

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



ITEM
3.30
(ID # 6227)

MEETING DATE:
Tuesday, February 6, 2018

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Proposed FY 2018/19 Hourly Rates for Real Estate Services, All Districts. [\$5,139,860-Department Budgets 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and adopt the proposed productive hourly rates for the Economic Development Agency's Real Estate Division as specified in Attachment A for FY 2018/19.

ACTION: Policy

Robert Field, Assistant County Executive Officer/EDA

1/25/2018

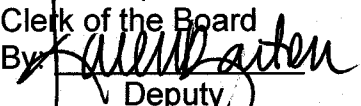
Robert Field, Assistant County Executive Officer/EDA

1/25/2018

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: February 6, 2018
xc: EDA

Kecia Harper-Ihem
Clerk of the Board
By 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:
COST	\$ 0	\$ 5,139,860	\$ 5,139,860	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Department Budgets 100%			Budget Adjustment:	No
			For Fiscal Year:	2018/19

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Economic Development Agency (EDA) is proposing the adoption of hourly rates for FY 2018/19 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.

The EDA Real Estate division operates as an Internal Service Fund (ISF) and cost recovery for operating costs is obtained through charges to customers. Real Estate rates were derived by combining direct and indirect costs to run and operate the division.

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 Residents and Businesses

There is no foreseeable impact on residents and businesses.

SUPPLEMENTAL:

Additional Fiscal Information

The proposed rates are limited in providing full cost recovery for services. These rates have not changed since adopted for use for FY 16/17 and the division will continue cost containment strategies while ensuring high levels of services for FY 18/19. Modest cash reserves remain available within the fund. The department will continue to monitor cash flow closely. The EDA

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

will continue to work with the Executive Office, Auditor-Controller, and customer departments to develop strategies to improve recovery efforts while increasing cash flow.

Contract History and Price Reasonableness

Comparisons with prior year rates are presented in Attachment A.

ATTACHMENT:

- FY 2018/19 Proposed Real Estate Division Productive Hourly Rates

RF:HM:MS:CL 6227


Rene Casillas, Internal Audits Chief

1/25/2018


Stephanie P. Pasi

1/29/2018


Renini Basilio, Principal Management Analyst

1/29/2018

Attachment A

**Proposed EDA FY 2018/19
Real Estate Division Productive Hourly Rates**

	<u>FY 17/18 Current</u>	<u>FY 18/19 Proposed</u>	<u>FY 17/18 Current OT</u>	<u>FY 18/19 Proposed OT</u>
Real Estate Services (Acquisition & Pre-leasing)	\$157.69	\$157.69	\$179.09	\$185.20
Leasing Services	4.92%	4.92%		