

ROLL CALL

APPROVE LEASE OF SPACE FOR BIOMEDICAL AND TRANSLATIONAL
RESEARCH, URBANA

Action: Approve Lease of Space for Biomedical and Translational Research

Funding: Institutional Funds

The Interim Chancellor, University of Illinois at Urbana-Champaign, and Interim Vice President recommends, subject to the availability of funds and the resolution of final lease terms satisfactory to the University, that the Comptroller be authorized to execute a lease of approximately 9,623 square feet of laboratory and research space on the third floor of the building located at 509 West University Avenue, Urbana, Illinois, for the period of ten years commencing on July 1, 2016, and running through June 30, 2026, with one termination option at the discretion of the University in year five. The landlord is The Carle Foundation. A portion of this space was originally approved by the University of Illinois Board of Trustees in 2011 for a five-year term. The proposed leased space will accommodate biomedical research consistent with the Translational Research Agreement and Research Affiliation Agreement with the Carle Foundation both dated October 30, 2015, and other related research activities. While the proposed lease space

has an annual rent more than \$100,000 normally necessitating the publication of a Request for Information (RFI) and publication in the Illinois Procurement Bulletin, the Chief Procurement Officer of the State has granted an RFI waiver for this lease due to the specialized and unique nature of the space and programmatic need.

The term of the proposed lease is ten years, with an option for the University to terminate in year five. The University will have the exclusive right to add space in the increments needed up to an additional 12,771 square feet space to the initial leased space of 10,000 square feet located on the third floor of this facility. The initial leased space and any added leased space shall be at a fixed rate of \$45.99 per square foot gross held constant for the ten-year term. The initial rental cost for the first year of the lease term is \$442,570. The annual rental cost could grow to \$1.2 million annually if all of the available additional space is required and leased by the University. The lease rate is full service absolute gross and includes utilities, security services, rubbish removal, common area maintenance, janitorial services, bio-containment services, all maintenance, all minor tenant improvements, and insurance costs. The University will be responsible for its own telephone and internet charges.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Vice President/Chief Financial Officer and Comptroller concurs.

The President of the University recommends approval.