

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. 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. The Facilities Services Division provides a range of services including citywide facilities maintenance and repair, for all Asset Owning Departments including the General Fund. 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

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

Goal 5: Provide quality, safe, reliable facility services

- Maintain facilities
- Provide high quality customer service

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	25	25
Percentage of appraisals completed within 90 days of commencement	80%	85%	80%	85%	80%
Percentage of lease agreements on a month-to-month holdover status ¹	20%	23%	20%	25%	25%
Percentage of rent reviews completed on time per fiscal year	90%	84%	90%	85%	85%
Percentage of preventative maintenance activities of overall facilities maintenance activities	20%	28%	15%	23%	20%

1. Rent adjustments done on time in FY21 expected to be lower due to impact of COVID-related rent deferrals and COVID-relating issues adding to workload impacting the ability to get rent adjustments done on time.

Real Estate Assets

Department Summary

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
FTE Positions (Budgeted)	34.00	28.00	29.00	1.00
Personnel Expenditures	\$ 3,708,075	\$ 3,330,183	\$ 3,997,531	\$ 667,348
Non-Personnel Expenditures	4,223,372	4,330,016	4,659,529	329,513
Total Department Expenditures	\$ 7,931,447	\$ 7,660,199	\$ 8,657,060	\$ 996,861
Total Department Revenue	\$ 50,796,706	\$ 53,525,627	\$ 51,540,476	\$ (1,985,151)

General Fund

Department Expenditures

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Real Estate Assets	\$ 5,181,386	\$ 4,398,424	\$ 5,677,782	\$ 1,279,358
Total	\$ 5,181,386	\$ 4,398,424	\$ 5,677,782	\$ 1,279,358

Department Personnel

	FY2020 Budget	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Real Estate Assets	32.00	26.00	27.00	1.00
Total	32.00	26.00	27.00	1.00

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	\$ 599,592	\$ -
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 serve the homeless population.	0.00	492,000	-
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	111,110	-
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	-

Real Estate Assets

Significant Budget Adjustments

	FTE	Expenditures	Revenue
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)	-
Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology requirements.	0.00	18,367	-
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	1.00	\$ 1,279,358	\$ (1,212,498)

Expenditures by Category

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
PERSONNEL				
Personnel Cost	\$ 2,300,754	\$ 2,011,257	\$ 2,394,423	383,166
Fringe Benefits	1,218,341	1,096,839	1,412,140	315,301
PERSONNEL SUBTOTAL	3,519,095	3,108,096	3,806,563	698,467
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	234,622	18,367
Energy and Utilities	7,241	7,063	6,228	(835)
Other	6,290	29,000	29,000	-
Transfers Out	49,293	-	-	-
NON-PERSONNEL SUBTOTAL	1,662,291	1,290,328	1,871,219	580,891
Total	\$ 5,181,386	\$ 4,398,424	\$ 5,677,782	\$ 1,279,358

Real Estate Assets

Revenues by Category

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	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 Proposed	Salary Range	Total
FTE, Salaries, and Wages						
20000011	Account Clerk	1.00	1.00	1.00	\$ 33,613 - 40,456	\$ 40,456
20000056	Assistant Department Director	1.00	0.00	0.00	63,128 - 239,138	-
20001140	Assistant Department Director	0.00	1.00	1.00	63,128 - 239,138	151,133
20000119	Associate Management Analyst	1.00	1.00	1.00	57,699 - 69,722	69,722
20000163	Associate Property Agent	2.00	2.00	2.00	57,699 - 69,722	115,414
20000924	Executive Assistant	1.00	1.00	1.00	46,467 - 56,202	56,202
20001234	Program Coordinator	0.00	0.00	1.00	30,160 - 147,160	85,852
20001222	Program Manager	5.00	5.00	5.00	50,128 - 184,330	617,174
20000768	Property Agent	10.00	6.00	6.00	63,336 - 76,586	455,687
20000783	Public Information Clerk	1.00	1.00	1.00	33,613 - 40,456	40,456
20001137	Real Estate Assets Director	1.00	1.00	1.00	33,862 - 185,640	185,640
20000869	Senior Account Clerk	1.00	1.00	1.00	38,480 - 46,426	45,730
20000970	Supervising Management Analyst	1.00	1.00	1.00	71,240 - 86,320	86,320
20001003	Supervising Property Agent	6.00	4.00	4.00	71,240 - 86,320	333,583
20001005	Supervising Property Agent Bilingual - Regular Right Of Way Cert Vacation Pay In Lieu	1.00	1.00	1.00	71,240 - 86,320	84,594 2,912 12,461 11,087
FTE, Salaries, and Wages Subtotal		32.00	26.00	27.00		\$ 2,394,423

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Fringe Benefits				
Employee Offset Savings	\$ 10,834	\$ 10,748	\$ 11,715	\$ 967
Flexible Benefits	319,826	281,532	364,270	82,738
Long-Term Disability	-	6,866	9,924	3,058
Medicare	33,678	27,572	33,307	5,735
Other	32,047	-	-	-
Other Post-Employment Benefits	165,306	138,446	167,886	29,440
Retiree Medical Trust	4,065	3,448	4,351	903
Retirement 401 Plan	1,987	2,060	2,060	-
Retirement ADC	441,120	449,990	589,005	139,015
Retirement DROP	2,650	2,633	2,633	-
Risk Management Administration	31,901	23,298	29,079	5,781

