

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



ITEM
3.40
(ID # 8862)

MEETING DATE:

Tuesday, January 29, 2019

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Proposed FY2019/20 Hourly Rates
for Real Estate Services, All Districts. [\$0]

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 2019/20.

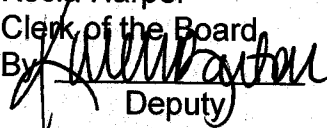
ACTION: Policy

Robert Field, Assistant County Executive Officer/ECD 1/22/2019

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: January 29, 2019
xc: EDA

Kecia Harper
Clerk of the Board
By 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Department Budgets 100%			Budget Adjustment:	No
			For Fiscal Year:	2019/20

C.E.O. RECOMMENDATION: [CEO use]

BACKGROUND:

Summary

The Economic Development Agency (EDA) is proposing the adoption of hourly rates for FY 2019/20 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 B-28, EDA brings cost recovery rates to the Board of Supervisors for approval and adoption on an annual basis.

The EDA Real Estate Division (RE) 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 RE Division provides several types of services which include the acquisition and disposition of real property, property analysis and negotiations, leasing and lease administration and property management 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.

The proposed FY 2019/20 RE leasing rate has remained the same and will not increase costs to customers obtaining these services. The acquisitions and pre-leasing hourly rate increases slightly by about 1.86% due to timely demands for these services. Staffing resources are needed to ensure efficiencies and required service delivery schedules for funding optimization for customers. The proposed rates will ensure full cost recovery with providing acquisition and leasing services.

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.

Additional Fiscal Information

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Rates were held flat for the past three years and the proposed rates will ensure full cost recover for the RE.

Contract History and Price Reasonableness

Comparisons with prior year rates are provided in Attachment A.

ATTACHMENT:

- Attachment A – FY 2019/20 Proposed Real Estate Division Productive Hourly Rates



Nehni Masala, Principal Management Analyst

1/24/2019



Rene Casillas, Internal Audits Chief

1/23/2019

Attachment A

**Proposed EDA FY 2019/20
Real Estate Division Productive Hourly Rates**

	<u>FY 18/19 Current</u>	<u>FY 19/20 Proposed</u>	<u>FY 18/19 Current OT</u>	<u>FY 19/20 Proposed OT</u>
Real Estate Services (Acquisitions & Pre-leasing)	\$157.69	\$160.63	\$185.20	\$186.57
Leasing Services	4.92%	4.92%		