Space Channel Metrics	207.60	251.35	315.95	6	8	87,233
Arizona	AZ	Space Channel Metrics	131.28	179.05	216.98	8	24	1,263,439
California	CA	Space Channel Metrics	156.35	199.66	286.58	20	160	8,356,471
Colorado	CO	Space Channel Metrics	133.18	147.70	158.36	5	9	139,035
Connecticut	CT	Space Channel Metrics	125.18	176.50	317.24	5	11	446,736
Florida	FL	Space Channel Metrics	132.53	173.30	265.90	8	35	1,252,707
Georgia	GA	Space Channel Metrics	147.92	244.09	298.32	10	26	850,027
Illinois	IL	Space Channel Metrics	145.34	172.56	259.56	13	33	3,240,679
Indiana	IN	Space Channel Metrics	171.74	208.75	391.32	4	12	1,130,077
Iowa	IA	Space Channel Metrics	NA	NA	NA	NA	NA	NA
Kansas	KS	Space Channel Metrics	195.92	285.45	331.19	5	7	108,288
Kentucky	KY	Space Channel Metrics	NA	NA	NA	NA	NA	NA
Maryland	MD	Space Channel Metrics	148.50	197.50	241.38	6	17	133,528
Massachusetts	MA	Space Channel Metrics	157.71	249.00	351.39	10	17	752,250
Michigan	MI	Space Channel Metrics	158.31	181.04	266.66	8	34	1,534,914
Minnesota	MN	Space Channel Metrics	127.09	186.61	246.81	4	11	131,690
Missouri	MO	Space Channel Metrics	127.05	146.29	218.33	5	14	927,882
New Jersey	NJ	Space Channel Metrics	159.68	241.25	386.50	7	21	834,427
New York	NY	Space Channel Metrics	155.70	208.07	330.64	13	39	1,533,659
North Carolina	NC	Space Channel Metrics	178.32	266.44	384.91	8	47	1,977,422
Ohio	OH	Space Channel Metrics	136.62	150.22	201.93	5	32	3,785,592
Oklahoma	OK	Space Channel Metrics	148.84	258.67	273.15	5	7	235,293
Oregon	OR	Space Channel Metrics	141.71	187.50	219.34	7	9	489,771
Pennsylvania	PA	Space Channel Metrics	145.76	221.35	375.00	11	33	1,123,860
South Carolina	SC	Space Channel Metrics	136.93	169.65	218.25	4	8	512,653
Tennessee	TN	Space Channel Metrics	176.47	203.84	306.05	5	10	57,902
Texas	TX	Space Channel Metrics	175.86	238.73	371.26	15	80	8,500,708
Utah	UT	Space Channel Metrics	NA	NA	NA	NA	NA	NA
Virginia	VA	Space Channel Metrics	161.24	198.22	269.10	9	28	1,236,343
Washington	WA	Space Channel Metrics	146.29	194.67	361.71	9	17	312,560
Wisconsin	WI	Space Channel Metrics	NA	NA	NA	NA	NA	NA
United States	National	Space Channel Metrics	146.28	197.86	300.00	31	845	43,967,509

Source: Gartner

As leases expire, we will use these opportunities to reduce our footprint and operating costs. We will also review longer term leases to determine the sites where a cost benefit analysis indicates consolidation should occur before the end of the lease.

Field Office Space Optimization

We have been actively capitalizing on opportunities to find efficiencies in our real estate portfolio since 2012, reducing our portfolio by more than 700,000 sq ft. While we have historically been forward-thinking in our real estate needs, the past few years have presented new opportunities for flexible workspaces.

We collaborated to streamline collectively bargained utilization rates following Flexiplace implementation. We also considered the costs of relocation to establish an ROI for each relocation project as space needs are being reduced.

By targeting lease expirations, our portfolio has produced more than \$17.9 million in annual rent cost savings since 2012. We will continue to reduce our facilities footprint by implementing space reduction initiatives including those related to the flexible workplace. Our goal is to create a modern and supportive environment to accommodate the changing workforce and workplace to facilitate our mission.

Estimated cost to address need: Estimated costs for Field Office projects from FY 2024-2028 is approximately \$28.6M.

Weaver Building Space Optimization

We plan to exercise a multi-year cost plan to completely modernize and consolidate our headquarter offices within the Weaver Building. Ultimately, the funding will create a premier work environment with a flexible floor and furniture plan capable of accommodating the needs of the workforce and allowing us to recruit and retain the best talent. To accomplish these goals, in FY24 we have requested \$10 million annually, and will continue to request this funding level for each of the next five years. This funding will enable us to implement space reduction initiatives to transition to a hybrid work environment under existing workplace policies that expand flexibilities for employees. These funds will support the changes and alterations required in the Weaver Building to provide for demolition and reconfiguration of program offices. This will also support multiple work, collaboration, and common spaces to accommodate the workspace configuration needed for expanded flexibilities such as hoteling and hot desking. Working in collaboration with GSA, the goal of the plan is the elimination of four Washington D.C. satellite office leases and consolidation within the Weaver Building. The four satellite locations include:

- Capital View: 63,500 USF
- The Portals: 25,326 USF
- The Potomac Center: 78,593 USF
- Washington Office Center (WOC): 29,953 USF

Office space in L'Enfant Plaza was eliminated from the portfolio in June 2021 by consolidating employees back into the Weaver Building. This removed 19,440 square feet and \$1.8M in annual rent. The Weaver Building's original design called for open floor spaces on either side of a fire wall corridor set on a 3.5 x 3.5-foot grid pattern. However, throughout the ensuing years much of the floor space has been divided and segmented by hard wall dividers and hard wall offices constructed to accommodate programmatic requirements. We realized that this model not only goes against the Guiding Principles for office design, but also has created gross inefficiencies.

We have partnered with GSA and the D.C. State Historic Preservation Office to create a Programmatic Agreement that outlines how we may develop open-air floor plans while retaining the Weaver Building's historic design elements. For example, the Programmatic Agreement eliminates window offices to bring more natural light into the space. It also allows for open workplaces that promote design excellence.

Estimated cost to address need: \$10 million annually for the next five years. We have been directed by GSA to conduct a Program of Requirements for the Weaver Building in order to determine the right space size, design, furniture and equipment for the right needs.

Need 2: Capital Improvements in the Weaver Building

We have identified deferred maintenance for the Weaver Building as a significant need for our portfolio. We have prioritized major needs and identified how they create mission vulnerabilities. We are not solely responsible for all deferred maintenance items under the terms of the delegation of authority. GSA holds responsibility for many of the high expense capital asset repairs and replacements for Weaver. We are aware of the needs and are working with GSA to pinpoint the most crucial deferred maintenance gaps that directly impact mission critical activities. Aligning this deficiency with future budget cycles will create a safer building that can accommodate greater floor density, allowing for elimination of the D.C. satellite offices.

Maintenance Categories to be addressed with deferred maintenance funding will be, but not limited to, Mechanical/Electrical/Plumbing systems, life safety and redundancy systems, exterior envelope maintenance, and energy efficiency systems.

The agency possesses delegated building authority for the Weaver Building. Through a delegation agreement with GSA, we are responsible operating and maintaining building systems including all repairs to major systems. GSA is responsible for all building shell deficiencies as well as capital improvements. Every 5- years, GSA has provided us with its Consolidated Building Services Building Engineering Report (BER). This document highlights some of the deficiencies found in the Weaver Building based on a 5-year inspection cycle. Working with GSA and the BER, we report all known deficiencies missing from the original report or occurring within the 5-year period between inspections. However, the last BER was generated in 2012, thus, we recommend performing a comprehensive Facility Condition Assessment at the start of FY24 that will provide all the required inputs into the BER.

For space related projects or alterations at the Weaver Building, we must seek a delegation of approval for all renovation projects exceeding \$250,000 in construction costs. Under the delegation of authority, we fund operations and repairs, while GSA funds shell and capital improvement projects. There are times when this distinction may not appear obvious. In these instances, we will meet with GSA to discuss the correct area of responsibility.

Estimated cost to address need: Our agency requests 1) \$5M annually earmarked for a) conducting two Facility Condition Assessments and b) for addressing deferred maintenance projects that we are responsible for and 2) awareness that there remains a Governmental need for \$39M for maintenance that GSA is responsible for. We currently face a deferred maintenance total of \$14M for which we are responsible under the delegation of authority and are requesting \$5M annually to address the deferred maintenance backlog as well as addressing proactive ongoing maintenance. Prioritized projects include repair and replacement of outdated system components like circulating pumps, fans, and corroding pipes. GSA has an estimated \$39M deferred maintenance total focused on base building system replacements, including building chillers and air handlers, and structural issues affecting building use and safety.

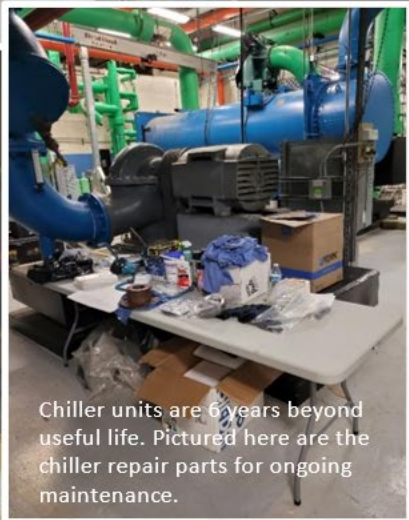
Sampling of needed Deferred Maintenance at HUD Headquarters, Weaver Building, Washington, DC



Air handler units are 29 years beyond useful life. Replacement needed for reliability, indoor air quality, and streamlining of repair costs.



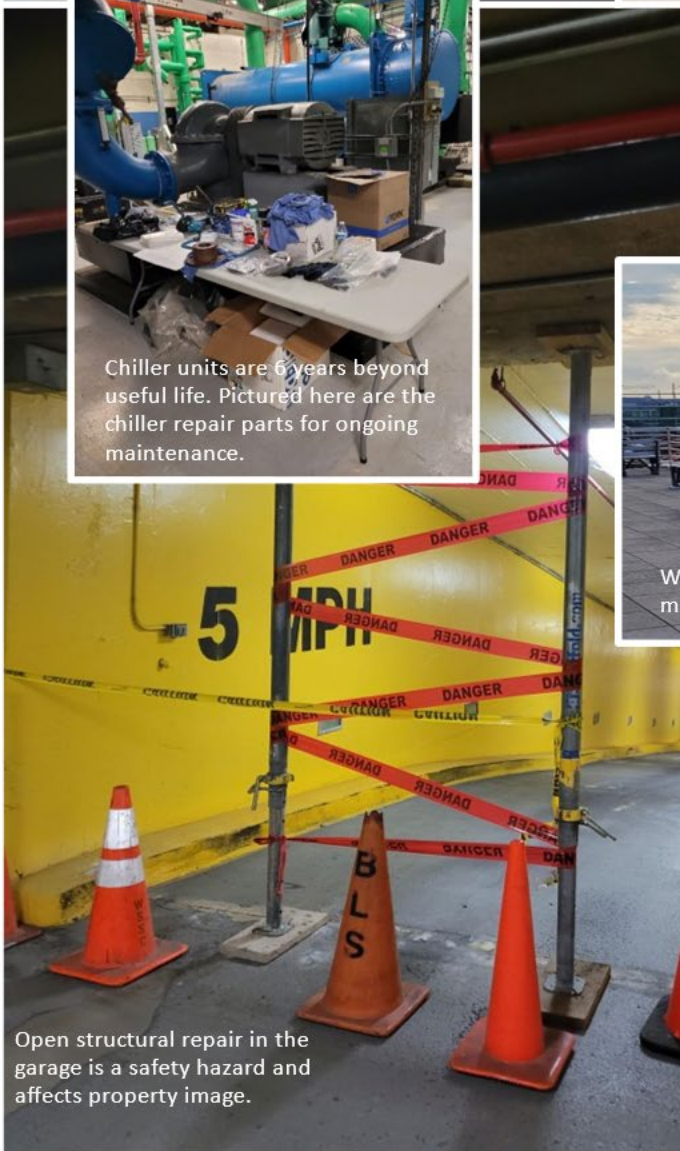
Features of Weaver Building exterior showing wear and affect publicly-facing aesthetics of property.



Chiller units are 6 years beyond useful life. Pictured here are the chiller repair parts for ongoing maintenance.



Weaver Building observation deck in need of modernization to create a sense of place for employees.



Open structural repair in the garage is a safety hazard and affects property image.



Space in need of repair due to leaks in the property.

Need 3: Centralized System of Record for Real Property Data

A significant challenge has been the collection of accurate occupancy data. Occupancy data is critical to our mission in that it enables us to provide the space needed for programs to operate effectively. Additionally, inefficient space usage can be a by-product of inaccurate occupancy data.

Real estate cost overruns create potential budget constraints that may inhibit our ability to successfully deliver service that aligns to our mission.

