



CIP-A Leased Space: Current Usage and Short Term Projections

FLORIDA DEPARTMENT OF REVENUE CAPITAL IMPROVEMENTS PROGRAM PLAN

Fiscal Years 2011-2012 through 2015-2016

Summary

Agency Vision

Revenue's vision is to be accessible and responsive to the citizens of Florida as we provide fair and efficient tax and child support administration. Our mission statement includes providing "excellent service efficiently and at the lowest possible cost." The location and leasing of our office spaces play a key role both in the services we provide and in the cost of our operations.

Facilities Vision

The Department's vision for its office spaces is that they be accessible, safe, efficient, and uniform; and that leasing costs be kept as low as possible. Each office location must be appropriate for the services provided there and for the number of customers who visit.

We are using the services of tenant brokers to ensure that our leasing decisions are based on a thorough understanding of local market conditions and trends, effective leasing strategies, and cost-saving opportunities. We are committed to minimizing cost increases, while maintaining or improving service, through the following strategies:

- Efficient use of space
- Consolidation of offices (when doing so will not decrease our effectiveness)
- Compliance with Department of Management Services space standards
- Development and adherence to Revenue-specific standards
- Shortening lease terms to no more than five years
- Aligning lease terms in geographic areas
- Methodical site selection

Trends Affecting Revenue's Leasing Costs

Lease Rates: The total cost of the Department's leases rose an average of 3.2 percent per year from FY 2000-01 through FY 2008-09. Our primary strategy for minimizing the annual increase has been to negotiate long-term leases that included renewal options and limited annual rate increases. This practice enabled us to avoid, for the life of the original and renewed leases, the larger rate increases that were occurring in the commercial rental market. We kept the flexibility to terminate the lease at its expiration or at the end of any renewal period.

The recent recession halted the rise in commercial lease rates and, in most areas of the state, market rates have decreased over the past two years. The availability of rental property at lower rates has enabled Revenue to negotiate lower rates on new or renewing leases. Revenue has also approached landlords and asked for reductions on long-term leases that were not up for renewal. In many cases, the landlord agreed either to reduce the rent or to forego an increase. We will continue actively seeking rate reductions based on current market conditions. If the economy continues to improve, market rates are expected to resume their upward trend.

Lease Funding: Since FY 2000-01, Revenue's leasing costs have risen by an average of \$750,000 each year, resulting in an annual leasing cost that was \$6,750,000 higher in FY 2008-09 than at the beginning of the decade. Most of these lease escalations have not been funded. We have offset the unfunded expense by reducing spending in other areas.

In FY 2009-10, using strategies that are described later in this document, we achieved a decrease of \$525,000 in leasing costs, lessening the impact of our lease appropriation deficit.

ENERGY STAR® Compliance: Another factor impacting the cost of our lease commitments is compliance with the Governor's Executive Order 07-126, which precludes state agencies from leasing office space that does not meet ENERGY STAR building standards, unless no viable alternative exists. Office buildings that meet ENERGY STAR standards are not widely available in many markets, and those that are available command premium rates, exceeding Revenue's current or projected lease costs. This trend is expected to continue until the market supply of energy-efficient office buildings increases and reduces the rental rates.

Expectations for the Future: The Department expects total leasing costs to decline slightly between FY 2010-11 and FY 2011-12, as we continue to implement space reduction and cost-containment strategies (described below). Based on the combined impact of current trends, however, while decreases may be achieved on new leases over the next few years, we expect that in FY 2012-13, total leasing costs will resume their upward trend.

Revenue's Facilities Plan

For Fiscal Year 2010-11, the Department of Revenue is leasing approximately 1.378 million square feet of office and storage space, down from nearly 1.5 million in FY 2007-08. By July 1, 2011, we expect to further reduce leased space to approximately 1.32 million square feet.

Revenue leases office space from private owners and from the Department of Management Services (DMS). Currently, Revenue administers 62 leases, many of which provide co-located program office space. Fifty-five of these leases are in Florida, the remainder are for seven General Tax Administration service centers in six other states. Private leases account for 57.2% of total office space occupied. Fiscal Year 2010-11 annualized lease cost is estimated to total \$26.4 million. No additional service centers are projected for the next five years.

