

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Institutional Agreements, Leases and Easements
Date: October 7, 2002

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.

A report on the legal review of the leases will be made at the September Board meeting.

A listing of principals is included as Attachment A to this docket memorandum.

Approval is requested for the following:

University of Iowa	Lease agreement with the University of Iowa Facilities Corporation for the residential property located at 111 Church Street, Iowa City.
	Lease amendment with Richard DeRegnier for the University's use of space in Sigourney, Iowa, for a research project of the College of Public Health.
	Lease renewal with Selim Laboratories for its use of business incubator space at the Oakdale Research Park.
Iowa State University	Lease renewal with Banner Investments for the University's use of space in Dubuque, Iowa, by the Department of Human Development and Family Studies.
University of Northern Iowa	Lease renewal with TEAM Property Management for the University's use of space in Cedar Falls for the Iowa Waste Reduction Center.

Background and Analysis:

UNIVERSITY OF IOWA

LEASES

Landlord	University of Iowa Facilities Corporation (new)
Area/Location	Two-story home located at 111 Church Street, Iowa City. (A map indicating the location of the property is included as Attachment A.)
Lease Term	20-year period commencing November 1, 2002, through October 31, 2022.
Lease Rate	Estimated at \$3,475 per month (\$41,700 per year).
Use of Space	Tenant rental until needed for another use.
Other Terms	The University would be responsible for all operational, maintenance, repair and improvement costs for the property.
Liability	The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with <u>Iowa Code Chapter 669</u> .
Additional Information	<p>The Facilities Corporation will be purchasing the property, at the purchase price of \$562,500, for the use and benefit of the University.</p> <p>Financing for the purchase will be provided by a loan to the Facilities Corporation from Wells Fargo Bank.</p> <p>The University's lease payments would be equal to the Facilities Corporation's loan payments (estimated at \$3,475 per month); the lease term of 20 years would be coterminous with the financing agreement.</p>

Landlord	Richard DeRegnier (amendment)
Area/Location	300 square feet of office space located in Sigourney, Iowa.
Lease Term	Two one-year periods effective November 1, 2002, through October 31, 2003, and November 1, 2003, through October 31, 2004.
Lease Rate	\$315 per month (\$12.60 per square foot, \$3,780 per year).
Space/Rate Comparison	The amount of space and rental rate are unchanged.
Use of Space	Federally-funded research project of the College of Public Health to study asthma in children from rural communities.
Liability	All other terms of the agreement would remain in effect, including the requirement for the University to be responsible for claims arising from its use and occupancy of the space in accordance with <u>Iowa Code</u> Chapter 669.

Tenant	Selim Laboratories (renewal)
Area/Location	804 square feet of space (311 square feet of office space and 493 square feet of laboratory space) at the Technology Innovation Center at the Oakdale Research Park.
Lease Term	One-year period commencing November 1, 2002, through October 31, 2003.
Lease Rate	\$566.33 per month (\$6 per square foot for office space, \$10.00 per square foot for laboratory space, \$6,795.96 per year).
Space/Rate Comparison	Decrease of 319 square feet (28 percent) of office space; the lease rate per square foot for the office and laboratory space is unchanged.
Use of Space	Selim Laboratories uses the space to develop technologies to protect human health against illnesses and diseases caused by exposure to chemicals, particularly those used in the agricultural industry.
Liability	The tenant agrees to indemnify, defend, and hold harmless the University as customarily required.

IOWA STATE UNIVERSITY

LEASE

Landlord	Banner Investments (renewal)
Area/Location	130 square feet of office space in the Nesler Centre, 799 Main, Dubuque, Iowa.
Lease Term	One-year period commencing July 1, 2002, through June 30, 2003.
Lease Rate	\$50 per month (\$4.62 per square foot, \$600 per year).
Space/Rate Comparison	The amount of space and rental rate are unchanged.
Use of Space	Child Welfare Research and Training Project of the Department of Human Development and Family Studies.
Liability	The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with <u>Iowa Code</u> Chapter 669.

UNIVERSITY OF NORTHERN IOWA

LEASE

Landlord **TEAM Property Management Company (renewal)**

Area/Location 8,414 square feet of space located at 1025 Technology Parkway, Cedar Falls, Iowa.

Lease Term Five-year period commencing November 1, 2002, through October 31, 2007.

Lease Rate \$7,425 per month (\$10.59 per square foot, \$89,100 per year).

Space/Rate Comparison Space increase of 900 square feet (12 percent); rate increase of 0.8 percent per square foot.

Use of Space Iowa Waste Reduction Center.

Liability The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with Iowa Code Chapter 669.


