

## **Staff Report**

**Subject:** Renewal 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

**Author:** Alison Bruton, Purchasing Agent

**Department:**

**Meeting Date:** May 16, 2023

**Item Description:** Renewal 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 Renewal of Lease #3362. This lease agreement will replace the current agreement.

### **Executive Summary/Background:**

- This lease agreement had an initial term of July 1, 2021 through June 30, 2022 with four (4) annual renewal periods. The monthly rental rate was 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. Renewal 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