

AGENDA

STATE BUILDING COMMISSION
Executive Subcommittee
Cordell Hull State Office Building
House Hearing Room III
July 22, 2024
11:00 a.m.

- Consent Agenda Listing 2
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Pursuant to T.C.A. § 8-44-112, any person interested in making a public comment, either in-person or remotely, about any agenda item should notify by email state.architect@tn.gov prior to the meeting or may make a request in person by speaking with the State Architect prior to the meeting start.

Pursuant to T.C.A. §8-44-108, meetings may be conducted permitting participation of electronic or other means of communication.

CONSENT AGENDA

Approval of the following items which have been reviewed and recommended for approval by Subcommittee staff:

1. Agency: **Tennessee Board of Regents / Chattanooga State Community College**
Requested Action: Approval of a lease
Transaction No.: 24-07-002
Location: Chattanooga State Community College ("ChSCC")
4501 Amnicola Highway, Chattanooga

2. Agency: **Tennessee Board of Regents / TN College of Applied Technology – Knoxville**
Requested Action: Approval of a lease
Transaction No.: 24-01-060
Location: Union County Board of Education ("BOE")
150 Main Street, Maynardville, TN

3. Agency: **Tennessee Board of Regents / TN College of Applied Technology – Livingston**
Requested Action: Approval of a lease
Transaction No.: 24-01-062
Location: Overton County Government
306 W Main Street, Livingston, TN

4. Agency: **University of Tennessee**
Requested Action: Approval of an amendment to the Agreement for Development Management Services
Transaction No.: 12-02-013
Location: Cherokee Farm Innovation Campus, Knoxville

5. Agency: **Department of Military**
Requested Action: Approval of disposal in fee with waiver of advertisement
Transaction No.: 24-06-003
Location: Hickman County – 8.3 ± acres – 150 Universal Dr., Centerville, TN

6. Agency: **Department of Environment & Conservation**
Requested Action: Approval of acquisition in fee
Transaction No.: 24-06-007
Location: Justin P. Wilson Cumberland Trail State Park (JPWCTSP) -- Campbell County --
335.00 +/- acres – 0 Flatwoods Road, Benton, TN

7. Agency: **Department of Environment & Conservation**
Requested Action: Approval of acquisition in fee
Transaction No.: 24-04-005
Location: Long Hunter State Park (LHSP)
Davidson County – 55.31 +/- acres (5 tracts) – 1874 and 0 Bakers Grove Road,
Hermitage, TN

8. Agency: **Department of Environment & Conservation**
Requested Action: Approval of acquisition in fee
Transaction No.: 23-06-013
Location: Scott's Gulf Wilderness State Park (SGWSP)
White County- 2.40 +/- acres – 6850 Lost Creek Road, Sparta, TN

9. Agency: **Department of General Services**
Requested Action: Approval of a lease
Transaction No.: 22-11-906, 22-11-907 & 22-11-908 (DOC)
Location: Davidson County– 220 Blanton Avenue, Nashville, TN
10. Agency: **Department of General Services**
Requested Action: Approval of a lease
Transaction No.: 21-01-913 (DCS) & 21-01-914 (DHS)
Location: DeKalb County – 715 Walker Drive, Sparta, TN
11. Agency: **Department of General Services**
Requested Action: Approval to waive advertisement
Transaction No.: 24-02-907 (DHS)
Location: Giles County – 115 South Cedar Lane, Pulaski, TN
12. Agency: **Department of General Services**
Requested Action: Approval of a lease
Transaction No.: 20-07-909 (DCS) & 20-07-910 (DHS)
Location: Perry County – 431 Lobelville HWY., Linden, TN

UNIVERSITY OF TENNESSEE

Acquisition – Lease Amendment (Space)

Requested Action: **Approval of a lease amendment**

Transaction Description: Transaction No.14-04-900

- **Proposed Amendment:**

- **Term:** 13 years (September 1, 2014 – August 31, 2027)

- **Area/Cost:** 15,070 square feet

Average Annual Contract Rent (incl. utilities and janitorial): \$293,865.00 \$19.50/sf

Total Average Annual Effective Cost: \$293,865.00 \$19.50/sf

- **Current Lease:**

- **Location:** Davidson County – 226 Anne Dudley Dallas Blvd., Nashville, TN

- **Landlord:** Tennessee Municipal League

- **Term:** 10 years (September 1, 2014 - August 31, 2024)