We implemented a methodology to collect occupancy data from multiple sources to validate the accuracy of each source. We examined five methods of data collection:

Wi-Fi	Turnstile	WebTA	Badging	Flexiplace
<ul style="list-style-type: none"> • Availability very limited – only available at HQ, select satellite offices and 3 field locations 	<ul style="list-style-type: none"> • Available at limited locations • Skewed by scans from visiting employees 	<ul style="list-style-type: none"> • Numerous data entry points • Dynamic data 	<ul style="list-style-type: none"> • Labor intensive and time consuming to scrub • Dynamic data • Limited to a 30-day historic view 	<ul style="list-style-type: none"> • Static data • Most reliable • Actual planned occupancy • Yields square-footage that allows for the greatest flexibility

Flexiplace data was identified as the best data source. It was used to complete space reduction, cost savings, and cost estimation calculations throughout the Capital Plan.

One data set we examined was our internal controlled access cards scans. The card system identifies unique badge codes that will allow for a distinct count of employees who enter our secured space. The collection of this data proved to be both staff and time intensive.

Turnstile entry data was collected by the General Services Administration at limited government-owned facilities. This data set was limited because it was only available for government owned facilities that have entry turnstiles. Some locations allow staff to enter the building by visual confirmation of their government access cards by Federal Protective Services (FPS).

We also evaluated Wi-Fi usage data. The CIO differentiated between HUD-employee and guest access. However, the data collected was only 30-days of aggregated usage and was not reflective of the entire portfolio. Wi-Fi is currently only accessible at certain HUD HQ facilities and three field locations.

We collected timecard data via our WebTA timekeeping system. This data reflects self-reporting for days worked in the office, telework routine, telework situational, etc. The concern with this data more than any other source is the high probability for errors. Since each employee submits their own timecard, there are roughly more than 7,000 data entry points.

We found the Flexiplace policy to be the optimal measurement tool for occupancy data. By aligning real estate needs to the highest occupancy day in a pay period, HUD projected the future real estate space needs for use in this Capital Plan.

Although we utilized Flexiplace for the use of this Capital Plan, we recognize the value of an integrated workplace tool for active management of space and utilization. An IWMS system will enable us to actively manage our space through accurate and current occupancy data.

Estimated cost to address need: The selected IWMS system is estimated to cost \$125,000 in FY2024 and \$500,000 annually from FY2025-2028 to account for additional module implementations captured as capital expenditures.



F: Alternatives Analysis



Need 1: Optimize Real Property Portfolio



We have executed space optimizations aggressively since 2012 to correct past inefficient use of our real estate. Adding to the planned space reductions, we will realize additional space and cost reductions with new flexible workplace policies. Also examined are the rent savings associated with eliminating the leases for four satellite offices in Washington D.C. that can be collapsed into the Weaver Building. Relocation costs (tenant improvements, move/disposal, security, etc.) have been considered for each relocation project with a return-on-investment breakeven point generated for each opportunity.

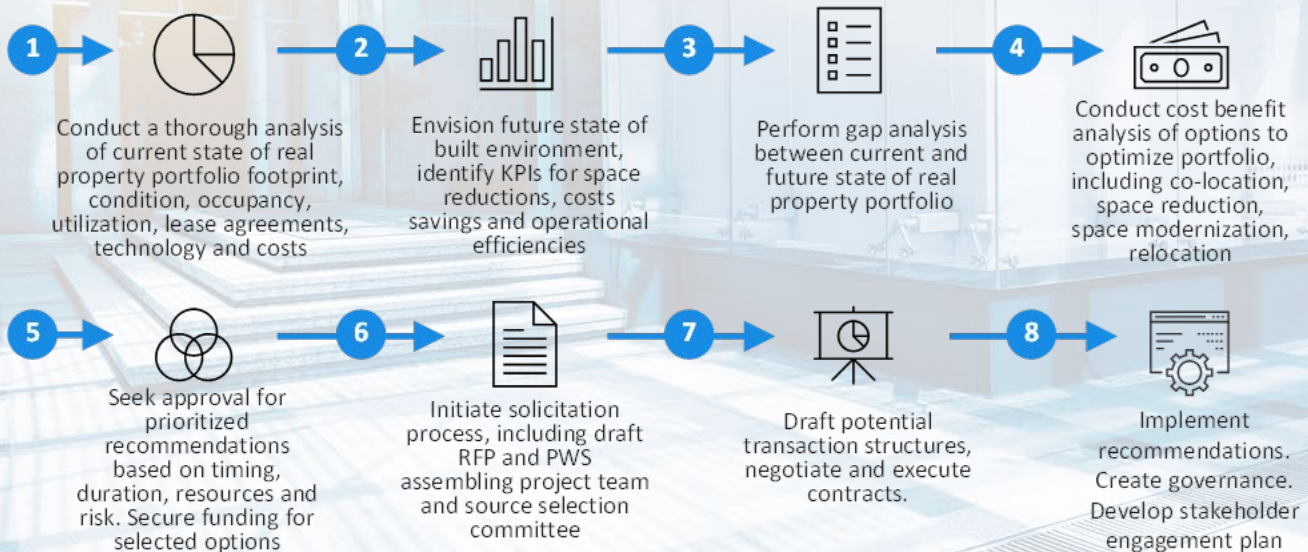
Alternative 1: Maintain existing portfolio

In the modern workplace, any organization's real estate portfolio needs should continually be examined and adjusted. We have been actively performing such assessments for years and do not view maintaining the existing square footage footprint as viable alternative.

Alternative 2: Consolidate and optimize space

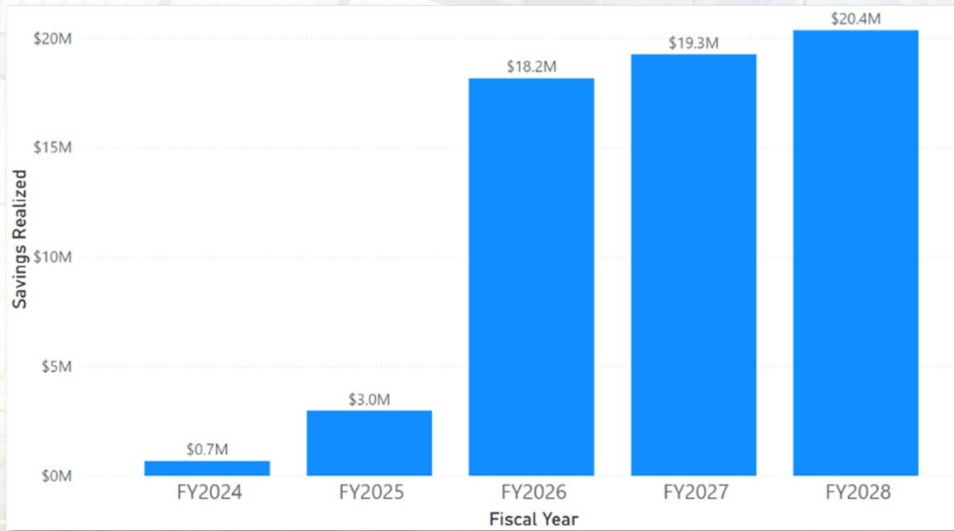
To optimize our field office portfolio, our plan entails optimizing our footprint in all our federally and privately leased space.

Figure 17: Methodology to Real Property Portfolio Optimization



The cost savings realized by real estate portfolio consolidation is cumulative. Based on lease expirations occurring throughout the term of this Capital Plan, we plan to execute lease consolidations in each fiscal year from FY2024-2028. The rent savings achieved in each fiscal year will accumulate during the five-year term of the Capital Plan. During the term of this Capital Plan, we will reduce our rent expenditures by more than \$61M. Figure 18 shows the accumulation of the rent cost savings by fiscal year and Figure 19 is a chart that provides the annual rent cost savings.

Figure 18: Cumulative Cost Savings by Fiscal Year



Source: HUD real estate data, Nov. 2022

Figure 19: Rent Cost Savings Realized in Each Fiscal Year

	Total Cumulative Cost Savings	Field Lease Consolidation Dates					HQ Consolidation
		FY2024 43k sq feet	FY2025 135k sq ft	FY2026 49k sq ft	FY2027 52k sq ft	FY2028 42k sq ft	FY2026 197k sq ft
FY 2024	\$ 668,000	\$ 668,000					
FY 2025	\$ 2,968,000	\$ 668,000	\$ 2,300,000				
FY 2026	\$ 18,168,000	\$ 668,000	\$ 2,300,000	\$ 4,200,000			\$ 11,000,000
FY 2027	\$ 19,268,000	\$ 668,000	\$ 2,300,000	\$ 4,200,000	\$ 1,100,000		\$ 11,000,000
FY 2028	\$ 20,368,000	\$ 668,000	\$ 2,300,000	\$ 4,200,000	\$ 1,100,000	\$ 1,100,000	\$ 11,000,000
FY 2024- 2028	\$ 61,440,000						

Source: HUD real estate data, Nov. 2022

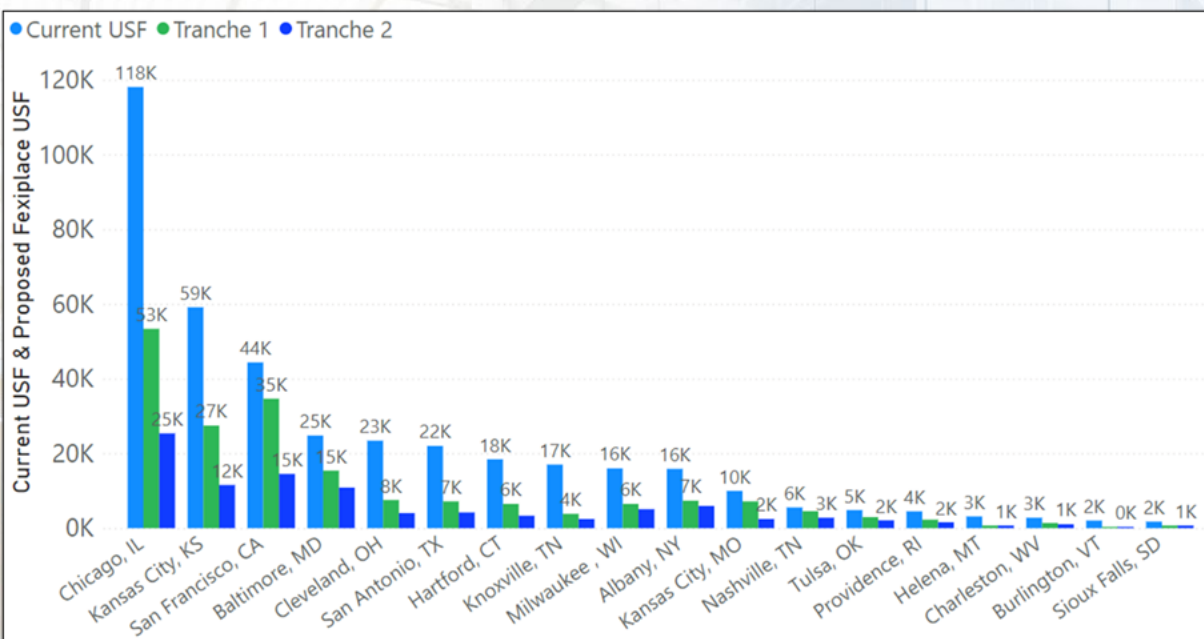
This Capital Plan is a comprehensive enhancement of our real estate consolidation efforts that since 2012. Beyond the term of this Capital Plan, there are additional opportunities to streamline our portfolio footprint. We believe there is up to an additional \$43M in annual rent cost savings in consolidating Field Offices as well as fully optimizing the actual space required for HUD in the Weaver Building.

Our plan contemplated current conditions, costs of relocation and the ROI of the relocation projects. Our HUD team considers real estate optimization into two tranches:

- Tranche 1: Our already underway real estate optimization efforts to correct past inefficiencies in space management
- Tranche 2: Additional real estate cost flexibilities enabled by post-pandemic flexible workplace strategies

Our analysis evaluates current staff assigned, current workplace usage to optimize our footprint. For example, the Chicago office can accommodate over 300 employees, but analysis of the current workforce and their work schedules identify the requirement to support a peak usage of 143 employees.

