



Leon County 2022 Real Estate Report

Annual Portfolio Status Report for Year ended December 31, 2022

The Leon County Real Estate Portfolio, managed by the Leon County Office of Financial Stewardship, Division of Real Estate Management, presents the 2022 Leon County Real Estate Report, as directed by the Leon County Board of County Commissioners, in January 2013, to submit an annual summary of real estate related activities.

Report prepared by the Division of Real Estate Management:

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The Leon County Real Estate Portfolio contains several property types and uses. Land types include vacant, undeveloped, developed, and improved with multi-storied office buildings, retail centers, and warehouse buildings. The portfolio currently contains 618 parcels with 6,471 acres and 122 buildings totaling 2,279,853 square feet.

2022 Portfolio changes

At the close of 2022 the portfolio contained 618 total parcels with 6,471 acres. During 2022, the portfolio saw a net increase of 29 parcels and a net decrease of 32.8 acres.

The following chart provides summary of portfolio activity by category. Supporting Appendixes are also attached at the end of the report.

Total Real Estate Portfolio as of December 31, 2022				
	Parcels	Acres	Building Count	Total Square Footage
Facilities-Owned	45	1,095.95	80	2,178,340
Parks & Recreation	79	3,603.73	16	74,199
Right of Way (ROW)	28	177.43	0	0
Surplus	41	109.5	4	4,161
Tax Deeds	96	55.68	17	15,858
Water management	328	1,427.78	5	7,295
<i>Portfolio Totals</i>	617	6,470.07	122	2,279,853

A description of each category and a summary of 2022 activity follows.

Portfolio Buildings

Facilities Owned/Leased

The Leon County Real Estate Portfolio contains 122 buildings with 2,279,853 square feet. Eighty buildings support the daily business of Leon County Government, Constitutional Offices, and other public entities, and comprise 2,178,340 square feet.

The Facilities-owned category includes 45 parcels that support County or County supported functions such as the Historic Train Station, Library, Public Health offices, Public Safety Complex, Public Works, Solid Waste Collection sites, etc., and includes 80 buildings.

The Count also leases a parking lot for additional library parking from Trinity Methodist Church. This is the only leased property in this category.

At the close of 2022 the renovations at the Historic Train Station have nearly reached completion. Upon completion, the Division of Tourism will re-locate from the Leon County Government Annex to the Amtrak Station in early 2023.

See Exhibit 1 for detailed parcel information

Leasing Activity

The Leon County Division of Real Estate Management coordinates the procurement, disposition, and administration of the County's Real Estate Portfolio. The work includes negotiating, securing, leasing, and disposing of real property, owned, or acquired, and maintaining accurate and complete records.

There are two types of leases; *Gross Lease*, is a lease in which all expenses associated with owning and operating the property are paid by the landlord and are passed on to the tenant through the periodic rent the Landlord charges. The other is a *Net Lease*, in which the tenant pays, in addition to base rent, a proportional share of operating expenses such as real estate taxes, insurance premiums, and maintenance costs associated with property. The County portfolio has both lease types. Certain direct expenses related to the operation of properties, such as parking lot maintenance & lighting, landscaping, and common area utilities, are paid by the Tenants via a Common Area Maintenance Charge (CAM).

The Division of Real Estate manages the leases at two County-owned properties: the Leon County Government Annex, and the Lake Jackson Town Center at Huntington Oaks. Both properties generate revenue, and details for each are below.

- ***Leon County Government Annex*** (Annex) – A two building complex located at 315 South Calhoun Street, Tallahassee, Florida with 240,111 square feet
 - Plaza Building – a three story building with 17,154 rentable square feet; currently occupied by County functions with no vacant space.

