

Real Estate Assets



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Real Estate Assets



Department Description

The Real Estate Assets Department (READ) manages the City's real estate portfolio and provides direction for the operations of the City's Airports Division, the City Concourse, and Stadium Operations. It also manages the City's role in the Joint Use Management Agreement for PETCO Park. READ's downtown group is organized to reflect its core business functions. The Acquisition Division acquires property for City needs such as sites for new fire stations, parks, and libraries, as well as the right-of-way for numerous City projects. The Disposition Division evaluates City assets to determine which properties are essential for the City's core mission and which may be considered surplus and then handles the disposition of properties that are determined to be surplus. The Asset Management Division manages the City's diverse agreement portfolio of more than 500 leased properties. Corporate Services administers the City's facility space needs. Additionally, READ's Valuation section provides appraisal services to support these core business units, as well as a number of other City departments.

For more information on department programs, please visit the Real Estate Assets Department website (<https://www.sandiego.gov/real-estate-assets>).

The Department's mission is:

To serve the San Diego community through excellence in stewardship of the City's real estate assets

The Department's vision is:

To be a nationally recognized model for municipal real estate services

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Goals and Objectives

Goal 1: Maximize revenue and overall benefit of the City's real estate assets

- Secure maximum revenue due to the City for leasehold agreements
- Ensure the best return for the City through long-term agreements where appropriate
- Identify underutilized assets for potential disposition

Goal 2: Attract and retain top quality staff

- Provide a productive, cohesive work atmosphere
- Create opportunities for career growth and advancement
- Support and enhance staff education and training

Goal 3: Support the real estate needs of City departments in an effective and timely manner

- Provide support to City departments to ensure quality, consistency, and compliance in projects that involve City real estate assets
- Provide high-quality valuation and consulting services in a timely manner when requested
- Support City departments in planning their future real estate needs

Goal 4: Enhance information management about the City's real estate assets decision-making initiatives

- Inform decision makers regarding the state of the City's real estate assets
- Publish and enhance open data regarding the City's real estate assets on the City website

Key Performance Indicators

Performance Indicator	FY2017 Target	FY2017 Actual	FY2018 Target	FY2018 Actual	FY2019 Target
Number of properties reviewed for potential disposition per year ¹	50	63	50	672	50
Percentage of appraisals completed within 90 days of commencement ²	90%	78%	90%	70%	85%
Percentage of lease agreements on a month-to-month holdover status ³	20%	24%	20%	25%	20%
Percentage of rent reviews completed on time per fiscal year ⁴	90%	77%	90%	87%	90%

1. City Councilmembers and the Mayor's office requested that more than 600 City-owned vacant or undeveloped property be reviewed to determine potential use for affordable housing purposes.

2. There were a number of highly complex appraisals required for projects in FY 2018. Completion of appraisals is influenced by the complexity of the assignment and the availability of independent appraisers.

3. Vacant staff positions made it difficult to reach target.

4. Refer to footnote #3.

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Department Summary

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
FTE Positions (Budgeted)	36.00	34.00	34.00	0.00
Personnel Expenditures	\$ 3,833,986	\$ 4,142,978	\$ 4,111,545	\$ (31,433)
Non-Personnel Expenditures	4,789,719	8,954,911	7,653,093	(1,301,818)
Total Department Expenditures	\$ 8,623,704	\$ 13,097,889	\$ 11,764,638	\$ (1,333,251)
Total Department Revenue	\$ 57,816,031	\$ 54,662,320	\$ 55,283,164	\$ 620,844

General Fund

Department Expenditures

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Real Estate Assets	\$ 5,478,024	\$ 7,996,671	\$ 7,962,132	\$ (34,539)
Total	\$ 5,478,024	\$ 7,996,671	\$ 7,962,132	\$ (34,539)

Department Personnel

	FY2017 Budget	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Real Estate Assets	34.00	32.00	32.00	0.00
Total	34.00	32.00	32.00	0.00

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Relocation to 101 Ash Street Addition of one-time non-personnel expenditures for office relocation of various departments into the 101 Ash Street building.	0.00	\$ 2,100,000	\$ -
Civic Theatre Maintenance Addition of one-time non-personnel expenditures for the repair of electrical equipment at the San Diego Civic Theatre.	0.00	75,000	-
Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements.	0.00	403	-
Non-Discretionary Adjustment Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	(20,491)	-

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Significant Budget Adjustments

	FTE	Expenditures	Revenue
Reduction of Central Plant Maintenance Reduction of non-personnel expenditures for Central Plant maintenance projects.	0.00	(23,063)	-
Salary and Benefit Adjustments Adjustments to reflect savings resulting from vacant positions for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiations.	0.00	(66,388)	-
One-Time Reductions and Annualizations Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2018.	0.00	(2,100,000)	-
Revised Revenue Adjustment to reflect revised revenue projections.	0.00	-	808,548
Total	0.00 \$	(34,539) \$	808,548

