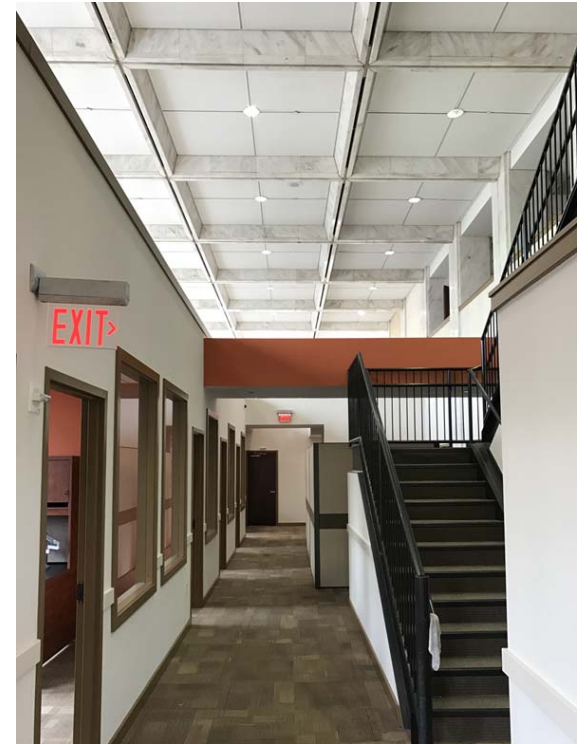




Leasing Coordinator Meeting March 12, 2018





Leasing Coordinator Meeting Agenda

I. Welcome (Pick up Leasing Coordinator Packages)	Frank Smith
II. SPC Space Management – Revised Space Action Form	Alisa Pereira and Ginette Tatem
III. Facility Conditions and Landlord Issues	
A. Facility Inspection Checklist	Kimberly Owen
B. Landlord Issues and Self-Help Provisions	Shelby Perdue
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Space / Leasing Team Charge

Space / Leasing Team Charge

- Utilize Statewide Space Standards to program your needs
- Find space that meets your size and location needs
- Find a responsive, solvent landlord who is willing to sign our lease
- For rent and terms that are below the market average
- Utilize an open, fair and competitive procurement process
- *Do all this as quickly as possible*

SPC Challenges with this Charge

- 1) Finding available options (landlord and building) in small markets
- 2) Management of agency and landlord timing expectations (lease execution and move-in)
- 3) Managing the project that depends on several parties outside SPC control (attorneys, landlord, architect, fire marshal)
- 4) Managing expectations of deals that need SPC Board approval (4 - 5 per year)



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Revisions to Space Action Form

What's new?

Section 2. Current Rental Information

AND

Section 3. Landlord or Facility Issues

 State Properties Commission REAL PROPERTY • REAL SOLUTIONS 270 Washington Street, Suite 2-129, Atlanta, GA 30334 (404) 656-5602 Fax: (404) 651-8084 Please submit this form to: SpaceManagement@spe.ga.gov SPACE ACTION FORM	
Date: _____	Fiscal Year: _____
TYPE OF SPACE ACTION:	
SPC Lease: <input type="checkbox"/> Renewal <input type="checkbox"/> Renegotiation <input type="checkbox"/> Cancellation <input type="checkbox"/> Other: _____ <small>(excludes "New", "Relocation" & "Expansion" Requests)</small>	Primary Use: <input type="checkbox"/> Administrative/Office <input type="checkbox"/> Warehouse/Storage <input type="checkbox"/> Classroom/Training <input type="checkbox"/> Other: _____
1. FROM: (Requesting Agency/Division)	
Agency/Division: _____	
Address: _____	
Agency Official: _____ Phone: _____ Email: _____	
Local Contact/Agency Coordinator: _____ Phone: _____	
2. CURRENT RENTAL INFORMATION:	
SPC Lease #: _____	
Facility Address: _____ City & County: _____	
Capacity: _____ Occupancy: _____ Total Sq. Ft: _____ <small>(number of closed & open workspaces) (number of employees)</small>	
Annual Rent: _____ Annual Utilities*: _____ Annual Janitorial*: _____ <small>(*If not included in rent) (*If not included in rent)</small>	
Landlord Name: _____	
Landlord Contact Information (phone, email, and address): _____ _____	
3. LANDLORD OR FACILITY ISSUES:	
Are there any Facility Issues? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please complete and attach the Facility Inspection Checklist.	
Are there any Landlord Issues? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please briefly explain below: _____ _____	
4. REMARKS OR ADDITIONAL COMMENTS: _____ _____	
<small>REQUESTING AGENCY CERTIFICATION: I CERTIFY THAT THE SPACE REQUESTED ABOVE IS NECESSARY FOR THE PROPER FUNCTION OF THE AGENCY NAMED, THAT SUFFICIENT FUNDS ARE AVAILABLE, AND ALL NECESSARY APPROVALS HAVE BEEN OBTAINED.</small>	
Signature: (Authorizing Agency Level Official) _____ Date: _____	
<small>For SPC Use Only</small>	
Date Request Received at SMP: _____ SMP Control Number: _____	
SMP Action Recommended: <input type="checkbox"/> Assign to Transaction Management <input type="checkbox"/> Other Action: _____	
Authorized SMP Agent: _____ Date: _____	



