

# FCR 13

Office of the President  
February 17, 2023

Members, Board of Trustees:

APPROVAL OF IMPROVEMENTS TO LEASED SPACE  
(UK HEALTHCARE BLUEGRASS CARE CLINIC)

Recommendation: that the Board of Trustees approve the payment of up to \$995,000 for improvements to leased space for the UK HealthCare Bluegrass Care Clinic located at 3101 Beaumont Centre Circle, Lexington, Kentucky.

Background: Pursuant to Kentucky Revised Statute §164A.575, a public university may pay for improvements to leased property costing in excess of \$10,000 but less than \$1,000,000.

On September 13, 2019, the Board of Trustees approved the execution of a lease to accommodate the relocation of the Bluegrass Care Clinic from the fifth floor of Kentucky Clinic to a location better suited to meet its needs and expand operations, 3101 Beaumont Centre Circle, Lexington, Kentucky. The Bluegrass Care Clinic specializes in the diagnosis and treatment of a wide range of infectious diseases with a special expertise in the treatment of immunocompromised patients, including AIDS and transplant patients. The clinic has experienced substantial growth and now requires additional space.

The scope of work includes design and construction for an expansion of the clinic to the second floor of the building. The expanded space will include additional general consult rooms and associated workspace for staff. The space will also include dentistry rooms for this patient population, a service that does not exist at the location currently. The clinic will continue to have exam rooms and treatment spaces on the first floor of the same building.

The landlord is not willing to amortize any additional fit up cost into the lease, so upon approval from the Board of Trustees, UK will pay these expenses from agency funds. The total cost of the annual lease will not exceed \$936,000 as previously approved.

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Action taken:     Approved     Disapproved     Other \_\_\_\_\_