- **Area/Cost:** 15,070 Square Feet

Average Annual Contract Rent (incl. utilities and janitorial): \$226,050.00 \$15.00/sf

Total Average Annual Effective Cost: \$226,050.00 \$15.00/sf

- **Source of Funding:** Plant Funds (Non-Aux) (A)

- **Procurement Method:** Negotiated

- **FRF:** \$26.50

Comment: The University's Institute for Public Service (IPS) requests a three (3) year extension of its current lease of 15,070 square feet of space in the Capitol Boulevard Building, with a Tenant right to terminate upon 180 days' notice beginning August 31, 2025, in order to provide flexibility with respect to potentially relocating IPS's Municipal Technical Assistance Service (MTAS) and County Technical Assistance Service (CTAS) programs to an alternative location. This current space is leased at a well-below market rate for Downtown Nashville, and a still-well-below market rate the Downtown market has been negotiated. Advertisement is not required per SBC Policy 7.02 (B)(3).

Previous Action: 04/21/2014 ESC Approval of lease agreement with waiver of advertisement
 08/21/2017 ESC Approval of lease amendment with waiver of advertisement

UNIVERSITY OF TENNESSEE

Acquisition – Lease Amendment (Space)

| | | | |
|---------------------------------|---|---------------------|---------------------|
| Requested Action: | Approval of lease amendment with waiver of advertisement | | |
| Transaction Description: | Transaction No. 10-12-901 | | |
| • Proposed Amendment: | | | |
| • Location: | Davidson County – 193 Polk Ave., Suite 1B, Nashville, TN | | |
| • Area/Cost: | <u>56,746 Square Feet</u> | | |
| | Annual Contract Rent (incl. utilities and janitorial): | <u>\$939,346.62</u> | <u>\$16.85/sf*</u> |
| | Total Average Annual Effective Cost: | <u>\$974,440.08</u> | <u>\$17.48/sf*</u> |
| • Current Lease: | | | |
| • Location: | Davidson County – 193 Polk Ave., Suites 2A, 2B, and 2C, Nashville, TN | | |
| • Landlord: | SH/Polk Ave Associates, LLC | | |
| • Term: | 10 years (July 1, 2021 - June 30, 2031) | | |
| • Area/Cost: | <u>44,746 Square Feet</u> | | |
| | Current Annual Contract Rent (incl. utilities and janitorial): | <u>\$728,087.58</u> | <u>\$16.27/sf**</u> |
| | Total Average Annual Effective Cost: | <u>\$756,233.38</u> | <u>\$16.90/sf**</u> |
| • Source of Funding: | Plant Funds (Non-Aux) (A) | | |
| • Procurement Method: | Negotiated | | |
| • FRF: | \$26.50 | | |

Comment: The University's Institute for Public Service (IPS) requests approval to add up to 12,000 square feet of space by an amendment to its current lease of 44,746 square feet of space in the Polk Avenue Building. This amendment would create the opportunity to relocate IPS's The Language Center (TLC), Municipal Technical Assistance Service (MTAS), and County Technical Assistance Service (CTAS) programs, from other locations in Nashville to this building, providing the benefits of co-locating these groups.

The current Polk Avenue Second Floor space (Suites 2A, 2B and 2C) is leased at a below-market rate for this area of Nashville, and this landlord, which the University has had a positive experience with, is offering this additional space on the same terms, including the same rental rate per square foot as Suite 2C. 2C was also added to the lease after 2A and 2B, so it has a slightly higher per square foot rental rate. The double asterisked rental rate above reflects the blended rates for 2A, 2B, and 2C, while the single asterisked rental rate above reflects the blended rates for all three Second Floor suite and the proposed First Floor suite. Rent escalates annually at 1.5%.

