



# FISCAL YEAR 2011 ANNUAL REPORT



**STATE PROPERTIES COMMISSION**



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## VISION, MISSION & VALUES

### VISION

To be the national leader in State real estate portfolio management by exemplifying stewardship, accountability and integrity.

### MISSION

To advise, guide and maximize Georgia’s real estate portfolio by applying industry best practices in asset, space and transaction management.

### CORE VALUES

- Stewardship
- Accountability
- Integrity
- Leadership

**STEVE STANCIL**  
State Property Officer

**FRANK SMITH**  
Deputy Executive Director

## COMMISSION MEMBERS

**GOVERNOR NATHAN DEAL**  
Chairman

**GREG GRIFFIN**  
State Accounting Officer  
Vice-Chairman

**BRIAN P. KEMP**  
Secretary of State  
Board Secretary

**TOMMY HILLS**  
State Treasurer  
Board Member

**MICHAEL J. MANDL**  
Citizen Member appointed by  
Governor

**MIKE NIXON**  
Citizen Member appointed by  
Speaker of the House

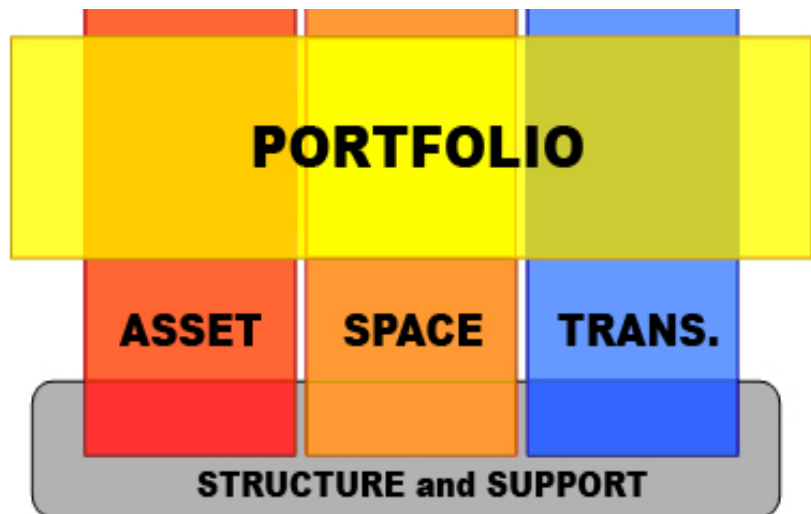
**DR. GEORGE SNELLING, III**  
Citizen Member appointed by  
Lieutenant Governor

# MAXIMIZING THE VALUE AND USE OF GEORGIA'S REAL ESTATE PORTFOLIO

With the creation of the position of State Property Officer and the enactment of legislation realigning the management of the State's capital assets in 2005, the State Properties Commission (SPC) was designated as Georgia's real estate portfolio manager. SPC is responsible for the acquisition and disposition of all State-owned real property and real property interests. Additionally, SPC provides a full array of leasing services to State entities in commercially leased space. SPC also is equipped to conduct studies, research and evaluations and to provide statewide policy leadership and coordinate master planning to guide and implement capital asset management.

From the review of State Facility Strategic Plans, maximizing the value of the State's assets, increasing the utilization and efficiency of workplace environments and lease and land transactions, SPC's primary focus is to provide accountability in its

stewardship of the State's assets for the taxpayers of Georgia. By creating enterprise-wide leadership and advice for real estate transactions, asset and space management, SPC is a unified and fully integrated real estate portfolio management office that is being recognized as a model in the public sector.



## PORTFOLIO MANAGEMENT

Portfolio Management develops overall real estate strategies and advises OPB on capital budget expenditures. It is comprised of three distinct but coordinated programs:

- **Asset Management** is the strategic function that manages the State's real estate assets to provide the maximum value to the State.
- **Space Management** makes best use of State-owned and leased space by promoting and tracking utilization through standardized space planning to create efficient work environments.
- **Transaction Management** provides for all tasks related to acquiring and disposing of real estate assets, owned or leased, and managing all activities required to lease property for State entities in commercially owned space.

### LEGISLATIVE AGENDA

Two resolutions passed during the 2011 Session of the Georgia General Assembly. House Resolution 95 authorizes the State of Georgia, acting through the State Properties Commission, to convey certain State-owned properties in counties around the State. Senate Resolution 103 authorizes the State of Georgia, acting through the State Properties Commission, to grant non-exclusive easements for State-owned properties in various counties.

SPC continued to pursue constitutional and statutory changes which would have authorized the Commission to enter into Multi-Year Leases (MYL) on behalf of State agencies. While there was overall legislative support for these measures (Senate Resolution 84 and Senate Bill 37), the legislation failed to pass both houses. SPC will renew these efforts during the 2012 Session.

The current disposition process outlined in O.C.G.A. 50-16-39 is lengthy and inefficient. Streamlining the State's process will enhance the State in becoming a more attractive seller to the market. Moreover, the types of properties identified for surplus in most cases have far exceeded their useful life and are located in low demand sub-markets. During the 2012 Session, SPC will seek to amend this code section to reduce the time required to sell surplus real property assets by as much as 50 percent.

