

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Institutional Agreements, Leases and Easements
Date: March 1, 2004

Recommended Action:

Approve the leases for the benefit of the institutions as summarized below. **(ROLL CALL VOTE)**

Executive Summary:

The Iowa Code requires that agreements, leases and easements involving real property be approved by the Board of Regents by roll call vote.

The leases have been reviewed by the Attorney General's Office and are recommended for approval.

Approval is requested for the following:

University of Iowa	New lease with IAgen, LLC for its use of business incubator space at the Oakdale Research Park.
Iowa State University	Farm lease agreements with the Committee for Agricultural Development (CAD) and the Iowa State University Foundation for the College of Agriculture's use of various parcels of farm land located in Story and Boone counties.

Background and Analysis:**UNIVERSITY OF IOWA****LEASES**

Tenant	IAgen, LLC (new)
Area/Location	130 square feet of office space and 180 square feet of laboratory space in the Technology Innovation Center at the Oakdale Research Park.
Lease Rate	\$215 per month (\$6 per square foot for office space, \$10 per square foot for lab space, \$2,580 per year).
Lease Term	One-year period commencing April 1, 2004, through March 31, 2005.

Use of Space	The space will be used to develop biocatalysts from microbial and plants sources for use in the growing bioproducts industry. The bioindustry looks to harness the molecular building blocks of biomass (crops, trees, grasses, and crop and forest residues) to create products that are now primarily manufactured from petroleum.
Liability	The tenant agrees to indemnify, defend, and hold harmless the University as customarily required.
Principal Information	The principal, Eric Zirbes, is a staff pharmacist at the University of Iowa Hospitals and Clinics.

IOWA STATE UNIVERSITY

FARM LEASES

Background	<p>Iowa State University seeks approval of cash rent farm leases as operator with the Iowa State University Committee for Agricultural Development (CAD) and the Iowa State University Foundation.</p> <p>The leases provide for the College of Agriculture's use of various parcels of farm land in Story and Boone Counties.</p> <p>The farm land, which is critical to the College of Agriculture programs, was acquired or leased by CAD and the Foundation for the specific use and benefit of the instructional and research activities of the College of Agriculture.</p> <ul style="list-style-type: none">• The farms are located near University-owned farms and fit within the University's overall land and farm management plans. <p>The University's specific use of each farm depends upon established research protocols, crop rotation, conservation projects, and the College's current instructional, research and outreach programs.</p> <p>The specific rental rate paid by the University at each farm is determined by a number of factors including the productivity of the land, programming use (research, teaching, or production), farming use (cropland, pasture, or hay), and current local rental rates.</p> <ul style="list-style-type: none">• The University's total lease payments may vary from year to year depending on the amount of crop acres planted by the College.
Lease Terms	<p>One-year period commencing March 1, 2004, through February 28, 2005.</p> <p>The University is responsible for the maintenance of buildings, fences, and other improvements at the farms at its expense.</p>

Farm Owner **Iowa State University Committee for Agricultural Development**

Area/Location Eight parcels of farm land totaling 698.1 acres located in Story and Boone Counties.

Lease Rate Cash rent in the amount of \$76,941.60 per year (an average of approximately \$110.22 per acre) payable on or before March 1, 2004.

Crop Mix/Lease Rate The mix of the crop land and rental rates per acre is as follows:

	<u>Acres</u>	<u>Average Rate (Approx.)</u>	<u>Amount</u>
Total Crop Land	698.1	\$110.22	\$76,941.60

Additional cropland acres may be rented and used for small isolation plot areas at the rental rate of \$100 per acre.

Principal Information The Iowa State University Committee for Agricultural Development is an affiliated organization of the University.

Farm Owner **Iowa State University Foundation**

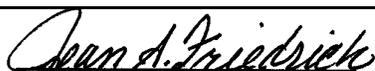
Area/Location Seven parcels of farm land totaling 662.6 acres located in Story County.

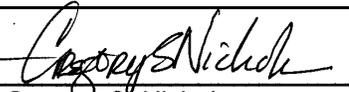
Lease Rate Cash rent in the amount of \$57,160 per year (an average of approximately \$86.27 per acre) payable on or before March 1, 2004.

Crop Mix/Lease Rate The mix of the crop land and rental rates per acre is as follows:

	<u>Acres</u>	<u>Average Rate (Approx.)</u>	<u>Amount</u>
Total Crop Land	662.6	\$86.27	\$ 57,160

Principal Information The Iowa State University Foundation is an affiliated organization of the University.


Jean A. Friedrich

Approved: 
Gregory S. Nichols