FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES
DIVISION OF REAL PROPERTIES
Bush Building, 3rd Floor
403 Wapping Street
Frankfort, Kentucky 40601
Phone: (502) 564-2205
Fax: (502) 564-8108

Andy Beshear
GOVERNOR

Holly M. Johnson
SECRETARY

Charles O. Bush, Jr.
COMMISSIONER

Natalie W. Brawner
ACTING DIRECTOR

MEMORANDUM

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

FROM: Natalie W. Brawner, Acting Director NWB
Division of Real Properties

DATE: July 2, 2026

SUBJECT: PR-5586, Jefferson County
Lease Agreement in excess of $100,000
Department of Corrections

Pursuant to KRS 56.823(4), attached please find notification of a lease agreement being processed by the Leased Properties Branch.

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

Attachment

CC: Capital Construction Log
OSBD
PR-5586 File
NWB

REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

LEASE WITH ANNUAL RENTAL EXCEEDING $100,000.00

Lease No.: **PR-5586**	County: **JEFFERSON**	
Using Agency: **Department of Corrections**		
Lessor (identify all parties having 5% or more ownership): Attached extra sheet if necessary	**LOUISVILLE/JEFFERSON CO METRO GOVERMENT**	
Property Location: **523 SOUTH 5TH STREET, LOUISVILLE, KY**		
Check One: ☒ New Lease ☐ Renewal ☐ Modification		
Type Space: **Parking**	Cost Per Parking Space: **$111.30**	
Annual Rental Cost: **$112,190.40**	Average Cost Per Parking Space of Leased-In Space in County: **$92.75**	
Utilities Included: ☐ Yes ☒ No		
Cancellation Clause:	☒ Yes If yes, explain terms: 30 Days	☐ No If no, explain why not:
Effective Date: **July 1, 2026**	Expiration Date: **June 30, 2027**	
Justification for Lease: **Please see attached**.		
Has the Finance & Administration Cabinet complied with statutory requirements: ☒ Yes ☐ No If no, explain:		
Explain why the Finance & Administration Cabinet chose this lessor: **Please see attached.**		

B217-5 (Rev. 9/03) **COMMONWEALTH OF KENTUCKY LEASE AGREEMENT**

LEASE/PR #	PR-5586, Jefferson County	AGENCY/DEPARTMENT	Department of Corrections
INITIAL ENCUMBRANCE	$	DIVISION	
ANNUAL ENCUMBRANCE	$112,190.40	DATE	June 24, 2026
VENDOR #	KY0029841	INSTALLATION CODE	

THIS LEASE, entered into between: **Louisville Jefferson County Metro Government, DBA Parking Authority of River City, Inc.**, whose address is: **222 South First Street, Suite 400, Louisville KY 40202** (Business Phone: **502.901-8383** his heirs and assigns, hereinafter called the "Lessor", and the COMMONWEALTH OF KENTUCKY, hereinafter referred to as the "Commonwealth";

WITNESSETH, that for the consideration hereinafter mentioned, the parties hereto agree as follows:

1a. The Lessor hereby leases to the Commonwealth and agrees to keep in quiet and peaceful possession the following described premises with its appurtenances; property located at **523 South Fifth Street, Louisville, KY, 40202**, in the County of **Jefferson**.

1b. Said premises consisting of **Eight-Four (84) unreserved parking spaces** are to be rented at the cost of **$111.30 per space-per month** and will be used by the Commonwealth for **parking** space.

2. The Commonwealth agrees to pay rent to the Lessor for the leased premises at the rate of **$28,047.60**, payable **Quarterly**. The Lessor shall provide the Commonwealth with the following services: **NONE.**

3. Subject to the limitations imposed by law and as provided in paragraphs 5 and 6 of this Lease, the term during which the Lease shall be effective shall begin **July 1, 2026**, and end **JUNE 30, 2027**.

4. This Lease shall be extended automatically upon the same terms and conditions herein for further periods of 12 months, not to exceed **0** extension period(s) unless the Commonwealth shall give the Lessor written notice **30** days prior to the expiration of the term or any extension that it will not be extended; no extension shall prolong the period of occupancy of the leased premises beyond the **30TH** day of **June, 2027**. The Lessor understands that the Commonwealth's funds cannot be committed beyond its current fiscal year and its applicable appropriation, and the related allotment from rental payments will be made.

5. The Commonwealth shall have the further right to terminate this Lease at any time upon **30** days written notice, time to be computed from date of mailing notice; termination under this paragraph shall not be considered effective until the last day of the month in which the notice period ends.

6. The Commonwealth agrees not to assign this Lease, or to sublet the premises except to a desirable tenant and for a similar purpose, and will not permit the use of the premises by anyone other than the Commonwealth, the Federal Government, or such sub-lessee, and the agents and servants of the Commonwealth, the Federal Government, or such sub-lessee.

7. The Commonwealth shall have the right during the existence of this Lease to make alterations, attach fixtures and erect additional structures or signs in or upon the leased premises, provided such alterations, additions, structures or signs shall not be detrimental to or inconsistent with rights granted to other tenants on the property or in the building in which the premises are located. Fixtures, additions, structures or signs placed in or upon or attached to the premises shall remain the Commonwealth's property and may be removed by it prior to the termination of this Lease.

8. Unless otherwise specified, the Lessor shall maintain the premises in good repair and tenantable condition, including heating and/or air conditioning equipment, except in case of damage arising from the negligent acts of the Commonwealth's agents or employees. For the purpose of maintaining the premises and to make necessary repairs, the Lessor reserves the right to enter and inspect the premises at reasonable times.

9. The Commonwealth agrees to take good care of the premises and to return them at the expiration of their Lease in as good order as received, ordinary wear and tear and natural decay excepted.

10. The Lessor shall be responsible for procuring and continuously maintaining casualty and liability insurance on the leased premises.

11. If the premises are destroyed by fire or other casualty, this Lease shall immediately terminate. In case of partial destruction or damage so as to render the premises untenantable, the Commonwealth may terminate or suspend this Lease by giving written notice to the Lessor within 15 days after such partial destruction or damage, and, if so suspended, no rent shall accrue to the Lessor after the date of such partial destruction or damage until such damage is repaired and premises are considered tenantable.

12. It is agreed by the parties hereto that if any one of the provisions of this Lease shall contravene or be invalid under the laws of the Commonwealth of Kentucky, such contravention or invalidity shall not invalidate the whole Lease, but it shall be construed as if not containing that particular provision or provisions, and the rights and obligations of the parties shall be construed accordingly.

13. The Lessor certifies by his signature hereinafter affixed that he ("he" is construed to mean "they" if more than one person in 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 Agreement he will not be in violation of the campaign finance laws of the Commonwealth.

14. The Lessor agrees to notify the Commonwealth of all persons owning or upon any change or transfer of ownership involving 5% or more in stock, in partnership, business trust, or corporation, including silent or limited partners. Non-compliance may result in termination of the Lease Agreement.

15. Lessor shall comply with all standards set by the Department of Housing, Buildings and Construction, Division of Building Codes Enforcement, and that of the Kentucky Occupational Safety and Health Standards Board and the Americans with Disabilities Act (ADA).

16. The contractor, as defined in KRS 45A.030 (9) agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the contract and shall be exempt from disclosure as provided in KRS 61.878(1)(c). The contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. In the event of a dispute between the contractor and the contracting agency, Attorney General, or the Auditor of Public Accounts over documents that are eligible for production and review, the Finance and Administration Cabinet shall review the dispute and issue a determination, in accordance with Secretary's Order 11-004.