**Benefits of a new conveyance process**

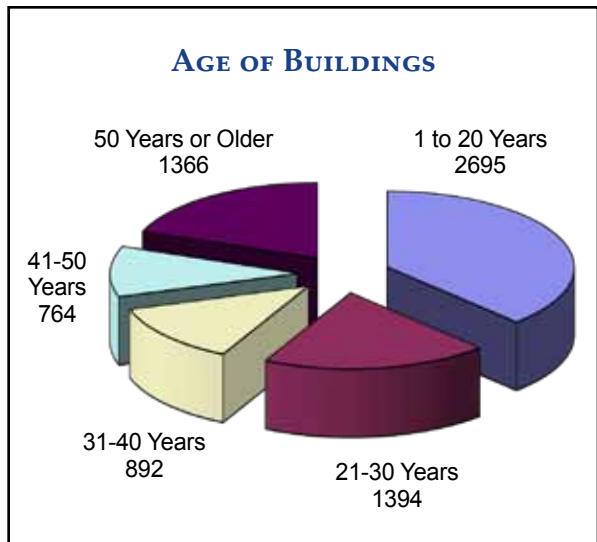
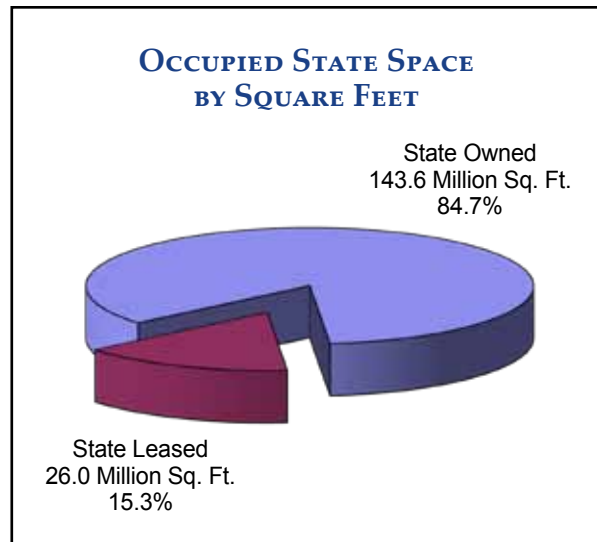
- Streamlined approval process
- Best and final offers to allow for higher sales prices
- Brokers or marketing assistance to generate greater interest and competition
- Proceeds received earlier by State Treasury would increase interest income
- Reduced maintenance and operation costs while property is vacant
- Property is reinstated on local tax digests

## ASSET MANAGEMENT

The Asset Management Program has the responsibility to evaluate the value or interest of State-owned and leased real property assets and to provide recommendations that increase its value to the State or its market value to the commercial sector. Within this charge are five specific work processes that are the direct responsibility of Asset Management:

- **Core and Non-Core:** Establishing core and non-core designation for each major asset in the portfolio provides a basic foundation for asset and portfolio management and is a starting point for prioritizing assets for evaluation and investment.
- **Total Cost of Occupancy (TCO):** TCO provides a framework for making better real estate decisions and measuring costs for comparing asset performance.

- **Asset Evaluation:** The analysis of a particular asset provides a basis to make portfolio-level decisions around acquiring, disposing or renovating assets to determine current and lifecycle costs, feasibility and highest and best use.
- **Asset Prioritization:** This effort identifies properties within the portfolio that have the highest importance for surplus, investment or change and is used to continually balance the mix of assets in order to maximize the value to the State.
- **Surplus Property:** Establishing portfolio-level disposition goals and then implementing these procedures is critical in rebalancing portfolio assets to achieve the best combination of cost and utility.



## NUMBER OF LEASES AND BUILDINGS BY COUNTY

COUNTY	LEASES	BUILDINGS
Appling	9	39
Atkinson	2	9
Bacon	2	19
Baker	4	5
Baldwin	37	579
Banks	2	11
Barrow	9	168
Bartow	20	180
Ben Hill	5	36
Berrien	4	51
Bibb	38	276
Bleckley	9	72
Brantley	4	16
Brooks	3	6
Bryan	13	65
Bulloch	35	144
Burke	8	70
Butts	6	160
Calhoun	2	36
Camden	9	82
Candler	2	13
Carroll	21	135
Catoosa	7	18
Charlton	6	70
Chatham	54	494
Chattahoochee	3	6
Chattooga	3	112
Cherokee	18	15
Clarke	56	710
Clay	8	68
Clayton	25	120
Clinch	3	41
Cobb	43	129
Coffee	17	119
Colquitt	13	58
Columbia	11	138
Columbus	0	0
Cook	4	38
Coweta	13	30
Crawford	2	13
Crisp	12	161

COUNTY	LEASES	BUILDINGS
Dade	5	71
Dawson	5	101
DeKalb	55	331
Decatur	11	96
Dodge	12	102
Dooly	3	48
Dougherty	30	115
Douglas	11	68
Early	6	72
Echols	2	7
Effingham	8	16
Elbert	11	202
Emanuel	13	124
Evans	5	47
Fannin	10	14
Fayette	10	4
Floyd	17	225
Forsyth	9	27
Franklin	7	206
Fulton	191	405
Gilmer	11	22
Glascok	1	4
Glynn	25	244
Gordon	10	84
Grady	6	17
Greene	8	24
Gwinnett	30	100
Habersham	9	120
Hall	29	121
Hancock	2	51
Haralson	4	33
Harris	4	188
Hart	11	61
Heard	3	5
Henry	16	14
Houston	19	98
Irwin	1	18
Jackson	4	23
Jasper	3	82
Jeff Davis	6	25
Jefferson	9	24

## NUMBER OF LEASES AND BUILDINGS BY COUNTY (CONTINUED)

COUNTY	LEASES	BUILDINGS
Jenkins	5	70
Johnson	1	31
Jones	7	33
Lamar	6	49
Lanier	6	27
Laurens	16	88
Lee	6	66
Liberty	13	24
Lincoln	8	86
Long	3	30
Lowndes	33	234
Lumpkin	19	111
Macon	3	65
Madison	3	28
Marion	1	5
McDuffie	9	84
McIntosh	7	278
Meriwether	7	145
Miller	2	10
Mitchell	13	61
Monroe	16	187
Montgomery	1	49
Morgan	9	203
Murray	11	114
Muscogee	41	185
Newton	9	75
Not Georgia	21	40*
Oconee	10	58
Oglethorpe	4	51
Paulding	9	45
Peach	10	115
Pickens	5	16
Pierce	3	14
Pike	4	37
Polk	10	31
Pulaski	2	61
Putnam	11	266
Quitman	4	3
Rabun	4	117
Randolph	4	13

