



MEMORANDUM

January 4, 2023

University of Utah – Lease Renewal for One Sandy Center

Board Policy R705, *Lease Space*, requires the Board to approve institutional leases with state-appropriated funds that are more than \$500,000 per year or commit the institution for ten or more years. The University of Utah seeks Board approval to renew the lease in the One Sandy Center building located at 10011 S. Centennial Parkway in Sandy, UT, for the University Connected Learning, which has occupied this space since 2015.

- 26,179 square feet
- Average annual rent of \$735.3K (full service)
- Total lease term commitment of \$7.35M
- Extension Term: Ten (10) years commencing March 1, 2023

At the University Connected Learning at the Sandy Center, students can take classes closer to home, whether they are pursuing a degree, a certificate, or taking classes for personal enjoyment.

The lease extension was approved by the University's Board of Trustees in their December 13, 2022, meeting. Additional information about this request can be found in the attached letter from the University. Representatives from the University will be in attendance at the meeting to provide additional information and respond to questions from the Board.

Commissioner's Recommendation

The Commissioner recommends the Committee authorize the University of Utah to renew the One Sandy Center lease for an additional ten years and move to the full Board for final approval.

Attachment

December 16, 2022

Commissioner Dave R. Woolstenhulme
Utah Board of Higher Education
The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Dear Commissioner Woolstenhulme:

The University of Utah hereby requests approval from the Utah Board of Higher Education for the following summarized extension of lease for space for University Connected Learning at One Sandy Center located at 10011 S. Centennial Parkway in Sandy, Utah:

- 26,179 square feet
- Average annual rent of \$735.3k (full service)
- Total lease term commitment of \$7.35M
- Extension Term: Ten years, Commencing March 1, 2023

The University Connected Learning has leased this space since August of 2015. At the Sandy Center, university students can take classes closer to home whether they are pursuing a degree, pursuing a certificate, or taking classes for personal enjoyment.

The University of Utah would welcome an opportunity to present this proposed lease extension at the January 4, 2023 meeting of the Board of Higher Education. Our Board of Trustees reviewed and approved this matter on December 13, 2022.

Thank you, as always, for your consideration and support.