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|-------------------------|------------|-----|--|
| Previous Action: | 12/18/2010 | ESC | Approval of lease agreement with waiver of advertisement |
| | 09/23/2019 | ESC | Approval of lease amendment with waiver of advertisement |

UNIVERSITY OF TENNESSEE

Acquisition – Lease Amendment (Space)

Requested Action: **Approval of a lease amendment**

Transaction Description: Transaction No. 2023-05-001

• **Proposed Amendment:**

- **Location:** University of Tennessee-Health Science Center (UTHSC)
Knox County – 875 Cornerstone Dr, Knoxville, TN
- **Term:** August 1, 2024 – July 31, 2025
- **Area/Costs:** Up to nine (9) two (2) bedroom units
\$3,703.70/month per 2-bedroom unit including utilities, \$400,000.00/year

• **Current Lease:**

- **Location:** University of Tennessee-Health Science Center (UTHSC)
Knox County – 8700 Hopemont Way, Knoxville, TN
- **Landlord:** Corporate Quarters, Inc.
- **Term:** August 1, 2023 – July 31, 2024
- **Area/Costs:** Up to ten (10) two (2) bedroom units
\$3,507.50/month per 2-bedroom unit including utilities, \$420,900.00/year

• **Source of Funding:** Plant Funds (Aux-Housing) (A)

• **Procurement Method:** Negotiated

Comment: These apartments will be used by medical students on clinical rotations with UTHSC's College of Medicine–Knoxville and UTHSC dental students on clinical rotations in Knoxville. The ability to provide a limited amount of housing for students is considered a highly significant and a valuable recruiting tool in attracting students to the UTHSC with the long-range benefit of students considering Knoxville for their residency. Advertisement is not required per SBC Policy 7.02 (B)(2).

A \$100 cleaning fee will be assessed for cleaning services each time a medical student rotates out and a new one arrives.

Previous Action: 05/22/2023 ESC Approved waiver of advertisement
07/25/2023 ESC Approved lease

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

Requested Action: **Approval of a lease amendment**

Transaction Description: Transaction No. 19-09-903 (DHS)

● **Proposed Amendment**

○ **Term:** 10 years (October 1, 2024 – September 30, 2034)

○ **Area / Costs:** 14,800 Square Feet

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|-------------------------------------|--------------|------------|
| First Year Contract Rent: | \$148,800.00 | \$10.00/sf |
| Average Annual Contract Rent | 162,800.00 | 11.00/sf |
| Estimated Utilities Cost | 25,900.00 | 1.75/sf |
| Estimated Janitorial Cost | 16,280.00 | 1.10/sf |
| Total Average Annual Effective Cost | \$204,980.00 | \$13.85/sf |

● **Approved Lease**

○ **Location:** Hamblen County – 222 Bowman Street, Morristown, TN

○ **Landlord:** BCM Development

○ **Term:** 10 years

○ **Area / Costs:** 11,575 Square Feet

| | | |
|-------------------------------------|--------------|------------|
| First Year Annual Contract Rent | \$115,750.00 | \$10.00/sf |
| Average Annual Contract Rent | 127,325.00 | 11.00/sf |
| Estimated Utilities Cost | 20,256.25 | 1.75/sf |
| Estimated Janitorial Cost | 12,732.50 | 1.10/sf |
| Total Average Annual Effective Cost | \$160,313.75 | \$13.85/sf |

● **Current Lease**

○ **Location:** Hamblen County – 222 Bowman Street, Morristown, TN

○ **Landlord:** BCM Development

○ **Term:** 3 years (October 1, 2021 – September 30, 2023) (Holdover)

○ **Area / Costs:** 14,800 Square Feet

| | | |
|-----------------------------|--------------|------------|
| Annual Contract Rent | \$231,727.72 | \$15.66/sf |
| Estimated Utilities Cost | 25,900.00 | 1.75/sf |
| Estimated Janitorial Cost | 16,280.00 | 1.10/sf |
| Total Annual Effective Cost | \$273,907.72 | \$18.51/sf |

● **Source of Funding:** FRF

● **Procurement Method:** Negotiated

● **FRF Rate:** \$15.00

Comment: This lease will provide office space for the Department of Human Services Call Center.

This amendment will revise the scope of renovations, provide additional office space, and update the date to complete renovations for optimal use and configuration of the proposed space for the Department of Human Services current and future needs.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state’s best interest at this time.

Knox Office Realty, LLC will not earn additional commission for this amendment.

Previous Action: 05/24/2021 ESC Approved a lease and bridge lease

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) APPROVAL of the Minutes of the Executive Subcommittee meeting held on June 24, 2024.