COUNTY	LEASES	BUILDINGS
Richmond	27	383
Rockdale	12	67
Schley	3	5
Screven	10	24
Seminole	5	66
Spalding	10	149
Stephens	9	28
Stewart	2	80
Sumter	14	148
Talbot	3	30
Taliaferro	1	99
Tattnall	11	421
Taylor	3	24
Telfair	6	62
Terrell	4	20
Thomas	12	87
Tift	22	335
Toombs	8	82
Towns	4	65
Treutlen	3	30
Troup	16	58
Turner	4	26
Twiggs	3	10
Union	12	133
Upson	14	68
Walker	13	95
Walton	10	32
Ware	18	232
Warren	3	6
Washington	13	129
Wayne	14	77
Webster	4	6
Wheeler	1	123
White	7	209
Whitfield	17	62
Wilcox	3	45
Wilkes	7	34
Wilkinson	4	12
Worth	5	8

\* Board of Regents, University of Georgia (Aiken, SC)

## ACCOMPLISHMENTS

### Disposition Project

The State Properties Commission engaged UGL-Equis to assist in identifying methods for the State to generate revenue from surplus or underutilized State owned real estate. The identification of properties for disposition came first from SPC's Building, Land and Lease Inventory of Property (BLLIP) database. Using this resource, a set of criteria was developed to identify potential surplus properties for disposition. The criteria included size of building or land, insured value and current vacancy percent. This created a preliminary list of properties for further examination. The list was further refined by eliminating properties from entities such as the Department of Transportation, the Board of Regents and others that own property in their own name, and removing properties with highly specialized uses which would make them unlikely to sell.

As a result of these activities, over 100 properties and land tracts were identified for potential disposition. These State-owned properties are in the custody of numerous State agencies. SPC then initiated an agency interview process to verify with agency officials properties for disposition. The goal of the interview discussions was to collaborate with agency leadership and build consensus regarding the disposition of specific properties. SPC continues discussions with State agencies and is confident that a number of properties will be declared surplus and can be marketed for sale upon receiving legislative approval early in 2012.



### Building Assessment Reports

In its role as portfolio manager for State real property assets, SPC undertakes asset-specific strategies that include performing thorough asset evaluations. This includes having a building assessment conducted for identified assets. Building assessments are currently being carried out by the GSFIC engineering professionals under the Design Review Group in the Construction Division.

This team of five or six engineers has begun visits to State owned properties to conduct visual assessments of all the major building components. Those include the building structure, roof, interior, mechanical systems, plumbing, fire systems and site and parking lot evaluations among others. The components are then rated on a 1-100 scale and given a building condition ranking of excellent, good, fair or poor. An overall building condition score is also provided.

The Building Assessment Report includes a section for each of the building components with descriptive narratives and photographs. Also included is an Executive Summary that identifies the building, its occupancy and any major components that are projected to be in need of repair or replacement in the next three-year time period.

The Building Assessment Reports will assist SPC with its asset evaluation responsibilities and are proving to be an invaluable decision-making tool, primarily with regard to continued investment and/or disposition recommendations.



*State Properties Commission, in collaboration with Georgia State Financing and Investment Commission, conducted a building assessment for Northwest Regional Hospital in Rome, Georgia.*



# SPACE MANAGEMENT

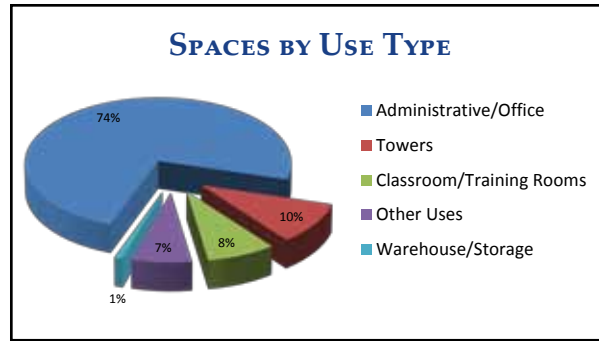
The Space Management Program offers a full range of professional planning services to State entities in meeting their space needs. These services include receiving all requests for space, developing space utilization programs to determine square footage requirements and preparing schematic floor plans and design intent drawings to guide workspace layout.

The overall goal of Space Management is to maximize the utilization of State-owned and leased space to create efficient work environments using industry standards and public sector criteria to accomplish the following objectives:

- Increase occupancy
- Decrease vacancy
- Improve the value of State-owned and leased space
- Provide the most cost efficient work space for State entities

