

November 9, 2016

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Annual Report on Leased Space

Issue

Regent Policy R710, *Capital Facilities*, requires that the Commissioner provide the Board with an annual report on leased space for the USHE system. A summary of this report will also be submitted to DFCM and the Building Board for inclusion in the State Building Board Five-year Building Program document.

Background

Each of the eight institutions has submitted its detailed list of leased space currently under contract. This information has been summarized in the following table:

Institution	Leases	New Leases	Square Feet	Rent
University of Utah	42	2	220,700	\$3,777,454
U of U Healthcare	88	7	873,918	\$19,284,229
Utah State University	26	3	174,315	\$936,869
Weber State University	7	1	53,362	\$454,766
Southern Utah University	15	0	70,464	\$569,265
Snow College	0	0	0	\$0
Dixie State University	1	0	4,600	\$107,782
Utah Valley University	3	0	N/A	\$46,607
Salt Lake Community College	10	0	143,863	\$1,584,909
<b>Total</b>	<b>192</b>	<b>13</b>	<b>1,541,222</b>	<b>\$26,761,881</b>

As requested by the Board, staff has highlighted the significant changes from the prior year's report which include:

- University of Utah – the addition of a \$2.9 million annual lease for medical billing operations as well as 8 other leases, primarily for the health care system.
- Utah State University – the removal of an \$186,000 lease for USU Advancement in Research Park.
- Weber State University – the removal of the \$50,000 Farmington UCAID (Utah Center for Applied Innovation and Design) lease.
- Dixie State University – the removal of the \$231,000 University Plaza building lease.

A more detailed summary showing the sources of funding for the leases is attached for your information. A list of all leases, including additional detail about each of the institutional leases, is on file in the Office of the Commissioner.

Commissioner's Recommendation

This is an information item; no action is required.

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David L. Buhler  
Commissioner of Higher Education

DLB/KLH/RPA  
Attachment

Utah System Of Higher Education

Annual Leased Space Report - 2016

For the Period from July 1, 2015 to June 30, 2016

Location	# of Leases	New Lease	Gross Sq. Ft.	Average Cost Per Sq. Ft.	Annual Lease Payment	Source of Funding	Type of Space
<b>University of Utah</b>							
<b>Building Leases:</b>							
Residential, Various Locations	6	1			\$ 65,868	State/Other	Residential
Washington D.C., Hinkley Institute Apartments	7				\$ 222,420	Other	Residential
Murray, Reading Clinic	1		9,618	\$ 16.93	\$ 162,811	Other	Classroom
Continuing Education, Bountiful	1		29,856	\$ 3.04	\$ 90,796	State	Classroom
Continuing Education, Sandy	1	1	23,953	\$ 21.20	\$ 507,692	State	Classroom
Continuing Education, St. George	1		6,600	\$ 16.17	\$ 106,715	State	Classroom
Geography Records of Environment and Disturbance Lab	1		10,298	\$ 30.38	\$ 312,901	State	Classroom/Office
Red Zone Stores, Various Locations	3		13,512	\$ 21.67	\$ 292,755	Other	Retail/Non-assignable
Human Resources Payroll	1		29,977	\$ 24.48	\$ 733,960	Other	Office
Technology Venture Communications	1		14,314	\$ 24.88	\$ 356,077	Other	Office
<i>Subtotal University Operations Leases</i>	<b>23</b>	<b>2</b>	<b>138,128</b>	<b>\$ 20.65</b>	<b>\$ 2,851,995</b>		
Healthcare - Residential Facilities, Various Locations	2		49,992	\$ 12.77	\$ 638,640	Clinical	Residential
Healthcare - AirMed, Various Locations	7		55,359	\$ 1.99	\$ 110,163	Clinical	Hanger/Residential
Healthcare - Primary Children's Hospital	11	1	76,053	\$ 25.87	\$ 1,967,514	Clinical	Clinical
Healthcare - Dialysis Centers, Various Locations	15		101,300	\$ 21.26	\$ 2,154,120	Clinical	Clinical
Healthcare - Clinics, Various locations	28	5	186,360	\$ 26.06	\$ 4,857,132	Clinical	Clinical
Healthcare - Clinical Research and Admin, Research Park	24		266,028	\$ 25.01	\$ 6,653,068	Clinical	Office/Laboratory
Healthcare - Medical Billing Operations	1	1	138,826	\$ 20.92	\$ 2,903,592	Clinical	Office
<i>Subtotal Healthcare Leases</i>	<b>88</b>	<b>7</b>	<b>873,918</b>	<b>\$ 22.07</b>	<b>\$ 19,284,229</b>		
<b>Land and Storage Leases:</b>							
Storage, Various locations	8		82,572		\$ 385,036	State/Other	Storage
KUER/KUED Communication/Transmitter Sites	9		N/A		\$ 101,432	Other	Ground
Parking Leases, Salt Lake City	2		N/A		\$ 438,991	Other	Parking
<i>Subtotal Land and Storage Leases</i>	<b>19</b>	<b>0</b>	<b>82,572</b>		<b>\$ 925,459</b>		
<b>TOTAL - UU</b>	<b>130</b>	<b>9</b>	<b>1,094,618</b>	<b>\$ 21.87</b>	<b>\$ 23,061,683</b>		

