

UNIVERSITY OF UTAH
BOARD OF TRUSTEE MEETING
MAY 12, 2020

TRUSTEES PRESENT

H. David Burton (Chair)
Christian Gardner (Vice Chair)
Katie Eccles
Ephraim Kum
Anne-Marie Lampropoulos

J. Steve Price
David Parkin
Joe Sargetakis
Randy Shumway
Jim Sorenson

UNIVERSITY REPRESENTATIVES PRESENT

Cathy Anderson	Chief Financial Officer
Jonathon Bates	Executive Director, Real Estate
Daniel Reed	Senior Vice President, Academic Affairs
Patti Ross	Chief Business Strategy Officer
Laura Snow	Chief of Staff and Secretary to the University
Ruth Watkins	President
Karen West	Liaison to the Board of Trustees

CALL TO ORDER

Information: 1.01 – Call to Order

The meeting of the Board of Trustees was called to order at 9:34 AM via a Zoom meeting. Chair Burton welcomed Trustees and others in attendance.

GENERAL CONSENT

Action (Consent): 2.01 – University Leases (Appendix I)

Motion to approve the Consent Calendar by Joe Sargetakis, second by Anne-Marie Lampropoulos. Final Resolution: Motion Approved. Aye: David Burton, Katie Eccles, Christian Gardner, Ephraim Kum, Anne-Marie Lampropoulos, David Parkin, Steve Price, Joe Sargetakis, Randy Shumway, and Jim Sorenson

Background materials are included in the Appendix (as noted above) and are on file in the office of the Secretary to the University.

ACTION AGENDA

Action: 3.01 – 250 Tower Lease

Jonathon Bates, Executive Director Real Estate, presented the 250 Tower lease.

The proposed amendment to lease will address the following current space requirements for the following University departments:

School of Medicine – 30.5k sf

- Rocky Mountain Center for Occupational & Environmental Health – 22k
- Pediatrics Customer Care Center – 8.5k

Both of these departments are currently in leased space in Research Park. Both leases are expiring with no options to renew.

Summarized below are the business terms of the proposed lease agreement:

- 30,487 rentable square feet
- Lease term of eleven (11) years
- Rental rate of \$18 per rental square footage (rsf) full service for the Garden Level and \$26.50/rsf full service for the remaining space
 - First twelve (12) months abated
 - Annual escalations of 2.5%
- Landlord provided tenant improvement allowance of \$68.50 per usable square foot
 - Anticipated University out-of-pocket expenses for relocation and FF&E is \$2M after the landlord's tenant improvement allowance (per the attached Capital Budget Estimate).

The following is a summary of the financials:

- Average Annual Lease Expense: \$775k
- Total Lease Term Commitment: \$7.75M
- Initial TI Expense: \$1.8M

Approval is requested to authorize the University to enter into a lease amendment for 30,487 sq. ft. in the 250 Tower.

Fiscal Note: No additional operating budget or personnel will be required.

Motion to approve the 3.01 by Christian Gardner, second by Jim Sorenson. Final Resolution: Motion Approved. Aye: H. David Burton, Katie Eccles, Christian Gardner, Ephraim Kum, Anne-Marie Lampropoulos, David Parkin, J. Steve Price, Joe Sargetakis, Randy Shumway and Jim Sorenson

A copy of the report is included as Appendix II with the official minutes of this meeting and is on file in the office of the Secretary to the University.

ADJOURN

Resolution: Chair H. David Burton recommended approval to adjourn the open meeting of the Board of Trustees.

At 9:41 a.m., the meeting was adjourned.

The next scheduled meeting will be held on June 9, 2020.

Motion to approve by Christian Gardner, second by Katie Eccles. Final Resolution: Motion Approved. Aye: H. David Burton, Katie Eccles, Christian Gardner, Ephraim Kum, Anne-Marie Lampropoulos, David Parkin, J. Steve Price, Joe Sargetakis, Randy Shumway and Jim Sorenson

Signed by: Laura Snow

Date approved: 9 June 2020