

Staff Report

Subject: Approval of Lease Agreement between Effingham County Board of Commissioners and the State Properties Commission for the Georgia Department of Human Services – Division of Family and Children Services, Lease #3362

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Department:

Meeting Date: June 7, 2022

Item Description: Approval of Lease #3362 between Effingham County Board of Commissioners and the State Properties Commission for the Georgia Department of Human Services – Division of Family and Children Services for the property located at 204 Franklin Street, Springfield, GA. 31329.

Summary Recommendation: Staff recommends Approval of Lease #3362. This lease agreement will replace the current agreement.

Executive Summary/Background:

- The new lease agreement will have an initial term of July 1, 2021 through June 30, 2022 with four (4) annual renewal periods. The monthly rental rate will be reduced to \$4,560. The previous lease agreement had a monthly rate of \$6,422.50.
- The State no longer utilizes the “Local Statement of Service and Maintenance Costs in Lieu of Rent in Public Buildings” (“Maintenance in Lieu Agreement”) format as a contractual means of leasing commercial real property. Instead, a more traditional lease format is used to compensate the property owner for their anticipated expenditures toward “Operating Expenses” (“OpEx”).
- The State has estimated these operating expenditures from the actual operating expenses of other buildings within Georgia as compiled by BOMA – Building Owners and Managers Association. The breakdown provided by the State is included as documentation with this staff report.
- This agreement has been reviewed and approved to form by the County Attorney.

Alternatives for Commission to Consider

1. Approval of Lease #3362 between Effingham County Board of Commissioners and the State Properties Commission for the Georgia Department of Human Services – Division of Family and Children Services for the property located at 204 Franklin Street, Springfield, GA. 31329, for a monthly rate of \$4,560.00
2. Take no action.

Recommended Alternative: 1

Other Alternatives: 2

Department Review: Administrative Staff

Funding Source:

Attachments:

1. Final Lease #3362 between Effingham County Board of Commissioners and the State Properties Commission for the Georgia Department of Human Services – Division of Family and Children Services
2. Lease #3362 LOI previously approved by the Board of Commissioners