



STATE PROPERTIES COMMISSION

270 Washington Street, Suite 2-129, Atlanta, Georgia 30334

Chairman
Nathan Deal
Governor

Executive Director
Steven L. Stancil

MINUTES

STATE PROPERTIES COMMISSION BOARD MEETING

DECEMBER 16, 2015

STATE CAPITOL, ROOM 107

MEMBERS IN ATTENDANCE:

Governor Nathan Deal, Chairman
Alan Skelton, Vice-Chairman
Brian Kemp, Secretary
Steve McCoy, Member
John Breakfield, Citizen Member
Michael Howell, Citizen Member
Phil Carlock, Citizen Member

IN ATTENDANCE:

Frank Smith, State Properties Commission
Steven Stancil, State Properties Commission
Heather York, State Properties Commission
Alisa Pereira, State Properties Commission
J. Wade, State Properties Commission
Clark Wong, State Properties Commission
Ryan Remle, State Properties Commission
Tamika Crittenden, State Properties Commission
Marvin Woodward, Georgia State Financing & Investment Commission
Sonny Manalili, Georgia Building Authority
Paul Melvin, Georgia Building Authority
Tanisha Thomas, Georgia Law Department
Deatre Hines-Bey, Georgia Law Department
Mark Williams, Georgia Department of Natural Resources
Steve Friedman, Georgia Department of Natural Resources
Gretchen Corbin, Technical College System of Georgia
Travis Johnson, Technical College System of Georgia

IN ATTENDANCE:

Sara Honeywill, Technical College System of Georgia
Joan Crumpler, Department of Public Safety
Captain Robert Moody, Department of Public Safety
Tommy Crafton, Department of Public Safety
Chris Riley, Office of the Governor
David Werner, Office of the Governor
Ryan Teague, Office of the Governor
Aubrey Reynolds, Governor’s Office of Planning and Budget
Mike Couch, Central State Hospital Redevelopment Authority
Greg Bluestein, Atlanta Journal Constitution
Johnny Kauffman, WABE

Call to order and minutes of the October 21, 2015 meeting.

Governor Deal called the meeting of the State Properties Commission to order and stated the first order of business would be approval of the minutes of the October 21, 2015 meeting. Phil Carlock made a motion to approve the minutes and Brian Kemp seconded the motion. The motion carried unanimously.

Request by the Department of Natural Resources to acquire by purchase eleven separate tracts of land for the Robins Air Force Base Buffer Project at Echeconnee Creek Wildlife Management Area in Houston County. (SPC #878.105; #878.103; #878.111; #878.104; #878.106; #878.107; #878.117; #878.112; #878.116; #878.80; #878.102)

Steve Friedman presented the request by the Department of Natural Resources to acquire eleven tracts of land located adjacent to Robins Air Force Base in Houston County. In an effort to preserve the area for conservation and to protect the base from any issues arising during the next Base Realignment and Closure Commission, the Department is working with the Central Georgia Joint Development Authority to purchase property around the northern side of the Base. The source of funding is DNR Bond 123 and each tract had two appraisals conducted with the purchase prices falling within the appraised values.

<u>Tract Name</u>	<u>Acreage - Address</u>	<u>Price</u>
1. Baker Estate	0.28 acre – 129 Connie Lane	\$2,800
2. Baker Estate	0.34 acre – 910 N. Davis Drive	\$21,000
3. Baker Estate	0.37 acre – 306 Baker Road	\$3,000
4. Baker Estate	1.5 acre – 303 Baker Road	\$9,000
5. Baker Estate	0.3 acre – 200-A Ferguson Avenue	\$44,000
6. Baker Estate	0.71 acre – 102 Connie Lane	\$6,600
7. Church & Swan Properties	4.51 acre – 217 Tabor Drive	\$700,000
8. Robinson	0.44 acre – 207 Travis Street	\$50,000
9. Johnson & Sapp	0.35 acre – 102 Roberts Street	\$37,000
10. Coleman, Baugh & Baugh	0.21 acre – 918 N. Davis Drive	\$40,000
11. Coleman, Baugh & Baugh	0.67 acre – 920 N. Davis Drive	\$30,000

Brian Kemp motioned to approve the request by the Department of Natural Resources. Michael Howell seconded the motion. The motion carried unanimously.