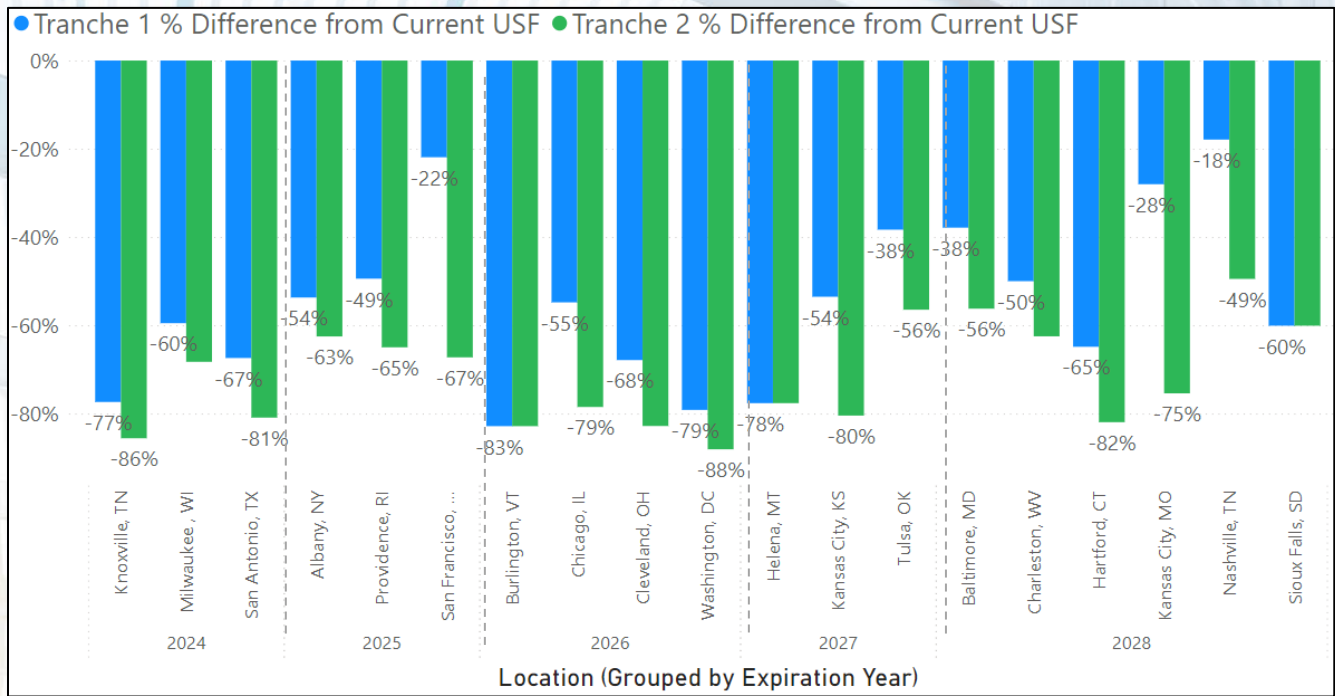
Figure 20: FY23 Current USF, Tranche 1, and Tranche 2 square footage Reductions



Source: HUD real estate data, Nov. 2022

HUD projects that it can reduce its space needs by at least 60% aggregately. This increase will drastically improve past space reduction policy inefficiencies.

Figure 21: Tranche 2 % of current USF compared to tranche 1 % of current USF



Source: Internal analysis based on HUD real estate data, Nov. 2022

The rent cost savings shown in Figure 22 are captured through FY 2028, however future savings are projected throughout the life of the real estate lease (typically 10-year terms). The usable square feet and annual rent savings and percentages are shown for each project in Tranche 1 and Tranche 2. Not only do relocation projects produce cost savings, but they also drive space modernization and enable the HUD mission.

Figure 22: Surveyed sites current, tranche 1, and tranche 2 savings:

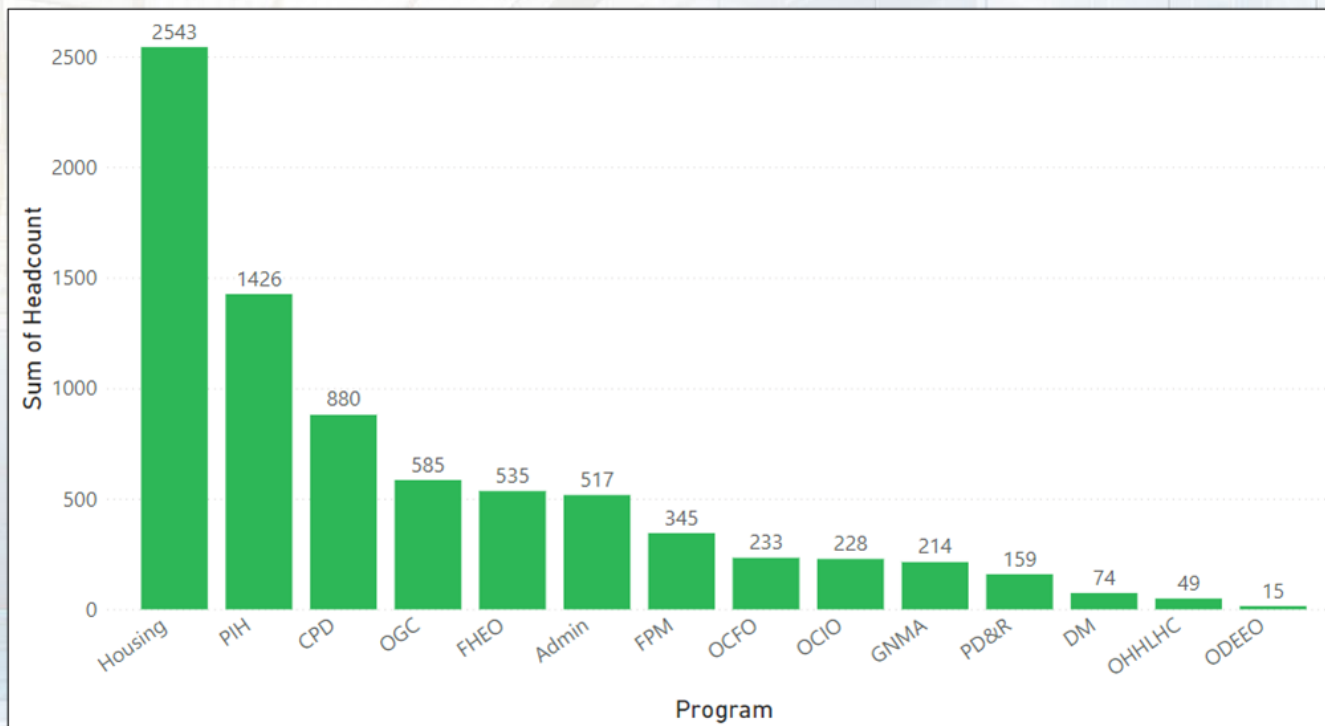
Project Information	Current Property Information				Tranche 1				Tranche 2			
	Location	FY23 USF	FY23 Rent PSF	Current Annual Rent	Tranche 1 USF	Tranche 1 Rent	Tranche 1 Annual Rent Savings	Tranche 1 Annual Rent Savings %	Tranche 2 USF	Tranche 2 Rent	Incremental Tranche 2 Annual Rent Savings	Incremental Tranche 2 Annual Rent Savings %
2024	Knoxville, TN	17,022	\$ 15.19	\$ 258,564.18	3,850	\$58,481.50	\$200,082.68	77%	2,450	\$37,215.50	\$21,266.00	11%
2024	Milwaukee, WI	15,998	\$ 19.23	\$ 307,641.54	6,475	\$124,514.25	\$183,127.29	60%	5,075	\$97,592.25	\$26,922.00	15%
2024	San Antonio, TX	22,019	\$ 13.31	\$ 293,072.89	7,175	\$95,499.25	\$197,573.64	67%	4,200	\$55,902.00	\$39,597.25	20%
2025	Albany, NY	15,877	\$ 21.76	\$ 345,483.52	7,350	\$159,936.00	\$185,547.52	54%	5,950	\$129,472.00	\$30,464.00	16%
2025	Providence, RI	4,499	\$ 42.12	\$ 189,497.88	2,275	\$95,823.00	\$93,674.88	49%	1,575	\$66,339.00	\$29,484.00	31%
2025	San Francisco, CA	44,374	\$ 66.82	\$ 2,965,070.68	34,650	\$2,315,313.00	\$649,757.68	22%	14,525	\$970,560.50	\$1,344,752.50	207%
2026	Chicago, IL	118,097	\$ 34.07	\$ 4,023,564.79	53,375	\$1,818,486.25	\$2,205,078.54	55%	25,375	\$864,526.25	\$953,960.00	43%
2026	Burlington, VT	2,042	\$ 37.16	\$ 75,880.72	350	\$13,006.00	\$62,874.72	83%	350	\$13,006.00	\$0.00	0%
2026	Cleveland, OH	23,432	\$ 33.22	\$ 778,411.04	7,525	\$249,980.50	\$528,430.54	68%	4,025	\$133,710.50	\$116,270.00	22%
2026	Washington, DC	19,330	\$ 21.07	\$ 407,283.10	4,025	\$84,806.75	\$322,476.35	79%	2,300	\$48,461.00	\$36,345.75	11%
2027	Helena, MT	3,132	\$ 32.44	\$ 101,602.08	700	\$22,708.00	\$78,894.08	78%	700	\$22,708.00	\$0.00	0%
2027	Kansas City, KS	59,127	\$ 21.18	\$ 1,252,309.86	27,475	\$581,920.50	\$670,389.36	54%	11,550	\$244,629.00	\$337,291.50	50%
2027	Tulsa, OK	4,824	\$ 19.41	\$ 93,633.84	2,975	\$57,744.75	\$35,889.09	38%	2,100	\$40,761.00	\$16,983.75	47%
2028	Baltimore, MD	24,788	\$ 25.80	\$ 639,530.40	15,400	\$397,320.00	\$242,210.40	38%	10,850	\$279,930.00	\$117,390.00	48%
2028	Charleston, WV	2,800	\$ 18.03	\$ 50,484.00	1,400	\$25,242.00	\$25,242.00	50%	1,050	\$18,931.50	\$6,310.50	25%
2028	Hartford, CT	18,432	\$ 28.52	\$ 525,680.64	6,475	\$184,667.00	\$341,013.64	65%	3,325	\$94,829.00	\$89,838.00	26%
2028	Kansas City, MO	9,969	\$ 21.72	\$ 216,526.68	7,175	\$155,841.00	\$60,685.68	28%	2,450	\$53,214.00	\$102,627.00	169%
2028	Nashville, TN	5,543	\$ 40.36	\$ 223,715.48	4,550	\$183,638.00	\$40,077.48	18%	2,800	\$113,008.00	\$70,630.00	176%
2028	Sioux Falls, SD	1,754	\$ 27.25	\$ 47,796.50	700	\$19,075.00	\$28,721.50	60%	700	\$19,075.00	\$0.00	0%

Source: Internal analysis based on HUD real estate data, Nov. 2022

As illustrated in Figure 23, our Housing program and PIH program have the largest headcount totals of all our programs, at 2,543 and 1,426. This data can help us better align our real estate to support each program’s needs and their respective customer base. Through further analysis of our employee locations and corresponding Flexiplace policies, we can determine field reduction needs. In summary, by considering optimizations gained through greater workplace flexibilities, Flexiplace allows us to continue footprint reduction efforts.

Over the 5 forecasted years of the effort there will be large returns for the Department that can either fund the project or other efforts. Noted below is the filled space and rent reduction targets, the top row displaying Tranche 1 and the bottom showing Tranche 2’s addition. A minimum of 5,000 SF is being removed from each site. The most significant savings are expected in 2025, which can be attributed to the significant size of those sites.

Figure 23: HUD Program Headcount Totals



Source: Internal analysis based on HUD Workforce data, Nov. 2022

Estimated Cost of Need: Estimated costs for Field Office projects from FY 2024-2028 is approximately \$28.6M.

Additionally, we are working with GSA to develop a long-term plan for eliminating four satellite offices in the Washington D.C. area and merging employees into the Weaver Building Office space. Our L'Enfant Plaza lease was terminated in June 2021 by consolidating employees into the Weaver Building. This consolidation reduced our footprint by 19,440 square feet and \$1.8M in annual rent.

Our plan is to consolidate four additional satellite offices into the Weaver building. These actions will further reduce our footprint by 225K rentable square feet with an annual rent savings of approximately \$11.3M

Within this Capital Plan, we propose to consolidate four additional local Washington D.C. offices back into the Weaver building. Below are the projected cost savings with two variables:

- Cost savings in occupying space with lower rent costs
- Cost savings associated with occupying less space due to Flexiplace data and updated UR goals.

Collapsing these office spaces into the Weaver Building drives significant Tranche 1 cost savings (Figure 24). Based on available space at the Weaver Building, we would consider terminating leases at least 120 days in advance of proposed action. 'Projected annual rent costs' apply the Weaver Building rent to projected square footage needs in the Weaver building to provide a comparison to current leased rent expenditures.

Figure 24: Projected Tranche 1 Rent Cost Savings for Washington D.C. satellite offices

Satellite Offices	Annual Rent Savings
Capital View	\$3,846,576.00
The Portals	\$1,622,171.88
The Potomac Center	\$4,620,780.00
Washington Office Center	\$1,214,804.61
Total	\$11,304,332.49

Source: HUD real estate data, Nov. 2022

Estimated Cost of Need: In support of the modernization efforts in the Weaver Building, we have requested \$10 Million for 5 years.

Need 2: Facility Improvements to the Weaver Building

While we have been actively maintaining building systems, many major base building systems need capital investment through GSA or approved HUD funding. Failing to address the Weaver Building's deferred maintenance presents financial, safety, and public perception risks.

Financial risks:

- Buildings that are not properly maintained are less efficient, leading to increased energy costs.
- The major repairs needed as part of the Weaver Building's deferred maintenance log present risks to building and system reliability, resulting in elevated operating costs.

- Failure to meet compliance regulations for building safety may result in fines or penalties. Fines and penalties may be incurred even without a documented incident.

