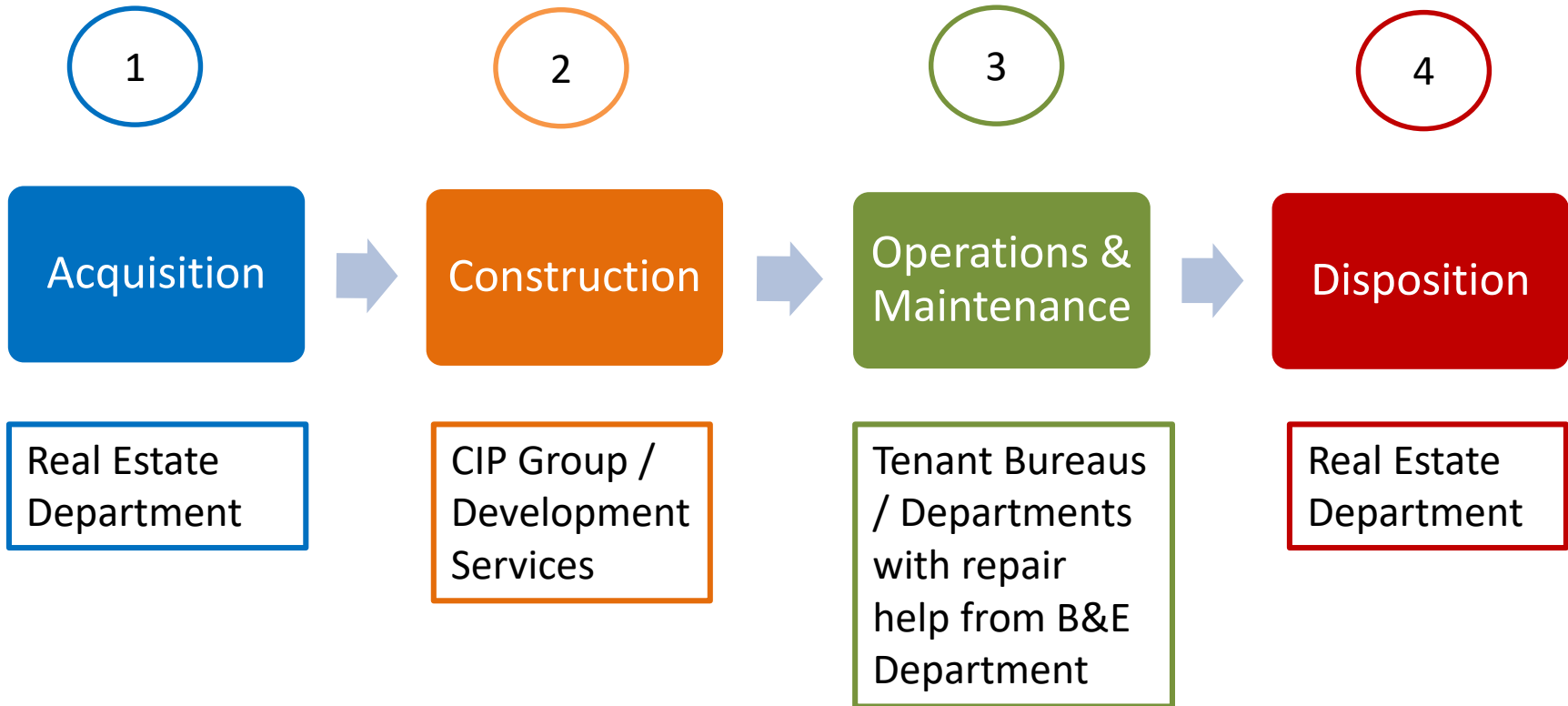




Real Estate Services Dept.
Update
August 16, 2018

LIFE CYCLE OF REAL ESTATE

Prior to 2018 Re-Organization

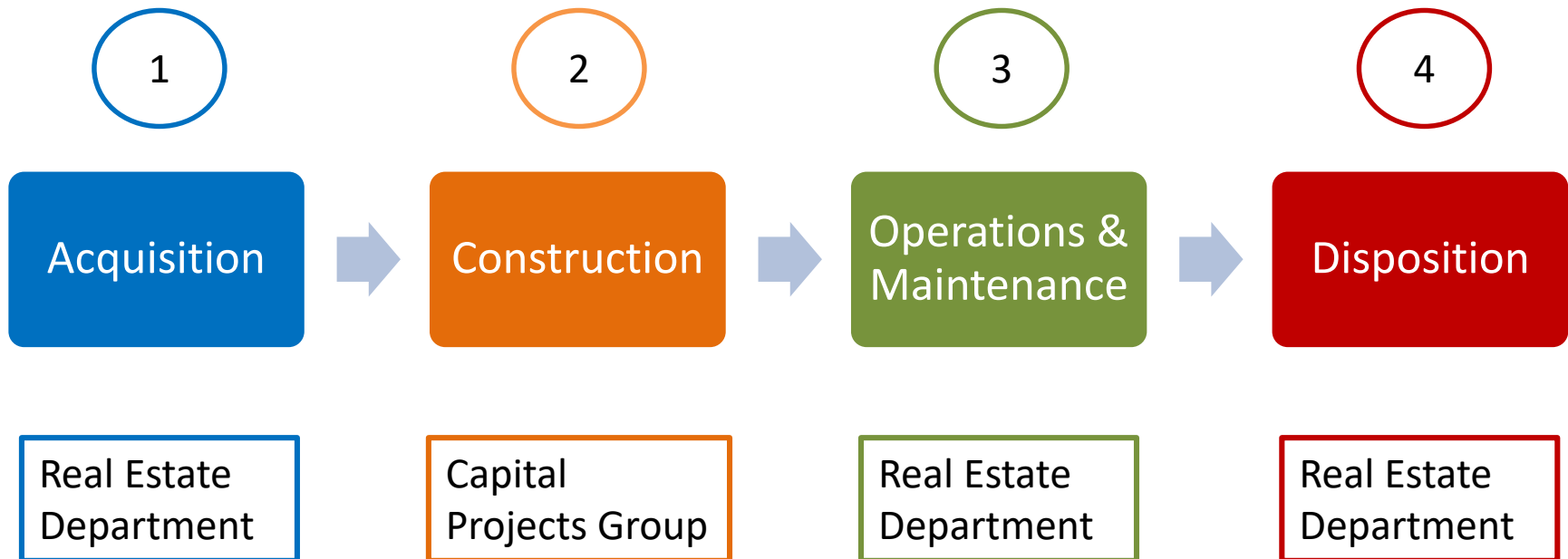


Problems:

- No department managed entire life cycle ~ inconsistent practices and transitions.
- Focus was on operations at expense of maintenance. Re-active, not pro-active.
- **Result: facilities suffer from extensive deferred maintenance and lack of branding.**