- Tower Building - an eight-story office tower with 121,791 rentable square feet, with 61% occupancy. The County occupies 28% while third-party tenants occupy 32%. The vacancy rate is 39%.
 - Parking Garage – a four-story garage attached to the Tower Building, with 83,130 square feet.
 - For 2022, the projected annual contractual rental revenue was \$1,220,309 and revenues received were \$1,211,811. The reduced revenue was due to a negotiated tenant improvement allowance.
 - Current lease tenants include Blueprint, The County Office of Economic Vitality, a law firm, an engineering firm, a federal agency, and a telecommunications company.
 - Other occupants of the building (Human Resources, the Clerk Finance Division, the Division of Tourism, and the Property Appraiser) provide Leon County Government and Constitutional Office services and do not have leases or pay rent.
 - The Bank of America decommissioned their leased space in March 2022 and closed this location permanently.
 - Marketing of the vacant 44,562 lease-able square feet continues. NAI/TALCOR, the current tenant broker, and the Real Estate Management Team work to ensure marketing and leasing of the Annex Buildings. Interest remains steady due to its proximity to the Leon County Courthouse, the downtown core, and the State Capitol Complex.
- **Lake Jackson Town Center at Huntington Oaks** – (f/n/a Huntington Oaks Plaza) – a single story building located at 3840 North Monroe Street, Tallahassee, Florida, with 18 units and 69,215 square feet
 - The largest unit is 19,100 square feet and the smallest unit is 840 square feet.
 - The Lake Jackson Town Center is 88% occupied; County-related tenants utilize 49.5%, while third-party tenants utilize 39%.
 - For 2022 the projected annual contractual rental revenue was \$353,783, and revenues received were \$408,451, which was due to a tenant paying past due rents.
 - Occupants include the Lake Jackson Branch Library and Community Center, the Leon County Tax Collector (sub-office), a daycare center and six (6) retail stores.

See Exhibit 2 for the lease and rent information

Parks and Recreation

This designation has four subcategories, Boat Landing, Community Centers, Parks, and Parks-Leased. The following parcels are, or will be, utilized for the recreation, well-being, and entertainment for County citizens.

Boat Landings - provides for the launching and recovery of boats or any other amphibious vehicles into a body of water. The portfolio contains 19 parcels in this subcategory, with 61.2 acres, and two buildings with 1,943 square feet.

During 2022 no parcels were added to the Boat Landing category and no parcels removed.

Community Centers – a parcel or assemblage of parcels that provides for community (group) gatherings and activities. As of December 31, 2022, there were six parcels totaling 63.03 acres, with six buildings with 25,373 square feet. Five of these parcels are owned, while one was leased from Leon County Schools.

The Fort Braden Community Center is expected to become Leon County owned in 2023 based on the September 13, 2022 Board approved acquisition. A boundary settlement is currently being coordinated with an adjacent neighbor.

No parcels were added to, or removed from, the Community Center category.

Parks - an assemblage of parcels that will be used and maintained as a recreation area for County citizens. As of December 31, 2022, the Parks subcategory consisted of 46 parcels, with 2,050 acres, and 8 buildings with 46,883 square feet. New additions to the Parks portfolio include:

- 4811 Pimlico Drive, Pimlico Park with 13.47 acres, acquired March 2022
- 6568 Man O War Trail, Man o War Park with 4.44 acres, acquired March 2022
- 7340 Centerville Road, Northeast Park, with 50 acres, acquired October 2022

One parcel, 9607 Proctor Road, containing 100 acres, was sold in October 2022, and the funds were invested in the purchase of 7340 Centerville Road, a 50-acre parcel, for a future Northeast Park.

Exhibit 3 provides a list of all Parks & Recreation parcels

Parks-Leased - an assemblage of parcels leased from a third-party, that has developed, or may have, on-site facilities that are actively being used and maintained as a recreation area for County citizens. Additional information is provided in *Leased Parcels from Others on pages 13 and 14*.

As of December 31, 2022, the Parks-leased subcategory contained six parcels with 1,546.34 acres, with no buildings. No parcels were added or removed from the County portfolio in 2022.

Right of Way (ROW)

The Division of Real Estate Management works with the County Attorney to acquire land to provide temporary and/or permanent access to other County-owned property or County construction projects on public lands. During 2022, the ROW category consisted of 28 parcels, totaling 177.43 acres, with no buildings.

Exhibit 4 provides a list of all ROW parcels

Surplus

Parcels reviewed by the Real Estate Management Team, with input from appropriate County staff, determined to have no intended or proposed County use and are designated as Surplus Parcels. Once designated “surplus, the Real Estate Management Team may proceed with disposition in accordance with the Leon County Real Estate Policy (16-5).