Report of Items Approved by Office of the State Architect

Initial and Revised Approvals of Capital Projects

- REPORT of the following capital projects with total project cost of \$100,000 - \$1,000,000 in accordance with Item 2.04(A)(2) of the *SBC By-Laws, Policy & Procedures*:

- 1) **State Procurement Agency:** Tennessee Board of Regents / Chattanooga State Community College
Location: Chattanooga, Tennessee
Project Title: CBIH Building Envelope Waterproofing
Project Description: Make the Center for Business, Industry, and Health building envelope watertight.
SBC Project No. 166/012-01-2020
Total Project Budget: \$500,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved a revision in project budget and funding (increase of \$165,000.00)
Approval Date: 07/08/2024

- 2) **State Procurement Agency:** STREAM / Department of Military
Location: Henderson, County
Project Title: Henderson Readiness Center Drainage Repairs
Project Description: Repair site drainage and all required related work.
SBC Project No. 361/035-01-2024
Total Project Budget: \$980,000.00
Source of Funding: \$490,000.00 24/25 CurrFunds-CapMaint (MP) (A)
\$490,000.00 Federal Funds (NGB) (F)
Approval: Approved project and to select a designer
Approval Date: 07/10/2024

- 3) **State Procurement Agency:** STREAM / Department of Military
Location: Smyrna, Tennessee
Project Title: VTS Smyrna Building 541 Facility Update
Project Description: Replace doors, door hardware, and windows; masonry repairs; exterior and interior facility updates; and all required related work.
SBC Project No. 361/079-01-2022
Total Project Budget: \$610,000.00
Source of Funding: Federal Funds (NGB) (F)
Approval: Approved a revision in project budget and funding (increase of \$30,000.00)
Approval Date: 07/10/2024

Approvals of Revisions to Existing Capital Projects

- REPORT of the following approval of an alternate delivery method in accordance with Item 2.04(B)(1) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** University of Tennessee Institute of Agriculture
Location: Tullahoma, Tennessee
Project Title: ARP – FFREC Highland Rim Unit Renovation
Project Description: Improvements to existing carport and correction of structural deficiencies at the Manager’s residence at the Forest Unit AgResearch Education Center in Tullahoma. Includes all related work.

SBC Project No. 540/001-06-2023
Total Project Budget: \$100,000.00
Source of Funding: Federal Funds (ARP) (F)
Approval: Approved utilizing System Procurement for construction
Approval Date: 07/09/2024

- REPORT of the following approval of an addition of scope for capital project in accordance with Item 2.04(B)(3) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** University of Tennessee – Knoxville
Location: Knoxville, Tennessee
Project Title: Alumni Memorial Lighting Upgrades
Project Description: Upgrades of the lighting, controls, *and sound systems* in the auditorium and classrooms in the Alumni Memorial Building. Includes all related work to complete the project.

SBC Project No. 540/009-32-2022
Total Project Budget: \$1,750,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved a revision in project scope
Approval Date: 07/10/2024

Approvals of Acquisitions and Disposals of State Property

- REPORT of the following disposal of TDOT property in accordance with Item 2.04(E)(2) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** STREAM / Department of Transportation
Transaction Description: Transaction No. 24-03-001
Location: Hamilton County – 4.486 +/- acres – 1000 Bass Pro Drive, East Ridge, TN
Estimated Sale Price: Fair Market Value
Grantee: Exit One VI, LLC
Approval: Approved disposal in fee
Approval Date: 07/08/2024

Designer Selections

- REPORT of the following designer selections for capital projects as delegated to the State Architect in accordance with Items 2.04(A)(1) and 2.04(A)(2) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** STREAM / Department of Military
Location: Statewide, Tennessee
Project Title: Comprehensive Energy & Water Audit Consultant FY24
SBC Project No. 361/000-01-2024
Total Project Budget: \$750,000.00
Source of Funding: Federal Funds (NGB) (F)
Designer: Path Company, LLC
Approval Date: 06/17/2024
- SELECTION of DESIGNERS for projects approved by the State Building Commission as recommended by the State Procurement Agencies.

