

November 7, 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 seeks Board approval to renew a lease for 13,866 square feet at \$371,400 average annual rent in the University's Research Park in Salt Lake City, Utah.

Background

The University currently leases 10,856 square feet at 675 Arapeen Drive in Salt Lake City for the program of Cell Therapy and Regenerative Medicine, which researches and studies the delivery of cell and tissue-based therapies and products to patients. The University requests approval to renew the lease for an additional five years and three months with an additional 3,010 square feet. The 13,866 square foot lease will have an average annual rental rate of \$371,400.

Additional information about this request may be found in the attached letter from the University and representatives from the University 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 expand and extend the lease at 675 Arapeen Drive for an additional five years and three months as proposed.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachment

October 19, 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:

675 Arapeen, Suite 107/300/304, Salt Lake City, Utah

- School of Medicine – Cell Therapy & Regenerative Medicine
- 13,866 sf
- Average annual rent: \$371.4k (Full Service)
- Total lease term commitment: \$1.95M
- Term: Five (5) years and three (3) months (January 1, 2019 – March 31, 2024)
- Purpose: Faculty offices with lab and research components.

Cell Therapy has occupied this space since 2004 and this extension and expansion will give the University flexibility to accommodate the growth of this important research program.

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 November 16, 2018 Board of Regents meeting.

Thanks, as always, for your consideration and support.

Sincerely,



Patricia A. Ross
Chief Business Strategy Officer

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