

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF STATE BUDGET

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DIRECTOR

November 27, 2007

The Honorable Hugh K. Leatherman, Sr., Chairman
Joint Bond Review Committee
111 Gressette Senate Office Building
Columbia, South Carolina 29201

Dear Senator Leatherman:

The Office of State Budget submits the following revised item for submission to the Joint Bond Review Committee for its meeting scheduled for December 4, 2007. It replaces item 14 on Summary 4-2008 previously submitted.

If you have any questions or need additional information, please call me at 737-0699.

Sincerely,

Carol P. Routh
Assistant Director, Capital Budgeting

Enclosures

cc: Tim Rogers, Lib Croft, Scott English, Grant Gillespie, Justin Evans, Frank Rainwater, Rick Harmon, Les Boles, Charles Shawver, John White, Patricia Dennis, Alyson Goff, Dan Marlow, Ed Dickson

State Budget and Control Board, Office of State Budget - Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
October 6, 2007 through November 2, 2007

Item 14. Agency: F03 Budget and Control Board Project: 9844, 516 Senate Street Acquisition

CHE Approval Date: N/A
 Committee Review Date: *
 B&C Board Approval Date: *

Action
Proposed: Preliminary Land Studies and Final Land Acquisition

Total budget.....\$1,150,000.00
 [9] Other, Fleet Operation funds \$850,000.00
 [9] Other, Ordinary Sinking Fund..... \$300,000.00

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, Fleet Operation	850,000.00
Other, Ordinary Sinking Fund	300,000.00
Total Funds	1,150,000.00

Purpose: To establish a project to procure the professional studies required to adequately evaluate property prior to purchase and to allow Budget and Control Board staff to exercise the option to purchase property. The property to be purchased contains 1.27 acres and a 13,256 square foot auto maintenance facility. The Board wishes to exercise the option in the current lease to purchase property at 516 Senate Street that is used by the Board's State Fleet Management Office and the University of South Carolina as their joint fleet maintenance facility. The option in the current lease must be exercised by December 31, 2007, to purchase the property for \$1,106,700. The current lease expires in December 2010 and annual rent is \$60,000 until December 2007 with a 3.5% escalation each year thereafter. The appraised value of the property is \$1,670,000 and the seller will sell for the option amount of \$1,106,700. The Office of State Budget has reviewed the appraisal and approves its use in granting this request. The acquisition is requested, contingent on the Office of State Budget's review and approval of the environmental study and building condition assessment. The agency reports the total projected cost of this project is \$1,150,000 and no additional annual operating costs will result from the acquisition.

Ref: Supporting document pages 1-8