

Real Estate Assets



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Real Estate Assets



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 and the City Concourse. In the next fiscal year, READ will be restructured and renamed Department of Real Estate and Airport Management (DREAM). 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 approximately 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 vision is:

To be a nationally recognized model for municipal real estate services

The mission is:

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

Real Estate Assets

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	FY2020 Target	FY2020 Actual	FY2021 Target	FY2021 Actual	FY2022 Target
Number of properties reviewed for potential disposition per year	25	52	25	17	25
Percentage of appraisals completed within 90 days of commencement	80%	85%	80%	84%	80%
Percentage of lease agreements on a month-to-month holdover status ¹	20%	23%	20%	28%	25%
Percentage of rent reviews completed on time per fiscal year	90%	84%	90%	83%	90%

1. Changes to Surplus Land Act have added additional reviews and requirements which have affected the length of time to complete new agreements.

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Department Summary

	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
FTE Positions (Budgeted)	34.00	28.00	30.00	2.00
Personnel Expenditures	\$ 3,708,075	\$ 3,330,183	\$ 4,246,892	\$ 916,709
Non-Personnel Expenditures	4,223,372	4,330,016	4,677,508	347,492
Total Department Expenditures	\$ 7,931,447	\$ 7,660,199	\$ 8,924,400	\$ 1,264,201
Total Department Revenue	\$ 50,796,706	\$ 53,525,627	\$ 51,540,476	\$ (1,985,151)

General Fund

Department Expenditures

	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
Real Estate Assets	\$ 5,181,386	\$ 4,398,424	\$ 5,937,492	\$ 1,539,068
Total	\$ 5,181,386	\$ 4,398,424	\$ 5,937,492	\$ 1,539,068

Department Personnel

	FY2020 Budget	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
Real Estate Assets	32.00	26.00	28.00	2.00
Total	32.00	26.00	28.00	2.00

Significant Budget Adjustments

	FTE	Expenditures	Revenue
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	\$ 705,851	\$ -
Addition of Non-Personnel Expenditures for Facilities Addition of non-personnel expenditures to support building repairs, maintenance, utilities and other expenses as needed for facilities that service the homeless population.	0.00	492,000	-
Agricultural Lease Support Addition of 1.00 Program Coordinator to provide expertise in agricultural leases.	1.00	137,902	-
Consulting Services Addition of one-time non-personnel expenditures associated with consulting services related to the Sports Arena Development.	0.00	112,475	-
Addition of Program Coordinator Addition of 1.00 Program Coordinator to support the maintenance of facilities that house homeless services.	1.00	110,875	-

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Significant Budget Adjustments

	FTE	Expenditures	Revenue
Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology requirements.	0.00	34,151	-
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	42	-
Equipment Rate Reduction Reduction in non-personnel expenditures associated with a rate reduction for equipment rentals.	0.00	(772)	-
Pay-In-Lieu of Annual Leave Adjustments Adjustment to expenditures associated with projected compensation to employees in-lieu of the use of annual leave.	0.00	(12,235)	-
Citywide Contracts Reduction of 2.6% Reduction of non-personnel expenditures associated with a 2.6% reduction in contracts citywide.	0.00	(41,221)	-
One-Time Additions and Annualizations Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2021.	0.00	-	4,612,675
Revised Revenue Revenue adjustment to reflect revised other rents and concessions revenue projections.	0.00	-	474,350
Revised Revenue Revenue adjustment to reflect revised lease revenue projections.	0.00	-	45,126
Revised Revenue Revenue adjustment to reflect revised utility reimbursement revenue projections.	0.00	-	(97,875)
Revised Revenue Revenue Adjustment to reflect revised lease revenue projections.	0.00	-	(6,246,774)
Total	2.00	\$ 1,539,068	\$ (1,212,498)

Expenditures by Category

	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
PERSONNEL				
Personnel Cost	\$ 2,300,754	\$ 2,011,257	\$ 2,596,200	584,943
Fringe Benefits	1,218,341	1,096,839	1,454,289	357,450
PERSONNEL SUBTOTAL	3,519,095	3,108,096	4,050,489	942,393
NON-PERSONNEL				
Supplies	\$ 13,284	\$ 26,120	\$ 26,405	285
Contracts	1,413,193	1,011,890	1,574,964	563,074
Information Technology	172,990	216,255	250,406	34,151
Energy and Utilities	7,241	7,063	6,228	(835)

Real Estate Assets

Expenditures by Category

	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
Other	6,290	29,000	29,000	-
Transfers Out	49,293	-	-	-
NON-PERSONNEL SUBTOTAL	1,662,291	1,290,328	1,887,003	596,675
Total	\$ 5,181,386	\$ 4,398,424	\$ 5,937,492	\$ 1,539,068