IN WITNESS WHEREOF, the parties hereto have subscribed their names:

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_____**

When executed by the Secretary, Finance & Administration Cabinet, this instrument constitutes a finding and order, pursuant to KRS Chapters 45A and 56, that the leased property is needed for use by the Commonwealth of Kentucky. All correspondence and inquiries regarding this Lease are to be directed to the Division of Real Properties, Bush Building, 3rd Floor, 403 Wapping Street, Frankfort, Kentucky 40601-2607, phone 502/564-2205. SN

FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES
DIVISION OF REAL PROPERTIES
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Andy Beshear
GOVERNOR

Holly M. Johnson
SECRETARY

Charles O. Bush, Jr.
COMMISSIONER

Natalie W. Brawner
ACTING DIRECTOR

MEMORANDUM

TO: Natalie W. Brawner, Acting Director
Division of Real Properties

FROM: Calleen T. Yett, Leasing Manager
Division of Real Properties

DATE: June 24, 2026

SUBJECT: PR-5586, Jefferson County
Department of Corrections

The Department of Corrections currently leases eighty-four (84) parking spaces from the Parking Authority of River City, Inc. (Louisville Jefferson County Metro Government) at a rental rate of eighty-four (84) at $106.00 per space per month for a total annual cost of $106,848.00 with a term expiring June 30, 2026. During regular renewal processing the lessor advised that they would require a rental rate increase of $5.30 per space to $111.30 per space per month for eighty-four (84) parking spaces with all other terms to remain unchanged.

Pursuant to KRS 56.805, the attached lease agreement provides for use of eighty-four (84) parking spaces at a rental rate of $111.30 per space per month ($112,190.40 annually) with a term expiring June 30, 2027. Pursuant to KRS 56.805(2) advertisements are not required for this project since the lessor is a political subdivision. Capital Project and Bond Oversight Committee reporting is required pursuant to KRS 56.823(4). Your approval of the attached lease agreement is recommended to secure continued parking for the Department of Corrections.

If you require additional information, please advise.

NWB/CTY/sn
Attachment

APPROVED:

Natalie W. Brawner

Natalie W. Brawner, Acting Director

FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES
DIVISION OF REAL PROPERTIES
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Andy Beshear
GOVERNOR

Holly M. Johnson
SECRETARY

Charles O. Bush, Jr.
COMMISSIONER

Natalie W. Brawner
ACTING DIRECTOR

M E M O R A N D U M

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

FROM: Natalie W. Brawner, Acting Director NWB
Division of Real Properties

DATE: June 30, 2026

SUBJECT: PR-5930, Hopkins County
Kentucky State Police
Annual Rental Exceeding $100,000.00

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

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

NWB/SN
Attachment

Cc: Capital
Construction
Log OSBD
PR-5930 File

REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

LEASE WITH ANNUAL RENTAL EXCEEDING $100,000.00

Lease No.: **PR-5930**		County: **Hopkins**
Using Agency: **Kentucky State Police**		
Lessor (identify all parties having 5% or more ownership): Attached extra sheet if necessary	**French – Rudd, LLC**	
Property Location: **4415 Hanson Road, Madisonville, KY 42431**		
Check One: ☒ New Lease ☐ Renewal ☐ Modification		
Type Space: **Office/Lab**		Cost Per Square Foot: $**16.00**
Annual Rental Cost: **$147,840.00**		Average Cost Per Square Foot of Leased-In Space in County: **Office: $9.93**
Utilities Included: ☐ Yes ☒ No		
Cancellation Clause:	☒ Yes If yes, explain terms: 30 Days	☐ No If no, explain why not:
Effective Date: **July 1, 2026**		Expiration Date: **June 30, 2034**
Justification for Lease: **Please see attached**		
Has the Finance & Administration Cabinet complied with statutory requirements: ☒ Yes ☐ No If no, explain:		
Explain why the Finance & Administration Cabinet chose this lessor (see attached approval memo and modification): **Please see attached**		

B217-5 (Rev. 9/03) **COMMONWEALTH OF KENTUCKY LEASE AGREEMENT**

LEASE/PR #	PR-5930, Hopkins County	AGENCY/DEPARTMENT	Kentucky State Police
INITIAL ENCUMBRANCE	$	DIVISION	
ANNUAL ENCUMBRANCE	$147,840.00	DATE	June 30, 2026
VENDOR #	KY0036982	BUILDING CODE #	90981001

THIS LEASE, entered into between: **FRENCH – RUDD, LLC** , whose address is: **25 Brown Badgett Loop, Suite B, Madisonville, KY 42431** (Business Phone: **270-841-7796**), his heirs and assigns, hereinafter called the "Lessor", and the COMMONWEALTH OF KENTUCKY, hereinafter referred to as the "Commonwealth";

WITNESSETH, that for the consideration hereinafter mentioned, the parties hereto agree as follows:

1a. The Lessor hereby leases to the Commonwealth and agrees to keep in quiet and peaceful possession the following described premises with its appurtenances; property located at **4415 Hanson Road, Madisonville, KY 42431**, in the County of **Hopkins**.

1b. Said premises consisting of **9,240** square feet are to be rented at the cost of **$16.00** per square foot and will be used by the Commonwealth for **Office** space.

2. The Commonwealth agrees to pay rent to the Lessor for the leased premises at the rate of **$36,960.00**, payable **Quarterly**. The Lessor shall provide the Commonwealth with the following services: **None**; with **Twenty (25)** reserved parking spaces.

3. Subject to the limitations imposed by law and as provided in paragraphs 5 and 6 of this Lease, the term during which the Lease shall be effective shall begin **July 1, 2026**, and end **JUNE 30, 2027**.

4. This Lease shall be extended automatically upon the same terms and conditions herein for further periods of 12 months, not to exceed **Seven (7)** extension period(s) unless the Commonwealth shall give the Lessor written notice **30** days prior to the expiration of the term or any extension that it will not be extended; no extension shall prolong the period of occupancy of the leased premises beyond the **30TH** day of **June 2034**. The Lessor understands that the Commonwealth's funds cannot be committed beyond its current fiscal year and its applicable appropriation, and the related allotment from rental payments will be made.

5. The Commonwealth shall have the further right to terminate this Lease at any time upon **30** days written notice, time to be computed from date of mailing notice; termination under this paragraph shall not be considered effective until the last day of the month in which the notice period ends.

6. The Commonwealth agrees not to assign this Lease, or to sublet the premises except to a desirable tenant and for a similar purpose and will not permit the use of the premises by anyone other than the Commonwealth, the Federal Government, or such sub-lessee, and the agents and servants of the Commonwealth, the Federal Government, or such sub-lessee.

7. The Commonwealth shall have the right during the existence of this Lease to make alterations, attach fixtures and erect additional structures or signs in or upon the leased premises, provided such alterations, additions, structures or signs shall not be detrimental to or inconsistent with rights granted to other tenants on the property or in the building in which the premises are located. Fixtures, additions, structures or signs placed in or upon or attached to the premises shall remain the Commonwealth's property and may be removed by it prior to the termination of this Lease.

8. Unless otherwise specified, the Lessor shall maintain the premises in good repair and tenantable condition, including heating and/or air conditioning equipment, except in case of damage arising from the negligent acts of the Commonwealth's agents or employees. For the purpose of maintaining the premises and to make necessary repairs, the Lessor reserves the right to enter and inspect the premises at reasonable times.

9. The Commonwealth agrees to take good care of the premises and to return them at the expiration of their Lease in as good order as received, ordinary wear and tear and natural decay excepted.

10. The Lessor shall be responsible for procuring and continuously maintaining casualty and liability insurance on the leased premises.

11. If the premises are destroyed by fire or other casualty, this Lease shall immediately terminate. In case of partial destruction or damage so as to render the premises untenantable, the Commonwealth may terminate or suspend this Lease by giving written notice to the Lessor within 15 days after such partial destruction or damage, and, if so suspended, no rent shall accrue to the Lessor after the date of such partial destruction or damage until such damage is repaired and premises are considered tenantable.

