

CITY OF LOS ANGELES

CALIFORNIA

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October 19, 2016

Honorable Paul Krekorian, Chair
Ad Hoc Committee on Comprehensive Job Creation Plan
Los Angeles City Council
c/o City Clerk
Room 360, City Hall
Los Angeles, CA. 90012

Attention: Maria Espinoza, Legislative Assistant II

DEPARTMENT OF GENERAL SERVICES AND MAYOR'S OFFICE JOINT REPORT STATUS OF ASSET MANAGEMENT SYSTEM AND DATA CLEANSING

The purpose of this report is to provide an update on the progress made to implement an Asset Management System (AMS) and to cleanse the City's real estate portfolio data. The General Services Department (GSD), as the lead department, is working on this project in partnership with the Mayor's Operations Innovation Team (O-Team), the City Administrative Officer (CAO), Chief Legislative Analyst (CLA), Information Technology Agency (ITA), and several operational departments (e.g. Transportation, Recreation and Parks and others). Additionally, the progress made to cleanse property data, which began as a joint effort between GSD and the O-Team is now a collaborative activity including City departments which have jurisdiction over their property inventory. This is creating a unique opportunity to explore and implement industry best practices to drive operational efficiency.

BACKGROUND

The City's previous AMS failed in 2005 and the company which owned the software no longer supported their application. This system failure, combined with the lack of funding for new software and personnel resources to update the system and data, resulted in the City relying on various Excel spreadsheets to store limited building data that became outdated as transactions occurred.

In 2014, a study commissioned by the City reviewed several aspects of the City's asset management processes and strategic plan. One of the key recommendations of this study was to acquire a new AMS.

On March 25, 2015, City Council provided funding and authorized GSD to release a request for proposals (RFP) to procure an asset management system (C.F. 14-1647) and included instructions for GSD to identify resources to undergo the data cleansing process.



- May 2015 - Two governance committees, the AMS Executive and Steering committees, were formed to guide the selection, development, configuration, and implementation of the system. The committees meet regularly and include staff from the CAO, CLA, GSD, ITA, the Mayor's Office as well as stakeholder operational departments and those who have jurisdiction over their property portfolio.
- November 2015 - GSD released the RFP for software and services for the AMS.
- March 2016 - After a two-stage process, a six-member, multi-departmental panel selected AssetWorks, LLC for the AMS.
- In April 2016, GSD implemented an interim asset management database, e-PropertyPlus (ePP) to store, track and manage cleansed data until AssetWorks is implemented.
- October 2016 - The three-year software and services contract is expected to be executed with AssetWorks. In the Mayor's Adopted Budget FY 16-17, City Council approved approximately \$2.5M in funding to implement the priority modules of the AMS, which will be described in the next section of this report.
- GSD also provides monthly reports to the Municipal Facilities Committee on progress of the system implementation and data cleansing. A metric chart accompanies the narrative report to show progress made on cleansing the real estate property information.

ASSET MANAGEMENT SYSTEM CONFIGURATION

AssetWorks is an off-the-shelf, comprehensive integrated work management solution that is configurable and scalable to meet the City's needs. Its web-based proprietary software allows for the life cycle management of assets and the tracking of assets from acquisition to disposition. Functionality also includes a space planning module, lease management and other business and reporting functionality needed to ensure City properties and assets are managed efficiently.

Priority modules for the AMS identified for implementation in the first year of the contract by the Executive and Steering Committees include:

- Property/Real Estate related modules to track real estate assets, manage leases, and space planning/management.
- Work Management related modules to replace the current unsupported work order system used by GSD, track building equipment assets, and preventative maintenance work and costs.
- Energy Management module to track and manage utility cost and consumption for City facilities.

The City and AssetWorks will work collaboratively over the next 12 months to configure the priority modules of the system. The Steering Committee formed working groups comprised of subject matter experts and representatives from stakeholder and operational departments including CAO, GSD, CLA, Bureau of Engineering, Recreation and Parks, Cultural Affairs, Transportation, Economic & Workforce Development (EWDD), Fire, Police, and City Planning to configure each module.

