

## **New rental rate structure for DES-managed facilities to begin July 1**

Tenants located in facilities managed by the Department of Enterprise Services (DES) may see a change in their rental rate and/or rental structure effective July 1, 2021.

### **State agency tenants**

DES has updated square-footage rates, standardized rental agreements and moved all state agency tenants to the central service model (CSM). With the CSM, rent rate changes are automatically reflected in state agency tenant budgets through the budget process. Inclusion in the CSM provides all state tenants located in DES-managed buildings with a simplified mechanism for rent and budget adjustments. This will lead to a reduced workload for agencies, as no rent adjustment budget requests will need to be submitted for DES-managed buildings.

- Capitol Campus agency tenants: No change -- Capitol Campus tenants already use the CSM.
- Off-campus agency tenants: Funding will be provided to agencies through the CSM.

Additionally, DES has standardized the types of rental agreements. State agency tenants will receive occupancy agreements (OA), which will replace previous Capitol Campus occupancy agreements (CCOA) and property management office (PMO) agreements.

**What do you need to do?** Nothing. Agencies will not need to sign or return their OAs. Budgets were adjusted via the CSM to capture any changes to the tenant rates, and the enacted budget will serve as authorization. Leases for the 2021-23 biennium are currently being drafted and will be submitted by your assigned property manager. Future rate adjustments will be submitted by DES and, if approved, will be updated and reflected in the CSM.

### **Private tenants**

DES has updated square-footage rates and standardized rental agreements. Private tenants located in DES-managed facilities may see a change to their rental rates effective July 1.

**What do you need to do?** Operate as usual. Leases for the 2021-23 biennium are currently being drafted and will be submitted by your assigned property manager.

### **Why are rates changing?**

The cost to operate and maintain each facility per square foot varies from building to building. The new rental rate structure will align the individual costs of operating and maintaining each facility with the revenue needed to support it. Utilities will be included in the rent rate.

## DES-managed buildings by location designation

On Campus Facilities	Off Campus Facilities
<ul style="list-style-type: none"><li>· Cherberg</li><li>· O'Brien</li><li>· Temple of Justice</li><li>· Legislative</li><li>· Pritchard</li><li>· Insurance</li><li>· Newhouse</li><li>· General Administration</li><li>· Natural Resources</li><li>· Highway- License</li><li>· Office Building 2</li><li>· Archives</li><li>· Employment Security</li><li>· Old Capitol</li><li>· Transportation</li><li>· Capitol Campus Childcare Center</li></ul>	<ul style="list-style-type: none"><li>· Dolliver</li><li>· Capital Court</li><li>· Pro Arts</li><li>· State Farm</li><li>· Helen Sommers</li><li>· Modular Building</li><li>· 721 Columbia</li><li>· 120 Union</li><li>· Isabella Bush</li><li>· 1007 Washington</li></ul>
	<b>Outside Thurston County</b> <ul style="list-style-type: none"><li>· Alaska Street (Seattle)</li><li>· Kelso</li><li>· Yakima</li></ul>

[View rental rates.](#)

### Questions?

Please contact your assigned [property manager with questions.](#)