12. It is agreed by the parties hereto that if any one of the provisions of this Lease shall contravene or be invalid under the laws of the Commonwealth of Kentucky, such contravention or invalidity shall not invalidate the whole Lease, but it shall be construed as if not containing that particular provision or provisions, and the rights and obligations of the parties shall be construed accordingly.

13. The Lessor certifies by his signature hereinafter affixed that he ("he" is construed to mean "they" if more than one person in 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 Agreement he will not be in violation of the campaign finance laws of the Commonwealth.

14. The Lessor agrees to notify the Commonwealth of all persons owning or upon any change or transfer of ownership involving 5% or more in stock, in partnership, business trust, or corporation, including silent or limited partners. Non-compliance may result in termination of the Lease Agreement.

15. Lessor shall comply with all standards set by the Department of Housing, Buildings and Construction, Division of Building Codes Enforcement, and that of the Kentucky Occupational Safety and Health Standards Board and the Americans with Disabilities Act (ADA).

16. The Contractor, as defined in KRS 45A.030(7), agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Furthermore, any books, documents, papers, records, or other evidence provided to the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, or the Legislative Research Commission which are directly pertinent to the contract shall be subject to public disclosure regardless of the proprietary nature of the information, unless specific information is identified and exempted and agreed to by the Secretary of the Finance and Administration Cabinet as meeting the provisions of KRS 61.878(1)(c) prior to the execution of the contract. The Secretary of the Finance and Administration Cabinet shall not restrict the public release of any information which would otherwise be subject to public release if a state government agency provides the service.

IN WITNESS WHEREOF, the parties hereto have subscribed their names:

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**	ACTING DIRECTOR, DIVISION OF REAL PROPERTIES
SECRETARY, FINANCE & ADMINISTRATION CABINET **Date**	**APPROVED THIS _______ DAY OF _________________, 20_____**

When executed by the Secretary, Finance & Administration Cabinet, this instrument constitutes a finding and order, pursuant to KRS Chapters 45A and 56, that the leased property is needed for use by the Commonwealth of Kentucky. All correspondence and inquiries regarding this Lease are to be directed to the Division of Real Properties, Bush Building, 3rd Floor, 403 Wapping Street, Frankfort, Kentucky 40601-2607, phone 502/564-2205. SLN

ADDENDUM

The following items are to be considered a part of lease agreement PR-5930, Hopkins County, dated June 30, 2026:

SECTION 1

1. The building shall meet all Kentucky building codes and accessibility specifications in accordance with ADA, as enforced by the Kentucky Department of Housing, Buildings and Construction. The Department may require a set of construction plans from the Lessor. The Lessor is required to submit a copy of these plans, if/as approved by the Department, to the Division of Real Properties. The Lessor shall be responsible for determining/complying with the requirements of the Department. Issues such as fire rated corridors, fire suppression systems (if applicable), HVAC installation, etc. are not addressed in the space planning information (i.e., floor plans and specifications) provided by the Division of Real Properties.
2. All facilities with a total leased square footage of 3,000 square feet or more shall be equipped with automatic fire suppression systems (sprinklers). The system shall be installed in accordance with all applicable provisions/requirements of the Department of Housing, Buildings, and Construction. **NOTE: Access to an underground water main with a minimum diameter of six (6) inches is required for sprinkler systems serving spaces that exceed 3,000 square feet**. The Lessor shall be responsible for installation and maintenance of the fire suppression system. The Commonwealth prepares floor plans based on the presence of a suppression system. Should the Lessor submit an exception to this requirement they shall be solely responsible for any expenses associated with additional requirements as determined by the Department.
3. Central heating and air conditioning (HVAC) shall be installed throughout. The HVAC system shall be installed in conformance with Kentucky building codes, as administered by the Kentucky Department of Housing, Buildings and Construction. The Lessor shall also install an adequate fresh air handling system in accordance with applicable ASHRAE Standards. Electronic thermostats with programmable functions shall be installed for new or existing HVAC systems. A standard locking cover shall be installed on the thermostat. The local supervisor, in conjunction with the Lessor, will determine appropriate settings (i.e.: daytime/evening temperature settings, set back timer settings as required by regular office hours, etc.) for each property. Central air units, heat pumps, etc. must be ENERGY STAR qualified where available. Alternative systems (e.g., geo-thermal, etc.) may be proposed at the discretion of the lessor but are subject to review and approval by the Division of Real Properties. The Lessor shall ensure that applicable HVAC systems are serviced (e.g., clean and check) not less than twice annually and filters shall be replaced not less than once per quarter. Documentation regarding annual servicing shall be provided to the Division of Real Properties.
4. The Lessor shall insulate exterior walls at a minimum R-13 or equivalent and the ceiling at a minimum R-38 or equivalent. Weather stripping and/or other suitable insulation shall be applied to all doors and windows and all other exterior of the leased space. This shall be inspected on an annual basis and repaired/replaced as necessary. Windows shall be installed or replaced with Low E/ENERGY STAR qualified windows. The lessor shall provide documentation identifying the type/rating of installed windows. The Lessor shall provide mini-blinds for all windows.

5. Separate utility meters are needed if the using agency is to pay utilities, with service to be established in the name of the using agency. *{Agencies that are billed directly by a local utility should contact the utility company to identify their agency as "tax exempt".}* If a separate meter is not feasible, the Lessor shall bill the using agency on a pro-rated basis. If this method is used, the Lessor shall provide the using agency sufficient documentation to justify the percentage of the total bill to be charged to the using agency. *{Agencies that receive utility invoices from the Lessor (based on the percentage of space occupied) should reimburse the Lessor for the full amount of the invoice including any applicable taxes}*.

6. If a plenum ceiling is to be used, all wiring shall be housed in conduit, or plenum cable shall be used. The Lessor shall advise the Division of Real Properties as soon as possible when it is determined that plenum or a ducted ceiling is to be used. This will ensure that the agency's appointed electricians will be prepared with the right cabling. Failure to notify the Division of Real Properties of a plenum ceiling, prior to award of a lease, shall be considered grounds for termination of the lease.

SECTION 2

1. Floor-to-ceiling walls shall be constructed as indicated on the floor plan. Install acoustical insulation (R-11 or equivalent) or soundboard in interior walls if/where indicated on the floor plan. All walls shall be drywalled and painted **or repainted a scrubbable neutral color latex enamel paint with either a satin or eggshell finish in conjunction with the floor covering**. New

walls require a primer coat (sprayed or rolled) and two finish coats (rolled). **Existing walls require one finish coat (rolled) if same color is being used or two finish coats (rolled) if changing color or patching is required**. The Lessor shall install a chair rail at a height of 32" from the floor in the reception area(s). **Repair all settlements cracks in the drywall prior to painting.**

2. An acoustical tile ceiling installed at a height of 9'. **Replace all stained tiles throughout the facility.**

3. **Replace exit light at the back side of the building that is inoperable.**
4. The Lessor shall provide lockable doors where indicated on the floor plan.
5. Shelving shall be installed if/where shown on the floor plan.
6. Rest rooms must comply with ADA requirements and be furnished with hot and cold water, toilet tissue holders, soap dispensers, paper towel dispensers, and mirrors. Prior to installation, verify with the using agency the type of dispensers required for products currently on Commonwealth of Kentucky price contract. Water fountain(s) shall be installed as shown on the floor plan, or as approved by the Department of Housing, Buildings, & Construction.
7. The Lessor shall provide a sink and counter in the break room, with cabinets above and below, if/as shown on the floor plan.
8. The Lessor shall provide in the janitorial closet, shelving at a height of 54" from the floor, and a built-in floor sink with drain at a height of 10" to 12" from the floor.
9. Water Sense labeled products shall be installed as applicable (i.e. restroom, breakroom fixtures, etc.). (See www3.epa.gov/watersense/index.html). Product information (e.g., maximum flow rates, gallons per flush, etc.) shall be provided to the Division of Real Properties prior to installation. Water heaters may be replaced with point of use/demand heaters where feasible and must be appropriately sized for restroom(s), break room(s), and offices or other spaces supplied with water. Water heaters may alternatively be replaced with ENERGY STAR certified water heaters. Upon completion of renovations or construction, the lessor must supply confirmation of the installation of certified/qualified products to the Division of Real Properties. This requirement may be waived for laboratory facilities subject to specific requirements of the tenant agency and approval from the Division of Real Properties.
10. The Lessor shall provide **25 reserved parking spaces** for agency staff and visitors, plus accessible space(s) as required by the Department of Housing, Buildings, & Construction. The parking lot shall be asphalted and striped with all spaces clearly marked and identified. All holes and other damage shall be repaired on a timely basis. All spaces shall be a minimum of 9' x 18' with the exception of ADA accessible spaces.
11. The Lessor shall install security lighting around the exterior perimeter of the building and throughout the parking area(s).
12. The Lessor shall be responsible for the maintenance and upkeep of the grounds surrounding the property, to include mowing/trimming grass and raking leaves. The Lessor shall also be responsible for maintenance and cleaning of the parking lot, including snow removal from the parking lot and snow & ice removal from the sidewalks.

