

FCR 6

Office of the President
September 11, 2020

Members, Board of Trustees:

APPROVAL OF LEASE
SANDERS-BROWN CENTER ON AGING,
ALZHEIMER'S DISEASE RESEARCH CENTER

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 ("UK") and a lessor to be selected for an appropriate location in Lexington, Kentucky, to be used by the UK Sanders-Brown Center on Aging, Alzheimer's Disease Research Center.

Background: At its October 2006 meeting, the Board 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.

For more than 30 years, the Alzheimer's Disease Research Center has developed a vigorous program in the clinical, neuropathological, educational and research aspects of Alzheimer's disease that serves as a critical resource for the University, community, state, and nation. The current clinic location is not able to accommodate the continued growth of clinical studies and patient population (60 percent increase over the last two years), or the Center's research funding (230 percent increase over the last two years). New space is needed to meet demand and to provide a convenient location for research volunteers and clinic patients to access services provided by UK HealthCare (UKHC).

After careful review and consideration of all responses to the University's request for proposal, the University will select the most cost-effective response that is in its best interest. The lease is not expected to exceed 19,000 square feet of administrative, research and outpatient space with an annual cost not to exceed \$600,000.

Kentucky Revised Statute § 48.111 requires legislative authorization of all leases with an annual cost of \$200,000 or more. The lease has been authorized by the Kentucky General Assembly in the enacted 2020-21 Executive Budget of the Commonwealth and will be reported to the Capital Projects and Bond Oversight Committee, pending approval by the Board of Trustees.

Action taken: Approved Disapproved Other _____