Relocation of Tallahassee Employees

Revenue is consolidating almost all of its Tallahassee offices into three new buildings at the Capital Circle Office Center (CCOC), with a reduction in leased space of about 46,000 square feet. Moving 2,200 of Revenue's 5,100 employees into state-owned facilities will avoid the cost increases typically associated with private leases, while achieving office expense savings from increased efficiency and centralization, as well as lowering the cost of utilities.

The 2009 Legislature authorized funding to move about half of the employees who will occupy the new Revenue buildings. This first phase of the move was completed in May 2010. The Legislature authorized funding for the second and final phase of the move in FY 2010-11. By the end of October 2010, the move will be complete.

Benefits of Tallahassee Office Consolidation:

- Compliance with DMS space standards, decreasing square footage
- Decreased leasing costs
- Moving employees from substandard privately owned facilities to new state buildings
- Reduction in costs for copiers, fax machines, printers, and other equipment
- Opportunities to improve efficiency by combining offices and/or processes
- Improved productivity through the elimination of travel between offices
- Compliance with ENERGY STAR building standards
- The new facilities offer a wide variety of conference rooms and training facilities that are available for use by other state agencies.

Mitigating Increases in Leasing Costs

For the past two years, Revenue has been aggressively seeking to minimize the increase in leasing expense through better lease management and a commitment to the space allocation standards established by DMS. We have implemented standard leasing practices, designed to minimize cost increases, including:

- Achieving compliance with the Department of Management Services' (DMS) space allocation standards by educating Revenue managers and centrally reviewing all Letters of Agency Staffing during lease space changes.
- Establishing and adhering to agency-wide standards for quality, cost-effective office environments that maximize employee productivity and meet customer needs while minimizing leasing costs.
- Implementing an office configuration standard (mix of modular offices and private hard-walled offices) that meets workforce space requirements in the most cost-effective and efficient structure possible.
- Consolidating offices where practical to maximize economies of scale.
- Providing the appropriate number of interview areas for the effective delivery of client services and for staff security.
- Working cooperatively with DMS to increase the percentage of Revenue's office space lease holdings that are compliant with ENERGY STAR building standards, following the direction of the Governor's Executive Order 07-126 related to climate change and the reduction of greenhouse gas emissions.
- Evaluating the use of alternate work programs that decrease office space requirements, such as telework and "hoteling," and implementing them when they enhance the Department's effectiveness. (In "hoteling," two or more staff members share the same office space, coming into the office on different days, alternating their time in the office with their off-site work.)
- Seeking opportunities to decrease costs by co-locating with other state agencies.

Over the next five years, through our new leasing practices, we expect to reduce the costs for new or renewing leases by a total of more than three million dollars. These savings will offset a significant portion of the overall increase in leasing costs, allowing us to stay within our current leasing budget despite ongoing lease cost increases.

Looking ahead several years, the Department's programs are assessing future space needs in anticipation of changes in the location of the citizens we serve and changes in how Revenue conducts business. The Department's progress toward a paperless environment; implementation of additional technology, including web self-service; and continued improvements in efficiency will affect office space needs, presenting more opportunities to mitigate lease cost escalations.

**FLORIDA DEPARTMENT OF REVENUE
CAPITAL IMPROVEMENTS PROGRAM PLAN**

Executive Direction and Support Services Program (EXE)

Service Category: Executive Direction and Support Services

As of July 1, 2009, the Department of Revenue combined its Executive Support Program and Administrative Support Program into one new program—Executive Direction and Support Services—and realigned services within the program to produce greater efficiency. In Fiscal Year 2010-11, the Executive Direction and Support Services Program anticipates leasing a total of approximately 110,600 square feet of office and storage space at an annualized cost of about \$1.8 million. State leases account for 90.4% of total office space occupied by the Program.

By the end of October 2010, all offices of the Executive Direction and Support Services Program (approximately 260 employees) will have moved to the new Capital Circle Office Center (CCOC) buildings in Tallahassee. The new facilities offer a variety of conference and training rooms available for use by all state agencies. The Executive Direction and Support Services Program will absorb state rent for these shared conference and training spaces, increasing the Program's rent expense overall. Because the Department of Management Services (DMS) developed these conference and training facilities for the use of all state agencies, Revenue will be seeking proposing the transfer of the management and cost for these rooms to DMS. (See the Capital Improvements Program Plan Summary for more information on Revenue's move to the CCOC.)

