

Branch — Corporate Properties

Introduction

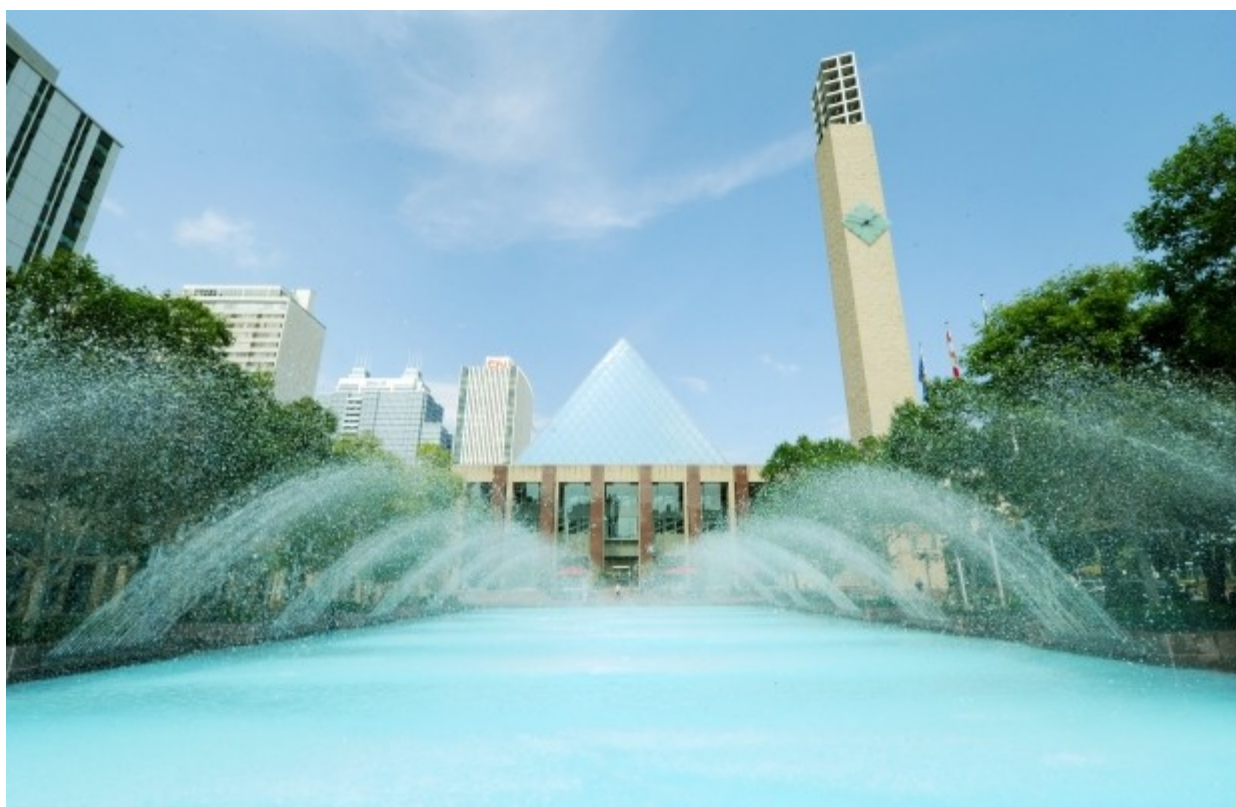
Mandate: Corporate Properties' primary responsibilities include securing property needed for municipal projects in a timely and cost-effective manner, planning for and providing accommodation, and managing the City's land and building inventory to maximize use. The Branch's land acquisition functions include purchasing and expropriating land for all corporate capital projects, including all transformational projects, such as Blatchford and LRT.

The Branch oversees the development of surplus land holdings to create opportunities for residential, commercial and industrial development. The Branch works in conjunction with the local school boards to plan for and manage the disposition of surplus school sites.

Corporate Properties supports communities through the administration of non-profit leasing agreements. It also supports the City's financial sustainability through land management operations, leasing and parking operations. The Branch has the corporate responsibility to manage civic staff accommodation needs.

Provision of appropriate space, buildings and facilities for civic users, the timely acquisition and sale of properties for and by the Administration, and the development of sites for municipal uses and for sale is the prime focus of the Corporate Properties branch, with the mission to provide exemplary stewardship of the City's land and building assets through innovation, leadership and service.

While the work of this branch addresses all six City goals, Corporate Properties services are integral to Ensuring Edmonton's Financial Sustainability (The Way We Finance).



