



Department of Transformation and Shared Services
Governor Asa Hutchinson
Secretary Mitch Rouse

December 9, 2022

Marty Garrity, Executive Director
 AR Bureau of Legislative Research
 One Capitol Mall
 Little Rock, Arkansas 72201

Re: State of Arkansas Lease Agreement #60-135-P2851 UA Board of Trustees for the Criminal Justice Institute; Contract Disclosure for State Representative Andrew Collins III, COO of Lilac, LLC (owner)

Dear Mrs. Garrity:

Please find enclosed a copy of the Lease Agreement between Lilac, LLC, (Lessor) and the University of Arkansas Board of Trustees acting on behalf of the Criminal Justice Institute (Lessee). Representative Andrew Collins is the Chief Operating Officer for Lilac, LLC, and is currently serving a term as State Representative. Arkansas Code Annotated § 21-1-403 provides certain restrictions on state agency leases, agreements, contracts, and grants. Subsection (a)(2) mandates that:

- (a) No constitutional officer may enter into any lease agreement, contract, or grant with any state agency unless . . .
- (2) If competitive bidding or a request for proposal was not required by law, the lease agreement, contract, or grant has received the prior approval of:
 - (A) The Joint Budget Committee during legislative session or the Legislative Council between legislative sessions; and
 - (B) The Governor.

The attached Lease Agreement is being presented to you for review by the Arkansas Legislative Council. A similar request was presented to the Governor and approved. The disclosure is also being reviewed by the Office of State Procurement and is pending approval pursuant to EO-98-04.

As you may be aware, real estate lease transactions are exempt from State Procurement competitive bidding laws and are procured under the Division of Building Authority (DBA) Minimum Standards and Criteria. Additionally, no mandate exists in law or rule that leases, such as this one referenced above, must be competitively bid or placed out for proposals. In fact, negotiations are clearly contemplated in Arkansas Code Annotated § 22-2-114. The lease

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renewal term is to begin on January 1, 2023, and expire December 31, 2027. The Lessor, Criminal Justice Institute, and DBA successfully negotiated favorable terms for the Board of Trustees' five-year lease renewal with Lilac, LLC.

Should you have any questions, please do not hesitate to contact Director Anne Laidlaw or Chris Bell, Real Estate Services Administrator, of DBA at 501-682-1833.

Sincerely,

A handwritten signature in black ink, appearing to read 'MR' followed by a stylized flourish.

Mitch Rouse
Secretary

Division of Building Authority
STATE OF ARKANSAS
COUNTY OF PULASKI

Lease Term: 1/01/23 to 12/31/27
Annual Rent: \$536,173.44↑
Square Feet: 30,244/600 Rate: \$17.73↑
Type: Renewal
Worked By: Chris Bell
County: 60 Agency: 135
Lease #: P2851 CB

**STATE OF ARKANSAS
SECOND LEASE AMENDMENT**

This Agreement is made and entered into as of the 10th day of November, 2022, by and between LILAC, L.L.C., c/o CYPRESS PROPERTIES, hereinafter referred to as "Lessor", and THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS – CRIMINAL JUSTICE INSTITUTE, hereinafter referred to as "Lessee".

WITNESSETH

Whereas, by Lease Agreement dated September 25, 2012, and Lease Commencement Amendment dated January 14, 2013, Lessor leased to Lessee approximately 30,244 square feet of office space and 600 square feet of storage space located at 26 Corporate Hill Drive with 140 automobile spaces; all situated in the City of Little Rock, County of Pulaski, Arkansas (the "Lease"); and

Whereas, the parties hereto have hereby agreed to extend the term of the Lease and to amend and modify the Lease as hereinafter set out.

Now, therefore, for and in consideration of the Premises and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree that the term of the Lease is hereby amended and extended for a period commencing on January 1, 2023 and continuing through December 31, 2027, upon the same terms and conditions as the original Lease Agreement and subsequent Amendments except the Lease shall be amended and modified as follows:

1. Term. The Lessee may elect to extend the term not more than ninety (90) days upon the same terms by written notice to Lessor no less than thirty (30) days before the end of the term stated in the above paragraph; and
2. Rent. Base rental for the renewal term is hereby amended and modified to provide that the basic rental under this Lease for the extended term shall commence on January 1, 2023 and continue through December 31, 2027. LESSEE shall pay LESSOR per the rent schedule in Exhibit "A" ("Rent Schedule"), attached hereto and incorporated herein by reference; and
3. Special Provisions. Special Provisions 10(f) of the Lease is hereby amended and modified as follows:
 - (f) The LESSOR, LESSEE and DBA agree that should the Lease and any applicable amendments expire prior to the execution of this amendment agreement, the parties agree that the Lease and any applicable previous amendments are hereby reinstated and ratified upon this Amendment Agreement being fully executed by the parties. The provisions, terms, and conditions of this Amendment Agreement shall govern in the event of conflict or inconsistencies, or both.