**FLORIDA DEPARTMENT OF REVENUE
 CAPITAL IMPROVEMENTS PROGRAM PLAN
 EXECUTIVE DIRECTION AND SUPPORT SERVICES (EXE) PROGRAM
 LEASED SPACE - CURRENT USAGE AND SHORT-TERM PROJECTIONS**

Current Inventory of Leased Space:

<u>Location of Privately Owned Space*</u>	<u>Lease No.</u>	<u>Square Feet</u>	<u>Annual Cost</u>
Tallahassee, Warehouse	730:TBD	9,972	\$81,768
Tampa	730:0313	660	\$14,412
Total of Privately Leased Space		10,632	\$96,180
<u>Location of State-Owned Space*</u>	<u>Lease No.</u>	<u>Square Feet</u>	<u>Annual Cost</u>
Tallahassee (CCOC)*	973:CCOC	99,965	\$1,717,399
Total of State-Owned Leased Space		99,965	\$1,717,399
Total Leased Space - EXE		110,597	\$1,813,579

Projected Leased Space Requirement:

	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Square Feet	110,597	107,279	107,279	107,279	107,279
Annual Cost	\$1,904,782	1,921,544	1,921,544	1,921,544	1,921,544

Projected Leased Space for 2012-13 includes an estimated square footage reduction of 3%
 Projected Lease Annual Cost for 2012-13 includes an estimated price increase annually of 4%.

* Square footage/annual rent assumes a complete transition to the Capital Circle Office Center (CCOC)

CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	Executive Direction and Support Services Program						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
99,965	10,632		110,597	107,279	107,279	107,279	107,279
% of Total Leased Space Privately-Owned _____ 9.6%							
Annual Costs (dollars)				Projected Leased Space (dollars)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
\$1,717,399	\$96,180		\$1,904,782	\$1,921,544	\$1,921,544	\$1,921,544	\$1,921,544
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

Office of Policy and Budget - July 2010

**FLORIDA DEPARTMENT OF REVENUE
CAPITAL IMPROVEMENTS PROGRAM PLAN**

Property Tax Oversight Program (PTO)

**Service Categories: Compliance Determination
Compliance Assistance**

In Fiscal Year 2010-11, the Property Tax Oversight Program (PTO), with its approximately 170 employees, anticipates leasing a total of 29,600 square feet of office and storage space in seven locations throughout Florida at an estimated annualized cost of \$540,000. Approximately 31.8% of the space leased for the Property Tax Oversight Program is located in state-owned buildings.

In April 2010, PTO's eighty Tallahassee employees moved to the new Capital Circle Office Center (CCOC) buildings that were constructed for the Department of Revenue. (See the Capital Improvements Program Plan Summary for more information on Revenue's move to the CCOC.)

The Property Tax Oversight Program currently has satellite offices in six locations throughout Florida. Satellite offices typically house appraisal staff whose job duties routinely require conducting appraisal work at various sites in multiple counties, diminishing the need for dedicated office space. The Program continues to use telework and "hoteling" to increase effectiveness and save costs. (In "hoteling," two or more staff members share the same office space, coming into the office on different days, alternating their time in the office with their off-site work.) The Program does not have any plans to establish new satellite offices.

PTO has closed offices in Jacksonville, Alachua, Pensacola and Leesburg, and downsized offices in Maitland and Coral Springs. Those employees whose offices were closed are now managed by other existing offices that are more effectively located. Some of the staff members from the closed offices have been reassigned to another office and some, whose job duties and work experience make them well-suited to working from home, are now telecommuting.

**FLORIDA DEPARTMENT OF REVENUE
 CAPITAL IMPROVEMENTS PROGRAM PLAN
 PROPERTY TAX OVERSIGHT (PTO) PROGRAM
 LEASED SPACE - CURRENT USAGE AND SHORT-TERM PROJECTIONS**

Current Inventory of Leased Space:

Location of Privately Owned Space	Lease No.	Square Feet	Annual Cost
Coral Springs	730:0323	3,255	\$67,079
Lake City	730:0328	1,811	\$31,877
Maitland	730:0252	1,813	\$43,911
Marianna	730:0291	960	\$13,200
Tampa	730:0313	1,582	\$34,546
Total of Privately Leased Space		9,421	\$190,613