Revisions to Space Action Form

Section 2 is revised to require the agency to include the landlord's name and landlord's contact information.

2. CURRENT RENTAL INFORMATION:		
SPC Lease #: _____		
Facility Address: _____		City & County: _____
Capacity: _____ <i>(number of closed & open workspaces)</i>	Occupancy: _____ <i>(number of employees)</i>	Total Sq. Ft: _____
Annual Rent: _____	Annual Utilities*: _____ <i>(*If not included in rent)</i>	Annual Janitorial*: _____ <i>(*If not included in rent)</i>
Landlord Name: _____		
Landlord Contact Information (phone, email, and address): _____ _____		



Revisions to Space Action Form

3. LANDLORD OR FACILITY ISSUES:

Are there any Facility Issues? Yes No If Yes, please complete and attach the Facility Inspection Checklist.

Are there any Landlord Issues? Yes No If Yes, please briefly explain below:

REMARKS OR ADDITIONAL COMMENTS

Section 3 now differentiates between “Facility Issues”, and “Landlord Issues”.

*Note the addition of the Facility Inspection Checklist.



Revisions to Space Action Form

New SAF can be found on SPC's website beginning today at

spc.ga.gov

If you have any questions contact:

Alisa Pereira

alisa.pereira@spc.ga.gov

Ginette Tatem

ginette.tatem@spc.ga.gov





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Facility Inspection Checklist

Proactive property maintenance

- Routine inspections
 - Address issues before they become a crisis
 - Reduce repair costs & vendor maintenance contracts
 - Shorten response/repair time

- Fosters a positive Landlord/Tenant relationship
 - Preserve the value of the real estate asset for the Landlord
 - Maintain occupants' safety and well-being



Facility Inspection Checklist

General Information

- Lease number
- Please provide pertinent property information
- Contact info for those conducting review
- Dates of current and last review



270 Washington Street, Suite 2-129, Atlanta, GA 30334 (404)656-2355
 Please submit form to: Transaction Management

The following inspection report should be completed quarterly, for evaluation of each property occupied by a state agency, to properly document any needed repairs or deficiencies, and will serve to notify SPC of such deficiencies. Please fill out this form in its entirety; please do not leave any spaces blank. Insert N/A if the line item is not applicable. If additional room is needed to comment, please attach additional sheets to this report. We encourage the inclusion of clearly labeled photographs to document any deficiencies or necessary repairs.

Facility Inspection Checklist

General Information	
1	Lease #
2	Location Address
3	Occupying Agency
4	Representative Conducting Review-contact info
5	Local Representative assisting with review-contact info
6	Date of Current Review
7	Date of Last Review
8	Review conducted by observation or interview?



Facility Inspection Checklist

Mechanical Systems

- HVAC
- Plumbing
- Electrical

Mechanical Systems			Yes	No	Comments
9	HVAC	Is HVAC working properly?			
10		Are units serviced on a regular basis? If so, how often?			
11		Do any HVAC units have visible leaks?			
12		Thermostats working?			
13		HVAC vents operational?			
14	Plumbing	Toilets working properly?			
15		Sinks draining properly?			
16		Faucets working properly?			
17	Electrical	Lighting clean & operating?			
18		No unauthorized electrical appliances are in facility?			
19		Extension cords are not being used?			
20		Power strips cords are properly located and out of reach?			
21		Power strip cords are not daisy-chained?			
22		GFCI outlets tested monthly?			