LIFE CYCLE OF REAL ESTATE

Post 2018 Re-Organization

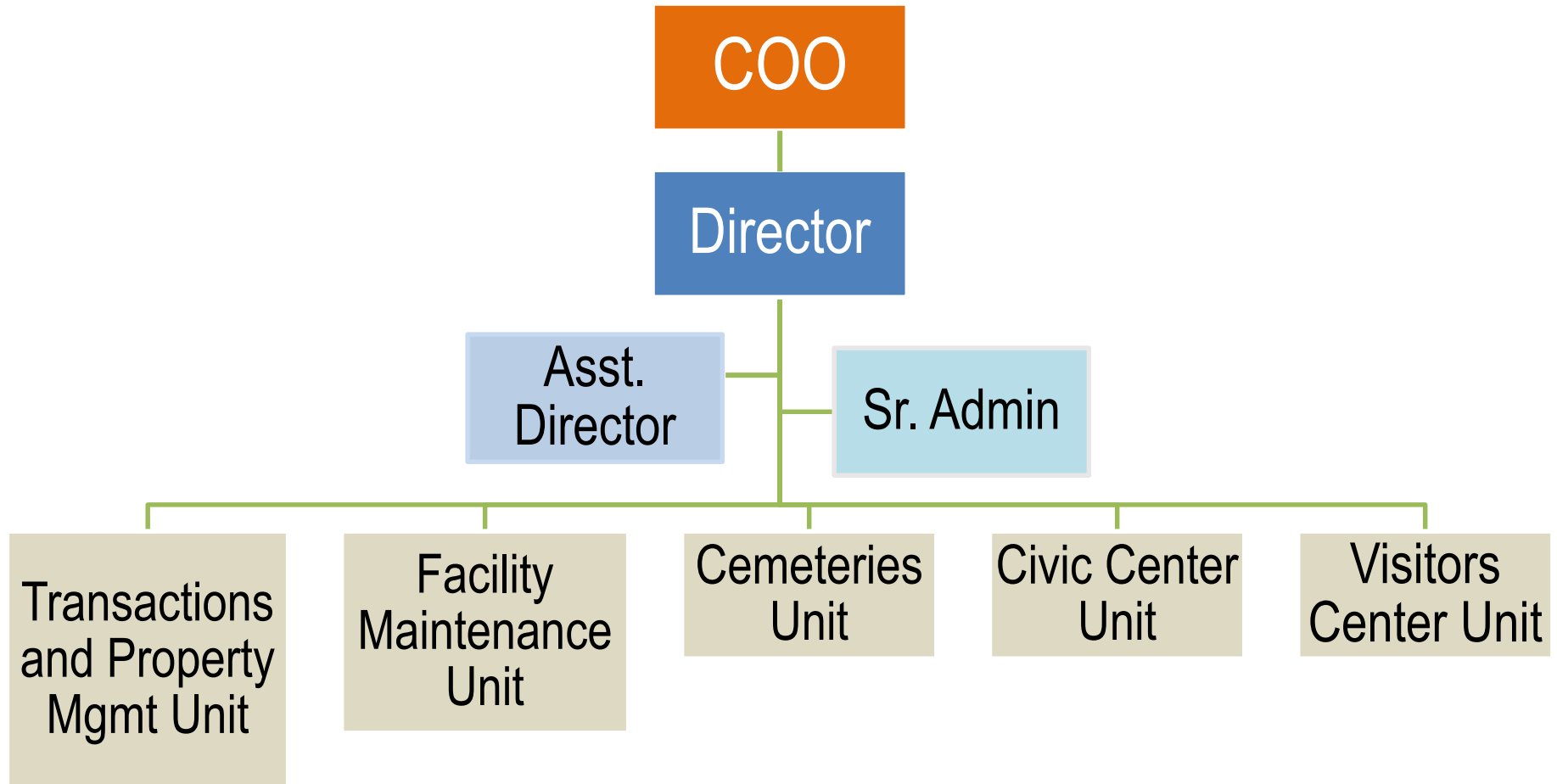


Benefits:

Stages 1, 3, and 4 are now managed by the Real Estate Department

- Centralization of data and points of contact
- Standardization of best practices, processes, and quality
- Institutional knowledge and expertise
- New focus on pro-active maintenance and reserves for replacement

DEPARTMENT ORGANIZATION



RECENT FACILITY LEASES

- Municipal Operations
- SPD: Northwest Precinct
- SPD: Eastside Precinct
- SPD Substation



2018 SALES (CLOSINGS)

701 Montgomery Street (MLK @ Hall)	\$ 880,000
Gateway Boulevard West (R/W)	\$ 99,125
415 East Waldburg Street (Lot)	\$ 110,110
601 E. 66th Street (Paulsen Bldg)	\$ 1,950,000
Other: (Lanes, Misc)	<u>\$ 37,914</u>
TOTAL CLOSED YTD 2018	\$ 3,077,149

