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## Section 6

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# Residential and Commercial Development

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## 6.1 Residential Development

Residential building permits issued in Leon County declined sharply again in 2007 after near record totals just two years ago (2005). The number of detached single-family home permits fell 18%, attached single-family (townhomes) permits remained level while multi-family permits rebounded (up 58%) in comparison with 2006 levels. The year 2007 saw the fewest permits issued in a year in Leon County for new construction of single-family units (detached and attached) since 1985 and the fewest single-family detached permits issued in a year in twenty-five years (1982).

**Figure 6-1**  
**Residential Building Permits Issued By Type in Leon County**  
**(1985-2007)**

Year	Detached Single- Family	Attached Single- Family	Multi-Family	Constructed Units Permitted	Mobile Homes*	Total Housing Units Permitted
1985	992	97	54	1,143	540	1,683
1986	1,271	286	280	1,837	661	2,498
1987	1,366	375	860	2,601	611	3,212
1988	1,439	363	781	2,583	540	3,123
1989	1,743	410	1,261	3,414	658	4,072
1990	1,346	393	1,136	2,875	542	3,417
1991	1,215	152	298	1,665	480	2,145
1992	1,359	284	441	2,084	480	2,564
1993	1,373	269	381	2,023	530	2,553
1994	1,437	188	476	2,101	556	2,657
1995	1,261	302	1,268	2,831	716	3,547
1996	1,256	257	441	1,954	584	2,538
1997	1,109	259	837	2,205	649	2,854
1998	1,012	166	534	1,712	606	2,318
1999	1,245	162	654	2,061	443	2,504
2000	1,154	123	782	2,059	430	2,489
2001	1,127	258	962	2,347	349	2,696
2002	1,436	97	1,375	2,908	259	3,167
2003	1,456	254	1,197	2,907	306	3,213
2004	1,276	184	1,492	2,952	239	3,191
2005	1,552	392	1,411	3,355	152	3,507
2006	926	354	659	1,939	132	2,071
2007	756	357	1,041	2,154	175	2,329

\*Mobile home figures do not include permits issued within mobile home parks

Sources: Permit Enforcement Tracking System, Leon County Department of Growth and Environmental Management, City of Tallahassee Growth Management Department

## 6.2 Housing Unit Inventory/Vacancy Rates

There are an estimated 118,753 residential housing units in Leon County as of 2007, two-thirds located within the Tallahassee City Limits and one-third in unincorporated Leon County.

**Figure 6-2**  
**Housing Unit Inventory (1970-2035)**

Year	Unincorporated Leon		Leon County
	City of Tallahassee	County	
1970	23,236	9,337	32,573
1980	33,677	25,543	59,220
1990	55,221	26,104	81,325
2000	68,417	35,557	103,974
2007	80,138	38,615	118,753
2010	81,987	39,509	121,496
2015	87,256	42,111	129,367
2020	91,662	44,272	135,934
2025	95,932	46,394	142,326
2030	99,929	48,355	148,284
2035	103,518	50,156	153,674

Sources: U.S. Department of Commerce, Bureau of the Census (1970-2000),  
Tallahassee-Leon County Planning Department (2007-2035)

**Figure 6-3**  
**Residential Vacancy Rates (1970-2000)**

Year	Unincorporated Leon		Leon County
	City of Tallahassee	County	
1970	5.0%	4.2%	4.7%
1980	8.5%	8.9%	8.6%
1990	8.7%	6.6%	8.0%
2000	7.6%	6.3%	7.2%