Facility Inspection Checklist

Building Interior

- Floors
- Doors
- Walls
- Ceilings
- Office areas
- Restrooms
- Stairwells

Building Interior		Yes	No	Comments
23				
24	Floors			
25				
26				
27	Doors			
28				
29	Windows			
30				
31				
32	Walls			
33				
34	Ceiling			
35				
36				
37	Kitchen			
38				
39	Storage/Equipment areas			
40				
41				
42				
43				
44				
45				
46				
47				
48	Stairwells			
49				
50				
51	Restrooms			
52				
53				
54				
55				
56				
57				
58				
59	Miscellaneous			
60				
61				
62				
63				
64				
65				



Facility Inspection Checklist

Building Exterior

- Roof
- Structure
- Parking Lot/Grounds
- Landscaping
- Office areas
- Playground

Building Exterior			Yes	No	Comments
66	Roof	Any active leaks?			
67		Visible punctures or tears?			
68		Drains clear of obstruction?			
69		Gutters clean of debris?			
70		Roof drains working & clear of debris?			
71		Flashings properly installed?			
72		Antennas & dishes on pads?			
73	Building	General cleanliness			
74		Painting			
75		Masonry			
76		Railings			
77		Handicap Access in compliance?			
78		Entrance doors operational?			
79		Windows & glass intact & clean?			
80		Façade signage			
81		Building numbering/address			
82		Lighting			
83		Canopies & overhangs			
84		General caulking			
85		Skylights in good condition			
86	Parking Lot/Grounds	Striping			
87		Asphalt condition			
88		Sidewalks & Curbs			
89		Signage for Towing			
90		Rain drains & grates clear of debris?			
91		Benches/fountains/tables			
92		Walkways			
93		Trash receptacles clean?			
94		Snow removal plan in place?			
95		Fences/gates in good repair?			
96		Monument Signage			
97	Landscaping	Overall appearance			
98		Lawn is well groomed			
99		Shrubs & trees pruned			
100		Irrigation system working			
101		Weeds under control			
102		Pest control			
103	Playground	Date of last safety inspection			



Facility Inspection Checklist

Environmental

- Air quality
- Unusual odors
- Water damage
- Mold/mildew

Environmental		Yes	No	Comments
104	Any issues with air quality?			
105	Any unusual odors?			
106	Any visible water damage?			
107	Any visible mold or mildew?			



Facility Inspection Checklist

Security

- Security items
- Locks
- Key cards

Security Access		Yes	No	Comments
108	Security system/cameras operational?			
109	Outside doors lock mechanisms operational?			
110	Key card access operational?			
111	Panic buttons operational?			



Facility Inspection Checklist

Life Safety

- Fire extinguishers
- SFM inspection
- Evac route

Life Safety		Yes	No	Comments
112	Emergency signs operating?			
113	Fire extinguishers in place & inspected?			
114	Fire system inspected? Date of last inspection?			
115	Fire doors working?			
116	Fire service connections?			
117	State Fire Marshal Inspected? Date of inspection?			
118	Carbon monoxide detectors inspected?			
119	Evacuation route posted?			
120	Facility operations plan is incorporated into main building's plan?			
121	Current OEP is onsite?			



Facility Inspection Checklist

Repair History

- List completed repairs
- List outstanding repairs
- This information is critical for renegotiations

Previous Repair History

Please list all repairs that HAVE been completed during the last lease term

Please list any repairs that have been requested but NOT completed



Facility Inspection Checklist

Additional information

- Please add any additional information regarding the property
 - The more info SPC has, the better we are able to assist
 - Photos-please document everything with photos!
 - Submit any related correspondence you have had with the Landlord
 - Include written repair requests you have submitted to the LL with dates & times
- Other Landlord issues



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State Properties Commission

Real Property Portfolio Management

Lease Repairs and Maintenance: Self-Help

Article VII, Paragraph 3 (Template Lease Document):

- Non-Emergency Maintenance:
 - Tenant gives Landlord written notice of maintenance needed that is Landlord's responsibility
 - If Landlord fails to commence such maintenance within 10 days of written notice and Tenant gives Landlord further written notice and nothing is done in 3 days
 - THEN Tenant may proceed to undertake such maintenance
- Emergency Maintenance:
 - Tenant may give Landlord written notice of maintenance needed that is Landlord's responsibility
 - If Landlord fails to commence such maintenance within 10 days of written notice
 - THEN Tenant may proceed to undertake such maintenance
- Covering Cost when repairs conducted by the State:
 - Invoice Landlord
 - To be paid within 10 days of receipt of invoice
 - Interest of 8% from date of payment of Tenant
 - If no payment with in 10 days, THEN right to deduct from rent (offset)