The purpose of the working groups is to evaluate existing business processes and conduct the workflow analyses necessary to configure the system. The AssetWorks project team will then use the workflow analyses to identify the requisite data fields and define user requirements. Once the system is configured and tested, the data will be migrated from the

interim asset management database, ePP, to AssetWorks. The goal is to launch AssetWorks by the end of summer 2017.

DATA CLEANSING OVERVIEW

Since August 2015, the Mayor's O-Team, which is comprised of representatives from public and private industry, worked to build a comprehensive database of City-owned property assets. The O-Team collaborated with departments that use, manage and/or own property assets, community organizations that track real estate data and industry experts to cleanse the data. There were several initial challenges with building the database of property assets:

1. **Unique Identifiers:** The City lacked a consistent unique identifier to track real estate assets. Some departments referenced property by address, building name, Assessor Parcel Number (County-issued), or a unique numbering system that was only used by that department.
2. **Citywide Baseline:** The City did not have a comprehensive and centralized list of existing real estate assets thereby impairing the City's ability to quantify the value of its real estate portfolio or number of assets contained therein.
3. **Standardization of Data:** City lacked standards requiring departments to track and maintain data regarding assets in a consistent way.
4. **Technology Infrastructure:** Systems were maintained at a department level with no Citywide access, and in many cases surrounded by ad-hoc processes, locally managed on an Excel file.

The O-Team applied a multi-phased methodical approach to build the City's database of real estate holdings and assist GSD with data cleansing. From August 2015 through December 2015, the O-Team collected more than 35 property inventory lists that contained data in various degrees of detail regarding the City's real estate assets. The O-Team convened a meeting of regional stakeholders including County Assessor and Geographical Information System (GIS) teams to understand the ways City departments and the County Assessor logged, tracked and maintained data regarding publicly owned land.

Additionally, the O-Team contracted with LA-based data firm Compiler LA to centralize data and map the assets on a GIS. The O-Team analyzed more than 27,000 individual parcel entries and through a series of iterations identified approximately 1,300 parcels to utilize to configure the City's interim asset management database, ePropertyPlus (ePP). This subset was imported into ePP as a pilot for the City to gain insight on the process of now managing assets on a centralized database. GSD identified and added another 900 parcels including those for municipal buildings, surplus properties, and recreation centers and parks.

An additional 7,700 parcel records were recently loaded to ePP with various degrees of information from the County of Los Angeles GIS team and other data sources including DWP as well as City Planning. A total of 46 key fields were searched by CompilerLA and the O-Team to obtain available information regarding economic development, public safety and zoning. The timeline chart "Attachment A" describes this process.

Simultaneously, GSD staff worked to validate the data from each department and with each Council office to verify the list of surplus properties in their respective districts, scan existing leases (payable, receivable and non-profit), and verify tenant information. GSD is working with staff from departments such as Transportation, Recreation and Parks, Police, Fire and EWDD to assist them with importing and managing data on ePP.

Through the remainder of 2016, the O-Team will lead the City-wide expansion of data entry into ePP and support the Steering Committee with the implementation of AssetWorks. The O-Team procured read-only licenses to expand ePP access to the 15 Council offices, the Mayor's Office and CLA. GSD and the O-Team reached out to all the Council offices to provide a briefing on the overall AMS project and demonstrate ePP. Thus far, four Council offices and the CLA's office have received these briefings. The O-Team is finalizing the plan to make information regarding City-owned assets available to the public via www.geohub.lacity.org and a public facing portal for ePP.

Core data information, (e.g. address, LA County Assessor parcel number, building name and property jurisdiction); have been added to over 1,400 parcels in ePP as shown in "Attachment B".

As of October 1st, 2016, GSD and O-Team centralized and configured the following City-owned real estate assets in within ePP:

- 431 - Surplus properties
- 782 - public facilities
 - 385 - Recreation and Parks facilities
 - 124 – DOT Off-Street Parking lots
 - 112 – Fire facilities
 - 74 – Library facilities
 - 39 – Police facilities
 - 27 - Municipal buildings
 - 21 – Cultural Affairs facilities

Over the next 60 days, GSD will be adding information for:

- 168 – remaining facilities from GSD building maintenance's inventory
- 96 – GSD non-profit leases
- 85 – GSD payable leases
- 43 – GSD receivable leases

Staff will continue to work closely with City departments to update property records with core data information.

