

STATE PROPERTIES COMMISSION

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

Chairman Brian P. Kemp Governor Executive Director/State Property Officer
Marty W. Smith

MINUTES

CALLED MEETING
OF THE
STATE PROPERTIES COMMISSION

THURSDAY, DECEMBER 12, 2019 3:30 PM

STATE CAPITOL, ROOM 107

MEMBERS IN ATTENDANCE:

Governor Brian Kemp, Chairman Alan Skelton, Vice-Chairman Brad Raffensperger, Secretary Lynne Riley, Member Phil Carlock, Citizen Member Karl Lutjens, Citizen Member

IN ATTENDANCE:

Marty Smith, State Property Officer
Gerald Pilgrim, Georgia Building Authority
Heather York, Georgia State Financing & Investment Commission
Alisa Pereira, Georgia State Financing & Investment Commission
Christy Sanders, Georgia State Financing & Investment Commission
Deniece Carrington, Georgia Building Authority
Morgan Smith-Williams, Georgia State Financing & Investment Commission
Frank Smith, State Properties Commission
Clark Wong, State Properties Commission
Lashawnda Evans, State Properties Commission
Morris Srochi, State Properties Commission
Kimberly Owen, State Properties Commission
Mikki Hutchins, State Properties Commission
Steve Friedman, Department of Natural Resources

IN ATTENDANCE:

Neil Bitting, Technical College System of Georgia Sara Honeywill, Technical College System of Georgia Joan Crumpler, Department of Public Safety Clare McGuire, Department of Public Safety Jamie McCurry, Georgia Ports Authority Tyrone Oliver: Department of Juvenile Justice Shawanda Reynolds-Cobb, Department of Juvenile Justice Tanisha Thomas, Department of Law Donna Nealey, Office of the Secretary of State Greg Dozier, Office of the Governor Doug Halie, City of Marietta T. E. Cauthorn, Cauthorn Nohr & Owen Tom Harold, Miller & Martin

Call to order and approval of the October 9, 2019 meeting minutes.

Governor Kemp 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 9, 2019 meeting. Phil Carlock made a motion to approve the minutes and Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Department of Natural Resources to acquire approximately 346 acres of real property from Cygnus GA, LLC at Fort Mountain State Park in Murray County for a consideration of \$10. (SPC # 875.20)

Steve Friedman presented the request by the Department of Natural Resources to acquire 346 acres, known as the Bunker Hill Tract, as an addition to Fort Mountain State Park. Purchase of the property will allow better access for equestrian users, mountain biking and hiking trails. An appraisal valued the property at \$1,210,000 and an affidavit will be recorded after closing, assuring the property will remain a part of the park.

Brad Raffensperger motioned to approve the request and Karl Lutjens seconded the motion. The motion carried unanimously.

Request by the Department of Natural Resources to acquire a conservation easement over approximately 3,192.6 acres from The Nature Conservancy and Open Space Institute Land Trust, Inc. at Cabin Bluff in Camden County for a consideration totaling \$4,000,000. (SPC # 896.09)

Steve Friedman presented the request by the Department of Natural Resources to purchase a 3,192 conservation easement over a portion of Cabin Bluff. The State will co-hold it with the United States on behalf of the Navy and will purchase it from The Nature Conservancy and Open Space Institute Land Trust. Cabin Bluff has high conservation values and will become a Wildlife Management Area as well as act as a buffer to Kings Bay Naval Base and Cumberland Island.

The Nature Conservancy will sell the easement for \$8 million. The Navy will contribute \$4 million and the State will contribute \$4 million, all from federal grants. Only \$1 million of the \$4 million is currently available but the owner has agreed to sell now and accept the grants as they come in.

Phil Carlock motioned to approve the request and Karl Lutjens seconded the motion. The motion carried unanimously.

