

December 1, 2021

Senator Rick Girdler, Co-Chair,  
Representative Chris Freeland, Co-Chair  
Capital Projects and Bond Oversight Committee  
Legislative Research Commission  
Capitol Annex Building - Room 34  
702 Capitol Avenue  
Frankfort, Kentucky 40601

Dear Senator Girdler and Representative Freeland and Members of the Capital Projects and Bond Oversight Committee:

Pursuant to KRS §56.823 this is to report a lease for the University of Kentucky that will exceed \$100,000 annually. The University, after careful consideration, determined that this lease is in the best interests of the University and the Commonwealth of Kentucky.

This lease is between the University and Kentucky Technology, Inc., for 7,654 square feet of laboratory and office/administrative space at 824 Bull Lea Road in Lexington. The annual cost of this lease is \$252,388.00. The effective date of the lease will be April 1, 2022 (contingent upon the Committee's approval), with an expiration date of June 30, 2028.

The University requires additional space for the University of Kentucky's Equine Analytical Laboratory (EACL) which is projected to test more than 7,200 biological samples per year from clients throughout the Commonwealth and across the country involved in the sport horse and thoroughbred horse industries. The EACL recently began testing for the thoroughbred horse industry and consequently has sought out a space with additional laboratory space. The EACL requires off campus space which is close to overnight shipping vendors with quick access to the Kentucky Horse Park, Keeneland Racecourse and horse farms in central Kentucky to accommodate the high volume of testing of sport horses and thoroughbreds. This space will accommodate the current and planned future needs of the EACL.

If you should have additional questions regarding the leases, please contact me at 859.221.4122 or Elizabeth Baker at 859.257.6315.

Sincerely,



George Ward  
Executive Director

c: Angie Martin Katherine Halloran Christine O'Brien Elizabeth Baker

1500 Bull Lea Rd., Room 106 | Lexington, KY 40511 | P: 859-257-8649 | [www.uky.edu](http://www.uky.edu)

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Real Estate Services Division

## Report to Capital Projects and Bond Oversight Committee

Lease with Annual Rental Exceeding \$100,000  
(to be reported after lessor selection, but before lease execution)

**Lease number:** PR 8488

**County:** Fayette

**Lessee:** University of Kentucky, College of Agriculture, Food and Environment, Equine Analytical Laboratory (EACL)

**Lessor:** Kentucky Technology, Inc., 1500 Bull Lea Road, Suite 100, Lexington, Kentucky 40511

**Property location:** 824 Bull Lea Run, Lexington, Fayette County, Kentucky

**Check one:** new lease  renewal  addendum

**Type of space:** Laboratory and Office/Administrative

**Total square feet being leased:** 7,654

**Cost per square foot:** \$34 for laboratory space and \$30 for office/administrative space (the lease includes access to shared spaces in the building such as the lobby/collaboration area, breakroom, meeting room and conference room)

**Annual cost:** \$252,388

**Average square foot cost of state leased cost in county:** \$31 Clinical/Laboratory and \$21 Office/Administrative

**Includes utilities:** yes  no

**Cancellation clause:** yes  no

*If yes, explain terms:* 30 Days

*if no, explain why not:* Click or tap here to enter text.

**Effective date:** tentative April 1, 2022

**Expiration date:** June 30, 2028

**Justification for lease:** The EACL has outgrown its current location and requires a larger space that can accommodate a significantly higher volume of testing. Additionally, some room for future expansion is needed.

**Statements as to whether the University of Kentucky complied with statutory requirements:** (if not in compliance, explain why) The University is in compliance with statutory requirements.

**Explanation of why the University of Kentucky chose this lessor over the competition:** Fayette County has a limited amount of vacant laboratory space. Consequently, only two responses to the RFP were received, with one being their current location which cannot accommodate EACL's current and future needs. Also, the EACL requires off campus space close to overnight shipping vendors with quick access to the Kentucky Horse Park, Keeneland Racecourse and horse farms in central Kentucky to accommodate their high volume of testing of sport horses and thoroughbreds.