

MINUTES

STATE BUILDING COMMISSION MEETING

EXECUTIVE SUB-COMMITTEE

MARCH 22, 2004

The State Building Commission Executive Sub-committee met this day at 10:30 a.m. in Executive Conference Room, Ground Floor, State Capitol, Nashville, Tennessee.

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT

John Morgan, Comptroller of the Treasury
Riley Darnell, Secretary of State
Dale Sims, State Treasurer
Dave Goetz, Commissioner, Department of Finance and Administration

OTHERS PRESENT

Mike Fitts, State Architect
Georgia Martin, Department of Finance and Administration
Larry Kirk, Department of Finance and Administration
Charles Garrett, Department of Finance and Administration
Gloria Rittenberry, Department of Finance and Administration
Jurgen Bailey, Department of Finance and Administration
Charles Harrison, Comptroller's Office
Genie Whitesell, Attorney General's Office
Janie Porter, Attorney General's Office
Mark Wood, Secretary of State's Office
Dennis Raffield, THEC
Pat Haas, Bond Finance
George Brummett, Department of Finance and Administration
John Gregory, Tennessee Wildlife Resources Agency
Annette Crutchfield, Legislative Budget Office
Carl Brown, Department of Human Services
Terry Smith, Department of Human Services
Carolyn Murphy, Department of Human Services
Bob King, Department of Finance and Administration
Jerry Preston, Tennessee Board of Regents
Chancellor Charles Manning, Tennessee Board of Regents
David Gregory, Tennessee Board of Regents
Joe Whitefield, Middle Tennessee State University
Tom Hutchison, Department of Children's Services
Randal Lea, Department of Children's Services

Commissioner Goetz called the meeting to order at 10:37 a.m. and requested action on the following matters as presented by State Architect Michael A. Fitts.

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TENNESSEE BOARD OF REGENTS

TENNESSEE STATE UNIVERSITY, NASHVILLE, TENNESSEE

- 1) Mr. Fitts reminded the Subcommittee that the full Commission had referred to them, with authority to act, a request for approval of a revision in funding from \$4,500,000.00 to \$14,500,000.00 (a \$10,000,000.00 increase) and acknowledgment of the source of funding for **Avon Williams Campus Improvements** at Tennessee State University in Nashville, and selection of a designer to additionally design and supervise the project.

Comptroller Morgan stated that he had a conversation that morning with Governor Wilder, who was unable to be at the last SBC meeting. He said Governor Wilder was planning on talking with the Attorney General's Office to understand more clearly the ramification on failure to move on this issue. He said he would discuss with other interested parties and could then be in a position to allow the request to go forward. Comptroller Morgan suggested that they defer action, but agree, as a Subcommittee, that they would convene as early as possible to take the matter up. The Subcommittee agreed unanimously to defer the request until the next specially called meeting.

Revised Estimated Project Cost:	\$ 14,500,000.00
SBC Project No. 166/001-05-01	

MIDDLE TENNESSEE STATE UNIVERSITY, MURFREESBORO, TENNESSEE

- 1) Mr. Fitts presented a request for approval of Delivery Order #2 and acknowledgment of the source of funding on a project for **Performance Contracting** at Middle Tennessee State University in Murfreesboro, Tennessee. Comptroller Morgan asked Jerry Preston if this process was generating the savings that they anticipated. Mr. Preston said that they were just completing Delivery Order #1 and they would start monitoring after it was complete, which should allow them to confirm the actual savings. Secretary of State Darnell commented that they would then be able to know whether this process works or not. Larry Kirk commented that, on the Higher Ed projects, they were using School Bonds because they are cheaper. After discussion, the request was approved as presented.

Estimated Project Cost:	\$ 10,000,000.00
Estimated Delivery Order #2 Cost:	\$ 6,650,000.00
SBC Project No. 166/009-03-00	

- 2) Approved a project and acknowledgment of the source of funding for **217 College Heights Demolition** at Middle Tennessee State University in Murfreesboro, with professional services by the regional consultants. Mr. Fitts stated that, in the future, he would like to put such insignificant demolition requests on the Consent Agenda for approval. The Subcommittee agreed with Mr. Fitts' suggestion.

Estimated Project Cost: \$ 46,000.00
SBC Project No. 166/009-01-04

UNIVERSITY OF MEMPHIS, MEMPHIS, TENNESSEE

- 1) Approved a request to reallocate funding for **Meeman Biological Field Station Quarters** at the University of Memphis in Memphis, and authorization to award a contract to Design Specialties & Construction of Memphis based upon their low base bid received February 25, 2004.