Branch — Corporate Properties

Approved 2014 Budget - Branch Summary - Corporate Properties (\$000)

	2012 Actual	2013 Budget	2014 Budget	\$ Change '13-'14	% Change '13-'14
Revenue & Transfers					
User Fees, Fines, Permits, etc.	\$ 13,200	\$ 13,381	\$ 12,834	\$ (547)	(4.1)
Grants	3	-	-	-	-
Transfer from Reserves	-	-	130	130	
Total Revenue & Transfers	13,203	13,381	12,964	(417)	(3.1)
Expenditure & Transfers					
Personnel	7,691	8,275	8,726	451	5.5
Materials, Goods & Supplies	550	362	339	(23)	(6.4)
External Services	5,376	4,402	4,110	(292)	(6.6)
Fleet Services	16	44	44	-	-
Intra-municipal Services	2,180	2,414	2,781	367	15.2
Utilities & Other Charges	27,023	28,548	29,117	569	2.0
Transfer to Reserves	7	10	-	(10)	(100.0)
Subtotal	42,843	44,055	45,117	1,062	2.4
Intra-municipal Recoveries	(15,621)	(16,007)	(17,448)	(1,441)	9.0
Total Expenditure & Transfers	27,222	28,048	27,669	(379)	(1.4)
Net Operating Requirement	\$ 14,019	\$ 14,667	\$ 14,705	\$ 38	0.3
Full-time Equivalents	82.5	83.5	84.5	1.0	



Branch — Corporate Properties

Budget Changes for 2014

(\$000)

Revenue & Transfers - Changes

User Fees, Fines, Permits, etc. \$(547)

Reduction primarily due to lease terminations of \$303, internal transfer of revenue properties of \$523 offset by parking revenue increases of \$279.

Transfer from Reserves \$130

Increase is to fund the additional administrative support for the Surplus School Program out of the proceeds related to the First Place Program. Future program requirements will be assessed on a go forward basis to ensure sustainable support is in place.

Expenditures & Transfers - Changes

Personnel \$ 451

Increase of \$63 due to movement towards job rate and changes in benefits. Increase of \$253 for realignment of resources to fund transformational growth projects recovered from Land Enterprise and Current Planning. Increase of \$130 for one FTE funded through reserve transfer.

Material, Goods & Supplies \$(23)

Decrease relates to budget reduction strategies for Printer, VOIP, and Desktop support and other adjustments.

External Services \$(292)

Net decrease mainly due to \$393 Budget Reduction Strategy offset by increase due to \$101 re-alignment of cost in the budget with historical actual costs.

Intra-municipal Services \$367

Increase is for staff relocation and renovation for space utilization for various City Departments. Corporate Security charge increases and reallocation of cost to reflect historical spending for Corporate Security.

Utilities & Other Charges \$569

Increase of \$1,190 for external lease and operating cost, offset by property tax savings of \$520 related to lease terminations for various commercial properties. The balance is a reduction related to re-alignment of utility budget.

Transfer to Reserves \$(10)

Reduction of parking revenue transfer to Telus Field Reserve due to Edmonton Capitals ceased operation.

Intra-municipal Recoveries \$(1,441)

Increase of \$930 in departmental recoveries for space lease and related operating costs. Recoveries of \$253 from Current Planning and Land Enterprise for growth related to transformational projects and business planning for land development. Increase of \$152 for staff parking provided by city departments. Balance of the increase related to budget realignment.

Full-time Equivalents - Changes

Increase of 1 FTE for Surplus School Program funded by proceeds from prior year sales of pilot project for First Place Program. No impact on Tax Levy.

Branch — Corporate Properties

Approved 2014 Budget - Program Summary

Program Name - Leasing & Property Management

[Link to 10-Year Strategic Goals](#)



Results to be Achieved

To provide efficient leasing, property management, off-street parking administration and accommodation planning for civic owned and leased facilities, maximizing revenues where applicable and ensuring that the City's interests are protected as both a landlord and tenant.

Cost Drivers

Escalating rental costs and associated operating costs.
Growing inventory of owned/leased space.
Utility rates.

Service Standards

Leasing residential and commercial properties acquired for future municipal use on an interim basis; partnering with non-profit groups through the provision of nominal leases. Planning space requirements, providing and administering accommodation services for civic staff. Establishing downtown parking rates for heated/underground parking facilities.