The Surplus category has two subcategories - Developable and Undevelopable. As of December 31, 2022, there were 42 Surplus parcels. The parcels had 109.5 acres, and four structures with 4,161 square feet. These structures will be demolished when funds become available.

Developable parcels – 29 parcels with 102.64 acres, four structures, with 4,161 square feet.

Undevelopable parcels – 13 parcels with 6.86 acres, and no structures. Undevelopable parcels have access restrictions to a county or city-maintained road, and size restrictions for future development. Sales potential includes marketing to adjacent property owners.

Exhibit 5 provides a list of all Surplus Category parcels

Tax Deed Parcel Acquisition

In accordance with §197, Florida Statutes, unpaid property taxes that remain unpaid, are not redeemed after a tax deed sale, and remain unpaid over the course of three subsequent years, are “escheated” to the County upon the Clerk of Courts’ issuance of an escheatment tax deed, and the County becomes the owner of record.

Once County-owned (escheated), the property is reviewed by the Division of Real Estate Management staff, and other County Divisions, to determine if the property is:

- Developable
- Suitable for County project (becomes Facilities owned)
- Subject to flooding and should not be developed, categorized as wetlands/flood plain
- Suitable for Affordable Housing
- Surplus

As of December 31, 2022, the Real Estate Portfolio includes 96 Tax Deeds (escheated) parcels with 55.68 acres and 18 structures with 15,058 square feet.

The County acquired 9 parcels in 2022 via the escheatment process. These parcels comprised 3.45 acres and contained three structures with an undetermined square footage. The Division of Real Estate Management is reviewing the 9 parcels with appropriate County Divisions to determine if the parcels are suitable for Affordable Housing or other County use.

The Division of Real Estate Management continues to work with the County Attorney’s office to resolve challenges such as unpaid ad valorem taxes and special assessments, ownership of title, access, and liens. The goal is to resolve these challenges and return these properties to the tax roll.

Additionally, the Division of Real Estate Management coordinates with Parks, Facilities Management, Public Works, and the Division of Housing to determine the best use for properties, such as storm water management expansion, conservation, recreation, County projects, and Affordable Housing.

Tax Deeds – Developable – Parcels in this category have potential for future development. This subcategory is used to determine suitability for the Affordable Housing program. Additional considerations include lack of access and size restrictions. There were 61 developable parcels as of December 31, 2022.

Tax Deeds – Undevelopable – These parcels have access restrictions to a county or city-maintained road, and size restrictions for future development. Sales potential includes marketing to adjacent property owners. There were nine parcels with 6.04 acres and one structure slated for removal as of December 31, 2022.

Exhibit 6 provides the list of Tax Deed Parcels

Affordable Housing

The Division of Real Estate works closely with the Division of Housing Services and Community Partnership to identify (escheated) properties suitable for affordable housing. As of December 31, 2022, there were 34 parcels with 14.59 acres, with five structures (slated for demolition), suitable for affordable housing. This includes five parcels being held for Community Land Trust (CLT).

The parcels held for CLT, listed below, were agreed upon during a July 2020 meeting between the City, CLT, and Housing Services and Community Partnerships. A previous group of parcels were conveyed via County Deed in November 2020. The County is awaiting notification from CLT they are ready for the conveyance of the following.

- Parcel ID 2126202120000 - Idaho Street
- Parcel ID 2126202140000 - Idaho Street
- Parcel ID 212664 L0080 - Calloway Street
- Parcel ID 2126202130000 - Idaho Street
- Parcel ID 2126206320000 - Kitt Street

Pending Affordable Housing

As parcels complete the County review process, parcels suitable for Affordable Housing are designated as such, and presented to the Board for review, approval, and Certification via Resolution.

The 2022 escheatment parcels are still under review by the appropriate Divisions, and if there is potential for inclusion in the Affordable Housing Program, they will be presented to the Board for Board approval. Once approved, these parcels will transfer to the “Affordable Housing” category and be available for sale and/or donation for development as affordable housing.

At the close of 2022, there were no Pending Affordable Housing parcels, due to Board Certification of all previously identified Pending Affordable Housing parcels in 2021.