Request by the Department of Natural Resources to enter into a 50-year ground lease with the U. S. Army Corps of Engineers over approximately 141 acres at Hart State Park for a consideration of \$10. (SPC #855.07.01)

Steve Friedman presented the request by the Department of Natural Resources (DNR) to enter into a 50-year ground lease with the Army Corps of Engineers for approximately 141 acres at Hart State Park for \$10. The Corps of Engineers has leased the park to the State since 1993. The City of Hartwell would like to sublease the park in order to operate and make improvements. DNR recommends entering into a ground lease with the Corps of Engineers and sublease the park to the City of Hartwell, subject to the review and approval of the State Properties Commission and Georgia Attorney General

Lynne Riley motioned to approve the request and Brad Raffensperger seconded the motion. The motion carried unanimously.

Request by the Technical College System of Georgia to grant a revocable license to Bridgeline Capital, LLC through approximately 0.326 of an acre for the construction of an underground sanitary sewer line in Cobb County for a consideration of \$650. (SPC # 605.344)

Neil Bitting presented the request by the Technical College System of Georgia to grant a revocable license to Bridgeline Capitol for approximately 0.326 of an acre for an underground sanitary sewer line for \$650. The sewer line will cross the Marietta Campus of Chattahoochee Technical College and serve a new development adjacent to the campus.

Brad Raffensperger motioned to approve the request and Phil Carlock seconded the motion. The motion carried unanimously.

Request by the Technical College System of Georgia to acquire approximately 7.5721 acres from Georgia Piedmont Technical College Foundation, Inc. in DeKalb County for a consideration of \$10. (SPC #803.37)

Neil Bitting presented the request by the Technical College System of Georgia to acquire approximately 7.5721 acres from Georgia Piedmont Technical College Foundation for \$10. The Starnes Center is located on the property and the college will continue use of the facility as its learning center.

Phil Carlock motioned to approve the request and Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Technical College System of Georgia to acquire approximately 74.78 acres from the Development Authority of Carroll County in Carroll County for a consideration of \$10. (SPC # 848.16)

Neil Bitting presented the request by the Technical College System of Georgia to acquire approximately 74.78 acres from the Development Authority of Carroll County for a consideration of \$10. The property will be used as the future site of West Georgia Technical College. The Carroll County Tax Assessor valued the property at \$965,131.

Brad Raffensperger motioned to approve the request and Phil Carlock seconded the motion. The motion carried unanimously.

Request by the Technical College System of Georgia to accept a Quitclaim Deed from the Board of Regents of the University System of Georgia releasing their reversionary interest over approximately 2.287 acres at Southern Crescent Technical College for the consideration of \$1. (SPC # 852.11.01)

Neil Bitting presented the request by the Technical College System of Georgia to accept a quitclaim deed from the Board of Regents of the University System of Georgia. The Department of Public Safety acquired the property from the Board of Regents in 1965 with the stipulation that should the property cease to be used by DPS as a patrol barracks, the property will revert back. The custody of the property was transferred from DPS to the Technical College System in 1997. Along with the conveyance of the property, the Board of Regents will also release its reversionary interest.

Lynne Riley motioned to approve the request and Brad Raffensperger seconded the motion. The motion carried unanimously.

Request by the Department of Public Safety to acquire a 25-year lease, with an option to renew for an additional 25 years, for approximately 6,754 square feet of real property from Thomas County for State Patrol Post 12 for \$10 per year. (SPC # 809.20)

Request by the Department of Public Safety to acquire a 25-year lease, with an option to renew for an additional 25 years, for approximately 5,852 square feet of real property from Walker County for State Patrol Post 41 for \$10 per year. (SPC # 843.59)

Request by the Department of Public Safety to acquire a 25-year lease, with an option to renew for an additional 25 years, for approximately 14.98 acres of real property from Sumter County for State Patrol Post 10 for \$10 per year. (SPC # 862.13)

Request by the Department of Public Safety to acquire a 25-year lease, with an option to renew for an additional 25 years, for approximately 9,300 square feet of real property from Upson County for State Patrol Post 26 for \$10 per year. (SPC # 885.15)

Joan Crumpler presented the request by the Department of Public Safety to acquire four separate 25-year leases with the option to renew for an additional 25 years for each lease. The first request is for appropriately 6,754 square feet from Thomas County for State Patrol Post 12 for \$10 per year.