4. Special Provisions. Special Provisions 10 of the Lease are hereby amended and modified to add the following:

(p) LESSOR, at LESSOR's expense and within one hundred twenty (120) days of Lease Execution, shall perform the following improvements:

- (1) Parking lot striping and ADA striping to be repainted; and
- (2) Windows to be caulked as necessary throughout Premises (note: room 245); and
- (3) Windows to be washed; and
- (4) Security lights to be repaired as needed; and
- (5) Install/improve exterior lighting; and
- (6) Debris at dumpster area to be cleaned up as needed; and
- (7) Interior paint in offices 245, 226, 216, 130, and 134, classrooms 139 and 108, all hallways on both floors, the entryway at the back of the building, the reception area on the first floor, the breakrooms on both floors, and all bathrooms; and
- (8) Sheetrock to be repaired as necessary throughout (note: hallway corners, offices 245, 216, 1st floor bathroom, back door entry); and
- (9) Wallpaper to be cleaned as necessary and reglued where adhesive is failing; and
- (10) Carpet to be replaced in classrooms 139 and 212; and
- (11) Damaged tile to be repaired or replaced in 1st floor breakroom; and
- (12) Window covering/blinds to be replaced in room 139; and
- (13) Damaged toilet seats to be replaced, broken toilets to be repaired or replaced as necessary; and
- (14) Restroom vanities to be re-caulked; and
- (15) Hot water heater to be replaced with unit that has sufficient capacity to provide hot water to break rooms and restrooms; and
- (16) Door to office 245 to be repaired; and
- (17) Damaged door pull on 2nd floor men's restroom to be repaired or replaced; and
- (18) Drain to be installed in 2nd floor breakroom for ice machine; and
- (19) A/C vent to be thoroughly cleaned in room 114.

(q) Upon expiration of the initial Lease Term LESSOR shall grant LESSEE one (1) five-year renewal option ("Renewal Option"), Rent shall be paid per the rent schedule in Exhibit "A" ("Rent Schedule") attached hereto and incorporated herein by reference, payable at the same time and in the same manner as provided in said Lease Agreement. LESSEE shall provide a minimum of sixty (60) days' prior written notice to LESSOR through DBA to accept the Renewal Option.

The Lease Agreement as hereby amended, modified, and extended is hereby ratified and confirmed by the parties hereto as being in full force and effect.

This Agreement shall be binding on the parties hereto and their respective heirs, successors, and assigns.

(Signatures on following page)

Executed as of the date first hereinabove set out.

LESSOR:

LESSEE:

LILAC, L.L.C., c/o CYPRESS PROPERTIES

THE BOARD OF TRUSTEES OF THE
UNIVERSITY OF ARKANSAS – CRIMINAL
JUSTICE INSTITUTE

By: 
Will Collins, Authorized Signatory

By: _____
Dr. Donald R. Bobbitt, President
University of Arkansas System

Date: 11/28/22

Date: _____

DIVISION OF BUILDING AUTHORITY
As Agent for U of A Board of Trustees – Criminal Justice Institute

By: _____
Chris Bell, Administrator of
Real Estate Services

By: _____
Anne W. Laidlaw, Director

Date: _____

Date: _____

Exhibit "A" ("Rent Schedule")

SF:	Base Rate		Annual Storage		Annual Base Rent:	Total Annual Rent:	
	Year: (Office):	Monthly Base Rent:	Rent:				
30,244	1	\$17.73	\$44,681.12	\$1,500.00	\$536,173.44	\$537,673.44	Initial 5 year term
	2	\$17.73	\$44,681.12	\$1,500.00	\$536,173.44	\$537,673.44	
2%	3	\$18.08	\$45,574.74	\$1,500.00	\$546,896.88	\$548,396.88	
	4	\$18.08	\$45,574.74	\$1,500.00	\$546,896.88	\$548,396.88	
1%	5	\$18.26	\$46,030.49	\$1,500.00	\$552,365.88	\$553,865.88	
	6	\$16.75	\$42,215.58	\$0.00	\$506,586.96	\$506,586.96	5 year renewal option
2%	7	\$17.08	\$43,059.89	\$0.00	\$516,718.68	\$516,718.68	
	8	\$17.08	\$43,059.89	\$0.00	\$516,718.68	\$516,718.68	
2%	9	\$17.43	\$43,921.09	\$0.00	\$527,053.08	\$527,053.08	
	10	\$17.43	\$43,921.09	\$0.00	\$527,053.08	\$527,053.08	

CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM

Failure to complete all of the following information may result in a delay in obtaining a contract, lease, purchase agreement, or grant award with any Arkansas State Agency.

