



**FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES**

ANDY BESHEAR
Governor

SAM RUTH
Commissioner

Division of Real Properties
Bush Building, 3rd Floor
403 Wapping Street
Frankfort, Kentucky 40601
(502) 564-2205
Fax: (502) 564-8108

HOLLY M. JOHNSON
Secretary

SCOTT AUBREY
Director

MEMORANDUM

TO: Katherine Halloran, Committee Staff Administrator
Capital Projects and Bond Oversight Committee

FROM: Brien S. Hoover, Leasing Manager *BSH*
Division of Real Properties

DATE: August 9, 2021

SUBJECT: PR-5200, Franklin County
Department for Libraries and Archives
Lease Modification Exceeding \$50,000.00

As outlined, attached please find notification of a lease agreement modification being processed by our Division's Leasing Branch.

If you have any questions or require additional information concerning this matter, please advise.

BSH/bh
Attachment

CC: Capital Construction Log
OSBD
PR-5200 File
BSH

REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

LEASE MODIFICATION EXCEEDING \$50,000.00

Lease No.: PR-5200		County: Franklin
Using Agency: Department for Libraries and Archives		
LESSOR (identify all parties having 5% or more ownership); Attached extra sheet if necessary	William and Deborah Fowler	
Property Location: 1425 Leestown Road, Frankfort, KY		
Check One: <input type="checkbox"/> New Lease <input type="checkbox"/> Renewal <input checked="" type="checkbox"/> Modification		
Type Space: Office/Warehouse	Cost Per Square Foot: \$10.00/\$5.41	
Annual Rental Cost: \$670,887.20	Average Cost Per Square Foot of Leased-In Space in County: \$6.56/\$1.51	
Utilities Included: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Cancellation Clause:	<input checked="" type="checkbox"/> Yes If yes, explain terms: 30 Days	<input type="checkbox"/> No If no, explain why not:
Effective Date: October 1, 2021	Expiration Date: June 30, 2030	
Justification for Lease: Please see attached		
Has the Finance & Administration Cabinet complied with statutory requirements: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:		
Explain why the Finance & Administration Cabinet chose this lessor (see attached approval memo and modification): Please see attached		



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MEMORANDUM

TO: Scott Aubrey, Director
Division of Real Properties

FROM: Brien S. Hoover, Leasing Manager
Division of Real Properties

DATE: August 9, 2021

SUBJECT: PR-5200, Franklin County
Department for Libraries and Archives

The Department for Libraries and Archives presently utilizes a total of 1,638 square feet of office space leased at a rental rate of \$10.00 per square foot and 97,853 square feet of warehouse space leased at a rental rate of \$5.41 per square foot (\$545,764.76 annually), excluding utilities and janitorial services, with a term expiring June 30, 2022. The Department recently submitted a request to obtain approximately 23,052 square feet of supplemental warehouse space, and in accordance with applicable provision of KRS 56.813(1) the lessor has consented to lease the balance of the available warehouse space (i.e., 23,128 square feet) in the facility at the same terms and conditions applied to the existing lease. In conjunction with the proposed increase in the area under lease, the lessor has also consented to the addition of eight (8) automatic extension periods, resulting in a new lease expiration date of June 30, 2030.

The attached lease modification therefore provides for an increase of 23,128 square feet of warehouse space effective October 1, 2021; from 97,853 square feet to 120,981 square feet, the corresponding increase of \$125,122.44 in the annual rental cost; from \$545,764.76 to \$670,887.20; and for the addition of eight (8) automatic term extensions effective July 1, 2022. Capital Projects and Bond Oversight Committee reporting is required for this lease modification after terms are defined and prior to execution pursuant to applicable requirements of KRS 56.823(11). Your approval of the attached lease modification is recommended to secure supplemental warehouse space as requested by the Department for Libraries and Archives.

Should you require additional information, please advise.

JSA/BSH/bh
Attachment

APPROVED: _____

Scott Aubrey
Scott Aubrey, Director

COMMONWEALTH OF KENTUCKY LEASE MODIFICATION AGREEMENT

LESSOR	William and Deborah Fowler	PR NUMBER, COUNTY	PR-5200, Franklin County
ADDRESS	PO Box 2527 Danville KY 40423-2527	VENDOR NUMBER	KY0013563
		AGENCY/DEPARTMENT	Department for Libraries & Archives
		DIVISION	
		DATE	August 9, 2021
		BUILDING CODE	91603001

1. Lease Agreement number PR-5200, Franklin County, dated April 23, 2014, is hereby modified as set forth in Paragraph 2.

2. This Lease is modified as follows:

EFFECTIVE OCTOBER 1, 2021:

To increase the leased warehouse space by 23,128 square feet; from 97,853 square feet to 120,981 square feet, at the terms and conditions reflected in the existing lease (i.e., \$5.41 per square foot), resulting in an annual rental increase of \$125,122.44 from \$545,764.76 to \$670,887.20. The office portion of the leased space remains unchanged at 1,638 square feet leased at a rental rate of \$10.00 per square foot.

