



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: General Services
Department No.: 063
For Agenda Of: June 23, 2009
Placement: Admin
Estimated Tme: 10 min on July 7, 2009
5 min on July 14, 2009
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Bob Nisbet, Director (560-1011)
Director(s) General Services Department
Contact Info: Paddy Langlands, (568-3096)
Assistant Director, Support Services Division
SUBJECT: General Services Department - Office of Real Estate Services External Fee
Increase; All Supervisorial Districts

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form: Select_Concurrence

Recommended Actions:

That the Board of Supervisors:

- a. Set hearing to consider the introduction (FIRST HEARING) of an Ordinance setting external fees for the Office of Real Estate Services (set hearing for July 7, 2009).
b. Set hearing for July 14, 2009 to consider the adoption (SECOND HEARING) of an Ordinance of the Santa Barbara County Code to establish external fees of \$98.00 per hour for the Office of Real Estate Services (set hearing for July 14, 2009).
c. Approve the Notice of Exemption from the California Environmental Act (CEQA) for the Ordinance setting external fees.

Summary Text:

The General Services Department, Office of Real Estate Services is requesting two hearings to consider the introduction and adoption of external fees charged for services performed by the Office of Real Estate Services. The Office of Real Estate Services fees were last updated in Fiscal Year 2002-2003 based on a fees study conducted by the General Services Department and the Auditor-Controller. The existing fee is \$77.00 per hour. An updated fee analysis was conducted by the General Services

Department in coordination with Auditor-earlier this year. The proposed Ordinance will be presented when the matter is calendared for hearing on July 7, 2009, to consider setting the new fee at \$98.00 per hour.

Background:

The Office of Real Estate Services was created in 1974. The Office of Real Estate Services manages county-owned properties and provides real estate services to all County Departments that may need assistance in real estate matters. The Office of Real Estate Services' key services include: Lease Acquisition and Lease Revenue, Concession Agreements, Property Acquisition (Transportation, Flood Control, Capital Projects Development, Land Preservation-Open Space), Excess Land Disposition, and Asset Management.

On occasion, external entities (both private parties and public agencies) require real estate work to be performed which entails the involvement of the County's Office of Real Estate Services. In some circumstances, these real estate services must be provided by the County by law. Other times, these services are offered as a practical matter of efficient government. For example, the County may grant an easement to another public agency for their infrastructure needs.

It is the County's policy to recover the full costs associated with the expenses of investigations, mailings, and staff labor required to complete such real estate work from external parties where it is appropriate for such external parties to pay for services.

Staff labor costs are assessed at the standard rates allocated for staff cost recovery by the affected parties for the staff assigned to do the work. The attached Ordinance provides for the Office of Real Estate Services to perform such real estate work involving both internal and external parties without negative impacts to the County's budget.

The fees charged shall not exceed the cost of the staff labor and expenses required to perform such real estate work, and any deposits or fees collected that are in excess of the labor costs and expenses to complete the work shall be returned to the applicant.

Performance Measure:

N/A

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Narrative:

The table below depicts the amount of revenue generated from real estate service to external entities over the past four years:

External Revenue Per Year and Associated Hours		
	External Revenue	Associated Hours
FY 2005-06	\$ 15,700.00	201
FY 2006-07	\$ 13,952.00	179
FY 2007-08	\$ 18,210.00	233
FY 2008-09	\$ 21,668.00	278

It is anticipated that the amount of revenue generated for Fiscal Year 2009-10 will be about 20% higher than the previous year due to the increase.

Staffing Impacts:

Legal Positions:

N/A

FTEs:

Special Instructions: After Board action, distribute as follows:

1. Request the Clerk of the Board to publish notice of this hearing in the Santa Barbara News-Press five and ten days prior to the hearing, in accordance with Government Code Section 6062(a).
2. Request the Clerk of the Board to post the Notice of Exemption for the Ordinance at least six days prior to consideration of the activity by the Board of Supervisors to comply with the County CEQA guidelines.
3. Return a fully-executed copy of the adopted Ordinance and Minute Order to the Office of Real Estate Services, Attn. Ronn Carlentine.