Location of State-Owned Space	Lease No.	Square Feet	Annual Cost
Ft. Myers	973:7706	2,530	\$43,545
Tallahassee (CCOC)	973:CCOC	17,680	\$303,734
Total of State-Owned Leased Space		20,210	\$347,279

Total Leased Space - PTO	29,631	\$537,892
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Projected Leased Space Requirement:

	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Square Feet	28,710	27,849	27,849	27,849	27,849
Annual Cost	\$551,192	556,042	556,042	556,042	556,042

Projected Leased Space for 2012-13 includes an estimated square footage reduction of 3%
 Projected Lease Annual Cost for 2012-13 includes an estimated price increase annually of 4%.

CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	Property Tax Oversight - Compliance Determination						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
14,698	6,852		20,880	20,254	20,254	20,254	20,254
% of Total Leased Space Privately-Owned _____ 31.8%							
Annual Costs (dollars)				Projected Leased Space (dollars)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
\$252,567	\$138,628		\$400,867	\$404,394	\$404,394	\$404,394	\$404,394
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

Office of Policy and Budget - July 2010

CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	Property Tax Oversight - Compliance Assistance						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
<u>STATE-OWNED</u>	<u>PRIVATELY-OWNED</u>	<u>OTHER*</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
5,512	2,569		7,830	7,595	7,595	7,595	7,595
% of Total Leased Space Privately-Owned _____ 31.8%							
Annual Costs (dollars)				Projected Leased Space (dollars)			
<u>STATE-OWNED</u>	<u>PRIVATELY-OWNED</u>	<u>OTHER*</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
\$94,712	\$51,985		\$150,325	\$151,648	\$151,648	\$151,648	\$151,648
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

Office of Policy and Budget - July 2010

FLORIDA DEPARTMENT OF REVENUE CAPITAL IMPROVEMENTS PROGRAM PLAN

Child Support Enforcement Program (CSE)

**Service Categories: Case Processing
Remittance and Distribution
Establishment
Compliance**

In Fiscal Year 2010-11, the Child Support Enforcement Program (CSE) anticipates leasing approximately 652,800 square feet of office and storage space at an estimated annualized cost of \$13 million. CSE's approximately 2,300 employees work in offices in 45 locations throughout Florida. CSE office space is leased from the private sector and from the Department of Management Services (DMS). Private leases account for 64.6% of total CSE office space occupied.

Child Support Enforcement's customer contact center, program management, and central operations staff, totaling approximately 650 employees, moved during phase one of Revenue's relocation to new Capital Circle Office Center (CCOC) buildings in April 2010. The move was accomplished with minimal interruption of our services to customers. (See the Capital Improvements Program Plan Summary for more information on Revenue's move to the CCOC.)

CSE's goal is to ensure that funding for facilities is spent as efficiently as possible while fulfilling its responsibility for providing Title IV-D child support services to Florida's parents and families. The Program continues to evaluate site locations as well as office consolidation and co-location opportunities with other Revenue programs or state agencies.

During 2010, the Child Support Enforcement Program implemented Child Support e-Services, which resulted in a significant change to its service delivery approach for customers with support orders. Through e-Services, customers can communicate with CSE in a secure environment to update demographic information, view support order information, view enforcement actions, and review child support payment history. These service delivery changes will be considered when making future lease decisions.

Although e-Services may reduce the need for some customers to visit our service centers in person, there will still be customers who need assistance and services that are more effectively provided in person. The Program has also found that collection efforts and negotiations are more successful when there is face-to-face interaction.

Child Support Enforcement has compiled customer and demographic data to examine where gaps may be in the current service center locations. Most of CSE's customers are in Florida's highly populated counties; however, economic trends can cause the customer base to shift. By analyzing the changing environment, CSE can better assess how to consolidate or relocate current service centers. As leases approach expiration, a close review will determine whether or not the service center is in the best area to meet the needs of its customers and employees.

