

## Rents and Leases

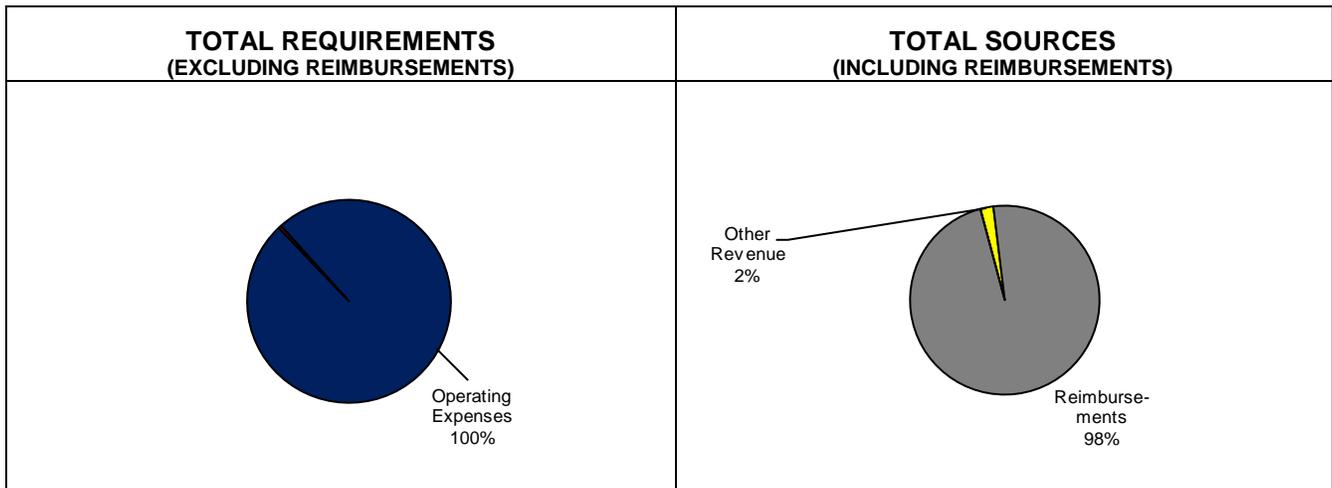
### DESCRIPTION OF MAJOR SERVICES

This budget unit pays rental payments for leased space utilized by County departments. Lease payment expenses are reimbursed from various user departments. This budget unit also collects rental income for leases of County-owned property.

**Budget at a Glance**

Total Requirements (Excl. Reimb.)	\$50,697,360
Total Sources (Incl. Reimb.)	\$50,697,360
Net County Cost	\$0
Total Staff	0
Funded by Net County Cost	0%

### 2016-17 RECOMMENDED BUDGET



## ANALYSIS OF 2016-17 RECOMMENDED BUDGET

GROUP: Operations and Community Services  
 DEPARTMENT: Real Estate Services - Rents and Leases  
 FUND: General

BUDGET UNIT: AAA RNT  
 FUNCTION: General  
 ACTIVITY: Property Management

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	(A) <u>2015-16</u>	<u>2015-16</u>	(B) <u>2016-17</u>	(B-A) Change From Prior Year Modified Budget
	Actual	Actual	Actual	Modified Budget	Estimate	Recommended Budget	
<b>Requirements</b>							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	42,928,640	44,441,205	48,712,171	50,329,249	49,874,959	50,476,360	147,111
Capital Expenditures	0	0	0	0	0	0	0
Total Exp Authority	42,928,640	44,441,205	48,712,171	50,329,249	49,874,959	50,476,360	147,111
Reimbursements	(42,022,549)	(43,406,267)	(47,833,107)	(49,436,143)	(48,910,760)	(49,566,366)	(130,223)
Total Appropriation	906,091	1,034,938	879,064	893,106	964,199	909,994	16,888
Operating Transfers Out	627,822	1,150,000	93,307	50,178	50,178	221,000	170,822
Total Requirements	1,533,913	2,184,938	972,371	943,284	1,014,377	1,130,994	187,710
<b>Sources</b>							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State/Fed/Other Government	0	0	0	0	0	0	0
Fee/Rate	75	252	76	0	225	0	0
Other Revenue	1,807,514	2,332,451	1,030,677	943,284	1,046,454	1,130,994	187,710
Total Revenue	1,807,589	2,332,703	1,030,753	943,284	1,046,679	1,130,994	187,710
Operating Transfers In	0	0	0	0	0	0	0
Total Financing Sources	1,807,589	2,332,703	1,030,753	943,284	1,046,679	1,130,994	187,710
Net County Cost	(273,676)	(147,765)	(58,382)	0	(32,302)	0	0
Budgeted Staffing*	0	0	0	0	0	0	0

\*Data represents modified budgeted staffing

Note: Real Estate Services – Rents and Leases is classified as a central service department in the Countywide Cost Allocation Plan (COWCAP). In order to allocate full central service costs to the County’s operating departments, central service departments do not pay COWCAP charges. Not included in this budget is \$58,594 which represents Real Estate Services – Rents and Leases’ share of costs of other central service departments, such as Human Resources.

## MAJOR REQUIREMENTS AND SOURCES IN 2016-17 RECOMMENDED BUDGET

Operating Expenses of \$50.5 million primarily include rent and lease payments paid to landlords. In addition, expenditures include transfers to Facilities Management for operating expenses of non-billable vacant and tenant space, transfers to Real Estate Services for property lease management, and transfers to the Sheriff/Coroner/Public Administrator for the 303 W. 3<sup>rd</sup> Street Office Building security costs. Reimbursements of \$49.6 million represent payments from County departments for lease payments and administrative fees. Sources of \$1.1 million are primarily from lease payments received from tenants in County-owned facilities and vending machine revenue.

## BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$187,710 primarily due to an increase of Operating Transfers Out for a capital improvement project for tenant improvements to space leased by Loma Linda University in connection with their exercise of an option to extend the term of the lease at 268 Hospitality Lane in San Bernardino. Sources are increasing by \$187,710, primarily due to modifications to the revenue lease with Teddy Bear Tymes and a new revenue lease with Inland Empire Autism Spectrum.

## STAFFING CHANGES AND OPERATIONAL IMPACT

There are no staffing costs associated with this budget unit.