Note: Vacancy rates are as of April 1st of each year for all housing types

Source: U.S. Department of Commerce, Bureau of the Census

## 6.3 Commercial Development

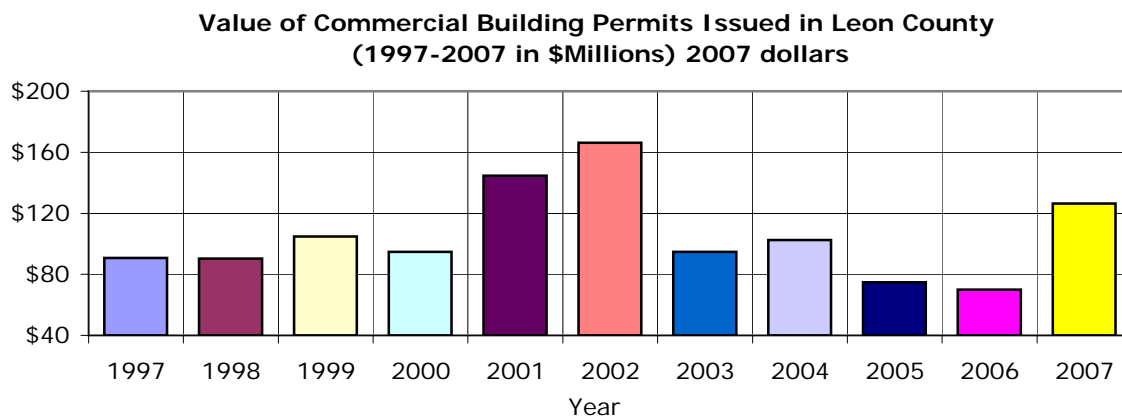
The value of commercial permits issued in 2007 was nearly double 2006 levels. A large contributor to the variability in commercial permit values over the past decade has been the annual presence (or absence) of large retail projects and/or new/expanded medical facilities. The two largest commercial permits (by valuation of the permit) issued in 2007 were for retail buildings within Fallschase: \$10 million for a 217,226 sq. ft. Super Walmart and \$9 million for a 151,127 sq. ft. Costco Wholesale. Two other large retail permits issued (\$6 million each) were for two Kohl's Department Stores (101,576 sq. ft. and 96,264 sq. ft.). There were five hotel buildings permitted in 2007 totaling 455 rooms. These projects include: (2) 121 room Value Place Hotels, (2) Country Inn & Suites (60 and 65 rooms) and an 88 room Springhill Suites.

**Figure 6-4**  
**Commercial Building Permits Issued in Leon County (1997-2007)**

Year	Number of Permits	Value of Permits (\$Millions)	Permit Value in 2007 Dollars (\$Millions)
1997	115	\$70.2	\$90.7
1998	145	\$71.1	\$90.4
1999	144	\$84.3	\$104.9
2000	119	\$78.7	\$94.7
2001	140	\$123.5	\$144.6
2002	129	\$144.3	\$166.3
2003	104	\$84.1	\$94.7
2004	106	\$93.4	\$102.5
2005	98	\$70.5	\$74.8
2006	109	\$68.0	\$69.9
2007	83	\$126.4	\$126.4

Sources: Permit Enforcement Tracking System, Leon County Department of Growth and Environmental Management, City of Tallahassee Growth Management Department

**Figure 6-5**  
**Value of Commercial Building Permits Issued (1997-2007)**



Sources: Permit Enforcement Tracking System, Leon County Department of Growth and Environmental Management, City of Tallahassee Growth Management Department

## 6.4 Urban Service Area Development

The principal growth management strategy of the Tallahassee-Leon County Comprehensive Plan is the Urban Service Area (USA) concept. At approximately 161 square miles, the USA is the compact area in which urban infrastructure is presently available or anticipated to be furnished within the planning horizon, which is the year 2020. The USA includes the City of Tallahassee, its urban environs, and the surrounding area. The percentage of new residential development occurring within the USA in 2007 was 87.7%, up from 83.1% in 2006. All commercial construction projects permitted in 2007 were permitted within the USA.

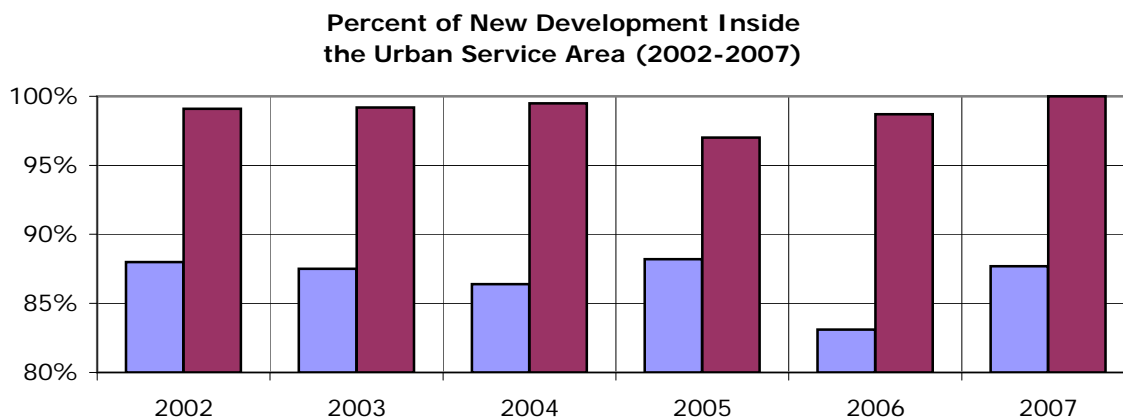
**Figure 6-6**  
**Percent of New Development Inside the Urban Service Area\***

