

**Contact: Jean Friedrich**

**INSTITUTIONAL AGREEMENTS, LEASES, AND EASEMENTS**

**Action Requested:** Consider approval of the lease and lease amendment for the benefit of the University of Iowa, subject to approval of the final documents by the Board Office and Attorney General's Office.

**(ROLL CALL VOTE)**

**Executive Summary:** Iowa Code §262.11 requires that certain agreements, leases, and easements be approved by the Board of Regents by roll call vote. The lease and lease amendment for the University of Iowa have been reviewed by the Attorney General's Office. An indemnification clause is included in the lease and lease amendment.

University of Iowa with the Board as Tenant for the following lease:

**Ryan Companies US, Inc.**

The University requests approval of a lease with Ryan Companies US, Inc. for approximately 13,940 square feet of space on the third floor (Suite 300) of the BioVentures building located at 2500 Crosspark Road, Oakdale Iowa (located at the University of Iowa Research Park) for the Iowa Lions Eye Bank.

The lease term is for fifteen years, commencing on July 1, 2013 with one additional five-year extension option at the base rental rate of \$10.00 per square foot for the first five years; \$11.00 per square foot for years six through ten; and \$12.10 per square foot for years eleven through fifteen. Base rent for the five year option period is set at \$13.30 per square foot.

In addition to the base rent payment, the Lions Eye Bank will pay a fixed rate of \$10 per square foot in operating costs (including taxes, insurance and common area maintenance) during the first five years of the lease, \$11 per square foot for years six through ten, and actual operating costs based on the Lions Eye Bank's pro-rata share of the building's operating costs, based on the proportionate share of leased space within the total building, for year eleven through the end of the lease term.

The space to be leased is unoccupied shell space unchanged since the construction of the building was completed in 2008. The Lions Eye Bank will pay the Landlord actual construction costs to fit-out the space (based on the project being competitively bid), plus a 6% mark-up on the actual costs to cover the Landlord's supervision and management of the construction contracts and contractors.

The space will be used to accommodate the Iowa Lions Eye Bank, a self-supporting unit of the Department of Ophthalmology and Visual Science in the Carver College of Medicine. The Eye Bank's current lease is ending with no renewal option available. Funding for this lease will be provided from fees charged for the services provided by the Lions Eye Bank.

University of Iowa with the Board as Owner for the following lease amendment:

**University of Iowa Research Park Corporation**

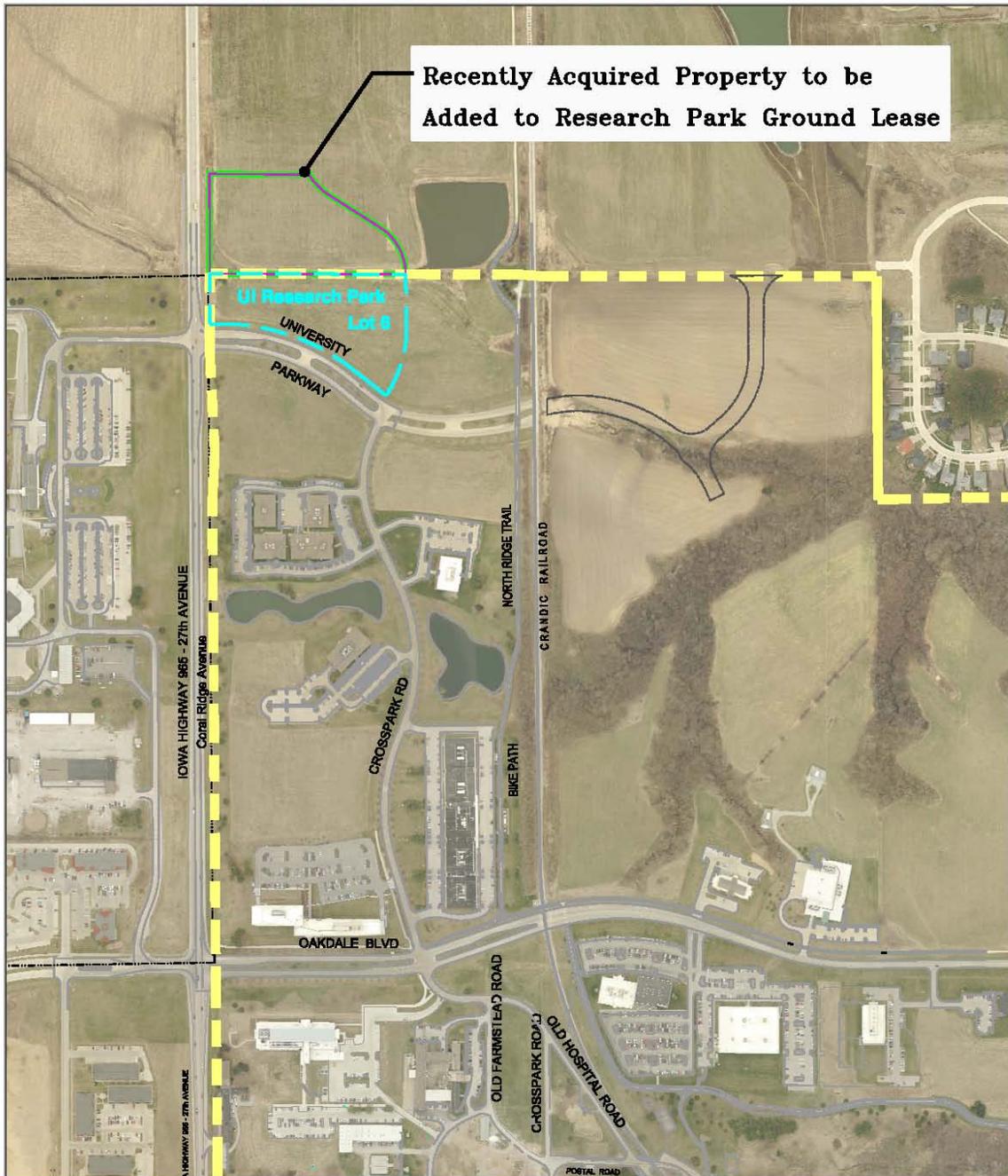
The University of Iowa requests approval for an Amendment to the Master Ground Lease Agreement between Board of Regents and the University of Iowa Research Park Corporation (UIRPC) to add additional land under the control of the UIRPC.

The UIRPC was established in 1989 and leases building sites and space to growing technology companies that require sustained research relationships with the University. The Research Park now contains 228.63 acres of land on the University's Oakdale campus in Coralville, Iowa. The Board of Regents and the University of Iowa Research Park Corporation entered into a master Ground Lease Agreement on March 1, 1989. The Ground Lease Agreement set forth and defined the land to be leased by the Board of Regents to the UIRPC. The Ground Lease Agreement was amended in 1998 and 2011 to add additional acreage. See Attachment A for map of location.

On October 25, 2012, the Board of Regents approved the University's purchase of 5.4 acres of land adjacent to Lot 6 of the University of Iowa Research Park. Lot 6 is an irregularly shaped lot with narrow frontage along Highway 965. The narrow frontage makes Lot 6 less viable for development and less valuable than other Research Park lots. Amending the Master Ground Lease Agreement to include this recently acquired land will allow Lot 6 to be re-platted into one larger lot that will have 587 feet of frontage along Highway 965, which is comparable with the frontage of other Research Park lots.

The addition of the 5.4 acres will bring the total acreage of the University of Iowa Research Park to 234.03 acres.

Additional information is available from the Board Office.



 <p><b>THE UNIVERSITY OF IOWA</b></p> <p><i>OakdaleResearchPark2013.dwg</i> <i>Plotted: January 10, 2013</i></p>	 <p>Scale: 1" = 500'</p>	<p>Location Map: Oakdale/ UI Research Park</p>
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