Certified Affordable Housing

As of December 31, 2022, there were 31 Certified Affordable Housing inventory parcels. The Real Estate Management Team is working to remove five dilapidated structures and prepare for marketing with the local residential real estate broker.

During 2022, the sale of seven Certified Affordable Housing parcels included generated gross sales revenues of \$68,000, with net proceeds in the amount of \$57,468.25 transferred to the Housing

Finance Authority (HFA). Revenue received by the HFA is reinvested to support the County's affordable housing efforts such as the Emergency Home Repair Program, and events such as the Annual Home Expo and the County's 9/11 Day of Service and Remembrance.

The Affordable Housing Program was established in 2018, and as of December 31, 2022, 100 parcels have been sold which generated proceeds that transferred to HFA were \$601,131. Under the current arrangement with the HFA, these funds are dedicated to affordable housing efforts. Currently, the HFA dedicates \$50,000 annually to assist the Leon County Housing Division in providing emergency repairs to qualifying homes owners. In addition, the HFA has made these funds available for tax credits matches for larger affordable housing finance projects.

Exhibit 7 provides the list of Certified Affordable Housing Parcels

Water Management

Water management determined parcels require planning, maintenance, and management to control or direct storm water away from urban and residential areas to reduce flooding, protect rivers, lakes, and spur economic revitalization. There are nine (9) subcategories for these parcels:

- Drainage
- Drainage – Federal
- Flood
- Flood – County
- Federal
- Storm Water Management Facilities (SWMF)
- Storm Water Management Facilities – (SWMF) Federal
- Wetlands
- Wetlands – Federal

As of December 31, 2022, there were 328 parcels with 1,427.78 acres with four (4) structures with 7,295 square feet.

Drainage

Includes parcels, or an assemblage of parcels, with a natural or artificial means for the removal of surface and sub-surface water from an area.

As of December 31, 2022, there were a total of 33 parcels with 26.33 acres, and two structures in this sub-category.

Flood

A parcel or an assemblage of parcels acquired for the following reasons:

- its nature of being susceptible to flooding from storm water
- any property designated for future acquisition by the County (in accordance with any of the Board's current or future policies, programs, or ordinances) intended to provide relief to owners of homesteaded residential properties prone to flooding, or

- any property acquired by the County by tax deed, foreclosure, exchange, or other such means and which thereafter is determined to be unsuitable for resale or other disposition because of its tendency to flood.

As of December 31, 2022, there were 52 parcels in this subcategory, totaling 52 acres and two structures with 3,300 square feet in this sub-category.

Flood - County

A parcel or an assemblage of parcels that meet the Flood criteria and are acquired with County funded programs. When these parcels are conveyed to the County, restrictive covenants may be placed on the property much like the land acquired by Federal funds.

As of December 31, 2022, there were 59 parcels in this subcategory, with 41.35 acres, and no structures.

Flood – Federal

A parcel or an assemblage of parcels that meet the Flood criteria acquired through a Federal Grant Program. If conveyed to the County under one of these programs, there are restrictions on any future conveyance or development except for their limited use as pocket parks or community gardens. If not used for one of the above, the parcel must be returned to its natural state.

There were 44 parcels with 113.59 acres, with no structures, in this subcategory as of December 31, 2022.

Storm Water Management Facilities (SWMF)

SWMF parcels are acquired to manage storm water runoff or watershed through natural and engineered structures. These can be any structure that collects, conveys, channels, diverts, stores, absorbs, inhibits, treats, uses, or reuses storm water to control erosion, ponding, or flooding.

As of December 31, 2022, there were 101 parcels in this subcategory, with 327.57 acres with no structures.

Storm Water Management Facilities (SWMF) - Federal

A parcel or an assemblage of parcels of land that meets the SWMF criteria above acquired through a Federal Grant Program. If conveyed to the County under one of these programs, there are restrictions on any future conveyance or development except for their use as Storm Water Management Facilities.

There were five parcels in this subcategory with 27.67 acres with no structures as of December 31, 2022.

Wetlands

Any area that is inundated or saturated by surface water or groundwater that does not have any natural method of drainage and is not feasible to develop. Wetlands generally include

swamps, marshes, bogs, and similar areas such as sloughs, wet meadows, river overflows, mud flat, sand flats, beaches, seepage slopes, and temporary natural ponds.