Year	Residential	Commercial
2002	88.0%	99.1%
2003	87.5%	99.2%
2004	86.4%	99.5%
2005	88.2%	97.0%
2006	83.1%	98.7%
2007	87.7%	100.0%

*Note: Residential Development measured in units constructed, commercial development, sq. ft. constructed. Mobile home units permitted within mobile home parks are not included in residential unit totals.*

*Sources: Permit Enforcement Tracking System, Leon County Department of Growth and Environmental Management, City of Tallahassee Growth Management Department*

**Figure 6-7**  
**New Development Inside the Urban Service Area (2002-2007)**



*Sources: Permit Enforcement Tracking System, Leon County Department of Growth and Environmental Management, City of Tallahassee Growth Management Department*

## 6.5 Office Market Summary

The total Tallahassee/Leon County office market consists of approximately 7 million square feet of privately owned office space. In addition, the State of Florida owns and occupies approximately 4.5 million square feet. The overall office vacancy rate in Leon County increased in 2008 to 9.7% (from 7.6% in 2007).

**Figure 6-8  
Office Market Survey (First Quarter 2008)**

Market	Number of Properties	Square Feet Surveyed	Square Feet Vacant	Percent Vacant	Asking Rents*
Downtown	18	1,106,775	109,512	9.9%	\$16.00-\$28.00**
Northeast	61	1,725,327	212,824	12.3%	\$14.00-\$25.00
Northwest/West	21	1,333,784	100,836	7.6%	\$12.00-\$19.50
Southeast	31	2,720,917	247,232	9.1%	\$12.00-\$21.00
Total	131	6,886,803	670,404	9.7%	\$11.00-\$28.00

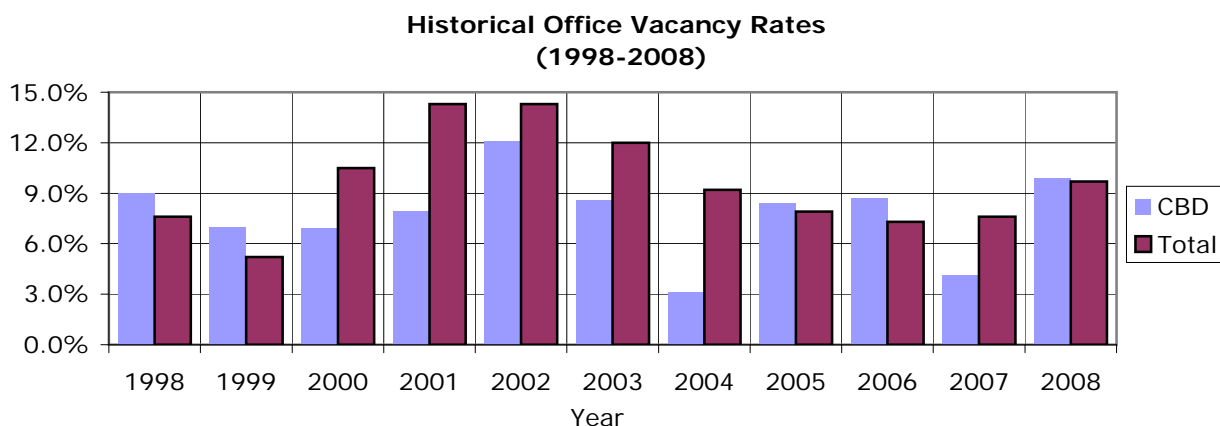
\*All rents adjusted to full service (operating expenses include utilities and janitorial)

\*\*Downtown CBD (Central Business District)

Note: Survey consists of buildings 10,000 sq. ft. and larger.

Source: Coldwell Banker Hartung and Noblin, Inc.

**Figure 6-9  
Historical Office Vacancy Rates (1998-2008)**



Source: Coldwell Banker Hartung and Noblin, Inc.