Estimated Project Cost: \$ 721,000
SBC Project No. 166/007-06-02

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Rutherford County – 0.241 +/- Acres with Improvement – 2006 Ragland Avenue, Murfreesboro, TN – Trans. No. 04-02-008 (LW)**

Purpose: Acquisition in Fee of property within Middle Tennessee State University's (MTSU) Master Plan. The improvement on the property will be rented until needed for future expansion.

Source of Funding: Auxiliary Funds

Estimated Cost: Fair Market Value

Estimated Value: \$115,000.00

Owner(s): Gary Houk

SSC Report: 03-15-04. Referred to Sub-committee with recommendation.

SC Action: 03-22-04. Charles Garrett summarized the transaction. Sub-committee approved the transaction as requested. Final action.

DEPARTMENT OF MILITARY

LAND ITEM

Review of a request for REVISED APPROVAL of the following DISPOSAL by EASEMENT at FAIR MARKET VALUE to LESS THAN FAIR MARKET VALUE of interest in real property with WAIVER of ADVERTISEMENT and ONE (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112.

Description: Monroe County -- 2.66 +/- Acres -- National Guard Armory, Sweetwater, TN -- Trans. No. 02-10-023 (CH)

Purpose: Disposal by Permanent Easement for a TVA transmission line across Armory property

Sale Price: \$45,250.00 – Appraised Value

Grantee: Tennessee Valley Authority (TVA)

Comment: On March 24, 2003, Executive Sub-committee approved the sale of an easement to TVA for \$45,250.00 of which the value was from an independent State appraiser. TVA agrees to pay the market price, however, TVA does not agree with the appraised value.

TVA had a staff appraisal of \$8,450.00 for the 1.88 acres the TVA was using. With the large difference in value, TVA agreed to pay \$20,000.00 for the easement. Real Property Management had the State appraisal re-evaluated and the re-evaluation was determined to be \$26,000.00.

Therefore, Real Property Management recommends the State accept the TVA offer of \$20,000.00 to avoid potential legal action against the State.

SSC Report: 03-15-04. Jurgen Bailey summarized the transaction. The agency stated agreement with the request. Staff referred to Sub-committee with recommendation.

SSC Report: 03-22-04. Charles Garrett summarized the transaction. He also advised there is no impact on state property. Sub-committee approved the transaction as requested. Final action.

DEPARTMENT OF AGRICULTURE

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Scott and Morgan Counties – 775.0 +/- Acres – Trans. No. 04-02-009 (CH)**

Purpose: Acquisition in Fee of Ray-Gettelfinger property adjacent to the Big South Fork Recreation Area for wildlife management purposes and as part of the Forest Legacy Program.

Source of Funding: Federal Funds – Forest Legacy Program

Estimated Cost: Fair Market Value

Estimated Value: \$1,000,000.00

Owner(s): Messers Ray and Gettelfinger

Comment: Property will be deeded to the Tennessee Wildlife Resources Agency (TWRA).

SSC Report: 03-15-04. Jurgen Bailey summarized the transaction and advised there are no state funds in the transaction. Lou Boervoets, agency representative, advised the project is on the priority list and that the property is subject to being developed. Staff referred to Sub-committee with recommendation.

SSC Report: 03-22-04. Charles Garrett summarized the transaction. John Gregory, TWRA representative, advised that the area will be managed with existing staff with no increase in the operating budget. Sub-committee approved the request as presented. Final action.

DEPARTMENT OF SAFETY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY and EXERCISE OPTION to ACQUIRE IMPROVEMENTS with WAIVER OF APPRAISAL, required interest in the following real property and APPROVAL to Enter into a LAND LEASE with WAIVER OF ADVERTISEMENT:

Description: Giles County – 1.6 +/- Acres – Bledsoe Road, Pulaski, TN – Trans. No. 04-02-012 (GM)

Purpose: Acquire a long-term land lease and purchase of the improvements. The Tennessee Valley Authority (TVA) has abandoned the existing site and the Department desires to take control of the site. The site is in conjunction with the new 700/MHZ Radio Project.

Source of Funding: Federal Funds – MCSAP Grant

Estimated Cost: \$750.00 Per month – 5 Year Term – Land Lease
\$10,000 Maximum – Improvements (Tower and metal building)

Owner(s): Wanda Blumenthal

SSC Report: 03-15-04. Jurgen Bailey summarized the transaction. Agency representative stated the improvements are in excellent condition and meets the requirements of the project. Staff referred to Sub-committee with recommendation.

SC Action: 03-22-04. Charles Garrett summarized the transaction. Secretary Darnell discussed the possibility of condemning the property for purchase as opposed to a long term leasing scenario. After a lengthy discussion, Sub-committee approved the transaction as presented. Final action.

