



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER _____

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DATE: 05/02/2023

**SUBJECT: APPROVAL OF RESOURCE CONNECTION FISCAL YEAR 2024
AND 2025 OCCUPANCY RATES**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve the Resource Connection Fiscal Year 2024 and 2025 Occupancy Rates.

BACKGROUND

The Resource Connection is a Special Purpose budget approved each year through the annual budget process. The Resource Connection Advisory Board (Board) begins discussing occupancy rate and potential increases well in advance of the regular budget process to ensure each tenant has new occupancy rate information in advance of their budget process. County departments occupy thirty-five percent (35%) of leased space at the Resource Connection Campus.

Due to an increase in operating costs across multiple facets of the Resource Connection Campus, including increases to several county contracts, parts and labor for general repairs, and general operating costs, the Board approved an increase of \$2.02 divided over the next two (2) fiscal years as follows:

Occupancy Cost/Square Foot	FY2023	FY2024	FY2025
Rent	\$ 7.40	\$ 7.74	\$ 8.08
Utilities	\$ 3.65	\$ 3.75	\$ 3.85
Common Area	\$ 0.55	\$ 1.06	\$ 1.57
Janitorial	\$ 1.55	\$ 1.61	\$ 1.67
Trash/Disposal	\$ 0.10	\$0.10	\$0.10
Total	\$ 13.25	\$14.26	\$15.27

The goal of the director and the Board is to keep occupancy costs low while providing an effective, efficient, and safe operating environment.

SUBMITTED BY: Resource Connection

PREPARED BY: Jamie Willis
APPROVED BY:



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FISCAL IMPACT

The occupancy rate is comprised of a rental rate, a utility rate, a common area rate, and a janitorial rate. The FY2024 and FY2025 rental rate increase of \$0.34/sqft will generate an increase in revenue of approximately \$98,205.00 annually. The utility rate increases of \$0.10/sqft will generate an increase in revenue of approximately \$28,884.00 annually. The common area rate increases of \$0.51/sqft will generate an increase in revenue of approximately \$147,308.00 annually. The janitorial rate increase of \$0.06/sqft will generate an increase of approximately \$17,330.00 annually.

In total, the occupancy rate increase will generate an increase in revenue of approximately \$291,728.00 annually and will be placed in the corresponding Resource Connection accounts: Building Rental 471001/3420100000/51100-2024/2025; Utility Billings 471008/3420100000/51100-2024/2025; Other RC Rental (includes Common Area) 471002/3420100000/51100-2024/2025; and Janitorial/Disposal 471011/3420100000/51100-2024/2025.