## 6.6 Retail Market Summary

The Tallahassee retail market consists of approximately 6.1 million square feet of retail space (shopping centers 45,000 sq. ft. or greater). The northeast and southeast markets are the largest markets by square footage and have the highest asking lease rates outside of the regional malls.

**Figure 6-10  
Retail Market Survey (2008)**

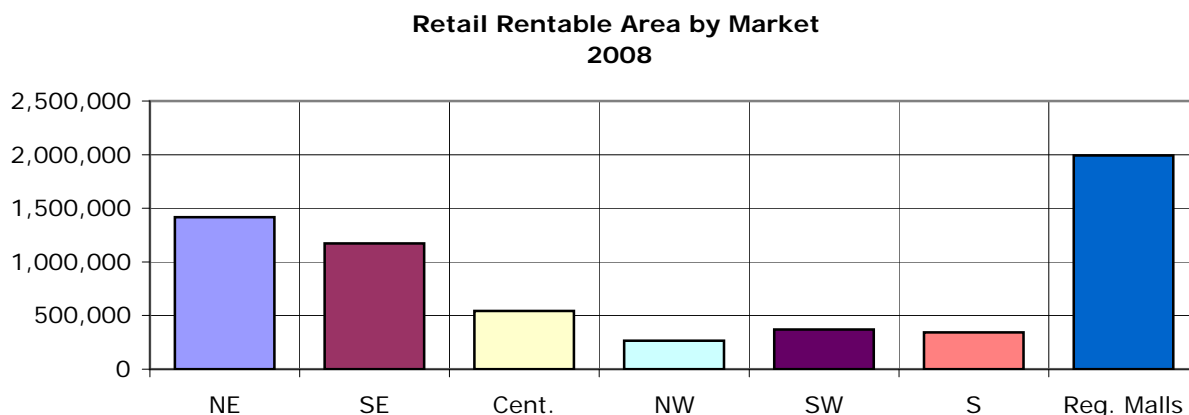
Market	Rentable Area (Sq. Ft.)	Average Asking Lease Rates Range (Sq. Ft./Year)	Vacancy Rate
Northeast	1,417,655	\$17.00 - \$19.00	10.0% - 12.0%
Southeast	1,171,248	\$16.00 - \$18.00	8.0% - 10.0%
Central	544,442	\$12.00 - \$14.00	4.0% - 6.0%
Northwest	265,509	\$12.00 - \$14.00	18.0% - 20.0%
Southwest	369,459	\$16.00 - \$18.00	<2.0%
South	344,248	\$11.00 - \$13.00	6.0% - 8.0%
Regional Malls	1,993,409	\$17.00 - \$19.00	14.0% - 16.0%
Total Market	6,105,970	\$14.00 - \$16.00	9.0% - 11.0%

*Note: Survey only includes buildings 45,000 sq. ft. and larger.*

*Note: Survey includes retail shopping centers, town centers, regional malls and big box stores of all classes, whether multi-tenant or single tenant buildings, including owner occupied buildings.*

*Source: Southland Commercial 2008 Retail Survey, Southland Commercial  
www.southlandcommercial.com*

**Figure 6-11  
Retail Rentable Area by Market (2008)**



*Source: Southland Commercial 2008 Retail Survey, Southland Commercial  
www.southlandcommercial.com*

## 6.7 Apartment Market Summary

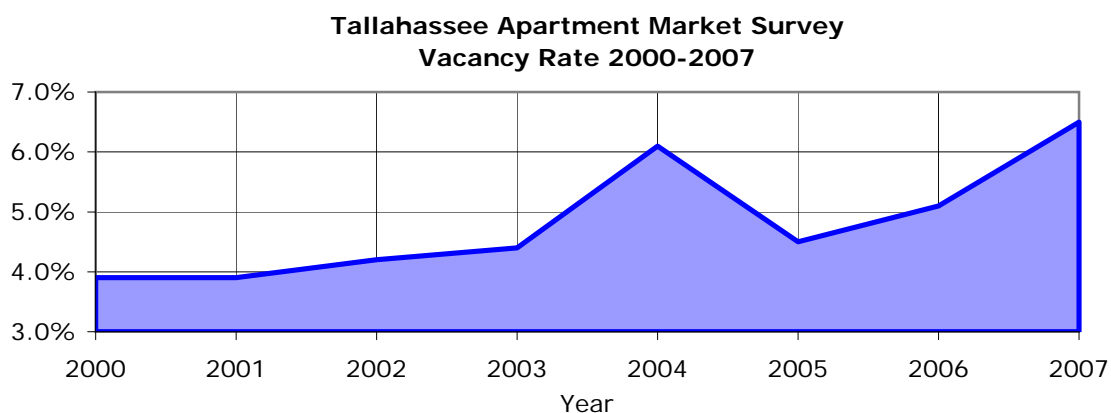
The apartment vacancy rate in Tallahassee increased from 5.1% in September 2006 to 6.5% in September 2007. The average monthly rent now approaches \$900 with the average one bedroom renting for between \$600 and \$650 per month and the average four bedroom renting for between \$1,600 and \$1,700 per month.