PATH TO OPERATIONAL EXCELLENCE

Operationally, the O-Team and GSD are setting the City on a path for real estate excellence in the following ways:

- Creating workflows to address data maintenance and updates between departments and GSD.
- Establishing a culture of accountability regarding the management of City assets.
- Setting-up processes to track and manage the various types of assets.
- Cultivating relationships with internal and external stakeholders to standardize data maintenance and processes regarding City-owned assets

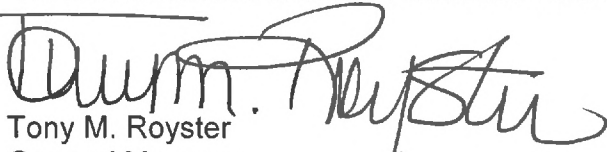
The O-Team has cultivated strategic partnerships with leading real estate owners/operators/developers, academic institutions and industry associations to provide City staff with industry best practices in asset management, property management, building maintenance, acquisitions and dispositions and innovation. These strategic partners have conducted research and analysis of the City's portfolio and opportunities, convened a round table with leading asset managers of multi-billion dollar portfolios and are hosting City staff for site tours of venues across the region. The O-Team also formed a special pilot with the Department of Recreation and Parks to further explore how the City can leverage these resources and opportunities. These strategic partners offer City staff with meaningful engagement with industry experts and professional development opportunities.

NEXT STEPS

1. AssetWorks contract will be executed in October and GSD will lead a kick-off meeting to begin system configuration.
2. City staff will continue to cleanse the data and explore opportunities to expand the types of data gathered and tracked regarding City-owned assets to include details regarding: public safety/resiliency/emergency management information, ADA compliance, parking, building floor plans, exterior site plans and images.
3. Train staff from City Council and Mayor Offices, CLA and City departments on how to use and access information in ePP; including having City departments update their property information if they are the jurisdictional department or property owner.

RECOMMENDATION

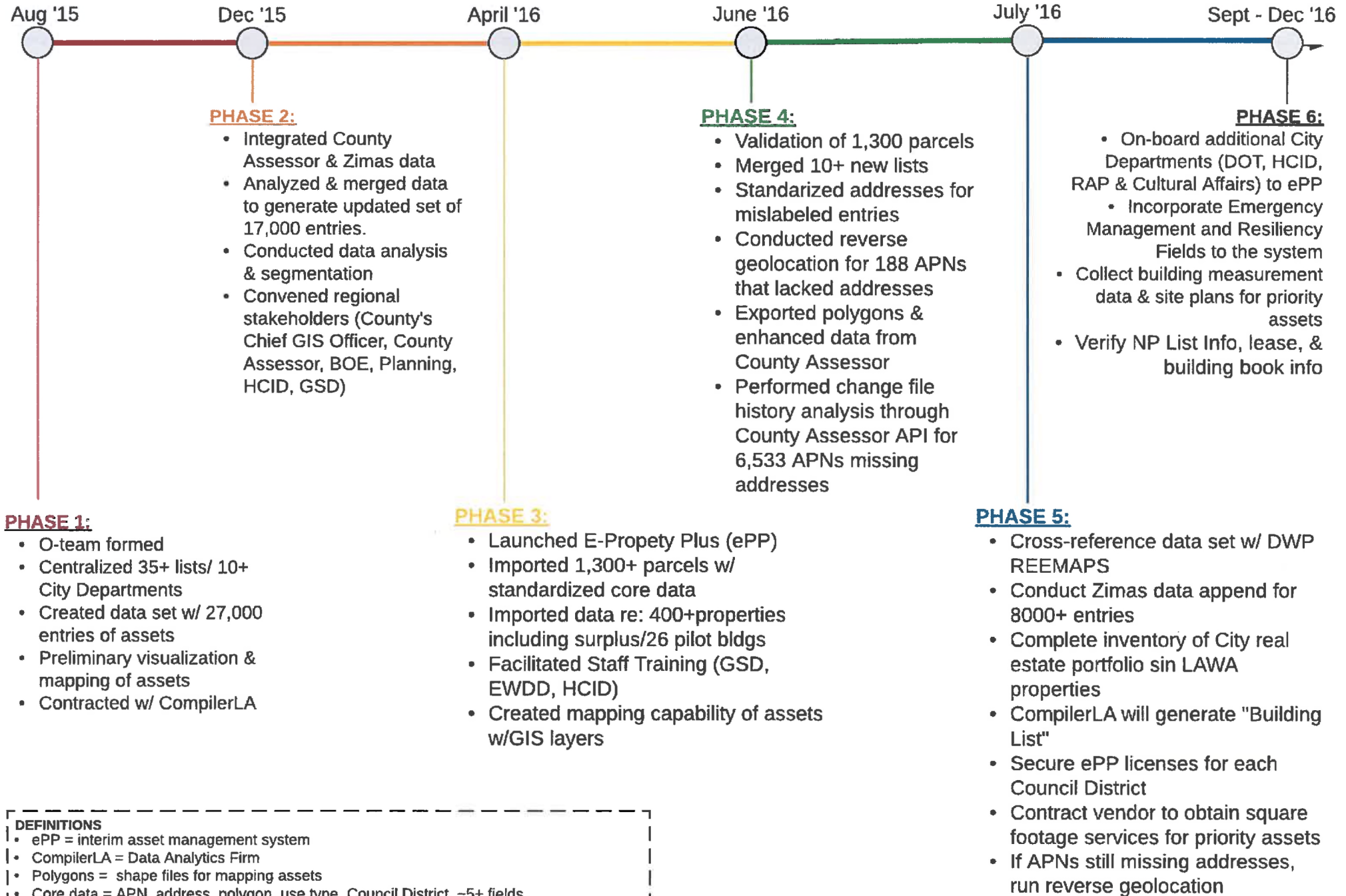
It is recommended that the Committee note and file this report.