Safety risks:

- Failure to properly maintain buildings can negatively impact building integrity as well as indoor air quality. These factors have the present substantial risk to normal operation and may negatively impact occupants or stakeholders.
- Vertical transportation systems can pose a risk of entrapment or worse if not properly maintained.
- Life safety systems, such as sprinklers and fire pumps, present tremendous risk to the safety of building occupants without effective maintenance.

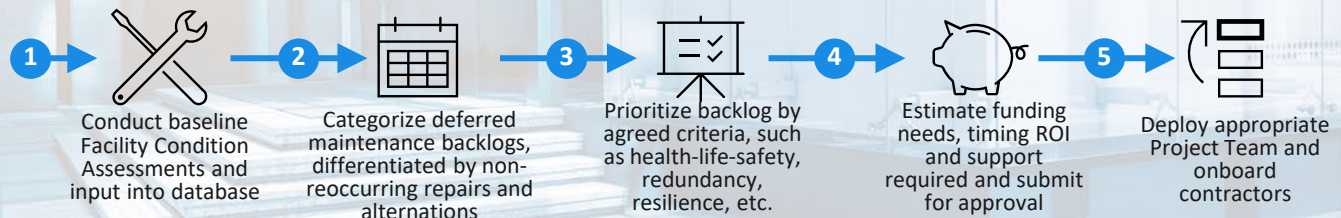
Public perception risks:

- Building occupants and visitors may perceive signs of building neglect, which could negatively impact the perception of the organization.

Alternative 1: Address the Weaver Building’s deferred maintenance issues

In the year 2012, GSA performed a Building Evaluation Report for the Weaver Building which identified a \$20M maintenance backlog that fell under our responsibility and an additional \$39M backlog for GSA. The items identified included structural deficiencies with the parking garage and water intrusion in the building’s lower levels. In the years since the assessment was completed, GSA has not had sufficient funds to address the outstanding issues. To this end, our Team requests that GSA collaborates with our Team to conduct an assessment of deferred maintenance, as well as non-reoccurring repairs and alterations commencing by FY24, as illustrated in Figure 25.

Figure 25: Approach to Assess Deferred and Non-Reoccurring Maintenance



Currently, we have responsibility to address specific areas of deferred maintenance backlog at HUD Headquarters as defined in the delegation of authority agreement updated in September 2022. It is critically important to have adequate funding to address equipment that is either broken, is beyond its useful life or is a safety risk. Catastrophic failure of equipment is an imminent threat. If unaddressed, these failures will require building closure until repairs or replacement of the equipment can be accomplished. Actions of this nature cost more and strip funding from other vital programs in a year of execution which may compromise our ability to execute on our mission. Case in point, the Weaver Building experienced a major chiller plant failure during cooling season in calendar year 2022. Repairs of the chiller plant enabled the building to remain in operation. In order to safely house employees, the building environmental systems must be maintained and deferred maintenance to these systems must be addressed. These initiatives to maximize building operations must occur first to facilitate a reduction of the footprint. Employees from satellite offices cannot be absorbed back into Weaver if the

building systems are inoperative and compromise our goal of a healthy and safe environment. These initiatives will assist in the reduction of the footprint by eliminating satellite HQ leases and reducing the size of leases in the field.

Estimated Cost of Need: To facilitate the consolidation of satellite leases into the Weaver Building by FY26 and realize associated cost savings, we are requesting approximately one third of the total cost of addressing the deferred maintenance backlog under HUD’s responsibility for the next three fiscal years: \$5 million for FY23.

Alternative 2: Modify the existing energy savings performance contract

Executive Order (E.O.) 14057: *Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability* establishes the federal government-wide goals to achieve a carbon pollution-free electricity by 2035 and net-zero emissions by 2050. The implementation guidance for E.O. 14057 states that agencies must develop a performance contracting strategy that is integrated with facility portfolio planning and emissions reduction efforts. For the Weaver Building, an energy savings performance contract (ESPC) can be used to address deferred maintenance using energy cost savings.

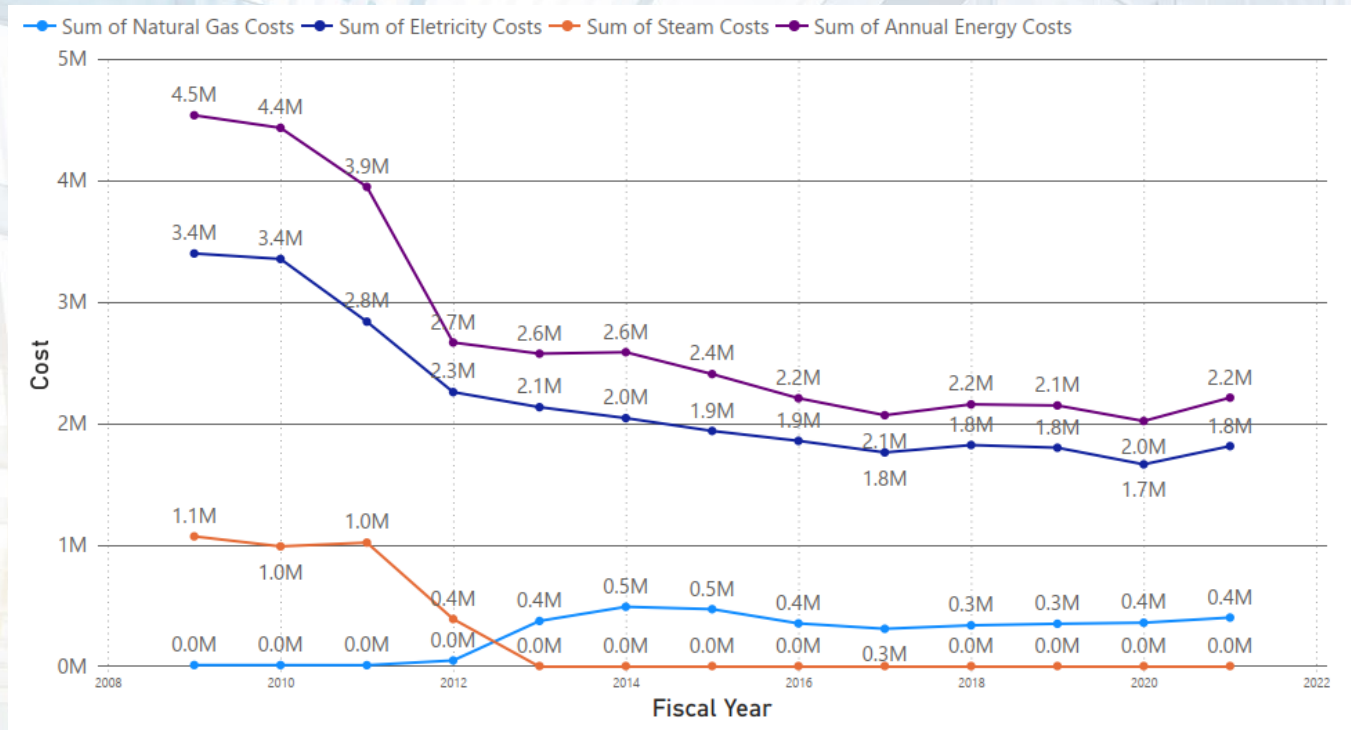
Figure 26: Approach to Initiating an Energy Savings Performance Contract



We partnered with Honeywell International to use a Department of Energy (DOE) Regional Super Energy Savings Performance Contract (ESPC)-IDIQ to generate utility and energy savings through lighting, HVAC, building controls, building envelope improvements, and other energy conservation measures.

In a twelve-year timeframe (2009 – 2021), our combined annual energy costs have decreased by 51%— from over \$4.5 million to \$2.2 million for electricity, natural gas, and steam (Figure 27).

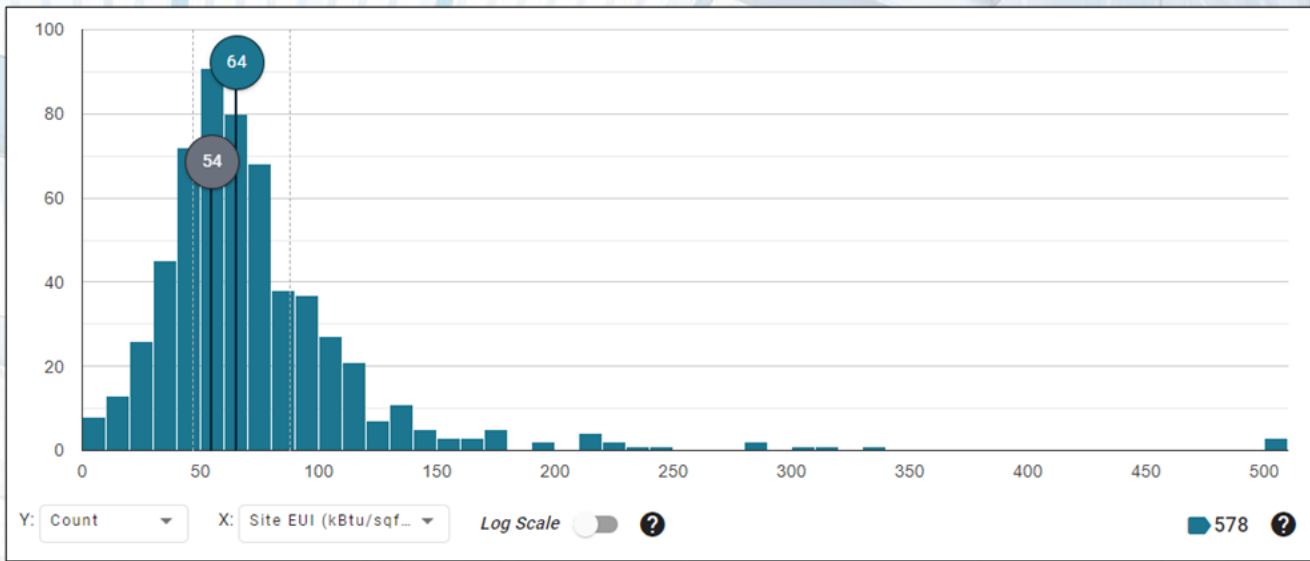
Figure 27: Annual Energy Cost Savings Before and Following FY16 completion of ESPC Construction at the Weaver Building



Source: Historic energy data provided by HUD

Using publicly available data from the Building Performance Database, Figure 28 below depicts the Weaver Building’s site energy use intensity relative to the median site energy use intensity for all office buildings built between 1950-1970 in a mixed-humid climate zone. The Weaver Building’s energy performance of 54 is better than the median energy performance of 64 by similar building types in a comparable climate.

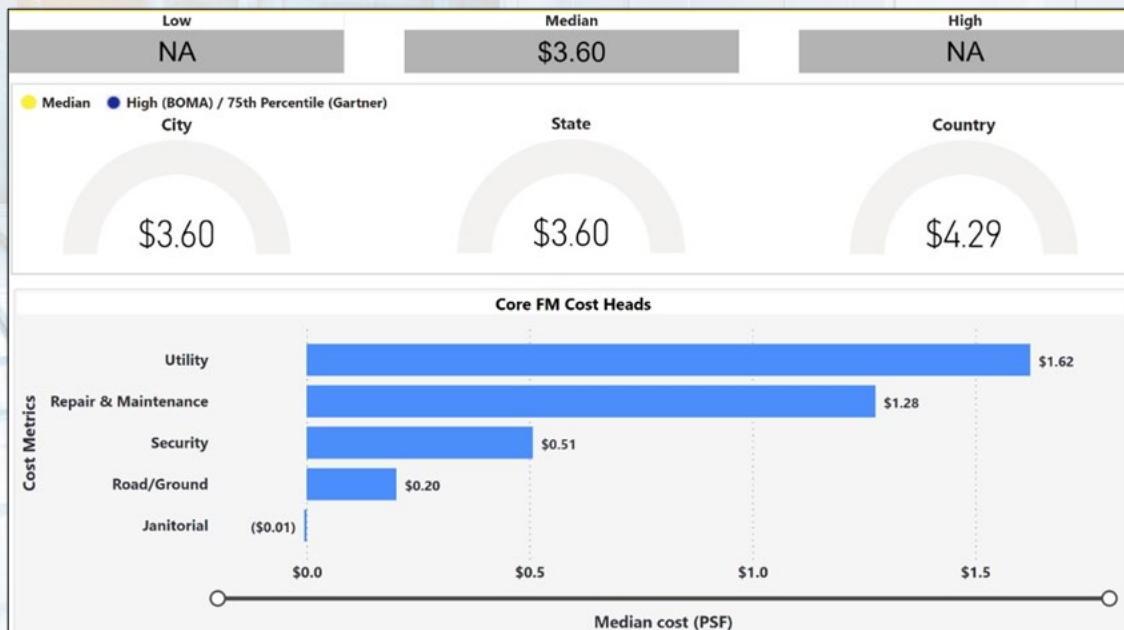
Figure 28: Benchmark of Weaver Building's energy performance



Source: Building Performance Database, Berkley National Lab, Nov. 2022

Figure 29 represents an overview of benchmarked Washington D.C. Total Operating Expenses. It shows the utility costs per square foot for commercial office spaces and industrial facilities using 2021 data from the Institute of Real Estate Management (IREM). The Weaver Building's utility cost per square foot is \$1.53 which is 6% below the median utility cost per square foot of \$1.62 within the IREM dataset.