Sincerely,

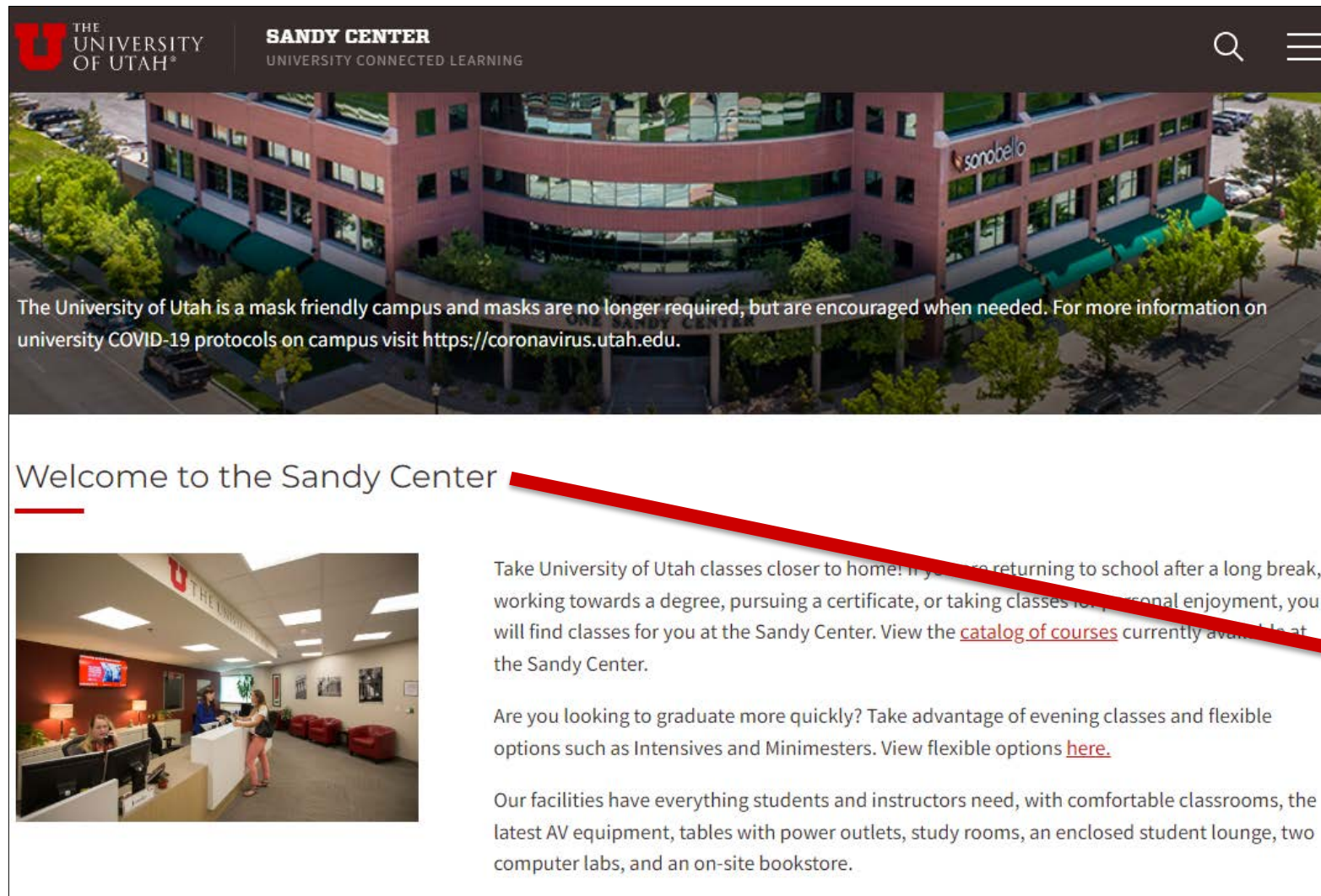


Cathy Anderson
Chief Financial Officer and
Vice President for Administrative Services

cc: Taylor Randall
Juliette Tennert
Malin Francis
John Creer

UNIVERSITY CONNECTED LEARNING

SANDY CENTER:



The screenshot shows the Sandy Center website for The University of Utah. The header includes the university logo and the text "SANDY CENTER UNIVERSITY CONNECTED LEARNING". Below the header is a large aerial photograph of the Sandy Center building. A text overlay on the photo states: "The University of Utah is a mask friendly campus and masks are no longer required, but are encouraged when needed. For more information on university COVID-19 protocols on campus visit <https://coronavirus.utah.edu>." Below the photo is a section titled "Welcome to the Sandy Center" with a red underline. To the left of the text is a small photo of the center's interior. The text describes the center as a place to take University of Utah classes closer to home, whether returning to school after a long break, working towards a degree, pursuing a certificate, or taking classes for personal enjoyment. It mentions a "catalog of courses" and flexible options like Intensives and Minimesters. It also lists the facilities: comfortable classrooms, latest AV equipment, tables with power outlets, study rooms, an enclosed student lounge, two computer labs, and an on-site bookstore. A red arrow points from the "catalog of courses" link to the map on the right.

