

BY-LAWS, POLICY AND PROCEDURE

of the

STATE BUILDING COMMISSION

of

TENNESSEE

Revised January 2013 ~~August 2012~~

8.01 GENERAL ACQUISITION AND DISPOSITION

A. Acquisitions and dispositions of interests in real property under TCA 4-15-101, et seq., and TCA 12-2-112, et seq., shall be submitted to the Executive Sub-Committee prior to any commitment to complete a transaction. The Department of General Services, through the Division of Real Estate Asset Management (STREAM), shall have the responsibility for ensuring that departments, institutions and agencies comply with this policy as follows:

1. Departments, institutions and agencies shall present requests with supporting documentation to STREAM.
2. STREAM shall analyze the information and determine and obtain additional information and appropriate diligence for proper presentation to the Executive Sub-Committee. Any contracted diligence services for a transaction procured prior to approval of the transaction by the Executive Sub-Committee shall be reported in the transaction approval summary submitted to the Executive Sub-Committee.
3. STREAM may enter into an option to purchase property prior to Executive Sub-Committee approval if all of the following are satisfied:
 - i. The acquisition is deemed to be time sensitive by the requesting agency in writing and concurred with by STREAM.
 - ii. The target property meets one of the following conditions:
 1. Identified for future acquisition in a State Building Commission approved Master Plan,
 2. Approved for acquisition by State Lands Acquisition Committee in accordance with Tennessee Code Title 11, Chapter 14
 3. Determined to be a priority wetland and bottomland hardwood forest acquisition in accordance with Tennessee Code Title 11, Chapter 14
 4. Included as part of approved SBC project where land purchase is specified in the project scope, and
 - iii. Funding is available for the option consideration, if any will be paid, and for the acquisition. Availability of funds shall be verified with the Department of Finance and Administration.

Any actions taken regarding options will be reported to the Executive Sub-Committee at the next scheduled meeting. Option consideration shall be not greater than 1% of the anticipated purchase price not to exceed \$10,000 except for transactions with an anticipated purchase price of less than \$100,000 where up to \$1000 consideration may be paid. Transactions shall not be subdivided to exceed the option threshold.

The requirements of 3(ii) above and the limits on the amount of option consideration may be waived upon approval of the Commissioner of Finance and Administration and one other member of the Executive Sub-Committee.

4. No Acquisition or Disposition shall be consummated until the Executive Sub-Committee has approved the transaction.
5. The execution of an option shall not bind the State to the acquisition of the property.