Other Business

TENNESSEE BOARD OF REGENTS**Disposal – Lease (Space)****Requested Action:** Approval of a lease**Transaction Description:** Transaction No. 24-07-002

- **Location:** Chattanooga State Community College (“ChSCC”)
4501 Amnicola Highway, Chattanooga
- **Tenant:** Hamilton County Schools (“HCS”)
- **Term:** August 1, 2024 – July 31, 2028 with one 4 year renewal option
- **Area / Costs:** 33,866 sf / \$33,866.00 annually (\$1.00/sf)

FRF Rate: \$18.00 sf

Comment: The purpose of this lease is to continue to provide space for the STEM School Chattanooga, which was created as part of the Tennessee Stem Innovation Network to meet the needs of STEM education and workforce development in the region and CHSCC’s interests in best utilizing its available space. The STEM School has been in this location since 2011. HCS will also have rights to use 399 parking spaces on the campus. Student matriculation to ChSCC makes this a mutually advantageous relationship. HCS is responsible for utilities, maintenance, and capital improvements of the leased space.

TENNESSEE BOARD OF REGENTS**Acquisition – Lease (Land)****Requested Action:** **Approval of a lease****Transaction Description:** Transaction No. 24-01-060

- **Location:** Union County Board of Education (“BOE”)
150 Main Street, Maynardville, TN
- **Tenant:** Tennessee College of Applied Technology-Knoxville (“TCAT-Knoxville”)
- **Term:** 50 years with one 25 year renewal option
- **Area / Costs:** 2.16 +/- acres / \$0.00 annually

FRF Rate: \$18.00 sf

Comment: TCAT-Knoxville and BOE have partnered to offer workforce development opportunities and technical education programs for students and adults in Union County in a new facility to be constructed on the Union County High School Campus. Under SBC Project No. 166/060-01-2022, TBR will construct an approximately 15,000 sf facility and parking lot on the campus and offer dual enrollment and other educational programs at the facility. The State has the right to terminate this Lease for convenience on 180 days’ notice. If the State terminates this Lease for cause, or if the BOE terminates this Lease, then the BOE will be required to pay to the State the fair market value of the facility constructed by TBR.

TENNESSEE BOARD OF REGENTS**Acquisition – Lease (Land)****Requested Action:** **Approval of a lease**

Transaction Description: Transaction No. 24-01-062

- **Location:** Overton County Government
306 W Main Street, Livingston, TN
- **Tenant:** Tennessee College of Applied Technology-Livingston (“TCAT-Livingston”)
- **Term:** 40 years with one 40 year renewal option
- **Area / Costs:** 3.00 +/- acres / \$0.00 annually

FRF Rate: \$14.00 sf

Comment: TCAT-Livingston will use the property as a Commercial Driving License training facility and offer Diesel-Powered Equipment and Powerline Training program classes. The main campus has no training facility for the backing and practice portion of the CDL program. TCAT-Livingston will have their Building Construction class construct a small building on the site for classroom space and will grade and gravel the area to be used for truck driving. TCAT-Livingston will be responsible for all maintenance and utilities at the site.

UNIVERSITY OF TENNESSEE**Other - Contract Amendment V**

Requested Action: **Approval of an amendment to the Agreement for Development Management Services**

Transaction Description: Transaction No. 12-02-013

- **Proposed Amendment:**

- **Term:** September 1, 2012 – August 31, 2027
- **Costs:** Up to a maximum of \$660K in FY2025, \$750K in FY2026, and \$950K in FY2027, not to exceed \$11.76M over fifteen (15) years

- **Current Agreement:**

- **Location:** Cherokee Farm Innovation Campus, Knoxville
- **Developer:** University of Tennessee Research Foundation (UTRF)
- **Term:** September 1, 2012 – August 31, 2024
- **Costs:** Up to a maximum of \$800K per year not to exceed \$9.4M over twelve (12) years
- **Source of Funding:** Plant Funds (Non-Aux) (A)

Comment: This Amendment will extend the contract between the University and UTRF for the management and development of the UT Research Park at Cherokee Farm. In order to continue the successful relationship with UTRF, the three (3) year term proposed is consistent with the prior amendment, while the financial commitment reflects a graduated increase over each of the three years.

Either party may terminate this agreement with ninety (90) days-notice and for cause.