**Figure 6-12**  
**Apartment Market Survey (2000-2007)**

	Sept. 2000	Sept. 2001	Sept. 2002	Sept. 2003	Sept. 2004	Sept. 2005	Sept. 2006	Sept. 2007
Total Units Surveyed	15,927	15,775	16,433	17,401	18,206	18,000	18,560	17,722
Vacant Units	628	608	695	764	1,102	817	943	1,149
Vacancy Rate	3.9%	3.9%	4.2%	4.4%	6.1%	4.5%	5.1%	6.5%
Average Sq. Ft. Range	850- 900	850- 900	900- 950	950- 1,000	950- 1,000	1,000- 1,050	950- 1,000	950- 1,000
Average Rent per Month Range	\$550- \$600	\$600- \$650	\$700- \$750	\$750- \$800	\$750- \$800	\$800- \$850	\$850- \$900	\$850- \$900

*Note: Survey includes communities with 40 or more units, public and Section 8 housing is excluded. Thirteen communities that fit the above criteria, approx. 1,000 units that did not participate in the survey.*  
*Source: Real Data, 2007 Tallahassee Apartment Index, www.apindex.com, October 2007*

**Figure 6-13**  
**Apartment Market Vacancy Rate (2000-2007)**



*Source: Real Data, 2007 Tallahassee Apartment Index, www.apindex.com, October 2007*

## 6.8 Industrial Market Summary

The overall industrial vacancy rate in Leon County was 10.9% in 2008, up from 7.8% in 2006 according to a Coldwell Banker Hartung and Noblin, Inc. survey of major industrial areas within Leon County conducted in June 2008. Approximately 60% of the total industrial space and 75% of the total vacant space located within major industrial areas is located in the Northwest.

**Figure 6-14**  
**Industrial Market Survey (June 2008)**

Market	Park/Area	Number of Buildings	Total Square Feet	Total Square Feet Available	Vacancy Rate
<b>Northwest</b>	Tallahassee Industrial Park	74	1,237,950	98,150	7.9%
	Commonwealth Center	12	658,530	59,400	9.0%
	Lakewood Business Park	50	557,530	112,600	20.2%
	Northwest Passage	13	155,075	15,500	10.0%
	Huntley Park	4	70,000	49,500	70.7%
	The Heritage	4	62,000	31,200	50.3%
	Capital Oaks Commerce	5	46,880	0	0.0%
	Oak Valley Warehouse	4	35,451	26,800	75.6%
	Northwest Commons	2	33,000	14,500	43.9%
	Tower Corners	3	26,800	12,900	48.1%
	Bainbridge Oaks	3	21,000	4,000	19.0%
<b>NORTHWEST TOTAL</b>		<b>174</b>	<b>2,904,216</b>	<b>424,550</b>	<b>14.6%</b>
<b>Southwest</b>	Yulee Industrial Park	28	788,940	0	0.0%
	Hamilton Park	11	278,550	37,500	13.5%
	Airport Industrial Park	17	144,300	5,000	3.5%
	Southwest Industrial Park	4	120,000	0	0.0%
	<b>SOUTHWEST TOTAL</b>	<b>60</b>	<b>1,331,790</b>	<b>42,500</b>	<b>3.2%</b>
<b>East</b>	Industrial Plaza	26	405,400	15,000	3.7%
	Weems Industrial	9	101,060	0	0.0%
	<b>EAST TOTAL</b>	<b>35</b>	<b>506,460</b>	<b>15,000</b>	<b>3.0%</b>
<b>South</b>	Four Points	11	173,100	47,100	27.2%
	Palmer Industrial	8	88,000	17,900	20.3%
	<b>SOUTH TOTAL</b>	<b>19</b>	<b>261,100</b>	<b>65,000</b>	<b>24.9%</b>
<b>TOTAL LEON COUNTY</b>		<b>288</b>	<b>5,003,566</b>	<b>547,050</b>	<b>10.9%</b>

*Note: Survey is focused on major industrial areas of Leon County and does not include all warehouse product.*

*Source: Coldwell Banker Hartung and Noblin, Inc.*

## 6.9 Median Residential Sale Prices

The median sales price of a detached single-family home in Leon County increased \$95,250 (68%) between the first quarter 2003 and fourth quarter 2007. During the same period, the median sales price of condominiums increased 67% while the median sales prices for townhouses increased 56%.

