

Request for Board of Commissioners' Action

From: Faye Hughes, County Administrator **Date:** November 19, 2018

Subject: Wiregrass Technical College Lease **Item Number:** VIII-D

From: Owen, Kimberly
Sent: Thursday, August 23, 2018 1:14 PM
To: 'cookgov@windstream.net' <cookgov@windstream.net>
Subject: 5902 TCSG Sparks LOI draft

Ms. Hughes,

Per our conversation, attached is the Letter of Intent draft to renegotiate the lease terms for TCSG. Please review and complete the LOI draft with the new proposed terms. Once we receive the signed LOI back from Cook County, we will begin drafting the new lease agreements. Please do not hesitate to call or email me should you have any questions regarding the LOI draft.

Thank you,
Kim



Kimberly Owen | Leasing Specialist
State Properties Commission
270 Washington Street, Suite 2-129 | Atlanta, Georgia 30334
Office: 404-656-2361 | eFax: 770-359-4024
Email: kimberly.owen@spc.ga.gov
Website: <http://www.spc.georgia.gov>

Chair will need a motion authorizing County Administrator, Faye Hughes, prepare a lease to extend Wiregrass Technical College's lease for an additional 2 years.

Motion made by _____

Second made by _____

Any discussion: _____

Votes _____ yes _____ no

Motion carried/ failed

8/23/2018

Cook County Board of Commissioners
PO Box 540
Adel, Georgia, 31620-0540
229-896-2266
cookgov@windstream.net

RE: Lease #5902 – 1676 North Elm Street, Sparks, Georgia

Dear Ms. Hughes:

Thank you for your efforts to date in proposing and providing information to State Properties Commission (“**Tenant**”) and Technical College System of Georgia (“**Occupying Agency**”) regarding their potential lease of the space at the above referenced address. Please review the following terms and conditions and fill in all required information. Once fully executed, this letter will signal Landlord’s agreement to said terms and conditions such that Tenant and Landlord can negotiate and enter into a lease agreement. This is a non-binding offer from Tenant to Landlord. All contracts in excess of one million dollars will be subject to final approval by the State Properties Commission’s Board. **We request your response within ten (10) business days of the date of this letter.**

LANDLORD LEGAL NAME / PROOF OF OWNERSHIP	Landlord to provide Landlord legal name [REDACTED] Landlord to attach in Exhibit B one of the following prior to LOI execution. 1. Property Deed 2. Purchase and Sale Agreement <i>The property entity name reflected on the property deed is the entity name that will be required in the lease document.</i>
LANDLORD NOTICE	[REDACTED] Building Address, Suite, City
LANDLORD RENT	[REDACTED] Building Address, Suite, City
PREMISES BUILDING ADDRESS:	1676 North Elm Street, Sparks, Georgia
PREMISES:	22,223 Rentable Square Feet (RSF) in a Choose an item. building The Premises is further described attached hereto in Exhibit A - Floor Plan
COMMON AREA FACTOR:	Landlord to state the common area factor (if any): [REDACTED] %

