

**ATTACHMENT G**  
2020-21 Proposed Rates  
Real Estate Services

**Real Estate Services – Leasing and Acquisition Division**

**Overview of Department and Rate Funded Program(s)**

The Real Estate Services Department (RESA) consists of two billable sections: Leasing and Property Management and Appraisal and Acquisition. 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 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 2020-21**

The 2020-21 proposed percentage of total annual lease cost for expenditure leases has not changed from 2019-20. The internal hourly rate is proposed to increase from \$91/Hour to \$95/Hour primarily due to an increase in salaries and benefits costs. The external hourly rate that is charged to outside customers (e.g. SBCTA and cities) is proposed to increase from \$104/Hour to \$116/Hour due to an increase in County overhead allocated to the Department.

<b>Leasing and Acquisition Services</b>	<b>Current Internal Rate</b>	<b>Proposed Internal Rate</b>	<b>Current External Rate</b>	<b>Proposed External Rate</b>
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	\$91/Hour	\$95/Hour	\$104/Hour	\$116/Hour
Revenue Leases	\$91/Hour	\$95/Hour	\$104/Hour	\$116/Hour
All Other Services	\$91/Hour	\$95/Hour	\$104/Hour	\$116/Hour

**Impacts of Changes**

Approval of the rates above will have the following impact:

<b>Leasing and Acquisition Services</b>	<b>2019-20 Revenue</b>	<b>2020-21 Revenue</b>	<b>Change</b>	<b>External Revenue</b>	<b>Impact to User Departments</b>
Expenditure Leases ≥ \$36,000	\$1,661,537	\$1,870,005	\$208,468	\$0	\$208,468
All Hourly Services	\$1,785,246	\$2,025,400	\$240,154	\$0	\$240,154

The increase in revenue for expenditure leases greater than or equal to \$36,000 per year is due to the assumed size of the lease portfolio. The increase in revenue for all hourly services for 2020-21 is due to negotiated salary and benefits increases.