Previous Action: 03/19/2012 Approved the Agreement for Development Management Services
 11/23/2015 Approved an amendment to the Agreement for Development Management Services
 08/14/2017 Approved an amendment to the Agreement for Development Management Services
 06/27/2018 Approved an amendment to the Agreement for Development Management Services
 05/24/2021 Approved an amendment to the Agreement for Development Management Services

DEPARTMENT OF MILITARY**Disposal – Fee**

Requested Action: **Approval of disposal in fee with waiver of advertisement**

Transaction Description: Transaction No. 24-06-003
• **Location:** Hickman County – 8.3 ± acres – 150 Universal Dr., Centerville, TN
• **Grantee** Lincoln Lakoff
• **Estimated Sale Price:** Fair Market Value

Comment: The Department of Military (DOM) is requesting approval to dispose of 8.3 acres to the sole adjoining landowner, as the property is deemed surplus to the agency's needs.

Waiver of Advertisement is requested as there is no access to the subject property and this disposal is to the sole adjacent landowner.

In accordance with T.C.A. 12-2-121, request proceeds from sale be appropriated to the Department of Military as funds for facility replacement and repair.

DEPARTMENT OF ENVIRONMENT & CONSERVATION**Acquisition – Fee (Purchase)****Requested Action:** **Approval of acquisition in fee****Transaction Description:** Transaction No. 24-06-007

- **Location:** Justin P. Wilson Cumberland Trail State Park (JPWCTSP) -- Campbell County --
335.00 +/- acres – 0 Flatwoods Road, Benton, TN
- **Owner(s):** Eagle Ridge Conservation Group
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 24/25 State Lands Acquisition Fund (A)

Comment: This acquisition will protect the Devil’s Racetrack rock formation and will allow the State to open up 2.25 miles of the main corridor of Justin P. Wilson Cumberland Trail State Park; completing a 56.92-mile segment of continuously running trailway.

No additional management costs are anticipated with this acquisition.

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|------------------------------|----------------|
| Date of Last Transfer: | 12/30/2009 |
| Purchase Price: | \$1,400,100.00 |
| Property Assessor’s Value: | \$495,600.00 |
| Square Footage Improvements: | N/A |

DEPARTMENT OF ENVIRONMENT & CONSERVATION**Acquisition – Fee (Purchase)****Requested Action:** **Approval of acquisition in fee****Transaction Description:** Transaction No. 24-04-005

- **Location:** Long Hunter State Park (LHSP)
Davidson County – 55.31 +/- acres (5 tracts) – 1874 and 0 Bakers Grove Road, Hermitage, TN
- **Owner(s):** Karl R. Montgomery and Lori A. Montgomery
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 24/25 State Lands Acquisition Fund (A)

Comment: Per T.C.A. § 67-4-409, this property is on the state lands acquisition priority list and has been approved for purchase by the Commissioner of Environment and Conservation, the Commissioner of Agriculture, and the Executive Director of Tennessee Wildlife Resources Agency.

This property consists of five parcels adjacent to Long Hunter State Park containing grassland, cedar glade areas, a small wetland, and a historic barn. Several buildings can be found on the property including a house, detached garage, and a barn. The house is anticipated to be used for housing park staff while the garage and barn will be used for park storage. All buildings have all been inspected and determined to be in an appropriate condition for the intended use. The acquisition of the property would bring the park boundary out to Bakers Grove Road, making it easier to monitor and protect as well as provide a key access point for rescue and maintenance operations along the Volunteer Trail which has limited accessibility. The parcels would be managed for native grassland and cedar glade ecosystems.

No additional management costs are anticipated with this acquisition.

| | |
|------------------------------|--|
| Date of Last Transfer: | 11/11/2015 (4 tracts -- 12.89 +/- acres) |
| Purchase Price: | \$125,000.00 |
| Property Assessor's Value: | \$320,300.00 |
| Square Footage Improvements: | N/A |

| | |
|------------------------------|---|
| Date of Last Transfer: | 07/01/1998 (1 parcel – 42.42 +/- acres) |
| Purchase Price: | \$380,000.00 |
| Property Assessor's Value: | \$1,089,160.00 |
| Square Footage Improvements: | 7,377 s.f. |

DEPARTMENT OF ENVIRONMENT & CONSERVATION**Acquisition – Fee (Purchase)****Requested Action:** **Approval of acquisition in fee**

Transaction Description: Transaction No. 23-06-013

- **Location:** Scott's Gulf Wilderness State Park (SGWSP)
White County- 2.40 +/- acres – 6850 Lost Creek Road, Sparta, TN
- **Owner(s):** Friends of Virgin Falls, Inc.
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 24/25 State Lands Acquisition Fund (A)

Comment: Per T.C.A. §67-4-409, this property is on the state lands acquisition priority list and has been approved for purchase by the Commissioner of Environment and Conservation, the Commissioner of Agriculture, and the Executive Director of Tennessee Wildlife Resources Agency.

