
REAL PROPERTY DEVELOPMENT & MANAGEMENT

The Real Property Development and Management (RPDM) group plans, acquires and manages Metropolitan's real property assets, strategically seeking to enhance revenue while ensuring that Metropolitan's core business is protected.

PROGRAMS

The Real Property Development and Management group accomplishes its mission through the following programs or sections:

Office of the Group Manager directs the group's efforts in planning, acquiring, and managing Metropolitan's real property assets; monitors and tracks the group's business plan, financial and budgetary initiatives; and provides administrative and business process support.

The Office of the Group Manager is also responsible for the development of real property policies and strategies.

The Office of the Group Manager includes the Planning & Acquisition unit, the Revenue & Property Management unit and the Business Management – Real Estate team.

Planning & Acquisition unit is responsible for the planning and acquisition of property and property rights for O&M and capital projects including the Right of Way and Infrastructure Protection Program, Regional Recycled Water Supply Program, and Bay Delta Initiatives.

Revenue & Property Management unit strategically seeks to generate supplementary ongoing revenue from Metropolitan's real property assets and handle surplus property dispositions and requests from third parties to use Metropolitan real property through leases, licenses, entry permits, and easements.

Business Management – Real Estate team handles property tax and lease payments, contract support, Board letter and report coordination and all other administrative functions related to property acquisition and management.



GOALS AND OBJECTIVES

In FY 2016/17 and FY 2017/18, RPDM will focus on the following key issues:

Revenue Enhancement Strategies

Continue to implement revenue enhancement strategies and opportunities for Metropolitan real property assets.

Continue to meet and negotiate with State and local agencies and other compatible tenants seeking to lease space at Metropolitan's headquarters building.

Continue review of the comprehensive inventory of Metropolitan-owned real property to identify excess property and consider leasing opportunities based on compatible third-party and secondary-use requests.

Property Management System Improvement

Continue efforts to improve procedures, tools, technologies, and practices for public sector property management in light of current and future trends.

Complete implementation of REPortfolio, the group's new real property management system software.

Real Property Asset Protection & Stewardship

Protect rights-of-way and facilities for optimal operating conditions and promote stewardship and sustainability of real property assets.

Make property tax payments and file possessory tax reports to appropriate counties on time.

Make timely and suitable responses to adjacent projects, land developments, legislation, and environmental proceedings.

Complete annual site inspections of conveyed property.

Improve land security practices to further decrease incidences of trespass.

Revise right-of-way operating policies to reflect contemporary best practices.

Continue efforts to detect and address right-of-way encroachments in a responsible manner.

Monitor compliance with terms of licensing and leasing agreements (e.g., invoicing, insurance coverage, accounts receivable).

Monitor legislation regarding eminent domain, relocation assistance, and public agency real estate acquisition and appraisal practices.

Bay Delta Initiatives Support

Provide property planning, research, and valuation in support of the California Water Fix and Eco Restore efforts.

DVL Management

Continue to manage DVL and explore new marina opportunities, expand lease revenues, and improve trail access and public use.

Property & Right of Way Acquisition

Provide real property and right-of-way acquisition, negotiations, and relocation services for Metropolitan projects.

Conduct real property valuation, feasibility and cost studies for proposed and planned infrastructure and water reliability projects.

Capital Projects Support

Appraise and acquire all permanent and temporary easements for the Right of Way and Infrastructure Protection program.

Prepare a land use study, perform site analysis, and appraise construction areas for the Prestressed Concrete Cylinder Pipe (PCCP) Rehabilitation and Replacement program.

Acquire temporary easements for construction laydown areas for the Conveyance and Distribution System Rehabilitation program.

Prepare real property feasibility and cost studies for the Regional Recycled Water Supply program.

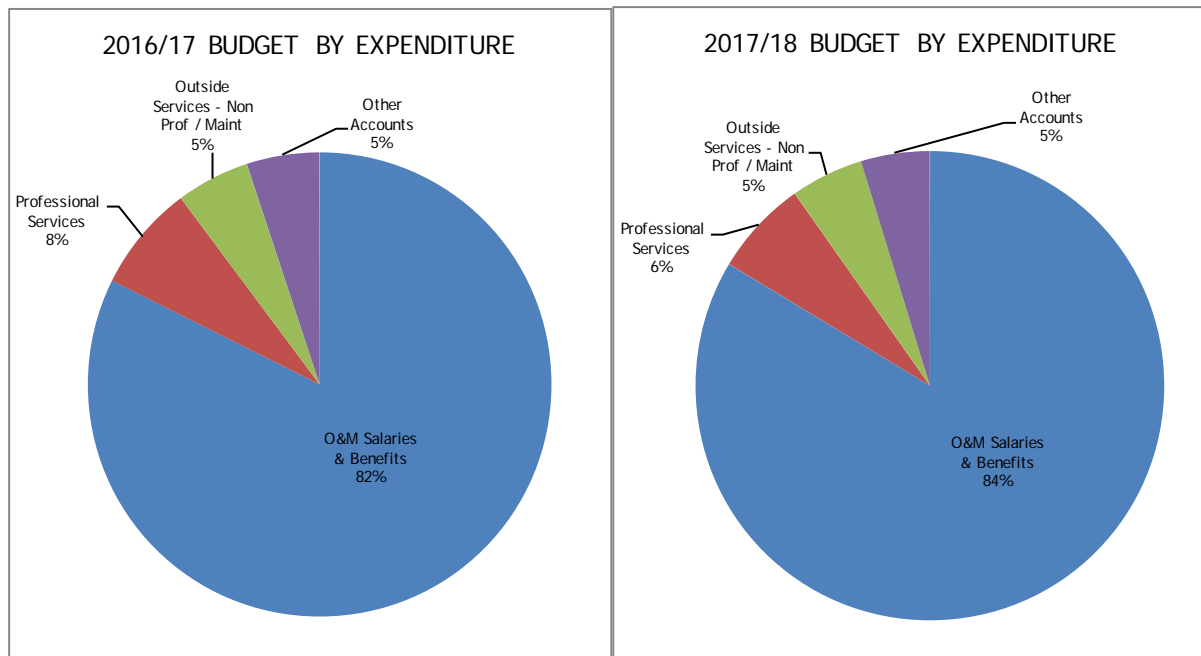
Workforce Development & Succession Planning