COMMENCEMENT DATE:	7/1/2018																																													
TERMINATION LANGUAGE:	<p>Tenant shall have the continuous and on-going Right to Terminate pursuant to O.C.G.A. § 50-16-41, as amended. Relevantly, the Tenant shall have the right to terminate, without further obligation, the lease agreement if the Tenant determines that adequate funds will not be available for the payment obligations of the Tenant under the lease agreement. The Tenant's determination regarding the availability of funds for its obligations shall be conclusive and binding on all parties to the lease agreement.</p> <p>The language above is required by law and will be included in the final lease and may not be modified.</p>																																													
TERM:	The initial term of the lease shall be <input type="text"/> (Enter Number) year(s)																																													
RENTAL RATE:	<p>The following Rental Rate schedule outlines the Choose an item. rate that the Landlord is proposing to Tenant for the Term. Tenant shall not receive any pass-throughs from Landlord as it relates to Operating Expenses for the Building and Premises.</p> <table border="1"> <thead> <tr> <th>FISCAL YEAR</th><th>PERIOD</th><th>MONTHLY RENT</th><th>ANNUAL RENT</th><th>ABATED RENT</th></tr> </thead> <tbody> <tr><td>2020</td><td>7/1/19 – 6/30/20</td><td>\$</td><td>\$</td><td>\$</td></tr> <tr><td>2021</td><td>7/1/20 – 6/30/21</td><td>\$</td><td>\$</td><td>\$</td></tr> <tr><td>2022</td><td>7/1/21 – 6/30/22</td><td>\$</td><td>\$</td><td>\$</td></tr> <tr><td>2023</td><td>7/1/22 – 6/30/23</td><td>\$</td><td>\$</td><td>\$</td></tr> <tr><td>2024</td><td>7/1/23 – 6/30/24</td><td>\$</td><td>\$</td><td>\$</td></tr> <tr><td>2025</td><td>7/1/24 – 6/30/25</td><td>\$</td><td>\$</td><td>\$</td></tr> <tr><td>2026</td><td>7/1/25 – 6/30/26</td><td>\$</td><td>\$</td><td>\$</td></tr> <tr><td>2027</td><td>7/1/26 – 6/30/27</td><td>\$</td><td>\$</td><td>\$</td></tr> </tbody> </table>	FISCAL YEAR	PERIOD	MONTHLY RENT	ANNUAL RENT	ABATED RENT	2020	7/1/19 – 6/30/20	\$	\$	\$	2021	7/1/20 – 6/30/21	\$	\$	\$	2022	7/1/21 – 6/30/22	\$	\$	\$	2023	7/1/22 – 6/30/23	\$	\$	\$	2024	7/1/23 – 6/30/24	\$	\$	\$	2025	7/1/24 – 6/30/25	\$	\$	\$	2026	7/1/25 – 6/30/26	\$	\$	\$	2027	7/1/26 – 6/30/27	\$	\$	\$
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ABATED RENT:	Landlord will abate the 1st month’s rent in each year of lease term (including operating expenses) for a total of Months (Enter Number) months of free rent over the term on the full service gross rent.															
LANDSCAPING:	Landlord shall be responsible for landscaping and removal of garbage, straw and refuse from the exterior and common areas of the building.															
UTILITIES:	Landlord shall provide and Choose an item. for all utilities.															
JANITORIAL:	Choose an item. shall be responsible for all janitorial services and supplies for general cleaning of the Premises.															
OBLIGATION TO REPAIR & MAINTAIN:	Landlord will be responsible for all interior and exterior repairs and maintenance of the Premises at no additional charge to Tenant, except for damage or disrepair caused by the gross negligence or willful misconduct of Tenant, its employees, agents or contractors.															
PARKING:	Tenant’s parking allocation shall not be less than 5 spaces per 1,000 RSF All parking spaces shall be free of charge throughout the Term and any renewal Term(s).															
EXPANSION/RIGHT OF FIRST REFUSAL:	Tenant shall have an ongoing first right to expand into any available space in the Building.															
SIGNAGE RIGHTS:	Tenant, at Landlord’s sole cost and expense, shall be permitted to install and place Tenant’s name or Tenant’s trade name in, on, and around the building, on monument(s)/pylon(s), and at the point of ingress to the development. Tenant’s rights to such signage shall be for the entire initial lease term as well as all renewal periods. All signage shall be subject to local ordinances and all government or association approvals.															
REQUESTED REPAIRS:	<p>Landlord, at its sole cost and expense, shall provide Tenant with the following repairs listed below</p> <p>1. Parking lot seal coating and striping</p> <p>2. Install handicap access signage on Building 200</p> <p>3. Install railing on ramp on Building 200 (east entrance)</p> <p>4. Affix building numbers/addresses to all buildings</p>															

COMPLIANCE WITH LAWS:	Landlord, at Landlord's sole cost and expense, will be responsible for making the entire Building and Premises fully compliant with all required (present and future), local, state and federal regulations and guidelines, including those governing American with Disabilities Act, fire, life safety, environmental and OSHA codes.
AUTHORITY:	Landlord represents to Tenant that it is the owner of the Building, that the zoning necessary to proceed with the project has been approved, and that Landlord has full authority to enter into this LOI and a lease agreement.
LEASE DOCUMENT:	Tenant and Landlord reserve the right to address further modifications in the lease document prior to finalizing this contemplated transaction.
CONFIDENTIALITY:	This proposal and all discussion related thereto shall be held in confidence by Landlord and will not be discussed with third parties except on an "as needed" basis.
CONFLICT OF INTEREST DISCLOSURE:	Landlord should be aware that the project subject to this Letter of Intent is a public procurement, and SPC is a public agency. Pursuant to the laws, rules and Executive Orders of the State of Georgia, SPC shall make every effort to avoid even the appearance of a conflict of interest or any impropriety in both the selection process for this project and the negotiation and performance of any resulting lease. If a conflict of interest exists for Landlord, a Conflict of Interest Disclosure must be completed and submitted to SPC and if appropriate, Landlord may be required to agree to certain measures to safeguard against conflicts or the Project may be discontinued altogether. Landlord's responsibility to disclose any conflict of interest is ongoing.
CONTINGENCY:	The terms of any real estate transaction for the Premises shall be subject to final approval by State Properties Commission's board and full execution of the lease by both Landlord and Tenant.

If the foregoing offer is acceptable to Landlord and Landlord agrees to undertake good faith negotiations with Tenant in order to finalize a Lease Document embodying the terms set forth above, please execute this letter where indicated below and return a copy to our office (via email) by the time and date referenced in the opening paragraph. If you have any questions or would like to discuss, please call.

Kimberly Owen
Leasing Specialist
kimberly.owen@spc.go.gov
404-656-2361

The remainder of this page intentionally left blank

AGREED AND ACCEPTED THIS ____ DAY OF _____, 201_.

Landlord: Enter Landlord Entity

By: _____

Name: _____

(print name)

Its: _____

AGREED AND ACCEPTED THIS ____ DAY OF _____, 201_.

Tenant: State Properties Commission

By: _____

Name: _____

(print name)

Its: _____

AGREED AND ACCEPTED THIS ____ DAY OF _____, 201_.

Occupying Agency: Technical College System of Georgia

By: _____

Name: _____

(print name)

Its: _____

By signing, the Occupying Agency approves this Letter of Intent as to content including monetary obligations that will be incurred by the Occupying Agency subsequent to the execution of the lease by the State Properties Commission and the Landlord, and upon assignment of the Premises to such Occupying Agency by the State Properties Commission.

Exhibit A

Choose an item.

Exhibit B

Property Deed