## ACCOMPLISHMENTS

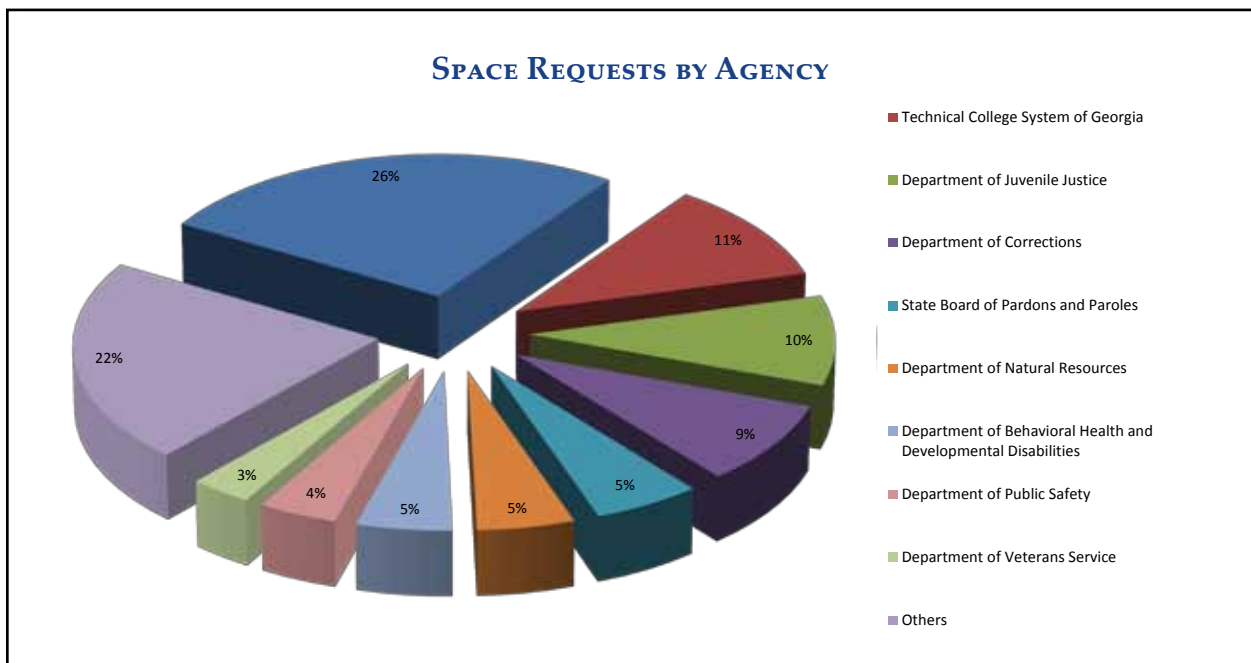
During FY2011, Space Management (SM) processed 1,069 Space Action Forms (SAF). This form is used by any State entity requesting some action relative to workspace needs: new space, renewal, renegotiation, cancellation or other action. With regard to the 50 requests



for new space, SM reviewed Space Utilization Questionnaires and developed Space Utilization Programs to provide guidance for the actual square footage requirements for the request. In addition, SM either developed and/or reviewed schematic floor plans associated with the new requests for space.

## GBA Backfill

Space Management continually strives to maximize the utilization of State-owned space on Capitol Hill, as well as statewide. Coordinating with the Georgia Building Authority, SM identifies State agencies in commercially-leased space in the Atlanta area to backfill into vacant space.



- When the Department of Corrections moved to the State Offices of the South at the Tift Campus in Forsyth, SM contacted the Department of Early Care and Learning (DECAL) and notified them of the availability of 40,000 square feet of office space in the Floyd Building. SM programmed and designed the space to meet the agency's business processes and workflow; GBA renovated the space; and DECAL relocated on July 1, 2011.
- SM was also able to move smaller agency leased offices from commercial space into GBA owned buildings.

### BLLIP

In response to an Executive Order issued in 2010, SPC developed new fields in BLLIP to capture data to assist in critical portfolio decision-making.

- New fields related to capacity and occupancy will guide SPC in greater utilization of assets; and information related to building conditions will guide SPC and OPB in assessing whether to invest or divest particular assets or properties.
- SPC added a new feature to BLLIP which provides a "spatial join" between the Buildings and Land databases. One may now query in both databases and the related building or land (on which the building is located) will also be identified. This was an important element in being able to identify the total property and provides a more streamlined search process.

### Co-locations

In an effort to contain State expenditures and to improve work environments, the Department of Corrections and the Board of Pardons and Paroles requested that SM re-program and co-locate area probation and pardons and paroles offices in 10 communities: Americus, Brunswick, Canton, Cordele, Fitzgerald, Jesup, LaGrange, Thomaston, Thomson and Valdosta. Shared common areas among agencies that have similar business and client needs improve the cost efficiency and offers better utilization of workplace settings.

## PROCESS IMPROVEMENTS

### SPC Space and Transaction Management Tracking System

The Space and Transaction Management Tracking System (SATMT) is an internal project management information system designed to provide more efficient and effective management of SPC's space and transaction (lease) workflow processes. SATMT specifically addresses space planning and programming and the location and procurement of commercially leased office space. The system also tracks those requests for administrative office space in State-owned buildings.

SATMT is a collaboration of Space Management and Transaction Management along with IT to design a system that will track every demand for space action from the initial request through the completion or execution of a lease agreement and/or Intergovernmental Agreement (IGA). This tracking system will allow SPC to continue to provide agency customers with efficient workspace environments in a cost effective and timely manner.

As part of this system, SM generates customer service surveys to measure performance and to identify areas for improvement.

## OPPORTUNITIES

- SM will conduct at least one Metro Plan which is a high level portfolio review and assessment of the State's real estate in a particular metropolitan or geographical region. The strategic goal of such real estate planning is to support State agency needs while streamlining or reducing the State's overall costs and operating expenses.
- SM will work with industry professionals to review and revise existing space standards and workplace planning to provide greater and enhanced utilization of work environments.

### WHAT OUR CUSTOMERS ARE SAYING

*"...phenomenal in meeting my needs of finding a space for my office to relocate to and putting together the appropriate plans in a timely fashion."*

# TRANSACTION MANAGEMENT

## LEASING DIVISION

The Leasing Division provides oversight for the State's leased property portfolio. Services offered range from locating and procuring new leased locations to renewing or renegotiating existing agreements as well as managing the State's lease inventory.