Location	# of Leases	New Lease	Gross Sq. Ft.	Average Cost Per Sq. Ft.	Annual Lease Payment	Source of Funding	Type of Space
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Utah State University							
Building Leases:							
Apartments for Student Interns, Washington D.C.	4		6,157	\$ 24.31	\$ 149,688	Other	Residential
Cache County 4H Cache Makers, Logan	1		3,150	\$ 11.81	\$ 37,212	Grant	Classroom/Office
Center Persons w. Disabilities - Early Intervention, Various	4		6,503	\$ 5.97	\$ 38,821	Other	Classroom/Office
Center Persons w. Disabilities - Technical Assistance, Logan	1		4,291	\$ 17.49	\$ 75,060	Other	Classroom/Office
CTE Program-Trucking & Hvy. Equip. Operations, Blanding	1		56,628	\$ 0.12	\$ 6,900	State	Classroom/Office
Development Office, Salt Lake City	1		1,601	\$ 10.99	\$ 17,592	Other	Office/Other
Life Span Learning Centers, Brigham City	4		49,474	\$ 3.49	\$ 172,755	State/Other	Classroom/Office/Laboratory/Storage
Montezuma Creek Seminary Building, Blanding	1		2,354	\$ 2.55	\$ 6,000	State	Classroom/Office
Regional Campus, Orem/Provo	1		3,507	\$ 15.89	\$ 55,723	Other	Classroom/Office
Regional Campus, Salt Lake City	2		27,395	\$ 8.95	\$ 245,280	Other	Classroom/Office
Small Business Development Center, Logan	1	1	1,281	\$ 10.60	\$ 13,584	Other	Classroom/Office
UCC Program, West Valley City	1	1	2,194	\$ 5.74	\$ 12,600	Other	Office/Other
UCC Regional Office, Cedar City	1		1,180	\$ 12.20	\$ 14,400	Other	Office/Other
UCC Residential, Cedar City	1	1	812	\$ 7.39	\$ 6,000	Other	Residential
USU Commercialization & Regional Development, Logan	1		5,000	\$ 12.73	\$ 63,654	Other	Office/Other
UT Academic and Institutional Services, Nephi	1		2,788	\$ 7.75	\$ 21,600	Other	Classroom/Office
<b>TOTAL - USU</b>	<b>26</b>	<b>3</b>	<b>174,315</b>	<b>\$ 5.37</b>	<b>\$ 936,869</b>		

Weber State University							
Building Leases:							
Continuing Education - Startup Ogden	1		27,000	\$ 0.00	\$ 10	State	Classroom/Office
Continuing Education - United Way Building, Ogden	1	1	5,648	\$ 8.94	\$ 50,515	State	Classroom/Office
UCAID - Davis ATC, Kaysville	1		210	\$ 20.86	\$ 4,380	Other	Office
Instructional Center - Davis High School, Kaysville	1		1,600	\$ 10.26	\$ 16,420	State	Classroom
Instructional Center - Morgan High School, Morgan	1		411	\$ 0.11	\$ 450	State	Classroom
Instructional Center - Station Park, Farmington	1		10,937	\$ 24.00	\$ 262,488	State	Classroom
Instructional Center - WSU West, Roy	1		7,556	\$ 15.95	\$ 120,503	State/Other	Classroom/Office
<b>TOTAL - WSU</b>	<b>7</b>	<b>1</b>	<b>53,362</b>	<b>\$ 8.52</b>	<b>\$ 454,766</b>		