<u>SECTION 3 - Telephone/Computer Access/Electrical Fit Up</u>

1. Adequate recessed fluorescent lighting shall be installed for office use, including telephone/storage rooms, with separate light switches for each room Light fixtures shall be installed (or all existing fixtures shall be replaced) with T-8 fixtures equipped with direct replacement LED lamps. Alternatively, fixtures may be replaced with LED Contemporary Architectural Troffers or equivalent fixtures. Alternate fixture types may be proposed by the lessor provided that adequate lighting levels are maintained for the proposed facility use and a similar level of efficiency can be documented. The lessor will be responsible for supplying/replacing lamps as required. Sufficient fixtures must be installed to provide adequate lighting levels for the application (e.g., office, storage, clinical/laboratory, etc.). **The tenant agency and lessor acknowledge that existing T-8 type fixtures will remain in operation, however the lessor shall replace lamps fluorescent tubes with LED lamps as individual fixture require repair or replacement.**
2. All exit and directional lights shall be the LED type.
3. Appropriate electrical and telephone outlets are to be installed where indicated on the floor plan. The Lessor shall also provide access to phone outlets by conduit. Electrical circuits in the electrical panel box shall be labeled and identified. Lessor shall install electrical surge protection for the main electric service.
4. The Lessor shall install a three-wire, 117-volt, 60 Hz single phase, 20 AMP dedicated 4-plex AC outlet in the wall located within 4' of the telephone system for each telephone system installed in building. *<u>NOTE</u>:* **The third wire, or ground wire, in this circuit shall be connected to earth/ground.** The Lessor shall install a 5/8", 4' x 8' sheet of plywood (painted black) on the wall in the telephone equipment room for each telephone system installed. If space permits, the plywood will be mounted horizontally.
5. The Lessor shall install an entrance conduit with pull string with a minimum diameter of 4", or other size as recommended by the local telephone service provider (the lessor shall contact the local telephone service provider to determine service entrance requirements and conduit size), through the foundation or building wall to facilitate the incoming telephone service cable to a predetermined telephone company "network access unit" (demarcation point) location within the building. If the "network access unit" does not terminate in the telephone equipment room, the Lessor shall install conduit from the "network access unit" location to the telephone equipment room. *<u>Note:</u>* **The number and size of this conduit depends on the terminal devices served on a**

floor, the type of cable used, and the need to use one cable or a cable per floor. At least one spare conduit of the same size with a pull wire should be installed for future expansion.

6. On multi-story buildings, the Lessor shall install conduit with pull string from the "network access unit" to each designated telephone equipment room (see note for proper sizing of conduit). If telephone closets rooms are vertically aligned, sleeves through the floor may be used instead of conduit.
7. The Lessor shall be responsible for providing and **replacing any broken closable HVAC vents** and cold air returns throughout the building.
8. Conduit, cable tray, or raceway fill rate is to comply with the National Electrical Code.
9. The Lessor shall obtain basic phone service, including at a minimum the installation of a network access unit (demarcation point), for newly constructed buildings and those facilities not already equipped with a network access unit. The using agency may assume responsibility for the ongoing costs associated with the aforementioned basic phone service, or the Lessor may cancel service, upon occupancy.
10. The Lessor shall contact the Division of Real Properties at a point when the agency's electricians can install computer cables and telephone wiring through conduit.
11. The Lessor shall provide empty conduit with pull string within the walls from the ceiling on locations shown on the floor plan as voice/data outlets. Install a cut-in box where conduit symbols are shown on the floor plan, the conduit should have smooth edged bushings at the box and above the ceiling. One inch (1") conduit shall be provided for data terminals, printers, and telephone instruments from each designated outlet location. *NOTE*: **In most instances, voice/data cables (from individual office conduits) merge above the ceiling and should be supported by cable trays or pass through conduits (sized by number of outlets in the building) to the telephone equipment room or controller location.**

SECTION 4

1. Due to the continuing development of new office technology the Lessor authorizes competent agency personnel to install additional security and/or access control equipment, telephone wiring, computer cabling, and conduit or wire molding (as required) to accommodate such technology during the term of the agency's occupancy. Agency will notify the Division of Real Properties for approval before commencing any of this type of work.
2. **The office shall be thoroughly cleaned after renovation/construction and before occupancy, including vacuuming all carpeted areas, spot-cleaning carpet, mopping and waxing vinyl tile, dusting, cleaning rest rooms, washing windows, etc.**
3. The exterior front of the building shall have a professional office appearance; with street number(s) of subject building displayed prominently.
4. Subsequent to the receipt of approval to begin renovations/construction from both the Division of Building Codes Enforcement and the Division of Real Properties, the lessor shall submit an estimated schedule for completion of the renovations/construction. Written progress reports, and a revised completion schedule, if appropriate, shall be submitted to the Division of Real Properties not less than once per month until complete.
5. The Division of Real Properties and/or the using agency reserves the right to inspect the facility at any time during construction/renovations/occupation.
6. This lease supersedes and replaces PR-4991 upon its expiration on June 30, 2026.

ACKNOWLEDGED BY:	**ACKNOWLEDGED BY:**
______________________________	______________________________
Kentucky State Police **Date**	**FRENCH – RUDD, LLC** **Date**

Andy Beshear
GOVERNOR

FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES
DIVISION OF REAL PROPERTIES
Bush Building, 3rd Floor
403 Wapping Street
Frankfort, Kentucky 40601
Phone: (502) 564-2205
Fax: (502) 564-8108

Holly M. Johnson
SECRETARY

Charles O. Bush, Jr.
COMMISSIONER

Natalie W. Brawner
ACTING DIRECTOR

M E M O R A N D U M

TO: Natalie W. Brawner, Acting Director
Division of Real Properties

FROM: Calleen T. Yett, Leasing Manager
Division of Real Properties

DATE: June 30, 2026

SUBJECT: PR-5930, Hopkins County
Kentucky State Police

The Kentucky State Police currently occupy 9,240 square feet of space under PR-4991, leased at a rental rate of $12.00 per square foot ($110,880.00 annually) which excludes utilities and janitorial services, with a term expiring June 30, 2026. During the FY26 renewal process, the lessor requested a rate increase. Accordingly, and pursuant to applicable provisions of KRS 56.803, a competitive bid project was initiated for approximately 9,240 square feet of office and lab space with 25 reserved paved parking spaces, and one best & final proposal was received as follows:

1. French – Rudd, LLC (PR-4991 lessor) proposed the current office space at 4415 Hanson Road, Madisonville, KY 42431 with 9,240 square feet of office and lab space plus 25 reserved paved parking spaces at $16.00 per square foot ($147,840.00 annually), excluding janitorial and utility services, through June 30, 2034.