ALCOHOLIC BEVERAGE COMMISSION

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE EXTENSION for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Madison County – 566 Carriage House Drive, Jackson, TN – Tans. No. 03-11-905 (TH)

Purpose: To provide office and related space pending relocation to the new State Office Building.

Term: July 1, 2004 thru June 30, 2006 (2 yrs.)

Proposed Amount:	<u>1,439 Square Feet</u>		
	Annual Contract Rent:	\$12,600.00	@\$ 8.75/sf
	Est. Annual Utility Cost:	\$ 2,014.60	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 1,582.90</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$16,197.50	@\$11.25/sf

Current Amount:	<u>1,439 Square Feet</u>		
	Annual Contract Rent:	\$11,400.00	@\$ 7.92/sf
	Est. Annual Utility Cost:	\$ 2,014.60	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 1,582.90</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$14,997.50	@\$10.42/sf

Type: New Lease – Negotiated

FRF Rate: \$13.50 Per Square Foot

Purchase Option: No

Lessor: Young Kim, d/b/a Kim Center

SSC Report: 03-15-04. Bob King summarized the transaction. He advised it is estimated the agency will relocate to the new State Office Building approximately September 2005. He stated this request for approval of the lease extension is pursuant to TCA 12-2-114(b)(4). Staff referred to Sub-committee with recommendation.

SC Action: 03-22-04. Charles Garrett summarized the transaction. He explained the justification for the lease stemmed from the completion of the new office building that would be populated with moves from the existing office building, which would then be renovated and available for occupancy. Mr. Garrett stated that Finance and Administration considers the situation unique in accordance with TCA 12-2-114. The Attorney General was asked if the request met the criteria and Janie Porter, Assistant Attorney General, stated that it did. After review and discussion, Sub-committee approved the request as presented. Final action.

DEPARTMENT OF CHILDREN'S SERVICES

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE EXTENSION for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Madison County – 33 Old Hickory Boulevard, Jackson, TN – Trans. No. 03-11-907 (EN)

Purpose: To provide office and related space for continued operations pending renovation of the Lowell Thomas State Office Building. The agency will relocate to State space during the Extension Period.

Term: July 1, 2004 thru June 30, June 30, 2007 (3 yrs.)

Proposed Amount: 24,985 Square Feet
Annual Contract Rent Including
Utility Cost: \$256,096.32 @\$ 10.25/sf
Est. Annual Janitorial Cost: \$ 27,483.50 @\$ 1.10/sf
Total Annual Effective Cost: \$283,579.82 @\$11.35/sf

Current Amount: 24,985 Square Feet
Annual Contract Rent Including
Utility Cost: \$227,400.00 @\$ 9.10/sf
Est. Annual Janitorial Cost: \$ 27,483.50 @\$ 1.10/sf
Total Annual Effective Cost: \$254,883.50 @\$10.20/sf

Type: Lease Extension – Negotiated

FRF Rate: \$13.50 Per Square Foot

Purchase Option: No

Lessor: Delta Office Building, LLC

Comment: The proposed Lease Extension provides no cancellation during the first 18 months of the extension period except for cause and/or lack of funding and 60 days thereafter.

SSC Report: 03-15-04. Bob King summarized the transaction. He advised it is estimated the agency will relocate to the renovated Lowell Thomas State Office Building in 2006. He stated this request for approval of the lease extension is pursuant to TCA 12-2-114(b)(4). Staff referred to Sub-committee with recommendation.

SC Action: 03-22-04. Charles Garrett summarized the transaction. He explained the justification for the lease stemmed from the completion of the new office building that would be populated with moves from the existing office building, which would then be renovated and available for occupancy. Mr. Garrett stated that Finance and Administration considers the situation unique in accordance with TCA 12-2-114. The Attorney General was asked if the request met the criteria and Janie Porter, Assistant Attorney General, stated that it did. After review and discussion, Sub-committee approved the request as presented. Final action.

DEPARTMENT OF HUMAN SERVICES

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and One (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112:

Description: **Shelby County - 1.44 +/- Acres with Improvements - Clovernook Rehabilitation Facility, 346 St Paul Avenue, Memphis, TN - Trans. No. 04-02-013 (CH)**

Purpose: Disposal in Fee by Gift to the non-profit organization currently operating the facility pursuant to TCA 71-1-104. This transfer will relieve the State of major repair and maintenance expenditures. The conveyance will contain a reversion clause if the facility ceases to operate as a workshop/rehabilitation facility.

