

Contact: Aimee Claeys

IOWA PUBLIC RADIO ASSET TRANSFER

Actions Requested: Approve the following:

1. The transfer of certain real and personal property assets owned by the Regent universities and dedicated to the network of public radio stations in the State of Iowa to Iowa Public Radio for \$1.00 plus additional consideration as more fully described in this memorandum. A waiver of Board Policy 2.3.2.C.iii that real estate be conveyed upon appraisal is requested.
2. Authorize the Executive Director, in consultation with Board leadership, to take all actions necessary to finalize the Asset Purchase Agreement and accomplish closing; including, filing with the Federal Communications Commission (FCC) all documents necessary to request FCC approval to transfer the station licenses.
3. Delegate to the Executive Director, in consultation with Board leadership, the authority to approve lease agreements with IPR for post-close access to space in University-owned facilities and towers upon such terms and conditions as the Executive Director and Board leadership may determine.

Executive Summary: The Board of Regents Universities are the owners of FCC radio station licenses and related assets, including those within the KUNI Radio Group, the WOI Radio Group, and the WSUI Radio Group (collectively, Radio Groups). The Radio Groups are established for the benefit of the citizens of Iowa, and endeavor to provide programming that enriches the civic and cultural life in Iowa through high quality news and cultural programming.

Originally, the Radio Groups were managed directly by the individual licensee Universities as part of their educational and services missions. In 2004, the Board of Regents engaged the services of a consultant to conduct a comprehensive management, programming, operations, and planning study related to collaboration among the three Radio Groups. As a result of this study, the Board of Regents supported the establishment of a new entity to oversee all public radio operations and facilities owned by the Universities, with the goal of securing economic efficiencies, improving service, attracting and engaging a larger audience, and increasing private support for the Radio Groups.

Iowa Public Radio, Inc. (IPR) was incorporated under the Revised Iowa Nonprofit Corporations Act (Iowa Code Chapter 504) in 2006. The Articles of Incorporation provide that IPR is organized exclusively for charitable and educational purposes within the meaning of section 501(c)(3) of the U.S. Internal Revenue Code of 1986 and has the primary purpose of supporting and promoting the welfare and growth of the network of public radio stations licensed to the Universities. In 2007, the Parties entered into a Public Service Operating Agreement (PSOA) providing for management of the day-to-day operations of the Radio Groups by IPR, and designating IPR as the primary fundraising entity on behalf of the Radio Groups.

Due to the collaboration of the Board and IPR over the past 15 years, IPR currently manages a strong public radio network that serves the State of Iowa with high quality news, music, and cultural programming. In order to further enhance IPR's ability to serve the entire State of Iowa, consolidation of the Radio Groups into a single community licensee has been proposed by the Board office in consultation with Board and IPR leadership.

In 2020, the Board office and Iowa Public Radio assembled a working group to explore the possibility of transferring the radio station licenses and certain related assets to IPR. This proposed transfer represents the logical next phase in the Radio Group management and governance transition that was initiated by the Board in 2006. The goal in pursuing this potential transaction is to protect and ensure the long-term success of the statewide network of public radio stations in Iowa. The partnership between the Board of Regents and IPR has generated operational efficiencies, increased fundraising, and expanded coverage all while maintaining high-quality and award-winning programming. A merger of the Radio Groups into one community licensee owned and operated by IPR will build upon these efficiencies and collaborations and further enhance public radio service for the citizens of the State of Iowa.

Assets to be Transferred – Subject to Board approval of the requested action items, Board office staff and IPR will continue efforts to determine specific assets to be transferred to IPR and those where it is in the best interests of the University to retain ownership. The following categories of assets are anticipated to be transferred. The final schedules of assets are subject to further negotiation and final approval of the Executive Director.

- University-owned FCC licenses and related call signs as more fully described in Attachment A.
- Approximately 14.65 acres of real property owned by the University of Iowa located at 4385 560th Street, Hills, IA 52240, including three towers and a support structure.
- Conditioned upon receipt of all required third-party consents, Iowa State University's 1/3 interest in one tower, a building, and real property located at 199 NE 134th Avenue, Alleman, IA 50007.
- Three towers owned by Iowa State University and three towers owned by the University of Northern Iowa, including related support structures, and the underlying ground leases.
- Conditioned upon receipt of any required third-party consents, all tower and related lease agreements where a University is currently tenant.
- All equipment and tangible assets that are dedicated to and necessary for the continued operation of the Radio Groups as determined by the Universities in consultation with IPR.
- Conditioned upon receipt of any required third-party consents, procurement and other miscellaneous agreements that are solely dedicated to the operation of the Radio Groups.

Consideration – In addition to the proposed purchase price of \$1.00, the parties are negotiating additional consideration for this transaction. It is anticipated that this additional consideration will include the following:

- An agreement for a period of time following close, that should IPR sell certain real or personal property assets for monetary consideration, IPR shall transfer to the applicable University an amount equal to the monetary consideration received by IPR.