Expenditures by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
PERSONNEL				
Personnel Cost	\$ 2,373,091	\$ 2,443,193	\$ 2,444,716	1,523
Fringe Benefits	1,285,551	1,522,901	1,454,990	(67,911)
PERSONNEL SUBTOTAL	3,658,641	3,966,094	3,899,706	(66,388)
NON-PERSONNEL				
Supplies	\$ 18,113	\$ 25,818	\$ 25,908	90
Contracts	1,651,257	3,232,624	3,264,090	31,466
Information Technology	129,904	134,474	134,877	403
Energy and Utilities	5,515	6,661	6,551	(110)
Other	14,542	31,000	31,000	-
Transfers Out	-	600,000	600,000	-
Capital Expenditures	53	-	-	-
NON-PERSONNEL SUBTOTAL	1,819,382	4,030,577	4,062,426	31,849
Total	\$ 5,478,024	\$ 7,996,671	\$ 7,962,132	(34,539)

Revenues by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Charges for Services	\$ 1,413,222	\$ 1,355,000	\$ 1,370,000	15,000
Licenses and Permits	256,711	283,724	283,724	-
Other Revenue	9,871	-	-	-

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Revenues by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Rev from Money and Prop	52,428,730	48,842,166	49,635,714	793,548
Transfers In	19,000	-	-	-
Total	\$ 54,127,535	\$ 50,480,890	\$ 51,289,438	808,548

Personnel Expenditures

Job Number	Job Title / Wages	FY2017 Budget	FY2018 Budget	FY2019 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
20000011	Account Clerk	1.00	1.00	1.00	\$ 32,530 - 39,170	\$ 38,582
20000119	Associate Management Analyst	1.00	1.00	1.00	55,843 - 67,489	66,477
20000134	Associate Management Analyst	1.00	1.00	1.00	55,843 - 67,489	55,843
20000163	Associate Property Agent	2.00	2.00	2.00	55,843 - 67,489	129,930
20001168	Deputy Director	1.00	1.00	1.00	48,516 - 178,445	131,191
20000924	Executive Secretary	1.00	1.00	1.00	44,993 - 54,404	53,588
20001222	Program Manager	5.00	5.00	5.00	48,516 - 178,445	573,315
20000768	Property Agent	12.00	10.00	10.00	61,322 - 74,128	716,983
20000783	Public Information Clerk	1.00	1.00	1.00	32,530 - 39,170	38,582
20001137	Real Estate Assets Director	1.00	1.00	1.00	32,788 - 179,712	160,115
20000869	Senior Account Clerk	1.00	1.00	1.00	37,257 - 44,950	44,276
20000970	Supervising Management Analyst	1.00	1.00	1.00	68,971 - 83,561	80,941
20001003	Supervising Property Agent	4.00	5.00	5.00	68,971 - 83,561	381,043
20001005	Supervising Property Agent	1.00	1.00	1.00	68,971 - 83,561	80,219
20000756	Word Processing Operator	1.00	0.00	0.00	32,530 - 39,170	-
	Bilingual - Regular					2,912
	Budgeted Vacancy Savings					(117,165)
	Right Of Way Cert					7,884
FTE, Salaries, and Wages Subtotal		34.00	32.00	32.00		\$ 2,444,716

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Fringe Benefits				
Employee Offset Savings	\$ 18,798	\$ 19,110	\$ 16,428	(2,682)

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	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Flexible Benefits	325,659	384,655	372,747	(11,908)
Long-Term Disability	6,283	-	-	-
Medicare	34,895	34,236	34,402	166
Other Post-Employment Benefits	178,577	186,031	183,720	(2,311)
Retiree Medical Trust	3,460	3,679	4,208	529
Retirement 401 Plan	1,521	1,527	1,900	373
Retirement ADC	503,674	664,749	576,619	(88,130)
Retirement DROP	2,600	2,591	-	(2,591)
Risk Management Administration	31,121	31,341	31,590	249
Supplemental Pension Savings Plan	158,020	167,297	174,525	7,228
Unemployment Insurance	4,281	4,312	4,093	(219)
Workers' Compensation	16,660	23,373	54,758	31,385
Fringe Benefits Subtotal	\$ 1,285,551	\$ 1,522,901	\$ 1,454,990	(67,911)
Total Personnel Expenditures		\$ 3,899,706		

Concourse and Parking Garages Operating Fund

Department Expenditures

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Concourse & Parking Garage	\$ 3,145,681	\$ 5,101,218	\$ 3,802,506	(1,298,712)
Total	\$ 3,145,681	\$ 5,101,218	\$ 3,802,506	(1,298,712)

Department Personnel

	FY2017 Budget	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Concourse & Parking Garage	2.00	2.00	2.00	0.00
Total	2.00	2.00	2.00	0.00

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Power Washing Services	0.00	\$ 60,000	-
Addition of non-personnel expenditures for power washing services at the Concourse and Parkade.			

