



STATE PROPERTIES COMMISSION

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

Chairman
Nathan Deal
Governor

Executive Director
Steven L. Stancil

MINUTES

STATE PROPERTIES COMMISSION BOARD MEETING

SEPTEMBER 15, 2015

STATE CAPITOL, ROOM 107

Members in Attendance:

Governor Nathan Deal, Chairman
Brian Kemp, Secretary
Steve McCoy, Member
John Breakfield, Citizen Member
Michael Howell, Citizen Member
Phil Carlock, Citizen Member

In Attendance:

Frank Smith, State Properties Commission
Steven Stancil, State Properties Commission
Heather York, State Properties Commission
Alisa Pereira, State Properties Commission
J. Wade, State Properties Commission
Clark Wong, State Properties Commission
Ryan Remle, State Properties Commission
Tamika Crittenden, State Properties Commission
Marvin Woodward, Georgia State Financing & Investment Commission
Christy Sanders, Georgia State Financing & Investment Commission
Sonny Manalili, Georgia Building Authority
Paul Melvin, Georgia Building Authority
Shelby Perdue, Georgia Building Authority
Tanisha Thomas, Georgia Law Department
Deatre Hines-Bey, Georgia Law Department
Steve Friedman, Georgia Department of Natural Resources
Bart Gobeil, Georgia Ports Authority

In Attendance Continued:

Gretchen Corbin, Technical College System of Georgia
Travis Johnson, Technical College System of Georgia
Sara Honeywill, Technical College System of Georgia
Buford Sanders, Georgia Forestry Commission
David Werner, Office of the Governor
Ryan Teague, Office of the Governor

Call to order and minutes of the previous meeting (06/29/2015).

Governor Deal 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 June 29, 2015 meeting. Phil Carlock made a motion to approve the minutes and Steve McCoy seconded the motion. The motion carried unanimously.

Request by the Department of Natural Resources to acquire by purchase five separate tracts of land for the Robins Air Force Base Buffer Project at Echeconnee Creek Wildlife Management Area in Houston County.

Steve Friedman presented the request by the Department of Natural Resources to acquire five tracts of land located adjacent to Robins Air Force Base in Houston County. In an effort to preserve the area for conservation and to protect the base from any issues arising during the next Base Realignment and Closure Commission, the Department is working with the Central Georgia Joint Development Authority to purchase property around the northern side of the Base. The source of funding is DNR Bond 123 and each tract had two appraisals conducted with the purchase prices falling within the appraised values.

<u>Tract Name</u>	<u>Acreage - Address</u>	<u>Price</u>
1. Military Homes, Inc.	0.24 acre – 106 Cranford St.	\$45,800
2. Godfrey	0.31 acre – 102 N. Paul St.	\$5,100
3. Martin	0.24 acre – 107 Cranford St.	\$2,400
4. Godfrey	0.47 acre – 204 N. Paul St.	\$4,500
5. Wright	0.31 acre – 1008 Southern Ave.	\$3,100

John Breakfield motioned to approve the request by the Department of Natural Resources. Michael Howell seconded the motion. The motion carried unanimously.

Request by the Department of Natural Resources to decline to exercise the offer of re-conveyance by Greenwich Investors XLVII Trust 2014-1 of approximately 25 acres of improved real property commonly known and designated as a portion of the former Youth Estate on Georgia Highway 99 in Glynn County.

Steve Friedman presented the request by the Department of Natural Resources to decline the offer of re-conveyance of approximately 25 acres in Glynn County. The State acquired the property in the 1930's to be used as a state park. Unable to develop and use the property, the State conveyed the property in the 1940's and again in the 1970's with a reversionary clause that if the property ceases to be used for charitable purposes, it would revert back to the State. Morningstar Baptist Treatment Services, Inc. was the latest deed holder and in order to obtain financing for improvements to the facilities, the reversionary clause would need to be removed. The State authorized the quitclaim of its reversionary interest in 2002 but retained a right of re-conveyance for the sum of \$2,500 plus the costs of any improvements.

Morningstar defaulted on the repayment of their loan and the property was foreclosed. The bank has assigned the security deed to Greenwich Investors which then presented the State an offer of reconveyance in accordance with the terms of the deed. The Board of the Department Resources has no further interest in the property and supports declining the offer.

John Breakfield motioned to approve the request by the Department of Natural Resources. Phil Carlock seconded the motion. The motion carried unanimously.

