

# Lease Comparison Sheet

## Kansas Department of Revenue

August 20, 2015

A		B	C	D	E
		CURRENT LEASE	PROPOSED LEASE	Other State Leases	
<b>GENERAL INFORMATION</b>					
1	State Agency	Revenue	Revenue	Indigents Defense Services	Labor
2	Address	20162 W. 151st St.	135th & Mur Len Rd.	115 E. Park St. #1	11900 W. 87th St.
3	City Location (market)	Olathe	Olathe	Olathe	Lenexa
4	Building Name or Location (Landlord)	Great Mall of the Great Plains	Santa Fe Square		ANB Building
5	Lease Space (sq. ft.)	Office Sq. Ft. 5,500	6,500	7,699	6,779
6		Storage Sq. Ft. 0	0	0	0
7		Total Sq. Ft. 5,500	6,500	7,699	6,779
8	Energy Audit	Better than Average	Better than Average	Better than Average	Better than Average
9	Full Time Equivalency (FTE) employees/workstations	15	15	26	18
10	Lease Begin Date	7/1/2011	9/1/2015	3/1/2009	10/1/2013
11	Lease End Date	6/30/2016	8/31/2025	2/28/2019	9/30/2023
12	Years of Lease	5	10	10	10
13	Space Standards Check (sq. ft. per FTE/workstation)	367	433	296	377
<b>LEASE COSTS - provided by 1st Party Landlord within the lease</b>					
14	Base Lease Cost (annual average per sq. ft.)	\$12.50	\$16.07	\$15.60	\$17.00
15	Storage				
16	Real Estate Taxes	inc. in base	inc. in base	inc. in base	inc. in base
17	Insurance	inc. in base	inc. in base	inc. in base	inc. in base
18	Major Maintenance	inc. in base	inc. in base	inc. in base	inc. in base
19	Utilities - total				
20		Electricity inc. in base	inc. in base	inc. in base	inc. in base
21		Gas inc. in base	inc. in base	inc. in base	inc. in base
22		Water/Sewer/etc. inc. in base	inc. in base	inc. in base	inc. in base
23	Trash Pickup/Removal	\$0.48	inc. in base	inc. in base	inc. in base
24	Custodial/Janitorial	inc. in base	inc. in base	inc. in base	inc. in base
25	Pest Control	inc. in base	inc. in base	inc. in base	inc. in base
26	Grounds Maintenance (inc. snow removal)	inc. in base	inc. in base	inc. in base	inc. in base
27	Common Area	inc. in base	inc. in base	inc. in base	inc. in base
28	Other Services - Bldg Operating Expense Stops	n/a	n/a	n/a	0.44
29	Parking	inc. in base	inc. in base	inc. in base	inc. in base
30	No. of Parking Spaces included	80	80	26	50
31	<b>SUBTOTAL - Lease Costs w/o Additional Services</b>	<b>\$12.98</b>	<b>\$16.07</b>	<b>\$15.60</b>	<b>\$17.44</b>
32	<b>Additional Services</b>				
33	<b>SUBTOTAL - Additional Services</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>OTHER BUILDING OCCUPANCY COSTS - funded by State Agency separate from the lease</b>					
34	Building Operating Cost (not included in base rent)				
35	Utilities - total (estimated)				
36		Electricity			
37		Gas			
38		Water/Sewer/etc.			
39	Trash Pickup/Removal				
40	Custodial/Janitorial				
41	Pest Control				
42	Grounds Maintenance (inc. snow removal)				
43	Parking				
44	No. of Parking Spaces included				
45	Other Services				
46	<b>Total Other Bldg Optg Costs (not included in lease)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>IMPROVEMENTS</b>					
47	Improvements				
48	<b>Subtotal - Improvements</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
49	<b>Annual Cost per Sq. Ft. (estimated)</b>	<b>\$12.98</b>	<b>\$16.07</b>	<b>\$15.60</b>	<b>\$17.44</b>
50	<b>Annual Cost (estimated)</b>	<b>\$71,390</b>	<b>\$104,455</b>	<b>\$120,104</b>	<b>\$118,226</b>
51	<b>Total Cost of Lease (estimated)</b>	<b>\$356,950</b>	<b>\$1,044,550</b>	<b>\$1,201,044</b>	<b>\$1,182,258</b>

JCSBC TESTIMONY  
Kansas Department of Revenue  
Topeka, Kansas  
August 20, 2015

My presentation is for the proposed lease for the Kansas Department of Revenue (KDOR) Driver's License Examination Station in Olathe, Kansas. The agency has been at their current location since July 2011.

On February 16, 2015, Revenue was notified by the General Manager of the Lessor that effective July 31, 2015, Revenue needed to vacate the premises due to the impending closure of the Great Mall of the Great Plains.

Revenue was able to negotiate an extension to September 1, 2015, and released an RFP in March 2015 to search for suitable space to relocate their operations. The new lease is for 6,500 square feet for a term of ten years. The initial base rate of \$15.25 per square foot is set for the first five years and for years 6-10 is set at \$16.90 per square foot. One five-year renewal option is available, at the discretion of the agency. The proposed lease rate is well within the market range of properties within Johnson County.

Excluding janitorial services, the lease being presented is a full service lease and includes new carpet, paint, and extensive office renovations to suit the functionality and needs of Revenue. In the beginning of year six the landlord will also replace the carpet and paint.

An Energy Audit has been performed and the facility received an above average rating.

The Department of Administration is supportive of this lease.

I am available to answer your questions as is a representative from the Kansas Department of Revenue.

Thank You.