## ACCOMPLISHMENTS

Transaction Management's responsibilities and functions include leasing assistance to State entities in both State-owned or commercially-owned facilities, including space programming and design, lease negotiation and renegotiations and lease opportunities.

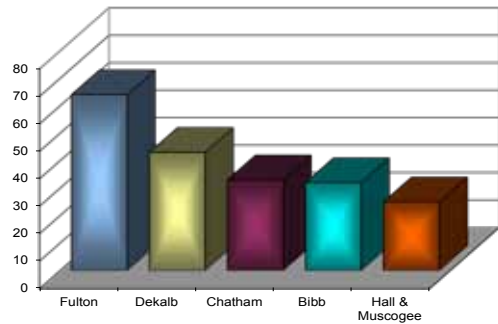
SPC Maintains an Inventory of 1,866 Agreements Across the State including:\*

<b>Total number of SPC Administered Leases</b>	<b>1,086</b>
Number of new leases requested in FY2011**	78
Number of leases terminated for FY2011	75
Number of leases renewed for FY2012	555
Number of leases renegotiated for FY2012	220
<b>Total number of Agency Managed Leases</b>	<b>780</b>
Board of Regents	332
Department of Natural Resources	207
Department of Labor	100
Other Agencies	141

\* Data compiled from BLLIP ([www.realpropertiesgeorgia.org](http://www.realpropertiesgeorgia.org)) and SPC Quick Base applications.

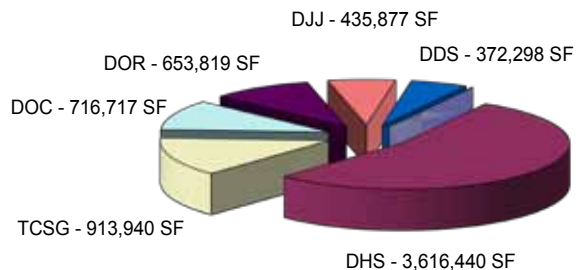
\*\* Includes relocations

COUNTIES WITH THE HIGHEST CONCENTRATION OF STATE LEASES



- SPC handled a wide range of leases, from a computer data disaster recovery space for the Department of Education to a small office in Hazlehurst for the Department of Juvenile Justice.
- SPC worked on two emergency relocations this past year. The first was for a Department of Community Affairs, Downtown Development office in Athens. This office needed to find space to relocate within a 40-day window and SPC was able to find a new location on Pulaski Street. The second emergency was a result of the tornado that impacted the city of Ringgold. The Department of Human Services' Division of Family and Children Services building was so severely damaged that it could not be repaired. Within five days, SPC had secured a new space for the office in nearby Fort Oglethorpe and DHS was able to continue operations to serve clients the next day.
- SPC endeavors to co-locate agencies/divisions to share common and auxiliary areas within the same workspace. In Milledgeville, the Department of Human Services had two separate offices for Child Support Services and Aging/Adult Protective Services. SPC combined both groups into one space, sharing the lobby, restrooms, break room, conference rooms and the telecommunication closet, thereby reducing the overall square footage space by 1,121 square feet for an annual savings of \$15,637.
- In January 2011, SPC began the annual renegotiation of nearly 220 State leases for FY2012. The leasing staff identified those particular leases which were candidates for rent reductions and renegotiated approximately 23 leases which resulted in cost avoidance of nearly \$2,500,000 for State agencies in FY2012.

SPC ADMINISTERED LEASES ENTITIES WITH THE MOST SQUARE FEET LEASED



## AVERAGE LEASE RATES BY CITY - ADMINISTRATIVE / OFFICE SPACE

GEORGIA CITY	AVERAGE RENTAL RATES PRIVATE SECTOR	AVERAGE RENTAL RATES SPC LEASES *	VARIANCE	VARIANCE PERCENT
Albany	14.15	13.94	0.21	2%
Athens	14.51	10.22	4.29	30%
Atlanta	20.22	15.79	4.43	22%
Augusta	14.25	12.83	1.42	10%
Canton	23.40	7.74	15.66	67%
Cartersville	21.50	12.64	8.86	41%
Columbus	13.39	11.47	1.92	14%
Conyers	15.25	10.78	4.47	29%
Covington	13.32	8.04	5.28	40%
Cumming	16.98	12.05	4.93	29%
Dallas	7.28	13.25	(5.97)	-82%
Dawsonville	18.88	9.52	9.36	50%
Decatur	19.29	15.90	3.39	18%
Douglasville	16.59	12.60	3.99	24%
East Point	16.31	10.89	5.42	33%
Fayetteville	16.64	8.08	8.56	51%
Gainesville	18.50	13.89	4.61	25%
Jonesboro	13.82	11.66	2.16	16%
Lawrenceville	19.11	19.50	(0.39)	-2%
Macon	13.41	10.93	2.48	19%
Marietta	14.33	13.76	0.57	4%
McDonough	17.52	10.36	7.16	41%
Morrow	18.59	13.13	5.46	29%
Newnan	17.76	7.38	10.38	58%
Norcross	13.77	22.38	(8.61)	-63%
Rome	14.54	12.48	2.06	14%
Savannah	18.82	13.30	5.52	29%
Stone Mountain	14.00	14.00	-	0%
Tucker	16.63	17.40	(0.77)	-5%
Valdosta	15.98	9.93	6.05	38%
Villa Rica	16.00	14.42	1.58	10%
Woodstock	16.67	14.69	1.98	12%
<b>AVERAGES</b>	<b>\$16.29</b>	<b>\$12.65</b>	<b>\$3.64</b>	<b>22%</b>

\*Leases exclude Dept. of Transportation, Board of Regents, Dept. of Labor.  
The \$12.65 average is approximately 65% of administrative/office leased space.