The second request is for 5,852 square feet from Walker County for State Patrol Post 41 for \$10 per year. The third request is for 14.98 acres from Sumter County for State Patrol Post 10 for \$10 per year. The fourth request is for approximately 9,300 square feet from Upson County for State Patrol Post 26 for \$10 per year.

Phil Carlock motioned to approve the four requests and Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Georgia Ports Authority to acquire from PCS Nitrogen, Inc. approximately 145 acres of real property in Chatham County for a consideration of \$18,700,000. (SPC # 801.105)

Jamie McCurry presented the request by the Georgia Ports Authority to acquire 145 acres from PCS Nitrogen, Inc. for a consideration of \$18,700,000. An appraisal was conducted valuing the property at \$18,111,200 and another appraisal is pending completion. The property will be contiguous to existing property owned by the Ports and will expand its Garden City Terminal.

Alan Skelton motioned to approve the request and Phil Carlock seconded the motion. The motion carried unanimously.

Request by the Georgia Building Authority to surplus and convey approximately 0.044 of an acre of real property and grant a temporary construction easement over approximately 0.103 of an acre, being a portion of the Marietta Confederate Cemetery, located at 381 Powder Springs Street, Marietta, to the City of Marietta for the consideration of \$1,612. (GBA 11-19)

Clark Wong presented the request by the Georgia Building Authority to surplus 0.044 of an acre and to grant a temporary construction easement over approximately 0.103 of an acre at the Marietta Confederate Cemetery. The City of Marietta has an interest in the property as a right of way for the Powder Springs Streetscape Project. The City requires a temporary construction easement for the duration of the project which is estimated to be sixteen months. An appraisal valued the fee interest at \$1,090 and the temporary easement at \$522.

Brad Raffensperger motioned to approve the request and Alan Skelton seconded the motion. The motion carried unanimously.

Request by the State Properties Commission to surplus and convey approximately 0.19 of an acre of improved property, commonly known as the former Passenger Depot, to the City of Marietta, for consideration of \$81,112. (SPC # 302.43)

Clark Wong presented the request by the State Properties Commission to surplus and convey approximately 0.19 of an acre, the former Passenger Depot, to the City of Marietta for a consideration of \$81,112. The property was acquired by the State of Georgia in 1852 and is currently leased to the City until December 31, 2039 for \$650 annually. An appraisal was conducted and valued the property of \$81,112. The property went through the State Properties Commission expedited disposition process and affected legislators were notified. No objections were received.

Lynn Riley motioned to approve the request and Karl Lutjens seconded the motion. The motion carried unanimously.

Request by the State Properties Commission to surplus and convey approximately 0.65 of an acre of improved property, being a parking lot located at 41 Mill Street, Marietta, Cobb County, Georgia, commonly known as the former Freight Depot, to the Downtown Marietta Development Authority for the consideration of \$167,713. (SPC # 302.44)

Clark Wong presented the request by the State Properties Commission to surplus and convey approximately 0.65 of an acre of property to the Downtown Marietta Development Authority for a consideration of \$167,713. The property was acquired by the State in 1843 and serves as a parking lot to the former Freight Depot. The property is currently leased to the City of Marietta until December 31, 2039 for \$650 annually. 1989 Resolution Act No. 1 (S.R. 5) authorized the conveyance of the property to the Downtown Marietta Development Authority for fair market value. An appraisal was conducted valuing the property at \$167,713.

Phil Carlock motioned to approve the request and Alan Skelton seconded the motion. The motion carried unanimously.

Request by the State Properties Commission to surplus approximately 0.25 of an acre of improved property and any interest in an approximate 0.01 of an acre easement, known as the Edney Building, located at 1100 Market Street, Chattanooga, Tennessee for fair market value. (SPC # 302.45)

Clark Wong presented the request by the State Properties Commission to surplus approximately 0.25 of an acre and 0.01 of an acre easement located at 1100 Market Street in Chattanooga, Tennessee. The property was acquired as part of the Western and Atlantic Railroad and is now no longer part of an operating rail corridor. The property has a 99-year lease to Dew Edney, LLC until October 31, 2049 with an annual rental rate of \$10,000. SPC is requesting the surplus of the property and will issue an Invitation to Bid to prospective buyers to acquire the property. Appraisal with effective dates of May 24, 2017 and July 19, 2017 valued the property at approximately \$240,000 and \$200,000.