Per KRS 56.803(15)(b), efforts to negotiate more favorable terms for the agency were not successful. The Kentucky State Police has recommended acceptance of the proposed lease terms as defined herein. Therefore, pursuant to applicable provisions of KRS 56.803, the attached lease agreement provides for the use of 9,240 square feet at a rate of $16.00 per square foot ($147,840.00 annually), excluding utilities and janitorial services, with a term through June 30, 2034. Per KRS 56.823(2), Capital Projects and Bond Oversight Committee reporting is required prior to execution for the proposed lease agreement, and approval is recommended to secure continued use of office space for the agency.
If you require additional information, please advise.

NWB/CTY/sn
Attachment

APPROVED: Natalie W. Brawner
Natalie W. Brawner, Acting Director

Andy Beshear
GOVERNOR

FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES
DIVISION OF REAL PROPERTIES
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Holly M. Johnson
SECRETARY

Charles O. Bush, Jr.
COMMISSIONER

Natalie W. Brawner
ACTING DIRECTOR

MEMORANDUM

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

FROM: Natalie W. Brawner, Acting Director NWB
Division of Real Properties

DATE: July 2, 2026

SUBJECT: PR-5330, Kenton County
Lease Agreement
Education and Labor Cabinet

Pursuant to KRS 56.823 (2), attached please find notification of a lease agreement being processed by the Leased Properties Branch.

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

Attachment

CC: Capital Construction Log
OSBD
PR-5330 File
NWB

REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

NEW LEASE WITH ANNUAL RENTAL EXCEEDING $100,000.00

Lease No.: **PR-5330**		County: **Kenton**
Using Agency: **Labor Cabinet**		
Lessor (identify all parties having 5% or more ownership): Attached extra sheet if necessary	**City of Covington**	
Property Location: **1324 Madison Avenue, Covington, KY**		
Check One: ☐ New Lease ☒ Renewal ☐ Modification		
Type Space: **Office**		Cost Per Square Foot: **$28.68**
Annual Rental Cost: **$239,650.08.00**		Average Cost Per Square Foot of Leased-In Space in County: **$16.87**
Utilities Included: ☐ Yes ☒ No		
Cancellation Clause:	☒ Yes If yes, explain terms: 30 Days	☐ No If no, explain why not:
Effective Date: **July 1, 2026**		Expiration Date: **June 30, 2029**
Justification for Lease: **Please see attached—negotiated a decrease in price per square foot.**		
Has the Finance & Administration Cabinet complied with statutory requirements: ☒ Yes ☐ No If no, explain:		
Explain why the Finance & Administration Cabinet chose this lessor: **Please see attached.**		

B217-5 (Rev. 9/03) **COMMONWEALTH OF KENTUCKY LEASE AGREEMENT**

LEASE/PR #	PR-5330, Kenton County	AGENCY/DEPARTMENT	Education and Labor Cabinet
INITIAL ENCUMBRANCE	$	DIVISION	
ANNUAL ENCUMBRANCE	$239,650.08	DATE	April 13, 2026
VENDOR CODE #	VC 0000120171	BUILDING CODE #	91607001

THIS LEASE, entered into between: City of Covington, whose address is: 638 Madison Avenue; Covington; KY; 41011 (Business Phone: 859-292-2160/ Home Phone: N/A), his heirs and assigns, hereinafter called the "Lessor", and the COMMONWEALTH OF KENTUCKY, hereinafter referred to as the "Commonwealth";

WITNESSETH, that for the consideration hereinafter mentioned, the parties hereto agree as follows:

1a. The Lessor hereby leases to the Commonwealth and agrees to keep in quiet and peaceful possession the following described premises with its appurtenances; property located at 1324 Madison Avenue; Covington; KY; 41011, in the County of Kenton.

1b. Said premises consisting of 8,356 square feet are to be rented at the cost of $28.68 per square foot and will be used by the Commonwealth for Office space.

2. The Commonwealth agrees to pay rent to the Lessor for the leased premises at the rate of $59,912.52, payable Quarterly. The Lessor shall provide the Commonwealth with the following services: None; with Seventy-Five (75) reserved parking spaces.

3. Subject to the limitations imposed by law and as provided in paragraphs 5 and 6 of this Lease, the term during which the Lease shall be effective shall begin July 1, 2026, and end JUNE 30, 2027.

4. This Lease shall be extended automatically upon the same terms and conditions herein for further periods of 12 months, not to exceed Two (2) extension period(s) unless the Commonwealth shall give the Lessor written notice 30 days prior to the expiration of the term or any extension that it will not be extended; no extension shall prolong the period of occupancy of the leased premises beyond the 30TH day of June 2029. The Lessor understands that the Commonwealth's funds cannot be committed beyond its current fiscal year and its applicable appropriation, and the related allotment from rental payments will be made.

5. The Commonwealth shall have the further right to terminate this Lease at any time upon 30 days written notice, time to be computed from date of mailing notice; termination under this paragraph shall not be considered effective until the last day of the month in which the notice period ends.

6. The Commonwealth agrees not to assign this Lease, or to sublet the premises except to a desirable tenant and for a similar purpose, and will not permit the use of the premises by anyone other than the Commonwealth, the Federal Government, or such sub-lessee, and the agents and servants of the Commonwealth, the Federal Government, or such sub-lessee.

7. The Commonwealth shall have the right during the existence of this Lease to make alterations, attach fixtures and erect additional structures or signs in or upon the leased premises, provided such alterations, additions, structures or signs shall not be detrimental to or inconsistent with rights granted to other tenants on the property or in the building in which the premises are located. Fixtures, additions, structures or signs placed in or upon or attached to the premises shall remain the Commonwealth's property and may be removed by it prior to the termination of this Lease.

8. Unless otherwise specified, the Lessor shall maintain the premises in good repair and tenantable condition, including heating and/or air conditioning equipment, except in case of damage arising from the negligent acts of the Commonwealth's agents or employees. For the purpose of maintaining the premises and to make necessary repairs, the Lessor reserves the right to enter and inspect the premises at reasonable times.

9. The Commonwealth agrees to take good care of the premises and to return them at the expiration of their Lease in as good order as received, ordinary wear and tear and natural decay excepted.

10. The Lessor shall be responsible for procuring and continuously maintaining casualty and liability insurance on the leased premises.

11. If the premises are destroyed by fire or other casualty, this Lease shall immediately terminate. In case of partial destruction or damage so as to render the premises untenantable, the Commonwealth may terminate or suspend this Lease by giving written notice to the Lessor within 15 days after such partial destruction or damage, and, if so suspended, no rent shall accrue to the Lessor after the date of such partial destruction or damage until such damage is repaired and premises are considered tenantable.

12. It is agreed by the parties hereto that if any one of the provisions of this Lease shall contravene or be invalid under the laws of the Commonwealth of Kentucky, such contravention or invalidity shall not invalidate the whole Lease, but it shall be construed as if not containing that particular provision or provisions, and the rights and obligations of the parties shall be construed accordingly.

13. The Lessor certifies by his signature hereinafter affixed that he ("he" is construed to mean "they" if more than one person in 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 Agreement he will not be in violation of the campaign finance laws of the Commonwealth.

14. The Lessor agrees to notify the Commonwealth of all persons owning or upon any change or transfer of ownership involving 5% or more in stock, in partnership, business trust, or corporation, including silent or limited partners. Non-compliance may result in termination of the Lease Agreement.

15. Lessor shall comply with all standards set by the Department of Housing, Buildings and Construction, Division of Building Codes Enforcement, and that of the Kentucky Occupational Safety and Health Standards Board and the Americans with Disabilities Act (ADA).

16. The contractor, as defined in KRS 45A.030 (9) agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the contract and shall be exempt from disclosure as provided in KRS 61.878(1)(c). The contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. In the event of a dispute between the contractor and the contracting agency, Attorney General, or the Auditor of Public Accounts over documents that are eligible for production and review, the Finance and Administration Cabinet shall review the dispute and issue a determination, in accordance with Secretary's Order 11-004.

