



Commonwealth of Kentucky
Finance and Administration Cabinet
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Steven L. Beshear
Governor

Lori H. Flanery
Secretary

September 15, 2015

Ms. Jenny Anglin, Acting Deputy Director
Office of Budget Review
Legislative Research Commission
Room 136 Capitol Annex
Frankfort, Kentucky 40601

Dear Ms. Anglin:

This is to provide the calculation guidelines for state-owned building charges (building management services) and utilities for use in the preparation of agency budget requests for Fiscal Biennium 2016-18.

As in prior years, Department for Facilities and Support Services (DFSS) will charge for state-owned space in two categories during the 2016-18 biennium; 1) building management services, and 2) utilities. FY17 and FY18 rates in these categories will not increase over the current rates. The rates were determined through a projection of DFSS budgetary needs, combined with an analysis of revenue to be generated by the specified rates.

The Tourism, Arts, and Heritage Cabinet has elected to continue to use the Department of Facilities and Support Services' rates for state-leased space in the Capital Plaza Fountain Place area. For questions regarding the Capital Plaza Fountain Place area contact Robin Antenucci at 564-5335, ext. 173.

If you have questions, please feel free to contact me.

Sincerely,


Lori H. Flanery
Secretary

c: Jane Driskell
John Hicks
Janice Tomes
Teresa Sanders
Charles Bush
Troy Robinson

State Facility Rent and Utility Rates (per square foot)

Type of Space	FY 2016 Rate	FY 2017 Rate	FY 2018 Rate
Office Rental Rate	\$8.24	\$8.24	\$8.24
Office Utility Rate	\$3.86	\$3.86	\$3.86
Special Rental Rate	\$3.23	\$3.23	\$3.23
Special Utility Rate	\$3.86	\$3.86	\$3.86
Storage Rental Rate	\$3.70	\$3.70	\$3.70
Storage Utility Rate	\$3.86	\$3.86	\$3.86
History Center Rental Rate	\$7.17	\$7.17	\$7.17
Central Laboratory Rental Rate	\$7.31	\$7.31	\$7.31
Central Laboratory Utility Rate	\$8.39	\$8.39	\$8.39
Libraries & Archives Storage Rental Rate	\$5.37	\$5.37	\$5.37
New Office Building Rental Rate	NA	\$16.24	\$16.24
New Office Building Utility Rate	NA	\$1.60	\$1.60

Agencies moving out of CPT/Fair Oaks and moving into leased space use \$9.79/square foot as the rental rate (includes utilities). Contact the Division of Real Property in the Department of Facilities and Support Services for specific questions regarding leased property.

Notes:

- Utility rates apply to ALL space categories including storage space if it is heated and air-conditioned
- History Center rental rate is a blended rate for office and storage space
- Central Lab utility rate is due to higher than normal utility usage