Request by the Department of Natural Resources to acquire approximately 217 acres of real property from Paul Corley at Paulding Forest Wildlife Management Area in Polk County for a consideration of \$520,800. (SPC #831.32)

Steve Friedman presented the request by the Department of Natural Resources to acquire approximately 217 acres from Paul Corley in Polk County. The tract will improve the boundaries to the Paulding Forest Wildlife Management Area and add recreational value. The purchase price of \$520,800 was within the two appraised values. The source of funding comes from DNR Bond 120 and Forest Legacy funds of \$95,000 will be used for due diligence costs.

Brian Kemp motioned to approve the request by the Department of Natural Resources. Steve McCoy seconded the motion. The motion carried unanimously.

Request by the Department of Natural Resources to acquire approximately 277 acres of real property from the Nature Conservancy at Chattahoochee Fall Line Wildlife Management Area in Talbot County for a consideration of \$310,000. (SPC #842.18)

Steve Friedman presented the request by the Department of Natural Resources to acquire 277 acres from the Nature Conservancy in Talbot County for a consideration of \$310,000. The tract will be an addition to the Chattahoochee Fall Line Wildlife Management Area and will serve as a buffer to Fort Benning. This area is within a high conservation zone and is important for the conservation of the gopher tortoise. Two appraisals were conducted supporting the consideration amount. The source of funding comes from a U.S. Fish and Wildlife Services Grant.

Phil Carlock motioned to approve the request by the Department of Natural Resources. Michael Howell seconded the motion. The motion carried unanimously.

Request by the Department of Natural Resources to acquire approximately 0.86 of an acre of real property from Benjamin W. Griffith III at Oconee Wildlife Management Area in Putnam County for a consideration of \$10. (SPC #883.06)

Steve Friedman presented the request by the Department of Natural Resources to acquire 0.86 of an acre as an addition to the Oconee Wildlife Management Area from Benjamin Griffith, III. The donor will seek a tax deduction. This acquisition cleans up inholding and access issue.

Brian Kemp motioned to approve the request by the Department of Natural Resources. Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Department of Natural Resources to acquire a conservation easement under the United States Fish and Wildlife Service Coastal Wetlands Grant on approximately 58 acres from St. Simons Land Trust in Glynn County for a consideration of \$1,000,000. (SPC #806.41)

Steve Friedman presented the request by the Department of Natural Resources to acquire 58 acres from the St. Simons Land Trust in Glynn County. This will be Phase I of a possible Phases III – IV. St. Simons will take title to the property and will also acquire the property in phases. This tract has high priority habitats including Brackish Marsh, Saltmarsh, Maritime Forest and Pine Flatwoods. It also has a boat ramp on it which will provide valuable public access. The purchase price is \$1,000,000 and will be funded by a Federal Fish and Wildlife Grant. Two appraisal were conducted which supports the purchase price.

Alan Skelton motioned to approve the request by the Department of Natural Resources. John Breakfield seconded the motion. The motion carried unanimously.

Request by the Technical College System of Georgia to acquire from the Georgia Ports Authority approximately 41.8 acres in Chatham County for a consideration of \$10. (SPC #801.96; #402.50)

Gretchen Corbin presented the request by the Technical College System of Georgia to acquire 41.8 acres from the Georgia Ports Authority. The conveyance was approved by both the Technical College System and Ports Authority boards at their respective meetings. The tract is part of the industrial mega site in Pooler, Georgia that the State acquired in 2002. This will be the site for the Quickstart new advanced manufacturing regional training center. The project was funded in the State fiscal year 2016 budget.

Phil Carlock motioned to approve the request by the Technical College System of Georgia. Brian Kemp seconded the motion. The motion carried unanimously.

