

Contact: Jean Friedrich

INSTITUTIONAL AGREEMENTS, LEASES, AND EASEMENTS

Action Requested: Consider approval of the conveyance of land and easements for the benefit of the University of Iowa and the proposed leases for the benefit of Iowa State University, 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 easements for the University of Iowa and the leases for Iowa State University have been reviewed by the Attorney General's Office. Indemnification clauses are included in the easements and leases.

The University of Iowa with the Board as Owner for the following land acceptance and easements:

City of Iowa City

The University of Iowa requests approval and acceptance of land being conveyed by the City of Iowa City and approval of granting an easement to the City. See Attachment A for map.

As part of the construction of the Melrose Surface Parking Lot project and razing of several homes owned by the University (previously approved by the Board of Regents), the University has requested the City of Iowa City vacate the southern portion of Melrose Place, adjacent to each of the homes to be razed. After the homes are razed, the southern portion of this dead-end street will serve no useful purpose. By having the street vacated and conveyed to the University, a more efficient surface parking lot can be constructed. The City staff, City Planning and Zoning Commission, and City Council have all approved the vacation and conveyance of the land to the Board of Regents, for the use and benefit of the University of Iowa.

In conjunction with the conveyance of a portion of Melrose Place, the University requests approval of a sanitary sewer easement with the City of Iowa City for the sanitary sewer lines currently existing and running under Melrose Place. The easement is limited to twenty feet in width on property the City is vacating and is for accessing, repairing, reconstructing, operating, and maintaining the sanitary sewer lines by the City.

MidAmerican Energy Corporation

Also in conjunction with the construction of the Melrose surface parking lot project, the University requests approval of a natural gas line easement with MidAmerican Energy Corporation for the natural gas lines currently existing and running under Melrose Place. The easement is limited to ten feet in width on property the City of Iowa City is vacating and is for accessing, repairing, reconstructing, operating, and maintaining the natural gas lines by MidAmerican Energy.

Iowa State University with the Board as Tenant for the following land lease:

City of Ames

Iowa State University requests approval of a lease agreement with the City of Ames for a 17,000 square foot site at 3050 Northridge Parkway (Moore Memorial Park) in Ames on which a 5,000 square foot golf maintenance facility would be constructed for the use of Veenker Golf Course. This lease would be for fifty years unless earlier terminated by mutual agreement of the parties. The Ames City Council approved the proposed lease at its April 10, 2012 meeting. See Attachment B for map.

The existing maintenance facility for the Veenker Memorial Golf Course is located within the floodway of Squaw Creek and has been flooded repeatedly in the past 30 years, with the most substantial damage in August 2010. The University purchased flood insurance for the structure prior to the 2010 flood and anticipates an insurance claim reimbursement to cover a portion of the relocation costs; additionally FEMA has indicated financial support for the relocation of the facility from the flood plain. The combination of these two fund sources would allow the University to fund the relocation of the maintenance facility.

Site selection criteria for a relocated facility focused on an elevation above the 500 year flood plain with easy access for staff, equipment, and supply deliveries as well as to utilities. The site that best met these criteria was land in Moore Memorial Park owned by the City of Ames. The land is adjacent to the golf course on a hillside on the edge of a wooded timber-prairie.

The University and City of Ames have a cooperative partnership in providing for the needs of ISU students and Ames community for park land needs. There would be no money payments due or owed to the City under the lease agreement, but the City has requested access to store maintenance equipment and supplies for Moore Memorial Park in the facility. Additionally, the City has requested public access to a small basement/storm shelter if a basement is constructed as part of the facility.

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

Dickson and Luann Jensen

The University requests permission to enter into a lease with Dickson and Luann Jensen (Jensen) for a golf performance center to be constructed on approximately 16 to 20 acres of property. The University's existing golf practice facilities are shared with the public, have sustained regular damage and closure due to recurring floods and are not readily accessible to student athletes for extended practices. This lease agreement will provide the intercollegiate golf programs exclusive access to a high quality facility that offers athletes the flexibility to train year round.

Jensen will construct, at its own cost, a golf performance center on the leased property. The initial term of the lease is for a period of ten (10) years, commencing upon satisfactory completion of the facility. The University has four options to renew the lease for up to an additional five (5) years each, which would allow the University to lease the property for up to a total of 30 years. The annual rental rate for the initial term of the lease will not exceed \$237,098.00. The lease will be funded from operating revenues of the Athletics Department or funds raised by the ISU Foundation on behalf of athletics. The lease provides the University with a right of first refusal in the event Jensen desires to sell the property during any renewal term and for ten years after termination of the lease, with the purchase price being offset by any rents paid by the University to-date up to a maximum of \$1 million.

Additional information is available from the Board Office.