Alan Skelton motioned to approve the request and Karl Lutjens seconded the motion. The motion carried unanimously.

Request by the State Properties Commission to amend the current lease with CNN Center Ventures of 190 Marietta St. NW, commonly known as the CNN Center in Fulton County, to extend the term to 2094 for a consideration of \$1,020,000 annual base rent with an annual escalation of 2.25%, and include a purchase option. (SPC # 406.75)

Frank Smith presented the request by the State Properties Commission to amend the current lease with CNN Center Ventures. The State owns approximately 2.3 acres and about 0.83 of an acre of air rights which is currently leased to CNN Center Ventures. The current lease expires in 2044. CNN requested and the General Assembly authorized a lease for up to 75 years. The proposed lease amendment will extend the expiration date to 2094 for a consideration of \$1,020,000 annual rent with a 2.25% annual escalation.

Lynne Riley motioned to approve the request and Brad Raffensperger seconded the motion. The motion carried unanimously.

Request by the Department of Juvenile Justice to grant a one-year rental agreement with two one-year renewals for space located at 538 Industrial Blvd. N., commonly known as the Paulding Regional Youth Detention Center, in Paulding County to Wellspring Living, Inc. for \$10 and other consideration. (SPC # 483.10)

Frank Smith presented the request from the Department of Juvenile Justice (DJJ) to grant a one-year lease with two one-year renewals to Wellspring Living, Inc. The State owns the Paulding Regional Youth Detention Center and is under the custody of DJJ. DJJ is requesting leasing approximately 20,379 square feet of the facility to Wellspring for the purpose of operating a receiving center for trafficked youth. This center will provide a safe environment to have all needs met and assessments completed in one centralized location. The lease will require Wellspring to operate the facility for this purpose and to reimburse the State for utility and janitorial expenses.

Karl Lutjens motioned to approve the request and Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Department of Juvenile Justice for the State Properties Commission to enter into a fifteen 15-year lease with KDP 3048, LLC for approximately 98,220 rentable square feet of space at 3408 Covington Highway, Decatur, Georgia. (Lease # 5784)

Frank Smith presented the request by the Department of Juvenile Justice for the State Properties Commission to enter into a 15-year lease for their headquarters building in Avondale. The headquarters building was constructed by the Downtown Development Authority of Avondale in 2002 to serve as the DJJ headquarters. The Downtown Development Authority of Avondale is still the owner but they have entered into a purchase and sale agreement with KDP 3048, LLC. SPC staff have negotiated favorable terms of a new lease with this potential new owner including rent of \$17.57 per square foot and \$1.7 million in building improvements.

Phil Carlock motioned to approve the request and Brad Raffensperger seconded the motion. The motion carried unanimously.

Request by the Georgia Vocational Rehabilitation Agency for the State Properties Commission to enter a one-year lease with Robert N. Brooks, Sr. for approximately 21,945 rentable square feet of space at 1107 West Broad Avenue, Albany, Georgia. (Lease # 7392)

Frank Smith presented the request by the Georgia Vocational Rehabilitation Agency for the State Properties Commission to enter into a one-year lease with four annual renewal options to extend occupancy of their current space in Albany. GVRA has leased the current space since 2006. SPC staff have negotiated favorable terms of a lease with rent starting a \$13.00 per square foot.

Brad Raffensperger motioned to approve the request and Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Technical College System of Georgia for the State Properties Commission to enter a 10-year lease with Fred Stanford, LLC for approximately 16,144 rentable square feet of space at 118 Robert B. Lee Drive, Leesburg, Georgia. (Lease # 10066)

Frank Smith presented the request from the Technical College System of Georgia for the State Properties Commission to enter into a 10-year lease for a new training facility in Leesburg. Lee County is home to the largest adult education population in Albany Tech's service area. This stand-alone facility will serve eight credit and non-credit training programs including fork lift training. SPC issued a RFP for this new need and received three proposals. Fred Stanford, LLC was selected as the apparent awardee. The initial rent for the 10-year deal is \$21.17 per square foot.