IN WITNESS WHEREOF, the parties hereto have subscribed their names:

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	

APPROVED THIS ______ DAY OF ________________,

20____ SECRETARY, FINANCE & ADMINISTRATION CABINET Date

When executed by the Secretary, Finance & Administration Cabinet, this instrument constitutes a finding and order, pursuant to KRS Chapters 45A and 56, that the leased property is needed for use by the Commonwealth of Kentucky. All correspondence and inquiries regarding this Lease are to be directed to the Division of Real Properties, Suite 300, 403 Wapping Street, Frankfort, Kentucky 40601-2607, phone 502/564-2205. SN

PR-5330, Kenton County
Department for Workforce Investment
Lease Agreement

ADDENDUM

The following items are to be considered a part of lease agreement PR-5330, Kenton County, dated April 13, 2026, and must be completed prior to establishing a lease date:

SECTION 1

1. The building shall meet all Kentucky building codes and accessibility specifications in accordance with ADA, as enforced by the Department of Housing, Buildings and Construction, Division of Building Codes Enforcement. The Division of Building Codes Enforcement will require a set of construction plans from the property owner. The Lessor is required to submit a copy of these plans, as approved by the Division of Building Codes Enforcement, to the Division of Real Properties. The using agency will provide all ADA signage required and **should obtain said signage from the Division of Correctional Industries, US 421 South, Frankfort, Kentucky (502.573-1040).** The Lessor (i.e., architect, contractor, etc.) shall be responsible for determining/complying with the requirements of the Division of Building Codes Enforcement. Issues such as fire rated corridors, fire suppression systems (if applicable), HVAC installation, etc. are not addressed in the space planning information (i.e., floor plans and specifications) provided with Best & Final solicitations.

2. All facilities with a total leased square footage of 3,000 square feet or more shall be equipped with automatic fire suppression systems (sprinklers). The system shall be installed in accordance with all applicable provisions/requirements of the Division of Building Codes Enforcement. **NOTE: Access to an underground water main with a minimum diameter of six (6) inches is required for sprinkler systems serving spaces that exceed 3,000 square feet.** The Lessor shall be responsible for installation and maintenance of the fire suppression system. The Commonwealth prepares floor plans based on the presence of a suppression system. Should a Lessor submit an exception to this requirement, then the Lessor shall be solely responsible for any expenses associated with additional requirements as determined by the Division of Building Codes Enforcement.

3. Central heating and air conditioning (HVAC) shall be installed throughout. The HVAC system shall be installed in conformance with Kentucky building codes, as administered by the Kentucky Department of Housing, Buildings and Construction's Division of Codes Enforcement. The Lessor shall also install an adequate fresh air handling system according to ASHRAE Standard 62 (or such standard as currently applicable to occupied space), which requires ventilation of 20 CFM per person for office areas, CFM shall be calculated based on a density of seven persons per 1,000 square feet.

4. The Lessor shall insulate exterior walls with a minimum 3½" of fiberglass batt or blanket insulation, R-11 or equivalent value. The ceiling shall have a minimum of 12" of fiberglass batt or blanket insulation, R-36 or equivalent value.

5. All new or replacement windows shall be insulated / thermo panes to provide energy conservation. The Lessor shall provide mini-blinds for all windows.

6. Separate utility meters are needed if the using agency is to pay utilities, with service to be established in the name of the using agency. *{Agencies that are billed directly by a local utility should contact the utility company to identify their agency as "tax exempt".}* If a separate meter is not feasible, the Lessor shall bill the using agency on a pro-rated basis. If this method is used, the Lessor shall provide the using agency sufficient documentation to justify the percentage of the total bill to be charged to the using agency. *{Agencies that receive utility invoices from the Lessor (based on the percentage of space occupied) should reimburse the Lessor for the full amount of the invoice including any applicable taxes}*. The original distribution of utility expenses is based on the distribution of dedicated space (i.e., 13,549 total square feet; 8,356 square feet occupied by the Department for Workforce Investment and 5,193 square feet occupied by local/partner agencies) and is defined as 62% Department for Workforce Investment and 38% local/partner Agencies. Subject to the concurrence of all parties, this distribution is subject to change based on future changes in the square footage occupied by the parties.

7. Electronic thermostats with programmable functions shall be installed for new or existing HVAC systems. A standard locking cover shall be installed on the thermostat. The local supervisor, in conjunction with the Lessor, will determine appropriate settings (i.e.: daytime/evening temperature settings, set back timer settings as required by regular office hours, etc.) for each property.

8. On existing buildings weather stripping and/or other suitable insulation shall be applied to all doors and windows and all other exterior penetrations (vent ducts, smoking room exhaust fan, etc.) of the leased space. This shall be inspected on an annual basis and repaired/replaced as necessary to minimize air seepage.

9. If a plenum ceiling is to be used, all wiring shall be housed in conduit, or plenum cable shall be used. The Lessor shall advise the Division of Real Properties as soon as possible when it is determined that plenum or a ducted ceiling is to be used. This will ensure that the agency's appointed electricians will be prepared with the right cabling. **Failure to notify the Division of Real Properties of a plenum ceiling, prior to award of a lease, shall be considered grounds for termination of the lease.**

SECTION 2

1. Floor-to-ceiling walls shall be constructed as indicated on the floor plan. Install acoustical insulation or soundboard in interior walls (if indicated on floor plan).

2. An acoustical tile ceiling shall be installed at a height of 9'.

3. All walls shall be drywalled and painted a scrubbable neutral color latex enamel paint with either a satin or eggshell finish. New walls require a primer coat (sprayed or rolled) and two finish coats (rolled). Existing walls require one finish coat (rolled) if same color is being used or two finish coats (rolled) if changing color or patching is required. All primary walls not specifically designated otherwise shall be painted with Sherwin Williams SW7038 (Tony Taupe) and all trim shall be painted with Sherwin Williams SW7039 (Virtual Taupe) or comparable color paint. Specific interior walls as designated on the attached small floor plan shall be painted with Sherwin Williams SW6446 (Arugula), Sherwin Williams SW6510 (Loyal Blue), or Sherwin Williams SW6265 (Quixotic Plum). If a brand/color other than that specified herein is used, the lessor shall provide a reference and/or samples for prior review and approval. Please note associated references in Section 4.7.

4. Neutral color commercial grade 28 oz. carpet shall be installed in the offices and other areas not designated with tile floors on the floor plan. The lessor shall provide samples for available color selections for prior review and approval by the agency. Vinyl tile shall be Johnsonite V-211 (Springer Spaniel) and wall base shall be Johnsonite 121 (Cement) or comparable. If a brand/color other than that specified herein is used, the lessor shall provide a reference and/or samples for prior review and approval by the agency. Please note associated references in Section 4.7.

5. The Lessor shall provide lockable doors where indicated on the floor plan.

6. The Lessor shall provide reserved parking for Seventy-Five agency staff and clients, plus accessible space(s) as required by the Division of Building Codes Enforcement.

7. The parking lot shall be asphalted and striped with all spaces clearly marked and identified. All holes and other damage shall be repaired on a timely basis. All spaces shall be a minimum of 9' x 18' with the exception of ADA accessible spaces.

8. The Lessor shall be responsible for the maintenance and upkeep of the grounds surrounding the property, to include mowing/trimming grass and raking leaves. The Lessor shall also be responsible for maintenance and cleaning of the parking lot, including snow removal from the parking lot and snow & ice removal from the sidewalks.

SECTION 3 - Telephone/Computer Access/Electrical Fit Up

1. Adequate recessed fluorescent lighting shall be installed for office use, including telephone/storage rooms, with separate light switches for each room. In those properties where new fixtures are installed, they shall be T-8 type fixtures with electronic ballasts. Existing fixtures are acceptable provided they conform with all other applicable specifications. When older or existing fixtures are replaced, they shall be replaced with T-8 type fixtures with electronic ballasts.