This parcel is to be included in the development of Scott's Gulf Wilderness State Park (SGWSP). This property is adjacent to Dog Cove Historic Area and will be a valuable accompaniment to SGWSP. The existing house is anticipated to be used as a combination of office space and seasonal staff housing. The house has been inspected and determined to be in an appropriate condition for the intended use.

No additional management costs are anticipated with this acquisition.

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|------------------------------|--------------|
| Date of Last Transfer: | 10/05/2023 |
| Purchase Price: | \$200,000.00 |
| Property Assessor's Value: | \$190,600.00 |
| Square Footage Improvements: | 1622 sq ft |

DEPARTMENT OF GENERAL SERVICES**Acquisition – Lease (Space)****Requested Action:** Approval of a lease**Transaction Description:** Transaction No. 22-11-906, 22-11-907 & 22-11-908 (DOC)● **Proposed Lease**

- **Location:** Davidson County– 220 Blanton Avenue, Nashville, TN
- **Landlord:** NSI, a Tennessee General Partnership
- **Term:** 10 years with one 5-year renewal option
- **Area / Costs:** 17,000 Square Feet

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|-------------------------------------|--------------|------------|
| First Year Contract Rent | \$561,000.00 | \$33.00/sf |
| Average Annual Contract Rent | 614,278.00 | 36.13/sf |
| Estimated Utilities Cost | 29,750.00 | 1.75/sf |
| Estimated Janitorial Cost | 18,700.00 | 1.10/sf |
| Total Average Annual Effective Cost | \$622,728.00 | \$38.98/sf |

● **Current Lease**

- **Location:** Davidson County– 220 Blanton Avenue, Nashville, TN
- **Landlord:** NSI, a Tennessee General Partnership
- **Term:** 3 years (August 1, 2022 – July 31, 2025)
- **Area / Costs:** 17,000 Square Feet

| | | |
|-----------------------------|--------------|------------|
| Annual Contract Rent | \$363,800.00 | \$21.40/sf |
| Estimated Utilities Cost | 29,750.00 | 1.75/sf |
| Estimated Janitorial Cost | 18,700.00 | 1.10/sf |
| Total Annual Effective Cost | \$412,250.00 | \$24.25/sf |

- **Source of Funding:** FRF
- **Procurement Method:** Advertised
- **FRF Rate:** \$26.50

Comment:

This lease will provide office space for Department of Correction for community supervision. Six proposals from five proposers were received. Five proposals were not evaluated for not meeting the agency's requirements or for failing to respond to requests for clarification in the procurement process. The space will be renovated to meet the State's needs. The lease is estimated to commence on or before August 2026.

The tenant may terminate lease at any time by providing 90 days prior written notice to landlord and payment of a termination fee.

If the renewal option is exercised, the rent rate will increase by 2% annually.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state's best interest at this time.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: **Approval of a lease**

Transaction Description: Transaction No. 21-01-913 (DCS) & 21-01-914 (DHS)

● **Proposed Lease**

- **Location:** DeKalb County – 715 Walker Drive, Sparta, TN
- **Landlord:** Sharon Turner
- **Term:** 10 years with one 3-year renewal option
- **Area / Costs:** 4,680 Square Feet

| | | |
|--|--------------------|-------------------|
| First Year Contract Rent | \$79,092.00 | \$16.90/sf |
| Average Annual Contract Rent | 79,728.48 | 17.04/sf |
| Estimated Utilities Cost | 8,190.00 | 1.75/sf |
| Estimated Janitorial Cost | 5,148.00 | 1.10/sf |
| Total Average Annual Effective Cost | \$93,066.48 | \$19.89/sf |