Request by the Georgia Forestry Commission to acquire a conservation easement under the Forest Legacy Program on approximately 685 acres from Beadles Land and Timber, Inc. in Worth County for a consideration of \$1. (SPC # 960.33)

Buford Sanders presented the request by the Georgia Forestry Commission to accept a donated conservation easement for approximately 685 acres from Beadles Land and Timber in Worth County. The property will be managed as a working forest and will protect old growth longleaf pine and the gopher tortoise. The southwest region of the state is highly dependent on forestry; providing approximately 3,500 jobs. The value of the conservation easement is \$1,371,000.

Phil Carlock motioned to approve the request by the Georgia Forestry Commission. Steve McCoy seconded the motion. The motion carried unanimously.

Request by the Technical College System of Georgia to acquire from the Chattahoochee Tech Foundation, Inc. approximately 1.35 acres at Chattahoochee Technical College in Bartow County for a consideration of \$100,000. (SPC # 801.15)

Gretchen Corbin presented the request by the Technical College System of Georgia to acquire 1.35 acres from the Chattahoochee Tech Foundation in the amount of \$100,000. The property is located at the Acworth campus of Chattahoochee Technical College and is currently being leased for storage use. After acquiring the property, the space will continue to be used for storage.

Steve McCoy motioned to approve the request by the Technical College System of Georgia. Michael Howell seconded the motion. The motion carried unanimously.

Request by the Technical College System of Georgia to grant a ten year lease to the Cherokee Office of Economic Development for approximately 3,812 square feet, being a portion of Building #200, located at the Chattahoochee Technical College's Woodstock Campus for \$10 annually. (SPC # 500.08)

Gretchen Corbin presented the request by the Technical College System of Georgia to grant a ten year lease to the Cherokee Office of Economic Development for approximately 3,812 square feet at the Woodstock campus of Chattahoochee Technical College. The space is currently unoccupied and the Cherokee Office of Economic Development will be responsible for reimbursement of utilities, janitorial, telephone and data services.

Steve McCoy motioned to approve the request by the Technical College System of Georgia. Brian Kemp seconded the motion. The motion carried unanimously.

Request by the Department of Defense to revert to the City of Macon by quitclaim deed the State's interest in 6.27 acres of surplus property which was previously used as an Air National guard Armory. (SPC # 446.33)

Alisa Pereira presented the request on behalf of the Department of Defense the State's interest in 6.27 acres to the City of Macon. In 1964, the City granted the property to the State to be used as an armory. The deed contained a reversionary clause that should the property ceased to be used as an armory, the property would revert back to the City.

Phil Carlock motioned to approve the request by the Department of Defense. Brian Kemp seconded the motion. The motion carried unanimously.

Request by the Department of Juvenile Justice that a revocable license be granted to Simpson Trucking & Grading, Inc. for construction of a sanitary sewer line and associated equipment; and a non-exclusive easement be granted to the City of Gainesville to operate and maintain that sanitary sewer line in the same area, approximately 0.44 of an acre, at Gainesville Regional Youth Detention Center in Hall County. (SPC # 605.247-RLA, SPC # 605.247.01-EAS)

Alisa Pereira presented the request on behalf of the Department of Juvenile Justice to grant a revocable license to Simpson Trucking & Grading for the construction of a sewer line at Gainesville Regional youth Detention Center. The Department also requests granting an easement to the City of Gainesville to operate and maintain that sewer line. The consideration for the revocable license is \$650.00 and the easement is \$3,850 because the sewer line does not benefit the state.

John Breakfield abstained from voting. Brian Kemp motioned to approve the request by the Department of Juvenile Justice. Steve McCoy seconded the motion. The motion carried unanimously.

Request by the Department of Corrections for the State Properties Commission to enter into a three year lease at \$2,200/month with the Metropolitan Atlanta Rapid Transit Authority for an approximately 28,796 square foot parking lot, proximate to 276 Memorial Dr. SW in Atlanta; and request for acquisition of the same property at fair market value subject to funding availability. (SPC # 812.147-lease, SPC # 812.147.01-acquisition)

Alisa Pereira presented the request for the State Properties Commission to enter into a three year lease on the behalf of the Department of Corrections with MARTA for a parking lot at a cost of \$2,200 a month. The property is located across the street from the Department of Corrections Probation Office and Day Reporting Center at 276 Memorial Drive in Atlanta. When funds are available, the Department of Corrections intends to purchase the property from MARTA for fair market value.