2. Area(s) subject to intermittent use as reflected on the floor plan shall be equipped with motion sensitive light switches and a manual override switch.

3. All exit and directional lights shall be the LED type.

4. A dedicated circuit is required for copier(s) and other equipment as noted on floor plan.

5. Appropriate electrical and telephone outlets are to be installed where indicated on the floor plan. The Lessor shall also provide access to phone outlets by conduit. Electrical circuits in the electrical panel box shall be labeled and identified. Lessor shall install electrical surge protection for the main electric service.

6. The Lessor shall install a three-wire, 117 volt, 60 Hz single phase, 20 AMP dedicated 4-plex AC outlet in the wall located within 4' of the telephone system for each telephone system installed in building. ***NOTE:*** **The third wire, or ground wire, in this circuit shall be connected to earth/ground.**

7. The Lessor shall install a 5/8", 4' x 8' sheet of plywood (painted black) on the wall in the telephone equipment room for each telephone system installed. If space permits, the plywood will be mounted horizontally.

8. The Lessor shall install an entrance conduit with pull string with a minimum diameter of 2", or other size as recommended by the local telephone service provider (the lessor shall contact the local telephone service provider to determine service entrance requirements and conduit size), through the foundation or building wall to facilitate the incoming telephone service cable to a predetermined telephone company "network access unit" (demarcation point) location within the building. If the "network access unit" does not terminate in the telephone equipment room, the Lessor shall install conduit from the "network access unit" location to the telephone equipment room. ***Note:*** **The number and size of this conduit depends on the terminal devices served on a floor, the type of cable used, and the need to use one cable or a cable per floor. At least one spare conduit of the same size with a pull wire should be installed for future expansion. We suggest the current Building Industries Consulting Services (BICSI), Telecommunications Distribution Methods Manual as an excellent technical source to supply independent expertise on the standards to be followed on the proper sizing of conduit and other associated requirements.**

9. The Lessor shall be responsible for providing a closable HVAC vent and cold air return for the network room. We recommend that this room be independently zoned and/or equipped with designated thermostats as applicable.

10. Conduit, cable tray, or raceway fill rate is to comply with the National Electrical Code.

11. The Lessor shall obtain basic phone service, including at a minimum the installation of a network access unit (demarcation point), for newly constructed buildings and those facilities not already equipped with a network access unit. The using agency may assume responsibility for the ongoing costs associated with the aforementioned basic phone service, or the Lessor may cancel service, upon occupancy.

12. The Lessor shall contact the Division of Real Properties at a point when the agency's electricians can install computer cables and telephone wiring through conduit.

13. The Lessor shall provide empty conduit with pull string within the walls from the ceiling on locations shown on the floor plan as voice/data outlets. Install a cut-in box where conduit symbols are shown on the floor plan, the conduit should have smooth edged bushings at the box and above the ceiling. One inch (1") conduit shall be provided for data terminals, printers, and telephone instruments from each designated outlet location. ***NOTE*:** **In most instances, voice/data cables (from individual office conduits) merge above the ceiling and should be supported by cable trays or pass through conduits (sized by number of outlets in the building) to the telephone equipment room or controller location. Dedicated circuits are required as reflected on the floor plans.**

SECTION 4

1. The lessor shall install ADA compliant automatic door opening equipment on interior and exterior doors of the property as noted on the floor plan in compliance with the requirements of the Division of Building Codes Enforcement.

2. Due to the continuing development of new office technology the Lessor authorizes competent agency personnel to install additional security and/or access control equipment, telephone wiring, computer cabling, and conduit or wire molding (as required) to accommodate such technology during the term of the agency's occupancy. Agency will notify the Division of Real Properties for approval before commencing any of this type work.

3. The office shall be thoroughly cleaned after renovation/construction and before occupancy, including vacuuming all carpeted areas, spot-cleaning carpet, mopping and waxing vinyl tile, dusting, cleaning rest rooms, washing windows, etc.

4. The exterior front of the building shall have a professional office appearance; with street number(s) of subject building displayed prominently.

5. Subsequent to the receipt of approval to begin renovations/construction from both the Division of Building Codes Enforcement and the Division of Real Properties, the lessor shall submit an estimated schedule for completion of the renovations/construction. Written progress reports, and a revised completion schedule, if appropriate, shall be submitted to the Division of Real Properties not less than once per month until complete.

6. The Division of Real Properties and/or the using agency reserves the right to inspect the facility at any time during construction/renovations/occupancy.

7. The Division of Real Properties can not impose requirements relative to "common" areas or "locally-run" areas under the proposed lease agreement; however we recognize that the primary floor plan, the paint schedule plan, and items in this specifications list may include notations applicable to areas not specifically designated as "state-run" areas. We also recognize that the design parameters applied to this facility are predicated on co-mingled staffing and shared use areas. The lessor is therefore advised that none of the plan or specification references for areas outside designated "state-run" areas are defined as obligations under the proposed lease agreement; however, we would anticipate that requirements for such areas and especially shared use areas will be identified through the collaborative efforts of the Department for Workforce Investment and partner agencies utilizing the facility.

Upon verification from the Department of Housing, Buildings, and Construction, Division of Building Codes Enforcement that all life safety regulations and all accessibility specifications (in accordance with ADA) have been satisfactorily met and verification from the Department for Workforce Investment that all renovations have been satisfactorily completed, the lease effective date will be established by signature of the Director, Division of Real Properties, upon the lease document.

ACKNOWLEDGED BY:

____
Department for Workforce Investment Date

ACKNOWLEDGED BY:

____
City of Covington Date

FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES
DIVISION OF REAL PROPERTIES
Bush Building, 3rd Floor
403 Wapping Street
Frankfort, Kentucky 40601
Phone: (502) 564-2205
Fax: (502) 564-8108

Andy Beshear
GOVERNOR

Holly M. Johnson
SECRETARY

Charles O. Bush, Jr.
COMMISSIONER

Natalie W. Brawner
DIRECTOR

MEMORANDUM

TO: Natalie W. Brawner, Director
Division of Real Properties

FROM: Calleen Yett, Leasing Manager
Division of Real Properties

DATE: April 13, 2026

SUBJECT: PR-5330, Kenton County
Lease Agreement
Education and Labor Cabinet

The Education and Labor Cabinet currently leases 8,356 square feet of space from the City of Covington at $33.19 per square foot ($277,335.64 annually) with a term expiring June 30, 2026 under PR-5330. During regular renewal processing the agency requested a decrease in cost per square foot in order to remain in the facility. Therefore, successful negotiations occurred with the City to reduce the cost per square foot to $28.68 per square foot and extend the term.

Pursuant to KRS 56.805, attached is a new lease agreement which provides for use of 8,356 square feet of space at a rental rate of $28.68 per square foot ($239,650.08.00 annually) with a term expiring June 30, 2029. Capital Project and Bond Oversight Committee reporting is required pursuant to KRS 56.823(4). Your approval of the attached lease agreement is recommended to secure continued space for the Education and Labor Cabinet.

If you require additional information, please advise.

