
AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: SC Department of Social Services Lease at 2120 Jody Road, Florence

The South Carolina Department of Social Services (DSS) requests approval to lease 18,073 rentable square feet of office space at 2120 Jody Road, Suites A and D, Florence, SC from Twenty-One Twenty Partners, a South Carolina based company, for their Child Support Services, Foster Care, Foster Care Licensing and Economic Services divisions. DSS's current lease at this location expired on March 31, 2020, and the agency has been in holdover.

After contacting state agencies to verify no adequate state space was available, the Department of Administration solicited for commercial space. Three responses were received. One proposal was determined to be unresponsive due to insufficient square footage offered. Of the remaining two proposals, the selected location is the least expensive option.

The lease term will be five (5) years commencing on November 1, 2020. The rental rate for the term will be \$12.87 per square foot, which is the same as their current rate, for an annual aggregate amount of \$232,600.00. Operating expenses are included in the rental rate. The total rent to be paid over the five (5)-year term will be \$1,162,998.00.

The lease includes free surface lot parking sufficient for staff and customers. The following chart represents comparable lease rates of similar space in the Florence area:

Tenant	Location	Rate /SF
Vacant	2701 Alex Lee Blvd	\$24.00
Department of Revenue	181 E. Evans St.	\$14.35
Vacant	2400 David H. McLeod Blvd.	\$14.00

DSS has adequate funds for the lease according to a Budget Approval Form submitted August 12, 2020. Lease payments will be funded through federal funding and state appropriations. The lease meets the state space standards with a density of approximately 144 usable square foot/employee.

No option to purchase the property is included in the lease. The lease was approved by JBRC at its October 6, 2020 meeting.

AUTHORITY ACTION REQUESTED:

As recommended by the Department of Administration, Facilities Management Property Services, approve the Department of Social Services' request to lease 18,073 rentable square feet of office space at 2120 Jody Road Florence, SC.

ATTACHMENTS:

Agenda item worksheet; Letter from DSS dated August 22, 2020; SC Code of Laws Sections 1-11-55 and 1-11-56

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 13, 2020

Regular Agenda

1. Submitted by:

- (a) Agency: Department of Administration
- (b) Authorized Official Signature:


Ashlie Lancaster, Director

2. Subject: SC Department of Social Services Lease at 2120 Jody Road, Florence, SC

3. Summary Background Information:

The South Carolina Department of Social Services (DSS) requests approval to lease 18,073 rentable square feet of office space at 2120 Jody Road, Suites A and D, Florence, SC from Twenty-One Twenty Partners, a South Carolina based company, for their Child Support Services, Foster Care, Foster Care Licensing and Economic Services divisions. DSS's current lease at this location expired on March 31, 2020, and the agency has been in holdover.

After contacting state agencies to verify no adequate state space was available, the Department of Administration solicited for commercial space. Three responses were received. One proposal was determined to be unresponsive due to insufficient square footage offered. Of the remaining two proposals, the selected location is the least expensive option.

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No option to purchase the property is included in the lease. The lease was approved by JBRC at its October 6, 2020 meeting.

4. **What is SFAA asked to do?** Approve the proposed five-year lease.

5. **What is recommendation of the division of Facilities Management and Property Services?** Approval of the proposed five-year lease.

6. **Private Participant Disclosure – Check one:**

No private participants will be known at the time the Authority considers this agenda item.

A Private Participant Disclosure form has been attached for each private participant.

As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

7. **Recommendation of other office (as required)?**

(a) Authorized Signature: _____

(b) Office Name: *Click or tap here to enter text.*

8. **List of Supporting Documents:**

(a) Letter from DSS dated August 22, 2020

(b) SC Code of Laws Sections 1-11-55 and 1-11-56

9. **Upload Agenda Item Worksheet and supporting documentation in PDF and native format to the SFAA Authority File Drop.**



HENRY McMASTER, GOVERNOR

MICHAEL LEACH, STATE DIRECTOR

August 22, 2020

Ms. Ashlie Lancaster
South Carolina Department of Administration
Real Property Services
1200 Senate Street, Suite 460
Columbia, South Carolina 29201

Re: Lease for 2120 Jody Road, Florence, SC

The South Carolina Department of Social Services requests approval by the State Fiscal Accountability Authority (SFAA) at their October meeting of the lease renewal with Twenty-One Twenty Partners for approximately 18,073 square feet of office space at 2120 Jody Road, Suite A & D in Florence, SC 29501. This lease renewal is required to continue servicing the Pee Dee Region with Child Support Services and Foster Care, Foster Care Licensing and the Economic Services.

