

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY *[Signature]*
 1/25/16

**SUBMITTAL TO THE BOARD OF SUPERVISORS
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

530



FROM: Economic Development Agency/Facilities Management

SUBMITTAL DATE:
 January 13, 2016

SUBJECT: Proposed FY 2016/17 Hourly Rates for Real Estate Services, All Districts, [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and adopt the proposed hourly rates for the Economic Development Agency's Real Estate Division as specified in Attachment A for FY 2016/17.

BACKGROUND:
Summary

The Economic Development Agency (EDA) is proposing the adoption of hourly rates for FY 2016/17 to recover costs associated with the provision of real estate services to its customers as specified in Attachment A. In accordance with Board Policy B-4 and B28, EDA brings cost recovery rates to the Board of Supervisors for approval and adoption on an annual basis.

(Continued)

Robert Field
 Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: N/A				Budget Adjustment: No	
				For Fiscal Year: 2016/17	

C.E.O. RECOMMENDATION:

APPROVE
 BY: *[Signature: Rohini Dasika]*
 Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
 Nays: None
 Absent: None
 Date: February 2, 2016
 xc: EDA

Kecia Harper-Ihem
 Clerk of the Board
 By: *[Signature]*
 Deputy

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: 3-26 of 2/3/15 District: ALL Agenda Number:

3-21

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Economic Development Agency

FORM 11: Proposed FY 2016/17 Productive Hourly Rates for Real Estate Services, All Districts, [\$0]

DATE: January 13, 2016

PAGE: 2 of 3

BACKGROUND:

Summary (Continued)

The EDA Real Estate division operates as an Internal Service Fund (ISF) and must recover its operating costs through charges to customers. Real Estate rates were derived by combining direct and indirect costs to run and operate the division. The division is proposing the billable hourly rates for FY 2016/17 to recover costs associated with providing acquisition and leasing services.

Requesting customers will be billed the approved hourly rate multiplied by the number of hours worked providing these services including pre-leasing activities. Leasing services are billed based on the management fee and is applied to the lease amount once an agreement has been executed.

EDA has complied with Board policies B-4 and B-28. The Auditor-Controller's Office has reviewed the proposed rates and methodology.

Impact on Citizens and Businesses

There is no foreseeable impact on residents and businesses.

SUPPLEMENTAL:

Additional Fiscal Information

The proposed rates are sufficient for full cost recovery.

Contract History and Price Reasonableness

Comparisons with prior year rates are presented in Attachment A.

ATTACHMENTS:

Attachment A – FY 2016/17 Proposed Real Estate Division Hourly Rates

Internal Audits Review Comments:

The Auditor-Controller approved the FY 2016-17 rate methodology with the understanding that a plan will be developed and operative by January 2017 to address concerns involving required reserves and working capital.

Attachment A

**Proposed EDA FY 2016/17
Real Estate Division Hourly Rates**

	<u>FY 15/16 Current</u>	<u>FY 16/17 Proposed</u>	<u>FY 15/16 Current OT</u>	<u>FY 16/17 Proposed OT</u>
Real Estate Services (Acquisition & Pre-leasing)	\$142.26	\$157.69	\$165.02	\$179.09
Leasing Services	4.12%	4.92%		