*Governor Nathan Deal, center, congratulates SPC Transaction Management team members, from left, Stephanie Cardn, Thad Jackson, Kalil Smith, Scott Jennings and Frank Smith.*

## GOVERNOR'S COMMENDATION FOR EXCELLENCE IN CUSTOMER SERVICE

The Transaction Management Leasing Division was awarded the Governor's Commendation for Excellence in Customer Service for its successful efforts in renegotiating leases on behalf of State agencies – saving agencies and the State more than \$4 million. The initiative was launched in an effort to achieve rent savings and cost avoidance during the recent economic downturn by proactively approaching landlords to renegotiate both existing and expiring leases. These negotiations included reduction in rental rates as well as

adjustments in space and allowances for needed facility improvements.

"Not only did the team help the state save a significant amount of money, they earned the praises of their customers," said SPC Deputy Executive Director Frank Smith. State Property Officer Steve Stancil echoed those sentiments. "It's great to do your job well and it's great to provide good customer service. It's outstanding when you are able to do both and that's what this team has done."

### WHAT OUR CUSTOMERS ARE SAYING

*"...they have made certain that they met our needs and have supported us with good customer service."*

## PROCESS IMPROVEMENTS

The Space and Transaction Management Tracking System (SATMT) which was deployed by the Leasing Division in June 2011 is designed to provide a seamless tracking system for each lease request submitted to SPC. From the initial request to lease execution and move-in,

all steps are tracked via the on-line Quick Base system, allowing SPC to not only provide instant status reports to any interested party but to also manage workload by identifying potential bottlenecks, measure progress, and track performance.

## FY2011 LEASE PORTFOLIO

ENTITY	NUMBER OF AGREEMENTS	ANNUAL BASE RENT	PERCENT OF TOTAL RENT
State Board of Regents	346	\$273,163,359	65.130%
Department of Human Services	286	\$45,418,283	10.829%
Department of Labor	101	\$14,355,084	3.423%
Department of Revenue	15	\$9,153,225	2.182%
Department of Corrections	120	\$7,803,511	1.861%
Department of Natural Resources	253	\$7,067,269	1.685%
Department of Administrative Services	38	\$5,238,301	1.249%
Technical College System of Georgia	73	\$5,225,342	1.246%
Department of Juvenile Justice	109	\$5,167,351	1.232%
Office of the Secretary of State	10	\$4,532,158	1.081%
Department of Community Health	5	\$4,517,682	1.077%
Department of Transportation	1	\$4,517,552	1.077%
Department of Community Affairs	25	\$3,336,593	0.796%
State Board of Pardons and Paroles	45	\$2,591,192	0.618%
Department of Driver Services	59	\$2,525,871	0.602%
Department of Behavioral Health and Developmental Disabilities	50	\$2,193,014	0.523%
Georgia Lottery Corporation	10	\$2,090,758	0.498%
Judicial Branch of Georgia	18	\$2,056,224	0.490%
Department of Education	7	\$1,852,676	0.442%
State Board of Workers' Compensation	8	\$1,593,195	0.380%
Office of the Governor	12	\$1,475,817	0.352%
Department of Audits & Accounts	9	\$1,435,250	0.342%
Department of Agriculture	4	\$1,406,877	0.335%

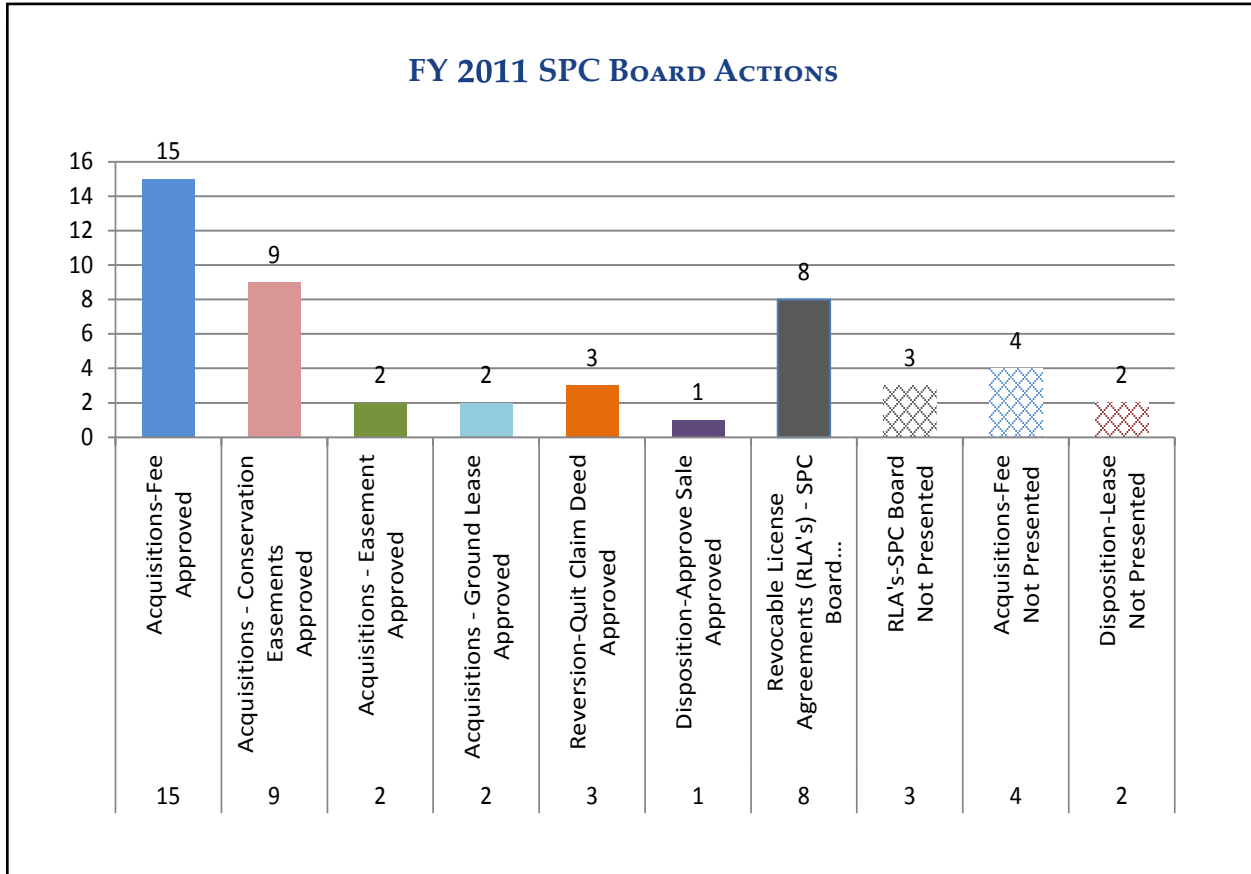
## FY2011 LEASE PORTFOLIO (CONTINUED)

