

FCR 15

Office of the President
June 21, 2019

Members, Board of Trustees:

AUTHORIZATION OF LEASE FOR UK HEALTHCARE SPECIALTY PHARMACY

Recommendation: that the Board of Trustees authorize the Executive Vice President for Finance and Administration to negotiate and execute a building lease between the University of Kentucky and Wellington Properties III, LLC at 531 Wellington Way in Lexington, Kentucky, to be used by UK HealthCare Specialty Pharmacy Services.

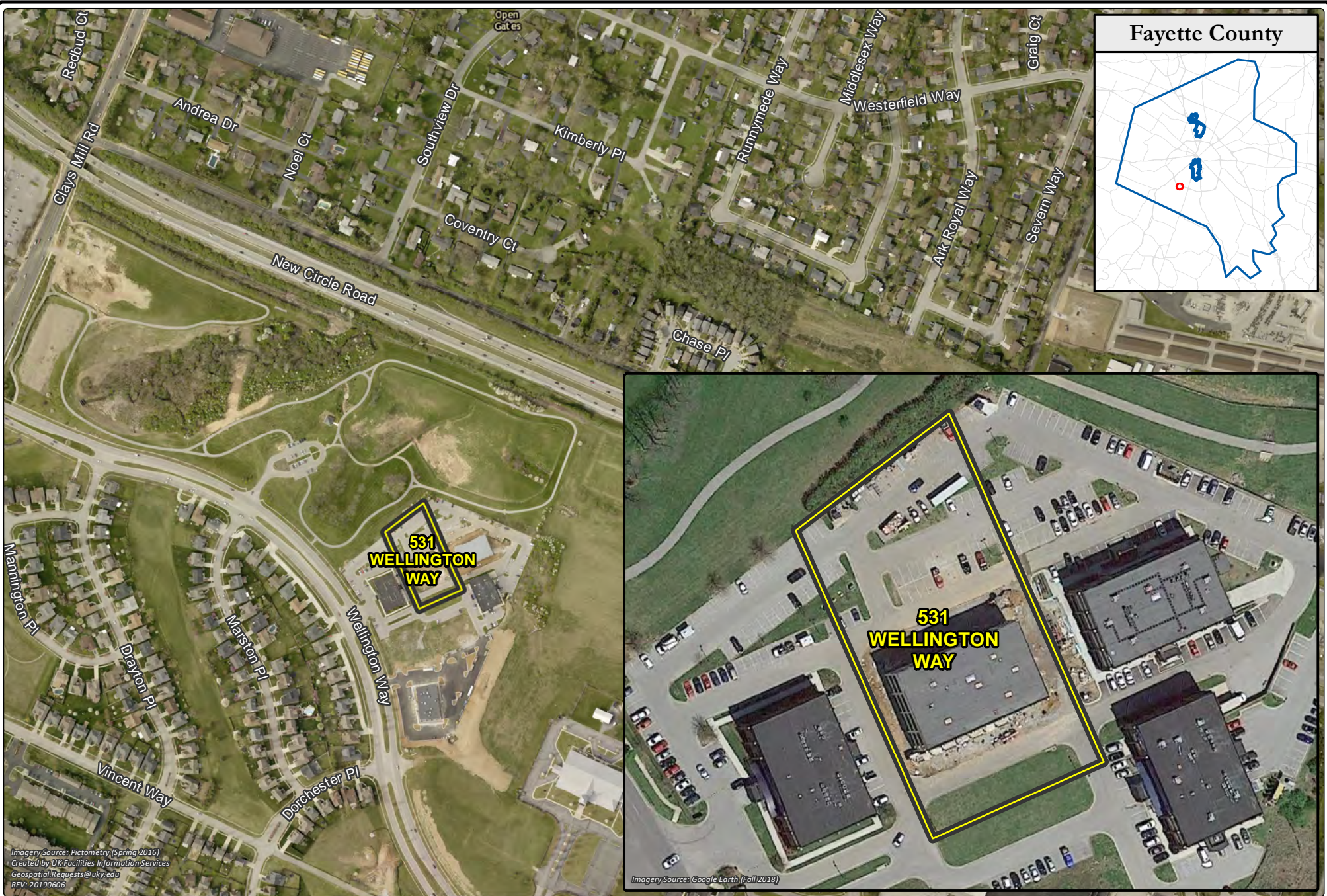
Background: At its October 2006 Meeting, the Board of Trustees amended Governing Regulation II.A.6(g) requiring that all leases in excess of \$200,000 annually be approved by the Board of Trustees. The President or his designated representative is authorized to enter into leases and easements not exceeding \$200,000 in value.

UK HealthCare Specialty Pharmacy was initiated in 2014 within a temporary UK Albert B. Chandler Hospital Pavilion H space. A specialty pharmacy is a state-licensed pharmacy that solely or largely provides only medications for people with serious health conditions requiring complex therapies. These include conditions such as cancer, hepatitis C, rheumatoid arthritis, HIV/AIDS, multiple sclerosis, cystic fibrosis, organ transplantation, human growth hormone deficiencies, hemophilia, and other bleeding disorders. This space can no longer facilitate the 20% annual growth rate of the specialty pharmacy. In addition, non-oncology infusion services, which represents a growing subset of specialty pharmacy, will be moved from the Gill Building to the new specialty pharmacy location at 531 Wellington Way.

The lease will not exceed 31,000 square feet of administrative, pharmacy, and outpatient space, and will be at an annual cost not to exceed \$1,150,000.

Pursuant to Kentucky Revised Statute §48.111, this lease has been authorized by the 2018 Session of the Kentucky General Assembly. Contingent upon approval from the Board of Trustees, the lease will be reported to the Capital Projects and Bond Oversight Committee.

Action taken: Approved Disapproved Other _____



Imagery Source: Pictometry (Spring 2016)
Created by UK Facilities Information Services
Geospatial Requests@uky.edu
REV: 20190606

Imagery Source: Google Earth (Fall 2018)



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