**FLORIDA DEPARTMENT OF REVENUE
CAPITAL IMPROVEMENTS PROGRAM PLAN
CHILD SUPPORT ENFORCEMENT (CSE) PROGRAM
LEASED SPACE - CURRENT USAGE AND SHORT-TERM PROJECTIONS**

Current Inventory of Leased Space:

Location of Privately Owned Space	Lease No.	Square Feet	Annual Cost
Arcadia	730:0282	3,129	\$ 40,873
Brooksville	730:0267	5,131	\$ 100,927
Callaway (Panama City)	730:0296	8,291	\$ 200,711
Chipley	730:0308	2,766	\$ 31,546
Clearwater	730:0310	25,397	\$ 618,184
Clewiston	730:0285	3,926	\$ 79,901
Cocoa	730:0288	10,033	\$ 215,041
Cocoa	730:0316	5,991	\$ 127,309
Crestview	730:0233	10,286	\$ 249,901
Crystal River	730:0266	4,268	\$ 74,159
Daytona Beach	730:0212	15,348	\$ 299,900
Daytona Beach	730:0230	2,364	\$ 46,193
Ft. Lauderdale	730:0314	43,220	\$ 1,251,579
Ft. Myers	730:0343	21,139	\$ 265,186
Ft. Walton	Closed	Closed	\$ 7,501
Gainesville	730:0312	14,736	\$ 274,458
Key West	Closed	Closed	\$ 4,807
Kissimmee	730:0287	4,946	\$ 113,371
Lake City	730:0328	11,596	\$ 204,109
Lakeland	730:0321	29,221	\$ 532,407
Leesburg	730:0248	11,343	\$ 210,356
Madison	730:0297	4,747	\$ 80,699
Marianna	730:0291	4,317	\$ 59,359
Naples	730:0247	8,678	\$ 204,034
Ocala	730:0261	11,227	\$ 259,372
Okeechobee	730:0236	2,321	\$ 44,064
Orange Park	730:0306	3,334	\$ 90,388
Palatka	730:0235	5,511	\$ 98,922
Pensacola	730:0317	23,513	\$ 483,976
Port Charlotte	730:0226	3,630	\$ 82,746
Port Richey	730:0309	10,463	\$ 231,415
Sanford	730:0253	7,904	\$ 146,000
Sarasota	730:0338	11,165	\$ 267,960
Sebring	730:0307	6,090	\$ 122,901
St. Augustine	730:0318	3,121	\$ 65,114
Tallahassee, SDU	730:0301	1,153	\$ 13,836
Tallahassee, Service Center	730:0337	11,152	\$ 213,286
Tampa	730:0313	40,647	\$ 887,595
Vero Beach	730:0294	4,999	\$ 135,410
West Palm Beach	730:0278	24,566	\$ 584,650
Total of Privately Leased Space		421,669	\$ 9,020,146

Location of State-Owned Space	Lease No.	Square Feet	Annual Cost
Belle Glade (DCF Sub-lease)	973:DCF	540	\$ 9,277
Fort Pierce (Benton Building)	973:4012	14,342	\$ 246,396
Immokalee (DCF Sub-lease)	590:8055	250	\$ 4,915
Jacksonville (Duvall)	973:5202	53,680	\$ 922,222
Orlando (Hurston Building)	973:7940	38,191	\$ 656,121
Carlton Bldg - CAMS	973:4302	1,532	\$ 6,580
Tallahassee (CCOC)	973:CCOC	122,467	\$ 2,103,974
Total of State-Owned Leased Space		231,002	\$ 3,949,485

Total Leased Space - CSE

652,671 \$ 12,969,631

Projected Leased Space Requirement:

	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Square Feet	637,926	618,788	618,788	618,788	618,788
Annual Cost	\$13,071,546	13,186,576	13,186,576	13,186,576	13,186,576

Projected Leased Space for 2012-13 includes an estimated square footage reduction of 3%
Projected Lease Annual Cost for 2012-13 includes an estimated price increase annually of 4%.

CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	Child Support Enforcement - Case Processing						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
93,660	170,967		258,648	250,889	250,889	250,889	250,889
% of Total Leased Space Privately-Owned _____ 64.6%							
Annual Costs (dollars)				Projected Leased Space (dollars)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
\$1,601,327	\$3,657,238		\$5,299,887	\$5,346,526	\$5,346,526	\$5,346,526	\$5,346,526
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

Office of Policy and Budget - July 2010

CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	Child Support Enforcement - Remittance & Distribution						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
<u>STATE-OWNED</u>	<u>PRIVATELY-OWNED</u>	<u>OTHER*</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
7,997	14,597		22,083	21,421	21,421	21,421	21,421
% of Total Leased Space Privately-Owned _____ 64.6%							
Annual Costs (dollars)				Projected Leased Space (dollars)			
<u>STATE-OWNED</u>	<u>PRIVATELY-OWNED</u>	<u>OTHER*</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
\$136,720	\$312,251		\$452,498	\$456,480	\$456,480	\$456,480	\$456,480
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

Office of Policy and Budget - July 2010

CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	Child Support Enforcement - Establishment						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
66,272	120,972		183,014	177,523	177,523	177,523	177,523
% of Total Leased Space Privately-Owned _____ 64.6%							
Annual Costs (dollars)				Projected Leased Space (dollars)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
\$1,133,063	\$2,587,779		\$3,750,080	\$3,783,081	\$3,783,081	\$3,783,081	\$3,783,081
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

Office of Policy and Budget - July 2010

CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	Child Support Enforcement - Compliance						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
63,073	115,133	790	174,181	168,955	168,955	168,955	168,955
% of Total Leased Space Privately-Owned _____ 64.6%							
Annual Costs (dollars)				Projected Leased Space (dollars)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
\$1,078,375	\$2,462,878	\$16,892	\$3,569,081	\$3,600,489	\$3,600,489	\$3,600,489	\$3,600,489
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

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**FLORIDA DEPARTMENT OF REVENUE
CAPITAL IMPROVEMENTS PROGRAM PLAN**

General Tax Administration Program (GTA)

**Service Categories: Tax Processing
Taxpayer Aid
Compliance Determination
Compliance Resolution**

For Fiscal Year 2010-11, the General Tax Administration Program (GTA) anticipates leasing approximately 535,800 square feet of office and storage space at an estimated annualized cost of \$10.3 million. As of July 1, 2010, GTA's approximately 2,200 employees occupied space in 25 locations throughout Florida and seven locations in six other states. Office space is leased from both the private sector and the Department of Management Services (state-owned buildings). On July 1, 2010, private leases accounted for 62.2% of the office space occupied by GTA.

By the end of October 2010, most of Revenue's Tallahassee employees will have relocated to the Capital Circle Office Center (CCOC), including GTA program management and staff working in centralized operational processes. These processes include taxpayer registration, tax return and remittance processing, compliance campaigns, central collections, taxpayer assistance, refund audit, revenue accounting and fund distribution. This move will accomplish one of the Program's key goals for its Tallahassee facilities—moving most of its Tallahassee employees into safe, professional, cost-effective facilities that meet DMS space standards and ENERGY STAR conservation standards. (See the Capital Improvements Program Plan Summary for more information on Revenue's move to the CCOC.)

The General Tax Administration Program has service centers located throughout the state that provide on-site customer service, audits, and collection activities to increase compliance with Florida's tax laws. The Program also has out-of-state service centers that focus specifically on audit coverage for organizations doing business in Florida but headquartered outside of the state. The Program does not have any plans to establish any new service centers.

GTA is analyzing population and demographic data to guide leasing decisions. For example, by compiling taxpayer registration data and plotting it geographically, the Program is focused on determining any gaps in its current service center locations. This analysis will help us make effective decisions to consolidate, close and/or relocate existing service centers. The Program also intends to use the data as the baseline in developing forecasting models for future resource needs.

The primary business objective driving the Program's future leasing prototype is the expansion of self-service capabilities. The Program is actively pursuing strategies that are designed not only to improve efficiency and modernize services, but also to cut potential leasing costs. By migrating more of its customers to filing and paying electronically and providing enhanced self-service options, GTA is projecting a future reduction in the need for staff at the local level as these programs become effective. The Program has begun to incorporate the potential effect of these strategies into facilities planning for the future.

The Program is also looking at nontraditional work arrangements that can enhance effectiveness while saving leasing costs. When it makes business sense—for example, for auditors, who spend most of their work time away from the office—we are establishing telework or "hoteling" work options. In "hoteling," two or more staff members share the same office space, coming into the office on different days, alternating their time in the office with their off-site work.