ENTITY	NUMBER OF AGREEMENTS	ANNUAL BASE RENT	PERCENT OF TOTAL RENT
Department of Law	4	\$1,289,375	0.307%
Ga. State Financing And Investment Commission	1	\$998,294	0.238%
Georgia Department of Economic Development	9	\$925,448	0.221%
Department of Public Health	10	\$882,289	0.210%
Department of Insurance	2	\$741,994	0.177%
Public Service Commission	2	\$659,811	0.157%
State Personnel Administration	1	\$655,364	0.156%
Georgia Public Defender Standards Council	8	\$586,683	0.140%
Georgia Bureau of Investigation	18	\$584,951	0.139%
Department of Defense	15	\$544,718	0.130%
State Accounting Office	1	\$510,593	0.122%
Department of Banking & Finance	5	\$420,155	0.100%
Department of Public Safety	93	\$372,628	0.089%
State Road and Tollway Authority	1	\$355,565	0.085%
Department of Veterans Services	47	\$225,041	0.054%
Subsequent Injury Trust Fund	1	\$197,135	0.047%
Ga. Superior Court Clerks' Cooperative Authority	2	\$159,222	0.038%
State Soil & Water Conservation Commission	5	\$119,535	0.029%
Georgia Building Authority	12	\$103,011	0.025%
Georgia Public Telecommunications Commission	1	\$100,784	0.024%
State Properties Commission	1	\$96,746	0.023%
State Bar Admissions	1	\$74,928	0.018%
Georgia Student Finance Commission	1	\$31,892	0.008%
State Forestry Commission	19	\$24,916	0.006%
Sheriffs' Retirement Fund of Georgia	1	\$19,800	0.005%
State Employees Credit Union	1	\$15,019	0.004%
<b>TOTALS</b>	<b>1,866</b>	<b>\$419,412,481</b>	<b>100.00%</b>

## LAND DIVISION

The Land Division assures that all acquisitions and dispositions of land in the State's name meet the legal and policy requirements of the State. Properties owned by the Board of Regents and by Georgia DOT are excluded. Acquisitions by the State include purchases or donations of fee simple interests, conservation easements, road and other easements and ground leases. Dispositions include temporary revo-

cable licenses, permanent easements, short or long-term ground leases and conveyances. The Land Division also leads projects on cross-agency issues and efficiencies, conducts title research, verifies ownership of State property for construction with GO bonds and drafts Executive Orders for the Governor on property issues such as custody and the demolition of buildings. The division provides Statewide agency and individual training for State personnel as needed.