● **Current Lease**

- **Location:** DeKalb County – 715 Walker Drive, Sparta, TN
- **Landlord:** Sharon Turner
- **Term:** 3 years (July 1, 2022 – June 30, 2025)
- **Area / Costs:** 4,680 Square Feet

| | | |
|------------------------------------|--------------------|-------------------|
| Annual Contract Rent | \$48,132.00 | \$10.28/sf |
| Estimated Utilities Cost | 8,190.00 | 1.75/sf |
| Estimated Janitorial Cost | 5,148.00 | 1.10/sf |
| Total Annual Effective Cost | \$61,470.00 | \$13.13/sf |

- **Source of Funding:** FRF
- **Procurement Method:** Advertised
- **FRF Rate:** \$15.00

Comment: This lease will provide office space for Department of Children’s Services and the Department of Human Services. There was one proposal from one proposer. The proposed is the incumbent location and will be renovated to meet the State’s needs. The lease is estimated to commence on or before June 2026.

If renewal option is exercised, the rent rate will increase by 10.2%.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state’s best interest at this time.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: **Approval to waive advertisement**

Transaction Description: Transaction No. 24-02-907 (DHS)

● **Proposed Lease**

- **Location:** Giles County – 115 South Cedar Lane, Pulaski, TN
- **Term:** 3 years (October 1, 2024 - September 30, 2027)

● **Current Lease**

- **Location:** Giles County – 115 South Cedar Lane, Pulaski, TN
- **Landlord:** Brindley Holdings, L.P.
- **Term:** 3 Years (October 1, 2021 – September 30, 2024)

○ **Area / Costs:** 5,283 Square Feet

| | | |
|------------------------------------|--------------------|-------------------|
| Annual Contract Rent | \$58,113.00 | \$11.00/sf |
| Estimated Utilities Cost | 9,245.25 | 1.75/sf |
| Estimated Janitorial Cost | 5,811.30 | 1.10/sf |
| Total Annual Effective Cost | \$73,169.55 | \$13.85/sf |

- **Source of Funding:** FRF
- **Procurement Method:** Negotiated
- **FRF Rate:** \$15.00

Comment: This lease will provide office space for Department of Human Services.

A new short-term lease is required to allow continuity of operations while a new long-term solution is procured. The long-term procurement is currently in the preliminary phase.

Waiver of advertisement is requested to allow the state to directly negotiate with the incumbent landlord to secure a new three-year lease.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: **Approval of a lease**

Transaction Description: Transaction No. 20-07-909 (DCS) & 20-07-910 (DHS)

● **Proposed Lease**

- **Location:** Perry County – 431 Lobelville HWY., Linden, TN
- **Landlord:** Jeffrey Hunt
- **Term:** 10 years with three 1-year renewal options
- **Area / Costs:** 4,070 Square Feet

| | | |
|-------------------------------|--------------|------------|
| ○ Annual Contract Rent | \$122,100.00 | \$30.00/sf |
| ○ Estimated Utilities Cost | \$7,122.50 | \$1.75/sf |
| ○ Estimated Janitorial Cost | \$4,477.00 | \$1.10/sf |
| ○ Total Annual Effective Cost | \$133,699.50 | \$32.85/sf |

● **Current Lease**

- **Location:** Perry County – 113 Factory Street, Linden, TN
- **Landlord:** Perry County Government
- **Term:** 3 years (January 1, 2022, to December 31, 2024)
- **Area / Costs:** 3,440 Square Feet

| | | |
|-------------------------------|-------------|------------|
| ○ Annual Contract Rent | \$34,400.00 | \$10.00/sf |
| ○ Estimated Utilities Cost | \$6,020.00 | \$1.75/sf |
| ○ Estimated Janitorial Cost | \$3,740.00 | \$1.10/sf |
| ○ Total Annual Effective Cost | \$41,160.00 | \$13.50/sf |

- **Source of Funding:** FRF
- **Procurement Method:** Advertised
- **FRF Rate:** \$15.00

Comment: This lease will provide office space for the Department of Children’s Services and Human Services in Perry County. One proposal from one proposer was received and evaluated. The proposed location will be a build-to-suit to meet the State’s needs.

There is no termination for convenience for the full base term of the lease.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state’s best interest at this time.