INSTITUTIONAL AGREEMENTS, LEASES AND EASEMENTS

Action Requested: Recommend the Board approve two proposed Iowa State University lease amendments, which are virtually identical and in the same location.

1. ISU Lease Amendment #1 with Verizon Wireless: ISU would extend an existing 15-year lease with Verizon for five years for equipment space for $24,000 annually, increasing three percent annually.

2. ISU Lease Amendment #2 with Cingular Wireless: ISU would extend an existing 15-year lease with Cingular for five years for equipment space for $24,000 annually, increasing three percent annually.

- Iowa Code §262.11 and the Board’s Policy Manual §2.3, section 2, part B require Board approval of all acts relating to the management, purchase, disposition or use of land and property.
ISU lease amendment #1 of 2
Verizon Wireless

Executive Summary: Recommend the Board approve a single, five-year extension to Verizon’s 15-year lease at the Communications Building.

Background: In 2007, ISU and Verizon Wireless entered into a 15-year lease to locate Verizon’s cellular communications equipment, including an antenna and cabling, outside ISU’s Communications Building on the northwest side of campus. This five-year extension would start at $24,000, up from $18,000, for the first year and increase three percent each year the next four years.

Rent:
Original lease: September 17, 2007 – July 31, 2022 = up to $18,000 annually paid to ISU

Five-year amendment: 1. August 1, 2022 – July 31, 2023 = $24,000 annual rent
   2. August 1, 2023 – July 31, 2024 = $24,720 annual rent (3% increase)
   3. August 1, 2024 – July 31, 2025 = $25,462 annual rent (3% increase)
   4. August 1, 2025 – July 31, 2026 = $26,225 annual rent (3% increase)
   5. August 1, 2026 – July 31, 2027 = $27,012 annual rent (3% increase)

ISU lease amendment #2 of 2
Cingular Wireless

Executive Summary: Recommend the Board approve a single, five-year extension to Cingular’s 15-year lease at the Communications Building.

Background: In 2007, ISU and Verizon Wireless entered into a 15-year lease to locate Verizon’s cellular communications equipment, including an antenna and cabling, outside ISU’s Communications Building on the northwest side of campus. This five-year extension would start at $24,000, up from $18,000, for the first year and increase three percent each year the next four years. Modified insurance requirements would be included.

Rent:
Original lease: September 17, 2007 – July 31, 2022 = up to $18,000 annually paid to ISU

Five-year amendment: 1. August 1, 2022 – July 31, 2023 = $24,000 annual rent
   2. August 1, 2023 – July 31, 2024 = $24,720 annual rent (3% increase)
   3. August 1, 2024 – July 31, 2025 = $25,462 annual rent (3% increase)
   4. August 1, 2025 – July 31, 2026 = $26,225 annual rent (3% increase)
   5. August 1, 2026 – July 31, 2027 = $27,012 annual rent (3% increase)