

# FCR 11

Office of the President  
December 14, 2004

Members, Board of Trustees:

## APPROVAL OF LEASE

Recommendation: that the President be authorized to negotiate and execute the following:

A lease between the University of Kentucky and Kentucky Technology, Inc. (KTI) for the Coldstream Center in the Coldstream Research Campus to include 83,380 square feet of floor space. UK will receive as rental income 99 percent of what KTI receives, with initial rental for sublet office space to be \$15.00 per square foot per year plus utilities, with periodic modifications to the sublease rates to be approved by the Executive Vice President for Finance and Administration based on factors including market adjustments and improvements to or level of facilities included.

Background: This is a lease of university space to KTI for the express purpose of subleasing to start-up companies, established businesses, and research centers. KTI will ensure that the use of the facility by subtenants is consistent with the university's goals for the Coldstream Research Park. KTI currently leases property in the ASTeCC facility for sublease to start-up companies, it leases property in the KTRDC facility for operations having related or complimentary interests, and it leases other property and facilities in the Coldstream Research Park and is qualified to manage these premises.

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