EFFECTIVE July 1, 2022:

To add eight (8) automatic extension periods, at the modified terms defined herein, resulting in a new lease expiration date of June 30, 2030.

3. All other terms and conditions of the lease remain unchanged.

4. The Lessor is required to sign this document and return all copies for further processing.

5. The Lessor certifies by his signature hereinafter affixed that he ("he" is construed to mean "they" if more than one person is involved; and, if a firm, partnership, corporation, business trust or other organization is involved, then "he" is construed to mean any person with an interest therein) is legally entitled to enter into contracts with the Commonwealth of Kentucky and that by holding and performing this contract will not be violating either any conflict of interest statute (KRS 45A.330 - 45A.340 or 45A.990) of the Executive Branch Code of Ethics, KRS Chapter 11A, or any other applicable statute or principle by the performance of this Lease, or will he realize any unlawful benefit or gain directly or indirectly from it. The Lessor further certifies that he has not knowingly violated any provision of the campaign finance law of the Commonwealth, and that by entering into this Lease Modification Agreement he will not be in violation of the campaign finance laws of the Commonwealth.

STATE LEASING AGENCY REPRESENTATIVE Date

LESSOR Date

ANALYST, LEASING BRANCH, DIVISION OF REAL PROPERTIES Date

ATTORNEY, FINANCE & ADMINISTRATION CABINET Date

MANAGER, LEASING BRANCH, DIVISION OF REAL PROPERTIES Date

DIRECTOR, DIVISION OF REAL PROPERTIES

SECRETARY, FINANCE & ADMINISTRATION CABINET Date

APPROVED THIS _____ DAY OF _____, 20____

All correspondence and inquiries regarding this Lease Modification Agreement are to be directed to the Division of Real Properties, Suite 300, 403 Wapping Street, Frankfort, Kentucky 40601-2607, phone 502/564-2705.

FILE COPY



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MEMORANDUM

TO: Katherine Halloran, Committee Staff Administrator
Capital Projects and Bond Oversight Committee

FROM: Brien S. Hoover, Leasing Manager *BSH*
Division of Real Properties

DATE: August 9, 2021

SUBJECT: Lease Modification Report

The following lease modifications, resulting in annual rent changes, have been processed by the Leased Properties Branch of this Division during the fourth quarter of Fiscal Year 2021.

PR-5347, Franklin County, CHFS			
Square Foot Change	Annual Rent Change	Number of Staff	Effective:
From 9,631	From \$77,722.16	Original 36	2/1/2021
To 9,762	To \$78,779.36	Current 36	Expires:
Difference 131	Difference \$1,057.20		6/30/2021
Rental: \$8.07 per sq ft			
Program Changes: Previously shared network room added to this lease due to the departure of the adjacent state tenant.			

PR-4466, Franklin County, Board of Elections			
Square Foot Change	Annual Rent Change	Number of Staff	Effective:
From 700	From \$3,360.00	Original N/A	2/23/2021
To 900	To \$4,320.00	Current N/A	Expires:
Difference 200	Difference \$960.00		6/30/2021
Rental: \$4.80 per sq ft			
Program Changes: Supplemental storage space only.			

PR-3799, Franklin County, Office of Attorney General			
Square Foot Change	Annual Rent Change	Number of Staff	Effective:
From 46,620	From \$447,552.00	Original Unknown	6/11/2021
To 48,160	To \$462,336.00	Current Unknown	Expires:
Difference 1,540	Difference \$14,784.00		6/30/2028
Rental: \$9.60 per sq ft			
Program Changes: Supplemental space configured for broadcasting/training use.			

PR-5398, Jefferson County, UPS			
Square Foot Change	Annual Rent Change	Number of Staff	Effective:
From N/A	From \$48,000.00	Original N/A	5/1/2021
To N/A	To \$53,760.00	Current N/A	Expires:
Difference 0	Difference \$5,760.00		6/30/2022
Rental: N/A per sq ft			
Program Changes: Supplemental parking spaces (increase from 50 to 56). Rate is \$80.00 per space per month.			



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MEMORANDUM

TO: Katherine Halloran, Committee Staff Administrator
Capital Projects and Bond Oversight Committee

FROM: Brien S. Hoover, Leasing Manager
Division of Real Properties

DATE: August 9, 2021

SUBJECT: Quarterly Leasehold Improvements Report

The following leasehold improvement requests have been processed by the Leased Properties Branch of this Division during the fourth quarter of Fiscal Year 2021.

Property Identification Number: PR-3590, Franklin County
Tenant Agency: Cabinet for Health & Family Services
Total Cost: \$8,995.00
Scope of Work: Minor structural renovations (i.e., remove/replace windows/glass doors and flooring in network room).

Please advise should you have questions or require additional information.

BSH/bh

CC: Capital Construction Log
BSH