There were 35 parcels with 838.76 acres with no structures, as of December 31, 2022.

Wetlands - Federal

A parcel or an assemblage of parcels of land that meets the Wetlands criteria (referenced above) acquired through a Federal Grant Program. If conveyed to the County under one of these programs, there are restrictions on any future conveyance or development except for their use as Wetlands Preservation.

The wetlands-Federal inventory contained one parcel, consisting of 60 acres, with no structures, as of December 31, 2022.

Exhibit 8 provides a list of all Water Management Category parcels

Other County Property Interests

In addition to owning property the County has invested in other properties through long-term leases to provide county residents with access for recreational needs without having to acquire the property. Conversely, the County has lease agreement with other government or not profit entities for who hold long-term lease with the County.

Leased Parcels from Others

The County also leased space from the Florida Department of Environmental Protection, the County School Board, and Trinity United Methodist Church. Details for each are below.

- **Florida Department of Environmental Protection**, Office of Greenways and Trails
 - **J. R. Alford Greenway Park** comprised of three (3) parcels containing 887.13 acres lying along the north shore of Lake Lafayette South of Buck Lake Road, with access points at the end of Rutledge Road and Pedrick Road in eastern Leon County. A 50-year lease, with a current expiration of November 15, 2050.
 - **Miccosukee Canopy Road Greenway**, 1 parcel, Parcel ID 1114209010000 containing 501.97 acres with no structures. This park parallels Miccosukee Road for 6.07 miles from Fleischman Road northeast to Crump Road in northeast Leon County. The lease expires January 21, 2049.
- **Leon County School Board** – the County Parks and Recreation leases the following three parks from the County School Board.
 - **Canopy Oaks Community Park** - 3250 Point of View Drive; Parcel ID 2105208520000. The park is a 10.7-acre portion of the 30.46-acre campus of Canopy Oaks Elementary School. The current lease is a 20-year term, with two (2) five (5)-year renewal options. The lease commenced June 1, 2007 and the original term will expire May 31, 2027.

- **Fort Braden Community Park** - 15100 Blountstown Highway; Parcel ID 2334208010000. This park is an 8.8-acre portion of Ft Braden Elementary School's 77.3-acre campus for a community park. The current lease is a 20-year term, with two (2) five (5)-year renewal options. The lease commenced June 1, 2007 and the original term will expire May 31, 2027.
- **Fort Braden Community Center** - 16387 BLOUNTSTOWN HWY; Parcel ID 4304208510000 (Old Fort Braden School). This 4.9-acre site has a 10,072 square foot building once known as Fort Braden School for a Community Center. This property is in the process of being transferred from the Leon County School Board to Leon County Government after a boundary adjustment is finalized with and adjacent property owner. This property will be added to the Parks category in 2023.
- **Trinity United Methodist Church** - 120 Park Avenue West; Parcel ID 2136402154020.
 - Leon County is leasing 30 parking spaces from the church to provide additional parking for the Main Library. Original lease dated August 1, 1989, was for 10-years. The Lease contains provisions for automatic annual extensions, annual rent will increase \$500.00 a year, unless a written notice is given one-year advance. Current rent as of August 1, 2020 is \$25,000 per year.

Long-term County leases to other entities

The following three (3) properties are long-term leases.

- **North Florida Fairgrounds** 411 E Paul Russell Road, leased to North Florida Fair Association Inc. through December 31, 2067.
- **National Guard Armory** 1225 Easterwood Drive, leased to the Armory Board of the State of Florida through June 12, 2071.
- **American Red Cross** 3.65-acre site located at 1115 Easterwood Drive, leased to the American Red Cross through September 30, 2098. The American Red Cross has built a 21,345 square foot building on the site.

In Conclusion

The 2022 Leon County Real Estate Portfolio Annual Report provides a comprehensive summary of all Leon County real estate holdings. In total, the County's real estate portfolio consists of 618 parcels totaling 6,471 acres, and 122 buildings with 2,279,853 square feet. All property that is acquired or disposed of is done in compliance with Florida Statutes and the Leon County Real Estate Policy.