Request by the Department of Public Safety to acquire approximately 6.23 acres of improved real property from Walton County for Georgia State Patrol Post 46 for a consideration of \$10. (SPC #887.06)

Joan Crumpler presented the request by the Department of Public Safety to acquire 6.23 acres of improved property from Walton County for State Patrol Post 46 for consideration of \$10. The post was construction by the County in 2008 using SPLOST funds which have now matured. The post serves Newton, Walton and Rockdale Counties. Walton County is conveying the property with a reversionary clause and an easement for the county to maintain a detention pond.

John Breakfield motioned to approve the request by the Department of Public Safety. Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Georgia Forestry Commission to approve the conveyance of approximately 3.10 improved acres, the former Muscogee County Sub-unit office, to Columbus Consolidated Government for the consideration of \$10 and the requirement that the property is used for public purpose in perpetuity. (SPC #434.11)

Alisa Pereira presented the request on behalf of the Georgia Forestry Commission to approve the conveyance of 3.10 acres to Columbus Consolidated Government for a consideration of \$10. In 1970, Muscogee County conveyed the property to the State for use by Georgia Forestry Commission (GFC). In 2009, GFC declared the property surplus. In 2012, the General Assembly authorized the State Properties Commission to convey the property to a local government as long as it is used for public purposes. The Columbus Consolidated Government intends to use the property as an addition to Flat Rock Park.

Brian Kemp motioned to approve the request by the Georgia Forestry Commission. Steve McCoy seconded the motion. The motion carried unanimously.

Request by the Georgia Department of Behavioral Health & Developmental Disabilities to grant a non-exclusive easement over approximately 2,134 acres for the construction, installation, operation and maintenance of underground gas lines and associated equipment at Central State Hospital Campus in Baldwin County to the successful bidder of the natural gas system. (SPC #605.254)

Alisa Pereira presented the request on behalf of the Department of Behavioral Health & Developmental Disabilities (DBHDD) to grant a non-exclusive easement over 2,134 located at Central State Hospital Campus in Milledgeville to a successful purchaser of the natural gas system. In 2014, the property was

declared as surplus and SR 788 authorized the conveyance of the property. DBHDD is the owner of the natural gas system but the sale of portions of the campus has created a problem in that DBHDD is prohibited from being a natural gas provider to private customers. DBHDD plans to issue a Request For Quotes (RFQ) in January to transfer the system to another operator. The RFQ will be open to public and private entities to respond.

There are two conveyance scenarios presented to the members for approval. Should the successful purchaser be private entity, the SPC may issue a non-exclusive easement for an amount not less than the fair market value. If the successful purchaser is a public entity, SPC may issue a non-exclusive easement for a nominal consideration. Along with the request to grant the easement, SPC recommends the board to delegate to the Executive Director of the State Properties Commission the authority to execute the non-exclusive easement to a successful purchaser of the gas system.

Phil Carlock motioned to approve the request by the Georgia Department of Behavioral Health & Developmental Disabilities. Alan Skelton seconded the motion. The motion carried unanimously.

Consideration and approval of the acceptance of the bid by Robert Buck of \$176,500 received through the State's competitive bid process for approximately 1.27 acres of improved state-owned property in custody of the Georgia Forestry Commission and located in Forsyth County. (SPC #512.01)

Alisa Pereira presented the request to accept the bid by Robert Buck for 1.27 acres in the amount of \$176,500. The State acquired the property in 1983 and the Georgia Forestry Commission declared it surplus in 2007. Two appraisals were conducted on the property, valuing at \$225,000 and \$175,000 respectively. The property was advertised by SPC for competitive bid and bids were opened on November 4, 2015. Mr. Buck's bid was the only one received and the \$176,500 is within the appraised values.

Michael Howell motioned to approve the request to accept the bid by Robert Buck in the amount of \$176,500. Brian Kemp seconded the motion. The motion carried unanimously.

