

ROLL CALL

APPROVE LEASE OF SPACE AT 111 EAST GREEN STREET,
CHAMPAIGN, ILLINOIS

Action: Approve Lease of Space at 111 East Green Street, Champaign, Illinois

Funding: Institutional Funds

The Chief Financial Officer, with the concurrence of the appropriate administrative officers recommends approval, subject to satisfactory resolution of final contract terms, and delegation to the Comptroller to execute a lease for approximately 27,280 square feet of office and classroom space on the ground floor, mezzanine, and lower level at 111 East Green Street, Champaign, Illinois.

The University of Illinois has leased this location for the last twenty years. The term of the new lease will be for ten years commencing April 1, 2021, through March 31, 2031, with a termination option at the end of the fifth year. The landlord is Bankier Apartments.

University Accounting and Financial Reporting (UAFR) and Business Solutions and Support (BSS) currently occupy 111 East Green Street. UAFR supports the financial accounting and reporting needs of the University of Illinois System, and BSS provides a variety of business services to the University of Illinois System.

Additionally, in-person training sessions are held in this building for several different

departments including Purchasing, Government Costing, Payroll and Benefits, UAFR, Contracts and Services and Sponsored Programs Administration.

The proposed lease space is more than \$100,000 per year in cost and required issuance of a Request for Information (RFI) pursuant to the Illinois Procurement Code. There were three respondents with the successful respondent being Bankier Apartments. One unsuccessful respondent's proposal was significantly higher in cost than the other two. The other unsuccessful respondent proposed a less expensive rent schedule with rent abatement included. However, the cost to relocate and the cost of needed construction and improvements at that site negates the rent savings. That site would also require driving or public transportation for visitors, student workers, and trainees, as it is located away from campus.

The term of the proposed lease is ten years, with an option to terminate after five years. The annual base rent is \$10.00 per square foot for the first five years and \$11.00 per square foot for years six through ten. The annual gross rent for the first five years is \$272,800, and the annual gross rent for years six through ten is \$300,080. The lease gross rental rate includes maintenance and repairs of structural components, insurance costs, and the property taxes. The University will be responsible for its own electrical, gas, water/sewer, janitorial, parking lot snow removal, telephone, and internet costs as well as HVAC maintenance.

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.