



STATE OF GEORGIA
OFFICE OF THE GOVERNOR
ATLANTA 30334-0090

Nathan Deal
GOVERNOR

January 5, 2017

Re: State Properties Commission, Revisions to Policies- SPC 04 – Space Management:
Assignment of Space and SPC 08 – Transaction Management: Leasing Requirements for
State Properties Commission Multiyear Rental Agreement for Administrative Space

All:

The State Properties Commission (SPC) is authorized by statute, specifically O.C.G.A. § 50-16-41(b), to act as the space manager for all state entities. In order to effectively manage the utilization of administrative space by the state's entities, SPC has adopted policies to specifically address how agencies can work with SPC to request, identify and lease administrative space. These policies can be found on SPC's website, gspc.ga.gov.

At its called meeting on December 15, 2016, SPC approved revisions to existing policies: "SPC 04 – Space Management: Assignment of Space" and "SPC 08 – Transaction Management: Leasing Requirements for State Properties Commission Multiyear Rental Agreement for Administrative Space." The revised policies are attached and became effective immediately upon approval. These policy revisions are the result of SPC's efforts to streamline processes and maximize the benefits of multiyear leases by allowing SPC the flexibility in how administrative space is assigned to state entities.

First, revisions to both SPC 04 and SPC 08 allow for SPC to assign administrative space to state entities, either through a direct assignment or the execution of an Intergovernmental Agreement (sublease). For a space action request resulting in new lease, the execution of a formalized sublease by the entity occupying the space may not be required by SPC; rather, SPC may assign the administrative space by a Letter of Assignment of Space. An applicable Letter of Assignment of Space will clarify that the entity occupying the space assigned will be subject to all of the requirements of the tenant under the Lease, including the requirement to pay rent directly to Landlord.

Second, modifications to SPC 08 provide an exemption from certain minimum requirements for those multiyear lease agreements with local, state or federal governmental entities. Specifically, these lease agreements are exempt from the three thousand (3,000) square feet minimum, fifty thousand dollars (\$50,000) in tenant improvements minimum, and term limitations (based on the square footage of the leased space). Nonetheless, multiyear leases with local, state and federal governmental entities will have a maximum term of twenty (20) years. These changes will not affect Georgia State Financing and Investment Commission's oversight of the multiyear contract value authority of multi-year leases.



These revised policies are effective December 15, 2016. Therefore, the policies will affect those requests for which SPC does not yet have an executed master lease agreement.

Best regards,

A handwritten signature in black ink that reads "Nathan Deal".

Nathan Deal
Governor of Georgia