Figure 29: Washington DC Overview of Total Operating Expense



Source: IREM, 2021

We are pursuing a modification to our existing ESPC to perform additional upgrades. We must maintain the reliability of the energy systems and comply with the mandates established under E.O. 14057. For example, the Weaver Building's main chillers require replacement, which could be financed through existing savings generated by the ESPC. Updating the chillers is critical, as the current chillers have

surpassed the end of their useful life and are at a high risk of failure. This last cooling season, three of the four chillers were not functional, and the remaining system was exceeding its design specifications. These models are no longer manufactured, and it is increasingly challenging to source replacement parts. Additionally, the refrigerant used for the chillers (HCFC-22) is currently being phased out per the Clean Air Act and *Montreal Protocol*. Using an alternative refrigerant will further reduce the efficiency of the chiller system. While replacement of the chillers is a GSA responsibility, GSA does not currently have plans to replace three of the four chillers. The ESPC is the only viable option to replace the chillers and eliminate the risk of catastrophic failure.

The ESPC modification includes upgrades to building controls and lighting, and envelope improvements. Together, these measures will improve the reliability of the building’s energy systems, support E.O. 14057’s emissions reduction mandates, and comply with the requirement for an associated performance contracting strategy. The Energy Conservation Measures (ECMs) included in the proposed ESPC modification are preliminary and may be changed depending on the outcomes and findings of Honeywell International’s Detailed Energy Survey (DES). HUD will present the findings of the DES to GSA in order to finalize a path forward for the energy related improvements.

To accomplish the ESPC modification, we are partnering with GSA to form an agreement and acquire consent for implementation. Following agreement and consent from GSA, we will issue a pre-award document (Notice of Intent to Award) directing Honeywell International to perform a DES to fully analyze potential energy conservation measures and provide a final proposal.

Estimated Cost of Need: \$25 M for enhancing the ESPCs. Figure 30 represents the estimate cost (variation range of + or – 20%) to implement the proposed improvements and the operational and utility saving projections expected the modified ESPC.

Figure 30: Cost to Implement Proposed Improvements

Technical Category	Utility Savings(yr)	Operational Savings(yr)	Total Savings(yr)	Price	Simple Payback(yr)
Chiller Plant Improvements	\$124,325	\$0	\$124,325	\$13,924,013	112.0
CHW and HHW Valve Replacements	\$246,977	\$0	\$246,977	\$4,425,928	17.9
AHU Recommission	\$71,263	\$0	\$71,263	\$922,137	12.9
Energy Efficiency Lighting Upgrades	\$225,529	\$67,519	\$293,048	\$2,440,858	8.3
Building Envelope Improvements	\$128,075	\$0	\$128,075	\$2,978,269	23.3
Feasibility and Design				\$346,374	
Project Totals	\$796,169	\$67,519	\$863,688	\$25,037,578	29.0

Source: Honeywell PA, ESPC Program

Need 3: Centralized System of Record for Real Property Portfolio

Alternative 1: Invest in an Integrated Workplace Management System (IWMS)

In implementing the space optimization, we must coordinate the data to be compatible with an Integrated Workplace Management System (IWMS) that we are currently in the process of procuring. IWMS is a software platform that helps organizations optimize the use of workplace resources, including the management of a company's real estate portfolio, infrastructure, and facilities assets. The Figure below summarizes the process by which we implemented to select an IWMS that could meet our needs, including the ability to evolve and scale across the enterprise.

Figure 31: Acquisition Process for an Integrated Workplace Management System

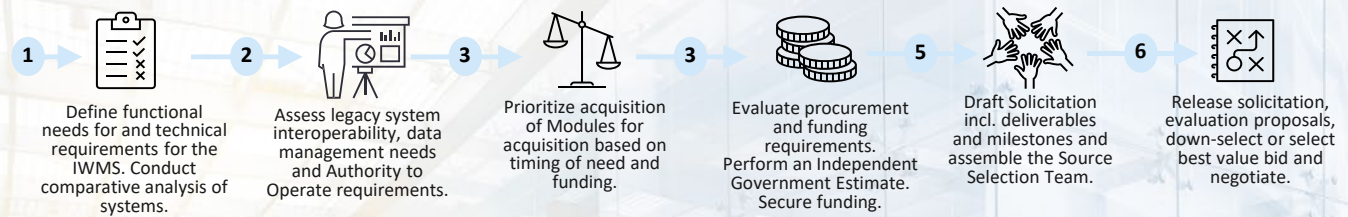
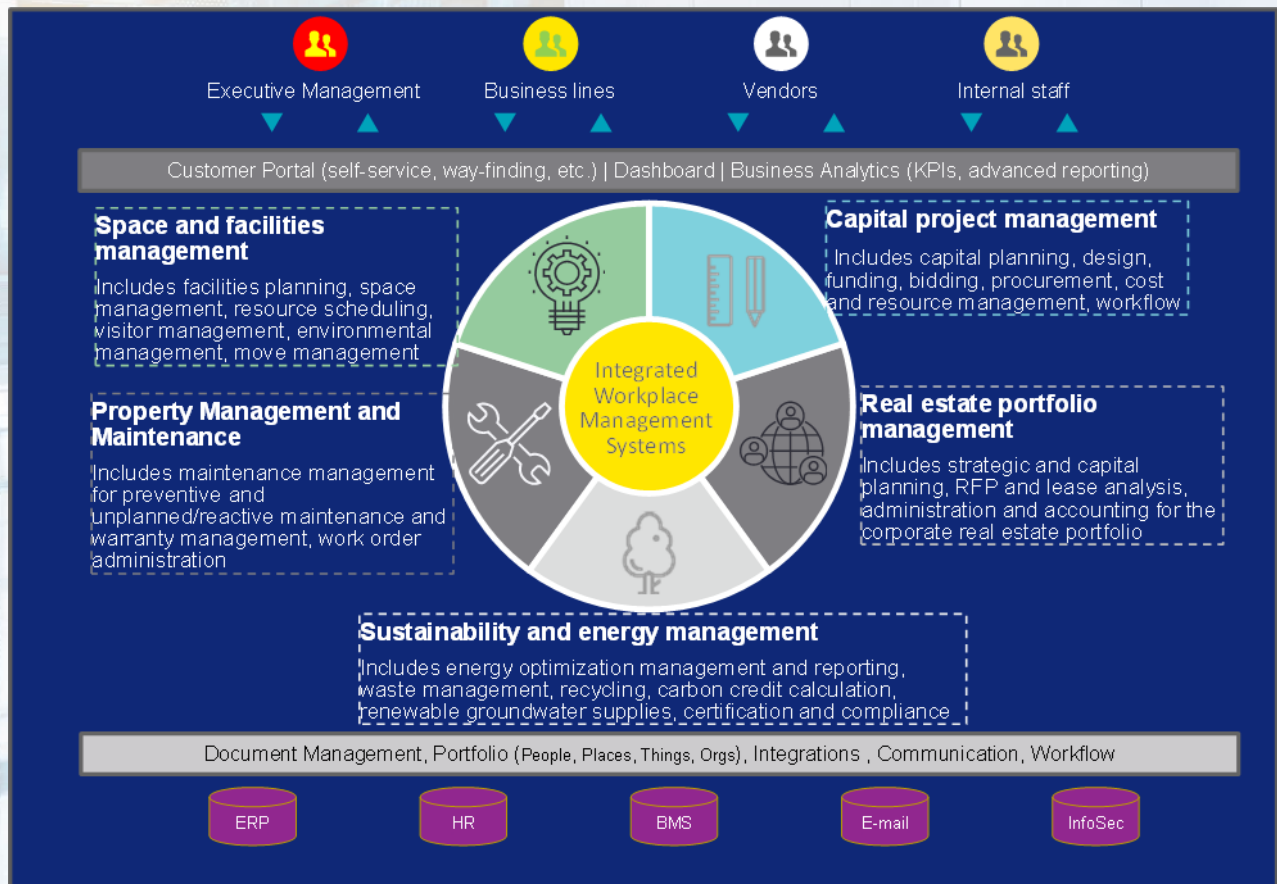


Figure 32 below provides an illustrative overview of and Integrated Workplace Management Systems.

Figure 32: Overview of an Integrated Workplace Management Systems



Procurement of IWMS Modules will occur over a phased time period, commencing with the following Modules:

- **Strategic Planning:** With a Portfolio Management module within an IWMS platform, we can plan and model future strategic space & occupancy scenarios and help align our space portfolio with the Department's business requirements. Space managers will be able to: estimate the number of people and requirements for future space; develop scenarios that solve future requirements; plan moves by digitally placing space requirements into new or existing space; and develop test-fit scenario cost estimates.
- **Space Management:** An important component of any IWMS systems is space data. The system would allow our space managers to inventory space and occupancy data. Occupancy will be managed by assigning space and assets to individuals, groups, or multiple groupings. IWMS systems are typically integrated bi-directionally with AutoCAD and/or Revit drawings and models which will enable space managers to quickly analyze spaces by graphically viewing occupancy allocations and identify unused or underutilized spaces. This capability will enable us to eliminate many of the inefficiencies that resulted in poor space management.
- **Move Management:** With a Move Management module, space managers will be able to manage space moves more efficiently and maintain more accurate occupancy/vacancy data and space assignment data for utilization purposes. Move requests and approvals can be automated, and configurable workflow processes can be managed efficiently. Space assignment data will also be efficiently managed and maintained with drag and drop moves from the floor plan. The move management feature will improve visibility of the frequency and volume of moves.

Benefits of an IWMS include:

- Management of the entire lifecycle, from planning to disposition, within one application
- Handling of lease lifecycle management activities, including administration and accounting, within one platform for all leases
- Tying in-use facilities to centralized work orders, space and move management modules without offline data exchange between systems
- Management of space and occupancy planning, inclusive of IoT device provided utilization data, on a portfolio-wide basis
- Consolidation of critical information about assets across RE/FM functions and share through any connected device / dashboard

Additional Benefits: A comprehensive IWMS platform would be cross utilized to add value and streamline operations in the following areas:

- Visitor management
- Pandemic team safety and contact tracing
- Desk booking (also known as hot desking)
- Conference room scheduling
- Internal ticketing (also known as IT service desk or ITSM)

- Mail and deliveries management
- Facilities management
- Work Order Requests
- Subcontractor management
- Reporting

Business Risks, Impact, and Value:

Business Risks and Impacts: Without an IWMS solution, our space managers perform work & analysis manually. As such, there are continued difficulties with properly identifying problem areas for space consolidation and reduce the footprint (RTF) opportunities to achieve our RTF goals including:

- Continued inability to prioritize space projects and allocate funding in a timely manner;
- Continued inability to develop a Master Plan for future needs;
- Continued inefficiencies in space utilization analysis and reporting; and
- Continued difficulty with consolidating and managing our space data in one, integrated system.

Value: The use of an IWMS query and reporting functions can lead to data-driven decisions and space performance management. All our space data will be in one, centrally integrated database. Underutilized spaces can be identified for project opportunities to restack or co-locate offices to increase UR and space usage efficiencies. “Reduce the Footprint” projects can realize rent cost savings on leased locations which can be re-directed to other requirements.

Queries and dashboard-style reports on space utilization and occupancy/vacancy data will better inform our capital planning and management activities.

Estimated Cost of Need: The selected IWMS system is estimated to cost \$125,000 in FY2024 and \$500,000 annually from FY2025-2028 to account for additional module implementations captured as capital expenditures.

G: Prioritization Process



Describe the prioritization criteria in detail and explain how the criteria were used. The agency's strategic priorities should be clear from the description of the prioritization criteria and their relative weights in the context of the agency's mission. Right-sizing the Department's Expiring Lease Portfolio.

Right-sizing the Department's Expiring Lease Portfolio

Data-driven Real Estate Analysis



We identified the following considerations associated with FY 2024- FY 2028 reduction targets:

- Identify lease expirations over the 2024 to 2028 timeframe
- Identify the space utilization rate for all locations in our portfolio to establish a baseline
- Identify occupancy rate for all locations in our portfolio to establish a baseline
- Validate the baseline against existing and future staffing needs and Flexiplace work standards
- Complete cost estimates to relocate and/or right-size each office location
- Identify spaces with the greatest cost savings opportunities in both federally owned facilities and commercial leases – identify the criteria for this assessment
- Prioritize potential opportunities based on implementation year and budget
 - Examine all leases FY28 and beyond for opportunities to reduce rent costs, even with early termination penalties
 - Moving from privately leased space into federally owned facilities where available.

Expiring Lease Portfolio

As a part of the capital plan process, it was determined that the first level of prioritization for space reduction efforts would be our expiring lease locations. We will coordinate with GSA regarding our preference to move from commercially leased to federally owned locations, where there is space available. Figure 33 shows the schedule for expiring leases between FY24-28 based on location, building name, and square footage.