Revenues by Category

	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
Charges for Services	\$ 1,393,571	\$ 1,468,872	\$ 1,374,997	\$ (93,875)
Licenses and Permits	434,647	239,862	409,194	169,332
Other Revenue	54,806	-	-	-
Rev from Money and Prop	45,819,164	48,062,834	46,774,879	(1,287,955)
Rev from Other Agencies	-	-	-	-
Transfers In	6,689	-	-	-
Total	\$ 47,708,878	\$ 49,771,568	\$ 48,559,070	\$ (1,212,498)

Personnel Expenditures

Job Number	Job Title / Wages	FY2020 Budget	FY2021 Budget	FY2022 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
20000011	Account Clerk	1.00	1.00	1.00	\$ 34,957 - 42,074	\$ 42,074
20000056	Assistant Department Director	1.00	0.00	0.00	65,653 - 248,703	-
20001140	Assistant Department Director	0.00	1.00	1.00	65,653 - 248,703	157,178
20000119	Associate Management Analyst	1.00	1.00	1.00	60,007 - 72,510	72,510
20000163	Associate Property Agent	2.00	2.00	2.00	60,007 - 72,510	120,030
20000924	Executive Assistant	1.00	1.00	1.00	48,326 - 58,450	58,450
20001234	Program Coordinator	0.00	0.00	2.00	32,448 - 153,046	195,852
20001222	Program Manager	5.00	5.00	5.00	52,133 - 191,703	641,860
20000768	Property Agent	10.00	6.00	6.00	65,869 - 79,649	473,911
20000783	Public Information Clerk	1.00	1.00	1.00	34,957 - 42,074	42,074
20001137	Real Estate Assets Director	1.00	1.00	1.00	35,217 - 193,066	193,066
20000869	Senior Account Clerk	1.00	1.00	1.00	40,019 - 48,283	47,559
20000970	Supervising Management Analyst	1.00	1.00	1.00	74,090 - 89,773	89,773
20001003	Supervising Property Agent	6.00	4.00	4.00	74,090 - 89,773	346,926
20001005	Supervising Property Agent Bilingual - Regular Right Of Way Cert Vacation Pay In Lieu	1.00	1.00	1.00	74,090 - 89,773	87,978 2,912 12,960 11,087
FTE, Salaries, and Wages Subtotal		32.00	26.00	28.00		\$ 2,596,200

	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
Fringe Benefits				
Employee Offset Savings	\$ 10,834	\$ 10,748	\$ 12,184	\$ 1,436
Flexible Benefits	319,826	281,532	371,870	90,338

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	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
Long-Term Disability	-	6,866	10,301	3,435
Medicare	33,678	27,572	36,182	8,610
Other	32,047	-	-	-
Other Post-Employment Benefits	165,306	138,446	171,668	33,222
Retiree Medical Trust	4,065	3,448	4,791	1,343
Retirement 401 Plan	1,987	2,060	2,142	82
Retirement ADC	441,120	449,990	597,271	147,281
Retirement DROP	2,650	2,633	2,738	105
Risk Management Administration	31,901	23,298	29,708	6,410
Supplemental Pension Savings Plan	160,948	138,042	194,086	56,044
Unemployment Insurance	3,599	3,046	3,745	699
Workers' Compensation	10,381	9,158	17,603	8,445
Fringe Benefits Subtotal	\$ 1,218,341	\$ 1,096,839	\$ 1,454,289	\$ 357,450
Total Personnel Expenditures			\$ 4,050,489	

Concourse and Parking Garages Operating Fund

Department Expenditures

	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
Concourse & Parking Garage	\$ 2,750,061	\$ 3,261,775	\$ 2,986,908	\$ (274,867)
Total	\$ 2,750,061	\$ 3,261,775	\$ 2,986,908	\$ (274,867)

Department Personnel

	FY2020 Budget	FY2021 Budget	FY2022 Adopted	FY2021-2022 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
Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology requirements.	0.00	\$ 5,296	\$ -
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	(10,032)	-
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	(25,684)	-

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Significant Budget Adjustments

	FTE	Expenditures	Revenue
Expenditure Reduction Proposal	0.00	(244,447)	-
Reduction in non-personnel expenditures associated with the transfer to the General Fund.			
Revised Revenue	0.00	-	293,898
Addition of one-time transfer from the General Fund.			
Revised Revenue	0.00	-	(1,066,551)
Reduction in revenue due to revised projections.			
Total	0.00 \$	(274,867) \$	(772,653)

