



STATE PROPERTIES COMMISSION

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

Chairman
Brian P. Kemp
Governor

Executive Director/State Property Officer
Marty W. Smith

MINUTES

CALLED MEETING OF THE STATE PROPERTIES COMMISSION

AUGUST 6, 2024
11:45 AM
STATE CAPITOL, ROOM 142

Members in Attendance:

Governor Brian Kemp, Chairman
Gerlda Hines, Vice-Chairman (by conference call)
Brad Raffensperger, Secretary (by conference call)
Steve McCoy, Member (by conference call)
Michael Howell, Citizen Member (by conference call)
Jay Lin, Citizen Member (by conference call)
Karl Lutjens, Citizen Member (by conference call)

In Attendance:

Marty Smith, State Property Officer
Gerald Pilgrim, Georgia Building Authority
Frank Smith, State Properties Commission
Lauren Curry, Governor's Office
Brett Smith, Governor's Office
Latoya Holder, State Properties Commission

Call to order

Governor Kemp called the meeting of the State Properties Commission to order on Tuesday, August 6, 2024.

Request by the Department of Agriculture for SPC to enter into a 4-year lease with ZoE Life Technology Enterprise Park Labs 1A, LLC, for approximately 11,129 rentable square feet of office and lab space at Science Square Labs, 101 Nerem Street NW, Atlanta, GA 30313. (SPC # 9366)

Frank Smith presented the request by the Department of Agriculture to grant a 4-year lease agreement with ZoE Life Technology Enterprise Park Labs 1A, LLC to house the food and dairy lab operations currently in the Agricultural building across MLK from the Capitol. SPC staff appreciates the board making time for this meeting. The urgency is because 41 days from today, demolition will begin on the #1 and #7 buildings which are adjacent and attached to the Agriculture building. The noise, vibration and dust associated with demolition is not conducive to effective lab operations.

The new lease has a high rental rate (initial rental rate is \$93.56 / sq foot and a total cost of just over \$4 million over the 4-year term) but the alternative solution is almost double the cost and the total cost neutral to the Agency. The alternative solution is to keep the entire Agriculture building operational during demo and construction of the new Legislative office building. The utilities that serve the agriculture building run through the buildings set for demolition, therefore the cost to keep the agriculture building fully operational for a 3-year period is approximately \$8 million.

It was also mentioned that this is cost neutral to the agency. Agriculture is currently appropriated \$1.6 million for rent for the Agriculture building. The request before the board is to approve a lease which costs approximately \$1.1 million annually. GBA was able to identify space in the Health building suitable for the remainder of the occupants of the Agriculture building at a total cost of approximately \$500,000 annually.

The Department of Agriculture recommends SPC to enter a 4-year lease with ZoE Life Technology Enterprise Park Labs 1A, LLC for approximately 11,129 sq feet at Science Square Labs under the terms outlined in the member's board package.

Karl Lutjens asked what the rental abatements were for in the rent schedule? Frank explained that the abatements are for a total of three months of free rent that the landlord is giving us over the term of the lease. Rent abatement is usually done to maintain the quoted or face rental rates desired by the landlord but still give some rent concession to meet our budgetary requirements.

Karl Lutjens motioned to approve the request and Steve McCoy seconded the motion. The motion carried unanimously.

Adjournment

Governor Kemp requested a motion for adjournment. Gerlda Hines motioned to adjourn, and Michael Howell seconded. The motion carried unanimously. Meeting adjourned.



Marty W. Smith
Executive Director, State Properties Commission