Consideration and approval of the acceptance of the bid by Foote & Miller Properties, LLC of \$725,100, received through the State's competitive bid process, for approximately 1.5696 acres of improved state-owned property in the custody of the Georgia Department of Labor located in Hall County. (SPC #452.14)

Alisa Pereira presented the request to accept the bid by Foote & Miller Properties, LLC for purchase 1.5696 acres in Hall County. Property acquired by the Department of Labor in 1989 for \$675,000 and declared it surplus in 2006. Two appraisals were conducted, valuing the property at \$750,000 and \$560,000 respectively. SPC advertised the property for sale by competitive bid and bids were opened on November 2, 2015. Two bids were received: \$725,000 from David Basha and \$600,000 from Foote & Miller. Since more than one bid was received, SPC initiated a Best and Final Offer Process. These bids were opened on December 4, 2015 and Foote & Miller was the only one to submit a modified bid of \$725,100. Along with accepting the bid by Foot & Miller, SPC staff requests the board to accept the \$725,000 from David Basha should Foote & Miller not be able to complete the closing on the property.

Brian Kemp motioned to approve the request by the State Properties Commission staff. Steve McCoy seconded the motion. The motion carried unanimously.

Request by the Georgia Department of Behavioral Health & Developmental Disabilities to grant a one year lease with two one-year renewals to Kingdom Kare Ministries, Inc. for the use of two homes located at Central State Hospital in Baldwin County for a consideration of \$2,400 annually for each home. (SPC #401.87)

Frank Smith presented the request on behalf of the Department of Behavioral Health and Developmental Disabilities to grant a one year lease with two one-year renewals for the use of surplus houses on the Central State Hospital Campus. Kingdom Kare Ministries Inc. requested the use of two homes located at 10 and 12 Broad Street for \$2,400 per year per house to operate a foster child caring institute. Both homes are surplus to the State.

Brian Kemp motioned to approve the request by the Georgia Department of Behavioral Health & Developmental Disabilities. Michael Howell seconded the motion. The motion carried unanimously.

Request by the Office of the Secretary of State for the State Properties Commission to enter into a ten (10) year lease on its behalf with Macon-Bibb County for approximately 83,653 rentable square feet of office space at 237 Coliseum Drive in Macon. (Lease #6463)

Frank Smith presented the request on behalf of the Office of the Secretary of State for SPC to enter into a 10 year lease with Macon-Bibb County at 237 Coliseum Drive. The Office of the Secretary of State (SOS) has been at this location in Macon for the last 16 years. Currently, the lease requires the tenant to do all repairs and maintenance to the buildings. SOS does not have the funds to make all the needed repairs. The consolidated government of Macon-Bibb County has agreed to make all the necessary repairs in an amount up to \$2 million. The rental rate is \$5.25 per square for 83,653 square feet.

Steve McCoy motioned to approve the request by the Office of the Secretary of State. Phil Carlock seconded the motion. The motion carried unanimously.

Request by the Georgia Department of Transportation for the State Properties Commission to enter into a thirteen (13) year one (1) month lease on its behalf with GPT Properties, LLC for approximately 293,035 rentable square feet of office space at 600 West Peachtree Street in Atlanta. (Lease #7207)

Frank Smith presented the request on behalf of the Department of Transportation for the State Properties Commission to enter into a 13 year one month lease for approximately at 600 West Peachtree Street in Atlanta. The Department of Transportation is in the 7th year of their original ten year lease. The space is in need of some improvements. DTZ, the State's contract broker, was engaged by SPC to begin negotiations with the landlord on our behalf. Several months of negotiations have resulted in a \$1 reduction in the rental rate, and approximately \$6 million worth of incentives including a \$10 tenant improvement allowance, free visitor parking, and the requirement to provide hot food options in the building. The rental rate is \$18.40 per square feet for 293,035 square feet.

Phil Carlock motioned to approve the request by the Georgia Department of Transportation. Michael Howell seconded the motion. The motion carried unanimously.