Figure 33: Expiring Lease Portfolio

Location	Building name	Sq. Ft.	Lease expiration
FISCAL YEAR 2024			
MILWAUKEE, WI	Reuss Plaza Tower 1	15,998	May 2024
FISCAL YEAR 2025			
SAN FRANCISCO, CA	1 Sansome Street	44,374	November 2024
ALBANY, NY	Barrm Betty & Leduke	15,877	April 2025
PROVIDENCE, RI	380 Westminster Mall	4,499	July 2025

FISCAL YEAR 2026			
WASHINGTON, DC	Capital View	63,500	February 2026
WASHINGTON, DC	DC Field Office	19,330	March 2026
CLEVELAND, OH	1001 Lakeside Avenue	23,432	May 2026
BURLINGTON, VT	95 St. Paul Street	2,042	September 2026
FISCAL YEAR 2027			
TULSA, OK	One Ten West Seventh	4,824	October 2026
KANSAS CITY, KS	Tower II – Gateway Center	59,127	February 2027
WASHINGTON, DC	The Portals	25,326	July 2027
HELENA, MT	Great Northern Town Center	3,132	August 2027
FISCAL YEAR 2028			
SIOUX FALLS, SD	Donegal Centre	1,754	November 2027
BALTIMORE, MD	Bank of America Bldg, Tower II	24,788	March 2028
CHARLESTON, WV	MidTown Square	2,800	March 2028
NASHVILLE, TN	Customs House	5,543	May 2028
KANSAS CITY, MO	MBL/IBM	9,969	July 2028

Source: Internal analysis based on HUD real estate data, Nov. 2022


Prioritizations

We evaluated all our federally owned spaces in FY24 and FY25 for utilization rates, annual cost savings, and break-even point. This assessment identified four facilities: San Antonio, TX; Knoxville, TN; Chicago, IL; and Jackson, MS. Salt Lake City, UT had previously been identified as a location for a targeted space reduction (Figure 34).

Figure 34: Evaluation of Federally Owned Offices for Utilization Rates

LOCATION	STAFF	SQ. FT.	UR	RENT COST (\$/SF)
FISCAL YEAR 2024				
SAN ANTONIO, TX	41	22,018	537	13.31
KNOXVILLE, TN	21	17,022	811	15.19
FISCAL YEAR 2025				
JACKSON, MS	22	14,324	651	23.08
SALT LAKE CITY, UT	8	6,990	874	23.98
FISCAL YEAR 2026				
CHICAGO, IL	303	118,097	390	34.07

Source: Internal analysis based on HUD real estate data, Nov. 2022

- 
- **Chicago, IL** – Number one federally-owned proposed pilot project based on a projected annual rent cost savings of \$3 Million. Outside of the Weaver Building, the Chicago office represents the Department’s largest space holding. With a utilization rate of 390, the expense to complete a nearly 80% space reduction effort would be recouped in just 22 months.
 - **Knoxville, TN & Jackson, MS** – Second and third on the list based on having the highest utilization rates for offices with more than 10 employees, at 811 and 651 square-feet per person respectively. We anticipate reductions greater than 80% just over a two-year timeframe to recover the expense for both projects.
 - **San Antonio, TX** - San Antonio had the fourth highest utilization rate at 537. With an estimated space reduction similar to the other three offices, the timeframe to recover project costs is greater with an estimate of 45 months.
 - **Salt Lake City, UT** – Salt Lake City had been identified for a target space reduction during the fiscal year 2024 budget development. It has a staff of 8 employees and a utilization rate of 874 square-feet per person. We anticipate an 80% reduction at this location.

H: Life Cycle Cost Estimates



Provide the estimate for the total lifecycle cost of the plan and summarize the methodology used by the agency to categorize portfolio life cycle costs. The objective is to document the level of rigor used to develop the estimate.

Figure 35: Projected Costs of Field Office Relocation Projects



Fiscal Year	Square-Footage Savings	Total Project Cost Estimate	Avg Breakeven (months)
2024	43,000	\$13,500,000	39
2025	135,000	\$5,200,000	29
2026	49,000	\$4,800,000	18
2027	52,000	\$2,800,000	43
2028	42,000	\$2,300,000	47

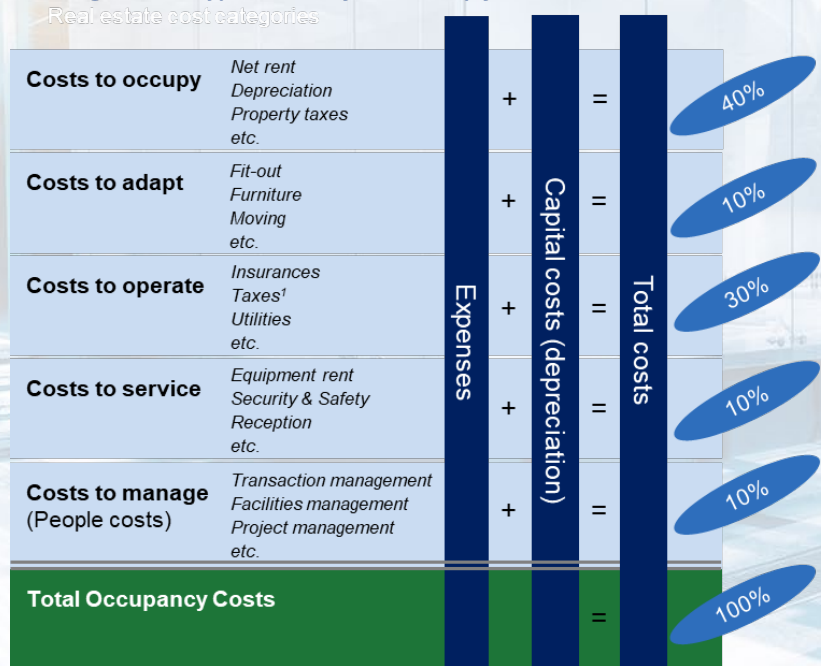
Source: Internal analysis based on HUD real estate data, Nov. 2022

Development of life cycle costs for facilities is critical as it informs project plans and capital requirements. As the graphic illustrates, numerous factors come into play when assessing the Total Cost of Ownership, whether for an owned facility or lease.

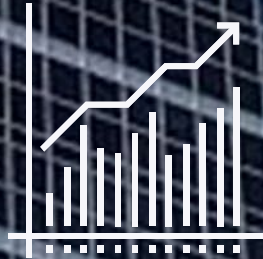
The following steps should be considered when creating life cycle analyses:

- Define Major and Minor Cost Drivers
- Utilizing facility conditional assessment tools to assess useful life of assets to create repair/replace investment strategy
- Historical costs by expense category and metric
- Delivery costs and allocation as determined by Delegation of Authority document between HUD and GSA
- Estimated funding schedule
- Identification of key risks and mitigation strategies

Figure 36: Typical Cost of Ownership for Commercial Facilities



I: Performance Goals and Metrics



Performance Goals and Metrics

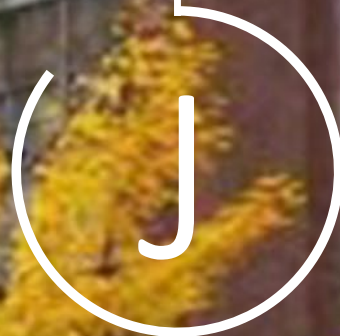
Figure 37: Performance Goals and Metrics for HUD High Priority Capital Needs

Category of Need	Need	Description of Need	Goal	Estimated Cost					Target Completion Date	Key Performance Indicators
				FY 24	FY 25	FY 26	FY 27	FY 28		
Real Estate	Need #1: Optimize Real Property Portfolio (Field Space Optimization)	Lease consolidation, request for lease space, lease restructuring, modernization of space. Estimated costs represent relocation project costs inclusive of construction build out costs, move and disposal costs, and new space needs (Furniture, Phone, Security)	Reduction of leased space occupied by field offices by 60%. Budget request included in FY 2024 budget.	\$13.5M	\$5.2M	\$4.8M	\$2.8M	\$2.3M	Ongoing	<ul style="list-style-type: none"> Total RSF Total USF Average UR Net Present Value Cost of Capital Return on Investment Payback Period Cost per Square Foot
	Need #1: Optimize Real Property Portfolio (Weaver Building Space Optimization)	Lease consolidation, modernization of space. Estimated costs represent relocation project costs inclusive of construction build out costs, move and disposal costs, and new space needs (Furniture, Phone, Security).	Collapsing Washington, D.C. leases and better utilization of the Weaver Building space. Budget request included in FY 2024 budget.	\$10M	\$10M	\$10M	\$10M	\$10M	Ongoing	<ul style="list-style-type: none"> Total RSF Total USF Average UR Net Present Value Cost of Capital Return on Investment Payback Period Cost per Square Foot
Facilities	Need #2: Capital Improvements in the Weaver Building	Funding capital projects at the Weaver Building to reduce deferred maintenance. Current deferred maintenance totals are \$14M for HUD and \$39M for GSA.	Investment of \$5M annually into deferred maintenance mitigation effort. Successful execution of proposed capital investments utilizing ESPC funding source. Budget request included in FY 2024 budget.**	\$5M	\$5M	\$5M	\$5M	\$5M	Ongoing	<ul style="list-style-type: none"> Project Work Status Project Completion % Actual to Planned Budget Variance
Technology	Need #3: Centralized System of Record for Real Property Data (Invest in an Integrated Workplace Management System)	Implementation of Nuolo Integrated Work Management System ("IWMS").	Fully implement select IWMS modules to support HUD real estate operations.	\$0.1M	\$0.5M	\$0.5M	\$0.5M	\$0.5M	FY28	<ul style="list-style-type: none"> Project Work Status Project Completion % Project Work Status Adoption Rate
Total Budget Estimate*				\$28.6M	\$20.7M	\$20.3M	\$18.3M	\$17.8M		

*Estimated cost for further validation

**\$5M annually will be used to eradicate HUD's \$14M backlog and to continue proactive maintenance once all deferred maintenance is addressed. HUD is not requesting funds for GSA's portion of the backlog.

J: List of Projects





Provide the list of prioritized capital projects by real property category for the first year of the plan only and identify those projects that were included in the President's Budget request to Congress. The list of projects should include and identify those actions that agencies would previously have included as a separate plan under OMB Management Procedures Memorandum No. 2015-01 Reduce the Footprint, including the annual five-year reduction targets for office and warehouse space.

Figure 38: HUD FY2024 List of Projects

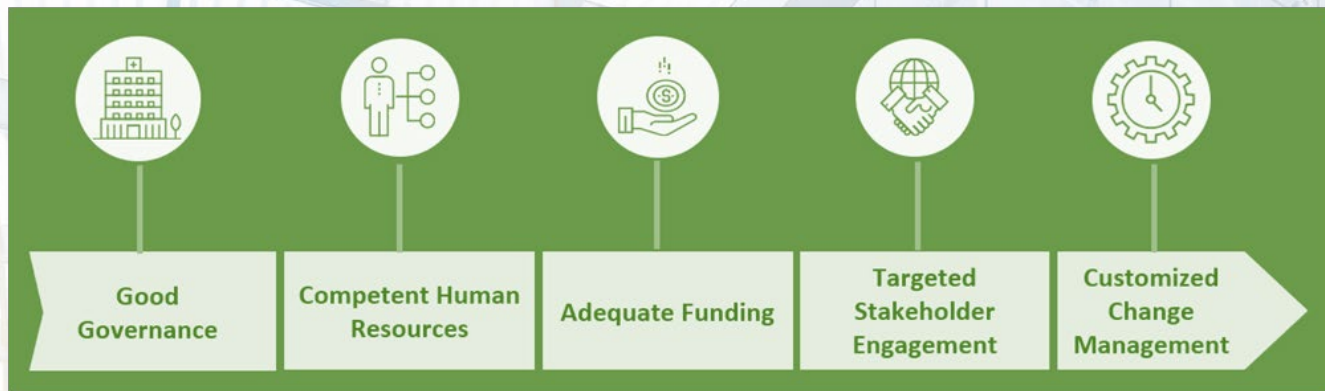
List of Projects - FY2024				
Real Property Category	Project Description	Cost	Included in President's Budget Request to Congress?	
1	Field Office Lease Consolidation*	Milwaukee Office	\$1.4M	Yes, in FY2024
		Albany Office	\$1.4M	Yes, in FY2024
		Providence Office	\$508k	Yes, in FY2024
		Hartford Office	\$1.7M	Yes, in FY2024 but removed due to lease extension
		Knoxville Office	\$541K	No, added during FY2024 Capital Plan portfolio assessment
		San Antonio Office	\$1.8M	Yes, in FY2024
		Salt Lake City Office	\$625k	Yes, in FY2024
		San Francisco Office	\$6.3M	Yes, in FY2024
		2	Space Modernization	Space Modernization at Weaver Building
3	Capital Repairs	Deferred Maintenance at Weaver Building	\$5M	Yes, in FY2024
4	Technology	Implementation of IWMS System	\$500k	Yes
		Total	\$29.77M	

*Project estimates for FY24 budget requests predate Flexiplace policy

Implementation Success Factors

Successful execution of the Capital Plan will require five factors as shown in Figure 39: (1) good governance; (2) competent human resources; (3) adequate funding; (4) targeted stakeholder engagement; and (5) customized change management.

