Approved by the Board of Trustees

July 21, 2022

**29**

Board Meeting

July 21, 2022

ROLL CALL

# DELEGATE AUTHORITY TO COMPTROLLER TO APPROVE LEASE OF SPACE AT 506 WEST PARK STREET, URBANA, ILLINOIS

**Action:** Delegate Authority to Approve Lease of Space Located at 506 West Park

Street, Urbana, Illinois

**Funding:** Carle Illinois College of Medicine Unrestricted Gift Funds[[1]](#footnote-1)

The Chancellor, University of Illinois Urbana-Champaign, and Vice President, University of Illinois System, and the Interim Vice President, Chief Financial Officer and Comptroller, University of Illinois System in consultation with appropriate administrative officers, recommend that the Interim Vice President, Chief Financial Officer and Comptroller be authorized to execute a lease amendment, subject to satisfactory resolution of the final contract terms for approximately 8,226 square feet of classroom, office, and storage space on the first and basement floors of the building known as the Carle Forum located at 506 West Park Street, Urbana, Illinois (hereinafter, “Premises”) for the period commencing on January 1, 2023, through December 31, 2027. The University has occupied the Premises since 2009 (initially occupied by the UIC College of Medicine) and now wishes to extend the original lease.

The Carle Illinois College of Medicine is the world’s first engineering-based medical school, representing a new concept in healthcare education. It was created in 2015 as a partnership between the University of Illinois Urbana-Champaign and Carle Health. Carle Illinois College of Medicine is home to nearly 160 students and more than 600 affiliated clinical and academic faculty members. The first Carle Illinois College of Medicine graduating class will enter residency in Summer 2022, ready to make an immediate impact, not only with their exceptional clinical knowledge and patient care skills, but with their talent and passion for leveraging technology and data to improve patient care and outcomes.

The proposed rental amount for the premises meets the required threshold for Illinois Procurement Code process approval. However, in this case, the specialized lease space has been granted a Request for Information (RFI) exemption under 30 ILCS 500/4015(4) of the Illinois Procurement Code.

The term of the proposed lease extension is five years, and there is a five-year renewal option. Annual base rental costs will be $38.94 per square foot or $320,320, annually for the five-year extension. The annual rent (absolute gross) shall include all additional costs and the University’s proportionate share of property taxes, security, maintenance and repairs, utilities, and property insurance. The gross rent for the extended 5-year period (January 1, 2023 through December 31, 2027) is $1,601,600, and the gross rent for the 5-year renewal option period (January 1, 2028 through December 31, 2032) is $1,761,760.

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 President of the University of Illinois System concurs.

1. [↑](#footnote-ref-1)