**FLORIDA DEPARTMENT OF REVENUE
CAPITAL IMPROVEMENTS PROGRAM PLAN
GENERAL TAX ADMINISTRATION (GTA) PROGRAM
LEASED SPACE - CURRENT USAGE AND SHORT-TERM PROJECTIONS**

Current Inventory of Leased Space:

Location of Privately Owned Space*	Lease No.	Square Feet	Annual Cost
Anaheim, CA	730:0270	4,623	\$120,337
Atlanta, GA	730:0257	7,319	\$166,928
Callaway (Panama City)	730:0296	6,446	\$156,047
Clearwater	730:0310	17,159	\$417,664
Cocoa	730:0316	4,799	\$101,979
Coral Springs	730:0323	26,968	\$775,060
Daytona Beach	730:0230	6,868	\$134,201
Hillside, IL	730:0238	8,228	\$153,418
Houston, TX	730:0271	1,547	\$27,427
Irving, TX	730:0242	3,776	\$77,257
Lake City	730:0328	5,188	\$91,317
Lakeland	730:0321	8,711	\$142,644
Leesburg	730:0248	5,602	\$103,889
Maitland	730:0252	18,985	\$459,817
Marianna	730:0291	4,383	\$60,266
Miami	730:0298	38,619	\$923,284
Miami, Warehouse	730:0302	200	\$2,868
Naples	730:0247	5,636	\$132,512
Pensacola	730:0317	12,006	\$247,124
Port Richey	730:0309	9,302	\$205,737
Sarasota	730:0338	14,925	\$358,200
Tallahassee, Service Center	730:0335	4,805	\$87,786
Tallahassee, TaxWorld L*	730:0262	34,809	\$514,477
Tallahassee, Warehouse (Closed December 2010)	730:0240	36,970	\$262,487
Tampa	730:0313	19,111	\$417,321
West Palm Beach	730:0260	15,347	\$407,053
Wexford, PA	730:0320	4,579	\$97,647
Woodland Park, NJ	730:0315	6,492	\$178,665
Total of Privately Leased Space		333,403	\$6,823,412

Location of State-Owned Space*	Lease No.	Square Feet	Annual Cost
Alachua	973:6601	7,185	\$123,438
Ft. Myers	973:7706	9,981	\$171,474
Ft. Pierce, Benton Bldg.	973:4012	9,000	\$154,620
Jacksonville, Duval Svc.	973:5202	21,086	\$362,257
Tallahassee, CCOC*	973:CCOC	155,157	\$2,665,597

Total of State-Owned Leased Space 202,409 \$3,477,386

Total Leased Space - GTA 535,812 \$10,300,798

Projected Leased Space Requirement:

	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Square Feet	485,985	471,405	471,405	471,405	471,405
Annual Cost	\$9,918,798	10,006,083	10,006,083	10,006,083	10,006,083

Projected Leased Space for 2012-13 includes an estimated square footage reduction of 3%

Projected Lease Annual Cost for 2012-13 includes an estimated price increase annually of 4%.

* Square footage/annual rent assumes a complete transition to the Capital Circle Office Center (CCOC)

CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	General Tax Administration - Compliance Determination						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
105,149	173,198		249,296	241,816	241,816	241,816	241,816
% of Total Leased Space Privately-Owned <u>62.2%</u>							
Annual Costs (dollars)				Projected Leased Space (dollars)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
\$1,806,454	\$3,544,669		\$5,088,041	\$5,132,816	\$5,132,816	\$5,132,816	\$5,132,816
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

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CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	General Tax Administration - Compliance Resolution						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
<u>STATE-OWNED</u>	<u>PRIVATELY-OWNED</u>	<u>OTHER*</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
47,375	78,035		123,996	120,276	120,276	120,276	120,276
% of Total Leased Space Privately-Owned <u>62.2%</u>							
Annual Costs (dollars)				Projected Leased Space (dollars)			
<u>STATE-OWNED</u>	<u>PRIVATELY-OWNED</u>	<u>OTHER*</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
\$813,905	\$1,597,065		\$2,530,713	\$2,552,983	\$2,552,983	\$2,552,983	\$2,552,983
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

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CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	General Tax Administration - Tax Processing						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
38,411	63,270		82,700	80,219	80,219	80,219	80,219
% of Total Leased Space Privately-Owned <u>62.2%</u>							
Annual Costs (dollars)				Projected Leased Space (dollars)			
STATE- OWNED	PRIVATELY- OWNED	OTHER*	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
\$659,903	\$1,294,877		\$1,687,881	\$1,702,735	\$1,702,735	\$1,702,735	\$1,702,735
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

