

ATTACHMENT F

2024-25 Proposed Rates

Real Estate Services

The Real Estate Services Department (RES D) consists of two billable sections: the Leasing and Property Management section and Appraisal and Acquisition section. The primary responsibilities of the Leasing and Property Management section are to negotiate and administer revenue and expenditure leases on behalf of County departments. The Acquisition and Appraisal section provides appraisal, acquisition, and relocation assistance for County departments and, upon request, to other agencies, including the San Bernardino County Transportation Authority (SBCTA), the State of California, and various cities.

Expenditure leases with payments greater than or equal to \$36,000 per year have a rate based on a percentage of the total annual lease payments. All other services, including revenue and expenditure leases with less than a \$36,000 annual lease cost, are charged on an hourly basis.

Changes to Rates for FY2024-25:

The 2024-25 proposed percentage of total annual lease cost for expenditure leases greater than \$36,000 has not changed from 2023-24. The internal hourly rate is proposed to increase from \$107/Hour to \$109/Hour (2% increase) and the external hourly rate that is charged to outside customers (e.g. SBCTA and cities) will increase from \$113/Hour to \$116/Hour (3% increase) primarily due to an increase in salaries and benefits costs.

Leasing and Acquisition Services	Current Internal Rate	Proposed Internal Rate	Current External Rate	Proposed External Rate
Expenditure Leases ≥ \$36,000	3% of Annual Lease Cost	3% of Annual Lease Cost	3% of Annual Lease Cost	3% of Annual Lease Cost
Expenditure Leases < \$36,000	\$107/Hour	\$109/Hour	\$113/Hour	\$116/Hour
Revenue Leases	\$107/Hour	\$109/Hour	\$113/Hour	\$116/Hour
All Other Services	\$107/Hour	\$109/Hour	\$113/Hour	\$116/Hour

Impacts of Changes:

Approval of the rates above will have the following impact:

Leasing and Acquisition Services	2023-24 Revenue (Projected)	2024-25 Revenue (Estimated)	Change	External Revenue	Impact to User Departments
Expenditure Leases ≥ \$36,000	\$2,121,820	\$2,362,746	\$240,926	\$0	\$240,926
All Hourly Services	\$2,506,150	\$2,536,975	\$30,825	\$0	\$30,825

The increase in revenue for expenditure leases greater than or equal to \$36,000 per year is due to the increased size of the lease portfolio. The increase in revenue for all hourly services for 2024-25 is due to increases in salaries and benefits, and administrative overhead allocated to the Department.