

Board Meeting  
May 14, 2014

ROLL CALL

APPROVE LEASE FOR UIC COLLEGE OF MEDICINE, CHICAGO

**Action:** Approve Lease for UIC College of Medicine

**Funding:** No New Funding Required

The University of Illinois Interim Vice President for Health Affairs and the Chancellor, University of Illinois at Chicago, and Vice President, University of Illinois 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 a lease at 900 North Michigan/60 East Delaware, Chicago consisting of approximately 5,955 square feet for medical office space.

Since May of 2002, the Department of Otolaryngology has successfully operated at this location under a sublease arrangement which expired on December 31, 2013, leaving the department in a “holdover” status. Since 1995, the Department of Urology has also leased medical office space in this building, on the same floor as the Department of Otolaryngology. The Urology lease expired on December 31, 2013, putting them in a “holdover” status as well. It is the desire of both departments to combine their suites and continue their successful operations sharing costs where possible under a single lease as well as incorporating other clinical departments into the space.

The cost of the proposed combined lease space is more than \$100,000 annually and required issuance of a Request for Information (RFI) pursuant to the Illinois Procurement Code. The Request for Information was published on September 30, 2013. The project was approved by the Dean of the College of Medicine.

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 are on a gross basis including common area maintenance and taxes. The University is obligated by the agreement to pay the Lessor \$60,000 upon the satisfactory completion of required Tenant Improvements, reducing the Year 1 rent directly by that amount.

Lease Rent Schedule:

Year 1:	\$187,999.32
Year 2:	\$255,466.56
Year 3:	\$263,130.48
Year 4:	\$271,024.44
Year 5:	\$279,155.16

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 with this recommendation.

The President of the University recommends approval.