Resources (\$000)	2012 Actual	2012 Budget	2013 Budget	2014 Budget
Revenue & Transfers	\$ 13,195	\$ 13,386	\$ 13,381	\$ 12,834
Expenditure & Transfers	36,728	38,368	38,053	39,214
Subtotal	23,533	24,982	24,672	26,380
Intra-municipal Recoveries	(14,020)	(13,848)	(14,130)	(15,365)
Net Operating Requirement	\$ 9,513	\$ 11,134	\$ 10,542	\$ 11,015
Management		1.0	1.0	1.0
Professional/Technical/Union Exempt		8.0	8.0	8.0
Union		34.0	34.0	34.0
Temporary		1.0	1.0	1.0
Full - Time Equivalents		44.0	44.0	44.0

2013 Services

Managing city owned space leased to the public (450 leases) and the non-profit lease program (103 leases). Leasing and property management of a portfolio of 2.2 million square feet of leased/owned office space. Management of the City's owned/leased off-street parking operations with a total of over 3,200 parking spaces. Improving civic use space utilization, resulting in a reduction of space costs per person.

Changes in Services for 2014

Continue with the programs to improve civic space utilization with a target of 170 square feet of useable space per employee.

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Approved 2014 Budget - Program Summary

Program Name - Real Estate Services

Link to 10-Year Strategic Goals



Results to be Achieved

Program is responsible for overseeing functions critical to the stewardship of municipal resources, including the acquisition of land required for all corporate capital projects, appraisal services and the land inventory. Oversees the corporate process to determine if Surplus School Sites should be acquired for civic purposes and the redevelopment of these sites under the First Place Program.

Cost Drivers

Increasing personnel costs and dependence of external services associated with increased volumes of work.

Service Standards

Acquire land required for approved municipal projects on time and within budget for the project.

Redevelopment of three surplus school sites per year under the First Place Program.

Timely and fair expropriation of land in accordance with the provisions outlined in the *Expropriation Act*, RSA 2000, c E-13.

Resources (\$000)	2012 Actual	2012 Budget	2013 Budget	2014 Budget
Revenue & Transfers	\$ 7	\$ -	\$ -	\$ 130
Expenditure & Transfers	6,209	5,898	6,003	5,903
Subtotal	6,202	5,898	6,003	5,773
Intra-municipal Recoveries	(1,695)	(1,743)	(1,877)	(2,083)
Net Operating Requirement	\$ 4,507	\$ 4,155	\$ 4,126	\$ 3,690
Management		2.0	2.0	2.0
Exempt		10.0	10.0	10.0
Union		26.5	26.5	27.5
Temporary		1.0	1.0	1.0
Full - Time Equivalents		39.5	39.5	40.5

2013 Services

Administration of corporate land inventory of over 9,000 properties.

Completed 400 - 450 land appraisals and reviewed 100 plus independent appraisal reports.

Prepared and registered 600 plus agreements to protect City interests upon subdivision of developer's lands and transfer of City lands to private parties.

Changes in Services for 2014

One FTE increases capacity dedicated to Surplus School Sites program and to support maintaining existing service levels.

Branch — Corporate Properties

Branch - Corporate Properties Program - Leasing and Property Management Downtown Space Growth

FUNDED

Results to be Achieved

Civic staff are located according to operational requirements, which improves efficiency and collaboration among teams. Corporate Properties has the flexibility to respond to required moves of civic staff on a timely basis.

Description

This package provides for additional resources to support costs associated with moving groups or teams as required to support operational efficiency. This package will allow for additional resources to address changes in civic accommodation, which are required to address program changes, consolidate Branches, and co-locate closely integrated teams. Changes or adjustments to programs or service levels may create the need to relocate staff members. The package supports these changes by allowing additional resources to purchase furniture or lease small additional amounts of space as required.

Background

Over the past few years, growth in new FTEs and temporary positions and the prioritization of locating office staff downtown, has created pressure on existing leased space. Efforts to consolidate Departments and work groups has also lead to the need for space that can house different groups on a temporary basis while renovations are underway to alleviate project backlogs.

Options

This is the only program capable of delivering this requirement. Staff could be accommodated by renovating existing leased space to accommodate additional workstations. Additionally, staff could be located in any open or available vacant space, with less emphasis placed on locating staff in contiguous Branches, sections or work units (where feasible).

Implications of Not Funding

If this package were unfunded, some Downtown staff could experience discomfort and lost productivity associated with cramped working conditions. Departments may need to delay hiring until appropriate accommodations can be made.

incremental (\$000)	2014				2015				2016			
	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
New Budget	\$ 600	-	600	-	\$ (200)	-	(200)	-	\$ (200)	-	(200)	-
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 600	-	600	-	\$ (200)	-	(200)	-	\$ (200)	-	(200)	-