Real Estate Assets

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Supplemental Pension Savings Plan	160,948	138,042	177,203	39,161
Unemployment Insurance	3,599	3,046	3,595	549
Workers' Compensation	10,381	9,158	17,112	7,954
Fringe Benefits Subtotal	\$ 1,218,341	\$ 1,096,839	\$ 1,412,140	\$ 315,301
Total Personnel Expenditures			\$ 3,806,563	

Concourse and Parking Garages Operating Fund

Department Expenditures

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Concourse & Parking Garage	\$ 2,750,061	\$ 3,261,775	\$ 2,979,278	\$ (282,497)
Total	\$ 2,750,061	\$ 3,261,775	\$ 2,979,278	\$ (282,497)

Department Personnel

	FY2020 Budget	FY2021 Budget	FY2022 Proposed	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	\$ 3,101	\$ -
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	(31,119)	-
Expenditure Reduction Proposal Reduction in non-personnel expenditures associated with the transfer to the General Fund.	0.00	(244,447)	-
Revised Revenue Addition of one-time transfer from the General Fund.	0.00	-	293,898
Revised Revenue Reduction in revenue due to revised projections.	0.00	-	(1,066,551)
Total	0.00	\$ (282,497)	\$ (772,653)

Real Estate Assets

Expenditures by Category

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
PERSONNEL				
Personnel Cost	\$ 114,758	\$ 129,527	\$ 129,527	-
Fringe Benefits	74,222	92,560	61,441	(31,119)
PERSONNEL SUBTOTAL	188,980	222,087	190,968	(31,119)
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	26,227	3,101
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	2,788,310	(251,378)
Total	\$ 2,750,061	\$ 3,261,775	\$ 2,979,278	(282,497)

Revenues by Category

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	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			Salary Range	Total
FTE, Salaries, and Wages					
20000011	Account Clerk	1.00	1.00	1.00 \$ 33,613 - 40,456	\$ 40,456
20001003	Supervising Property Agent	1.00	1.00	1.00 71,240 - 86,320	83,299
	Bilingual - Regular				1,456
	Right Of Way Cert				4,316
FTE, Salaries, and Wages Subtotal		2.00	2.00	2.00	\$ 129,527

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Fringe Benefits				
Employee Offset Savings	\$ 262	\$ 405	\$ -	(405)
Flexible Benefits	21,106	25,410	23,410	(2,000)
Long-Term Disability	-	429	519	90
Medicare	1,822	1,879	1,879	-
Other Post-Employment Benefits	12,106	12,586	12,436	(150)
Retiree Medical Trust	206	223	223	-
Retirement 401 Plan	753	891	891	-
Retirement ADC	32,026	44,306	14,385	(29,921)
Retirement DROP	201	-	1,234	1,234
Risk Management Administration	2,332	2,118	2,154	36
Supplemental Pension Savings Plan	1,936	2,448	2,448	-
Unemployment Insurance	177	190	188	(2)
Workers' Compensation	1,298	1,675	1,674	(1)
Fringe Benefits Subtotal	\$ 74,222	\$ 92,560	\$ 61,441	(31,119)

Real Estate Assets

	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change
Total Personnel Expenditures		\$	190,968	

Real Estate Assets

Revenue and Expense Statement (Non-General Fund)

Concourse and Parking Garages Operating Fund	FY2020 Actual	FY2021* Budget	FY2022** Proposed
BEGINNING BALANCE AND RESERVES			
Balance from Prior Year	\$ 432,282	\$ 769,952	\$ (994,463)
TOTAL BALANCE AND RESERVES	\$ 432,282	\$ 769,952	\$ (994,463)
REVENUE			
Other Revenue	\$ 114	\$ -	\$ -
Revenue from Use of Money and Property	3,086,875	3,754,059	2,687,508
Transfers In	840	-	293,898
TOTAL REVENUE	\$ 3,087,829	\$ 3,754,059	\$ 2,981,406
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 3,520,110	\$ 4,524,011	\$ 1,986,943
OPERATING EXPENSE			
Personnel Expenses	\$ 114,834	\$ 129,527	\$ 129,527
Fringe Benefits	74,244	92,560	61,441
Supplies	52,954	57,800	57,800
Contracts	2,254,535	2,385,772	2,408,783
Information Technology	29,519	23,126	26,227
Energy and Utilities	224,067	328,043	295,000
Other Expenses	6	500	500
Transfers Out	-	244,447	-
TOTAL OPERATING EXPENSE	\$ 2,750,158	\$ 3,261,775	\$ 2,979,278
TOTAL EXPENSE	\$ 2,750,158	\$ 3,261,775	\$ 2,979,278
BALANCE***	\$ 769,952	\$ 1,262,236	\$ (992,335)***
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ 3,520,110	\$ 4,524,011	\$ 1,986,943

* 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.

***The Concourse and Parking Garages Operating Fund results in a negative ending balance/beginning balance and will be monitored throughout Fiscal Year 2021 and 2022 to address negative balances.



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