Sheila Lodge

Approved: 
Gregory S. Nichols

Attachment A

Listing of Principals for Leases

October 2002

Lease

Principals

University of Iowa

University of Iowa Facilities Corporation

Michael New, President

Richard DeRegnier, Sigourney, Iowa

Richard DeRegnier

The principal has no affiliation with the University.

Selim Laboratories

Dr. Mustafa I. Selim

The principal is a former associate professor in the Department of Occupational and Environmental Health.

Iowa State University

Banner Investments

Mike Kielty

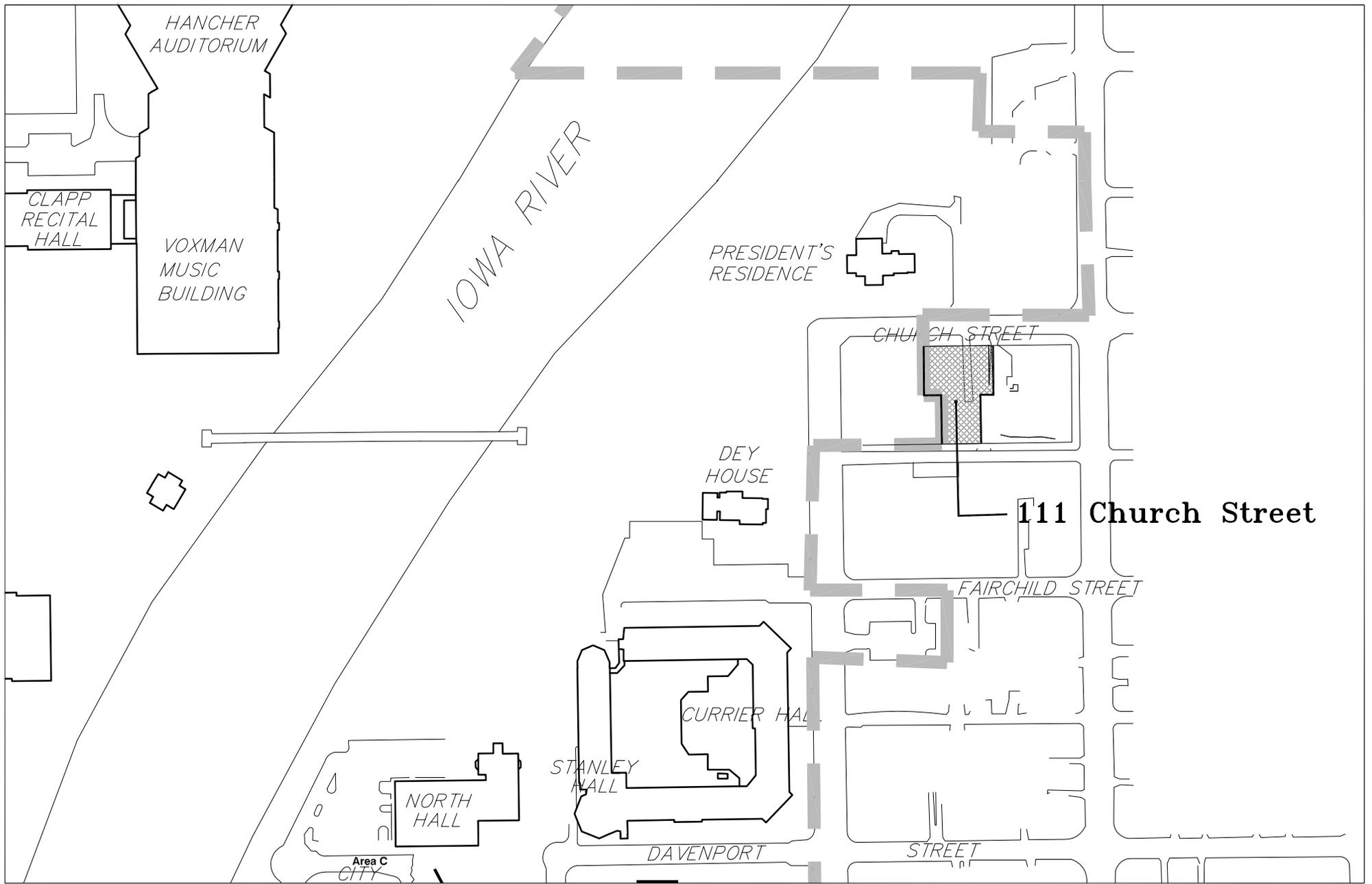
The principal has no affiliation with the University.

University of Northern Iowa

TEAM Property Management

Mark A. Kittrell, President

The principal has no affiliation with the University.



111 Church Street



Legend

-  University
-  Property Line

THE UNIVERSITY OF IOWA - LOCATION MAP

111 Church Street