NWB/CTY
Attachment

APPROVED: Natalie W. Brawner
Natalie W. Brawner, Director

FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES
DIVISION OF REAL PROPERTIES
Bush Building, 3rd Floor
403 Wapping Street
Frankfort, Kentucky 40601
Phone: (502) 564-2205

Andy Beshear
GOVERNOR

Holly M. Johnson
SECRETARY

Charles O. Bush, Jr.
COMMISSIONER

Natalie W. Brawner
ACTING DIRECTOR

M E M O R A N D U M

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

FROM: Natalie W. Brawner, Acting Director NWB
Division of Real Properties

DATE: July 2, 2026

SUBJECT: PR-5912, Jefferson County
Cabinet for Health and Family Services
Lease Modification less than $50,000.00

Attached please find notification of a lease modification reflecting an amortization for improvements totaling less than $50,000 that is being processed by the Leased Properties Branch:

PR-5912, Jefferson County

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

NWB
Attachment

Cc: Capital Construction Log
OSBD
PR-5912 File

REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE
LEASE MODIFICATION AMORTIZATION

Date Posted: July 2, 2026	
Lease No.: **PR-5912**	County: **Jefferson**
Using Agency: **Cabinet for Health and Family Services**	
Lessor (identify all parties having 5% or more ownership): Attached extra sheet if necessary	**Realco-KY 001 LLC**
Property Location: **5111 Commerce Crossings Dr, Louisville, Kentucky 40229 - Suite 106**	
Existing Rental Terms	
Type Space: **Office**	Square Feet: **16,505**
Annual Payment: **$259,953.76**	Contract Expiration: **June 30, 2027**
Modified Rental Terms	
Type Space: **Office**	Square Feet: **16,505**
Annual Payment: **$259,953.76**	New Contract Expiration: **June 30, 2027**
Total Cost to be Amortized: **$12,245.00**	
Projected Period of Amortization – Effective: **July 1, 2026 Through June 30, 2027 (12 months)**	
Reason for Modification (see attached approval memo and modification): **Please see attached.**	

Estimate Details (see attached copies):

(1) Colonial Construction, Inc – Total $13,375.00

(2) GEM Construction Group – Total $12,245.00

B217-6 (Rev. 10/96)

COMMONWEALTH OF KENTUCKY LEASE MODIFICATION AGREEMENT

LESSOR	**Realco-KY 001 LLC**
ADDRESS	**12451 Plantside Drive** **Louisville, KY 40299**

PR NUMBER, COUNTY	**PR-5912, Jefferson County**
VENDOR NUMBER	**KS0030673**
AGENCY/DEPARTMENT	**Cabinet for Health and Family Services**
DIVISION	
DATE	**March 18, 2025**
ACCOUNT NUMBER	

1. Lease Agreement number **PR-5912,** dated **October 1, 2025,** is hereby modified as set forth in Paragraph 2.

2. This Lease is modified as follows:

   1. **To amortize the $12,245.00 cost for renovation of space to meet the agency needs; per estimate submitted by GEM Construction Group.**

   2. **The amortization effective date will be established by signature of the Director, Division of Real Properties, upon this modification once verification has been received from the using agency that all renovations have been satisfactorily completed. The effective date for the amortization shall be defined as the first day of the month following the effective date defined below unless the effective date established thereby is the first day of a month.**

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 in 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.

Astrud Masterson 6/9/2026
STATE LEASING AGENCY REPRESENTATIVE **Date**

Leslie E Deal 5/20/26
LESSOR **Date**

Shanta C Newton 6/9/2026
ANALYST, LEASING BRANCH, DIVISION OF REAL PROPERTIES **Date**

Patrick M. Dee 6/30/2026
ATTORNEY, FINANCE & ADMINISTRATION CABINET **Date**

Colleen T. Goff 6/10/2026
MANAGER, LEASING BRANCH, DIVISION OF REAL PROPERTIES **Date**

Natalie W. Brauner for
DIRECTOR, DIVISION OF REAL PROPERTIES

Holly M. Johnson 06.30.2026
SECRETARY, FINANCE & ADMINISTRATION CABINET **Date**

APPROVED THIS 1st **DAY OF** July **, 20**26

All correspondence and inquiries regarding this Lease Modification Agreement are to be directed to the Division of Real Properties, Bush Building, 3rd Floor, 403 Wapping Street, Frankfort, Kentucky 40601-2607, phone 502/564-2205. SLN

GEM Construction Group
3630 E Highway 146
La Grange, KY 40031
+15026435158
http://www.buildwithgem.com

Estimate

ADDRESS
Realco, LLC Commerce Crossing
C/O Horizon Commercial Realty
12451 Plantside Drive
Louisville, KY 40299

SHIP TO
Realco, LLC Commerce Crossing
C/O Horizon Commercial Realty
12451 Plantside Drive
Louisville, KY 40299

ESTIMATE # 2844
DATE 01/26/2026

P.O. NUMBER
Cabinet For Health & Family

DESCRIPTION	QTY	RATE	AMOUNT
Construct interior wall in front corridor approximately 4’x9’ insulated with 3’0 x 7’0 birch veneer door with hollow metal frame and entry handset. Wall to be finish painted with rubber base. Create opening in receptionist area and install sliding window approximately 48" with plastic laminate ledge top. Dispose of all debris and final cleaning.			8,395.00
Architectural permit drawing			1,500.00
Permit fees			850.00
G.C. fees, supervision and job related cost			1,500.00

TOTAL **$12,245.00**

Accepted By

Accepted Date

COLONIAL CONSTRUCTION, INC.
1024 WATTERSON TRAIL
LOUISVILLE, KENTUCKY 40299
502-639-3890

PROPOSAL

January 26, 2026

Realco, LLC Commerce Crossing
c/o Horizon Commercial Realty
12451 Plantside Drive
Louisville, Kentucky 40299

Ref: Cabinet for Health & Family

*Frame new wall in corridor, add drywall, finish paint and install new base.

*Add (1) 4' sliding glass window in reception area with laminate counter top.

*Add (1) 3'0 x 7'0 solid core door and hardware

Total Work for the Sum of $13,375.00

Note: Contractor to provide drawing and permits.

Thank you for the opportunity to quote.

Sincerely,
Ben Mattingly, President

FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES
DIVISION OF REAL PROPERTIES
Bush Building, 3rd Floor
403 Wapping Street
Frankfort, Kentucky 40601
Phone: (502) 564-2205

Andy Beshear
GOVERNOR

Holly M. Johnson
SECRETARY

Charles O. Bush, Jr.
COMMISSIONER

Natalie W. Brawner
DIRECTOR

M E M O R A N D U M

TO: Holly M. Johnson, Secretary
Finance and Administration Cabinet

FROM: Natalie W. Brawner, Director NWB
Division of Real Properties

DATE: June 9, 2026

SUBJECT: PR-5912, Jefferson County
Cabinet for Health and Family Services

The Cabinet for Health and Family Services currently occupies 16,505 square feet at a rate of $15.75 per square foot ($259,953.76 rounded annually), excluding all utilities and janitorial services with a term expiring June 30, 2027. The agency has requested a cutout for a receptionist window to create an opening for pass-through assistance and a wall with a door to secure the facility. Renovations are necessary to accommodate intake for the reception area with a glass window and secure access to the building to keep the public out of a secure area.

Two estimates have been provided for the requested work. Colonial Construction, Inc provided an estimate in the amount of $13,375.00 and GEM Construction Group provided the low bid estimate of $12,245.00. The Cabinet for Health and Family Services has recommended approval of the GEM Construction Group proposal in the amount of $12,245.00 to be amortized over the lease term through June 30, 2027 in accordance with applicable provisions of KRS 56.813(2) as defined below.

In accordance with applicable provisions of KRS 56.813(2), the attached lease modification provides for the amortization of $12,245.00 in renovation expenses. The anticipated amortization period of fifteen (15) months results in estimated monthly cost of $816.33 rounded for 14 monthly payments and one monthly payment of $816.38. This results in an annual amortization cost of $9,795.96 and an annual rent cost of $259,953.76 for a total annual lease and amortization cost of approximately $269,749.72 with a lease term through June 30, 2027. Per KRS 56.823(11), Capital Projects & Bond Oversight Committee reporting is required after execution of the lease modification. Your approval of the attached lease modification is recommended for the renovation as requested by the Cabinet for Health & Family Services.

RECOMMENDED:

Charles O. Bush, Jr.

Charles O. Bush, Jr., Commissioner
Dept. for Facilities & Support Services

NWB/CTY/sn
Attachment