The Department of Social Services has occupied the building since 2002 and currently occupies every single square inch of this leased space. This space has fit the agency's needs for the past 18 years. Our current facility is centrally located to our other agency offices and has all the essential equipment in place to serve our clients and dedicated staff.

On behalf of each of the agency's tenants at this location, we would like to keep the current square footage that we have at this location.

Thank you for your assistance in this process and for your consideration of our request.

Sincerely,

A handwritten signature in black ink that reads 'Mike Leach'.

Michael Leach
State Director

SECTION 1-11-55. Leasing of real property for governmental bodies.

(1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, agency, government corporation, or other establishment or official of the executive branch of this State. Governmental body excludes the General Assembly, Legislative Council, the Legislative Services Agency, the judicial department and all local political subdivisions such as counties, municipalities, school districts, or public service or special purpose districts.

(2) The Division of General Services of the Department of Administration is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section. However, a technical college, with the approval by the State Board for Technical and Comprehensive Education, and a public institution of higher learning, may enter into any lease agreement or renew any lease agreement up to one hundred thousand dollars annually for each property or facility.

(3) When any governmental body needs to acquire real property for its operations or any part thereof and state-owned property is not available, it shall notify the Division of General Services of its requirement on rental request forms prepared by the division. Such forms shall indicate the amount and location of space desired, the purpose for which it shall be used, the proposed date of occupancy and such other information as General Services may require. Upon receipt of any such request, General Services shall conduct an investigation of available rental space which would adequately meet the governmental body's requirements, including specific locations which may be suggested and preferred by the governmental body concerned. When suitable space has been located which the governmental body and the division agree meets necessary requirements and standards for state leasing as prescribed in procedures of the department as provided for in subsection (5) of this section, General Services shall give its written approval to the governmental body to enter into a lease agreement. All proposed lease renewals shall be submitted to General Services by the time specified by General Services.

(4) The department shall adopt procedures to be used for governmental bodies to apply for rental space, for acquiring leased space, and for leasing state-owned space to nonstate lessees.

(5) Any participant in a property transaction proposed to be entered who maintains that a procedure provided for in this section has not been properly followed, may request review of the transaction by the Director of the Division of General Services of the Department of Administration or his designee.

HISTORY: 1997 Act No. 153, Section 2; 2002 Act No. 333, Section 1; 2002 Act No. 356, Section 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, Section 13, eff August 1, 2011; 2013 Act No. 31, Section 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, Section 7.A, eff July 1, 2015.

Code Commissioner's Note

The last sentence in subsection (2), which was added by 2011 Act No. 74, was inadvertently omitted from 2014 Act No. 121 due to a scrivener's error. At the direction of the Code Commissioner, this sentence has been retained in subsection (2).

Effect of Amendment

The 2011 amendment, in subsection (2), added the third sentence relating to technical colleges.

The 2013 amendment, in subsection (1), substituted "Legislative Services Agency" for "Office of Legislative Printing, Information and Technology Systems".

2014 Act No. 121, Section 7.A, in subsection (1), substituted "agency, government corporation, or other establishment or official of the executive branch" for "legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches"; in subsection (2), substituted "Division of General Services of the Department of Administration" for "Budget and Control Board"; in subsection (3) substituted "division" for "office" in three instances, and substituted "department" for "board"; in subsection (4), substituted "department" for "board"; and in subsection (5), substituted "Division of General Services of the Department of Administration" for "Office of General Services".

SECTION 1-11-56. Program to manage leasing; procedures.

(A) The Division of General Services of the Department of Administration, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of a governmental body. The department must submit regulations for the implementation of this section to the General Assembly as provided in the Administrative Procedures Act, Chapter 23, Title 1. The department's regulations, upon General Assembly approval, shall include procedures for:

- (1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;
- (2) establishing standards for the quality and quantity of space to be leased by a requesting agency;
- (3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:
 - (a) a nonappropriation for the renting agency;
 - (b) a dissolution of the agency; and

- (c) the availability of public space in substitution for private space being leased by the agency;
- (4) rejecting an agency's request for additional space or space at a specific location, or both;
- (5) directing agencies to be located in public space, when available, before private space can be leased;
- (6) requiring the agency to submit a multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.

(B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.

(C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.

HISTORY: 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.B, eff July 1, 2015.

Effect of Amendment

2014 Act No. 121, Section 7.B, added subsection designator (A); in subsection (A), substituted "Division of General Services of the Department of Administration" for "State Budget and Control Board", substituted "a governmental body" for "state agencies", and added the second sentence relating to regulations; in subsection (A)(6), substituted "department" for "board's budget office", and deleted text relating to prior review by the Joint Bond Review Committee; rewrote subsection (A)(7); and added subsections (B) and (C) .