State Properties Commission

Real Property Portfolio Management

Lease Repairs and Maintenance: Notice

- No general right to “Repair and Deduct” or “Offset” rent for repairs
- NOTICE-Written Notice-defined in the Lease (Article I, Paragraph 10)
 - Not simply an email or phone call
 - Notice under the Agreement shall be in writing
 - delivered by hand
 - sent by registered or certified mail, postage prepaid, return receipt requested or
 - sent by nationally recognized commercial courier for next business day delivery
 - to the address in the Agreement, or to such other addresses as are specified by written notice
 - Time Period Runs from
 - Hand delivery-date delivered
 - Commercial Courier/Mailed-earlier of the date of received or 3rd day after deposited in mail



State Properties Commission

Real Property Portfolio Management

Lease Repairs and Maintenance: Reality

- Ahh!- My A/C's on the fritz!
 - Call the Landlord/Property Manager; document with confirmation email copying both the Landlord and the Property Manager
 - A/C's out-copy your Leasing Specialist
 - Toilets stopped up-notify the Property Manager
 - History of non-responsive Landlord
 - Letter
 - Date of Lease Agreement
 - State Problem-Emergency/Non-Emergency
 - Reference Landlord responsibility
 - Reference the Self-Help section
 - Major Issues-Let SPC know immediately



State Properties Commission

Real Property Portfolio Management

Lease Repairs and Maintenance: Landlord

- Document, Document, Document
 - Without proper documentation, SPC cannot use Article VII, Paragraph 3, referred to as the “Self-Help” clause in the Master Lease
 - Agency vs. SPC Lease-may not have self-help provision
- Agency’s process with local offices to convey issues with the Landlord
 - Single point of contact
 - Special Forms
 - Web-based tracking system
- Plan should be in accordance to Agency/Landlord policies and standard protocol
- Copy SPC on correspondence when appropriate
 - SPC should be notified/copied on major Landlord issues



State Properties Commission

Real Property Portfolio Management

Lease Repairs and Maintenance: Inspection

- Inspections-performed QUARTERLY for all properties occupied by a state agency
- Notify SPC of issues with leased properties
- Complete documentation
 - Photographs
- Address issues not only at the time of renewal
- Facility Inspection Checklist



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CRITICAL DATES

DATE	SIGNIFICANCE
March 12	Leasing Coordinator meeting
April 13	Deadline for Agencies to inform SPC of their request to renew / renegotiate / cancel an existing lease
May 1	SPC will take action on behalf of agencies who have not responded by the deadline above
May 15	Approximate date of Governor signing the Appropriation Bill – SPC to send out certified notice to landlords exercising renewal option. (Note: No renewal notice can be sent, or renegotiated lease executed, until the Governor signs the Bill)
May 15	Also the date when notice must be provided to the landlords (45 days prior to July 1)
July 1	Start of new fiscal year



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RENEWAL REPORTS

- Leases where either SPC or the agency is listed as the “Tenant,” and renewal options remain to be exercised
 - Agency budget official (e.g. CFO, Finance Director) and lease signatory (e.g. Commissioner, Deputy Commissioner) will initial next to each lease for which the agency would like to renew.
 - Agency budget official and lease signatory will also sign the bottom of the Renewals report. Return initialed and signed Renewals report to SPC not later than **April 13, 2018**.
 - SPC will prepare, execute, and send all Contract Renewal Letters that includes reference to SPC’s leasing authority in accordance with OCGA §50-16-41.