Expand knowledge, skills, and abilities of staff through training, succession planning, and educational workshops.

O&M Financial Summary

	2014/15 Actual	2015/16 Budget	2016/17 Proposed	Change from 2015/16	2017/18 Proposed	Change from 2016/17
Total Salaries and Benefits	4,160,800	4,851,400	4,930,900	79,500	5,071,300	140,400
Direct Charges to Capital	(241,200)	(289,800)	(572,800)	(283,000)	(577,200)	(4,400)
Total Salaries and Benefits	3,919,600	4,561,600	4,358,100	(203,500)	4,494,100	136,000
% Change		16.4%		(4.5%)		3.1%
Professional Services	263,300	372,000	393,000	21,000	353,000	(40,000)
Materials & Supplies	28,100	29,500	30,000	500	30,000	—
Memberships & Subscriptions	41,600	65,500	46,000	(19,500)	46,000	—
Outside Services - Non Professional / Mainte	282,300	320,000	270,000	(50,000)	270,000	—
Repairs & Maintenance - Outside Services	15,700	25,000	28,000	3,000	28,000	—
Training & Seminars Costs	14,400	22,000	28,000	6,000	28,000	—
Travel Expenses	6,300	39,700	40,300	600	40,300	—
Other Accounts	87,400	119,100	97,400	(21,700)	82,400	(15,000)
Total O&M	4,658,700	5,554,400	5,290,800	(263,600)	5,371,800	81,000
% Change		19.2%		(4.7%)		1.5%

Note – Totals may not foot due to rounding.



Personnel Summary

		2014/15 Actual	2015/16 Budget	2016/17 Proposed	Change from 2015/16	2017/18 Proposed	Change from 2016/17
Regular	Total	16	28	28	—	28	—
	O&M	14.9	25	25	0	25	0
	Capital	1.4	3	3	0	3	0
Temporary	Total	1	3	1	(2)	1	—
	O&M	0.57	3	1	-2	1	0
	Capital	0.02	0	0	0	0	0
Total Personnel	Total	17	31	29	(2)	29	—
	O&M	15.47	28	26	-2	26	0
	Capital	1.42	3	3	0	3	0

Note - Totals may not foot due to rounding.

SIGNIFICANT BUDGET ISSUES

RPDM's biennial budget is \$5.3 million in FY 2016/17 and \$5.4 million in FY 2017/18, a decrease of 4.7% and an increase of 1.5% respectively from the prior budget years. The decrease is due primarily to the following factors:

A reevaluation and reduction in classifications prior to recruitments for previously vacant positions and the elimination of two district temps.

A reduction in law enforcement in the DVL recreation area and DVL landscape maintenance services.

Reduced participation fees for the Western Riverside County Agricultural Coalition, formed to inform and educate agricultural producers about regulator issues and to coordinate with county and state regulatory agencies.

The following are the significant changes by budget year.

FY 2016/17

Personnel-related issues

Total personnel count reflects a reduction of two district temps from FY 2015/16.

The budget reflects an increase in capital labor due to increased support of the Right of Way and Infrastructure Protection program, the Prestressed Concrete Cylinder Pipe Rehabilitation and Replacement program, and the Conveyance and Distribution System Rehabilitation program.

Professional and Non Professional Services

The budget reflects an increase in consulting services anticipated for management of the Verbena properties, offset by a reduced need for law enforcement due to lower lake elevations and the resulting decrease in visitors, and a reduced landscape maintenance contract that incorporates a sharing of costs with other property tenants.

Other

Memberships & Subscriptions budget reduction is a result of reassessed participation fees for the Western Riverside County Agricultural Coalition.

FY 2017/18

Personnel-related issues

Personnel count remains flat from FY 2016/17 budget. The increase in Salaries and Benefits budget is due to merit increases for qualified employees and an increase in retirement-related benefit costs.

Professional Services

The budget reflects the reduced need for law enforcement due to lower lake elevations and the resulting decrease in visitors.