Expenditures by Category

	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
PERSONNEL				
Personnel Cost	\$ 114,758	\$ 129,527	\$ 134,650	\$ 5,123
Fringe Benefits	74,222	92,560	61,753	(30,807)
PERSONNEL SUBTOTAL	188,980	222,087	196,403	(25,684)
NON-PERSONNEL				
Supplies	\$ 52,954	\$ 57,800	\$ 57,800	\$ -
Contracts	2,254,535	2,385,772	2,408,783	23,011
Information Technology	29,519	23,126	28,422	5,296
Energy and Utilities	224,067	328,043	295,000	(33,043)
Other	6	500	500	-
Transfers Out	-	244,447	-	(244,447)
NON-PERSONNEL SUBTOTAL	2,561,081	3,039,688	2,790,505	(249,183)
Total	\$ 2,750,061	\$ 3,261,775	\$ 2,986,908	\$ (274,867)

Revenues by Category

	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
Other Revenue	\$ 114	\$ -	\$ -	-
Rev from Money and Prop	3,086,875	3,754,059	2,687,508	(1,066,551)
Transfers In	840	-	293,898	293,898
Total	\$ 3,087,829	\$ 3,754,059	\$ 2,981,406	\$ (772,653)

Personnel Expenditures

Job Number	Job Title / Wages	FY2020 Budget	FY2021 Budget	FY2022 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
20000011	Account Clerk	1.00	1.00	1.00	\$ 34,957 - 42,074	\$ 42,074
20001003	Supervising Property Agent	1.00	1.00	1.00	74,090 - 89,773	86,631
	Bilingual - Regular					1,456
	Right Of Way Cert					4,489
FTE, Salaries, and Wages Subtotal		2.00	2.00	2.00		\$ 134,650

	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
Fringe Benefits				
Employee Offset Savings	\$ 262	\$ 405	\$ -	(405)
Flexible Benefits	21,106	25,410	23,410	(2,000)

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	FY2020 Actual	FY2021 Budget	FY2022 Adopted	FY2021-2022 Change
Long-Term Disability	-	429	516	87
Medicare	1,822	1,879	1,952	73
Other Post-Employment Benefits	12,106	12,586	12,262	(324)
Retiree Medical Trust	206	223	231	8
Retirement 401 Plan	753	891	926	35
Retirement ADC	32,026	44,306	14,578	(29,728)
Retirement DROP	201	-	1,283	1,283
Risk Management Administration	2,332	2,118	2,122	4
Supplemental Pension Savings Plan	1,936	2,448	2,545	97
Unemployment Insurance	177	190	187	(3)
Workers' Compensation	1,298	1,675	1,741	66
Fringe Benefits Subtotal	\$ 74,222	\$ 92,560	\$ 61,753	\$ (30,807)
Total Personnel Expenditures			\$ 196,403	

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Revenue and Expense Statement (Non-General Fund)

Concourse and Parking Garages Operating Fund	FY2020 Actual	FY2021* Budget	FY2022** Adopted
BEGINNING BALANCE AND RESERVES			
Balance from Prior Year	\$ 432,282	\$ 769,952	\$ 5,502
TOTAL BALANCE AND RESERVES	\$ 432,282	\$ 769,952	\$ 5,502
REVENUE			
Other Revenue	\$ 114	\$ -	\$ -
Revenue from Use of Money and Property	3,086,875	3,754,059	2,687,508
Transfers In	841	-	293,898
TOTAL REVENUE	\$ 3,087,830	\$ 3,754,059	\$ 2,981,406
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 3,520,112	\$ 4,524,011	\$ 2,986,908
OPERATING EXPENSE			
Personnel Expenses	\$ 114,834	\$ 129,527	\$ 134,650
Fringe Benefits	74,244	92,560	61,753
Supplies	52,954	57,800	57,800
Contracts	2,254,535	2,385,772	2,408,783
Information Technology	29,519	23,126	28,422
Energy and Utilities	224,067	328,043	295,000
Other Expenses	6	500	500
Transfers Out	-	244,447	-
TOTAL OPERATING EXPENSE	\$ 2,750,159	\$ 3,261,775	\$ 2,986,908
TOTAL EXPENSE	\$ 2,750,159	\$ 3,261,775	\$ 2,986,908
BALANCE	\$ 769,953	\$ 1,262,236	\$ -
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ 3,520,112	\$ 4,524,011	\$ 2,986,908

* At the time of publication, audited financial statements for Fiscal Year 2021 were not available. Therefore, the Fiscal Year 2021 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2021 Adopted Budget, while the beginning Fiscal Year 2021 balance amount reflects the audited Fiscal Year 2020 ending balance.

** Fiscal Year 2022 Beginning Fund Balance reflect the projected Fiscal Year 2021 Ending Fund Balance based on updated Revenue and Expenditures projections for Fiscal Year 2021.