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CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	General Tax Administration - Taxpayer Aid						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
<u>STATE-OWNED</u>	<u>PRIVATELY-OWNED</u>	<u>OTHER*</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
11,474	18,900		29,994	29,094	29,094	29,094	29,094
% of Total Leased Space Privately-Owned <u>62.2%</u>							
Annual Costs (dollars)				Projected Leased Space (dollars)			
<u>STATE-OWNED</u>	<u>PRIVATELY-OWNED</u>	<u>OTHER*</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
\$197,124	\$386,801		\$612,162	\$617,549	\$617,549	\$617,549	\$617,549
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

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**FLORIDA DEPARTMENT OF REVENUE
CAPITAL IMPROVEMENTS PROGRAM PLAN**

Information Services Program (ISP)

Service Category: Information Technology

All of the Information Services Program's approximately 180 employees are located in Tallahassee. In Fiscal Year 2010-11, the Program will lease about 49,000 square feet of office and storage space at an annualized cost of approximately \$800,000. Most of the space will be leased from the State.

Two major facilities developments are impacting the future lease requirements of Revenue's Information Services program: Revenue's move to the Capital Circle Office Center (CCOC), and the consolidation of data center functions for all state agencies.

As of July 1, 2010, eleven of ISP's positions were transferred to the Southwood Shared Resource Center (SSRC) and two of ISP's positions were transferred to the Northwest Regional Data Center (NWRDC) as part of the State's full service transfer (FST). In August 2010, almost all of Revenue's ISP employees moved to the new CCOC buildings. (See the Capital Improvements Program Plan Summary for more information on Revenue's move to the CCOC.)

**FLORIDA DEPARTMENT OF REVENUE
 CAPITAL IMPROVEMENTS PROGRAM PLAN
 INFORMATION SERVICES PROGRAM (ISP)
 LEASED SPACE - CURRENT USAGE AND SHORT-TERM PROJECTIONS**

Current Inventory of Leased Space:

<u>Location of Privately Owned Space*</u>	<u>Lease No.</u>	<u>Square Feet</u>	<u>Annual Cost</u>
Total of Privately Leased Space		-	\$0

<u>Location of State-Owned Space*</u>	<u>Lease No.</u>	<u>Square Feet</u>	<u>Annual Cost</u>
Tallahassee, CCOC	973:CCOC	35,404	\$608,241
Tallahassee, Carlton	973:4302	13,779	\$187,979
Total of State-Owned Leased Space		49,183	\$796,220
Total Leased Space - ISP		49,183	\$796,220

Projected Leased Space Requirement:

	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Square Feet	52,176	50,611	50,611	50,611	50,611
Annual Cost	\$898,312	906,217	906,217	906,217	906,217

Projected Leased Space for 2012-13 includes an estimated square footage reduction of 3%
 Projected Lease Annual Cost for 2012-13 includes an estimated price increase annually of 4%.
 * Square footage/annual rent assumes a complete transition to the Capital Circle Office Center (CCOC)

CIP-A Leased Space: Current Usage and Short-Term Projections

Agency:	Florida Department of Revenue						
Service:	Information Services Program						
LRPP NARRATIVE PAGES DESCRIBING SERVICE-LEVEL LEASE OPTIONS _____							
Currently Occupied Space (square feet)				Projected Leased Space (square feet)			
<u>STATE-OWNED</u>	<u>PRIVATELY-OWNED</u>	<u>OTHER*</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
49,183	0		52,176	50,611	50,611	50,611	50,611
% of Total Leased Space Privately-Owned _____ 0.0%							
Annual Costs (dollars)				Projected Leased Space (dollars)			
<u>STATE-OWNED</u>	<u>PRIVATELY-OWNED</u>	<u>OTHER*</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
\$796,220	\$0		\$898,313	\$906,217	\$906,217	\$906,217	\$906,217
If the agency is considering abrogating a facility lease, how much of the above payments reflect repayment of unamortized capital improvements pursuant to Section 216.043, <i>Florida Statutes</i> ?							

NOTE: "Other*" means space leased from a local government or non-profit entity.

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