



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

OFFICE OF THE CHIEF HUMAN CAPITAL OFFICER

MEMORANDUM FOR: AFGE Union Officials

FROM: Michael P. Johnson, Branch Chief, Employee and Labor Relations Division

DATE: June 26, 2023

SUBJECT: Union Notification of HUD Handbook 2200.01, Administrative Services Policy Handbook, Revised Chapter 13, Space Design Standards Policy

In accordance with Article 49 of the HUD/AFGE Agreement, this memorandum serves as notification to the Union of Management's intent to implement a new space design standards policy as outlined in the attached revised Chapter 13 of HUD Handbook 2200.01, Administrative Services Policy Handbook, for the Department, which will replace the Department's current Chapter 13 of HUD Handbook 2200.01. As required by Article 49, Section 49.03(4), Management is providing the following information:

**(a) Copy or statement of the current policy or past practice**

*The current Chapter 13, Space Design Standards as outlined in HUD Handbook 2200.01 is attached.*

**(b) The nature, scope and rationale for the proposed change**

*The intent of HUD's new Chapter 13, Space Design Standards policy is to move HUD forward in implementing space sharing policies (Hoteling, Hot Desking). The pandemic provided us a great opportunity to review the Department's telework program and negotiate greater flexibilities for our workforce. As we've implemented the new program and have had a year to review employees' flexiplace applications and the emerging physical space requirements, we've refined our space policy to better match our work flexibilities with our physical footprint. Our previous space policy allowed for one workstation for every employee, however, as you're aware when we negotiated Supplement 35 (attached), the parties agreed that Management will provide any bargaining unit employee who regularly works at least six (6) days per pay period in a HUD office with an assigned permanent workstation/cubicle and any bargaining unit employee who is not working in the office at least six (6) days per pay period is subject to space sharing arrangements. Further, we agreed upon a new dynamic based upon the maximum daily occupancy rather than the number of employees assigned to an office. Moreover, the Department currently rents 3,571,531 square feet of space at an annual cost of \$95,006,843. Our first year of experience operating with these enhanced*

*flexibilities reflects an average pay period occupancy of 26.79%. The corresponding vacancy rate this last year is 73.21% with an associated cost of \$69,557,718. It's imperative we reach agreement on a new space policy to reduce our operating costs so we can recognize the cost savings associated with the increased workplace flexibilities and ensure that our Flexiplace program is not jeopardized and well-supported in the eyes of the taxpayers for years to come.*

**(c) A copy of the statement of the proposed new policy or practice**

*The new revised Chapter 13, Space Design Standards policy is attached.*

**(d) The proposed implementation date.**

*The Agency intends to implement the new space standards in Field Offices and Program Offices impacted as changes occur or is needed due to:*

- 1. Lease expirations (as of the date the MOU is signed, including current field moves where a building has not been identified by GSA);*
- 2. Office renovations/reductions (in new location or in current space)/reconfigurations;  
or*
- 3. Staffing increases that impact space availability.*
  - When a current office falls under category 3, the percent of occupancy that will effectuate implementation will be 90% occupancy of all current available seating for employees. Upon notification of implementing new space standards, employees will be provided a 15-day notice of changes taking affect, in order to remove their personal belongings out of their previously assigned workstation (unless they are still entitled to a workstation per their Flexi-place agreement or an Reasonable Accommodation). At the end of the 15-day notice, barring extenuating circumstances, management is not responsible for any personal items left in the workplace.*

Please submit any proposals to Michael P. Johnson at [Michael.P.Johnson@hud.gov](mailto:Michael.P.Johnson@hud.gov) in accordance with Article 49 of the HUD-AFGE Collective Bargaining Agreement.

Attachments

- Current Chapter 13, HUD Handbook 2200.01
- New Revised Chapter 13, HUD Handbook 2200.01
- Supplement 35, Amendments to Article 57 (Space Management), Effective April 2022