

May 9, 2018

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: University of Utah – Lease Renewal

Issue

Regent Policy R705, *Leased Space* requires the Board of Regents to approve institutional leases with state-appropriated funds that are more than \$250,000 per year or commit the institution for ten or more years. The University of Utah (U) seeks Board approval to renew a lease for 38,856 square feet at \$960,000 average annual rent in the University's Research Park in Salt Lake City, Utah.

Background

The University currently leases 38,856 square feet in Suite A-100 at 375 Chipeta in Salt Lake City for the Department of Family and Preventative Medicine in the University's School of Medicine. The Department administers six Master's Degree programs including the Master of Public Health and the Master of Physician Assistant Studies, two doctorate programs, two medical residency programs, and two fellowship programs in Obstetrics and Sports Medicine. The lease extension will allow the University time to complete the large construction project for the School of Medicine, which will influence the availability of space in the future. The U requests approval to renew the lease for an additional five years at the average annual rental rate of \$960,000.

Additional information about this request may be found in the attached letter from the University and representatives from the U will be in attendance at the meeting to provide additional information and respond to questions from the Board.

Commissioner's Recommendation

The Commissioner recommends that the Board authorize the University of Utah to extend the lease at 375 Chipeta, Suite A-100 for an additional five years as proposed.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachment



April 30, 2018

Mr. David Buhler
Commissioner
Board of Regents Building, The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Dear Commissioner Buhler:

The University of Utah hereby requests approval from the Board of Regents to enter into an Amendment to Lease for the following leased space:

375 Chipeta, Suite A-100, Salt Lake City, Utah

- School of Medicine – Department of Family & Preventative Medicine (DFPM)
- 38,856 sf
- Average annual rent: \$960k (Full Service)
- Total lease term commitment: \$4.8M
- Term: Five (5) years (April 1, 2018 – March 31, 2023)
 - University will have a termination right any time on or after March 31, 2020
- Purpose: Faculty offices with classroom and research components

DFPM has occupied this space since 2005 and this extension will give the University needed flexibility to finalize plans associated with the allocation of space across the Health Sciences Campus associated with the Transformation Project for the School of Medicine.

Accordingly, Jonathon Bates, Executive Director of Real Estate Administration, would appreciate an opportunity to present this Lease Amendment to the Finance and Facilities Committee at the May 18, 2018 Board of Regents meeting.

Thank you, as always, for your consideration and support.

Sincerely,

Patricia A. Ross
Chief Strategy Officer

c: Dr. Ruth V. Watkins
Dr. Kimberly Henrie
Richard P. Amon
Jonathon Bates