

**COUNTY OF SAN DIEGO  
BOARD OF SUPERVISORS  
TUESDAY, MARCH 03, 2026**

**MINUTE ORDER NO. 15**

**SUBJECT: CENTRALIZING COUNTY SPACE MANAGEMENT TO AVOID  
UNNECESSARY LEASING COSTS AND CAPTURE ONGOING  
TAXPAYER SAVINGS (DISTRICTS: ALL)**

**OVERVIEW**

The County of San Diego (County) is preparing for a difficult fiscal year largely caused by significant federal funding reductions. Particularly as the County's upcoming budget cycle approaches and decisions must be made, maintaining public trust requires demonstrating that every reasonable efficiency, consolidation, and cost-saving opportunity is pursued before any service reductions are considered.

One clear opportunity for long-term savings is the County's leased office space. The County manages a substantial real estate footprint, spending approximately \$59 million annually across over 70 active leases to support County operations and service delivery. With dozens of lease decisions made each year as agreements expire or needs for new space arise, even small improvements in how space is evaluated, utilized, and consolidated can have significant long-term fiscal implications.

Because lease decisions are often driven by the needs of individual departments, the County does not always have a consistent, countywide process to evaluate whether existing space could meet a need before entering into new, multi-year leases.

We know that a coordinated approach produces results because we have already proven the concept. By leveraging telework and implementing space-sharing guidelines at the County Operations Center (COC), we consolidated approximately 15 departments and freed up an entire office building. This strategic move allowed us to house 800 employees relocated from the Health Services Complex without the need to construct another office building, avoiding an estimated \$150 million in capital costs. Those savings were achieved not by cutting services, but by aligning our real estate footprint with evolving work patterns.

However, that level of coordination does not yet extend to our entire leased portfolio. Currently, responsibility for identifying needs and negotiating leases is distributed across multiple departments, which limits our visibility into underutilized space.

This item addresses that gap by centralizing County space management and establishing clearer processes to assess space utilization before entering into new leasing commitments. By creating centralized accountability, improving coordination across departments and offices, and enabling faster action when savings opportunities are identified, the County can avoid unnecessary leasing costs, make better use of existing facilities, and respond more effectively as space needs change.

These actions are designed to institutionalize smarter facilities decision-making-ensuring that the kind of cost avoidance already achieved through consolidation becomes standard practice rather than a one-time outcome. By aligning leasing decisions with current work patterns and service needs, the County can capture ongoing taxpayer savings while maintaining operational reliability and public access to services.

**RECOMMENDATION(S)**

**CHAIR TERRA LAWSON-REMER AND VICE-CHAIR MONICA MONTGOMERY STEPPE**

1. Find that the proposed actions are not subject to review under California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15060(c)(2) because the proposed actions will not result in a direct or reasonably foreseeable indirect physical change to the environment.
2. Approve the amendments set forth in Attachment A to Board of Supervisors (Board) Policy F-22, Lease of Real Property for County Use, and set a sunset review date for this Policy of 12/31/2033.
3. Authorize the Director Department of General Services, or designee, to negotiate the early termination of leases involving underutilized leased space when the landlord agrees to a mutual termination without the imposition of early termination fee and execute any documents necessary to effectuate such early termination.

**EQUITY IMPACT STATEMENT**

By developing a sustainable savings strategy, this item aims to ensure that essential food, health, fire preparedness, public safety, and housing services remain accessible to all residents and support the Board of Supervisors’ recent efforts to close service gaps that disproportionately affect marginalized and underserved communities across San Diego County.

**SUSTAINABILITY IMPACT STATEMENT**

Developing a sustainable savings strategy strengthens long-term fiscal sustainability and allows for better planning, reduces the risk of unnecessary service cuts, and supports a resilient public sector capable of withstanding economic and environmental disruptions over time.

**FISCAL IMPACT**

There is no fiscal impact associated with today’s recommendations. There may be future fiscal impacts associated with the implementation of the amendments to Board Policy F-22, which staff would return to the Board for approval. There will be no change in net General Fund cost and no additional staff years.

**BUSINESS IMPACT STATEMENT**

N/A

**ACTION:**

ON MOTION of Supervisor Montgomery Steppe, seconded by Supervisor Lawson-Remer, the Board of Supervisors took action as recommended.

AYES: Aguirre, Anderson, Lawson-Remer, Montgomery Steppe, Desmond

State of California)  
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER  
Clerk of the Board of Supervisors



**Signed**  
by Andrew Potter