

## **Proposed Orange County Sanitation District Property Management Policy**

*Should OCSD develop in-house Property Management/Real Estate resources or continue to outsource as needed?*

### **Summary Policy Statement**

The Sanitation District owns and operates assets throughout its service area located in property owned in fee, through easements and in the public right-of-way. The Sanitation District will identify and protect all of its property rights to assure that its assets are not encumbered or encroached upon so that the facilities may be properly operated, maintained, upgraded and replaced.

### **Background**

The Sanitation District owns and operates more than \$10 billion in assets. A portion of those assets include buildings, easements, rights of way and other encroachments. OCSD has recently sold and purchased property to support its efforts. The Sanitation District does not maintain expertise in the real estate discipline. As these transactions are limited and not core to OCSD, it has been determined that it is more cost effective to augment the Sanitation District resources with contracted specialized real estate services.

### **Current Situation**

The Sanitation District manages its physical property and property rights. Additionally, it manages landscaping, building maintenance, security and building maintenance. District staff primarily manages these activities.

### **Future Policy Statement**

The Sanitation District will effectively manage its assets and proactively research and maintain all encroachments, encumbrances and easements. Many of these activities are not core to OCSD's mission. When prudent, the Sanitation District will augment District resources with contracted specialized real estate and property management services. Although OCSD is not in the business of managing property as a revenue enhancement or core activity, it does own and operate millions in physical property and property rights.

### **Initiatives to Support Progress Toward the Policy Goal**

**Initiative:** The Sanitation District will review its property rights to identify encroachments or encumbrances that restrict operation, maintenance, inspection or emergency repair access.

**Initiative:** Staff will work with identified parties to remove encroachments or encumbrances.

**Initiative:** Staff will consolidate real estate and property management activities to maximize its resources and effectiveness.

**Initiative:** The Sanitation District will augment its resources with contracted specialized real estate services to limit the need for additional staffing.

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