Original Cost to State:\$6,500.00

Date of Original
Conveyance: 1943

Grantor Unto State: Memphis Board of Education

Estimated Sale
Price: Gift

Estimated Value: \$527,500.00

Grantee: Clovernook Center for the Blind

Comment: If the facility ceases to operate as a workshop/rehabilitation facility, the property will revert to the State or the State will receive \$527,500.00 for the facility.

SSC Report: 03-15-04. Jurgen Bailey summarized the transaction. Carl Brown, Assistant Commissioner, stated that the current arrangement requires that the State is responsible for all repair and maintenance of the facility and that funding for that purpose has been exhausted. Staff referred to Sub-committee with recommendation.

SC Action: 03-22-04. Charles Garrett summarized the transaction. After review and discussion, Sub-committee approved the request as presented. Final action.

DEPARTMENT OF HUMAN SERVICES

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and One (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112:

Description: Davidson County - 1.080 +/- Acres with Improvements - Ed Lindsey Industries, 4110 Charlotte Avenue, Nashville, TN - Trans. No. 04-02-014 (CH)

Purpose: Disposal in Fee by Gift to the non-profit organization currently operating the facility pursuant to TCA 71-1-104. This transfer will relieve the State of major repair and maintenance expenditures. The conveyance will contain a reversion clause if the facility ceases to operate as a workshop/rehabilitation facility.

Original Cost to State:\$11,000.00

Date of Original
Conveyance: 1921

Grantor Unto State: Mimmie K. Davis

Estimated Sale
Price: Gift

Estimated Value: \$625,000.00

Grantee: Ed Lindsey Industries for the Blind Inc.

Comment: If the facility ceases to operate as a workshop/rehabilitation facility, the property will revert to the State or the State will receive \$625,000.00 for the facility.

SSC Report: 03-15-04. Jurgen Bailey summarized the transaction. Carl Brown, Assistant Commissioner, stated that the current arrangement requires that the State is responsible for all repair and maintenance of the facility and that funding for that purpose has been exhausted. Staff referred to Sub-committee with recommendation.

SC Action: 03-22-04. Charles Garrett summarized the transaction. After review and discussion, Sub-committee approved the request as presented. Final action.

STATE BUILDING COMMISSION

MINUTES OF STATE BUILDING COMMISSION EXECUTIVE SUBCOMMITTEE MEETING

- 1) Approved the Minutes of the State Building Commission Executive Subcommittee meeting held on February 23, 2004.

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Following approval of the Consent Agenda, the meeting adjourned at 11:05 a.m.

CONSENT AGENDA

Approved the following real property transactions that have been reviewed and recommended for approval by Sub-committee staff:

- A. Agency: **University of Tennessee – Hamilton County**
Transaction: Disposal by Permanent Easement with Right-of-Entry
Provision: Waiver of Advertisement and Appraisals
- B. Agency: **University of Tennessee – Hamilton County**
Transaction: Disposal in Fee
Provision: Waiver of Advertisement and Appraisals
- C. Agency: **University of Tennessee – Blount County**
Transaction: Disposal by Easement
Provision: Waiver of Advertisement and Appraisals
- D. Agency: **Tennessee Board of Regents – Rutherford County**
Transaction: Acquisition in Fee
- E. Agency: **TN Wildlife Resources Agency – Blount County**
Transaction: Disposal by Easement
Provision: Waiver of Advertisement and Appraisals
- F. Agency: **Department of Transportation – Shelby County**
Transaction: Disposal in Fee
Provision: Waiver of Advertisement and One Appraisal
- G. Agency: **Finance & Administration – Davidson County**
Transaction: Lease Amendment

UNIVERSITY OF TENNESSEE

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by PERMANENT EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS and with APPROVAL of a RIGHT-OF-ENTRY as required by TCA 4-15-102 and 12-2-112.

Description: Hamilton County – 0.37 +/- Acres - Permanent Easement – University of Tennessee at Chattanooga – Trans. No. 04-02-017 (GM)

Purpose: Disposal by Permanent Easement to provide for a Greenway across the University's campus. The Greenway will join the new elementary school to the south of the campus and connect to the existing Riverwalk to the north.

Estimated Sale Price: Grant – Mutual Benefit

Grantee: City of Chattanooga

Comment: The Greenway will mutually benefit students, faculty and citizens of Chattanooga.

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

SC Action: 03-22-04. Approved the request as presented. Final action.

UNIVERSITY OF TENNESSEE

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description: Hamilton County – 225 +/- Square Feet – Mabel Street and Fourth Street, Chattanooga, TN – Trans. No.04-02-020 (GM)

Purpose: Disposal in Fee to allow placement of a new control box and traffic light by the City of Chattanooga.