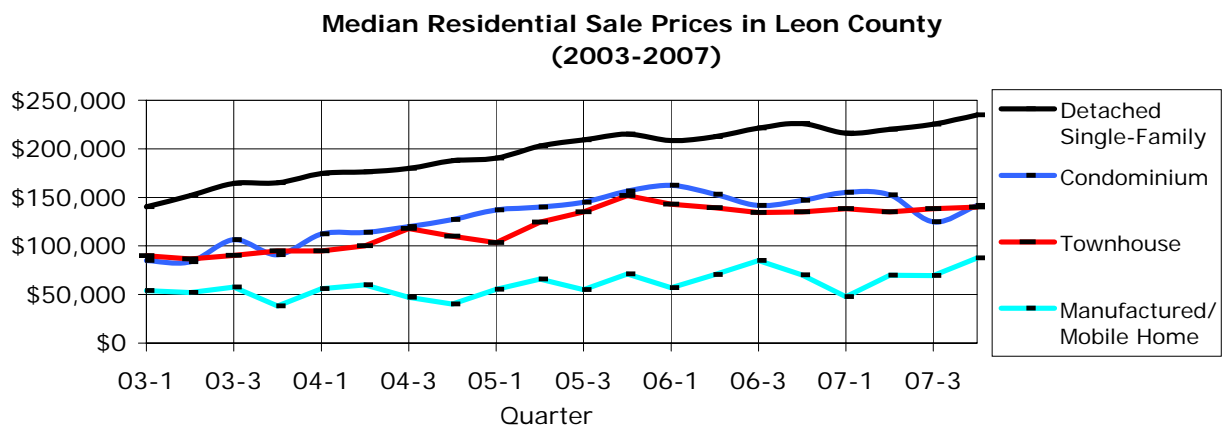
**Figure 6-15**  
**Median Residential Sale Prices in Leon County (2003-2007)**

Quarter	Detached Single-Family	Condominium	Townhouse	Manufactured/Mobile Home
2003-1	\$140,250	\$84,900	\$90,000	\$54,000
2003-2	\$151,950	\$83,500	\$86,700	\$51,900
2003-3	\$164,500	\$106,500	\$90,104	\$57,500
2003-4	\$165,000	\$91,000	\$95,000	\$38,250
2004-1	\$174,661	\$112,400	\$94,800	\$56,000
2004-2	\$176,200	\$114,100	\$100,000	\$60,000
2004-3	\$179,900	\$120,000	\$118,000	\$46,950
2004-4	\$187,790	\$126,995	\$110,000	\$40,075
2005-1	\$190,450	\$136,945	\$103,450	\$55,500
2005-2	\$202,900	\$140,000	\$124,650	\$66,000
2005-3	\$209,000	\$144,900	\$135,000	\$55,000
2005-4	\$215,000	\$156,450	\$152,000	\$71,000
2006-1	\$208,500	\$162,500	\$142,900	\$57,000
2006-2	\$212,500	\$153,000	\$139,450	\$70,500
2006-3	\$221,230	\$141,750	\$134,500	\$85,000
2006-4	\$225,837	\$146,900	\$135,000	\$70,000
2007-1	\$216,000	\$155,000	\$138,500	\$47,800
2007-2	\$219,900	\$152,500	\$135,000	\$69,900
2007-3	\$225,450	\$124,900	\$138,250	\$69,450
2007-4	\$235,000	\$141,750	\$140,000	\$87,750

Note: MLS Closed Sales includes only homes sold in Leon County by a Realtor in MLS

Source: Tallahassee Board of Realtors, Market Trends & Research

**Figure 6-16**  
**Median Residential Sale Prices in Leon County (2003-2007)**



Note: MLS Closed Sales includes only homes sold in Leon County by a Realtor in MLS

Source: Tallahassee Board of Realtors, Market Trends & Research