Figure 39: Success Factors for Successful Implementation



The key principles defining each success factor are outlined below.

Good Governance

- Good governance ensures the success of government organizations.
- When an organization adopts the principles of good governance, transparency and accountability become the watchwords.
- It ensures the organization is managed in a manner that suits the best interests of all.
- Good governance ensures consistency and repeatability. In turn, the overall productivity and efficiency of the organization are boosted.
- Good governance significantly reduces the threat of safety, legal, performance, and warranty issues that can affect the organization. Therefore, the organization can reduce unnecessary expenses and spend more on progressive needs.
- The modern world operates in an environment of constant change. Good governance helps organizations adapt.

Competent Human Resources

- When employees are competent and know what the performance expectations are, receive recognition for their abilities, and have insight into the overall strategy of the team, they are more motivated and experience higher job satisfaction. The result is improved productivity for organizations.
- The transfer gap between the training environment and working on the job is reduced.

- Ensures that organization-funded training and professional development activities are cost-effective, goal-oriented, and productive.
- Competent human resources help the company to stabilize the firm for continuous change.
- They bear the role of the mediator or counsellor to sort conflict between the employee and the employer and develop good relations.

Adequate Funding

- Helps in maintaining solvency of the organization.
- Creates an environment of security, confidence, and high morale and creates overall efficiency in an organization.
- The impact of contingencies on the organization can be reduced.
- Exploitation of favorable market conditions.
- No research, innovation, or technical developments are possible without adequate funding.

Targeted Stakeholder Engagement

- The education gleaned from fresh perspectives on an issue may help support effective decision making.
- When organizations reach out to stakeholders, they are letting them know you value their perspective. This collaborative approach helps build trust and goodwill.
- Engaging with stakeholders may help identify potential risks before they become threats to a project or organization.
- It helps in improving accountability within organizations as well as with external audiences.
- Engaging with stakeholders can ultimately save time and money.

Customized Change Management

- Helps anticipate future problems and respond appropriately.
- Brings together existing resources within the organization.
- The opportunity to respond to stakeholder needs and demands faster than usual.
- Increased morale and motivation from employees, as they are assured of the support from management.
- Increase in productivity and profitability for both employees and the organization.
- Regular information for important stakeholders, who will be encouraged to go to meetings and discuss issues concerning the change.

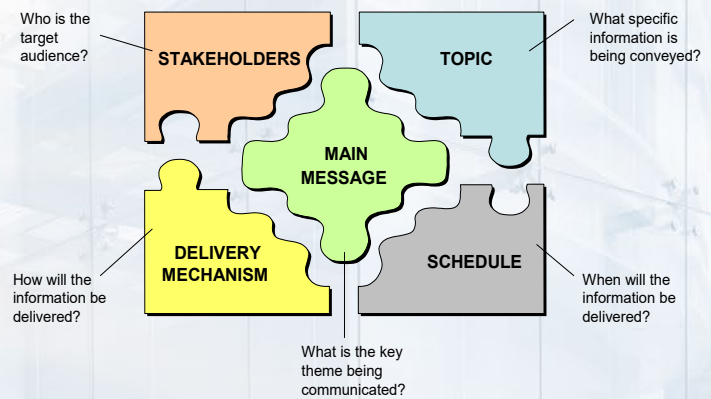
Acquisition Planning

Through the implementation of the Capital Plan and utilizing the value of a comprehensive IWMS system, we will develop a cross-departmental acquisition strategy to align our contracts and services to meet the goals outlined in this plan and the changing requirements of the dynamic real estate portfolio. For example, this would include acquisitions needed to support new IT and communications systems that will work in concert with the flexible furniture strategies currently in development. Through the use of sustainable procurement practices will continue alignment with our sustainability and climate action plans.

Stakeholder Engagement

Internal Stakeholders

As we implement the Capital Plan, we will continue our collaborative effort to engage our internal customers at both the leadership and employee levels. The Capital Plan will be a powerful change management strategy as the Department continues to promote space reduction initiatives through Flexiplace and new space management policies. As we review and refine this plan each year, we will further integrate our capital planning efforts into our budget process and Departmental Strategic Plan.



External Stakeholders

As we further refine our capital planning efforts, we will continue to engage with GSA, other federal agencies and incorporate innovative solutions developed by business leaders in the implementation of our new workplace strategies. Additionally, we will work with our customers to determine a management strategy to address OMB’s memo and that will allow us to continue to serve our customers in an efficient and effective manner. Within each Field Office’s core activities, the Department will continue to collaborate with internal and external stakeholders to launch, execute, and manage several cross-programmatic, high priority initiatives. Through strategic collaboration, we will share lessons learned on workplace design and hybrid work technologies to best support the dynamic needs of a distributed workforce.

Signatories

1. Bradley Jewitt, Chief Administrative Officer (Senior Real Property Officer)
2. Vinay Singh, Chief Financial Officer
3. Elizabeth Niblock, Chief Information Officer
4. Lori Michalski, Chief Human Capital Officer
5. Daniel Ballard, Assistant Chief Financial Officer for Budget (Budget Officer)
6. Kevin McNeely, General Deputy Assistant Secretary for Administration and Chief Sustainability Officer
7. Elizabeth de Leon Bhargava, Assistant Secretary for Administration
8. Adrienne Todman, Deputy Secretary

APPENDIX A: Flexiplace Policy

APPENDIX



<https://www.hud.gov/sites/dfiles/OCHCO/documents/FlexiplacePolicyHandbook625.1.pdf>



APPENDIX B: Portfolio Assessment Detailed Data

APPENDIX



Data Source	Date
GSA Occupancy Agreement Data	11-09-2022
Department Staffing Report	11-05-2022
HUD Field Contract Staff Report	August 2022
Field Badging Data	Pay Period 21 (10-9-2022 through 10-21-2022)
GSA Turnstile Data Field	11-09-2022
GSA Turnstile Data HQ	11-04-2022
WebTA Timecard Reporting Data	Pay Period 21 (10-9-2022 through 10-21-2022)
Flexiplace Agreement Data	11-04-2022
HUD WiFi Usage Data	10-13-2022

Assumptions:

- For the Flexiplace data, we assumed the employee to be “in the office” where the records indicate that N/A for any given day. N/A’s were used when a Flexiplace policy was not issued for an employee.
- All contractors reported to the office 5 days a week.
- Flexiplace, WebTA, and Badging data for HQ satellite office locations was estimated using a multiplier. This was either based for the number of employees who reported to the Weaver building for Pay period 21 or based on the submitted Flexiplace policies divided by the total number of employees stationed at the Weaver building.
- Contractors were not included in the calculated for any HQ locations.
- Turnstile and Badging data represented the number of unique IDs per day for a given location.
- WebTA data was self-reported by employees. No employee names or PII were included with any of the datasets.
- Indigenous people day was October 10th which was the first Monday of the period of analysis. We duplicated the following Monday, October 17th occupancy figures when conducting our occupancy analysis.

Challenges:

Wi-Fi	Turnstile	WebTA	Badging	Flexiplace
<ul style="list-style-type: none">• Availability very limited – only available at HQ, select satellite offices and 3 field locations	<ul style="list-style-type: none">• Available at limited locations• Skewed by scans from visiting employees	<ul style="list-style-type: none">• Numerous data entry points• Dynamic data	<ul style="list-style-type: none">• Labor intensive and time consuming to scrub• Dynamic data• Limited to a 30-day historic view	<ul style="list-style-type: none">• Static data• Most reliable• Actual planned occupancy• Yields square-footage that allows for the greatest flexibility

Flexiplace data was identified as the best data source. It was used to complete space reduction, cost savings, and cost estimation calculations throughout the Capital Plan.

APPENDIX C: Sustainability

APPENDIX



2022 HUD Sustainability Plan

1. HUD Sustainability Plan Summary

The Department of Housing & Urban Development (HUD) is committed to integrating climate action and sustainability in its operations. Despite having a relatively small directly managed federal footprint, HUD recognizes that there are a number of opportunities to integrate the goals of Executive Order 14057: Catalyzing American Clean Energy Industries and Jobs Through Federal Sustainability into Department's current practices. HUD will work to address these specific opportunities in a manner that reduces emissions, increases sustainable practices, and improves climate resilience. Furthermore, the Department will continue to use best practices for sustainability in its operations, implement measures to reduce its Scope 1, 2, and 3 Greenhouse Gas (GHG) emissions, and align its operations with the goals of the order.

2. Priority Actions Towards Goals

A. 100 Percent Carbon Pollution-Free Electricity

During FY 2022, HUD began participating in a regional power procurement agreement, administered by the General Services Administration (GSA), which secures electricity pricing for multiple buildings in the region and includes REC purchases for the HUD Headquarters. This agreement provides participating agencies with 50% renewable energy from renewable energy certificates (RECs). HUD will work toward the goal of 100 percent carbon pollution-free electricity on a net annual basis by 2030, including 50 percent 24/7 carbon pollution-free electricity by implementing the following actions during FY 2023:

- Collaborate with GSA to increase purchasing of carbon free electricity as part of the existing, or a new, power purchase agreement.
- Revisit the potential for roof top solar in coordination with the existing ESPC and/or GSA.

B. 100 Percent Zero-Emission Vehicle Fleet

The HUD Fleet Manager and the Assistant Fleet Manager attend monthly Federal Electric Vehicle Agency Roundtable (FEVAR) meetings/training on the future electrification of the fleet. HUD is also interested in engaging in discussions regarding alternative charging solutions that rely on using publicly available charging stations versus acquiring government owned infrastructure.

HUD's FY 2022 baseline consists of a total of 291 vehicles currently in inventory (138 HUD and 153 HUD OIG). We will begin to optimize the fleet in FY23 with the intent to convert remaining vehicles to plug-in hybrid vehicles by the end of FY24, assuming the current supply chain issues are resolved and the appropriate vehicles and funding become available. Re-evaluation of the fleet costs, including the supporting infrastructure, will continue to occur annually.

- During FY 2022 HUD will be receiving 11 Light Duty SUV 4X2 Plug-In Hybrid Electric Vehicles (PHEV) toward its Zero-emission Vehicle (ZEV) replacement goals. All replacements will be for HUD’s Office of Field Support Services (OFSS).
- HUD Office of the Inspector General (OIG) is delaying their ZEV vehicle replacement and will not acquire any Plug-in Hybrid Electric Vehicles (PHEV) for FY 2022. This occurred because the 4X4 compact SUV was not available. GSA offered a 4x2 SUV as an alternative, but unfortunately this does not meet the mission requirements of HUD OIG.
- During FY 2022, HUD identified 13 garage locations for installation of level one charging stations to power our PHEVs.
- HUD will continue the process of rightsizing the fleet through meticulous review of all new vehicle requests, and disapproval of unnecessary additional vehicles for those program regional offices who use less mileage for their current vehicles that they lease.

C. Net-Zero Emissions Buildings, Campuses, and Installations

i. Design and Construction for Net-Zero Emissions

HUD has a unique portfolio because the agency has only one “goal subject” facility for energy performance tracking purposes. All other buildings are GSA leases that HUD does not control or receive energy usage data. Although, the department performs very little construction or modernization greater than the 25,000 gross square feet requirement outlined in the executive order, HUD will take steps to ensure that the requirements of E.O. 14057 are met.

- Collaborate with GSA to support net-zero emissions of government and private leased facilities.
- Develop space renovation policy to ensure that new construction and modernization projects greater than 25,000 gross square feet will be net-zero emissions by 2030; and implement CEQ’s Guiding Principles for Sustainable Federal Buildings in building design, construction, and operation of all new Federal buildings and renovated existing buildings.

ii. Increasing Energy Efficiency

&

iii. Increasing Water Efficiency

While HUD has offices and staff across the Nation, its Headquarters, the Robert C. Weaver Federal building, is the only facility that HUD reports on energy and water use intensity. The Headquarters is a leased facility that HUD operates and maintains under delegated authority from GSA. The remainder of HUD’s offices are GSA leases that HUD does not control or receive energy and water usage data. The agency recently completed a large ESPC making multiple major improvements to the leased HUD Headquarters facility. Given this, HUD’s strategy is to strive for operations and maintenance (O&M) best practices and perform energy and water efficiency upgrades when cost-effective opportunities arise.

The Department is engaging Honeywell for a modification to the existing ESPC for additional Energy Conservation Measures (ECMs). Pending the completion of a Detailed Energy Survey this may include ECMs such as: replace 3 of the 4 chiller systems, all 8 air handlers and LED lighting conversion in common areas.

D. Reducing Waste and Pollution

HUD maximizes recycling and waste diversion using comingled material recycling containers available throughout the HUD Headquarters building. HUD participates in the GSA National Capital Region Recycling Program. In addition, HUD either sells or recycles excess furniture at the end of its use. HUD intends to meet the goal of diverting at least 50 percent of non-hazardous solid waste, including food and compostable material, and construction and demolition waste and debris by fiscal year 2025; and 75 percent by fiscal year 2030.

- Evaluate waste stream to identify opportunities to reduce solid waste and increase diversion such as offering additional commingle or single stream recycling containers.
- Review space management and alteration practices for opportunities to divert construction and demolition waste.

