FCR 17

Office of the President December 3, 2024

Members, Board of Trustees:

APPROVAL OF SUBLEASE

<u>Recommendation</u>: that the Board of Trustees authorize the Executive Vice President for Finance and Administration to negotiate and execute a sublease for University of Kentucky, Department of Ophthalmology and Visual Science, at 110 Conn Terrace, Lexington, Kentucky from the Kentucky Medical Services Foundation, Inc.

<u>Background</u>: Pursuant to Governing Regulation II.G.3, the Finance Committee reviews and recommends to the Board of Trustees leases greater than \$200,000 per year. The President or his designated representative is authorized to execute leases and easements not exceeding \$200,000 in value.

The subleased space will include 10,177 square feet at an annual rent of \$417,257.04 and will be funded with agency funds. This sublease renewal provides space for faculty and program support offices and meeting and training spaces. This space also allows UK Healthcare to be flexible and reactive to provide for the ongoing growth of needed clinical services.

Kentucky Revised Statute § 48.111 requires legislative authorization of all leases with an annual cost of \$200,000 or more. The sublease has been authorized by the Kentucky General Assembly in the enacted 2024-2026 Executive Budget of the Commonwealth. Contingent upon approval from the Board of Trustees, the sublease will be reported to the Kentucky Capital Projects and Bond Oversight Committee.





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