RENEWAL REPORTS

- Leases where either SPC or the agency is listed as the “Tenant,” and renewal options remain to be exercised
 - *Multi-Year Leases (MYLs)*
 - Original lease term longer than one (1) year
 - Term has not yet expired
 - A **CRL is not required** to be issued for these leases
 - *Automatic Renewal Leases with Specific Terms*
 - Leases that automatically renew for a specific term or number of years
 - “This lease shall be automatically renewable...but in no event shall either party have the option to renew after (‘50 years’ or future date certain).”
 - A **CRL is not required** to be issued for these leases
- Return your hardcopy signed and initialed sheets to SPC
- All operating expense/CAM reconciliations should be forwarded to SPC with supporting documentation

SAMPLE RENEWAL SHEET

REACH - AGENCY DASHBOARD - January 2018

As of March 12, 2018

SECRETARY OF STATE FY19 RENEWAL REPORT

Lease Number	Entity	Address	City	County	Landlord	Date of Lease	Lease Start Date	Lease End Date	Use Type	Term	Renewal Options Remaining	Area (SqFt)	Total Capacity	Total Headcount	Percent Occupied	Monthly Base Rental Rate (Current Lease Year)	Monthly Base Rental Rate (Next Lease Year)	Total Base Rental plus Add'l Expenses (Current Lease Year)	Total Base Rental plus Add'l Expenses (Next Lease Year)
6463	Secretary of State, Office of the	237 Coliseum Drive	Macon	Bibb	Macon-Bibb County	8/30/2016	9/1/2016	8/31/2026	Office	Multi-year Lease (not renewed each year)	1	83653	179.00	107.00	59.78%	29,627.10	29,627.10	29,627.10	29,627.10
9055	Secretary of State, Office of the	4 East Church Street	Cartersville	Bartow	Bartow County	6/6/2017	7/1/2017	6/30/2018	Office	Annual Renewal (lease may have option years)	3	870	5.00	2.00	40.00%	1.00	1.00	1.00	1.00

 AUTHORIZED AGENCY OFFICIAL

 AUTHORIZED BUDGET OFFICIAL



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RENEGOTIATION REPORTS

- **April 13, 2018:** Renegotiation SAFs are due to SPC
- SPC will renegotiate all expiring leases in 2018 unless the agency is closing the site or moving into a new site (within 3 months of lease expiration).
- Agency assignments for SPC transaction personnel.
- Information that should go on your SAF
 - **CHANGE OF LANDLORD** should include:
 - W-9
 - Lease Assignment and/or Novation Agreement
 - Property Deed
 - Any work or repairs to the space the agency needs completed for the coming year
 - Outstanding Landlord issues
- All operating expense/CAM reconciliations should be forwarded to SPC with supporting documentation

RENEGOTIATION REPORTS

- Leases that will be renegotiated:
 - TAW status (more than 90 days)
 - Automatic Renewal Leases – leases with no specific end date that state “Automatically Renew”
 - Any location that has no options left or is expired
- What you will do?
 - Review the renegotiation report for any discrepancies
 - Start working on the SAF's!

SAMPLE RENEGOTIATION SHEET

REACH - AGENCY DASHBOARD - January 2018

As of March 12, 2018

GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS FY19 RENEGOTIATION REPORT

Lease Number	Entity	Address	City	County	Landlord	Date of Lease	Lease Start Date	Lease End Date	Use Type	Term	Renewal Options Remaining	Area (SqFt)	Total Capacity	Total Headcount	Percent Occupied	Monthly Base Rental Rate (Current Lease Year)	Monthly Base Rental Rate (Next Lease Year)	Total Base Rental plus Add'l Expenses (Current Lease Year)	Total Base Rental plus Add'l Expenses (Next Lease Year)
5145	Community Affairs, Department of	60 Executive Park South, N.E.	Atlanta	Fulton	Georgia Housing & Finance Authority	6/30/2013	7/1/2014	6/30/2015	Office	Annual Renewal (lease may have option years)	0	0	250.00	250.00	100.00%	0	0	0	0
6210	Community Affairs, Department of	21 Industrial Boulevard	Eastman	Dodge	Mosquito Creek Properties, L.L.P.	5/26/2005	7/1/2014	6/30/2015	Office	Annual Renewal (lease may have option years)	0	0	35.00	34.00	97.14%	0	0	0	0
7881	Community Affairs, Department of	675 Pulaski Street, 300	Athens	Clarke	Joe Sanders	6/29/2010	7/1/2014	6/30/2015	None Assigned	Annual Renewal (lease may have option years)	0	0	7.00	9.00	128.57%	0	0	0	0
7946	Community Affairs, Department of	1854 Shackelford Court, Suite 420	Norcross	Gwinnett	TSTT Investments, L.L.C.	1/26/2011	7/1/2017	6/30/2018	None Assigned	Annual Renewal (lease may have option years)	0	7981	47.00	43.00	91.49%	8,719.24	0	8,719.24	0

Questions