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Significant Budget Adjustments

	FTE	Expenditures	Revenue
Maintenance Projects Addition of non-personnel expenditures for Concourse and Parkade maintenance projects.	0.00	50,000	-
Security Services Addition of non-personnel expenditures for increased security at the Concourse and Parkade.	0.00	44,000	-
Salary and Benefit Adjustments Adjustments to reflect savings resulting from vacant positions for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiations.	0.00	34,955	-
Central Power Operations Addition of non-personnel expenditures to support Central Plant maintenance projects.	0.00	14,500	-
Non-Discretionary Adjustment Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	6,474	-
Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements.	0.00	(8,641)	-
One-Time Reductions and Annualizations Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2018.	0.00	(1,500,000)	-
Revised Revenue Adjustment to reflect revised revenue projections.	0.00	-	(187,704)
Total	0.00 \$	(1,298,712) \$	(187,704)

Expenditures by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
PERSONNEL				
Personnel Cost	\$ 119,068	\$ 121,934	\$ 126,779	4,845
Fringe Benefits	56,277	54,950	85,060	30,110
PERSONNEL SUBTOTAL	175,345	176,884	211,839	34,955
NON-PERSONNEL				
Supplies	\$ 34,094	\$ 65,400	\$ 65,400	-
Contracts	1,707,418	1,846,322	2,014,267	167,945
Information Technology	7,074	21,780	13,139	(8,641)
Energy and Utilities	83,994	90,332	97,361	7,029
Other	89	500	500	-
Transfers Out	1,137,663	2,900,000	1,400,000	(1,500,000)

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Expenditures by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Capital Expenditures	4	-	-	-
NON-PERSONNEL SUBTOTAL	2,970,336	4,924,334	3,590,667	(1,333,667)
Total	\$ 3,145,681	\$ 5,101,218	\$ 3,802,506	(1,298,712)

Revenues by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Rev from Money and Prop	\$ 3,688,496	\$ 4,181,430	\$ 3,993,726	(187,704)
Total	\$ 3,688,496	\$ 4,181,430	\$ 3,993,726	(187,704)

Personnel Expenditures

Job Number	Job Title / Wages	FY2017 Budget	FY2018 Budget	FY2019 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
20000011	Account Clerk	1.00	1.00	1.00	\$ 32,530 - 39,170	\$ 37,799
20001003	Supervising Property Agent	1.00	1.00	1.00	68,971 - 83,561	81,890
	Bilingual - Regular					2,912
	Right Of Way Cert					4,178
FTE, Salaries, and Wages Subtotal		2.00	2.00	2.00		\$ 126,779

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Fringe Benefits				
Employee Offset Savings	\$ 145	\$ -	\$ 392	392
Flexible Benefits	19,216	23,410	23,410	-
Long-Term Disability	303	-	-	-
Medicare	1,795	1,779	1,781	2
Other Post-Employment Benefits	11,390	12,002	12,248	246
Retiree Medical Trust	263	305	219	(86)
Retirement 401 Plan	1,040	1,220	875	(345)
Retirement ADC	17,989	12,518	39,339	26,821
Risk Management Administration	1,986	2,022	2,106	84
Supplemental Pension Savings Plan	842	-	2,375	2,375
Unemployment Insurance	213	208	201	(7)

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	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Workers' Compensation	1,094	1,486	2,114	628
Fringe Benefits Subtotal	\$ 56,277	\$ 54,950	\$ 85,060	30,110
Total Personnel Expenditures		\$	211,839	

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Revenue and Expense Statement (Non-General Fund)

Concourse and Parking Garages Operating Fund	FY2017 Actual	FY2018* Budget	FY2019 Adopted
BEGINNING BALANCE AND RESERVES			
Balance from Prior Year	\$ 670,831	\$ 1,213,646	\$ 93,181
TOTAL BALANCE AND RESERVES	\$ 670,831	\$ 1,213,646	\$ 93,181
REVENUE			
Revenue from Use of Money and Property	\$ 3,688,496	\$ 4,181,430	\$ 3,993,726
TOTAL REVENUE	\$ 3,688,496	\$ 4,181,430	\$ 3,993,726
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 4,359,327	\$ 5,395,076	\$ 4,086,907
OPERATING EXPENSE			
Personnel Expenses	\$ 119,068	\$ 121,934	\$ 126,779
Fringe Benefits	56,277	54,950	85,060
Supplies	34,094	65,400	65,400
Contracts	1,707,418	1,846,322	2,014,267
Information Technology	7,074	21,780	13,139
Energy and Utilities	83,994	90,332	97,361
Other Expenses	89	500	500
Transfers Out	1,137,663	2,900,000	1,400,000
Capital Expenditures	4	-	-
TOTAL OPERATING EXPENSE	\$ 3,145,681	\$ 5,101,218	\$ 3,802,506
TOTAL EXPENSE	\$ 3,145,681	\$ 5,101,218	\$ 3,802,506
BALANCE	\$ 1,213,646	\$ 293,858	\$ 284,401
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ 4,359,327	\$ 5,395,076	\$ 4,086,907

* At the time of publication, audited financial statements for Fiscal Year 2018 were not available. Therefore, the Fiscal Year 2018 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2018 Adopted Budget, while the beginning Fiscal Year 2018 balance amount reflects the audited Fiscal Year 2017 ending balance.