

Board Meeting
May 14, 2014

ROLL CALL

APPROVE LEASE FOR UIC COLLEGE OF NURSING LOCATED ON THE
URBANA-CHAMPAIGN CAMPUS, CHICAGO

Action: Approve Lease for UIC College of Nursing on the Urbana-Champaign Campus

Funding: Institutional Funds

The Chancellors at Urbana-Champaign and Chicago, with the concurrence of the appropriate administrative officers recommend approval, subject to satisfactory resolution of final contract terms, that the Comptroller be authorized to execute two lease agreements for a total of 10,715 square feet of office and modern class room space on the second floor of 616 East Green Street, and the first and second floors of 627 South Wright Street, Champaign. The two buildings are adjacent to each other, and a fully enclosed and air conditioned connecting corridor will be added to effectively create one contiguous space. The landlord is JSM Apartments (dba) Technology Plaza LLC (616 East Green) and JRH, MRH LLC – 627 Wright Series (627 South Wright Street.)

The leased space will accommodate the University of Illinois at Chicago – College of Nursing Regional Campus at Urbana-Champaign and will house seventeen University staff and 190 nursing students. Presently, the college is located in 2 sub-standard wood frame structures near Goodwin Avenue and Illinois Street which are a

health risk, deterrent to attracting students to grow the program and provide limited access to disabled individuals. The Urbana-Champaign Campus will be demolishing these structures once vacated.

The proposed lease space is more than 10,000 square feet and required issuance of a Request for Information (RFI) pursuant to the Illinois Procurement Code. The Request for Information was published on November 6, 2013. A committee of Chicago campus and Urbana campus staff evaluated the project and made a recommendation to proceed with the leases.

The lease term will be for five years commencing July 1, 2014, through June 30, 2019, with the option to renew for an additional five-year period. Annual base rental costs would start at \$23.00 per square foot and be adjusted for changes in the Consumer Price Index annually. The annual first year base cost is \$246,445. The lease rental rate is full service and includes rubbish removal, common area maintenance, a portion of the property taxes, and insurance costs. The University will be responsible for its own electrical, telephone, and internet costs. The one-time University share of the tenant build costs is \$639,050. These costs will be shared between the Urbana-Champaign and Chicago budgets per agreement of the parties.

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 concurs.