- IPR will continue to operate the stations consistent with its primary purpose of supporting the network of public radio stations and in a manner that benefits the citizens of the State of Iowa, for so long as it is reasonably able to do so.
- IPR will support opportunities for the Universities' students to receive educational experiences with IPR.
- IPR will continue providing access for Iowa Reading Information Services and Iowa's Emergency Alert Systems, or similar services or entities.

Lease Arrangements – Currently studio and office space on each campus is dedicated to the support of the Radio Groups. It is anticipated that IPR will have a need to occupy some space on each campus for a period of time following the closing in order to maintain continuity of operations as IPR transitions its operations model. Additionally, the Universities anticipate retaining ownership of certain towers and related support structures that are located on campus or in areas where the institution owns substantially all the surrounding real property. The Radio Groups presently operate on these towers, and will have a need to continue operating on these towers following close. Board office and University staff will continue efforts to structure lease agreements governing IPR's access to space within University facilities and on University towers, subject to the authority of the Executive Director as delegated by the Board of Regents.

Radio Groups and Stations

A. WOI Radio Group

Licensee	Call Sign	Parent	Community	Service Type	Frequency	Channel	Facility ID	
Iowa State University 2022 Communications Bldg Ames, IA 50011	WOI		Ames	AM Station	640		29119	
	WOI-FM		Ames	FM Station	90.1	211	29118	
	KNSC		Carroll	FM Station	90.7	214	122627	
	KNSL		Lamoni	FM Station	97.9	250	81325	
	KNSK		Ft. Dodge	FM Station	91.1	216	29066	
	KNSZ		Ottumwa	FM Station	89.1	206	29117	
	KICP		Patterson	FM Station	105.9	290	164102	
	KICG		Perry	FM Station	91.7	219	78934	
	KICL		Pleasantville	FM Station	96.3	242	164103	
	WQFX521	WOI-AM			STL	948.0		
	WMU617	WOI-FM			STL	944.5		
	WPWK372	KNSL			STL	944.5		
	WQIU894	KNSZ			STL	948.5		
	KL42				Satellite Downlink	3700-4200		
	KL42A				Satellite Downlink	3700-4200		

Licensee	Station	Service	ASRN
Iowa State University 2022 Communications Bldg Ames, IA 50011	KICP	Antenna Structure Registration	1270602
	KNSL	Antenna Structure Registration	1059395
	WOI	Antenna Structure Registration	1017331
	WOI	Antenna Structure Registration	1017332
	K284CN	Antenna Structure Registration	1017333
	KNSZ/KICW	Antenna Structure Registration	1026021

B. KUNI Radio Group

Licensee	Call Sign	Parent	Community	Service Type	Frequency	Channel	Facility ID
University of Northern Iowa 324 Communication Arts Center Cedar Falls, IA 50614-0359	KUNI		Cedar Falls	FM Station	90.9	215	69158
	KHKE		Cedar Falls	FM Station	89.5	208	69027
	KNSM		Mason City	FM Station	91.5	218	69284
	KRNI		Mason City	AM Station	1010.0		69035
	KICJ		Mitchellville	FM Station	88.9	205	90336
	KNSY		Dubuque	FM Station	89.7	209	85606
	KICW		Ottumwa	FM Station	91.1	216	83086
	KNSB		Bettendorf	FM Station	91.1	216	83540
	K214BA		Mason City	FM Translator (KHKE)	90.7	214	69129
	K233AA		Davenport	FM Translator (KUNI)	94.5	233	69144
	K249EJ		Des Moines	FM Translator (KICJ)	97.7	249	69355
	K271AF		Eldridge	FM Translator (KUNI)	102.1	271	69010
	K284CN		Ames	FM Translator (WOI-FM HD2)	104.7	284	144461
	K237GD		Iowa City	FM Translator (KUNI)	95.3	237	144507
	WBY22	KUNI		STL	951.0		
	WIG29	KHKE		STL	948.0		
	WME640	KRNI		STL	949.0		
	WMU901	K214BA		STL	948.5		
E040050			Satellite Downlink	3700-4200			

Licensee	Station	Service	ASRN
University of Northern Iowa	KHKE	Antenna Structure Registration	1260564

**BOARD OF REGENTS
STATE OF IOWA**

**AGENDA ITEM 9
ATTACHMENT A**

324 Communication Arts Center Cedar Falls, IA 50614-0359	KNSM	Antenna Structure Registration	1017324
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C. KSUI Radio Group

Licensee	Call Sign	Parent	Community	Service Type	Frequency	Channel	Facility ID
University of Iowa 710 Clinton Street Bldg Iowa City, IA 5222	WSUI		Iowa City	AM Station	910.0		63119
	KSUI		Iowa City	FM Station	91.7	219	66626
	KSUI		Iowa City	Auxiliary Antenna	91.7	219	66626
	K269EK		Dubuque	FM Translator (KSUI)	101.7	269	66438
	WPQN948	WSUI		STL	944.5		
	WBX207	KSUI		STL	951.5		
	E980070			Satellite Downlink	3700-4200		

Licensee	Station	Service	ASRN
University of Iowa 710 Clinton Street Bldg Iowa City, IA 5222	WSUI	Antenna Structure Registration	1209617
	WSUI	Antenna Structure Registration	1209612
	WSUI	Antenna Structure Registration	1209615