THE UNIVERSITY OF UTAH **SANDY CENTER**
UNIVERSITY CONNECTED LEARNING

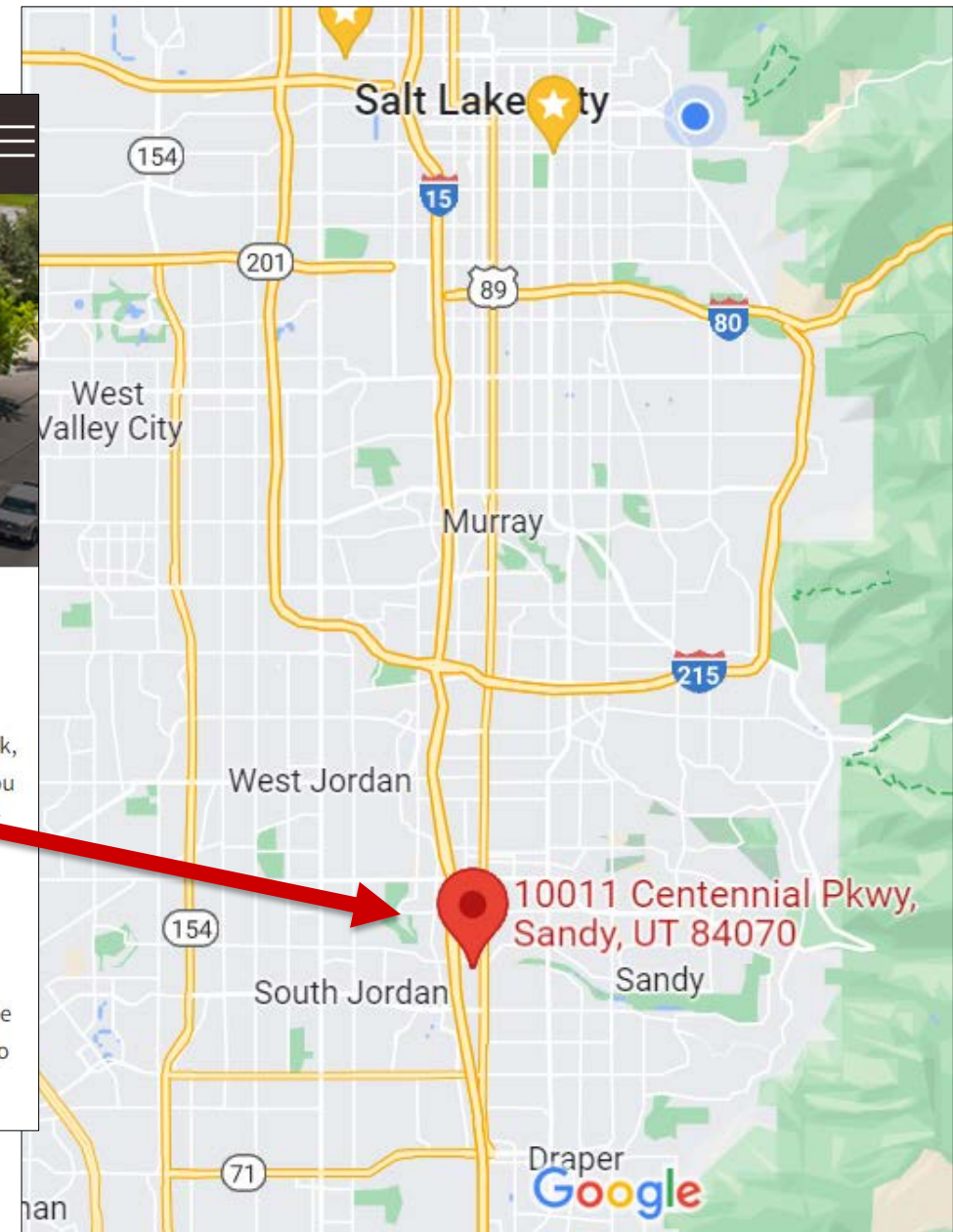
The University of Utah is a mask friendly campus and masks are no longer required, but are encouraged when needed. For more information on university COVID-19 protocols on campus visit <https://coronavirus.utah.edu>.

Welcome to the Sandy Center

Take University of Utah classes closer to home! If you're returning to school after a long break, working towards a degree, pursuing a certificate, or taking classes for personal enjoyment, you will find classes for you at the Sandy Center. View the [catalog of courses](#) currently available at the Sandy Center.

Are you looking to graduate more quickly? Take advantage of evening classes and flexible options such as Intensives and Minimesters. View flexible options [here](#).

Our facilities have everything students and instructors need, with comfortable classrooms, the latest AV equipment, tables with power outlets, study rooms, an enclosed student lounge, two computer labs, and an on-site bookstore.



ACTION ITEM: LEASE RENEWAL

- **University Connected Learning (UCL) Sandy Center**
 - Original Lease:
 - Commencement: August, 2015
 - Term: 90 months
 - 26,179 square feet
 - Uses: testing center, academic, and administrative space
 - Lease Renewal
 - Commencement: March, 2023
 - Full Service
 - Term: 120 years, 7 months abated rent
 - Extension Options: 2 options for 5-years (each)
 - Tenant improvement allowance \$70/USF
 - Total lease term commitment: \$7.35M
 - » Base Rent \$24.50/RSF with 3% annual escalations

ACTION ITEM: LEASE RENEWAL

- Seeking approval to execute **UCL's Lease Agreement** for the **Sandy Center** located at 10011 East Centennial Parkway, Sandy, Utah
 - Total lease commitment of \$7.35M
 - University Board of Trustees approved on December 13, 2022