Phil Carlock motioned to approve the request and Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Department of Human Services Division of Family and Children Services for the State Properties Commission to enter a one-year lease with Lowndes County Board of Commissioners for approximately 26,500 rentable square feet of space at 206 South Patterson Street, Valdosta, Georgia. (Lease # 4284)

Frank Smith presented the request by the Department of Human Services Division of Family and Children Services for the State Properties Commission to enter into a one-year lease with three annual renewal options, to extend occupancy of their current space in Valdosta. DFCS has occupied this location since 1991. The landlord is responsive and the facility has been well maintained. SPC negotiated favorable terms of a lease with rent starting at \$15.37 per square foot.

Lynne Riley motioned to approve the request and Phil Carlock seconded the motion. The motion carried unanimously.

Request by the Department of Human Services Division of Family and Children Services for the State Properties Commission to enter a 20-year lease with LF Development Partners, LLC for approximately 11,622 rentable square feet of space in Lavonia, Georgia. (SPC # 9014)

Frank Smith presented the request by the Department of Human Services Division of Family and Children Services (DFCS) for the State Properties Commission to enter into a new lease for office space in Lavonia. The current space has been occupied by DFCS for over a decade and is aged and does not have the capacity for their space needs. SPC issued a RFP and received three proposals with LF Development Partners, LLC being selected as the apparent awardee. The initial rate for the 20-year deal is \$21.94 per square foot.

Phil Carlock motioned to approve the request and Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Department of Human Services for the State Properties Commission to enter into a 10-year lease with the City of Augusta for approximately 62,000 rentable square feet of space at 520 Fenwick Street, Augusta, Georgia. (Lease # 3246)

Frank Smith presented the request by the Department of Human Services (DHS) for the State Properties Commission to enter into a 10-year lease with one five-year renewal option for office space in Augusta. DHS has occupied the building on Fenwick Street, owned by the City of Augusta since 1985. In 2017, a fire burned a portion of the building requiring DHS to relocate into an old elementary school where they have been operating since. This new agreement will allow the City to renovate the building on Fenwick to suit DHS's needs and through efficient space planning, reduce the overall square footage leased by DHS by 17,000 square feet. SPC staff negotiated favorable terms including an initial rental rate of \$18.53 per square foot and \$3.1 million in building improvements.

Phil Carlock motioned to approve the request and Karl Lutjens seconded the motion. The motion carried unanimously.

Request by the Department of Human Services for the State Properties Commission to enter a one-year lease with Family Holdings Sub, LLC for approximately 74,039 rentable square feet of space at 2100 Comer Avenue, Columbus, Georgia. (Lease # 5036)

Frank Smith presented the request by the Department of Human Services Division of Family and Children Services and Office of Facilities and Support Services for the State Properties Commission to enter into a lease to extend occupancy of their current space in Columbus. DFCS has occupied this space since 1995 and the Office of Facility Support co-located there in 2012. SPC staff have negotiated a one-year lease with eight annual renewal options starting at \$17.11 per square foot.

Lynne Riley motioned to approve the request and Alan Skelton seconded the motion. The motion carried unanimously.

Request by the Department of Public Health for the State Properties Commission to enter a one-year lease with Family Holdings Sub, LLC for approximately 22,134 rentable square feet of space at 2100 Comer Avenue, Columbus, Georgia. (Lease # 5024)

Frank Smith presented the request by the Department of Public Health for the State Properties Commission to enter into a lease to extend occupancy of their current space in Columbus. Public Health has occupied this space since 1998. SPC staff have negotiated a one-year lease with eight annual renewal options with rent starting at \$17.11 per square foot.

Phil Carlock motioned to approve the request and Karl Lutjens seconded the motion. The motion carried unanimously.

Adjournment

Governor Kemp requested a motion for adjournment. So moved by Phil Carlock and seconded by Lynne Riley. Meeting adjourned.

Marty W. Smith

Executive Director, State Properties Commission