Request by the Department of Revenue for the State Properties Commission to enter into a one year lease on its behalf with Hallex Holdings, LLC for approximately 8,000 rentable square feet of office space at 1000 Towne Center Boulevard, Lot 9 in Pooler. (Lease #8346)

Frank Smith presented the request on behalf of the Department of Revenue for the State Properties Commission to enter into an annual lease with eight annual renewal options with Hallex Holdings, LLC for 8,000 square feet at 1000 Towne Center Boulevard in Pooler.

Revenue currently occupies about 6,300 square feet in Savannah on Abercorn Street. They have been in this location since 1991. The customer base served by this Savannah regional office has shifted to Pooler. SPC has made several unsuccessful attempts to relocate Revenue over the last eight years. The current proposal will allow Revenue to be in its desired location and occupy first generation space. Because of the limited supply of space and high demand in Pooler, this was the only site SPC was able to identify as suitable. The rental rate is \$21.50 per square foot for approximately 8,000 square feet.

John Breakfield motioned to approve the request by the Department of Revenue. Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Technical College System of Georgia for the State Properties Commission to enter into a one (1) year lease on its behalf with the West Georgia Technical College Foundation for approximately 46,300 rentable square feet of office and classroom space at 200 Campus Drive in Newnan. (Lease #8732)

Frank Smith presented the request on behalf of the Technical College System of Georgia to enter into one year lease with five annual renewal options with West Georgia Technical College Foundation. The West Georgia Technical College Foundation constructed the 200 Campus Drive building for TCSG's exclusive use. The college of Health Sciences has occupied the building since August 2013. Their current lease is expiring and they wish to remain in the building. The rental rate is \$15.23 per square foot for 46,300 square feet.

Alan Skelton motioned to approve the request by the Technical College System of Georgia. Brian Kemp seconded the motion. The motion carried unanimously.

Request by the Department of Human Services Office of Child Support Services to amend a multiyear lease with Walton Augusta Partners, LLC at 3626 Walton Way in Augusta. (Lease #8377)

Frank Smith presented the request on behalf of the Department of Human Services Office of Child Support Services to amend its ten year lease with Walton Augusta Partners LLC at 3626 Walton Way in Augusta. Based on the original scope of work and pricing, approximately \$10.00 per square foot in tenant improvements was allocated to the leased space. The final construction drawings completed in November call for approximately \$12.00 per square foot in tenant improvement allowance. This translates to a rental rate increase of \$0.25 per square foot.

Brian Kemp motioned to approve the request by the Department of Human Services. Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Department of Revenue to amend a multiyear lease with Branch Banking and Trust Company at 314 E. Main Street in Cartersville. (Lease #8343)

Frank Smith presented the request on behalf of the Department of Revenue to amend its ten year lease with Branch Banking and Trust Company at 314 E. Main Street in Cartersville. When final construction

drawings were completed in November there was a need for additional tenant improvement dollars. In this case, an additional \$10.00 per square foot for tenant improvements was amortized into the rental rate causing an increase of \$1.52 to a new rental rate of \$15.74 which is still below the average market rate.

Steve McCoy motioned to approve the request by the Department of Revenue. Michael Howell seconded the motion. The motion carried unanimously.

New Business.

Members were handed a letter of intent which was executed yesterday for a 15 year lease at 1680 Phoenix Boulevard with Ackerman Phoenix Two, LLC. Currently, the Department of Public Health Vital Records occupies an old school building in Brookhaven. The current building is owned by the State but the State intends to sell the building which is surrounded by a park and residential developments. This lease would provide a much needed new home for vital records to be built out specifically to their needs. The base rental rate is \$11.84 per square foot for approximately 25,000 square feet.

Alan Skelton motioned to approve the request by the Department of Public Health Vital Records. Steve McCoy seconded the motion. Michael Howell recused himself. The motion carried unanimously.

Adjournment

Governor Deal requested a motion for adjournment. So moved by Brian Kemp and seconded by John Breakfield. Meeting adjourned.



Steven L. Stancil
Executive Director, State Properties Commission