Phil Carlock motioned to approve the request by the Department of Corrections. Brian Kemp seconded the motion. The motion carried unanimously.

Request by the Department of Public Safety to grant a two year lease to Justice Federal Credit Union of approximately 2,224 square feet for an Automated Teller Machine and banking branch at the Georgia Department of Public Safety Headquarters in Atlanta for the consideration of \$1,872 per month. (SPC # 406.50)

Alisa Pereira presented the request on behalf of the Department of Public Safety to grant a two year lease with Justice Federal Credit Union for us of approximately 2,224 square feet of space as a bank branch and ATM. The space is located at the Department of Public Safety's headquarters at Confederate Avenue in the Atlanta. The rental for the lease is \$1,872 a month or \$22,464 a year. Because the value of the lease

is less than \$500,000, the State Properties Commission is authorized to enter into the lease without general assembly approval in accordance with the expedited conveyance process under O.C.G.A. 50-16-34(5).

Steve McCoy motioned to approve the request by the Department of Public Safety. Phil Carlock seconded the motion. The motion carried unanimously.

Request by the Georgia Ports Authority to acquire from Chatham County approximately 1 acre of unencumbered real property known as Grange Road, Container Berth 8, for a consideration of \$300,000, and any interest they may have in a 4.8 acre wharf area at the end of Grange Road for \$1. (SPC # 801.93)

Bart Gobeil presented the request by the Georgia Ports Authority to acquire from Chatham County approximately 1 acre for \$300,000. The property will be used to expand the Ports' container storage area. In addition, the County will convey any interest it may have in 4.8 acres of wharf area at the end of Grange Road and requests an easement to construct and maintain drainage improvement that may become necessary along the road.

Steve McCoy motioned to approve the request by the Georgia Ports Authority. Brian Kemp seconded the motion. The motion carried unanimously.

Request by the Department of Human Services Division of Family & Children Services for the State Properties Commission to enter into a ten year lease on their behalf with MLMT 2008-C1 2910 Miller Road, LLC for approximately 25,000 rentable square feet at 2910 Miller Road in Decatur. (Lease # 6533)

Frank Smith presented the request for the State Properties Commission to enter into a ten year lease on the behalf of the Department of Human Services. The Department of Family & Children Services is currently in the building at 2910 Miller Road in Decatur under a year to year lease. The conversion to a multi-year agreement provides the State a \$12.00 square foot rental rate, 10 months of free rent, \$12 per square foot of a tenant improvement allowance, and 110 free parking spaces. Overall, the State will realize over \$2.2 million in cost avoidance over the term of the lease.

John Breakfield motioned to approve the request by the Department of Human Services. Steve McCoy seconded the motion. The motion carried unanimously.

Request by the State Board of Workers Compensation for the State Properties Commission to enter into a ten year lease on its behalf with 270, L.P. for approximately 69,080 rentable square feet of office space and 1,940 rentable square feet of storage space at 270 Peachtree Street in Atlanta. (Lease # 6794)

Frank Smith presented the request for the State Properties Commission to enter into a ten year lease on behalf of the State Board of Workers Compensation. Workers Comp is currently in the building at 270 Peachtree Street in Atlanta under a year to year lease. The conversion to multi-year agreement provides the State a \$17.00 square foot rental rate when they are currently paying \$18.50, \$15.00 per square foot of tenant improvement allowance, and a below market parking rate of \$55.00 per space. Overall, the State will realize over \$2.5 million in cost avoidance over the term of the lease.

Michael Howell motioned to approve the request by the State Board of Workers Compensation. Phil Carlock seconded the motion. The motion carried unanimously.

New Business – Request by State Properties Commission staff to approve revisions to Space Standards Policy.

Alisa Pereira presented the request by the staff of the State Properties Commission to approve revisions to the Space Standards Policy. The staff of SPC requested the assistance of real estate and architectural and design industry contacts to review the current space standards and compare them to those of private and public sectors. Overall, the study shows the current space standards match the norm of reducing the total square footage of office space. The study did provide some recommendations of reducing the size of closed office space and reserving for only the highest levels of management. Increasing the professional/administrative staff open workstations from the current 6x6 to 7x7, manager/supervisor space to 8x8 and reducing hoteling from 5x5 to 5x4.

Phil Carlock motioned to approve the request by the State Properties Commission. Brian Kemp seconded the motion. The motion carried unanimously.

Adjournment

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



Steven L. Stancil
Executive Director, State Properties Commission