Attachments:

Ordinance Increasing Fees for the Office of Real Estate Services
General Services Department – Office of Real Estate Services Cost Recovery Report

Authored by:

Ronn Carlentine, Office of Real Estate Services

**BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA**

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, ADOPTING A SCHEDULE OF FEES FOR SERVICES PROVIDED BY THE GENERAL SERVICES DEPARTMENT, OFFICE OF REAL ESTATE SERVICES, IN CONNECTION WITH PROVIDING REAL ESTATE SERVICES WITHIN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA.

The Board of Supervisors of the County of Santa Barbara does ordain as follows:

SECTION 1. (Purpose and Findings)

The Office of Real Estate Services of the General Services Department fee Ordinance is promulgated in accordance with services provided by the County Real Estate Manager and Agents. The fee amounts set forth and adopted in this Ordinance are based upon the results of a fee study by the Auditor-Controller and General Services Department to reflect the current cost of providing the services and enforcing the related regulations and government code statues governing county real estate services.

In adopting this Ordinance, the Board finds that the fees charged by this Ordinance are set in an amount equal to or less than reasonably necessary to recover the County's average actual cost of providing the services and ensuring compliance with Federal, State, County ordinances and regulations for which the Office of Real Estate Services charges.

The setting of these fees is exempt from the California Environmental Quality Act (CEQA) pursuant to 14 CCR 15273, and California Public Resource Code Section 21080 (b)(8)(A) and (B), as the fees will be used for operating expenses, supplies, equipment and materials.

SECTION 2. (Ordinance General Provisions)

- 2.1 County Resolution 03-158 adopted for the collection of fees for real estate services by the Real Estate Manager and Agents is hereby rescinded for services submitted after the effective date of this Ordinance. Fees for services submitted prior to the effective date of this Ordinance shall remain under jurisdiction of County Resolution 03-158.
- 2.2 The fees established by this Ordinance shall be \$98.00 per hour.
- 2.3 The term of this Ordinance shall continue in effect until revised, repealed, or otherwise amended.

- 2.4 The fees set forth are exempt from the California Environment Quality Act (CEQA) review pursuant to 14 CCR 15273, and California Public Resource Code Section 21080 (b)(8)(A) and (B), as the fees will be used for operating expenses, supplies, equipment and materials.
- 2.5 Pursuant to Government Code Section 54985, the County has in connection with the proposed fees held a public hearing as part of a regularly scheduled meeting and published notice of the meeting including a general description of the matter to be considered.

SECTION 3. (Effective Date)

This Ordinance shall take effect and be in force thirty (30) days from the date of its passage. The Clerk of the Board shall certify the adoption of this ordinance and shall cause the same to be published once in the Santa Barbara News-Press.

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First read at a regular meeting of the Board of Supervisors of the County of Santa Barbara held on the _____ day of _____, 2009, and finally adopted and ordered posted at a regular meeting of said Board of Supervisors held on the _____ day of _____, 2009.

PASSED, APPROVED AND ADOPTED on this _____ day of _____, 2009, by the following vote:

AYES:

NOES:

ABSENT:


ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD


Chair, Board of Supervisors

By: _____

APPROVED AS TO FORM:
DENNIS MARSHALL
COUNTY COUNSEL

APPROVED AS TO FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: 
Kevin E. Ready, Sr.
Deputy County Counsel

By: 

Program 1250

County of Santa Barbara
Real Property Hourly Fee Proposal

\$98

Department: General Services (Dept 063)
Division: Real Property-Program 1250
Use: Hourly Fee FY 08-09
Data File: FIN FY 08-09 ADO
Billable Hrs: 1,561

1250 Expenditures

6000 Salaries and Benefits	\$	620,404
7050 Communication		1,400
7200 MTC-Struct/Impr & Grounds		3,000
7450 Office Exp		1,500
7451 Postage		425
7453 Copier Exp		1,200
7530 Pubs & Legal Notices		600
7730 Training & Travel		500
7732 Training & Travel		1,000
7891 Reprographics		150
7892 Data Processing Service		8,075
7893 Motor Pool		2,600
7895 Liability Insurance		7,254
7897 Telephone		962
7899 Telephone Work orders		90
9322 Intrafund Xfrs (+)		61,098
Expenditure Total	\$	<u>710,258</u>

Hourly Calculation:

Program Cost		Hours		Hourly Rate
\$ 710,258	/	7226	=	\$ 98.30

Billable Hours Calculation:

Productive Hours		Billable Agents		Total Prod Hours
1,561	x	4.63	=	7226