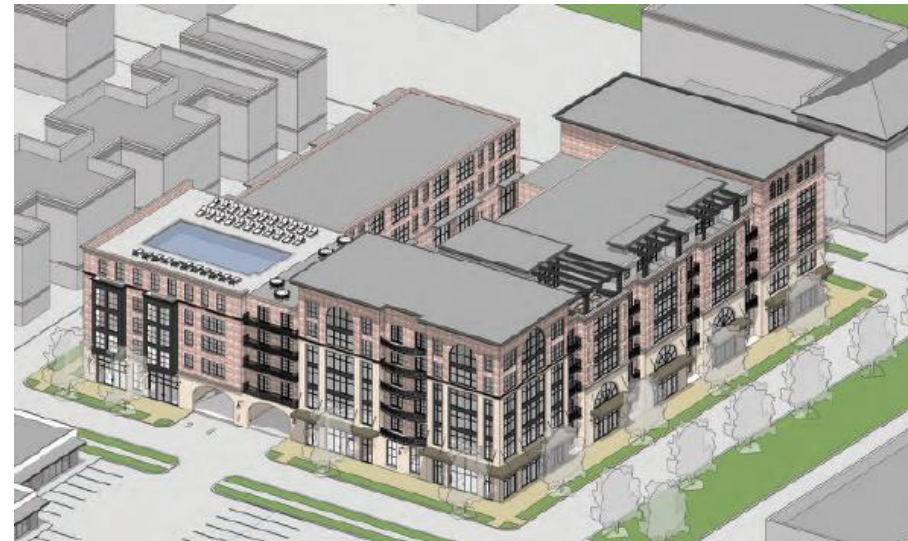
Sale of MLK @ Hall for development of new apts.



Sale of Paulsen Building to Gateway Behavioral Health.

UNDER CONTRACT: \$5.7M

- 2115 Bull Street
 - SPD Traffic Unit
 - **\$687,000**
 - Planned Use: Apartments
- Oglethorpe at Habersham
 - Site next to SPD HQ
 - **\$5M**
 - 50 parking spaces to City
 - Planned Mixed Use



PENDING AWARD: +/- \$20M



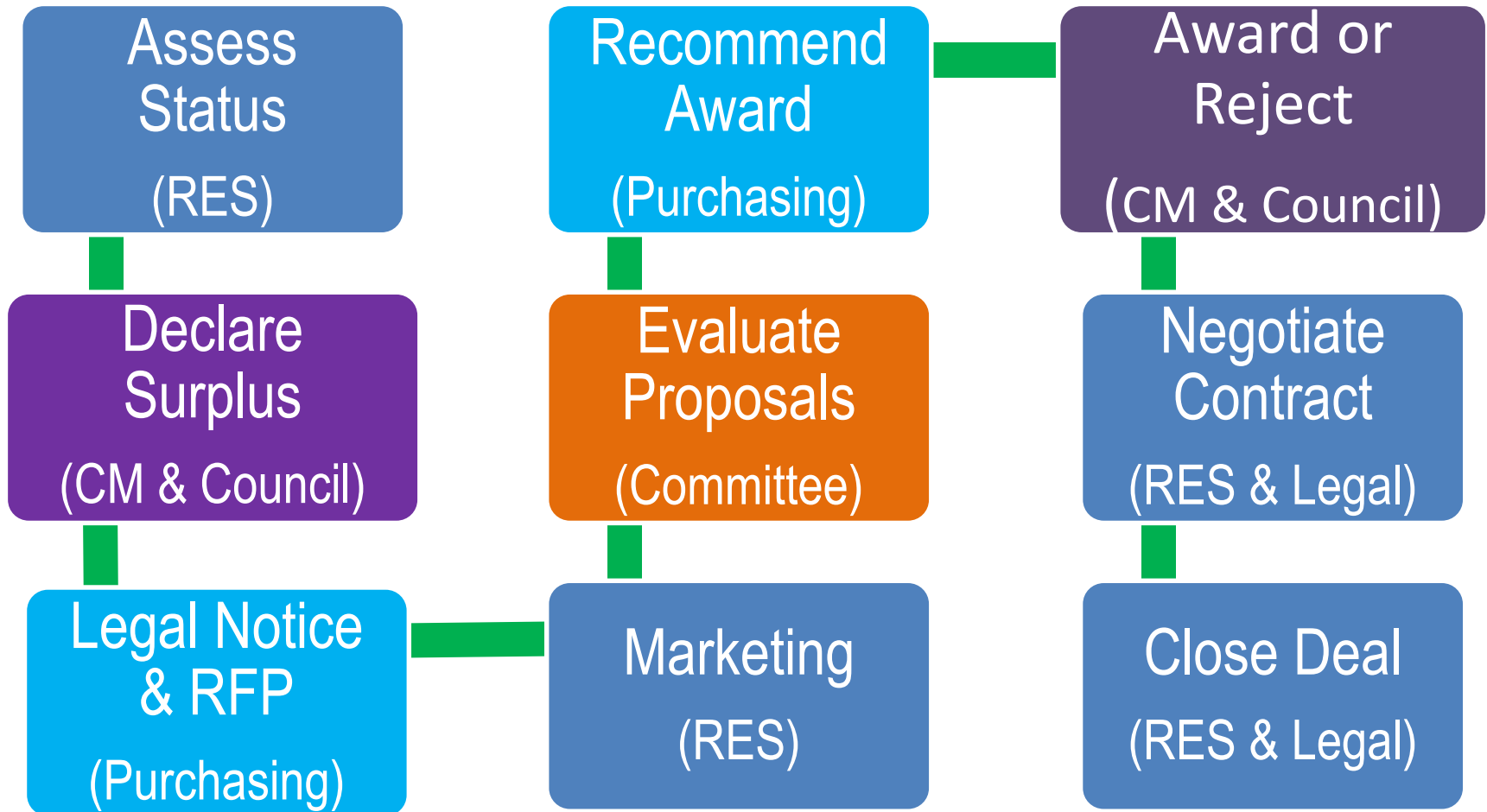
TOTAL EXPECTED REAL ESTATE SALE REVENUE 2018/2019

