## FCR 15

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 the University of Kentucky Healthcare (UKHC), Primary Care Clinic, at 245 Fountain Court, 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 245 Fountain Court building will provide space for a UKHC Primary Care Clinic at a convenient location near Man O War Boulevard. The subleased space will include 8,441 square feet at an annual rent of \$270,123 and will be funded with agency funds.

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.