Location	# of Leases	New Lease	Gross Sq. Ft.	Average Cost Per Sq. Ft.	Annual Lease Payment	Source of Funding	Type of Space
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Southern Utah University							
<b>Building Leases</b>							
Business Resource Center, Cedar City	1		4,335	\$ 1.66	\$ 7,200	Other	Office
Community Engagement, Cedar City	1		2,658	\$ 10.85	\$ 28,836	State	Office
Community Outreach Center, Cedar City	1		11,705	\$ 15.08	\$ 176,520	State	Office
Early Intervention, Cedar City	1		1,080	\$ 9.56	\$ 10,320	Other	Classroom
Global Engagement, Cedar City	1		4,097	\$ 8.86	\$ 36,312	State	Office
Head Start, Various Locations	7		28,514	\$ 8.55	\$ 243,812	Other	Classroom/Office
Utah Center for Rural Health, Cedar City	1	2	2,075	\$ 8.53	\$ 17,700	Other	Residential
Utah Shakespeare Festival, Cedar City	1		16,000	\$ 2.25	\$ 36,000	Other	Office/Other
<b>Subtotal Building Leases</b>	<b>14</b>		<b>70,464</b>	<b>\$ 7.90</b>	<b>\$ 556,700</b>		
<b>Land Leases:</b>							
Parking Services, Cedar City	1		N/A		\$ 12,565	State	Parking
<b>TOTAL - SUU</b>	<b>15</b>	<b>0</b>	<b>70,464</b>	<b>\$ 7.90</b>	<b>\$ 569,265</b>		

**Snow College - No Leases**

Dixie State University							
<b>Building Leases:</b>							
Larkin Properties, St. George	1		4,600	\$ 23.43	\$ 107,782	State	Office/Other
<b>TOTAL - DSU</b>	<b>1</b>	<b>0</b>	<b>4,600</b>	<b>\$ 23.43</b>	<b>\$ 107,782</b>		

Utah Valley University							
<b>Land Leases:</b>							
Provo Airport	3		N/A		\$ 46,607	State/Other	Ground/Hanger
<b>TOTAL - UVU</b>	<b>3</b>				<b>\$ 46,607</b>		

Location	# of Leases	New Lease	Gross Sq. Ft.	Average Cost Per Sq. Ft.	Annual Lease Payment	Source of Funding	Type of Space
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Salt Lake Community College							
<b>Building Leases:</b>							
Airport Center, Salt Lake City	2		20,937	\$ 6.33	\$ 132,605	State	Classroom/Office/Lab/Hanger
Central Receiving, Salt Lake City	3		25,200	\$ 4.58	\$ 115,416	State	Storage
Library Square, Salt Lake City	1		32,725	\$ 15.06	\$ 492,781	State	Classroom/Office
Westpointe Center, Salt Lake City	1		35,700	\$ 17.50	\$ 624,754	State/Other	Classroom/Office
Writing Center, Salt Lake City	1		1,545	\$ 7.06	\$ 10,905	State	Classroom/Office
West Valley Center, West Valley City	2		27,756	\$ 7.51	\$ 208,448	State	Classroom/Office
<b>TOTAL - SLCC</b>	<b>10</b>	<b>0</b>	<b>143,863</b>	<b>\$ 11.02</b>	<b>\$ 1,584,909</b>		

USHE Institutions	# of Leases	New Lease	Gross Sq. Ft.	Average Cost Per Sq. Ft.	Annual Lease Payment
Building Leases	169	13	1,458,650	\$ 17.67	\$ 25,777,250
Land Leases	23	0	82,572		\$ 984,631
<b>TOTAL - USHE</b>	<b>192</b>	<b>13</b>	<b>1,541,222</b>		<b>\$ 26,761,881</b>