SUBCONTRACTOR NAME: Little Rock, LLC

☒ Yes ☐ No

IS THIS FOR:

☐ Goods? ☒ Services? ☐ Both?

TAXPAYER ID NAME: Little Rock, LLC

YOUR LAST NAME: Collins

FIRST NAME: William

MI: B

ADDRESS: 3300 N. Rodney Park Rd Ste 201

CITY: Little Rock

STATE: AR

ZIP CODE: 72212

COUNTRY: USA

AS A CONDITION OF OBTAINING, EXTENDING, AMENDING, OR RENEWING A CONTRACT, LEASE, PURCHASE AGREEMENT, OR GRANT AWARD WITH ANY ARKANSAS STATE AGENCY, THE FOLLOWING INFORMATION MUST BE DISCLOSED:

FOR INDIVIDUALS *

Indicate below if: you, your spouse or the brother, sister, parent, or child of you or your spouse is a current or former: member of the General Assembly, Constitutional Officer, State Board or Commission Member, or State Employee:

Position Held	Mark (✓)		Name of Position of Job Held (senator, representative, name of board/commission, data entry, etc.)	For How Long?		What is the person(s) name and how are they related to you? (i.e., Jane Q. Public, spouse, John Q. Public, Jr., child, etc.)	Relation
	Current	Former		From MM/YY	To MM/YY		
General Assembly							
Constitutional Officer							
State Board or Commission Member							
State Employee							

☐ None of the above applies

FOR AN ENTITY (BUSINESS) *

Indicate below if any of the following persons, current or former, hold any position of control or hold any ownership interest of 10% or greater in the entity: member of the General Assembly, Constitutional Officer, State Board or Commission Member, State Employee, or the spouse, brother, sister, parent, or child of a member of the General Assembly, Constitutional Officer, State Board or Commission Member, or State Employee. Position of control means the power to direct the purchasing policies or influence the management of the entity.

Position Held	Mark (✓)		Name of Position of Job Held (senator, representative, name of board/commission, data entry, etc.)	For How Long?		What is the person(s) name and what is his/her % of ownership interest and/or what is his/her position of control?	
	Current	Former		From MM/YY	To MM/YY	Person's Name(s)	Ownership Interest (%) Position of Control
General Assembly	<input checked="" type="checkbox"/>		<u>Representative</u>	<u>1/19 present</u>		<u>Andrew Collins</u>	<u>100% of managing co</u>
Constitutional Officer							
State Board or Commission Member	<input checked="" type="checkbox"/>		<u>Commissioner, Ark Access to Justice</u>	<u>11/19 present</u>		<u>Andrew Collins</u>	<u>100% of managing co</u>
State Employee							

☐ None of the above applies

Contract and Grant Disclosure and Certification Form

Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.

As an additional condition of obtaining, extending, amending, or renewing a contract with a state agency I agree as follows:

1. Prior to entering into any agreement with any subcontractor, prior or subsequent to the contract date, I will require the subcontractor to complete a CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM. Subcontractor shall mean any person or entity with whom I enter an agreement whereby I assign or otherwise delegate to the person or entity, for consideration, all, or any part, of the performance required of me under the terms of my contract with the state agency.

2. I will include the following language as a part of any agreement with a subcontractor:

Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this subcontract. The party who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the contractor.

3. No later than ten (10) days after entering into any agreement with a subcontractor, whether prior or subsequent to the contract date, I will mail a copy of the CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM completed by the subcontractor and a statement containing the dollar amount of the subcontract to the state agency.

I certify under penalty of perjury, to the best of my knowledge and belief, all of the above information is true and correct and that I agree to the subcontractor disclosure conditions stated herein.

Signature William Collins Title Director of Real Estate Date 11/28/01
Vendor Contact Person William Collins Title of its manager Express Properties Phone No. 501-907-9070

Agency use only
Agency Number _____ Agency Name _____ Agency Contact Person _____ Contract Phone No. _____ or Grant No. _____



Department of Transformation and Shared Services
Governor Asa Hutchinson
Secretary Mitch Rouse

November 30, 2022

The Honorable Asa Hutchinson
Governor, State of Arkansas
500 Woodlane Street
Room 250, State Capitol
Little Rock, Arkansas 72201

Approval: 
Governor's Signature

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