E. Sustainable Procurement

HUD's goal is to ensure that 100% of applicable new eligible contract actions, including task or delivery orders under new contracts and existing contracts, meet sustainable acquisition requirements, and require the supply or use of products and services that are energy efficient (Energy Star or FEMP-designated), water efficient, biobased, environmentally preferable, non-ozone depleting, contain recycled content, or are non-toxic or less toxic alternatives.

HUD Procurement Handbook 2210.3, Revision 10 Subchapter 2423.4 Use of Recovered Materials and Biobased Products states that it is the policy of the Department to procure products containing recovered materials to the greatest extent practicable in accordance with all applicable Federal statutes, regulations, policies, and other guidelines.

- HUD will review sustainability acquisition practices when conducting quarterly compliance reviews.
- RM&CU will conduct a statistical valid targeted review of sustainability acquisitions.
- OCPO's Risk Management and Compliance Unit will perform annual Procurement Management Review (PMR) reviews to ensure appropriate clauses are contained in contracts requiring bio-based and sustainable products.
- OCPO's Risk Management and Compliance Unit will perform annual Procurements Management Review (PMR) reviews to ensure appropriate clauses are contained in contracts requiring bio-based and sustainable products.

F. Climate and Sustainability-Focused Federal Workforce

The Department recently established a Climate and Environmental Justice Council and accompanying working group to direct and coordinate HUD's efforts in response to the need for a climate focused workforce and programs. The council and working group outline actions to

reduce climate pollution, increase the resilience of communities and individuals served by HUD programs, and deliver environmental justice.

In addition, HUD currently has approximately five employees within the Office of Facilities Management Services (OFMS) that regularly attend sustainability related training such as energy and environmental management coursework. HUD plans to develop a robust climate and sustainability training program during FY 2023.

- Ensure OFMS staff continue to regularly attend energy and environmental management training.
- Develop an agency-wide climate and sustainability education plan during FY 2023.
- Add training for climate and sustainability priorities to the onboarding curriculum for new employees.

G. Incorporating Environmental Justice

HUD sees a strong relationship between its core mission and environmental justice. To address climate and environmental justice, HUD established an internal Climate and Environmental Justice Council with representation at the Assistant Secretary level accompanied by a staff-level Working Group. The Climate and Environmental Justice Council will manage the implementation and monitoring of the climate and environmental justice priorities. HUD's efforts to address climate and environmental justice are addressed in depth within the [HUD Climate Action Plan](#). Below are high level action items described and addressed within the climate action plan:

- Promote Climate Justice in Tribal Communities
- Create Green Job Opportunities
- Encourage Equitable Community Planning and Engagement
- Prevent Residential Lead Poisoning
- Minimize Residential Radon Exposure
- Update HUD's National Environmental Policy Act (NEPA) Policies

H. Accelerating Progress through Partnerships

HUD routinely participates in partnerships both within and outside the agency to support sustainability and climate related objectives. HUD also participates in various partnerships aimed at increasing sustainability and climate resilience within the communities it serves. Some examples of HUD partnerships include:

- HUD/GSA Coordination Group which convenes monthly to discuss capital improvement projects for the HUD Headquarters building. Improvements are often geared toward upgrading the efficiency, sustainability and resilience of existing systems.
- HUD participates in a research partnership with the National Institute of Standards and Technology for resilience planning case studies that will produce best practice guidance using climate projection data as part of community planning.
- HUD/Honeywell have been routinely working together for the mutual advancement of potential Energy Conservation Measures (ECMs) and plan to continue that effort in FY 2023.

3. Progress Examples

E.O. 14057 Sec. 202 Reducing Agency Greenhouse Gas Emissions

When compared to a FY 2008 baseline, HUD has successfully reduced its Scope 1&2 Greenhouse Gas (GHG) emissions by nearly 70% using the most recent performance data from FY 2020 and FY 2021. HUD's substantial reduction of greenhouse gas emissions is largely attributable to the recently completed ESPC which significantly reduced its energy use intensity and Scope 1&2 emissions. The department also employs operations and maintenance (O&M) best practices for emission generating and energy consuming equipment. HUD plans to continue to employ and monitor the use of these practices and to continue with the identification and implementation of energy conservation measures when feasible and cost-effective.

**Department of Housing and Urban Development
FY 2021 OMB SCORECARD FOR FEDERAL SUSTAINABILITY**

GOAL ASSESSMENT	METRICS	PERFORMANCE	OTHER PROGRESS INDICATORS				
		RATING*	Scope	Sector (MTCO2e)	FY 2008	FY 2020	FY 2021
GREENHOUSE GAS EMISSIONS FROM STANDARD OPERATIONS	Change in scope 1&2 emissions from FY 2008:	-71.2%					
	Change in scope 1&2 emissions from prior year:	-8.6%	1 & 2	Total	17,592	5,549	5,073
	Change in scope 1 facility energy emissions from FY 2008:	19241.3%	1	Facility	10	1,874	1,864
	Change in scope 2 facility energy emissions from FY 2008:	-80.0%	2	Facility	15,242	3,378	3,055
	Change in scope 1 fleet energy emissions from FY 2008:	-93.4%	1	Fleet	2,340	297	154
	Change in scope 1 other emissions from FY 2008:	na	1	Other	-	-	-
			1	Direct GHG intensity of all facilities (kg/GSF):			1.29
FACILITY ENERGY EFFICIENCY	Change in energy intensity (Btu/GSF) compared to FY 2003:	-35.1%		Category	FY 2003	FY 2020	FY 2021
	Change in energy intensity (Btu/GSF) from prior year:	-12.7%		Energy intensity (Btu/GSF):	84,416	62,755	54,794
				Energy use (Net billion Btu):	121	90	79
				Gross Square Feet (thousand):	1,433	1,441	1,441
EFFICIENCY MEASURES/ INVESTMENT	Covered facilities evaluated for efficiency opportunities (in terms of covered facility energy use):	0.0%		Implementation cost of ECMs identified within last 4 years (\$M):			\$0.0
	Performance contracting investment percentage in FY 2021	0.0%		CTS-reported investment in covered facilities in FY 2021 (\$M):			na
	Performance contracting investment percentage last 4 years	0.0%		Total direct investment in FY 2021 (\$M):			\$0.0
				ESPC and UESC investment in FY 2021 (\$M):			\$0.0
RENEWABLE ENERGY USE	Renewable electricity used (as a percentage of total electricity use):	25.0%		Renewable electricity + non-electric renewable energy used (as a percentage of total electricity use):			25.0%
WATER EFFICIENCY	Change in potable water intensity compared to FY 2007:	-51.6%		Category	FY 2007	FY 2020	FY 2021
	Change in potable water intensity from prior year:	-15.7%		Facility Water Intensity (Gal per GSF)	15.3	8.8	7.4
HIGH PERFORMANCE SUSTAINABLE BUILDINGS	Percent of eligible buildings meeting sustainability criteria:	na		Buildings meeting sustainability criteria:			na
	Percentage point difference from prior year:	na		Total count of eligible buildings:			na
	Percent of GSF (eligible) meeting sustainability criteria:	na		GSF meeting sustainability criteria (thousand):			na
	Percentage point difference from prior year:	na		Total eligible GSF (thousand):			na
TRANSPORTATION/ FLEET MANAGEMENT	Change in petroleum fuel use in covered fleet compared to FY 2005:	-91.2%		Alternative fuel use as a percentage of total covered fleet fuel use:			1.0%
	Change in petroleum fuel use in covered fleet compared to prior year:	-48.1%		Covered AFVs (w/bonus credits) as a percent of acquisitions:			na
				Light-duty zero-emission vehicles as a percent of acquisitions:			0.00%
				Total number of installed EV charging ports to date:			-
SUSTAINABLE ACQUISITION	Percentage point difference of sustainable contract actions from prior year:	-1.7		Number of applicable contract actions w/ sustainable clauses, FY21:			42
	Percentage point difference of value of contracts with sustainable requirements from prior year:	0.6		Number of applicable contract actions w/ sustainable clauses, FY20:			55
				Value of applicable contract actions w/ sustainable clauses, FY21:			\$15.5M
				Value of applicable contract actions w/ sustainable clauses, FY20:			\$11.7M

*Due to the COVID-19 pandemic, the data as reported may appear anomalous and represent exogenous factors beyond the agency's control. The impact on agency performance has not been fully evaluated at this time.

Sources: Agency submitted data from Annual Energy Data Report, EISA 432 Compliance Tracking System, Federal Real Property Profile, Federal Automotive Statistical Tool, SAM.GOV

Btu = British thermal units
 GSF = Gross square foot (or feet)
 ESPC = Energy Savings Performance Contracts
 UESC = Utility Energy Savings Contracts

ECM = efficiency/conservation measure
 AFV = alternative fuel vehicle
 GHG = greenhouse gas
 na = not available

Greenhouse Gas Emissions: Agencies' GHG emission reductions compared to FY 2008 base year by scope and end-use sector will be tracked and reported as an indicator on the Scorecard along with direct GHG emissions intensity from energy use in all facilities.

Facility Energy Efficiency: Agencies are assessed on meeting or exceeding the statutory goal of a 30% reduction in Btu/GSF from a 2003 baseline and demonstrating a reduction from the prior year.

Agency achieved $\geq 30\%$ reduction compared to 2003 AND achieved a reduction in energy intensity from the prior year.	Agency achieved $\geq 30\%$ reduction compared to 2003 OR achieved a reduction in energy intensity from the prior year.	Agency did not achieve a 30% reduction in energy intensity compared to 2003 AND did not achieve a reduction in energy intensity from the prior year.
--	---	--

Identification of Efficiency Measures/Investment: Agencies are assessed on covered facility evaluations. OMB will also track percentage of efficiency investment executed through performance contracts, potential investment in identified ECMs and reported project investment in covered facilities.

$\geq 90\%$ of facility evaluations completed/updated within last 4 years AND agency awarded performance contracts in the fiscal year.	$\geq 75\%$ facility evaluations completed/updated within last 4 years OR agency awarded performance contracts in the fiscal year.	$< 75\%$ of facility evaluations completed/updated within last 4 years & agency did not award any performance contracts in the fiscal year.
--	--	---

Renewable Energy: Agencies are assessed on meeting or exceeding 7.5% renewable electricity use annually. OMB will also track non-electric RE use.

Renewable electricity comprised $\geq 7.5\%$ of total electricity use.	Renewable electricity combined with non-electric renewable energy sources (thermal + mechanical) comprised $\geq 7.5\%$ of total electricity use.	Renewable electricity combined with non-electric renewable energy sources (thermal + mechanical) comprised $< 7.5\%$ of total electricity use.
--	---	--

Water Efficiency: Agencies are assessed on continued reductions in potable water use intensity and a 20% reduction from its 2007 baseline.

Agency achieved $\geq 20\%$ reduction in potable water use intensity compared to 2007 AND reduced its potable water use intensity from the prior year.	Agency achieved $\geq 20\%$ reduction compared to 2007 OR achieved a reduction in potable water intensity from the prior year.	Agency did not achieve a 20% reduction compared to 2007 AND did not reduce potable water use intensity from the prior year.
--	--	---

High-Performance Sustainable Buildings: Agencies are assessed on the number and square footage of owned federal buildings that are sustainable buildings and are tracked in the Federal Real Property Profile (FRPP).

At least 15% of agency owned buildings or GSF meet sustainable building criteria and the agency increased percentage of sustainable buildings or GSF from the prior year.	At least 15% of agency owned buildings or GSF meet sustainable building criteria OR the agency increased percentage of sustainable buildings or GSF from the prior year.	Less than 15% of agency's inventory meets sustainable building criteria AND the agency decreased percentage of sustainable buildings or GSF from the prior year.
---	--	--

Fleet Management: Agencies are assessed on meeting or exceeding a 20% reduction in petroleum use compared to 2005 and demonstrating a reduction from the prior year. OMB will also track alternative fuel use percentage, fleet acquisitions, and installed EV charging ports.

Agency achieved $\geq 20\%$ reduction in petroleum use compared to 2005 AND achieved a reduction in petroleum use from prior year.	Agency achieved $\geq 20\%$ reduction in petroleum use compared to 2005 OR achieved a reduction in petroleum use from prior year.	Agency did not achieve a 20% reduction in petroleum use compared to 2005 AND did not achieve a reduction in petroleum use from prior year.
--	---	--

Sustainable Acquisition: Agencies are assessed on the change from prior year performance of the percentage of contract actions and dollar value of sustainable acquisitions as reported in the FPDS, which include the mandatory clauses for the purchase of biobased, energy-efficient, recycled content and other sustainable attributes.

Agency increased percentage of sustainable acquisitions of total actions (both number of actions & dollar value) from prior year percentage levels.	Agency increased percentage of sustainable acquisitions of total actions (either number of actions or dollar value) from prior year percentage levels.	Agency's percentage of sustainable acquisitions from total actions (number of actions & dollar value) remained the same or decreased from prior year.
---	--	---

Agency Performance Data

The Department of Housing and Urban Development's historical performance toward energy and sustainability goals are featured in the following categories. Click the thumbnails below to jump to each interactive progress graph.