Original Cost to State: Unknown

Date of Original
Conveyance: July 1983

Grantor Unto State: Unknown

Estimated Sale
Price: Grant – Mutual and Public Benefit

Grantee: City of Chattanooga

Comment: The traffic light will mutually benefit students, faculty and citizens of Chattanooga.

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

SC Action: 03-22-04. Approved the request as presented. Final action.

UNIVERSITY OF TENNESSEE

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by PERMANENT EASEMENT and TEMPORARY CONSTRUCTION EASEMENT interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS and APPROVAL of a RIGHT-OF-ENTRY as required by TCA 4-15-102 and 12-2-112.

Description: **Blount County – 0.08 +/- Acres - Permanent Easement and Temporary Construction Easement – Knoxville Experiment Station, Blount Unit, Alcoa, TN – Trans. No.04-02-018 (LW)**

Purpose: Disposal of a 20 ft. by 191 ft. Permanent Easement and a 10 ft. by 191 ft. Temporary Construction Easement for extension of a 12 inch water line to the Knox Chapman Utility District.

Estimated Sale Price: Grant – Mutual and Public Benefit

Grantee: City of Alcoa

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

SC Action: 03-22-04. Approved the request as presented. Final action.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Rutherford County – 0.299 +/- Acres with Improvement – 211 College Heights, Murfreesboro, TN – Trans. No. 04-02-010 (LW)**

Purpose: Acquisition in Fee of property within Middle Tennessee State University's (MTSU) Master Plan. The improvement on the property will be rented until needed for future expansion.

Source of Funding: Auxiliary Funds

Estimated Cost: Fair Market Value

Estimated Value: \$117,000.00

Owner(s): Mildred Graves

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

SC Action: 03-22-04. Approved the request as presented. Final action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS and APPROVAL of a RIGHT-OF-ENTRY as required by TCA 4-15-102 and 12-2-112.

Description: Blount County – Right-of-Way Access Easement – Foothills Wildlife Management Area – Trans. No. 04-03-001 (CH)

Purpose: Disposal by Easement to provide access to four lots located within the boundaries of the WMA.

Estimated Sale Price: Grant – Adjoining Property Owner

Grantee: Leesa Haire

Comment: The subject property was acquired through a gift and right to access were never located through a legal description. The proposed access easement would formally describe the easement for recording purposes.

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

SC Action: 03-22-04. Approved the request as presented. Final action.

DEPARTMENT OF TRANSPORTATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT AND ONE (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112:

Description: **Shelby County – 0.31 +/- Acres – Lauderdale Street, Memphis, TN – Trans. No. 04-02-011 (BM)**

Purpose: Disposal in Fee to the City to allow closing off Lauderdale Street for security purposes.

Original Cost to State: \$4,365.00

Date of Original
Conveyance: 1970

Grantor Unto State: Memphis Housing Authority

Estimated Sale
Price: Fair Market Value

Estimated Value: \$25,000+

Grantee: City of Memphis

Comment: When I-40 was constructed, a portion of Winchester Road between Lauderdale Street and Third Street was included with the I-40 right-of-way. The subject property is surplus to the agency's needs.

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

SC Action: 03-22-04. Approved the request as presented. Final action.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AMENDMENT for the rental of real property as required by TCA 12-2-115:

Location: **Davidson County – Parkway Towers Building, 404 James Robertson Parkway, Nashville, TN – Trans. No. 03-12-906 (EN)**

Purpose: To provide office and related space for the Department of Labor and Workforce Development's Labor Standards Division.

Term: April 1, 2004 thru January 31, 2007 (2 yrs., 10 Mos.)

Proposed Amount: 110,680 Square Feet
Avg. Ann. Contract Rent Incl.
Utility & Janitorial Cost: \$1,517,618.16 @\$13.71/sf
Total Annual Effective Cost: \$1,517,618.16 @\$13.71/sf

Current Amount: 109,960 Square Feet
Avg. Ann. Contract Rent Incl.
Utility & Janitorial Cost: \$1,507,823.40 @\$13.71/sf
Total Annual Effective Cost: \$1,507,823.40 @\$13.71/sf

Type: Lease Amendment No. 4 – 720 Additional Square Feet of Office Space

FRF Rate: \$18.00 Per Square Foot

Purchase Option: No – Multi-Tenant

Lessor: NNN Parkway Towers, LLC

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

SC Action: 03-22-04. Approved the request as presented. Final action.

Approved by: _____



M. D. Goetz, Jr., Commissioner
Department of Finance and Administration