### WHAT OUR CUSTOMERS ARE SAYING

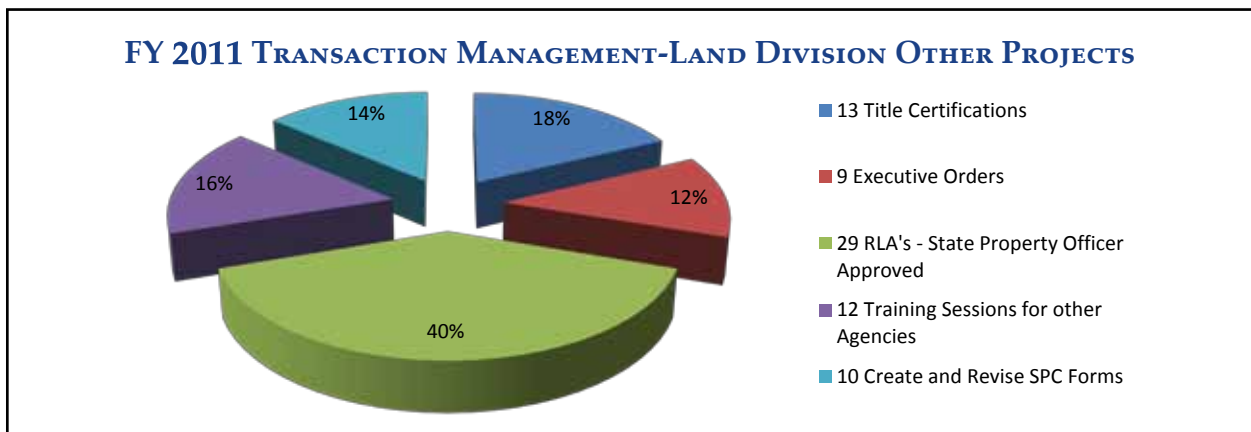
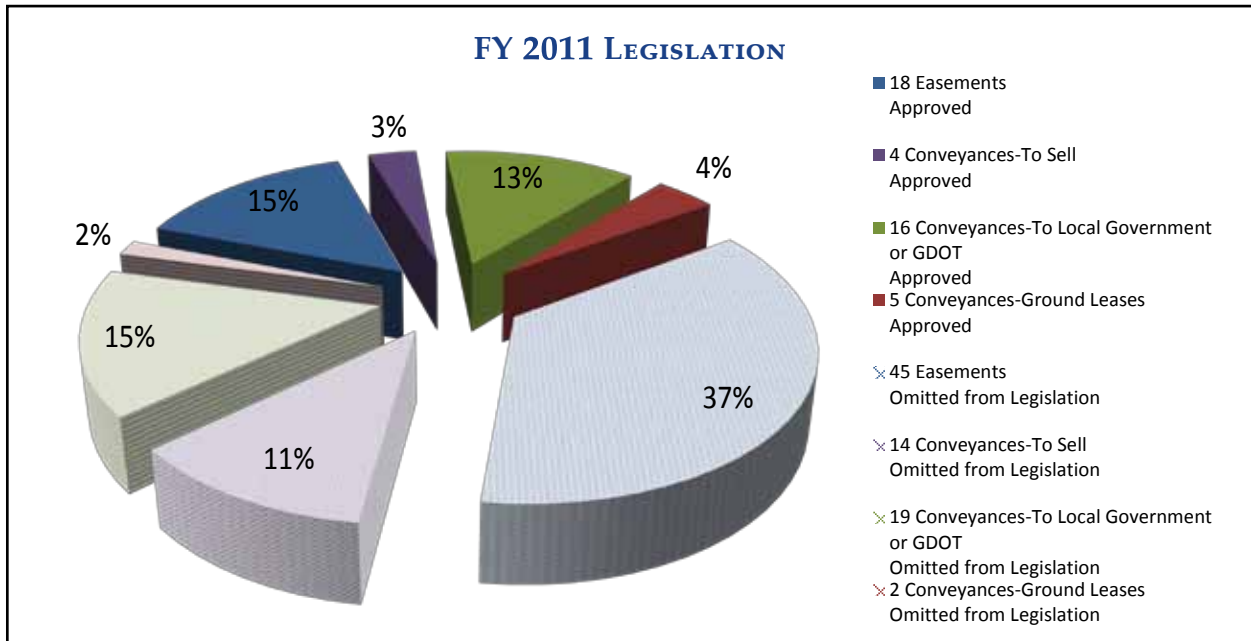
*“SPC has been very helpful and thorough in helping the City of LaGrange with an easement project. Thanks for the good work and friendly service.”*



**ACCOMPLISHMENTS**

- The Land Division had a key role in the SPC Disposition Study with the primary focus on identifying approximately 3,100 land deeds for sale, refining that to 150 land tracts and ultimately recommending 34 properties for sale. The division also conducted a study of other states' disposition strategies, including AAA-bond rated states, to identify best practices and techniques.
- On April 20, 2011, completion of the complex sale of the 1.895 acre Athens Farmers Market by competitive bid which closed for \$918,850.
- 2011 Conveyance Legislation: 60 items researched, 25 items were in the final Act.
- 2011 Easement Legislation: 63 items were researched, 18 items were in the final Act.

- SPC briefings presented during 3 meetings: 31 acquisitions and one reversion by quitclaim deed (six others were prepared but not presented for Board review).
- Revocable Licenses (issued 29 for public purpose or short term use, eight for uses approved by Board and three others pulled before consideration by the Board).
- Certification of ownership prior to GSFIC construction with GO bonds: 13.
- Executive Orders drafted for approval by Governor: nine.
- Interagency or intergovernmental projects including: Georgia Aviation Authority properties to convey; tidal waters ownership and mitigation banks; Salt Creek tidal waters mitigation bank; Cave Spring Rehabilitation Center; Rhodes Hall lease; Riverwalk Maritime Center/Savannah; GWCC Paterson tract; and disposition of several armories.



## PROCESS IMPROVEMENTS

- Forms and process revisions and improvements for efficiency.
- Statewide and individual training for agency personnel.
- Internal and external workflow and efficiency studies.

## FUTURE OPPORTUNITIES

- Sales of the properties identified in SPC Disposition Study and more proactive selection of surplus and underutilized opportunities.

- Interagency and/or intergovernmental projects by SPC, such as surplus and sale of Metro State Prison; Tronox bankruptcy sale and mitigation bank; College Hall of Fame ground lease; Central State Hospital and four other agencies' water system easement and sale to City of Milledgeville; Kia restrictive covenant to US Army Corps of Engineers and GDOT conveyance.
- Research projects, such as the Multi-Modal Transit (Gulch) title research.
- Electronic document management system for electronic retention of SPC land files.
- Interactive web-based document creation and sharing system with the Law Department.

## FY2011 EXPENSE BUDGET

EXPENSES	
<b>Total Personal Services Expenses</b>	<b>1,006,158</b>
<b>Total Regular Operating Expenses</b>	<b>35,024</b>
Rents - Real Estate	96,746
Per Diem and Fees	237,895*
Computer Software	23,986
Comp. Parts, Supl., Eq. < \$1,000	887
Centralized Acct System Fee	932
GTA - Infrastructure & Managed Network	4,446
Telecommunications--Nextel	6,840
<b>Total Other Operating Expenses</b>	<b>371,732</b>
Transfers Out	332,000**
<b>Total Expenses</b>	<b>1,744,913</b>
<b>Total Position Count</b>	<b>12</b>

\* UGL Equis contract for disposition project (\$180,000); property due diligence

\*\* Payments to GBA

### WHAT OUR CUSTOMERS ARE SAYING

*"...the consummate professional...  
pleasant, knowledgeable, responsive ...  
a pleasure to know and to work with."*



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NOVEMBER 2011