Tony M. Royster
General Manager

Attachments

Mayor's Operations Innovation Team & Department of General Services
Real Estate Portfolio & Data Cleansing Efforts & Plan August 2015 - December 2016

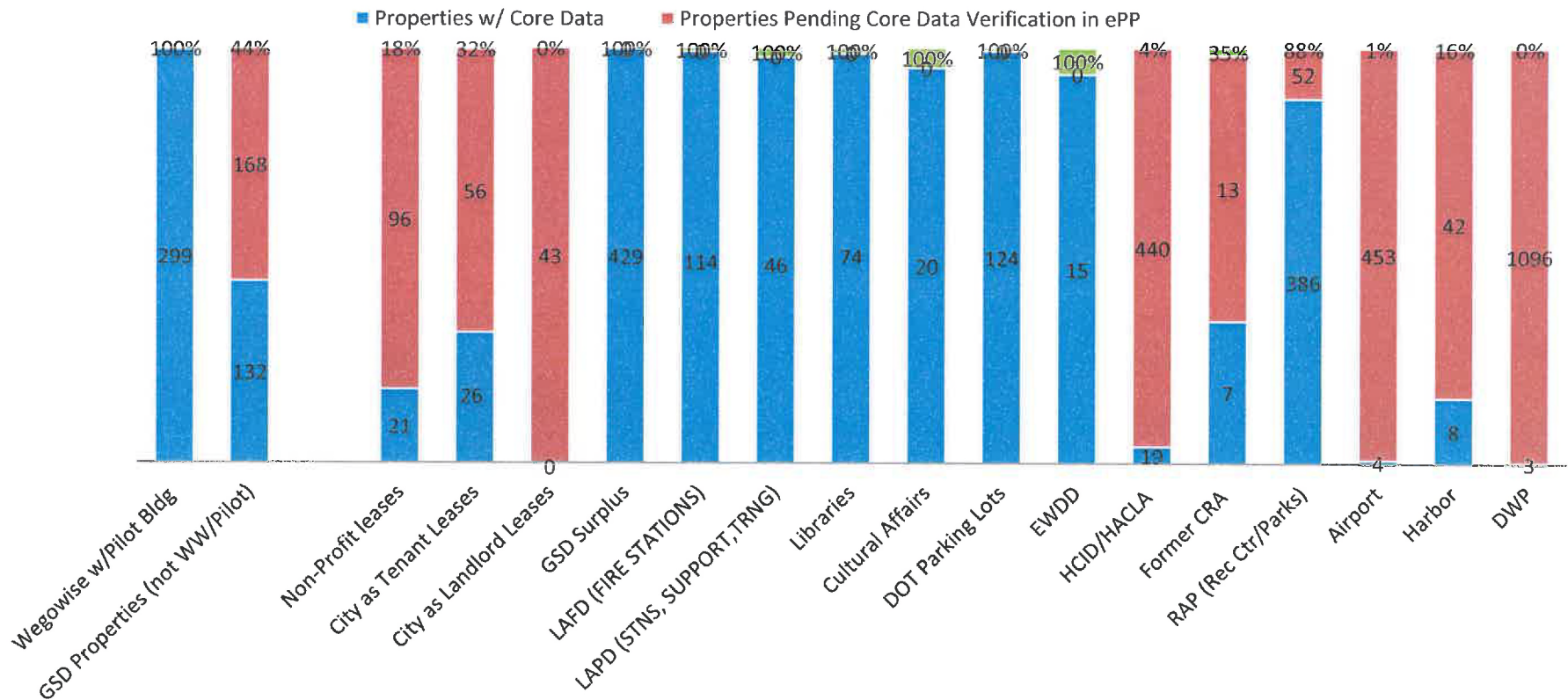


DEFINITIONS

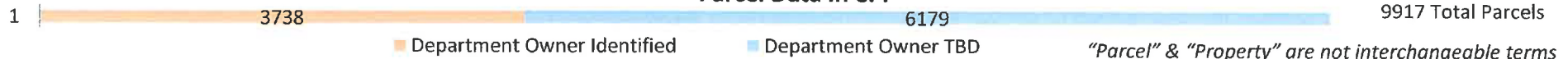
- ePP = interim asset management system
- CompilerLA = Data Analytics Firm
- Polygons = shape files for mapping assets
- Core data = APN, address, polygon, use type, Council District, -5+ fields
- Secondary data = Core data + Zimas data + building measurement/analytics

DATA CLEANSING METRIC BY DATASETS

* Datasets in ePP



Parcel Data in ePP



ACTIVITIES COMPLETED TO DATE	TIMELINE LOADING/GATHER DATA	OTHER ACTIVITIES
Cleansed and loaded GSD Surplus Properties	City as tenant leases Oct '16	Discussion to collect SF and other data for buildings
** Core Data for 1300 buildings	Rest of BMD properties Core Data Nov '16	Ongoing collection of data beyond core data
Loaded additional 7700 ***parcels	City as landlord leases Dec '16	Additional depts participating in ePP and AMS
Dept inventories completed: Library, Police, Fire Cultural Affairs, LADOT off-st parking	Non Profit Leases Mar '17	Future charts –"GSD Properties" to be incorporated in appropriate category by department

* Datasets shown may be included in more than one category (i.e. Several non-profits occupy space in Wegowise properties)

** See back for information on what is considered Core Data

*** One building or property may be comprised of one or more parcels. More than one building or property can be on one parcel. "Parcel" & "Property" are not interchangeable terms

As of October 13, 2016

Attachment - B

DATA CLEANSING METRIC BY DATASETS

Core Data Includes
Assessor Parcel No
Street Address (Or intersection for some surplus properties)
Owner (Departmental Jurisdiction or Private Party for leases)
Property Status (Owned, surplus, leased)
Building or Property Name
Council District
Opportunity Type (Avail for lease, Avail for purchase, Unavailable)
DOT - Includes Core Data plus
Number of Parking spaces (If off-street pkg)
Parking lot size (In Parking Info in Custom Fields)
Type of parking lot (If applicable)
Surplus – Includes Core Data plus
Funding Source (For most)
SF (Estimated)
Zoning
Leased (City as tenant/City as LL) – Includes Core data plus
Owner/Tenant
Attach lease if available
Others not listed above
Additional Info beyond Core Data may vary depending on department due to how properties are used