	PRICE
CLOSED SALES (YTD 2018)	\$3,077,149
UNDER CONTRACT	\$5,687,000
DECLARED SURPLUS PENDING AWARD	+/- \$20,000,000
FUTURE SALES	<u>TBD</u>
TOTAL EXPECTED	+/- \$30,000,000

PORTFOLIO ASSESSMENT & MGMT

- City has a large real estate portfolio
 - Nearly 1,300 parcels as identified by BOA - PIN
 - >125 buildings (from City Hall to pump houses)
 - Hundreds of miles of right-of-ways (roads, canals, etc.)
- Staff is assessing every parcel and building
 - 349 FEMA deed restricted vacant lots
- Goal: sell properties no longer needed to reduce expenses and liabilities and redeploy capital.

DISPOSITION PROCESS & ROLES

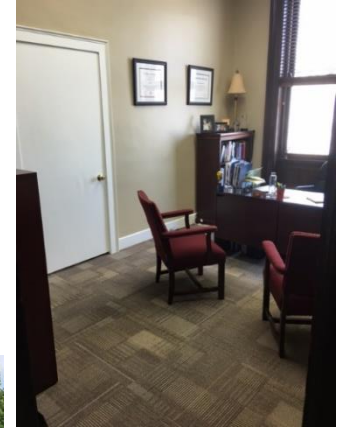


Facility Snapshot

- > 125 Buildings: 1.3 Million square feet
- Facility Realignment Plan Underway:
 - Vacate/sell 200k square feet (BMB, Gamble, LMB, etc.)
 - Plan to demolish 80k square feet (City Lot for new arena)
- Remainder: 1M square feet
 - Extensive deferred maintenance needs to be addressed
- New buildings planned: 450k – 550k square feet
 - New Arena, Administrative Complex, Public Works Complex, Public Safety Facilities, PARC, Cultural Arts, etc.
- Projected ending inventory: 1.4 – 1.6 million SF

FACILITY MAINTENANCE & MGMT

- 311 Responses to Facility **Repairs**:
 - YTD: 1,534 work orders during 1st half of the year.
- **Minor Renovations to Cure Deferred Maintenance**
 - City Hall (offices and restroom)
 - Pool house (Bowles Ford)
 - 1700 Drayton (Code Compliance)
 - Pressure washing, mulch, AC duct cleaning at several facilities
- **Mgmt**: Facility Assessments, Furniture Replacements, Department Relocations, etc.



QUESTIONS?

THANK YOU!