TRANSFORMING FROM REACTIVE TO PROACTIVE SALES OF SURPLUS PROPERTY

Presented by
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Florida Department of Transportation
Office of Right of Way
• For various reasons, the State Transportation Department has accumulated over many years surplus properties that it does not need for future transportation projects.

• Criticism resonates from both the legislative branch and judicial branch of government.

• To address this criticism, the Department had to take steps to be more proactive both in identifying the surplus property it owned and in disposing of it.
In order to become proactive, the Department developed a multi-level process.

The first thing to be addressed was the removal of disposal roadblocks that existed in Statute. The Department has in its legislative package language that:

- a) Authorizes FDOT to dispose of property through negotiations, sealed competitive bids, auctions, or another means FDOT deems to be in its best current interest and to secure a sales price at least at FDOT’s current value.

- Disposing of the property is our first priority so the property can be returned to the local tax rolls. There are, however, instances where surplus property can only be leased at the current time. For that reason, we are seeking legislative language that:
b) Authorizes FDOT to enter into a lease through negotiations, sealed competitive bids, auctions, or other means FDOT deems to be in its best interest and to enter into a lease at a price not less than FDOT’s current value.

A thumbnail summary of Florida’s surplus property is that we currently have 260 parcels that are available for sale and an additional 95 parcels that are suitable for leasing. We have generated in the current fiscal year approximately $4 Million in sales and $6 Million in lease revenue.

To meet our Legislative Directive, the Department identified four (4) areas upon which to concentrate.
(1) To ensure we have identified the bulk of the Department’s surplus property.

- For decades, the Department acquired land that it intended to keep and ownership records were not as well maintained as they are today. Securing the needed data is labor intensive and requires extensive research of right of way maps, ownership records, and Project Widening Maps. Some of our Districts believe they are close to 100% identification; others feel they are at 50% or below.

- The Department retained a contractor to review maps and ownership records. The contractor was able to identify approximately 250 locations that may qualify for a surplus status. We have District Right
• of Way and Maps and Plans staff providing the oversight for the contractor. We anticipate this work will continue through FY13/14. We have also notified the General Counsel’s Office of assistance that will be needed for the myriad of title issues that will arise.

(2) **Utilize a Public Domain Site to View Surplus Parcels.**
• The Legislature directed that the Department maintain a Public Domain Site to View Surplus Parcels. Department staff accelerated its efforts to obtain location, size, and configuration data on all surplus parcels and currently the web site displays all surplus locations that are available for sale and lease.
• General coordinates for each parcel are listed and can be copied and pasted into various mapping web sites and applications to provide additional information regarding the property locations and the surrounding area. Department staff contact information is also available for each location. Also, the web site provides the user with the ability to locate the parcels on Mapping systems such as Google Earth and Bing.

• Should a title issue arise, it is to be addressed at the time the Department receives a request to purchase or lease the surplus parcel.

(3) Utilize a Broker Network to Market the Parcels

• Our current property management staff has varied production responsibilities and are limited in the time they can spend marketing
surplus parcels. Currently, they only assist those potential buyers who contact the Department.

- The Department realizes that to meet the Legislative directive to be proactive in its marketing program, we must secure broker participation. Staff has prepared a broker RFP.
- The Department will look to the contract for both disposal and leasing agreements.

(4) Identify Revenue by Generating Sources for Surplus Parcels
- The Department believes it would be beneficial to staff and the broker network to identify potential end-users for the surplus properties.
It is our intent to utilize a revenue study prepared by Florida International University to identify potential uses. The FIU team has identified the following possible sources:

- Alternative energy – solar, wind power, biomass
- Hybrid car charging stations
- Production of nursery stock, hay
- Timber harvesting
- Micro cell antennas
- Cell towers
• Outdoor Advertising signs
• Rest area sponsorships
• Advertising on signal traffic boxes
• Other Uses?

We are very optimistic that our efforts will place the Department in a position to meet the Directive of our Legislature.
<table>
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<th>CATEGORIES</th>
<th>D1</th>
<th>D2</th>
<th>D3</th>
<th>D4</th>
<th>D5</th>
<th>D6</th>
<th>D7</th>
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NOTE: This report excludes all parcels in the "# of Potentially Surplus Parcels Needing Review" category where construction is not complete.

CATEGORY EXPLANATIONS

SURPLUS PROPERTY DEFINITION = FDOT-owned property, of any value, located outside of the current operating right of way limits, which has no present transportation purpose and which the District Secretary or authorized designee has determined, in writing, has no future transportation purpose.

TEMPORARILY SURPLUS PROPERTY DEFINITION = Property owned by FDOT as determined by the District Secretary or authorized designee, in writing, to be available for lease.
QUESTIONS?